

# CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting  
Wednesday, July 17, 2024  
2:00 p.m.

Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637

Noel Hatch  
Mayor

Shari L. Horne  
Mayor Pro Tem

Cynthia Conners  
Councilmember



Annie McCary  
Councilmember

Carol Moore  
Councilmember

***Welcome to a meeting of the Laguna Woods City Council!***

***This meeting may be recorded, televised, and made publicly available.***

Public Comments/Testimony: The City accepts public comments/testimony in-person and in writing. For more information, please refer to page three of this agenda.

Americans with Disabilities Act (ADA): It is the intention of the City to comply with the ADA. If you need assistance to participate in this meeting, please contact either the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535 or the California Relay Service at (800) 735-2929/TTY (800) 735-2922. The City requests at least two business days' notice in order to effectively facilitate the provision of reasonable accommodations.

REGULAR MEETING SCHEDULE

The Laguna Woods City Council meets regularly on the third Wednesday of each month at 2 p.m.

---

AGENDA POSTING AND AVAILABILITY

Regular and Adjourned Regular Meetings: Pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act, the City of Laguna Woods posts agendas at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org)); and, at other locations designated by Resolution No. 24-08, at least 72 hours in advance of regular and adjourned regular meetings. Agendas and agenda materials are available at Laguna Woods City Hall during normal business hours and on the City’s website. Printed copies of agendas and agenda materials are provided at no charge in advance of meetings. After meetings have occurred, a per page fee is charged for printed copies.

Special and Emergency Meetings: Agenda posting and availability for special and emergency meetings is conducted pursuant to all applicable provisions of California Government Code (Ralph M. Brown Act).

---

AGENDA DISTRIBUTION LISTS

Electronic Distribution: The City of Laguna Woods provides notification of agenda posting and availability via email. To sign up for email notifications, please visit [www.cityoflagunawoods.org/email-notifications](http://www.cityoflagunawoods.org/email-notifications), email [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org), or contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535. Please note that the City is not responsible for, and makes no guaranties or warranties related to, the transmission or receipt of email notifications.

Mail Distribution: The City of Laguna Woods is able to mail agendas and/or agenda materials if provided with advance payment for postage and printing (if applicable). To request mail distribution, please email [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org) or contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535.

---

FOR ADDITIONAL INFORMATION

For additional information, please contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535, [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org), or 24264 El Toro Road, Laguna Woods, California 92637.

---

AFFIDAVIT OF POSTING

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS    )

I, Yolie Trippy, City Clerk, City of Laguna Woods, hereby certify under penalty of perjury that this agenda was posted at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org)); and, at other locations designated by Resolution No. 24-08, pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act.

/s/ Yolie Trippy  
YOLIE TRIPPY, CMC, City Clerk

7/12/24  
Date

## OPTIONS FOR PUBLIC COMMENTS/TESTIMONY

### **1. In Person**

Members of the public wishing to address the City Council on items appearing on this agenda are advised to indicate their interest in doing so by submitting a speaker card to City staff or proceeding to the podium, one-by-one, at the time an item is considered.

Members of the public wishing to address the City Council on items *not* appearing on this agenda may do so during Item V.

Each speaker will have the opportunity to speak for up to three minutes once per agenda item, unless otherwise allowed by the City Council.

Speakers are requested, but not required, to identify themselves, either on speaker cards and in comments/testimony. Speakers are advised that their names and any information submitted on speaker cards or otherwise provided in writing to the City may be disclosed or become a matter of public record. No speaker should expect privacy of such information.

### **2. In Writing**

Written public comments/testimony may be delivered to Laguna Woods City Hall (24264 El Toro Road, Laguna Woods, CA 92637) or sent via email ([cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org)) provided that they are received by the City prior to 2:00 p.m. on the day of this meeting.

Written public comments/testimony will be provided to the City Council and included in the City Clerk's written record of this meeting.

Parties submitting written public comments/testimony are requested, but not required, to identify themselves. Parties are advised that their names, email addresses, and any information submitted in writing to the City may be disclosed or become a matter of public record. No party should expect privacy of such information.

## REMOTE VIEWING AND/OR LISTENING

### **1. Zoom**

The City plans to live stream this meeting on Zoom (audio and/or video). ***Please note that public comments/testimony will not be accepted via Zoom.***

- Visit [www.zoom.us](http://www.zoom.us)
- Click on "Join"
- Enter the following meeting ID: 813 8388 6007
- Open the Zoom application following the on-screen prompts
- Enter the following meeting password: 911770
- Enter a name and email address as required by Zoom

Please note that information you enter into Zoom may be publicly visible and/or visible to other persons. No party should expect privacy of such information.

## **2. YouTube**

The City plans to live stream this meeting on YouTube (audio and/or video). *Please note that public comments/testimony will not be accepted via YouTube.*

- Visit [www.youtube.com/@cityoflagunawoods](http://www.youtube.com/@cityoflagunawoods)
- Click on the “Live” button
- Click on the “Laguna Woods Channel 3” button

Please note that information you enter into YouTube may be publicly visible and/or visible to other persons. No party should expect privacy of such information.

## **3. Cable Television**

The City plans to broadcast this meeting on cable television Channel 3 within Laguna Woods Village (audio and/or video). *Please note that public comments/testimony will not be accepted via cable television Channel 3.*

# **I. CALL TO ORDER**

### Introductory Notes:

Members of the public wishing to address the City Council on items appearing on this agenda are advised to indicate their interest in doing so by submitting a speaker card to City staff or proceeding to the podium, one-by-one, at the time an item is considered.

Members of the public wishing to address the City Council on items *not* appearing on this agenda may do so during Item V.

Each speaker will have the opportunity to speak for up to three minutes once per agenda item, unless otherwise allowed by the City Council.

Speakers are requested, but not required, to identify themselves, both on any applicable speaker cards and in comments/testimony. Speakers are advised that their names and any information submitted on speaker cards or otherwise provided in writing to the City may be disclosed or become a matter of public record. No speaker should expect privacy of such information.

# **II. ROLL CALL**

# **III. PLEDGE OF ALLEGIANCE**

# **IV. PRESENTATIONS AND CEREMONIAL MATTERS**

- 4.1 Presentation Regarding Water Supply Conditions and Conservation – Dennis P. Cafferty, General Manager, El Toro Water District (agendized by Councilmember McCary)

*Recommendation:* Receive and file.

## V. PUBLIC COMMENTS ON NON-AGENDA ITEMS

About Public Comments on Non-Agenda Items: This is the time and place for members of the public to address the City Council on items *not* appearing on this agenda. Pursuant to state law, the City Council is unable to take action on such items, but may ask clarifying questions of the speaker, engage in brief discussion, refer items to City staff, and/or schedule items for consideration at future meetings.

## VI. CITY TREASURER’S REPORT

- 6.1 City Treasurer’s Report

*Recommendation:* Receive and file the City Treasurer’s Report for the month of June 2024.

## VII. CONSENT CALENDAR

About the Consent Calendar: All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council or City staff requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action. Members of the public may address the City Council on items appearing on the Consent Calendar regardless of whether an item is removed for separate discussion and consideration of action.

- 7.1 City Council Minutes

*Recommendation:* Approve the City Council meeting minutes for the adjourned regular meeting on June 5, 2024 and the adjourned regular meeting on June 26, 2024.

- 7.2 Warrant Register

*Recommendation:* Approve the warrant register dated July 17, 2024 in the amount of \$452,664.53.

### 7.3 Landscape Maintenance Services

*Recommendation:*

1. Waive the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding for an extension of an agreement with BrightView Landscape Services.

AND

2. Approve an extension of the agreement with BrightView Landscape Services for landscape maintenance services and authorize the City Manager to execute the extension, subject to approval as to form by the City Attorney.

### 7.4 Procurement of Recovered Organic Waste Products

*Recommendation:* Approve a first amendment to the agreement with the Golden Rain Foundation of Laguna Woods for procurement of mulch in connection with California Senate Bill 1383 and authorize the Mayor to execute the amendment, subject to approval as to form by the City Attorney.

### 7.5 National Opioids Settlement

*Recommendation:* Authorize the City Manager to execute the settlement agreement with Kroger Co. as part of the National Opioids Settlement, and elect for the City to receive direct payment of settlement funds. For the purpose of this recommendation, “settlement agreement” includes the participation form for the settlement including a release of claims and a separate signature page for California’s Proposed State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds, as well as any other documents or certifications that may be necessary to finalize or implement the settlement agreement.

## **VIII. PUBLIC HEARINGS**

- 8.1 Sign Program Amendment SP-2024-0001 to amend Sign Program SP-1508, which allows for various signage at 24902 Moulton Parkway, Laguna Woods, CA 92637

*Recommendation:*

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Adopt a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING SIGN PROGRAM AMENDMENT SP-2024-0001 TO AMEND SIGN PROGRAM SP-1508, WHICH ALLOWS FOR VARIOUS SIGNAGE AT 24902 MOULTON PARKWAY, LAGUNA WOODS, CA 92637, AND DETERMINING AND CERTIFYING THAT THE SIGN PROGRAM IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO SECTION 15311 OF TITLE 14 OF THE CALIFORNIA CODE OF REGULATIONS

**IX. CITY COUNCIL BUSINESS**

- 9.1 Golden Rain Foundation of Laguna Woods' Use of 800 Megahertz

Radios as part of the Orange County Countywide Coordinated Communications System

*Recommendation:* Approve a memorandum of understanding with the Golden Rain Foundation of Laguna Woods to allow for the Golden Rain Foundation of Laguna Woods' use of 800 megahertz radios as part of the Orange County Countywide Coordinated Communications System and authorize the Mayor to execute the memorandum of understanding, subject to approval as to form by the City Attorney.

9.2 2023-2024 Orange County Grand Jury Report, "Talking Trash: Recyclables and Organic Waste"

*Recommendation:* Approve a response to the 2023-2024 Orange County Grand Jury Report, "Talking Trash: Recyclables and Organic Waste," authorize the Mayor to execute the response, and direct the City Manager to submit the response as required by applicable law.

9.3 2023-2024 Orange County Grand Jury Report, "E-bikes Friend or Foe"

*Recommendation:* Approve a response to the 2023-2024 Orange County Grand Jury Report, "E-bikes Friend or Foe," authorize the Mayor to execute the response, and direct the City Manager to submit the response as required by applicable law.

9.4 Fiscal Years 2023-34 Capital Improvement Program

*Recommendation:*

1. Receive and file a quarterly report on the status of the Fiscal Years 2023-34 Capital Improvement Program and potential amendments thereof.

AND

2. Provide input to the City Manager on potential amendments of



the Fiscal Years 2023-34 Capital Improvement Program.

9.5 Sign Regulations  
(agendized by Councilmember Moore)

*Recommendation:* Provide input to the City Manager on potential amendments of Laguna Woods Municipal Code Chapter 13.20 (Sign Regulations).

**X. CITY COUNCIL REPORTS AND COMMENTS**

About City Council Reports and Comments: This is the time and place for members of the City Council to provide reports on meetings attended including, but not limited to, meetings of regional boards and entities to which they have been appointed to represent the City and meetings attended at the expense of the City pursuant to California Government Code Section 53232.3. Members of the City Council may also make other comments and announcements.

- 10.1 Coastal Greenbelt Authority  
Councilmember McCary, First Alternate: Mayor Pro Tem Horne, Second Alternate: Councilmember Connors
- 10.2 Orange County Fire Authority  
Mayor Hatch
- 10.3 Orange County Library Advisory Board  
Councilmember Moore; Alternate: Councilmember McCary
- 10.4 Orange County Mosquito and Vector Control District  
Mayor Pro Tem Horne
- 10.5 San Joaquin Hills Transportation Corridor Agency  
Councilmember Connors; Alternate: Mayor Hatch
- 10.6 South Orange County Watershed Management Area  
Councilmember Moore; Alternate: Mayor Pro Tem Horne
- 10.7 Liaisons to Community Bridge Builders  
Mayor Pro Tem Horne and Councilmember McCary
- 10.8 Other Comments and Reports

## **XI. CLOSED SESSION**

Closed Session Note: While members of the public are not permitted to attend closed session, prior to convening in closed session, the City Council will accept public comments on items appearing on the closed session agenda.

11.1 The City Council will meet in closed session under the authority of California Government Code Section 54957(b)(1) to consider the following: Public Employee Performance Evaluation – City Manager.

## **XII. CLOSED SESSION REPORT**

## **XIII. ADJOURNMENT**

Next Regular Meeting:

Wednesday, August 21, 2024 at 2 p.m.  
Laguna Woods City Hall  
24264 El Toro Road, Laguna Woods, California 92637

4.1

**PRESENTATION REGARDING WATER SUPPLY  
CONDITIONS AND CONSERVATION –  
DENNIS P. CAFFERTY, GENERAL MANAGER,  
EL TORO WATER DISTRICT  
(AGENDIZED BY COUNCILMEMBER MCCARY)**

*This page is intentionally blank.*

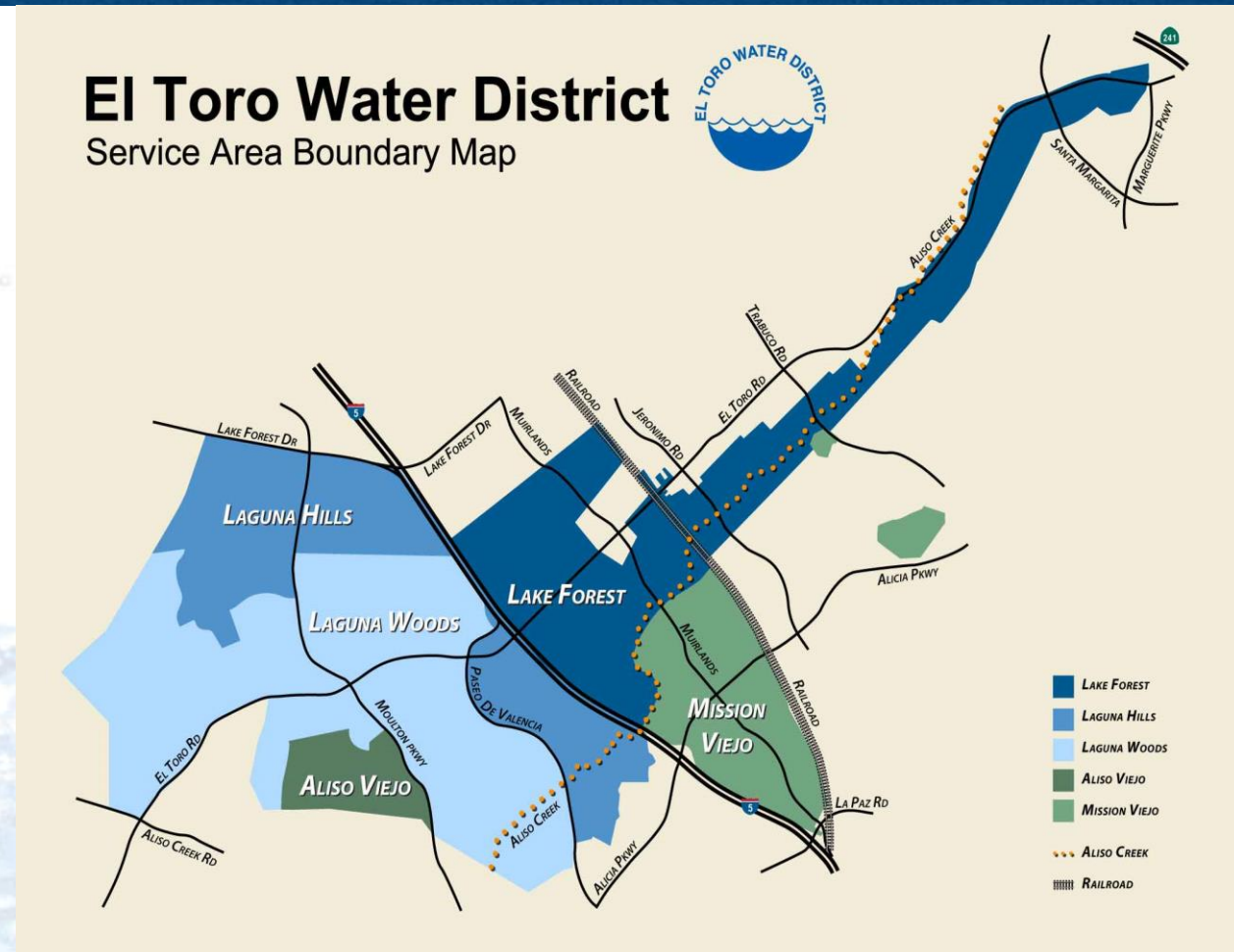
# **WATER SUPPLY CONDITIONS AND CONSERVATION**

**City of Laguna Woods  
City Council Meeting  
July 17, 2024**



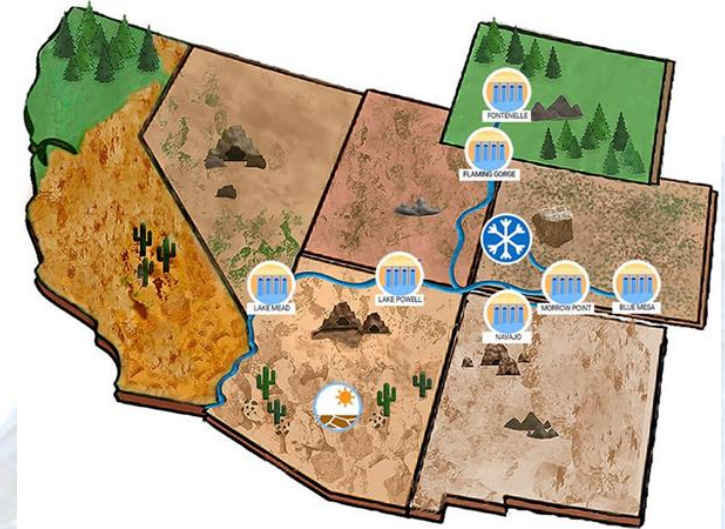
# ETWD Service Area

- **Founded in 1960**
- **Serves approximately 51,000 customers**
- **Provide drinking water, recycled water and collection & treatment of wastewater to portions of the cities of Lake Forest, Laguna Hills, Mission Viejo, Aliso Viejo and all of the City of Laguna Woods**
- **5 Board of Directors**
- **59 employees**



# Water Supply Sources

- Solely Dependent on Imported Water for Potable Water Supply
- Recycled Water System
- Water Use Efficiency Program

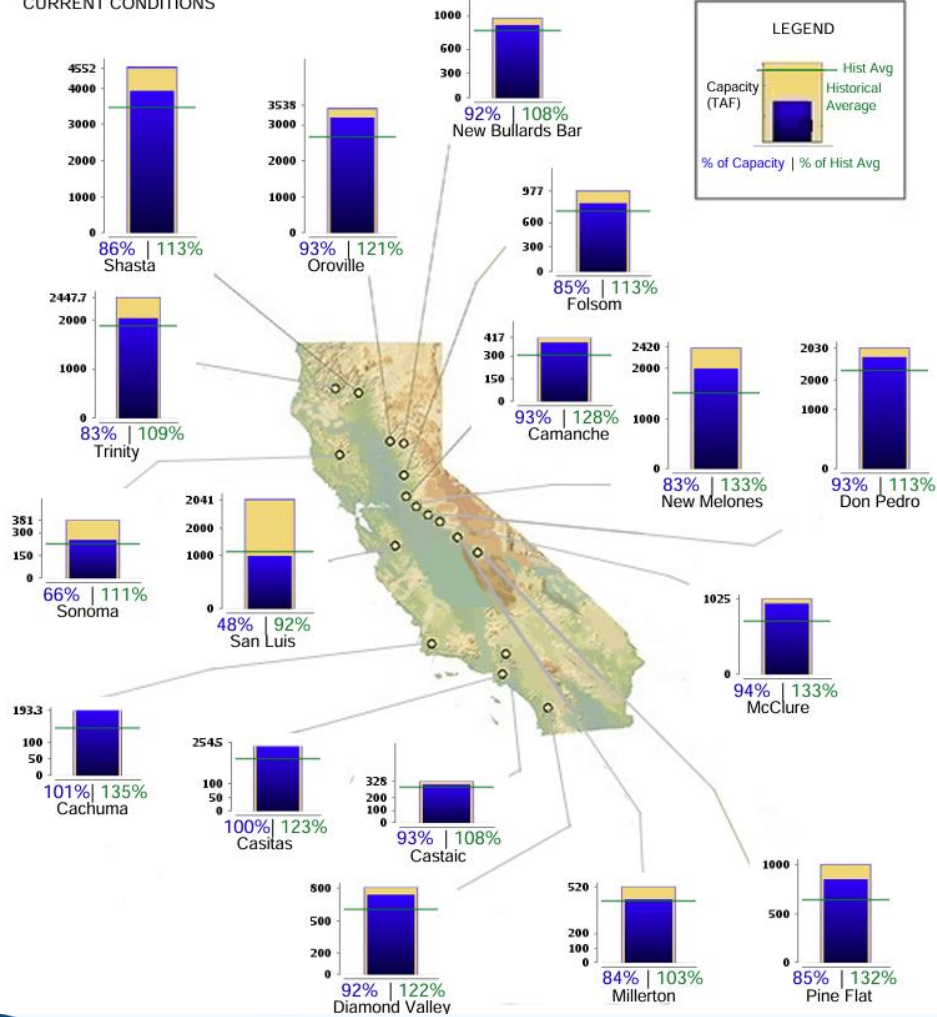


**Colorado River Aqueduct (1941)**

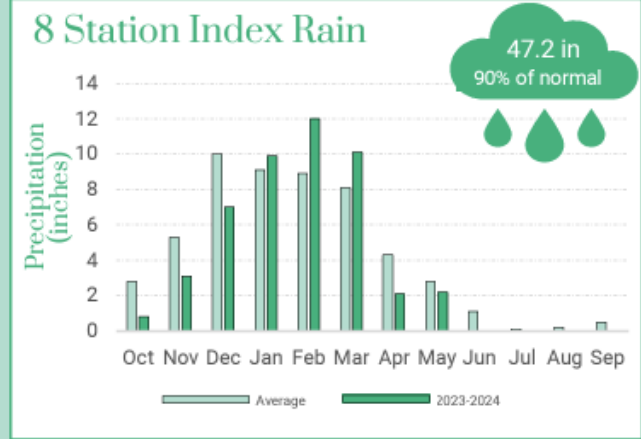
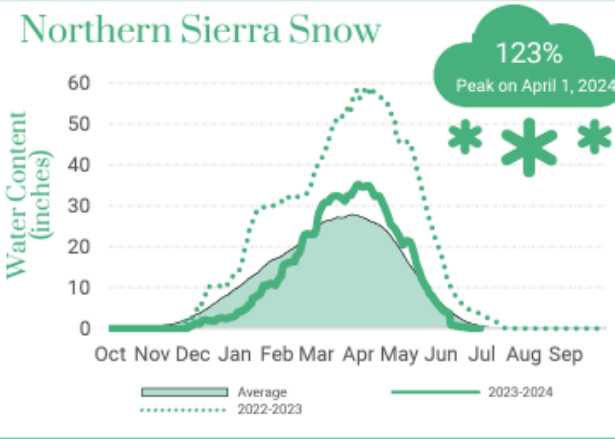
# Water Supply Conditions

## CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS CURRENT CONDITIONS

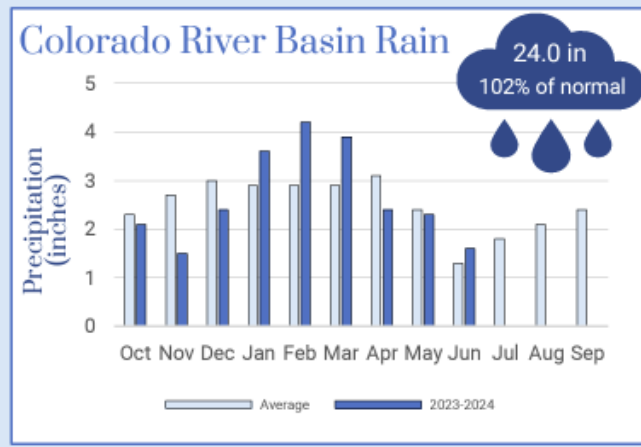
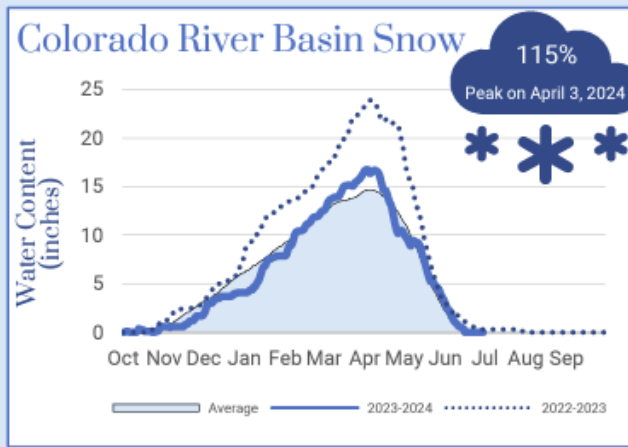
Midnight - July 4, 2024



## State Water Project

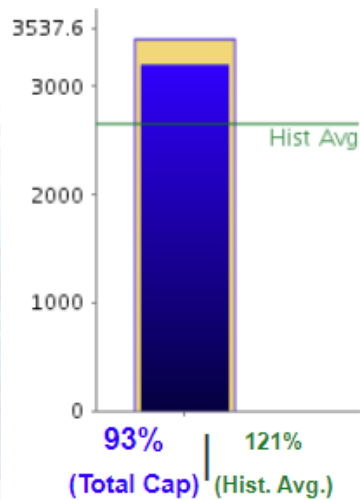


## Colorado River





- Northern Sierras – Precipitation 90% of Normal
- Central Sierras – Precipitation 83% of Normal
- CA Reservoir Levels
  - Lake Oroville



### Lake Oroville

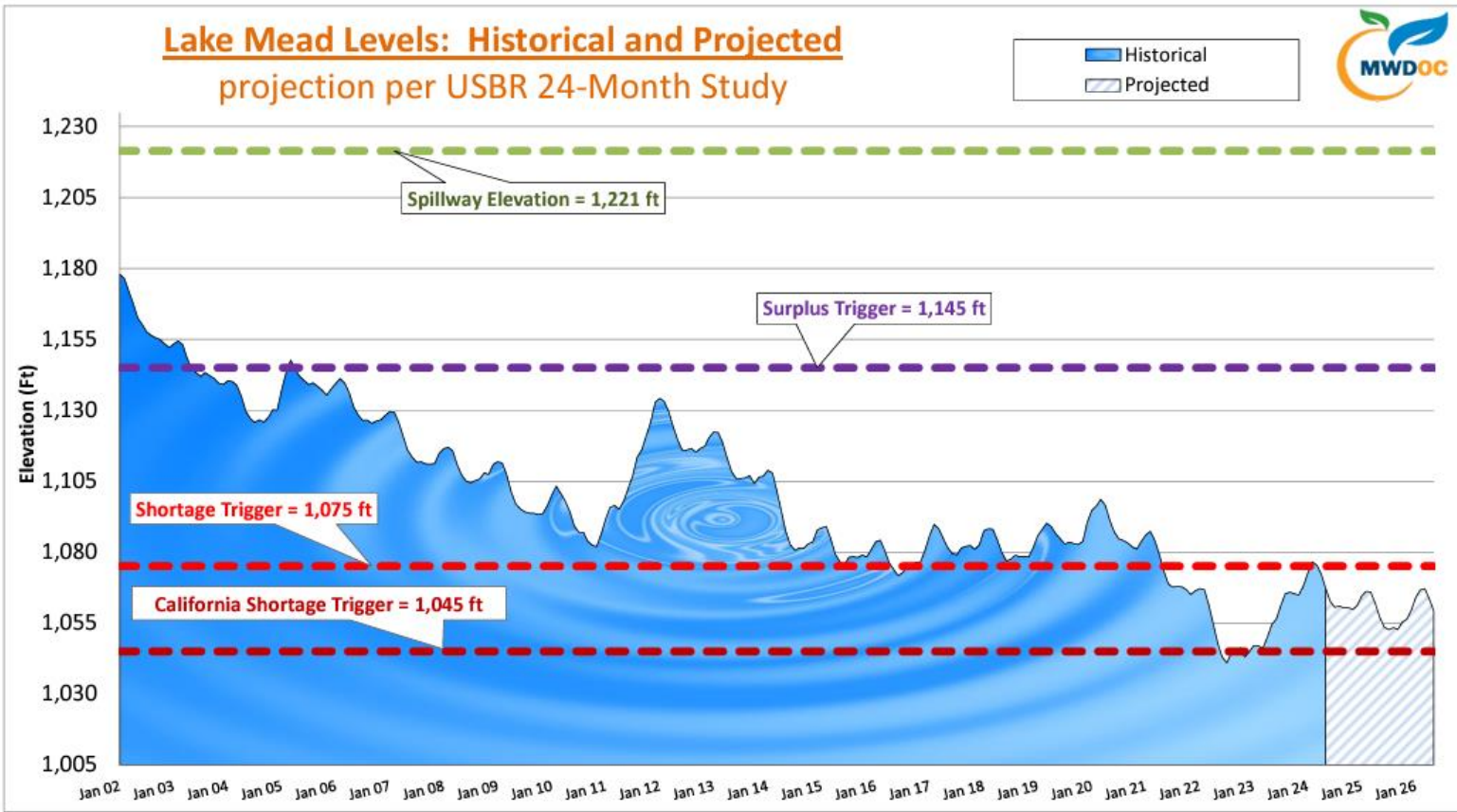


December 2022  
30% Full

March 2023  
75% Full

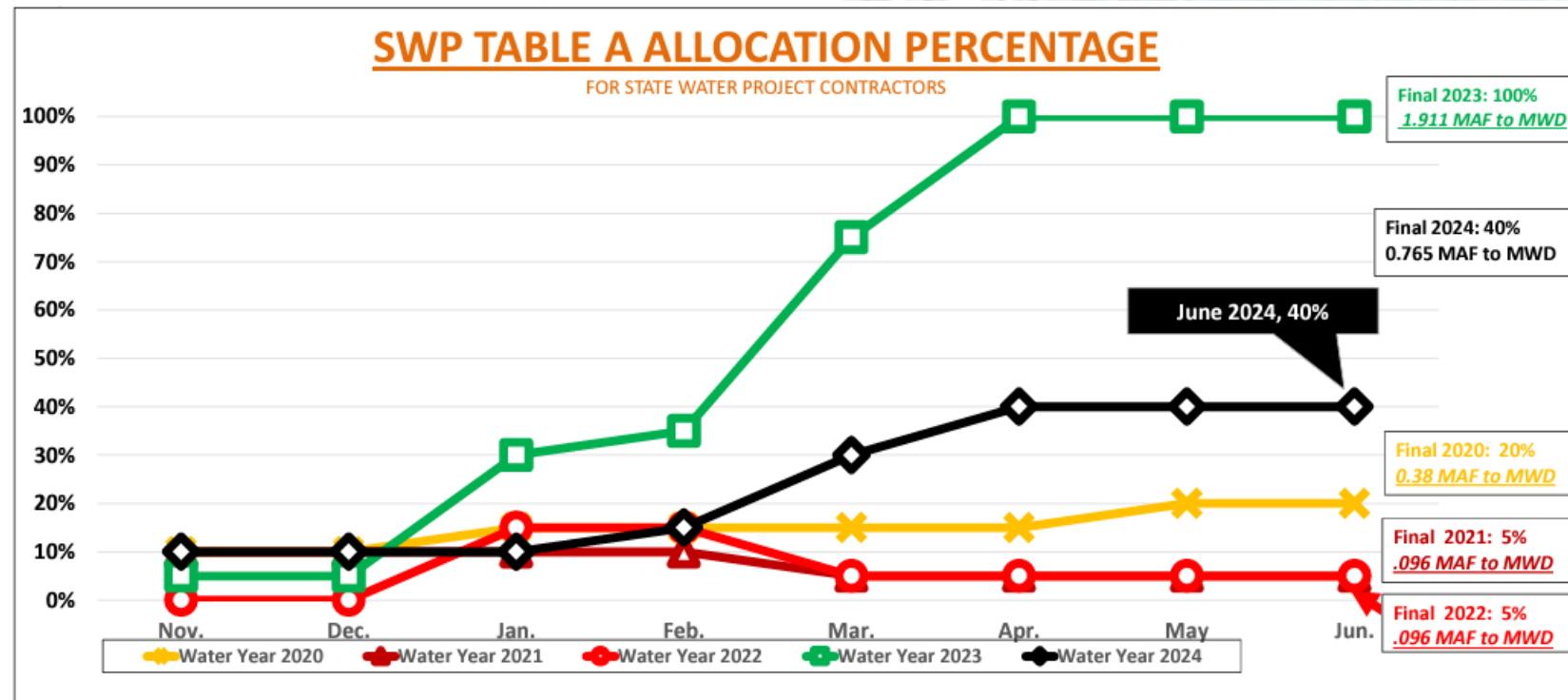
June 2023  
100% Full

# Colorado River



# Why Water Conservation is Still Important?

- Climate volatility
- Long-term water supply challenges including infrastructure limitations
- Groundwater replenishment
- Cost-effectiveness
- Preparing for future droughts



# Conservation as a California Way of Life

ITEM 4.1



## Regulation establishes goals for each California Water Supplier:

- **Indoor standards passed by legislature SB 1157 in 2022**

Through December 2024:

55 Gall Per Person/Day

From January 1, 2025 – December 31, 2029:

47 Gall Per Person/Day

January 1, 2030 – Onwards:

42 Gall Per Person/Day



## • Residential Outdoor Standards

Through June 30, 2030:	0.80 LEF
From July 1, 2030 – June 30, 2035:	0.63 LEF
July 1, 2040 – Onwards:	0.55 LEF

LEF = adequate water to maintain healthy landscape.

Source: SWRCB

# Non-Functional Turf Regulations AB 1572

## AB 1572

- Legislation signed on October 13, 2023
- Prohibits the use of potable (drinking) water for irrigation of nonfunctional turf on commercial, industrial, institutional (CII) properties and HOA common areas throughout the state of California.
- **Does not apply to recycled water**
- SWRCB is in the process of drafting enforceable regulations.



ETWD's AB 1572 Flyer



Example of nonfunctional turf.

# Non-Functional Turf Regulations AB 1572

## COMPLIANCE TIMELINE

- **SWRCB converting the legislation into enforceable regulations**
- **January 1, 2027**
  - Public properties owned by local governments (i.e. City of Laguna Woods, El Toro Water District)
- **January 1, 2028**
  - Commercial, industrial and institutional (CII) properties
- **January 1, 2029**
  - Homeowner associations common areas (i.e. Laguna Woods Village)
- **January 1, 2031**
  - Properties owned by local governments in Disadvantaged Communities (DAC) or when state funding for turf replacement is available

## ETWD's ROLE

- ETWD is required to develop nonfunctional turf regulations by January 1, 2027
- ETWD will outreach to customers directly impacted by the regulations



## **District Contacts**

**Dennis Cafferty, General Manager**

(949) 837-7050 x223, [dcafferty@etwd.com](mailto:dcafferty@etwd.com)

**Sherri Seitz, Public Affairs Manager**

(949) 837-7050 x239, [sseitz@etwd.com](mailto:sseitz@etwd.com)

**Vu Chu, Water Use Efficiency Analyst**

(949) 837-7050 x253, [vchu@etwd.com](mailto:vchu@etwd.com)





**6.1**  
**CITY TREASURER'S REPORT**

*This page is intentionally blank.*



# City Treasurer's Report Monthly Financial Snapshot

## Financial Assets IN THE BANK as of June 30, 2024

### BY FUND

**General Fund** **\$11,577,547**

*This is the City of Laguna Woods' primary operating fund and is used to account for the proceeds of revenue sources that are not legally restricted or committed to expenditures for specified purposes.*

*Reserves for paid leave, self-insurance, and general contingencies (collectively totaling \$3,667,800) are also included in this fund.*

**Special Revenue Funds** **\$3,476,776**

*These funds are used to account for the proceeds of revenue sources that are legally restricted or committed to expenditures for specified purposes.*

*Most of these funds are legally restricted for public street purposes.*

**Total (All Funds)** **\$15,054,323**

### BY INVESTMENT TYPE

**Cash and Cash Equivalents** **\$544,067**  
3.61% of portfolio

**Pooled Money Investment Accounts** **\$9,142,560**  
60.73% of portfolio

*This includes investments in state and county (local) government investment pools.*

**Investments - Earning** **\$5,367,696**  
35.66% of portfolio

*This includes certificates of deposit.*

**Total (All Funds)** **\$15,054,323**

## Financial Assets HELD IN TRUST FUNDS as of June 30, 2024

**California Employers' Pension Prefunding Trust Fund (CEPPT)** **\$169,211**

- **New Contributions** **\$0**
- **Gain/(Loss) from Month Prior** **\$1,994**

*The CEPPT is used to prefund employee pension obligations.*

**California Employers' Retiree Benefit Trust Fund (CERBT)** **\$138,502**

- **New Contributions** **\$0**
- **Gain/(Loss) from Month Prior** **\$1,556**

*The CERBT is used to prefund statutorily required retiree medical benefits.*

**Notes:** The City of Laguna Woods uses a modified accrual basis of accounting, which generally means that revenues are recognized when a transaction occurs, and expenditures are recognized when obligations are created. As such, this monthly financial snapshot reflects only revenue known and expenditures paid for the month referenced as of the date prepared. In some cases, financial statements from financial dealers, depositories, and institutions may not have been received as of the date prepared and, therefore, some revenue and expenditures may not be reflected. Certificates of deposit may also have accrued interest that is not reflected because it is not yet vested. For more information on the specific information included in this monthly financial snapshot, please refer to the full City Treasurer's Report.

*This page is intentionally blank.*



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended June 30, 2024**

ITEM 6.1

**CASH AND INVESTMENTS**

	Beginning Balances As of 5/31/24	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 6/30/24	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
<b>Cash and Cash Equivalents</b>							
Analyzed Checking Account (Note 1)	\$ 551,111	\$ 406,684	\$ (453,369)	\$ -	\$ 504,426	3.35%	
Cash Balances, Multi-Bank Securities (MBS) Account (Note 4)	\$ 14,014	\$ -	\$ (14,014)	\$ -	\$ -	0.00%	
Money Market Funds, Multi-Bank Securities (MBS) Account (Note 4)	\$ -	\$ 34,763	\$ (18,809)	\$ -	\$ 15,954	0.11%	
Earned Interest in Transit and Accrued Interest, MBS Account (Note 4)	\$ 29,257	\$ 26,729	\$ (34,763)	\$ -	\$ 21,223	0.14%	
Petty Cash	\$ 780	\$ 20	\$ -	\$ -	\$ 800	0.01%	
Laguna Woods Civic Support Fund Checking Account	\$ 1,664	\$ -	\$ -	\$ -	\$ 1,664	0.01%	
Total Cash and Cash Equivalents	\$ 596,826	\$ 468,195	\$ (520,955)	\$ -	\$ 544,067	3.61%	100.00%
<b>Pooled Money Investment Accounts</b>							
Local Agency Investment Fund (LAIF - fair value) (Notes 2 and 3)	\$ 812,894	\$ -	\$ -	\$ -	\$ 812,894	5.40%	
Orange County Investment Pool (OCIP - fair value) (Notes 2 and 3)	\$ 8,304,301	\$ 25,429	\$ (64)	\$ -	\$ 8,329,666	55.33%	
Total Pooled Money Investment Accounts	\$ 9,117,195	\$ 25,429	\$ (64)	\$ -	\$ 9,142,560	60.73%	90.00%
<b>Investments - Interest and Income Bearing</b>							
Certificates of Deposit - non-negotiable (fair value) (Note 2)	\$ 5,354,500	\$ -	\$ -	\$ 13,196	\$ 5,367,696	35.66%	
Total Investments - Interest and Income Bearing	\$ 5,354,500	\$ -	\$ -	\$ 13,196	\$ 5,367,696	35.66%	90.00%
<b>TOTAL</b>	<b>\$ 15,068,521</b>	<b>\$ 493,625</b>	<b>\$ (521,019)</b>	<b>\$ 13,196</b>	<b>\$ 15,054,323</b>	<b>100.00%</b>	

**Summary of Total Cash, Cash Equivalents, and Investments:**

	General Fund	Special Revenue Funds	Totals
Analyzed Checking Account	\$ (2,970,687)	\$ 3,475,112	\$ 504,426
Money Market Funds, MBS Account	\$ 15,954	\$ -	\$ 15,954
Earned Interest in Transit and Accrued Interest, MBS Account	\$ 21,223	\$ -	\$ 21,223
Petty Cash	\$ 800	\$ -	\$ 800
LAIF	\$ 812,894	\$ -	\$ 812,894
OCIP	\$ 8,329,666	\$ -	\$ 8,329,666
Certificates of Deposit	\$ 5,367,696	\$ -	\$ 5,367,696
Laguna Woods Civic Support Fund Checking Account	\$ -	\$ 1,664	\$ 1,664
<b>Totals</b>	<b>\$ 11,577,547</b>	<b>\$ 3,476,777</b>	<b>\$ 15,054,323</b>

(See **NOTES** on Page 4 of 4)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended June 30, 2024**

ITEM 6.1

**CASH AND INVESTMENTS**

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate (Note 4)	Coupon Type	1st Coupon Date	Rating or Rank (*)	Yield to Maturity 365 Days	Maturity Date
<b>Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)</b>														
89841MAV9	2023-11	TRUSTONE FINL CR UN	12 months	12/05/23	12/13/23	245,000	244,816	245,000	5.350	Monthly	01/13/24	Green***	5.350	12/12/24
98138MBA7	2022-8	WORKERS FED CR UN	24 months	12/09/22	12/16/22	245,000	244,544	245,000	4.950	Monthly	01/16/23	Yellow**	4.950	12/16/24
75472RBB6	2020-1	RAYMOND JAMES BK NATL ASSN	60 months	02/06/20	02/14/20	245,000	239,657	245,000	1.750	Semi-Annual	08/14/20	Green***	1.750	02/14/25
219873AB2	2024-3	CORPORATE AMERICA FAMILY CR UN	12 months	03/14/24	03/27/24	245,000	244,875	245,000	5.250	Monthly	04/27/24	Green***	5.250	03/27/25
59013KGJ9	2020-2	MERRICK BANK	60 months	03/24/20	03/31/20	100,000	97,457	100,000	1.800	Monthly	05/01/20	Green***	1.800	03/31/25
14042TGG6	2022-1	CAPITAL ONE BK USA NATL ASSN	36 months	05/24/22	05/25/22	245,000	240,318	245,000	3.100	Semi-Annual	11/25/22	Green*	3.100	05/27/25
75102EAP3	2023-6	RAIZ FED CR UN	24 months	05/17/23	05/24/23	245,000	244,640	245,000	5.050	Monthly	06/24/23	Yellow**	5.050	05/27/25
37424PAG9	2023-9	GESA CR UN	24 months	07/19/23	07/31/23	245,000	245,853	245,000	5.500	Monthly	08/31/23	Green***	5.500	07/31/25
130162BJ8	2023-12	CALIFORNIA CR UN	24 months	12/06/23	12/15/23	245,000	245,240	245,000	5.150	Semi-Annual	06/15/24	Green***	5.150	12/15/25
00782JAD4	2023-13	ADVIA CR UN	24 months	12/22/23	12/29/23	245,000	244,074	245,000	4.800	Semi-Annual	06/29/24	Green***	4.800	12/29/25
59524LAA4	2023-1	MID CAROLINA CR UN	36 months	03/07/23	03/13/23	200,000	200,064	200,000	4.850	Monthly	04/13/23	Green***	4.850	03/13/26
23204HNV6	2023-4	CUSTOMERS BK	36 months	03/30/23	03/31/23	245,000	245,066	245,000	5.000	Semi-Annual	09/30/23	Green**	5.000	03/31/26
87868YAQ6	2023-7	TECHNOLOGY CR UN	36 months	05/19/23	05/30/23	245,000	245,468	245,000	5.000	Monthly	07/01/23	Green***	5.000	05/29/26
32022RRG4	2022-4	1ST FINL BK USA	48 months	06/15/22	06/24/22	245,000	236,989	245,000	3.150	Monthly	07/24/22	Green*	3.150	06/24/26
2546733P9	2023-5	DISCOVER BK	48 months	03/30/23	04/05/23	245,000	244,390	245,000	4.800	Semi-Annual	10/05/23	Green***	4.800	04/05/27
50625LBN2	2022-3	LAFAYETTE FED CR	60 months	05/24/22	06/15/22	245,000	234,002	245,000	3.250	Monthly	07/15/22	Green***	3.250	06/15/27
14042RUX7	2022-5	CAPITAL ONE NATL ASSN	60 months	10/06/22	10/13/22	245,000	242,584	245,000	4.500	Semi-Annual	04/13/23	Green*	4.500	10/13/27
22282XAB6	2024-1	COVANTAGE CR UN	48 months	01/12/24	01/24/24	245,000	239,385	245,000	4.050	Quarterly	04/24/24	Green***	4.050	01/24/28
90355GCE4	2023-2	UBS BANK USA	60 months	03/07/23	03/08/23	200,000	199,188	200,000	4.600	Monthly	04/08/23	Green*	4.600	03/08/28
89854LAD5	2023-8	TTCU FED CR UN	60 months	07/19/23	07/26/23	245,000	248,276	245,000	5.000	Monthly	08/26/23	Green***	5.000	07/26/28
01882MAH5	2023-10	ALLIANT CR UN	60 months	11/07/23	11/15/23	245,000	252,291	245,000	5.350	Monthly	12/15/23	Green***	5.350	11/15/28
61690DMB1	2024-2	MORGAN STANLEY BANK NA	60 months	03/14/24	03/18/24	245,000	242,239	245,000	4.300	Semi-Annual	09/13/24	Green***	4.300	03/13/29
89235MPP0	2024-4	TOYOTA FINL SVGS BK	60 months	06/04/24	06/13/24	245,000	246,281	245,000	4.650	Semi-Annual	12/13/24	Green*	4.650	06/13/29
		Accrued Interest - Month End					21,223							
<b>Total CDs</b>						<b>5,400,000</b>	<b>5,388,919</b>	<b>5,400,000</b>						

(\*) CDs are ranked using the Veribanc Rating System, a two-part color code and star classification system which tests the present standing and future outlook by reviewing an institution's capital strength, asset quality, management ability, earnings sufficiency, liquidity, and sensitivity to market risk. The table below summarizes the Veribanc color rankings. Veribanc star ratings of one to three, with three being best, are used to help review a possible future trend of an institutions health based on metrics from ten prior quarters. A rating of one, two, or three, are not necessarily an indicator of risk or an undesirable investment. The City reviews other rating systems and issuer financials before choosing any investment.

**Veribanc Rating System**

Veribanc Rank	Color Meaning
Green	Highest rating, exceeds qualifications in equity and income tests
Yellow	Merits attention, meets minimal qualifications in equity and income tests
Red	Merits close attention, does not meet minimal qualifications for equity and has incurred significant losses

**Government Pooled Money Investment Accounts (PMIA) (Notes 2 and 3)**

N/A	N/A	Local Agency Investment Fund (LAIF)	N/A	Various	Various	832,562	812,894	832,562	Note 3	Quarterly	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	8,406,546	8,329,666	8,406,546	Note 3	Monthly	N/A	N/A	N/A	N/A
<b>Total PMIA</b>						<b>9,239,108</b>	<b>9,142,560</b>	<b>9,239,108</b>						

(See NOTES on Page 4 of 4)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended June 30, 2024**

ITEM 6.1

**CASH AND INVESTMENTS**

	Beginning Balances As of 5/31/24	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 6/30/24
<b>Other Post-Employment Benefits (OPEB) Trust</b>					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (Note 2) (CERBT holds all assets and administers the OPEB Trust)	\$ 136,956	\$ -	\$ (10)	\$ 1,556	\$ 138,502
<b>Employer Pension Contributions Trust</b>					
CalPERS California Employers' Pension Prefunding Trust (CEPPT) (Note 2) (CEPPT holds all assets and administers the Employer Pension Contributions Trust)	<u>\$ 167,217</u>	<u>\$ -</u>	<u>\$ (32)</u>	<u>\$ 2,026</u>	<u>\$ 169,211</u>
Total Other Funds - Held in Trust	<u>\$ 304,173</u>	<u>\$ -</u>	<u>\$ (41)</u>	<u>\$ 3,581</u>	<u>\$ 307,712</u>

(See **NOTES** on Page 4 of 4)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended June 30, 2024**

**CASH AND INVESTMENTS**

**Notes:**

Note 1 - Analyzed Checking Account / Monthly activity reported does not reflect June 2024 vendor invoicing processed after the date of this report.

Note 2 - During June 2024, transaction activity in pooled money investment accounts, investment accounts and fiduciary trusts included:

LAIF / The City made no deposits to or withdrawals from the LAIF account. The balance includes an adjustment in the amount of (\$19,668.21) to reflect the fair market value of the investment at June 30, 2023. The fair market value as of June 30, 2024 is not currently available.

OCIP / The City made no deposits to or withdrawals from the OCIP account. The balance includes an adjustment in the amount of (\$76,879.24) to reflect the fair market value of the investment at June 30, 2023. The fair market value as of June 30, 2024 is not currently available.

Investments / Upon maturity of the Goldman Sachs Bank Certificate of Deposit in June 2024, \$245,000 principal amount was received. The amount was re-invested in a Toyota Financial Savings Certificate of Deposit for a 60 month term at a 4.650% yield rate in the amount of \$245,000. Investments were adjusted in the amount of \$13,196.30 to report balances at fair market value as of June 30, 2024.

OPEB Trust / The City made no contributions to or withdrawals from the OPEB Trust. The OPEB Trust experienced a net gain of \$1,555.57 in June 2024.

Employer Pension Contributions Trust / The City made no contributions to or withdrawals from the CEPPT account. The Trust experienced a net gain of \$1,993.86 in June 2024.

Note 3 - Investment earnings on pooled money investment accounts deposited and reported in June 2024 net of related fees were:

Pool	Earnings Post	Prior Period Earnings Deposited	Deposit for Period Ended	Current Month / Quarter Gross Yield	Current Month / Quarter Earnings Will Post	Notes
LAIF	Quarterly	\$0.00	See Notes	See Notes	July 2024	Total pool interest yield for June 2024 was 4.480% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.
OCIP	Monthly	\$25,429.47	March 2024	See Notes	September 2024	Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at June 30, 2024 was \$83,893.03. The OCIP interest rate for the month of June was not available at the time of this report. At May 31, 2024, the interest rate was 4.376% and fees were 0.010%, for a net yield of 4.366%.

Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$20,748.36 and transferred out \$18,808.63 in Money Market Funds balances to the City's checking account in June 2024. Money Market Funds to be invested or paid out are classified separately on page 1 of 4. The Money Market Funds 30-day yield at June 30, 2024 was 4.36%. The City's portfolio also has \$21,222.54 in accrued interest, not yet vested.

**City Treasurer's Certification**

I, Elizabeth Torres, City Treasurer, do hereby certify:

- That all investment actions executed since the last report have been made in full compliance with the City's Investment of Financial Assets Policy; and
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months.

Digitally signed by  
 Elizabeth Torres  
 Date: 2024.07.11  
 18:08:02 -07'00'

Elizabeth Torres, City Treasurer



**7.0**  
**CONSENT CALENDAR SUMMARY**

*This page is intentionally blank.*



# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** July 17, 2024 Regular Meeting

**SUBJECT:** Consent Calendar Summary

---

### **Recommendation**

Approve all proposed actions on the July 17, 2024 Consent Calendar by single motion and City Council action.

### **Background**

All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

### **Summary**

The July 17, 2024 Consent Calendar contains the following items:

- 7.1 Approval of the City Council meeting minutes for the adjourned regular meeting on June 5, 2024 (Attachment A) and the adjourned regular meeting on June 26, 2024 (Attachment B).
- 7.2 Approval of the warrant register dated July 17, 2024 in the amount of \$452,664.53. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at or from City Hall.
- 7.3 [1] Waiver of the provisions set forth in Laguna Woods Municipal Code

Section 3.06.080(c) related to competitive bidding for an extension of an agreement with BrightView Landscape Services. The City’s procurement regulations generally require competitive bidding when the estimated cost of services is \$25,000 or more over the term of the agreement, but allow for the waiver of those provisions at the discretion of the City Council. Staff recently completed a competitive Request for Proposals (“RFP”) process for landscape maintenance services and anticipates recommending that the City Council approve a new agreement with BrightView Landscape Services at the regular meeting on August 21, 2024. Due to the need for additional time to finalize such a proposed agreement, staff recommends waiving competitive bidding requirements for the proposed 31-day extension.

AND

[2] Approval of an extension of the agreement with BrightView Landscape Services for landscape maintenance services and authorization for the City Manager to execute the extension, subject to approval as to form by the City Attorney. The proposed extension is for a one-month period through August 31, 2024 with no increase in rates or other changes to terms and conditions.

- 7.4 Approval of a first amendment to the agreement with the Golden Rain Foundation of Laguna Woods for procurement of mulch in connection with California Senate Bill 1383 and authorization for the Mayor to execute the amendment, subject to approval as to form by the City Attorney. A version of this item appeared on the City Council’s agenda for the adjourned regular meeting on June 26, 2024 and was approved unanimously. Subsequent to that meeting, it was determined that one negotiated modification had been inadvertently omitted from the proposed amendment included in the agenda packet. That modification is identified below and has been incorporated into the corrected, proposed amendment recommended for approval by the City Council at today’s meeting.

*June 26, 2024 Version:*

3. Section 5. The Agreement is hereby amended to modify Section 5 as follows (additions shown with underlining and deletions shown with ~~strike through~~).

Right of First Refusal. Between January 1, ~~2027~~2032 and December 31, ~~2031~~2036, City shall have a right of first refusal to purchase up to the first ~~1,100~~1,500 tons of mulch GRF produces at the GRF Facility, at a price to be established ~~on January 1~~

~~of each applicable year~~ using the Price Formula as of January 1, ~~2026~~2031, and subject to the same terms and conditions set forth herein (including that City will never take possession of the mulch it purchases, and rather shall donate it to GRF at no cost). GRF shall notify City of the price no later than March 31, ~~2026~~2031 and City shall notify GRF of its intent with regard to the right of first refusal no later than July 31, ~~2026~~2031.

*July 17, 2024 Version (modifications **highlighted**):*

3. Section 5. The Agreement is hereby amended to modify Section 5 as follows (additions shown with underlining and deletions shown with ~~strike through~~).

Right of First Refusal. Between January 1, ~~2027~~2032 and December 31, ~~2031~~2036, City shall have a right of first refusal to purchase up to the first ~~1,100~~1,500 tons of mulch GRF produces at the GRF Facility, at a price ~~to be established on January 1 of each applicable year using the Price Formula which reflects GRF's cost to produce mulch at the GRF Facility~~ as of January 1, ~~2026~~2031, and subject to the same terms and conditions set forth herein (including that City will never take possession of the mulch it purchases, and rather shall donate it to GRF at no cost). GRF shall notify City of the price no later than March 31, ~~2026~~2031 and City shall notify GRF of its intent with regard to the right of first refusal no later than July 31, ~~2026~~2031.

An agenda report is included with additional information.

- 7.5 Authorization for the City Manager to execute the settlement agreement with Kroger Co. as part of the National Opioids Settlement, and election for the City to receive direct payment of settlement funds. For the purpose of this recommendation, "settlement agreement" includes the participation form for the settlement including a release of claims and a separate signature page for California's Proposed State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds, as well as any other documents or certifications that may be necessary to finalize or implement the settlement agreement. An agenda report is included with additional information.

*This page is intentionally blank.*

**7.1**  
**CITY COUNCIL MINUTES**

---

**For additional information on this item,  
please refer to Item 7.0 (Consent Calendar Summary).**

*This page is intentionally blank.*



**CITY OF LAGUNA WOODS CALIFORNIA  
CITY COUNCIL MINUTES  
ADJOURNED REGULAR MEETING  
June 5, 2024  
2:00 P.M.  
Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637**

---

**I. CALL TO ORDER**

Mayor Hatch called the Adjourned Regular Meeting of the City Council of the City of Laguna Woods to order at 2:01 p.m.

**II. ROLL CALL**

COUNCILMEMBER:           PRESENT:   Conners, McCary, Moore, Horne, Hatch  
                                  ABSENT:   -

All councilmembers participated in-person at the meeting location.

STAFF PRESENT:           City Manager Macon, City Attorney Patterson, Administrative Services Director/City Treasurer Torres, City Clerk Trippy

All staff participated in-person at the meeting location.

**III. PLEDGE OF ALLEGIANCE**

Councilmember Conners led the pledge of allegiance.

**IV. PRESENTATIONS AND CEREMONIAL MATTERS**

**4.1 Elder Abuse Awareness Month – June 2024**

Mayor Hatch introduced the item.

Patty Mouton, Alzheimer’s Orange County, made comments.

City Clerk Trippy read the proclamation.

Councilmembers made comments.

Moved by Councilmember Conners, seconded by Councilmember Moore, and carried unanimously on a 5-0 vote, to approve and present the proclamation.

4.2 Gun Violence Awareness Month – June 2024

Mayor Hatch introduced the item.

City Clerk Trippy read the proclamation.

Sergeant Wilder, Orange County Sheriff's Department, made comments.

Mayor Hatch made comments.

Moved by Councilmember Moore, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to approve and present the proclamation.

4.3 Pride Month – June 2024

City Clerk Trippy read the proclamation.

Moved by Councilmember Moore, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to approve and present the proclamation.

Councilmembers made comments.

Larry Delira, Rainbow Club of Laguna Woods Village, made comments.

Mayor Hatch called for a brief recess to take photographs.

The meeting was called back to order at 2:41p.m.

**V. PUBLIC COMMENTS ON NON-AGENDA ITEMS**

Mike Raugh, resident, spoke in opposition to the City potentially joining the Orange County Power Authority.

Vicki Johnson, resident, spoke in opposition to the City potentially joining the Orange County Power Authority.

**VI. CITY TREASURER'S REPORT – None**

**VII. CONSENT CALENDAR**

Moved by Councilmember Moore, seconded by Mayor Pro Tem Horne, and carried unanimously on a 5-0 vote, to approve Consent Calendar items 7.1-7.7.

7.1 As Needed Financial Consulting Services

1. Waived the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c)

related to competitive bidding for an extension for an agreement with Irwin B. Bornstein.

AND

2. Approved an extension of the agreement with Irwin B. Bornstein for as needed financial consulting services and authorized the City Manager to execute the extension, subject to approval as to form by the City Attorney.

7.2 Janitorial Services

Approved an agreement with Alliance Building Maintenance, LLC for janitorial services and authorized the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

7.3 Landscape Architecture and Landscape Plan Review Services

Approved an agreement with RJM Design Group, Inc. for landscape architecture and landscape plan review services and authorized the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

7.4 Waste Management Consulting Services

1. Waived the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding for an agreement with CityGreen Consulting, LLC.

AND

2. Approved an agreement with CityGreen Consulting, LLC for waste management consulting services and authorized the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

7.5 El Toro Road and Moulton Parkway Water Quality Treatment Project: Phase 2

1. Approved the “El Toro Road and Moulton Parkway Water Quality Treatment Project: Phase 2” design plans and specifications as prepared by the project engineer.

AND

2. Approved a notice of exemption for the “El Toro Road and Moulton Parkway Water Quality Treatment Project: Phase 2” finding that the project is categorically exempt from the California Environmental Quality Act (CEQA) and authorized the City Manager to cause the notice of exemption to be filed pursuant to applicable law.

AND

3. Awarded a contract agreement to GCI Construction, Inc. for the construction of the “El Toro Road and Moulton Parkway Water Quality Treatment Project: Phase 2”, in the amount of \$123,070, plus authorized change orders not to exceed 25% of the base amount; and authorized the City Manager to execute a contract agreement and approve change orders, subject to approval of the contract agreement as to form by the City Attorney.

7.6 Fiscal Year 2023-34 Capital Improvement Program

Adopted a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A STATEMENT OF THE TRANSPORTATION-RELATED PROJECTS AND MEASURE M2 (OC GO) BUDGETS INCLUDED IN THE CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2024-25 THROUGH 2030-31, IN CONFORMANCE WITH MEASURE M2 (OC GO) REQUIREMENTS

7.7 Rejection of Claim

Rejected the following claim against the City:

Jeri Miller vs. City of Laguna Woods  
Claimant: Jeri Miller

**VIII. PUBLIC HEARINGS – None**

**IX. CITY COUNCIL BUSINESS**

9.1 Woods End Wilderness Preserve Trail Drainage and Improvement Project

City Manager Macon made a presentation.

Vicki Johnson, resident, asked if there were any plans to grade the trail to make it easier to navigate and responded to a question from Mayor Hatch.

Mike Raugh, resident, expressed support for Ms. Johnson’s comments.

City Manager Macon briefly responded to the public comments.

Councilmembers discussed the item. Staff and Andrew Steen, RJM Design Group, answered questions.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Horne, and carried unanimously on a 5-0 vote, to approve a conceptual design, tree palette, and plant palette for the Woods End Wilderness Preserve Trail Drainage and Improvement Project, and

authorize staff to prepare final design documents and construction drawings.

9.2 Automated License Plate Recognition Systems

City Manager Macon made a presentation.

Sergeant Wilder, Orange County Sheriff’s Department, made comments.

Councilmembers discussed the item. Staff and Seargent Wilder answered questions.

Moved by Mayor Pro Tem Horne, seconded by Councilmember McCary, and carried unanimously on a 5-0 vote, to adopt a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING ADMINISTRATIVE POLICY 3.6 PERTAINING TO CONTRACTING FOR AUTOMATED LICENSE PLATE RECOGNITION SYSTEMS, THE USE OF AUTOMATED LICENSE PLATE RECOGNITION SYSTEMS, AND THE PLACEMENT OF AUTOMATED LICENSE PLATE RECOGNITION SYSTEM CAMERAS (ALSO REFERRED TO AS “AUTOMATED LICENSE PLATE READERS’), AND DETERMINING AND CERTIFYING THAT THE RESOLUTION IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

9.3 Overhead Street Name Signs

City Manager Macon made a presentation.

Mayor Hatch asked for input from audience members.

Mike Raugh, resident, expressed his support for the sign without the city logo.

Vicki Johnson, resident, asked if the signs will be illuminated at night.

City Manager Macon briefly responded to Ms. Johnson’s comments.

Pearl Lee, resident, expressed her support for the sign without the city logo.

James Tung. resident, expressed his support for the sign without the city logo.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Conners, seconded by Councilmember McCary, and carried unanimously on a 5-0 vote, to direct staff to include a green background color, white text color, City logo, and a white border on new and replacement overhead street name signs.

**X. CITY COUNCIL REPORTS AND COMMENTS**

10.1 Coastal Greenbelt Authority

Councilmember McCary provided a PowerPoint presentation on the Laguna Canyon Road: Protect & Connect Project.

Councilmembers briefly commented on the presentation.

10.2 Orange County Fire Authority

Mayor Hatch provided a report.

10.3 Orange County Library Advisory Board

Councilmember Moore stated that she would provide a report at the next meeting.

10.4 Orange County Mosquito and Vector Control District

Mayor Pro Tem Horne provided a report.

10.5 San Joaquin Hills Transportation Corridor Agency

Councilmember Connors provided a report and responded to a question from Mayor Hatch.

10.6 South Orange County Watershed Management Area

Councilmember Moore stated that a meeting is scheduled for June 13, 2024 and responded to a question from Mayor Hatch.

10.7 Liaisons to Community Bridge Builders

No report.

10.8 Other Comments and Reports

Mayor Pro Tem Horne provided a report on the California Senior Legislature and responded to a question from Mayor Hatch.

City Manager noted a typographical error on the agenda and stated that it should read “No meeting on Wednesday, June 19, 2024.”

**X. CLOSED SESSION – None**

**XI. CLOSED SESSION REPORT – None**

**XII. ADJOURNMENT**

The meeting was adjourned at 4:39 p.m. The next adjourned regular meeting will be at 2:00 p.m. on Wednesday, June 26, 2024, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

---

YOLIE TRIPPY, CMC, City Clerk

Approved: July 17, 2024

---

NOEL HATCH, Mayor

*This page is intentionally blank.*



**CITY OF LAGUNA WOODS CALIFORNIA  
CITY COUNCIL MINUTES  
ADJOURNED REGULAR MEETING  
June 26, 2024  
2:00 P.M.  
Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637**

---

**I. CALL TO ORDER**

Mayor Hatch called the Adjourned Regular Meeting of the City Council of the City of Laguna Woods to order at 2:01 p.m.

**II. ROLL CALL**

COUNCILMEMBER:           PRESENT:   Conners, McCary, Moore, Horne, Hatch  
                                  ABSENT:   -

All councilmembers participated in-person at the meeting location.

STAFF PRESENT:           City Manager Macon, City Attorney Patterson, Administrative Services Director/City Treasurer Torres, City Clerk Trippy

All staff participated in-person at the meeting location.

**III. PLEDGE OF ALLEGIANCE**

Councilmember John Taylor, City of San Juan Capistrano, led the pledge of allegiance.

**IV. PRESENTATIONS AND CEREMONIAL MATTERS – None**

**V. PUBLIC COMMENTS ON NON-AGENDA ITEMS**

Tula Larsen, Policy Representative for Orange County Supervisor Katrina Foley, introduced herself and provided an update from Supervisor Foley’s Office.

Councilmembers briefly responded to Ms. Larsen’s comments. Ms. Larsen answered questions.

City Manager Macon briefly responded to Ms. Larsen’s comments.

Vicki Johnson, resident, spoke in opposition to the City potentially joining the Orange County Power Authority.

Mike Raugh, resident, spoke in opposition to the City potentially joining the Orange County

Power Authority.

Manny Robledo, resident, spoke in opposition to the City potentially joining the Orange County Power Authority and responded to a question from Councilmember Conners.

Councilmembers briefly responded to public comments.

Ms. Johnson and Mr. Raugh made additional public comments.

Councilmembers briefly responded to public comments.

## **VI. CITY TREASURER’S REPORT**

### **6.1 City Treasurer’s Report**

Administrative Services Director/City Treasurer Torres made a presentation.

Councilmember McCary left the meeting at 2:31 p.m.

Moved by Mayor Pro Tem Horne, seconded by Councilmember Conners, and carried unanimously on a 4-0 vote with Councilmember McCary absent, to receive and file the City Treasurer’s Report for the month of May 2024.

Councilmember McCary returned to the meeting at 2:33 p.m.

## **VII. CONSENT CALENDAR**

Moved by Councilmember Conners, seconded by Mayor Pro Tem Horne, and carried unanimously on a 5-0 vote, to approve Consent Calendar items 7.1-7.7.

### **7.1 City Council Minutes**

Approved the City Council meeting minutes for the regular meeting on May 15, 2024.

### **7.2 Warrant Register**

Approved the warrant register dated June 26, 2024, in the amount of \$850,615.10.

### **7.3 Annual Appropriations Limit**

Adopted a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE ANNUAL APPROPRIATIONS LIMIT (GANN LIMIT) FOR FISCAL YEAR 2024-25, COMMENCING JULY 1, 2024 AND ENDING JUNE 30, 2025, IN

ACCORDANCE WITH ARTICLE XIII B OF THE CALIFORNIA STATE  
CONSTITUTION

7.4 Landscape Maintenance Services

1. Waived the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding for an agreement with BrightView Landscape Services

AND

2. Approved an extension of the agreement with BrightView Landscape Services for landscape maintenance services and authorized the City Manager to execute the extension, subject to approval as to form by the City Attorney.

7.5 Workplace Violence Policy

Adopted a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING AMENDMENTS TO ADMINISTRATIVE POLICY 4.8 PERTAINING TO WORKPLACE VIOLENCE INCLUDING, BUT NOT LIMITED TO, AMENDMENTS NECESSARY TO COMPLY WITH CALIFORNIA SENATE BILL 553 (CORTESE, CHAPTER 289, STATUTES OF 2023)

7.6 El Toro Road and Moulton Parkway Water Quality Treatment Project

1. Approved final record plans and specifications reflecting completion of the “El Toro Road and Moulton Parkway Water Quality Treatment Project: Phase 2” as prepared by the project engineer.

AND

2. Accepted the project completion of the contract agreement with Leonida Builders, Inc. for the “El Toro Road and Moulton Parkway Water Quality Treatment Project: Phase 1” and authorized the City Manager to execute and record, or cause to be executed and recorded, a notice of completion with the County of Orange.

AND

3. Authorized the City Manager to release the contract retention payment withheld per state law, and exonerate project posted bonds, for the “El Toro Road and Moulton Parkway Water Quality Treatment Project: Phase 1,” 35 days following recordation of the notice of completion with the County of Orange, to the extent allowed by state law.

7.7 Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)

Adopted a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING A MASTER AGREEMENT ADMINISTERING AGENCY-STATE AGREEMENT STATE-FUNDED PROJECTS (AGREEMENT NO. 12-5476S21) WITH THE STATE OF CALIFORNIA AND A PROGRAM SUPPLEMENT TO AGREEMENT NO. 12-5476S21 (PROGRAM SUPPLEMENT NO. 00000A583) WITH THE STATE OF CALIFORNIA TO FACILITATE THE RECEIPT OF CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT OF 2021- NON-STIP PROGRAM FUNDING FOR THE PAVEMENT MANAGEMENT PLAN PROJECT (WESTBOUND EL TORO ROAD BETWEEN CALLE CORTA AND CITY LIMITS), AND AUTHORIZING EXECUTION OF THE SAME

Mayor Hatch asked that Item 9.3 be moved to next on the agenda. There were no objections.

**IX. CITY COUNCIL BUSINESS**

9.3 League of California Cities Membership  
(agendized by Mayor Hatch)

Mayor Hatch introduced the item.

Connor Medina, Regional Public Affairs Manager, Orange County Division of the League of California Cities, made a presentation and responded to questions.

Marshall Goodman, Mayor of the City of La Palma, made comments in support of the City re-joining the League of California Cities.

John Taylor, Councilmember for the City of San Juan Capistrano, made comments in support of the City re-joining the League of California Cities.

Scott Voigts, Mayor Pro Tem of the City of Lake Forest, made comments in support of the City re-joining the League of California Cities.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Horne, and carried on a 4-1 vote with Councilmember Moore voting no, to approve the City's membership in the League of California Cities (Cal Cities) for the pro-rated amount of \$3,882 for the remainder of the 2024 calendar year and for an amount no-to-exceed \$8,200 for the 2025 calendar year.

**VIII. PUBLIC HEARINGS**

8.1 Orange County Enhanced Mobility for Seniors and Individuals with Disabilities (EMSD) Grant Program

City Manager Macon made a presentation and noted the following changes in staff's recommendation:

1. Recommended Action #5: Revise to read as follows: "Authorize the City Manager to submit an application to the Orange County Transportation Authority requesting funding from the 2024 Orange County Enhanced Mobility for Seniors and Individuals with Disabilities (EMSD) Grant Program to support the Senior Mobility Program in the amount of \$325,000 with the City to provide a 20% (\$65,000) match from its General Fund."

AND

2. Recommended Actions #6 and #7: Revise each instance of "2004" to read "2024."

Mayor Hatch opened the public hearing.

With no requests to speak, the public hearing was closed.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Horne, and carried unanimously on a 5-0 vote, to:

1. Authorize the City Manager to submit an application to the Orange County Transportation Authority requesting funding from the 2024 Orange County Enhanced Mobility for Seniors and Individuals with Disabilities (EMSD) Grant Program to support the Senior Mobility Program in the amount of \$325,000 with the City to provide a 20% (\$65,000) match from its General Fund.

AND

2. Authorize the City Manager to certify that there are no non-profit agencies readily available to provide the service proposed in the application for funding from the 2024 Orange County Enhanced Mobility for Seniors and Individuals with Disabilities (EMSD) Grant Program.

AND

3. Determine and certify that the public hearing and submittal of an application for funding from the 2024 Orange County Enhanced Mobility for Seniors and Individuals with Disabilities (EMSD) Grant Program are not subject to the California

Environmental Quality Act (CEQA) pursuant to sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

8.2 Accessory Dwelling Unit Regulations

City Manager Macon made a presentation.

Mayor Hatch continued the public hearing that was continued from the regular meeting of the City Council on May 15, 2024.

With no requests to speak, the public hearing was closed.

The City Council took no action.

**IX. CITY COUNCIL BUSINESS**

9.1 Business Registration Regulations

City Manager Macon made a presentation.

Moved by Councilmember Moore, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, approve the second reading and adopt an ordinance – read by title with further reading waived – titled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADDING CHAPTER 6.03 TO TITLE 6 (BUSINESSES) OF THE LAGUNA WOODS MUNICIPAL CODE PERTAINING TO BUSINESS REGISTRATION, AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

9.2 Procurement of Recovered Organic Waste Products

City Manager Macon made a presentation and noted that staff’s recommendation had been revised to replace “September 1” with “August 1” in the proposed modifications to Section 7 on page three of the proposed amendment (Exhibit A to Attachment A).

Kathryn Freshley, resident, expressed support for the item and suggested that the City procure additional mulch.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Moore, seconded by Mayor Pro Tem Horne, and carried unanimously on a 5-0 vote, to approve a first amendment to the agreement with the Golden

Rain Foundation of Laguna Woods for procurement of mulch in connection with California Senate Bill 1383 and authorize the Mayor to execute the amendment, subject to approval as to form by the City Attorney.

**X. CITY COUNCIL REPORTS AND COMMENTS**

10.1 Coastal Greenbelt Authority

Councilmember McCary stated that there had been no meeting since the last meeting.

10.2 Orange County Fire Authority

Mayor Hatch provided a report.

10.3 Orange County Library Advisory Board

Councilmember Moore provided a report.

10.4 Orange County Mosquito and Vector Control District

Mayor Pro Tem Horne provided a PowerPoint presentation and responded to a question from Mayor Hatch.

Councilmember Moore left the meeting at 3:44 p.m. and returned at 3:46 p.m.

10.5 San Joaquin Hills Transportation Corridor Agency

Councilmember Connors provided a PowerPoint presentation.

10.6 South Orange County Watershed Management Area

Councilmember Moore provided a report and responded to comments from Mayor Hatch.

10.7 Liaisons to Community Bridge Builders

Councilmember McCary and Mayor Pro Tem Horne provided a report.

Mayor Pro Tem Hatch responded to a question from Mayor Hatch.

10.8 Other Comments and Reports – None

**XI. CLOSED SESSION**

Mayor Hatch and City Attorney Patterson introduced the closed session item.

City Attorney Patterson noted that prior to convening in closed session, the City Council will hear

public comments on items appearing on the closed session agenda.

No public comments were received.

- 11.1 The City Council met in closed session under the authority of California Government Code Section 54957(b)(1) to consider the following: Public Employee Performance Evaluation – City Manager.

**XII. CLOSED SESSION REPORT**

The City Council reconvened in open session at 4:20 p.m. with Councilmember Moore absent. City Attorney Patterson stated that there was no reportable action.

**XII. ADJOURNMENT**

The meeting was adjourned at 4:21 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, July 17, 2024, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

---

YOLIE TRIPPY, CMC, City Clerk

Approved: July 17, 2024

---

NOEL HATCH, Mayor



## **7.2 WARRANT REGISTER**

---

**For additional information on this item,  
please refer to Item 7.0 (Consent Calendar Summary).**

*This page is intentionally blank.*

CITY OF LAGUNA WOODS

WARRANT REGISTER

July 17, 2024

ITEM 7.2

This Report Covers the Period 6/01/2024 through 6/30/2024

Date	Vendor Name	Description	Amount
<b>Debit</b>	<b>Automatic Bank Debits:</b>		
Debit 06/03/2024	GLOBAL PAYMENTS / OPEN EDGE	Credit Card Processing Fees / May 2024	3,447.40
Debit 06/04/2024	AUTHORIZE.NET	Online Credit Card Processing Fees / May 2024	12.00
Debit 06/04/2024	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/03/2024	2,751.26
Debit 06/04/2024	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/03/2024	2,865.54
Debit 06/05/2024	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 05/31/2024	21,993.35
Debit 06/05/2024	ADP TAX	Payroll Taxes / Pay Period Ended 05/31/2024	10,870.40
Debit 06/07/2024	MISSION SQUARE RETIREMENT	Employee Benefit Program / Pay Period Ended 05/31/2024	2,800.00
Debit 06/07/2024	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Periods Ended 05/03/2024 and 5/17/2024	483.52
Debit 06/10/2024	NAVIA BENEFIT SOLUTIONS, INC	125 Cafeteria Plan Administration / May 2024	200.00
Debit 06/11/2024	CALPERS - HEALTH	Employee Benefit Program / June 2024	9,803.18
Debit 06/18/2024	ADP TAX	Payroll Taxes / Pay Period Ended 06/14/2024	10,563.21
Debit 06/18/2024	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 06/14/2024	21,923.27
Debit 06/18/2024	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/17/2024	3,043.06
Debit 06/18/2024	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/17/2024	2,865.54
Debit 06/21/2024	MISSION SQUARE RETIREMENT	Employee Benefit Program / Pay Period Ended 6/14/2024	1,800.00
Debit 06/27/2024	NAVIA BENEFIT SOLUTIONS, INC	Employee Benefit Program / June 2024	425.98
<b>Check Number</b>	<b>Warrants:</b>		
7607 06/07/2024	ARC DOCUMENT SOLUTIONS, LLC.	Printing Services	188.95
7608 06/07/2024	AT&T	Telephone / 458-3487 / May 2024	56.69
7609 06/07/2024	COUNTY OF ORANGE	Automated Fingerprint ID System / May 2024	636.00
7610 06/07/2024	COVER YOUR BRASS LLC	City Hall Equipment	1,154.25
7611 06/07/2024	DELTA DENTAL OF CALIFORNIA	Employee Benefit Program / June 2024	517.32
7612 06/07/2024	KORMEX CONSTRUCTION, INC.	EI Toro Road Medians Improvement Project	6,580.27
7613 06/07/2024	LSA ASSOCIATES, INC.	Planning Services / April 2024	6,524.75
7614 06/07/2024	NV5, INC.	City Hall Parking Lot Complex Improvement Project	11,195.00
7615 06/07/2024	PARK CONSULTING GROUP, INC	Software Consulting Services / May 2024	875.00
7616 06/07/2024	PETTY CASH	Replenish Petty Cash / May 2024	-
7617 06/07/2024	PRIME PROPERTIES CONSTRUCTION	Waste Diversion Deposit Refund	900.00
7618 06/07/2024	RINGCENTRAL, INC.	Telephone Services / June 2024	798.07
7619 06/07/2024	STAPLES	Office & Janitorial Supplies	504.00
7620 06/07/2024	SWEEPING CORPORATION OF AMERICA	Street Sweeping Services / May 2024	3,480.00
7621 06/07/2024	TRIPLEPI, SMITH AND ASSOCIATES, INC.	Broadcasting Services / May 2024	403.75
7622 06/13/2024	ABOUND FOOD CARE	Edible Food Recovery Services / May 2024	392.33
7623 06/13/2024	ACC BUSINESS	City Hall Internet Service / April 2024	608.66
7624 06/13/2024	AIRESPRING INC	City Hall Internet Service / June 2024	599.71
7625 06/13/2024	CALIFORNIA YELLOW CAB	Senior Mobility Program Services / May 2024	48,141.80
7626 06/13/2024	CHASE DESIGN, INC.	Website Design	1,087.50
7627 06/13/2024	COASTAL CURRENT ELECTRIC	Cancelled Permit Refund	204.00
7628 06/13/2024	EPIC IO TECHNOLOGIES, INC.	City Hall Internet Service / June 2024	201.45
7629 06/13/2024	JOHN L. HUNTER & ASSOCIATES, INC	Water Quality Services / March 2024	2,228.75
7630 06/13/2024	LPA, INC.	City Hall Refurbishment & Safety Project: Phase 5	5,100.00
7631 06/13/2024	ORANGE COUNTY REGISTER-NOTICES	Public Notices / May 2024	6,494.75
7632 06/13/2024	PRACTICAL DATA SOLUTIONS	IT Support Services / March - May 2024	16,336.52

**CITY OF LAGUNA WOODS  
WARRANT REGISTER  
July 17, 2024**

ITEM 7.2

This Report Covers the Period 6/01/2024 through 6/30/2024

Date	Vendor Name	Description	Amount	
7633	06/13/2024	PSOMAS	Geographic Information System Services / April - May 2024	3,860.75
7634	06/13/2024	RICOH USA, INC.	Copier Lease / June 2024	246.57
7635	06/13/2024	SOUTHERN CALIFORNIA EDISON	Electric Services / April - May 2024	7,912.58
7636	06/13/2024	SOUTHERN CALIFORNIA GAS COMPANY	Gas Service - City Hall / May 2024	16.29
7637	06/13/2024	SOUTHERN CALIFORNIA SHREDDING,	Shredding Services / May 2024	530.00
7638	06/13/2024	VERIZON WIRELESS	Building iPads Data Plans / May 2024	120.03
7639	06/13/2024	WM CURBSIDE, LLC	HHW & Sharps Program / May 2024	6,377.25
7640	06/28/2024	ADT COMMERCIAL	Annual Fire Extinguisher Inspection	210.00
7641	06/28/2024	APRIL BAUMGARTEN	Mileage Reimbursement / July - December 2023	622.25
7642	06/28/2024	AT&T	White Pages / June 2024	4.30
7643	06/28/2024	AT&T	Telephone / 583-1105 / May 2024	29.12
7644	06/28/2024	AT&T	Telephone / 581-9821 / May 2024	59.90
7645	06/28/2024	BEAR ELECTRICAL SOLUTIONS, INC.	Traffic Signal Maintenance / May 2024	4,062.50
7646	06/28/2024	BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / April - May 2024	39,962.19
7647	06/28/2024	BUREAU VERITAS NORTH AMERICA INC	Building Plan Review Services / April 2024	9,375.59
7648	06/28/2024	COUNTY OF ORANGE	Automated Fingerprint ID System / June 2024	636.00
7649	06/28/2024	DC PLUMBING, HEATING AND AIR CONDITIONING	City Hall Maintenance	500.00
7650	06/28/2024	ECONOMIC & PLANNING SYSTEMS, INC.	Inclusionary Housing Market Study Services / May 2024	768.75
7651	06/28/2024	EL TORO WATER DISTRICT	Water Service / March 2024	2,803.18
7652	06/28/2024	ELIZABETH TORRES	Mileage Reimbursement / Fiscal Year 2023-24	62.59
7653	06/28/2024	GEOSYNTEC CONSULTANTS, INC	Engineering Services / May 2024	11,024.45
7654	06/28/2024	INTERWEST CONSULTING GROUP	Building Official, Permit Counter & Inspection Services / May 2024	86,174.75
7655	06/28/2024	ITERIS, INC	Traffic Engineering / May 2024	8,082.00
7656	06/28/2024	KONE INC.	City Hall Elevator Maintenance / June 2024	232.31
7657	06/28/2024	LSA ASSOCIATES, INC.	Planning Services / May 2024	2,767.48
7658	06/28/2024	MARC DONOHUE	Administrative Services / June 2024	300.00
7659	06/28/2024	MONARCH ENVIRONMENTAL COMPANIES, INC.	Arborist Services	350.00
7660	06/28/2024	NADIA COOK	Mileage Reimbursement / Fiscal Year 2023-24	88.35
7661	06/28/2024	OMNI ENTERPRISE INC	Janitorial Services / May 2024	5,750.00
7662	06/28/2024	ON POINT LAND SURVEYING, INC	Survey Document Preparation	650.00
7663	06/28/2024	PV MAINTENANCE INC	Street, City Hall & Park Maintenance / April - May 2024	19,402.39
7664	06/28/2024	RECREATION BRANDING SERVICES	Printing and Graphic Design Services	1,244.79
7665	06/28/2024	RINGCENTRAL, INC.	Telephone Services / September - October 2023	1,587.77
7666	06/28/2024	RJM DESIGN GROUP	Landscape Architectural Services / May 2024	3,457.45
7667	06/28/2024	RUTAN & TUCKER, LLP	Legal Services / May 2024	10,488.95
7668	06/28/2024	U.S. BANK	Credit Card Charges (expenditures reported separately - see note 3)	2,204.63
7669	06/28/2024	VOID	VOID	-
7670	06/28/2024	WEST COAST ARBORISTS, INC	Tree Pruning Services / May 2024	832.00
7671	06/28/2024	WILLDAN ENGINEERING	Code Enforcement Services / May 2024	8,680.00
7672	06/28/2024	YOLIE TRIPPY	Mileage Reimbursement / Fiscal Year 2023-24	130.14
7673	06/28/2024	A & B HOME REMODELING & DESIGN	Replacement for Check #5870 dated July 1, 2022 and Check #6293 dated December 2, 2022	-
7674	06/28/2024	KARGER CORPORATION	Replacement for Check #5650 dated April 21, 2022	-
7675	06/28/2024	MARIANO RAMIREZ	Replacement for Check #7285 dated January 26, 2024	-
7676	06/28/2024	RON HARBIN	Replacement for Check #6115 dated September 23, 2022	-
			<b>Total Bank Debits and Warrants:</b>	<b>\$ 452,664.53</b>
			<b>TOTAL</b>	<b>\$ 452,664.53</b>

**CITY OF LAGUNA WOODS  
WARRANT REGISTER  
July 17, 2024**

**This Report Covers the Period 6/01/2024 through 6/30/2024**

Date	Vendor Name	Description	Amount
<b>NOTES:</b>			
Note 1 - City Councilmembers are eligible to receive either a salary or vehicle reimbursement allowance in the amount of \$300 per month (\$3,600 per year). Such compensation is included in the City's regular payroll (see "ADP Payroll Services" under "Automatic Bank Debits"), unless waived by the Councilmember. For the month of June 2024, the following Councilmembers received compensation in the amount of \$300: Connors, Hatch, Horne, and McCary.			
Note 2 - Petty cash is reported as cash is paid out, not when the fund is replenished. No petty cash transactions were paid during this time period.			
Note 3 - The table below summarizes credit card expenditures paid via Check #7668 to U.S. Bank totaling \$2,204.63:			
	National Notary Association	Membership Renewal	\$387.00
	Home Depot	City Hall Maintenance	\$6.23
	Microsoft	Office 365 Subscription / May 2024	\$162.00
	Microsoft	Office 365 Subscription / June 2024	\$162.00
	Microsoft	Office 365 Online Services / May 2024	\$475.00
	Microsoft	Office 365 Online Services / June 2024	\$475.00
	Sinch Mailgun	Computer Software	\$35.00
	Zoom	Video Conferencing	\$31.98
	GoDaddy	Website Hosting	\$287.64
	J & M Trophies	Councilmember Name Badge	\$10.19
	FedEx	Postage	\$42.60
	Stamps.com	Postage	\$29.99
	Eventbrite	OCFA Best & Bravest Awards Dinner	\$100.00
		<b>Total Credit Card Reimbursement:</b>	<b><u>\$2,204.63</u></b>

**Administrative Services Director/City Treasurer's Certification**

I, Elizabeth Torres, Administrative Services Director / City Treasurer, do hereby certify:

- In accordance with California Government Code Section 37202, I hereby certify to the accuracy of the demands on cash summarized within;
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months; and
- That the City is in compliance with California Government Code Section 27108.


 Digitally signed by  
 Elizabeth Torres  
 Date: 2024.07.11  
 18:15:00 -07'00'

Elizabeth Torres, Administrative Services Director/City Treasurer

*This page is intentionally blank.*

## **7.3 LANDSCAPE MAINTENANCE SERVICES**

---

**For additional information on this item,  
please refer to Item 7.0 (Consent Calendar Summary).**

*This page is intentionally blank.*



**EXTENSION OF THE  
AGREEMENT FOR CONSULTANT SERVICES  
BETWEEN THE  
CITY OF LAGUNA WOODS  
AND  
BRIGHTVIEW LANDSCAPE SERVICES  
FOR LANDSCAPE MAINTENANCE SERVICES**

This EXTENSION of the AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT") that was approved by the City Council on November 19, 2018, by and among the City of Laguna Woods, a California municipal corporation ("CITY") and BrightView Landscape Services ("CONSULTANT"), is made and entered into this \_\_\_\_\_ by and among CITY and CONSULTANT.

**WHEREAS**, the initial term of the AGREEMENT was for the period between December 20, 2018 and 11:59 p.m. on June 30, 2021; and

**WHEREAS**, the term of the AGREEMENT was previously extended from July 1, 2021 through 11:59 p.m. on July 31, 2024; and

**WHEREAS**, the AGREEMENT allows for the term of the AGREEMENT to be extended upon written agreement of both parties to the AGREEMENT.

**NOW THEREFORE**, the parties amend the AGREEMENT as follows:

1. CITY and CONSULTANT hereby agree to an EXTENSION of the AGREEMENT for a period beginning on August 1, 2024 and ending at 11:59 p.m. on August 31, 2024 with no changes to the terms and conditions of the AGREEMENT.

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

**CITY OF LAGUNA WOODS:**

Approved as to Form:

By \_\_\_\_\_  
Christopher Macon, City Manager

\_\_\_\_\_  
Alisha Patterson, City Attorney

**CONSULTANT:**

By \_\_\_\_\_  
Enrico Marogna, Senior Vice President

*This page is intentionally blank.*

## **7.4 PROCUREMENT OF RECOVERED ORGANIC WASTE PRODUCTS**

---

**For additional information on this item,  
please refer to Item 7.0 (Consent Calendar Summary).**

*This page is intentionally blank.*



## City of Laguna Woods Agenda Report

**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Christopher Macon, City Manager  
**FOR:** July 17, 2024 Regular Meeting  
**SUBJECT:** Procurement of Recovered Organic Waste Products

---

### **Recommendation**

Approve a first amendment to the agreement with the Golden Rain Foundation of Laguna Woods for procurement of mulch in connection with California Senate Bill 1383 and authorize the Mayor to execute the amendment, subject to approval as to form by the City Attorney.

### **Background**

California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016) and the Senate Bill 1383 regulations adopted by the California Department of Resources Recycling and Recovery (“CalRecycle”) require local governments to annually procure a quantity of recovered organic waste products that meets or exceeds a procurement target calculated by multiplying each local population as of January 1, 2021 (and every five years thereafter) by 0.08 tons of organic waste.

For the five-year period beginning January 1, 2022 and ending December 31, 2026, CalRecycle has calculated the City’s recovered organic waste product procurement target as 1,283 tons, based on a population estimate of 16,036.

With recent population estimates from the U.S. Census Bureau and California Department of Finance higher than CalRecycle’s January 1, 2021 assumption, it is anticipated that the City’s recovered organic waste product procurement target will increase for the next five-year period (January 1, 2027 through December 31, 2031). A hypothetical population estimate of 18,000 would result in a requirement

for the City to procure an additional 157 tons annually.

For the purpose of Senate Bill 1383, “recovered organic waste products” generally include compost, renewable gas, electricity from biomass conversion, and mulch, when made from California, landfill-diverted recovered organic waste processed at a permitted or otherwise authorized operation or facility.

Local governments may procure recovered organic waste products directly (e.g., for use by the local government or as a giveaway to other parties) and/or by way of contract service providers (e.g., as a contractual requirement).

California Assembly Bill 1985 (Rivas, Chapter 344, Statutes of 2022) was signed into law on September 16, 2022 and provides local governments with flexibility to phase in procurement efforts. Administrative civil penalties that would otherwise apply are waived under certain circumstances through the 2024 calendar year and full compliance is not required until the 2025 calendar year.

At the regular meeting on December 21, 2022, the City Council approved an agreement with the Golden Rain Foundation of Laguna Woods for procurement of mulch in connection with California Senate Bill 1383. That agreement was fully executed and took effect on January 3, 2023.

### **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on a proposed first amendment to the existing agreement with the Golden Rain Foundation of Laguna Woods for procurement of mulch in connection with Senate Bill 1383. Staff recommends that the City Council approve the proposed first amendment to aid in complying with Senate Bill 1383’s procurement requirements. The purchase of mulch from the Golden Rain Foundation is a cost-effective way of complying with state law while reinvesting City monies in Laguna Woods.

Under the existing agreement, which runs through the 2026 calendar year, the City annually purchases 1,000 tons of mulch produced by the Golden Rain Foundation at a price of \$9.90 per ton (\$9,900 annually). The mulch is donated back to the Golden Rain Foundation for use within Laguna Woods Village without the City ever taking possession of it. This approach effectively provides financial assistance for the operation of the Golden Rain Foundation’s existing mulch production effort and constitutes procurement under Senate Bill 1383.

After reviewing the City’s recovered organic waste product procurement for the 2023 calendar year (which consists of mulch purchased from the Golden Rain Foundation, mulch used in the City’s landscaping, and renewable gas used by CR&R Incorporated during the collection and transport of solid waste from Laguna Woods), staff has determined that it is necessary to purchase additional mulch from the Golden Rain Foundation to ensure the City reaches its recovered organic waste product procurement target by next calendar year’s statutory deadline. Purchasing additional mulch would help offset fluctuations in the amount of mulch used in the City’s landscaping and the amount of renewable gas used by CR&R Incorporated.

The proposed amendment would:

- Increase the amount of mulch purchased from the Golden Rain Foundation by 100 tons annually, beginning in the 2025 calendar year. The City would purchase 1,000 tons of mulch in 2024, increasing to 1,100 in 2025.
- Modify the deadline for the City to pay the Golden Rain Foundation for the purchase of mulch from August 31 to July 31 annually
- Extend the term of the agreement from 2026 to 2031, with a right of first refusal to purchase up to 1,500 tons of mulch annually from 2032 to 2036
- Modify termination provisions for consistency with the modified deadline for the City to pay the Golden Rain Foundation for the purchase of mulch, and to provide for termination to be effective at the end of the calendar year rather than, potentially, immediately upon providing notice

The Golden Rain Foundation’s Board of Directors has reviewed and approved the proposed amendment.

**Fiscal Impact**

The proposed amendment would result in new costs as follows:

*Table 1: New Mulch Procurement Costs through December 31, 2031*

<b>Compliance Year</b>	<b>Payment Deadline (Fiscal Year)</b>	<b>Existing Agreement</b>	<b>Proposed Amendment</b>	<b>Increased Cost</b>
2024	July 31, 2024 (Fiscal Year 2024-25)	\$9,900	\$9,900	N/A

<b>Compliance Year</b>	<b>Payment Deadline (Fiscal Year)</b>	<b>Existing Agreement</b>	<b>Proposed Amendment</b>	<b>Increased Cost</b>
2025	July 31, 2025 (Fiscal Year 2025-26)	\$9,900	\$10,890	\$990
2026	July 31, 2026 (Fiscal Year 2026-27)	\$9,900	\$10,890	\$990
2027	July 31, 2027 (Fiscal Year 2027-28)	N/A	\$10,890	\$10,890
2028	July 31, 2028 (Fiscal Year 2028-29)	N/A	\$10,890	\$10,890
2029	July 31, 2029 (Fiscal Year 2029-30)	N/A	\$10,890	\$10,890
2030	July 31, 2030 (Fiscal Year 2030-31)	N/A	\$10,890	\$10,890
2031	July 31, 2031 (Fiscal Year 2031-32)	N/A	\$10,890	\$10,890
<b>TOTAL</b>		<b>\$39,600</b>	<b>\$86,130</b>	<b>\$56,430</b>

The proposed amendment would not affect the Fiscal Years 2023-25 Budget.

Funding for future mulch procurement costs would be addressed as part of the budget development processes for Fiscal Years 2025-27, 2027-29, 2029-31, and 2031-33.

The City has been awarded funding from the State of California SB 1383 Local Assistance Grant Program Fiscal Year 2022-23 to fund mulch procurement costs in Fiscal Years 2024-25 and 2025-26.

The proposed agreement includes an option for the City to purchase mulch for the 2032 through 2036 calendar years. The Golden Rain Foundation would calculate its mulch price for those years no later than March 31, 2031 with the City required to notify the Golden Rain Foundation of its intent to purchase no later than July 31, 2031. The City's consideration of those costs would occur in 2031 and, if mulch continues to be purchased, funding would likely be addressed as part of the Fiscal Years 2031-33, 2033-35, and 2035-37 budget development processes.

Report Prepared With: Nadia Cook, Conservation Administrator

Attachment: A – Proposed Amendment



**FIRST AMENDMENT TO THE AGREEMENT BETWEEN CITY OF  
LAGUNA WOODS AND THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
FOR PROCUREMENT OF MULCH IN CONNECTION WITH CALIFORNIA SENATE  
BILL 1383**

THIS FIRST AMENDMENT TO THE AGREEMENT BETWEEN CITY OF LAGUNA WOODS AND THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS FOR PROCUREMENT OF MULCH IN CONNECTION WITH CALIFORNIA SENATE BILL 1383 ("Amendment No. 1") is made and entered into as of \_\_\_\_\_ day of July, 2024 ("Effective Date"), by and between the CITY OF LAGUNA WOODS ("City"), and GOLDEN RAIN FOUNDATION OF LAGUNA WOODS ("GRF").

**RECITALS**

A. On or about January 3, 2023, City and GRF entered into that certain Agreement between City and GRF for procurement of mulch in connection with California Senate Bill SB 1383 ("Agreement"), pursuant to which City agreed to purchase 1,000 tons per year of mulch from GRF in calendar years 2023, 2024, 2025, and 2026, with the right of first refusal to purchase up to 1,100 tons of mulch from GRF between January 1, 2027 and December 31, 2031.

B. City meets its annual recovered organic waste procurement target established by the California Department of Resources Recycling and Recovery ("CalRecycle") by means including, but not limited to, the purchase of mulch from GRF and the use of renewed natural gas ("RNG") in solid waste collection vehicles servicing Laguna Woods.

C. California Assembly Bill 1985 (Rivas, Chapter 344, Statutes of 2022) ("AB 1985") revised the minimum amount of recovered organic waste product cities and counties are required to procure before CalRecycle may assess civil penalties against them.

D. To account for fluctuations in RNG use in solid waste collection vehicles servicing Laguna Woods, and to promote compliance with California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016) (California Senate Bill 1383 and its implementing regulations, which are now codified in 14 California Code of Regulations ("CCR"), Division 7, Chapter 12, are referred to herein collectively as "SB 1383") and AB 1985, City has requested to purchase additional mulch from GRF. GRF is willing and able to provide the additional mulch requested by City.

E. The parties find, in approving this Agreement, that City's purchase of mulch as contemplated herein (a) provides a benefit to City by assisting with City's procurement obligations under SB 1383 and AB 1985; (b) provides a benefit to GRF (and, by extension, the members of Laguna Woods Village who pay assessments to GRF) by financially assisting with operation of the facility owned and operated by GRF that produces mulch which meets the definition of "mulch" and qualifies as a recovered organic waste product as set forth in SB 1383, and specifically the definition set forth in 14 CCR § 18993.1(f)(4) ("GRF Facility"); and (c) provides environmental benefits by ensuring that mulch produced within the City's jurisdiction is used locally, with common benefits of such use including enhanced soil quality.

**A M E N D M E N T**

In consideration of the foregoing Recitals, which are incorporated herein by this reference, and the covenants and promises hereinafter contained, and for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree to amend the Agreement as follows:

1. Section 1. The Agreement is hereby amended to modify Section 1 as follows (additions shown with underlining and deletions shown with ~~strike through~~).

Purchase of Mulch. ~~City agrees to purchase 1,000 tons per year of mulch from GRF in each of the following calendar years: 2023, 2024, 2025, and 2026.~~ City agrees to purchase 1,000 tons per year of mulch from GRF in calendar years 2023 and 2024 and 1,100 tons per year of mulch from GRF in calendar years 2025, 2026, 2027, 2028, 2029, 2030, and 2031.

2. Section 2. The Agreement is hereby amended to modify Section 2 as follows (additions shown with underlining and deletions shown with ~~strike through~~).

Purchase Price; Price Formula. City shall pay a price of \$9.90 per ton for each ton of mulch it purchases from GRF between the Effective Date and December 31, ~~2026~~2031, with the payment due to GRF in the amount of \$9,900 no later than ~~August~~July 31 annually. This price was established using the price of \$3.17 per cubic yard, which reflects GRF's cost to produce mulch at the GRF Facility as of the Effective Date, taking into account the hourly rate it pays persons who operate the GRF Facility, the time they spend, and fuel (the "Price Formula.").

3. Section 5. The Agreement is hereby amended to modify Section 5 as follows (additions shown with underlining and deletions shown with ~~strike through~~).

Right of First Refusal. Between January 1, ~~2027~~2032 and December 31, ~~2031~~2036, City shall have a right of first refusal to purchase up to the first ~~1,100~~1,500 tons of mulch GRF produces at the GRF Facility, at a price ~~to be established on January 1 of each applicable year using the Price Formula~~ which reflects GRF's cost to produce mulch at the GRF Facility as of January 1, ~~2026~~2031, and subject to the same terms and conditions set forth herein (including that City will never take possession of the mulch it purchases, and rather shall donate it to GRF at no cost). GRF shall notify City of the price no later than March 31, ~~2026~~2031 and City shall notify GRF of its intent with regard to the right of first refusal no later than July 31, ~~2026~~2031.

4. Section 7. The Agreement is hereby amended to modify Section 7 as follows (additions shown with underlining and deletions shown with ~~strike through~~).

Termination. Either party shall have the right to terminate this Agreement at any time, with or without cause, in its sole discretion, by giving written notice to the other party. In the event of termination effective prior to each ~~August~~July 31, City shall not be liable

for the payments described in Section 2 of this Agreement for the then-current and future calendar years, and, if such payments have already been made, GRF shall refund those payments in-full within 30 days of the effective date of termination. In the event notice of termination is provided between any ~~September~~August 1 and December 31, ~~the terminating party, in its sole discretion, shall provide notice to the other party of whether the termination is: (1) termination shall be~~ effective at the end of the calendar year, ~~or (2) effective immediately, in which situation GRF shall refund the City's payments in full for the calendar years affected by the termination within 30 days of the effective date of termination.~~

5. Effect of Amendment. Except as expressly provided in this Amendment No. 1, all of the terms, conditions, and provisions set forth in the Agreement shall remain in full force and effect.

6. Effective Date. The effective date of this Amendment No. 1 shall be the later of the dates set forth next to the signatures of the parties hereto, after both parties hereto have signed this Amendment No. 1, which date shall be inserted into the preamble to this Amendment No. 1.

7. Representations. The person or persons executing this Amendment No. 1 on behalf of the respective parties represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind the respective parties to its obligations hereunder.

8. Counterparts and Electronic Signatures. This Amendment No. 1 may be executed in counterparts, each of which, when both parties hereto have signed this Amendment No. 1, shall be deemed an original. The counterparts of this Amendment No. 1 may be executed and delivered by electronic means by any of the parties to any other party and the receiving party may rely on the receipt of such document so executed and delivered by electronic means as if the original had been received.

[END – SIGNATURE PAGE FOLLOWS]

ITEM 7.4 – Attachment A

IN WITNESS WHEREOF, City and GRF have caused this instrument to be executed on their behalf by their respective officers or agents herein duly authorized as of the date first written above.

“City”

CITY OF LAGUNA WOODS

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Noel Hatch, Mayor

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Alisha Patterson, City Attorney

“GRF”

Golden Rain Foundation of Laguna Woods

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
James Hopkins, President

[END OF SIGNATURES]

## **7.5 NATIONAL OPIOIDS SETTLEMENT**

---

**For additional information on this item,  
please refer to Item 7.0 (Consent Calendar Summary).**

*This page is intentionally blank.*



# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager  
Alisha Patterson, City Attorney

**FOR:** July 17, 2024 Regular Meeting

**SUBJECT:** National Opioids Settlement

---

### **Recommendation**

Authorize the City Manager to execute the settlement agreement with Kroger Co. as part of the National Opioids Settlement, and elect for the City to receive direct payment of settlement funds. For the purpose of this recommendation, “settlement agreement” includes the participation form for the settlement including a release of claims and a separate signature page for California’s Proposed State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds, as well as any other documents or certifications that may be necessary to finalize or implement the settlement agreement.

### **Background**

Over the last several years, thousands of governmental entities (states, counties, cities, and tribal sovereigns) sued pharmaceutical distributors and manufacturers alleging they contributed to the current opioid crisis by grossly misrepresenting the risks of long-term use and failing to properly monitor suspicious orders. On or about December 12, 2017, a judicial panel consolidated the cases into one action known as a “multidistrict litigation” (or “MDL”) — *In re National Prescription Opiate Litigation*, No. 1:17-md-02804 (N.D. Ohio) (the “Opioids Litigation”). The Opioids Litigation has since been overseen by a single federal judge (Judge Dan Polster) in the Northern District of Ohio.

In July 2021, many of the governmental plaintiffs reached nationwide settlements

to resolve the Opioids Litigation brought by states and local entities against certain (1) pharmaceutical distributors: McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation (“Distributors”), and (2) manufacturers: Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. (“Manufacturers”).

The City was not a party to the Opioids Litigation, but has had opportunities to receive settlement funds by entering into settlement agreements with defendants.

On December 15, 2021, the City Council unanimously approved entering into settlement agreements with the Distributors and Manufacturers.

Additional settlements in the Opioids Litigation have been reached since 2021, including most recently in 2024.

In March 2024, an additional nationwide settlement was reached to resolve the Opioids Litigation brought against Kroger Co. The City, again, has an opportunity to receive settlement funds by entering into a settlement agreement.

## **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on a proposed settlement agreement with Kroger Co. as part of the Opioids Litigation (Attachment A).

## **The Settlements**

Under the settlement, Kroger Co. would admit no wrongdoing and pay a maximum of \$1.2 billion over a term of 11 years. The actual amount of the settlement payout would be based on the number of eligible entities that agree to join the settlement.

California is eligible for up to approximately 10.19% of the total settlement amount (approximately \$122,000,000), which will be lower if fewer than 100% of eligible California subdivisions join the settlement. Of the percentage allocated to California, 70% will be allocated among the joining subdivisions. If the City joins the settlement, it will be eligible for approximately 0.001% of the funds allocated among joining subdivisions – a maximum of approximately \$900.

In California, cities and counties are eligible to participate in the settlement if they



have a population of at least 10,000 or more. Laguna Woods' population is more than 10,000, so the City is eligible to participate.

To participate in the settlement, the City must enter into a settlement agreement, which is included as Attachment A to this agenda report. If the City enters into the settlement agreement, it would receive a distribution of the settlement funds in exchange for waiving claims against Kroger Co. The City would not know the specific amount of its share of settlement funds until sometime after the August 12, 2024 deadline for cities and counties to enter into settlement agreements.

Staff recommends that the City Council "opt in" to the settlement and authorize the City Manager to execute the settlement agreement. Doing so would result in additional revenue for the City, support the ability of the settlement to go forward, and increase California's share of the settlement payout.

#### Use of Settlement Funds

Settlement funds may only be used for specific opioid-abatement-related uses, which are enumerated in Section 4.B.ii of the settlement agreement. In receiving settlement funds, the City would be required to comply with various recordkeeping and reporting requirements.

While the City's share of settlement funds would be nominal, staff believes that it may be possible to use the funds to offset a portion of Orange County Sheriff's Department costs charged to the City for training or services related to opioids and opioid abuse. However nominal the amount, as a general rule, staff recommends that the City Council take every opportunity to potentially defray rising Orange County Sheriff's Department costs.

#### Receipt and Administration of Settlement Funds

The City may choose to either receive its share of settlement funds directly, or have its share of the settlement funds administered by the County of Orange. Staff expects that the City would have little to no meaningful role in determining the use of the funds if administered by the County of Orange.

The City is already administering funds under previous opioid settlements, which requirements are substantially similar to the requirements for the proposed Kroger Co. settlement funds.

Staff recommends that the City Council elect to receive the funds directly in order to ensure that their use directly benefits Laguna Woods.

**Fiscal Impact**

The City’s budget contains sufficient funds to support the administration of any settlement funds that would be received. Staff anticipates discussing potential uses of settlement funds with the City Council as part of the upcoming Fiscal Years 2025-27 Budget and Work Plan development process.

Attachment: A – Proposed Settlement Agreement

**Subdivision Participation and Release Form**

Governmental Entity: Laguna Woods city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated March 22, 2024 (“*Kroger Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the Kroger Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Kroger Settlement, understands that all terms in this Participation and Release Form have the meanings defined therein, and agrees that by executing this Participation and Release Form, the Governmental Entity elects to participate in the Kroger Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice substantially in the form found at <https://nationalopioidsettlement.com/>.
3. The Governmental Entity agrees to the terms of the Kroger Settlement pertaining to Participating Subdivisions as defined therein.
4. By agreeing to the terms of the Kroger Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Kroger Settlement solely for the purposes provided therein.
6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity’s state where the Consent Judgment is filed for purposes limited to that court’s role as provided in, and for resolving disputes to the extent provided in, the Kroger Settlement. The Governmental Entity likewise agrees to arbitrate before the National



Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the Kroger Settlement.

7. The Governmental Entity has the right to enforce the Kroger Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Kroger Settlement, including without limitation all provisions of Section XI (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Kroger Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Kroger Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Kroger Settlement.
10. In connection with the releases provided for in the Kroger Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Kroger Settlement.



11. Nothing herein is intended to modify in any way the terms of the Kroger Settlement, to which Governmental Entity hereby agrees. To the extent this Participation and Release Form is interpreted differently from the Kroger Settlement in any respect, the Kroger Settlement controls.

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

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

Title: \_\_\_\_\_

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



**Proposed California State-Subdivision Agreement  
Regarding Distribution and Use of  
Settlement Funds – Kroger Settlement**

**1. Introduction**

Pursuant to the Kroger Settlement Agreement, dated as of March 22, 2024, and any revision thereto as well as any modification thereto entered into by the State of California and Kroger (the “Kroger Settlement Agreement”), including Section V and Exhibit O, the State of California proposes this agreement (the “CA Kroger Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the Kroger Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Section IX of the Kroger Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Kroger Settlement Agreement, acceptance of this CA Kroger Allocation Agreement is a requirement to be an Initial Participating Subdivision.

**2. Definitions**

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Kroger Settlement Agreement.
- b) *Allergan Settlement Agreement* means the Allergan Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *CVS Settlement Agreement* means the CVS Settlement Agreement dated December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS.
- d) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- f) *Teva Settlement Agreement* means the Teva Settlement Agreement dated November 22, 2022, and any revision thereto.
- g) *Walgreens Settlement Agreement* means the Walgreens Settlement Agreement dated December 9, 2022, and any revision thereto.
- h) *Walmart Settlement Agreement* means the Walmart Settlement Agreement dated November 14, 2022, and any revision thereto.
- i) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District,



Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District, Pleasant Valley School District Board, and LA Care Health Plan.

- j) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- k) *Opioid Defendant* means any defendant (including but not limited to Kroger Co., Walgreen Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

### 3. General Terms

This agreement is subject to the requirements of the Kroger Settlement Agreement, as well as applicable law, and the Kroger Settlement Agreement governs over any inconsistent provision of this CA Kroger Allocation Agreement. Terms used in this CA Kroger Allocation Agreement have the same meaning as in the Kroger Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(D)(1) of the Kroger Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the Kroger Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

### 4. State Allocation

The Settlement Fund payments to California,<sup>1</sup> pursuant to the Kroger Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Kroger Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

---

<sup>1</sup> For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



**A. State of California Allocation**

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

**B. CA Abatement Accounts Fund****i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Kroger Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city did not elect to receive its share of funds in the National Opioids Settlement with Distributors AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson Corporation (the "Distributors Settlement"). If a city later changes or has already changed its distribution election in the Distributors Settlement, that change in election will apply here, provided that the change in election is received by the settlement administrator at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Kroger Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and





Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Kroger Settlement Agreement and this CA Kroger Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

**ii. Use of CA Abatement Accounts Funds**

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Kroger Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
  - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
  - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
  - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
  - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction;
  - (5) interventions to prevent drug addiction in vulnerable youth, including but not limited to, youth in foster care, juvenile justice-impacted youth, youth experiencing adversities related to socioeconomic status, and unhoused youth; and/or
  - (6) the purchase of naloxone for distribution and efforts to expand access to naloxone for opioid overdose reversals.



- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the Kroger Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Kroger Settlement Agreement and this CA Kroger Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

### **iii. CA Abatement Accounts Fund Oversight**

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Kroger Settlement Agreement and this CA Kroger Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision’s use of CA Abatement Accounts Funds is inconsistent with the Kroger Settlement Agreement or this CA Kroger Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision’s use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Kroger Settlement Agreement or this CA Kroger Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.



- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

### **C. CA Subdivision Fund**

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Kroger Settlement Agreement and this CA Kroger Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

### **D. Provision for State Back-Stop Agreement**

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Kroger Settlement Agreement, and, if applicable, the Teva Settlement Agreement, Allergan Settlement Agreement, CVS Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, and Walmart Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"),



pursuant to Exhibit R, section I(CC), of the Kroger Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Kroger Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Kroger Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

## **5. State and Subdivision Reporting**

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Kroger Settlement Agreement and this CA Kroger Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.



- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Kroger Settlement Agreement and this CA Kroger Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Kroger Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Kroger.
- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

## 6. Miscellaneous

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Kroger Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Kroger Settlement Agreement, this CA Kroger Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Kroger Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the Kroger Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Laguna Woods city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Kroger Settlement is a requirement to be an Initial Participating Subdivision in the Kroger Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Kroger Settlement. EXECUTED on .

Signature:

Name:

Title:

Date:



**APPENDIX 1**

**DISCLAIMER:** The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Kroger Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.



APPENDIX 1

ITEM 7.5 - Attachment A

			100.000%	100.000%	100.000%
Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
County	<i>Alameda County</i>	Alameda	2.332%	2.853%	<b>2.4237952%</b>
City	Alameda	Alameda	0.069%		<b>0.0570162%</b>
City	Albany	Alameda	0.013%		<b>0.0107768%</b>
City	Berkeley	Alameda	0.152%		<b>0.1249656%</b>
City	Dublin	Alameda	0.033%	0.040%	<b>0.0338810%</b>
City	Emeryville	Alameda	0.023%		<b>0.0185765%</b>
City	Fremont	Alameda	0.108%		<b>0.0888576%</b>
City	Hayward	Alameda	0.117%		<b>0.0966218%</b>
City	Livermore	Alameda	0.054%		<b>0.0446740%</b>
City	Newark	Alameda	0.026%		<b>0.0217626%</b>
City	Oakland	Alameda	0.486%	0.595%	<b>0.5055601%</b>
City	Piedmont	Alameda	0.014%		<b>0.0114064%</b>
City	Pleasanton	Alameda	0.067%		<b>0.0554547%</b>
City	San Leandro	Alameda	0.039%		<b>0.0321267%</b>
City	Union City	Alameda	0.043%		<b>0.0352484%</b>
County	<i>Amador County</i>	Amador	0.226%	0.277%	<b>0.2349885%</b>
County	<i>Butte County</i>	Butte	1.615%	1.975%	<b>1.6783178%</b>
City	Chico	Butte	0.216%	0.264%	<b>0.2246499%</b>
City	Oroville	Butte	0.079%		<b>0.0646595%</b>
County	<i>Calaveras County</i>	Calaveras	0.226%	0.277%	<b>0.2351644%</b>
County	<i>Colusa County</i>	Colusa	0.059%		<b>0.0489221%</b>
County	<i>Contra Costa County</i>	Contra Costa	2.102%	2.571%	<b>2.1844585%</b>
City	Antioch	Contra Costa	0.037%		<b>0.0301879%</b>
City	Brentwood	Contra Costa	0.026%		<b>0.0215339%</b>
City	Clayton	Contra Costa	0.002%		<b>0.0018060%</b>
City	Concord	Contra Costa	0.055%		<b>0.0456676%</b>
City	Danville	Contra Costa	0.010%		<b>0.0082255%</b>
City	El Cerrito	Contra Costa	0.023%		<b>0.0189024%</b>
City	Hercules	Contra Costa	0.010%		<b>0.0078273%</b>
Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Lafayette	Contra Costa	0.006%		<b>0.0046030%</b>





APPENDIX 1

ITEM 7.5 - Attachment A

City	Martinez	Contra Costa	0.012%		<b>0.0098593%</b>
City	Moraga	Contra Costa	0.004%		<b>0.0031007%</b>
City	Oakley	Contra Costa	0.010%		<b>0.0079416%</b>
City	Orinda	Contra Costa	0.005%		<b>0.0038157%</b>
City	Pinole	Contra Costa	0.013%		<b>0.0110909%</b>
City	Pittsburg	Contra Costa	0.053%		<b>0.0436369%</b>
City	Pleasant Hill	Contra Costa	0.013%		<b>0.0106309%</b>
City	Richmond	Contra Costa	0.146%		<b>0.1201444%</b>
City	San Pablo	Contra Costa	0.018%		<b>0.0148843%</b>
City	San Ramon	Contra Costa	0.021%		<b>0.0176459%</b>
City	Walnut Creek	Contra Costa	0.026%		<b>0.0212132%</b>
County	<b><i>Del Norte County</i></b>	Del Norte	0.114%	0.140%	<b>0.1189608%</b>
County	<b><i>El Dorado County</i></b>	El Dorado	0.768%	0.939%	<b>0.7980034%</b>
City	Placerville	El Dorado	0.015%		<b>0.0127642%</b>
City	South Lake Tahoe	El Dorado	0.081%		<b>0.0665456%</b>
County	<b><i>Fresno County</i></b>	Fresno	1.895%	2.318%	<b>1.9693410%</b>
City	Clovis	Fresno	0.065%		<b>0.0536211%</b>
City	Coalinga	Fresno	0.012%		<b>0.0098554%</b>
City	Fresno	Fresno	0.397%		<b>0.3270605%</b>
City	Kerman	Fresno	0.005%		<b>0.0042534%</b>
City	Kingsburg	Fresno	0.008%		<b>0.0066167%</b>
City	Mendota	Fresno	0.002%		<b>0.0019387%</b>
City	Orange Cove	Fresno	0.004%		<b>0.0035607%</b>
City	Parlier	Fresno	0.008%		<b>0.0069755%</b>
City	Reedley	Fresno	0.012%		<b>0.0098804%</b>
City	Sanger	Fresno	0.018%		<b>0.0146135%</b>
City	Selma	Fresno	0.015%		<b>0.0127537%</b>
County	<b><i>Glenn County</i></b>	Glenn	0.107%	0.131%	<b>0.1116978%</b>
County	<b><i>Humboldt County</i></b>	Humboldt	1.030%	1.260%	<b>1.0703185%</b>

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Arcata	Humboldt	0.054%		<b>0.0447660%</b>
City	Eureka	Humboldt	0.117%	0.143%	<b>0.1216284%</b>
City	Fortuna	Humboldt	0.032%		<b>0.0266837%</b>
County	<b><i>Imperial County</i></b>	Imperial	0.258%	0.315%	<b>0.2679006%</b>



## APPENDIX 1

## ITEM 7.5 - Attachment A

City	Brawley	Imperial	0.011%		<b>0.0087986%</b>
City	Calexico	Imperial	0.019%		<b>0.0152799%</b>
City	El Centro	Imperial	0.158%		<b>0.1302522%</b>
City	Imperial	Imperial	0.006%		<b>0.0048791%</b>
County	<b><i>Inyo County</i></b>	Inyo	0.073%	0.089%	<b>0.0754413%</b>
County	<b><i>Kern County</i></b>	Kern	2.517%	3.079%	<b>2.6159145%</b>
City	Arvin	Kern	0.006%		<b>0.0046425%</b>
City	Bakersfield	Kern	0.212%		<b>0.1747198%</b>
City	California City	Kern	0.009%		<b>0.0070820%</b>
City	Delano	Kern	0.030%		<b>0.0249316%</b>
City	McFarland	Kern	0.003%		<b>0.0025644%</b>
City	Ridgecrest	Kern	0.015%		<b>0.0120938%</b>
City	Shafter	Kern	0.013%		<b>0.0103417%</b>
City	Tehachapi	Kern	0.009%		<b>0.0073580%</b>
City	Wasco	Kern	0.008%		<b>0.0069861%</b>
County	<b><i>Kings County</i></b>	Kings	0.293%		<b>0.2413469%</b>
City	Avenal	Kings	0.007%		<b>0.0056335%</b>
City	Corcoran	Kings	0.013%		<b>0.0107032%</b>
City	Hanford	Kings	0.027%		<b>0.0226038%</b>
City	Lemoore	Kings	0.016%		<b>0.0131900%</b>
County	<b><i>Lake County</i></b>	Lake	0.795%		<b>0.6545389%</b>
City	Clearlake	Lake	0.041%	0.050%	<b>0.0426253%</b>
City	Lakeport	Lake	0.021%	0.026%	<b>0.0222964%</b>
County	<b><i>Lassen County</i></b>	Lassen	0.319%	0.391%	<b>0.3320610%</b>
City	Susanville	Lassen	0.027%		<b>0.0219295%</b>
County	<b><i>Los Angeles County</i></b>	Los Angeles	13.896%	16.999%	<b>14.4437559%</b>

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Agoura Hills	Los Angeles	0.005%		<b>0.0040024%</b>
City	Alhambra	Los Angeles	0.042%		<b>0.0343309%</b>
City	Arcadia	Los Angeles	0.033%		<b>0.0267718%</b>
City	Artesia	Los Angeles	0.001%		<b>0.0005100%</b>
City	Azusa	Los Angeles	0.026%		<b>0.0210857%</b>
City	Baldwin Park	Los Angeles	0.027%		<b>0.0218520%</b>
City	Bell	Los Angeles	0.008%		<b>0.0068783%</b>



## APPENDIX 1

City	Bellflower	Los Angeles	0.002%		<b>0.0014485%</b>
City	Bell Gardens	Los Angeles	0.014%		<b>0.0114301%</b>
City	Beverly Hills	Los Angeles	0.065%		<b>0.0534897%</b>
City	Burbank	Los Angeles	0.100%		<b>0.0823132%</b>
City	Calabasas	Los Angeles	0.006%		<b>0.0048948%</b>
City	Carson	Los Angeles	0.019%		<b>0.0159805%</b>
City	Cerritos	Los Angeles	0.005%		<b>0.0039682%</b>
City	Claremont	Los Angeles	0.010%		<b>0.0082584%</b>
City	Commerce	Los Angeles	0.000%		<b>0.0002971%</b>
City	Compton	Los Angeles	0.044%		<b>0.0361882%</b>
City	Covina	Los Angeles	0.028%		<b>0.0229127%</b>
City	Cudahy	Los Angeles	0.001%		<b>0.0006020%</b>
City	Culver City	Los Angeles	0.055%		<b>0.0449894%</b>
City	Diamond Bar	Los Angeles	0.001%		<b>0.0006993%</b>
City	Downey	Los Angeles	0.052%		<b>0.0429994%</b>
City	Duarte	Los Angeles	0.003%		<b>0.0027261%</b>
City	El Monte	Los Angeles	0.031%	0.038%	<b>0.0318985%</b>
City	El Segundo	Los Angeles	0.033%		<b>0.0268020%</b>
City	Gardena	Los Angeles	0.034%		<b>0.0278088%</b>
City	Glendale	Los Angeles	0.166%		<b>0.1366586%</b>
City	Glendora	Los Angeles	0.016%		<b>0.0134411%</b>
City	Hawaiian Gardens	Los Angeles	0.005%		<b>0.0040549%</b>
City	Hawthorne	Los Angeles	0.050%		<b>0.0407833%</b>

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Hermosa Beach	Los Angeles	0.018%		<b>0.0145307%</b>
City	Huntington Park	Los Angeles	0.023%		<b>0.0190667%</b>
City	Inglewood	Los Angeles	0.059%		<b>0.0489195%</b>
City	La Cañada Flintridge	Los Angeles	0.003%		<b>0.0025565%</b>
City	Lakewood	Los Angeles	0.005%		<b>0.0039971%</b>
City	La Mirada	Los Angeles	0.010%		<b>0.0081572%</b>
City	Lancaster	Los Angeles	0.045%		<b>0.0369689%</b>
City	La Puente	Los Angeles	0.002%		<b>0.0012999%</b>
City	La Verne	Los Angeles	0.024%		<b>0.0194190%</b>
City	Lawndale	Los Angeles	0.002%		<b>0.0017731%</b>



APPENDIX 1

City	Lomita	Los Angeles	0.004%		<b>0.0031940%</b>
City	Long Beach	Los Angeles	0.439%		<b>0.3614151%</b>
City	Los Angeles	Los Angeles	2.715%	3.321%	<b>2.8218811%</b>
City	Lynwood	Los Angeles	0.016%		<b>0.0134345%</b>
City	Malibu	Los Angeles	0.002%		<b>0.0019269%</b>
City	Manhattan Beach	Los Angeles	0.032%		<b>0.0260686%</b>
City	Maywood	Los Angeles	0.004%		<b>0.0035528%</b>
City	Monrovia	Los Angeles	0.031%		<b>0.0254455%</b>
City	Montebello	Los Angeles	0.030%		<b>0.0250670%</b>
City	Monterey Park	Los Angeles	0.031%		<b>0.0256677%</b>
City	Norwalk	Los Angeles	0.031%		<b>0.0258228%</b>
City	Palmdale	Los Angeles	0.046%		<b>0.0375827%</b>
City	Palos Verdes Estates	Los Angeles	0.006%		<b>0.0053102%</b>
City	Paramount	Los Angeles	0.011%		<b>0.0091483%</b>
City	Pasadena	Los Angeles	0.146%		<b>0.1200524%</b>
City	Pico Rivera	Los Angeles	0.022%		<b>0.0183333%</b>
City	Pomona	Los Angeles	0.111%		<b>0.0911933%</b>
City	Rancho Palos Verdes	Los Angeles	0.002%		<b>0.0012645%</b>
City	Redondo Beach	Los Angeles	0.062%		<b>0.0506992%</b>
City	Rosemead	Los Angeles	0.003%		<b>0.0028260%</b>

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	San Dimas	Los Angeles	0.003%		<b>0.0022016%</b>
City	San Fernando	Los Angeles	0.013%		<b>0.0104837%</b>
City	San Gabriel	Los Angeles	0.018%		<b>0.0147726%</b>
City	San Marino	Los Angeles	0.009%		<b>0.0073791%</b>
City	Santa Clarita	Los Angeles	0.022%		<b>0.0178167%</b>
City	Santa Fe Springs	Los Angeles	0.031%		<b>0.0257531%</b>
City	Santa Monica	Los Angeles	0.158%		<b>0.1298513%</b>
City	Sierra Madre	Los Angeles	0.006%		<b>0.0048646%</b>
City	Signal Hill	Los Angeles	0.010%		<b>0.0084884%</b>
City	South El Monte	Los Angeles	0.005%		<b>0.0039603%</b>
City	South Gate	Los Angeles	0.020%		<b>0.0166272%</b>
City	South Pasadena	Los Angeles	0.012%		<b>0.0095334%</b>
City	Temple City	Los Angeles	0.005%		<b>0.0039498%</b>



## APPENDIX 1

## ITEM 7.5 - Attachment A

City	Torrance	Los Angeles	0.112%		<b>0.0919820%</b>
City	Walnut	Los Angeles	0.006%		<b>0.0047305%</b>
City	West Covina	Los Angeles	0.049%		<b>0.0404521%</b>
City	West Hollywood	Los Angeles	0.013%		<b>0.0108517%</b>
City	Whittier	Los Angeles	0.032%		<b>0.0260581%</b>
County	<b><i>Madera County</i></b>	Madera	0.349%	0.427%	<b>0.3630669%</b>
City	Chowchilla	Madera	0.012%		<b>0.0097332%</b>
City	Madera	Madera	0.039%		<b>0.0318441%</b>
County	<b><i>Marin County</i></b>	Marin	0.564%	0.690%	<b>0.5861325%</b>
City	Larkspur	Marin	0.015%		<b>0.0124697%</b>
City	Mill Valley	Marin	0.020%		<b>0.0168401%</b>
City	Novato	Marin	0.028%		<b>0.0229824%</b>
City	San Anselmo	Marin	0.009%		<b>0.0078062%</b>
City	San Rafael	Marin	0.089%		<b>0.0729823%</b>
County	<b><i>Mariposa County</i></b>	Mariposa	0.084%	0.103%	<b>0.0876131%</b>
County	<b><i>Mendocino County</i></b>	Mendocino	0.439%	0.536%	<b>0.4558394%</b>
City	Ukiah	Mendocino	0.039%		<b>0.0317153%</b>

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
County	<b><i>Merced County</i></b>	Merced	0.551%	0.674%	<b>0.5724262%</b>
City	Atwater	Merced	0.024%		<b>0.0195846%</b>
City	Livingston	Merced	0.006%		<b>0.0045873%</b>
City	Los Banos	Merced	0.020%		<b>0.0165142%</b>
City	Merced	Merced	0.061%		<b>0.0500762%</b>
County	<b><i>Modoc County</i></b>	Modoc	0.065%	0.080%	<b>0.0678250%</b>
County	<b><i>Mono County</i></b>	Mono	0.023%	0.029%	<b>0.0242606%</b>
County	<b><i>Monterey County</i></b>	Monterey	0.908%	1.111%	<b>0.9437083%</b>
City	Greenfield	Monterey	0.006%		<b>0.0050552%</b>
City	King City	Monterey	0.005%		<b>0.0037355%</b>
City	Marina	Monterey	0.017%		<b>0.0144098%</b>
City	Monterey	Monterey	0.041%		<b>0.0336540%</b>
City	Pacific Grove	Monterey	0.009%		<b>0.0074842%</b>
City	Salinas	Monterey	0.094%		<b>0.0776576%</b>
City	Seaside	Monterey	0.023%		<b>0.0191772%</b>
City	Soledad	Monterey	0.007%		<b>0.0060870%</b>



## APPENDIX 1

## ITEM 7.5 - Attachment A

County	<b><i>Napa County</i></b>	Napa	0.288%	0.352%	<b>0.2994325%</b>
City	American Canyon	Napa	0.017%		<b>0.0136869%</b>
City	Napa	Napa	0.078%		<b>0.0642783%</b>
County	<b><i>Nevada County</i></b>	Nevada	0.441%	0.539%	<b>0.4579827%</b>
City	Grass Valley	Nevada	0.024%		<b>0.0197805%</b>
City	Truckee	Nevada	0.003%		<b>0.0023843%</b>
County	<b><i>Orange County</i></b>	Orange	4.364%	5.339%	<b>4.5363576%</b>
City	Aliso Viejo	Orange	0.014%		<b>0.0113841%</b>
City	Anaheim	Orange	0.554%	0.678%	<b>0.5759282%</b>
City	Brea	Orange	0.086%		<b>0.0708897%</b>
City	Buena Park	Orange	0.087%		<b>0.0714352%</b>
City	Costa Mesa	Orange	0.124%	0.152%	<b>0.1288366%</b>
City	Cypress	Orange	0.033%		<b>0.0271937%</b>
City	Dana Point	Orange	0.001%		<b>0.0005560%</b>

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Fountain Valley	Orange	0.055%		<b>0.0455980%</b>
City	Fullerton	Orange	0.137%	0.168%	<b>0.1425744%</b>
City	Garden Grove	Orange	0.213%		<b>0.1752482%</b>
City	Huntington Beach	Orange	0.247%	0.302%	<b>0.2568420%</b>
City	Irvine	Orange	0.139%	0.170%	<b>0.1442350%</b>
City	Laguna Beach	Orange	0.047%	0.058%	<b>0.0493043%</b>
City	Laguna Hills	Orange	0.014%		<b>0.0115457%</b>
City	Laguna Niguel	Orange	0.001%		<b>0.0007071%</b>
City	Laguna Woods	Orange	0.001%		<b>0.0006546%</b>
City	La Habra	Orange	0.060%	0.073%	<b>0.0621049%</b>
City	Lake Forest	Orange	0.012%		<b>0.0101249%</b>
City	La Palma	Orange	0.012%		<b>0.0095439%</b>
City	Los Alamitos	Orange	0.008%		<b>0.0069190%</b>
City	Mission Viejo	Orange	0.014%		<b>0.0117560%</b>
City	Newport Beach	Orange	0.179%		<b>0.1470134%</b>
City	Orange	Orange	0.150%		<b>0.1231320%</b>
City	Placentia	Orange	0.029%	0.035%	<b>0.0298912%</b>
City	Rancho Santa Margarita	Orange	0.001%		<b>0.0006296%</b>
City	San Clemente	Orange	0.008%	0.010%	<b>0.0086083%</b>



## APPENDIX 1

City	San Juan Capistrano	Orange	0.008%		<b>0.0065510%</b>
City	Santa Ana	Orange	0.502%	0.614%	<b>0.5213866%</b>
City	Seal Beach	Orange	0.020%		<b>0.0165891%</b>
City	Stanton	Orange	0.035%		<b>0.0291955%</b>
City	Tustin	Orange	0.073%		<b>0.0600341%</b>
City	Westminster	Orange	0.104%	0.127%	<b>0.1082721%</b>
City	Yorba Linda	Orange	0.044%		<b>0.0362223%</b>
County	<b>Placer County</b>	Placer	1.045%	1.278%	<b>1.0861002%</b>
City	Auburn	Placer	0.017%		<b>0.0141114%</b>
City	Lincoln	Placer	0.031%		<b>0.0255599%</b>
City	Rocklin	Placer	0.076%		<b>0.0625485%</b>

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Roseville	Placer	0.196%		<b>0.1616559%</b>
County	<b>Plumas County</b>	Plumas	0.205%	0.251%	<b>0.2128729%</b>
County	<b>Riverside County</b>	Riverside	4.534%	5.547%	<b>4.7128296%</b>
City	Banning	Riverside	0.017%		<b>0.0143848%</b>
City	Beaumont	Riverside	0.021%		<b>0.0171135%</b>
City	Blythe	Riverside	0.012%		<b>0.0096714%</b>
City	Canyon Lake	Riverside	0.000%		<b>0.0001761%</b>
City	Cathedral City	Riverside	0.067%		<b>0.0553614%</b>
City	Coachella	Riverside	0.021%		<b>0.0173054%</b>
City	Corona	Riverside	0.147%		<b>0.1207083%</b>
City	Desert Hot Springs	Riverside	0.024%		<b>0.0200433%</b>
City	Eastvale	Riverside	0.000%		<b>0.0002747%</b>
City	Hemet	Riverside	0.051%		<b>0.0421792%</b>
City	Indio	Riverside	0.056%		<b>0.0457794%</b>
City	Jurupa Valley	Riverside	0.001%		<b>0.0008991%</b>
City	Lake Elsinore	Riverside	0.021%		<b>0.0172949%</b>
City	La Quinta	Riverside	0.063%		<b>0.0516732%</b>
City	Menifee	Riverside	0.032%		<b>0.0260909%</b>
City	Moreno Valley	Riverside	0.137%		<b>0.1130348%</b>
City	Murrieta	Riverside	0.048%	0.059%	<b>0.0497423%</b>
City	Norco	Riverside	0.016%		<b>0.0134542%</b>
City	Palm Desert	Riverside	0.083%		<b>0.0682465%</b>



## APPENDIX 1

City	Palm Springs	Riverside	0.076%		<b>0.0629862%</b>
City	Perris	Riverside	0.009%		<b>0.0076774%</b>
City	Rancho Mirage	Riverside	0.052%		<b>0.0431098%</b>
City	Riverside	Riverside	0.268%		<b>0.2206279%</b>
City	San Jacinto	Riverside	0.010%		<b>0.0085936%</b>
City	Temecula	Riverside	0.022%		<b>0.0180086%</b>
City	Wildomar	Riverside	0.008%		<b>0.0062500%</b>
County	<b><i>Sacramento County</i></b>	Sacramento	3.797%	4.645%	<b>3.9465887%</b>

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Citrus Heights	Sacramento	0.057%		<b>0.0465312%</b>
City	Elk Grove	Sacramento	0.130%		<b>0.1066994%</b>
City	Folsom	Sacramento	0.108%		<b>0.0890850%</b>
City	Galt	Sacramento	0.017%		<b>0.0143704%</b>
City	Rancho Cordova	Sacramento	0.008%		<b>0.0067679%</b>
City	Sacramento	Sacramento	0.721%	0.882%	<b>0.7496530%</b>
County	<b><i>San Benito County</i></b>	San Benito	0.106%	0.130%	<b>0.1101417%</b>
City	Hollister	San Benito	0.027%		<b>0.0225355%</b>
County	<b><i>San Bernardino County</i></b>	San Bernardino	3.259%	3.987%	<b>3.3878124%</b>
City	Adelanto	San Bernardino	0.008%		<b>0.0066640%</b>
City	Apple Valley	San Bernardino	0.025%		<b>0.0207360%</b>
City	Barstow	San Bernardino	0.015%		<b>0.0122056%</b>
City	Chino	San Bernardino	0.064%		<b>0.0525893%</b>
City	Chino Hills	San Bernardino	0.001%		<b>0.0006388%</b>
City	Colton	San Bernardino	0.031%		<b>0.0253443%</b>
City	Fontana	San Bernardino	0.112%		<b>0.0920543%</b>
City	Grand Terrace	San Bernardino	0.006%		<b>0.0051051%</b>
City	Hesperia	San Bernardino	0.035%		<b>0.0291522%</b>
City	Highland	San Bernardino	0.004%		<b>0.0029061%</b>
City	Loma Linda	San Bernardino	0.009%		<b>0.0071188%</b>
City	Montclair	San Bernardino	0.039%		<b>0.0322108%</b>
City	Ontario	San Bernardino	0.179%		<b>0.1472934%</b>
City	Rancho Cucamonga	San Bernardino	0.084%		<b>0.0689431%</b>
City	Redlands	San Bernardino	0.057%		<b>0.0469150%</b>
City	Rialto	San Bernardino	0.073%		<b>0.0603206%</b>





## APPENDIX 1

## ITEM 7.5 - Attachment A

City	San Bernardino	San Bernardino	0.178%		<b>0.1461880%</b>
City	Twentynine Palms	San Bernardino	0.002%		<b>0.0012605%</b>
City	Upland	San Bernardino	0.052%		<b>0.0424460%</b>
City	Victorville	San Bernardino	0.033%		<b>0.0269400%</b>
City	Yucaipa	San Bernardino	0.016%		<b>0.0128772%</b>

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Yucca Valley	San Bernardino	0.003%		<b>0.0021228%</b>
County	<b><i>San Diego County</i></b>	San Diego	5.706%	6.980%	<b>5.9309748%</b>
City	Carlsbad	San Diego	0.128%		<b>0.1050485%</b>
City	Chula Vista	San Diego	0.189%	0.231%	<b>0.1961456%</b>
City	Coronado	San Diego	0.044%		<b>0.0359095%</b>
City	El Cajon	San Diego	0.113%		<b>0.0933582%</b>
City	Encinitas	San Diego	0.061%	0.074%	<b>0.0630289%</b>
City	Escondido	San Diego	0.145%		<b>0.1192204%</b>
City	Imperial Beach	San Diego	0.014%		<b>0.0118283%</b>
City	La Mesa	San Diego	0.055%	0.068%	<b>0.0575593%</b>
City	Lemon Grove	San Diego	0.022%		<b>0.0183911%</b>
City	National City	San Diego	0.080%		<b>0.0656808%</b>
City	Oceanside	San Diego	0.213%		<b>0.1753428%</b>
City	Poway	San Diego	0.062%		<b>0.0511040%</b>
City	San Diego	San Diego	1.975%	2.416%	<b>2.0531169%</b>
City	San Marcos	San Diego	0.089%		<b>0.0733897%</b>
City	Santee	San Diego	0.033%		<b>0.0268401%</b>
City	Solana Beach	San Diego	0.017%		<b>0.0138564%</b>
City	Vista	San Diego	0.052%		<b>0.0425144%</b>
Consolidated	<b><i>San Francisco</i></b>	San Francisco	3.026%	3.702%	<b>3.1457169%</b>
County	<b><i>San Joaquin County</i></b>	San Joaquin	1.680%	2.055%	<b>1.7460399%</b>
City	Lathrop	San Joaquin	0.009%		<b>0.0075394%</b>
City	Lodi	San Joaquin	0.053%		<b>0.0439484%</b>
City	Manteca	San Joaquin	0.054%		<b>0.0443454%</b>
City	Ripon	San Joaquin	0.013%		<b>0.0104219%</b>
City	Stockton	San Joaquin	0.313%	0.383%	<b>0.3256176%</b>
City	Tracy	San Joaquin	0.084%		<b>0.0692047%</b>
County	<b><i>San Luis Obispo County</i></b>	San Luis Obispo	0.816%	0.999%	<b>0.8484126%</b>



## APPENDIX 1

## ITEM 7.5 - Attachment A

City	Arroyo Grande	San Luis Obispo	0.024%		<b>0.0199053%</b>
City	Atascadero	San Luis Obispo	0.029%		<b>0.0240680%</b>

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		<b>0.0353456%</b>
City	Grover Beach	San Luis Obispo	0.017%		<b>0.0137881%</b>
City	Morro Bay	San Luis Obispo	0.020%		<b>0.0160922%</b>
City	San Luis Obispo	San Luis Obispo	0.077%		<b>0.0637841%</b>
County	<b><i>San Mateo County</i></b>	San Mateo	1.074%	1.313%	<b>1.1159599%</b>
City	Belmont	San Mateo	0.021%		<b>0.0169860%</b>
City	Burlingame	San Mateo	0.019%		<b>0.0152537%</b>
City	Daly City	San Mateo	0.044%		<b>0.0363880%</b>
City	East Palo Alto	San Mateo	0.013%		<b>0.0103982%</b>
City	Foster City	San Mateo	0.020%		<b>0.0166101%</b>
City	Half Moon Bay	San Mateo	0.004%		<b>0.0031638%</b>
City	Hillsborough	San Mateo	0.013%		<b>0.0110029%</b>
City	Menlo Park	San Mateo	0.015%		<b>0.0126209%</b>
City	Millbrae	San Mateo	0.013%		<b>0.0105836%</b>
City	Pacifica	San Mateo	0.016%		<b>0.0130625%</b>
City	Redwood City	San Mateo	0.056%		<b>0.0463511%</b>
City	San Bruno	San Mateo	0.021%		<b>0.0172161%</b>
City	San Carlos	San Mateo	0.013%		<b>0.0108885%</b>
City	San Mateo	San Mateo	0.052%		<b>0.0425841%</b>
City	South San Francisco	San Mateo	0.043%		<b>0.0353943%</b>
County	<b><i>Santa Barbara County</i></b>	Santa Barbara	1.132%	1.385%	<b>1.1768968%</b>
City	Carpinteria	Santa Barbara	0.001%		<b>0.0008938%</b>
City	Goleta	Santa Barbara	0.004%		<b>0.0028969%</b>
City	Lompoc	Santa Barbara	0.047%		<b>0.0389379%</b>
City	Santa Barbara	Santa Barbara	0.122%		<b>0.1004559%</b>
City	Santa Maria	Santa Barbara	0.058%		<b>0.0479179%</b>
County	<b><i>Santa Clara County</i></b>	Santa Clara	2.404%	2.941%	<b>2.4987553%</b>
City	Campbell	Santa Clara	0.014%		<b>0.0112566%</b>
City	Cupertino	Santa Clara	0.008%		<b>0.0066824%</b>
City	Gilroy	Santa Clara	0.025%		<b>0.0202891%</b>



APPENDIX 1

ITEM 7.5 - Attachment A

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Los Altos	Santa Clara	0.013%		<b>0.0103338%</b>
City	Los Gatos	Santa Clara	0.013%		<b>0.0103220%</b>
City	Milpitas	Santa Clara	0.036%		<b>0.0298120%</b>
City	Morgan Hill	Santa Clara	0.015%		<b>0.0124619%</b>
City	Mountain View	Santa Clara	0.041%		<b>0.0334608%</b>
City	Palo Alto	Santa Clara	0.039%		<b>0.0323080%</b>
City	San Jose	Santa Clara	0.294%	0.360%	<b>0.3054960%</b>
City	Santa Clara	Santa Clara	0.067%		<b>0.0549723%</b>
City	Saratoga	Santa Clara	0.004%		<b>0.0034161%</b>
City	Sunnyvale	Santa Clara	0.053%		<b>0.0434069%</b>
County	<b><i>Santa Cruz County</i></b>	Santa Cruz	0.783%	0.957%	<b>0.8135396%</b>
City	Capitola	Santa Cruz	0.020%		<b>0.0168191%</b>
City	Santa Cruz	Santa Cruz	0.143%		<b>0.1180348%</b>
City	Scotts Valley	Santa Cruz	0.015%		<b>0.0126525%</b>
City	Watsonville	Santa Cruz	0.063%		<b>0.0520136%</b>
County	<b><i>Shasta County</i></b>	Shasta	1.095%	1.339%	<b>1.1380191%</b>
City	Anderson	Shasta	0.024%		<b>0.0198896%</b>
City	Redding	Shasta	0.284%		<b>0.2334841%</b>
City	Shasta Lake	Shasta	0.004%		<b>0.0031993%</b>
County	<b><i>Siskiyou County</i></b>	Siskiyou	0.228%	0.279%	<b>0.2373393%</b>
County	<b><i>Solano County</i></b>	Solano	0.760%		<b>0.6260795%</b>
City	Benicia	Solano	0.031%		<b>0.0253903%</b>
City	Dixon	Solano	0.016%		<b>0.0130849%</b>
City	Fairfield	Solano	0.109%		<b>0.0897317%</b>
City	Suisun City	Solano	0.021%		<b>0.0176183%</b>
City	Vacaville	Solano	0.119%		<b>0.0976497%</b>
City	Vallejo	Solano	0.167%		<b>0.1373644%</b>
County	<b><i>Sonoma County</i></b>	Sonoma	1.218%	1.490%	<b>1.2661290%</b>
City	Healdsburg	Sonoma	0.032%		<b>0.0266929%</b>
City	Petaluma	Sonoma	0.081%		<b>0.0667507%</b>

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
--	---------------------------	--------	----------------------	----------------------------------	--------------------------------



APPENDIX 1

City	Rohnert Park	Sonoma	0.041%		<b>0.0340759%</b>
City	Santa Rosa	Sonoma	0.184%		<b>0.1519070%</b>
City	Sonoma	Sonoma	0.022%		<b>0.0183438%</b>
City	Windsor	Sonoma	0.016%		<b>0.0129298%</b>
County	<b>Stanislaus County</b>	Stanislaus	1.722%		<b>1.4182273%</b>
City	Ceres	Stanislaus	0.041%		<b>0.0340260%</b>
City	Modesto	Stanislaus	0.217%		<b>0.1788759%</b>
City	Newman	Stanislaus	0.006%		<b>0.0046964%</b>
City	Oakdale	Stanislaus	0.018%		<b>0.0145531%</b>
City	Patterson	Stanislaus	0.015%		<b>0.0126590%</b>
City	Riverbank	Stanislaus	0.010%		<b>0.0085699%</b>
City	Turlock	Stanislaus	0.065%		<b>0.0531966%</b>
County	<b>Sutter County</b>	Sutter	0.306%	0.374%	<b>0.3179548%</b>
City	Yuba City	Sutter	0.074%		<b>0.0606242%</b>
County	<b>Tehama County</b>	Tehama	0.213%	0.261%	<b>0.2216654%</b>
City	Red Bluff	Tehama	0.014%		<b>0.0117771%</b>
County	<b>Trinity County</b>	Trinity	0.082%	0.101%	<b>0.0855476%</b>
County	<b>Tulare County</b>	Tulare	0.809%	0.990%	<b>0.8410949%</b>
City	Dinuba	Tulare	0.014%		<b>0.0116929%</b>
City	Exeter	Tulare	0.004%		<b>0.0032479%</b>
City	Farmersville	Tulare	0.003%		<b>0.0027879%</b>
City	Lindsay	Tulare	0.007%		<b>0.0057111%</b>
City	Porterville	Tulare	0.021%		<b>0.0171845%</b>
City	Tulare	Tulare	0.037%		<b>0.0302273%</b>
City	Visalia	Tulare	0.066%		<b>0.0545872%</b>
County	<b>Tuolumne County</b>	Tuolumne	0.486%	0.594%	<b>0.5047621%</b>
County	<b>Ventura County</b>	Ventura	2.192%	2.681%	<b>2.2781201%</b>
City	Camarillo	Ventura	0.002%		<b>0.0012815%</b>
City	Fillmore	Ventura	0.002%		<b>0.0020294%</b>
City	Moorpark	Ventura	0.008%		<b>0.0067337%</b>

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Oxnard	Ventura	0.156%	0.190%	<b>0.1617338%</b>
City	Port Hueneme	Ventura	0.021%		<b>0.0174145%</b>
City	San Buenaventura (Ventura)	Ventura	0.085%		<b>0.0702181%</b>



## APPENDIX 1

## ITEM 7.5 - Attachment A

City	Santa Paula	Ventura	0.014%		<b>0.0119072%</b>
City	Simi Valley	Ventura	0.065%		<b>0.0533043%</b>
City	Thousand Oaks	Ventura	0.022%		<b>0.0179902%</b>
County	<b><i>Yolo County</i></b>	Yolo	0.357%	0.437%	<b>0.3713319%</b>
City	Davis	Yolo	0.055%		<b>0.0451747%</b>
City	West Sacramento	Yolo	0.066%		<b>0.0544321%</b>
City	Woodland	Yolo	0.058%		<b>0.0477904%</b>
County	<b><i>Yuba County</i></b>	Yuba	0.214%	0.262%	<b>0.2225679%</b>
City	Marysville	Yuba	0.014%		<b>0.0112079%</b>



## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section IX and Exhibit R of the Walgreens Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, or Section IX and Exhibit R of the Walmart Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

#### 2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.

///



## b) Claims Procedure.

- i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section IX and Exhibit R of the Kroger Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walmart Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.
- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for



reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.

- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section V(B)(2) of the Kroger Settlement Agreement.
  - vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Kroger a report of the fees and expenses incurred by the Special Master pursuant to Section V(B)(2) of the Kroger Settlement Agreement.
- c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Kroger Settlement Agreement, Walgreens Settlement Agreement, Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.





d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.
- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



**APPENDIX 3**

**CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT**

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Kroger Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys’ Fees, Costs, and Expenses) of the Kroger Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Kroger Settlement Agreement and CA Kroger Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Kroger Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Kroger Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Kroger Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of “State Back-Stop Agreement” in Exhibit R of the Kroger Settlement Agreement requires such agreements to be between “a Settling State” and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]	[SUBDIVISION SIGNATURE BLOCK]
[DATE]	[COUNSEL SIGNATURE BLOCK]
[DATE]	[ATTORNEY GENERAL SIGNATURE BLOCK]



March 28, 2024

**Chantale Fiebig**  
+1 (202) 682-7200  
Chantale.Fiebig@weil.com

David Jones  
Supervising Deputy Attorney General  
Healthcare Rights & Access Section  
Department of Justice  
1300 I Street  
Sacramento, CA 95814  
Phone: (916) 210-7861  
Email: David.Jones@doj.ca.gov

Re: Kroger Opioids Settlement Agreement

Dear Mr. Jones:

This letter summarizes the agreement reached between Kroger and the State of California regarding the multistate Kroger Settlement Agreement dated March 22, 2024 regarding opioid claims by states and subdivisions (the "Multistate Kroger Settlement Agreement").

The Kroger Co. and all of its direct and indirect subsidiaries ("Kroger"), and the State of California, by and through its Attorney General Rob Bonta, have agreed to the following modification to the Multistate Kroger Settlement Agreement in its application to California. For the avoidance of doubt, the limited modification set forth below applies only to California and to no other state or territory.

The "Prescription Red Flag" described in Section IX(5)(a) of Exhibit P to the Multistate Kroger Settlement Agreement is modified in its entirety to read as follows:

A Controlled Substance prescription fails to meet the requirements of law. For the sake of clarity, minor deficiencies in the patient's name, address, date of birth, or contact information are not a red flag if the pharmacist, in his or her professional judgment and usual course of practice, is able to resolve these deficiencies with the patient.

This limited California-specific modification was a necessary condition for California's decision to sign-on as a participating state to the Multistate Kroger Settlement Agreement.

For the avoidance of doubt, all other terms and provisions in the Multistate Kroger Settlement Agreement remain the same, including without limitation all "Prescription Red Flags" not specified above, all

definitions, all release provisions, the eleven-year-payment schedule and all other terms and provisions of the payment schedule, and all other terms and provisions.

These terms and this letter shall be included in a stipulated judgment to be filed in a Superior Court in the State of California.

Sincerely,



Chantale Fiebig  
*Counsel for The Kroger Co.*

SO AGREED BY AND ON BEHALF OF THE STATE OF CALIFORNIA:



---

Name: David A. Jones  
Title: Supervising Deputy Attorney General  
Date: March 29, 2024

**8.1**

**SIGN PROGRAM AMENDMENT SP-2024-0001  
TO AMEND SIGN PROGRAM SP-1508, WHICH  
ALLOWS FOR VARIOUS SIGNAGE AT 24902  
MOULTON PARKWAY, LAGUNA WOODS, CA**

**92637**

*This page is intentionally blank.*



# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** July 17, 2024 Regular Meeting

**SUBJECT:** Sign Program Amendment SP-2024-0001 to amend Sign Program SP-1508, which allows for various signage at 24902 Moulton Parkway, Laguna Woods, CA 92637

---

### **Recommendation**

1. Receive staff report.  

AND
2. Open public hearing.  

AND
3. Receive public testimony.  

AND
4. Close public hearing.  

AND
5. Adopt a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING SIGN PROGRAM AMENDMENT SP-2024-0001 TO AMEND SIGN PROGRAM SP-1508, WHICH ALLOWS FOR VARIOUS SIGNAGE AT 24902 MOULTON

PARKWAY, LAGUNA WOODS, CA 92637, AND DETERMINING AND CERTIFYING THAT THE SIGN PROGRAM IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO SECTION 15311 OF TITLE 14 OF THE CALIFORNIA CODE OF REGULATIONS

**Overview**

TAT LW LLC (“Applicant”) has submitted a land use application seeking approval of Sign Program Amendment SP-2024-0001, to allow for various signage at 24902 Moulton Parkway, Laguna Woods, CA 92637.

The project location currently has two tenants – The Artist Tree (TAT LW LLC) and Laguna Woods Dental Care. It is located east of Moulton Parkway, north of the intersection of Moulton Parkway and Calle Aragon, and south of the intersection of Moulton Parkway and Via Iglesia. The Orange County Assessor’s Parcel Number (“APN”) for the project location is 621-091-15.

A vicinity map is included as Attachment B.

Surrounding land uses are listed in Table 1.

*Table 1: Surrounding Land Uses*

<b>General Location</b>	<b>General Plan Land Use Designation</b>	<b>Land Use</b>
North	Residential Community	Laguna Woods Village residences
South	Commercial	McCormick & Son Mortuary
East	Residential Community	Laguna Woods Village residences
West	City of Aliso Viejo	The Ivy at Wellington

The project location is within the Professional and Administrative Office (PA) zoning district. Professional and Administrative Office designates areas to “provide for the development and preservation of an optimal environment for low to moderate intensity professional and administrative office uses and related uses on sites with large pervious open spaces and off-street parking facilities” (Laguna Woods Municipal Code Section 13.10.010).

Sign programs are intended to “provide incentive and latitude to achieve effectiveness, attractive appearance, compatible design and variety in permanent



signage” (Laguna Woods Municipal Code Section 13.20.160). The City Council is responsible for approving or denying sign programs and subsequent amendments, subject to certain findings set forth in the Laguna Woods Municipal Code.

### **Discussion**

The City Council is asked to conduct a public hearing on the application for Sign Program Amendment SP-2024-0001 (Attachment A) and, thereafter, consider approval of the same. Staff recommends approval of the sign program amendment (Exhibit A to Attachment A), subject to proposed conditions of approval (Exhibit B to Attachment A). The proposed conditions of approval would regulate the signage in a manner consistent with the purpose and intent of Laguna Woods Municipal Code Chapter 13.20 (Sign Regulations).

Laguna Woods Municipal Code Chapter 13.20 allows the City’s sign regulations to be supplemented by sign programs approved by the City Council. In this case, Sign Program SP-2024-0001 would amend Sign Program SP-1508, which was approved for the project location by the City Council on August 18, 2021.

The proposed sign program amendment would:

- Allow one additional wall sign on the east-facing parking lot side of the building. The additional wall sign is intended to identify the public entrance for the first floor business (The Artist Tree). While the sign would receive passive illumination from existing light fixtures, the sign itself would not be internally illuminated and no additional lighting is proposed;
- Replace one existing allowed wall sign with another wall sign in a different location and with different size and design standards. The existing sign program allows three wall signs on the west-facing Moulton Parkway side of the building. The approval for the southernmost of those three wall signs (which is not currently constructed) would be removed and a new wall sign would be allowed on the upper portion of the south-facing side of the building parallel to McCormick & Son Mortuary; and
- Modify the size and design standards of one existing allowed monument sign. The existing sign program’s design standards effectively allow for either one or four tenants to be identified on a monument sign located north of the building, adjacent to Moulton Parkway. Those design standards would

be modified, and dimensions corrected, to provide space to identify two tenants, which is how the building is currently leased.

Sign Program SP-2024-0001 would apply to the Applicant, as well as other and successor occupants, at the project location.

### **Environmental Review**

The City Council is asked to find that this project is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15311 of Title 14 of the California Code of Regulations, in that it consists of approvals related to the construction or placement of on-premise signs, which are minor structures accessory to (appurtenant to) a commercial facility.

### **Fiscal Impact**

The City’s expenses associated with processing this project are recovered through planning services fees.

### **Documents Available for Review**

Related documents – including the Applicant’s application – are available for public review at City Hall during normal working hours.

Attachments: A – Proposed Resolution  
Exhibit A – Proposed Sign Program Amendment SP-2024-0001  
Exhibit B – Proposed Conditions of Approval  
B – Vicinity Map

**RESOLUTION NO. 24-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING SIGN PROGRAM AMENDMENT SP-2024-0001 TO AMEND SIGN PROGRAM SP-1508, WHICH ALLOWS FOR VARIOUS SIGNAGE AT 24902 MOULTON PARKWAY, LAGUNA WOODS, CA 92637, AND DETERMINING AND CERTIFYING THAT THE SIGN PROGRAM IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO SECTION 15311 OF TITLE 14 OF THE CALIFORNIA CODE OF REGULATIONS

**WHEREAS**, Sign Program SP-1508 was approved by the City Council on August 18, 2021 (Resolution No. 21-25) and allows for various signage at 24902 Moulton Parkway, Laguna Woods, CA 92637; and

**WHEREAS**, TAT LW LLC (“Applicant”) submitted an application for Sign Program Amendment SP-2024-0001 to amend Sign Program SP-1508; and

**WHEREAS**, on July 17, 2024, the City Council of the City of Laguna Woods, after giving notice thereof as required by law, held a public hearing regarding Sign Program Amendment SP-2024-0001; and

**WHEREAS**, the City Council has carefully considered all pertinent testimony, as well as all information contained in the agenda report prepared for Sign Program Amendment SP-2024-0001, as presented at the public hearing; and

**WHEREAS**, staff has reviewed the environmental form submitted by the Applicant in accordance with the City’s procedures. Based upon the information received and staff’s assessment of the information, Sign Program Amendment SP-2024-0001 has been determined to be categorically exempt pursuant to Section 15311 (Accessory Structures) of the California Environmental Quality Act (“CEQA”); and

**WHEREAS**, all legal prerequisites have occurred prior to the adoption of this resolution; and

**WHEREAS**, the City Council makes the following findings subject to the conditions of approval:

Findings for All Sign Programs

1. The proposed signs are well-designed, consistent with any design criteria otherwise applicable to the sign property, compatible with community character and harmonious with surrounding properties, buildings, and streetscapes.

The proposed signs would be aesthetically appealing, compatible, and harmonious with signage on the sign property and on surrounding properties, buildings, and streetscapes. The proposed signs would not be of a type, nor would they include any of the features or characteristics, that would result in their being prohibited pursuant to Laguna Woods Municipal Code Section 13.20.130. The proposed signs are similar in type as those commonly associated with commercial businesses elsewhere in Laguna Woods. The proposed wall sign facing the abutting residential zoning district boundary would not be internally illuminated and no additional lighting is proposed as part of the application.

2. The proposed signs are clear and legible in the circumstances in which they are seen, including for purposes of promoting awareness of local businesses and activities.

The proposed signs would help promote local businesses and activities, as well as visibility and safe circulation at the project location. The proposed signs would be clear and legible for the purposes for which they are intended, which include identifying the businesses present at the project location and the public entrance for the first floor business. A proposed wall sign on the south elevation of the building (where no permanent signage is currently located other than the street address number) would enhance visibility from northbound Moulton Parkway and other points south of the project location. The proposed signs are similar in type and scale as those commonly associated with commercial businesses.

3. The proposed signs are appropriate to the type of business or activity to which they pertain.

The proposed signs would be appropriate in type, location, size/scale, and design for commercial businesses. The proposed sign types are wall and monument signs, both of which are expressly contemplated for commercial zoning districts and uses in Laguna Woods Municipal Code Chapter 13.20.

The proposed modifications of the size and design standards of the existing allowed monument sign would provide space to identify two tenants, which is how the building is currently leased.

4. The proposed signs are displayed in a manner that does not harm public health, safety and welfare.

The proposed signs would not harm public health, safety, and welfare. Several conditions of approval are included to address public health, safety, and welfare including, but not limited to, conditions of approval #5, #9, and #10. Condition of Approval #5 requires that the proposed signs “comply with all then-current requirements of the Laguna Woods Municipal Code and the California Building Standards Code, as well as federal, state, and local laws, rules, and regulations...” Condition of Approval #9 includes provisions to ensure that the proposed signs do not, at any time, create an actual or reasonably foreseeable nuisance for properties located within line of sight, passing motorists, or any other party. Condition of Approval #10 requires that the proposed signs be kept “... in good structural and functional working order...” Additionally, Laguna Woods Municipal Code Section 13.20.020(d) requires that all signs be maintained in good condition and allows the City to “order the repair or removal of any sign that is unsafe, defective, damaged, or unsatisfactorily maintained.”

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

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

**SECTION 2.** After reviewing the entire project record, the City Council hereby determines and certifies that this project is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15311 of Title 14 of the California Code of Regulations, in that it consists of approvals related to the construction or placement of on-premise signs, which are minor structures accessory to (appurtenant to) a commercial facility.

**SECTION 3.** The City Council hereby approves Sign Program Amendment SP-2024-0001 (Exhibit A), subject to the conditions of approval attached to this resolution (Exhibit B), both of which are incorporated herein by this reference.

**SECTION 4.** The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2024.

\_\_\_\_\_  
NOEL HATCH, Mayor

ATTEST:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

STATE OF CALIFORNIA     )  
COUNTY OF ORANGE     ) ss.  
CITY OF LAGUNA WOODS   )

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 24-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2024, by the following vote:

AYES:           COUNCILMEMBERS:  
NOES:           COUNCILMEMBERS:  
ABSTAIN:       COUNCILMEMBERS:  
ABSENT:        COUNCILMEMBERS:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

## **ITEM 8.1**

### **Exhibit A to Attachment A**

Proposed Sign Program Amendment SP-2024-0001

*This page is intentionally blank.*





**Client Information**

Contact Aviv Halimi  
 Company The Artist Tree  
 Address 24902 Moulton Pkwy  
 Laguna Woods, CA 92637  
 Phone  
 Fax  
 email

\* If specific colors have not been provided, colors will be matched to the closest equivalents. By signing you confirm that you have reviewed and agree to the color callouts.



**Each sign must have:**  
 - A dedicated branch circuit  
 - Three wires: Line, Ground and Neutral  
 - Wire Size: Min 12 GA THHN Copper Wire  
**Note:** This sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign.  
 The location of the disconnect switch after installation shall comply with Article 600.6(A)(1) of the National Electrical Code.  
 - Power to the sign must be done by a licensed contractor or licensed electrician

**ATTENTION:** Before signing please review all details of this drawing, including (but not limited to) spelling, colors, and placement. By signing you confirm that you have reviewed and agree to all specifics shown in this drawing.



**X PLEASE SIGN HERE**

approved \_\_\_\_\_ date \_\_\_\_\_

As Is Without Change    
 With Changes Noted



**A-PLUS SIGNS**

4270 N. Brawley Ave.  
 Fresno, CA 93722  
 Ph: (559) 275-0700  
 Fax: (559) 275-7482  
 design@aplusigns.com

**Site Map**

24902 Moulton Parkway  
 Laguna Woods, CA

Drawn by  
 JTA

Date 3/14/24  
 Scale NTS

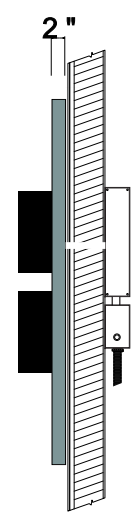
This drawing is proof of concept only. Due to construction constraints, sizes and/or layouts are subject to change. This original drawing is the exclusive property of A-Plus, Inc., and may not be reproduced, displayed or distributed without express written consent.

File name: The Artist Tree Laguna Woods Site Map 2  
 Location: \\THE ARTIST TREE\LAGUNA WOODS

Rep  
 JF



Maximum Letter Height:	<b>12 inches</b>
Maximum Logo Height:	<b>36 inches</b>
Maximum Stacked Copy Height:	<b>24 inches</b>
Maximum Area:	<b>45 SF</b>



12" Max

Power holes to be 3" up from bottom of backer



Proposed

**Description**

Manufacture & install internally illuminated face-lit channel letters on aluminum backer flush mounted to building fascia. Sign to connect to existing customer supplied 120V power at sign location.

**Materials**

- 2" aluminum reverse pan
- .040" aluminum backs
- .040" black aluminum returns
- 3/16" white acrylic faces
- 1" black trim cap
- white LED illumination

\* Artistic Stone DE6307

\* If specific colors have not been provided, colors will be matched to the closest equivalents. By signing you confirm that you have reviewed and agree to the color callouts.

**Each sign must have:**

- A dedicated branch circuit
- Three wires: Line, Ground and Neutral
- Wire Size: Min 12 GA THHN Copper Wire

**Note:** This sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign. The location of the disconnect switch after installation shall comply with Article 600.6(A)(1) of the National Electrical Code.

- Power to the sign must be done by a licensed contractor or licensed electrician

**ATTENTION:** Before signing please review all details of this drawing, including (but not limited to) spelling, colors, and placement. By signing you confirm that you have reviewed and agree to all specifics shown in this drawing.

**X PLEASE SIGN HERE**

approved \_\_\_\_\_ date \_\_\_\_\_

As Is Without Change

With Changes Noted



4270 N. Brawley Ave.  
 Fresno, CA 93722  
 Ph: (559) 275-0700  
 Fax: (559) 275-7482  
 design@aplusigns.com

**South Elevation**  
 24902 Moulton Parkway  
 Laguna Woods, CA

Drawn by JTA	Date 5/13/24 Scale NTS	This drawing is proof of concept only. Due to construction constraints, sizes and/or layouts are subject to change. This original drawing is the exclusive property of A-Plus, Inc., and may not be reproduced, displayed or distributed without express written consent.
File name: The Helm Center South MSP		Rep JF

20'0" or 75% Max. N.T.E. 40 SF.

Maximum Letter Height: 16 inches  
Maximum Logo Height: 24 inches  
Maximum Stacked Copy Height: Stacked  
Copy Not Allowed – Single Line Only  
Maximum Area: 40 SF  
No Internal Illumination



**Description**  
Manufacture & install non-illuminated dimensional letters flush mounted to building fascia.

**Materials**  
1/4" aluminum



\*  Matthews Satin Black

\* If specific colors have not been provided, colors will be matched to the closest equivalents. By signing you confirm that you have reviewed and agree to the color callouts.

**Each sign must have:**  
- A dedicated branch circuit  
- Three wires: Line, Ground and Neutral  
- Wire Size: Min 12 GA THHN Copper Wire  
**Note:** This sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign.  
The location of the disconnect switch after installation shall comply with Article 600.6(A)(1) of the National Electrical Code.  
- Power to the sign must be done by a licensed contractor or licensed electrician

**ATTENTION:** Before signing please review all details of this drawing, including (but not limited to) spelling, colors, and placement. By signing you confirm that you have reviewed and agree to all specifics shown in this drawing.

**X PLEASE SIGN HERE**  
\_\_\_\_\_ date  
approved \_\_\_\_\_

As Is Without Change    
 With Changes Noted



**A-PLUS SIGNS**

4270 N. Brawley Ave.  
Fresno, CA 93722  
Ph: (559) 275-0700  
Fax: (559) 275-7482  
design@aplusigns.com

**East Elevation**

24902 Moulton Parkway  
Laguna Woods, CA

Drawn by  
JTA

Date 5/13/24  
Scale NTS

This drawing is proof of concept only. Due to construction constraints, sizes and/or layouts are subject to change. This original drawing is the exclusive property of A-Plus, Inc., and may not be reproduced, displayed or distributed without express written consent.

File name: The Helm Center East MSP

Rep  
JF



Proposed

Quantity: 1 total.

Height: Per dimension shown on rendering below.

Construction: Concrete/Stucco with aluminum panels. Tenant copy to have raised copy. Background to be opaque, only tenant copy may show through.

Area: Per dimensions shown on rendering below.

Illumination: Optional; Internally or externally Illuminated.

Tenant Copy: Maximum Letter Height: 10 inches  
 Maximum Logo Height: 20 inches  
 Maximum Stacked Copy Height: 20 inches  
 Sign to include street number in minimum 10-inch letter height.

**Client Information**

Contact Aviv Halimi  
 Company The Artist Tree  
 Address 24902 Moulton Pkwy  
 Laguna Woods, CA 92637  
 Phone  
 Fax  
 email

**Description**

Rearrange panels as shown. Manufacture & install two (2) new tenant panels with dimensional letters for existing double-sided monument sign.

**Materials**

1" deep aluminum reverse pan  
 1/4" aluminum letters

- \* Matthews Satin Black
- \* SW 7663 Monorail
- \* SW 6252 Ice Cube

\* If specific colors have not been provided, colors will be matched to the closest equivalents. By signing you confirm that you have reviewed and agree to the color callouts.

**Each sign must have:**

- A dedicated branch circuit
- Three wires: Line, Ground and Neutral
- Wire Size: Min 12 GA THHN Copper Wire

**Note:** This sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign.  
 The location of the disconnect switch after installation shall comply with Article 600.6(A)(1) of the National Electrical Code.  
 - Power to the sign must be done by a licensed contractor or licensed electrician

**ATTENTION:** Before signing please review all details of this drawing, including (but not limited to) spelling, colors, and placement. By signing you confirm that you have reviewed and agree to all specifics shown in this drawing.

**X PLEASE SIGN HERE**

approved \_\_\_\_\_ date \_\_\_\_\_

As Is Without Change

With Changes Noted



4270 N. Brawley Ave.  
 Fresno, CA 93722  
 Ph: (559) 275-0700  
 Fax: (559) 275-7482  
 design@a-plussigns.com

**Monument Sign**

24902 Moulton Parkway  
 Laguna Woods, CA

Drawn by  
 JTA

Date 3/27/24  
 Scale NTS

This drawing is proof of concept only. Due to construction constraints, sizes and/or layouts are subject to change. This original drawing is the exclusive property of A-Plus, Inc., and may not be reproduced, displayed or distributed without express written consent.

File name: The Artist Tree Laguna Woods Monument 2  
 Location: \\THE ARTIST TREE\LAGUNA WOODS

Rep  
 JF

# SP-1508

Previous Sign Program  
to be Amended



## SIGN PROGRAM

---

Project Address:

24902 Moulton Pkwy.  
Laguna Woods, CA 92637

Property Owner:

Adrian Gonzalez, CEO  
Gonzo's Basic Solutions  
1921 Carnegie Ave Ste 3H  
Santa Ana, CA, 92705  
Tel 714-719-2602

Program Designer

**Promotional  
Signs**

3301 S. Susan St.  
Santa Ana, CA 92704  
714-540-5454 Ph  
714-540-5959 Fax

**I N D E X**

Page Description	Project Sign Code	Page No.	Sign Location	Quantity (Per Bldg)	Max. Sign Area (S.F.)	Max. Letter Height (Inches)	Logos Allowed?	Illum?
Title Page		1						
Sign Summary/Table of Contents		2						
Site Plan		3						
Elevation Page		4						
Primary Tenant Wall Sign	<b>PT</b>	5a	Wall	Max. One (1)	48.0*	18"	Y	Optional
Sub-Tenant Wall Sign	<b>ST</b>	5b	Wall	Max. Two (2)	40.0*	18"	Y	Optional
Monument Sign	<b>M</b>	6a	Ground	T.B.D.	N/A	N/A	N/A	Externally
Monument Sign - Re-Faced	<b>M</b>	6b	Ground	T.B.D.	10.30	N/A	Y	Optional
Purpose and Intent		7						



3301 S. Susan St.  
 Santa Ana, CA 92704  
 714-540-5454 Ph 714-540-5959 Fax

Date: November 9, 2020

**SIGN PROGRAM**

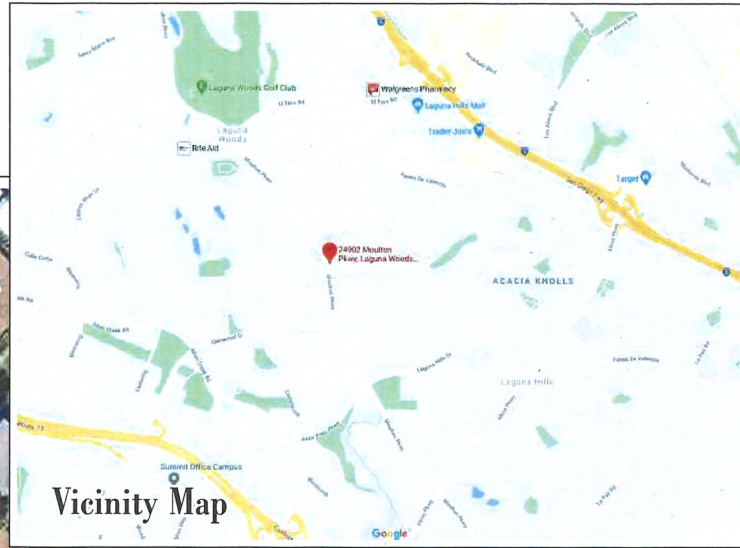
Page 2

**The Helm Center**

24902 Moulton Pkwy.  
 Laguna Woods, CA 92637

\* May be further restricted by leasehold size - see elevations.

Any information not covered within the sign program will default to the current Laguna Woods Municipal Code regulations



# SITE PLAN



Scale: 1" = 80'

Date: November 9, 2020

# SIGN PROGRAM

Page 3

**The Helm Center**

24902 Moulton Pkwy.  
Laguna Woods, CA 92637

--- Property Line



Approval for Southern-most  
Sub-Tenant Wall Sign Removed  
by SP-2024-0001

Maximum Letter: 18 Inches  
Logo Height: 39 Inches  
Maximum Stacked Copy Height: 39 Inches **ST**  
Maximum Area: 40.0 SF

**BUILDING A  
ELEVATIONS**



Scale: 1/32" = 1'-0"

Date: November 9, 2020

**SIGN PROGRAM**

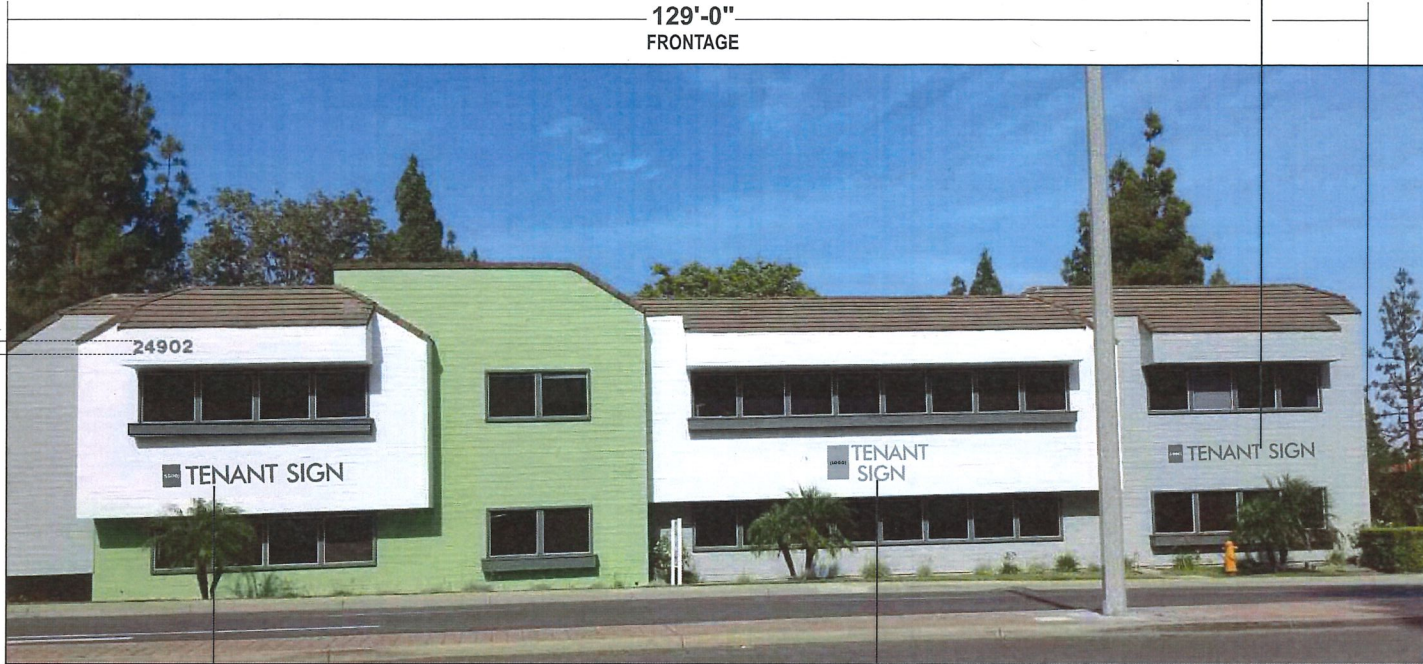
Elevation Page

Page 4

**The Helm Center**

24902 Moulton Pkwy.  
Laguna Woods, CA 92637

129'-0"  
FRONTAGE



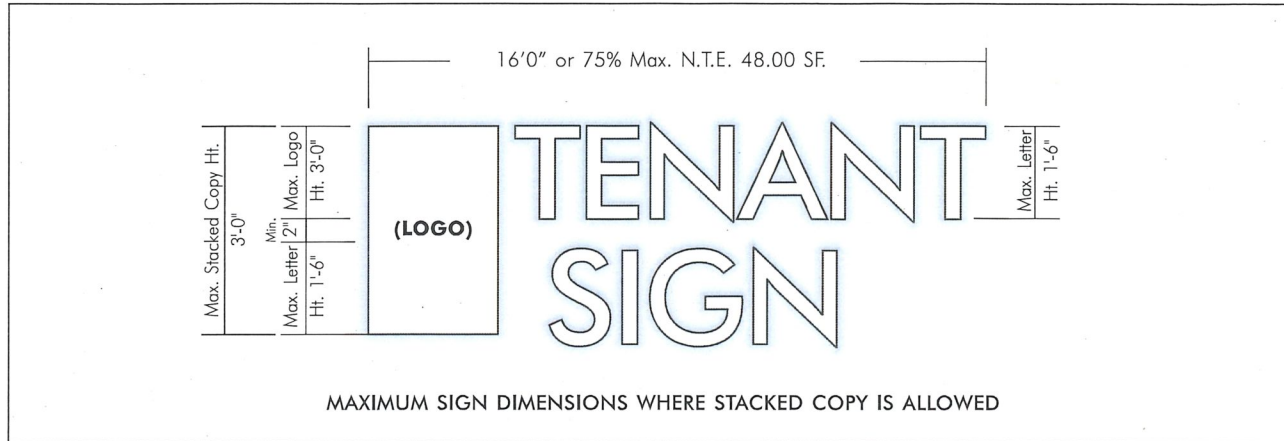
1'-0"  
ADDRESS  
NUMBERS

**ST** Maximum Letter: 18 Inches  
Logo Height: 39 Inches  
Maximum Stacked Copy Height: 39 Inches  
Maximum Area: 40.0 SF

**PT** Maximum Letter Height: 18 Inches  
Max Logo Height: 36 Inches  
Maximum Stacked Copy Height: 36 Inches  
Maximum Area: 50.0 SF

**Primary Tenant  
Wall Signs**

Sign Type: **PT**



Scale: 3/32" = 1'-0"

Date: November 9, 2020

**TENANT WALL SIGNS**

Maximum Quantity: 1 per tenant.

Maximum Sign Area: 1 square foot per linear foot of leasehold

Maximum Letter Height: 18 inches.

Maximum Logo Height: 36 inches.

Signs to be non-illuminated or illuminated construction made with high quality materials, per landlords discretion

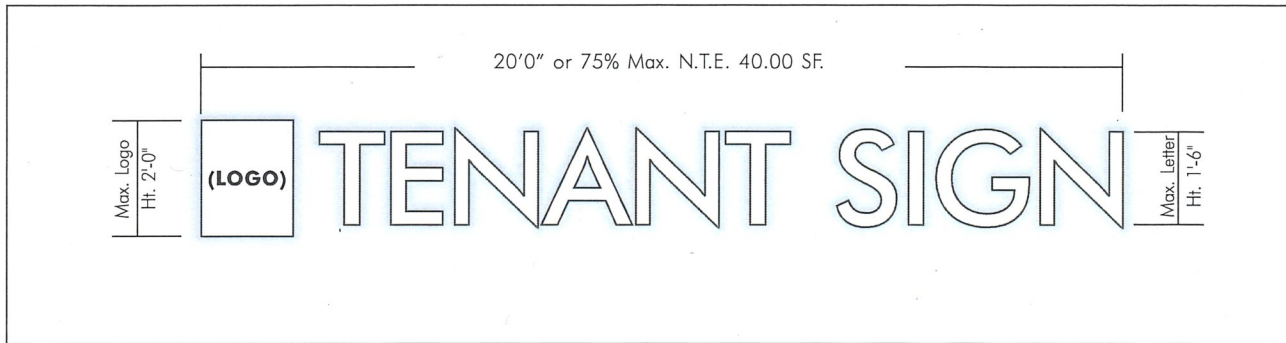
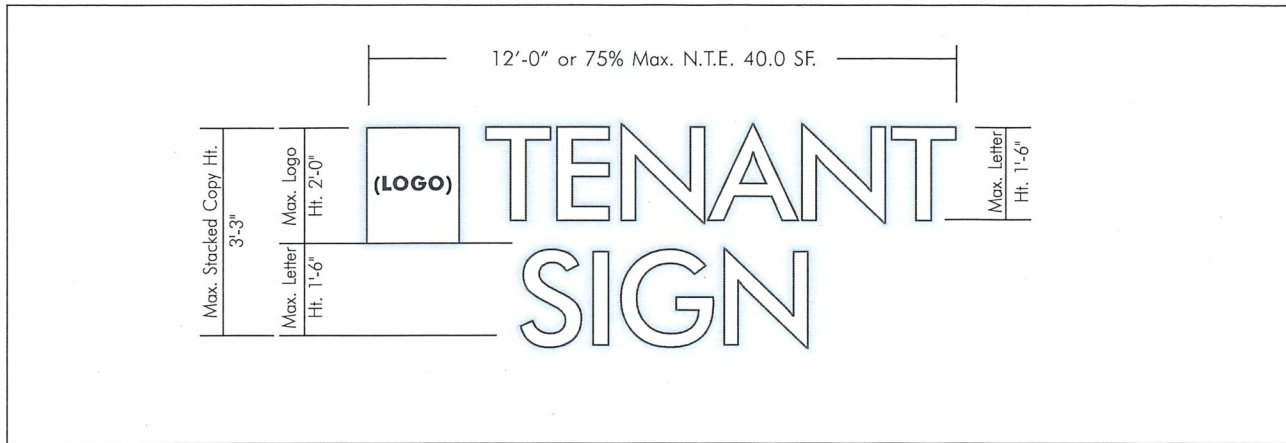
**SIGN PROGRAM**

**Sign Specifications**

**Page 5a**

**The Helm Center**

24902 Moulton Pkwy.  
Laguna Woods, CA 92637



**Sub-Tenant  
Wall Signs**

Sign Type: **ST**



Scale:  $3/32" = 1'-0"$

Date: November 9, 2020

**TENANT WALL SIGNS**

Maximum Quantity: 1 per tenant.

Maximum Sign Area: 1 square foot per linear foot of leasehold

Maximum Letter Height: 18 inches.

Maximum Logo Height: 24 inches.

Signs to be non-illuminated or illuminated construction made with high quality materials, per landlords discretion

**SIGN PROGRAM**

**Sign Specifications**

**Page 5b**

**The Helm Center**

24902 Moulton Pkwy.  
Laguna Woods, CA 92637

**M** **OPTION ONE** - EXISTING DOUBLE-FACED PROJECT AND TENANT I.D. MONUMENT SIGN TO REMAIN

Quantity: 1 total.

Height: 6 feet.

Construction: Monument sign to be fabricated from aluminum with lightly textured paint finish. Tenant copy to have raised copy.

Area: Shall not exceed 1 sq. foot of area for each linear foot of building frontage, up to a maximum aggregate area of 40 sq. feet.

Illumination: Externally Illuminated

Tenant Copy: May consist of tenant name and optional logo. As approved by Landlord.  
Tenants are allowed colored copy and logo, subject to approval by landlord.



EXISTING DOUBLE-FACED MONUMENT

Existing  
Ground Sign

Sign Type: **M**



Scale: 1-1/2" = 1'-0"

Date: November 9, 2020

**SIGN PROGRAM**

Sign Specifications

Page 6a

**The Helm Center**

24902 Moulton Pkwy.  
Laguna Woods, CA 92637

**M** **OPTION TWO-** REFACE EXISTING DOUBLE-FACED PROJECT AND TENANT I.D. MONUMENT SIGN TO ADD TENANTS

Quantity: 1 total.

Height: 6 feet.

Construction: Monument sign to be fabricated from aluminum with lightly textured paint finish. Tenant copy to have raised copy.  
Background to be opaque, only tenant information may show thru. All panels to have uniform color to match: 6107 Sherwin Williams Nomadic Desert

Area: Shall not exceed 1 sq. foot of area for each linear foot of building frontage, up to a maximum aggregate area of 40 sq. feet.

Illumination: Optional

Tenant Copy: May consist of tenant name and optional logo. As approved by Landlord.  
Tenants are allowed colored copy and logo, subject to approval by landlord.

Existing  
Ground Sign  
Partial Reface

Sign Type: **M**



Scale: 1-1/2" = 1'-0"

Date: November 9, 2020

**SIGN PROGRAM**

Sign Specifications

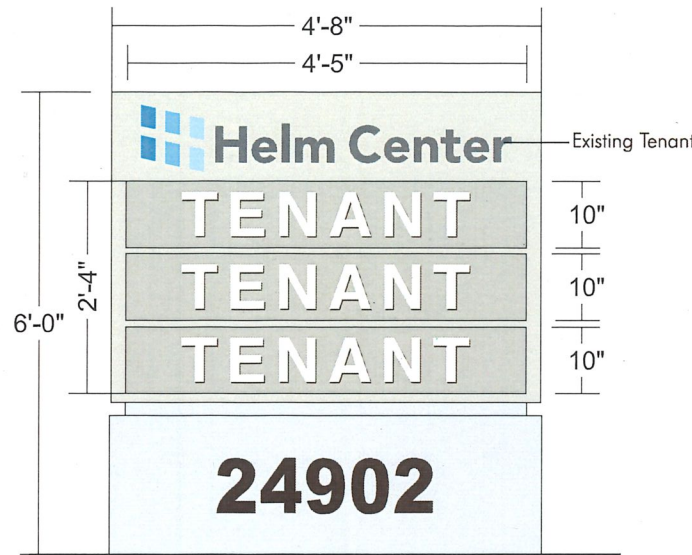
Page 6b

**The Helm Center**

24902 Moulton Pkwy.  
Laguna Woods, CA 92637



EXISTING DOUBLE-FACED MONUMENT



RE-FACED DOUBLE-FACED MONUMENT  
WITH NEW TENANT PANELS

*This page is intentionally blank.*

ITEM 8.1 – Exhibit B to Attachment A

**City of Laguna Woods**

**Conditions of Approval for Sign Program Amendment SP-2024-0001**

Project Applicant (Applicant): TAT LW LLC

Project Address: 24902 Moulton Parkway, Laguna Woods, CA 92637

Project Assessor's Parcel Number: 621-091-15

Property Owner (Owner): JTP Laguna Woods LLC

1. This project is an amendment to Sign Program SP-1508. All conditions of approval for Sign Program SP-1508 (City of Laguna Woods Resolution No. 21-25) shall also apply to this Sign Program Amendment SP-2024-0001.
2. The project shall be constructed, developed, used, operated, and permanently maintained in accordance with the terms of the application, plans, drawings, and conditions imposed herein.
3. The Owner(s), Applicant(s), and occupant(s) shall comply with all of the conditions of approval as part of Sign Program Amendment SP-2024-0001 ("SIGN PROGRAM"). Failure to comply with any one or more of the conditions imposed herein constitute grounds for revocation of said SIGN PROGRAM by the City Council.
4. Except as otherwise provided herein, or as permitted pursuant to the Laguna Woods Municipal Code, this approval is for the location and design of the specified signage show on Exhibit B to City of Laguna Woods Resolution No. 24-XX only. No additional approval is implied or granted.
5. The Owner(s), Applicant(s), and occupant(s) shall comply with all then-current requirements of the Laguna Woods Municipal Code and the California Building Standards Code, as well as federal, state, and local laws, rules, and regulations, as they pertain to the improvements and uses sought in this application, and such requirements are made a condition of this approval. These include, but are not limited to, all requirements related to building permits, grading permits, and encroachment permits; engineering review, landscaping review, water quality review, and plan review, generally, of proposed construction plans; accessibility, including accessibility required by the federal Americans with Disabilities Act; best management practices and other actions or improvements required by National Pollutant Discharge Elimination System permit(s); and, restrictions on parking, circulation, lighting, and noise.
6. This approval does not eliminate the need for building permits, grading permits, or encroachment permits or include any action or finding as to compliance or approval of any other applicable federal, state or local ordinance, regulation, rule, or requirement.

## ITEM 8.1 – Exhibit B to Attachment A

7. City staff, or their authorized representatives, shall have the right to access and enter the property to make reasonable Owner- or Applicant- or occupant-authorized scheduled inspections, or unscheduled inspections in areas otherwise open to the public, to observe and enforce compliance with applicable laws and the conditions set forth herein.
8. In accordance with policies adopted by the City, the Owner(s), Applicant(s), and occupant(s) shall be responsible for any cost incurred as a result of local law enforcement, public safety, or code enforcement investigation/inspection that results in a finding of violation of any applicable laws and/or conditions of approval.
9. The Owner(s), Applicant(s), and occupant(s) shall ensure that signs erected and maintained pursuant to the SIGN PROGRAM do not, at any time, create an actual or reasonably foreseeable nuisance for properties located within line of sight, passing motorists, or any other party including, but not limited to, any nuisance caused either entirely or in part by the brightness, intensity, or direction of sign illumination. The Owner(s), Applicant(s), and occupant(s) shall take all steps necessary to prevent and immediately resolve such situations and shall immediately implement any direction received by the City Council or City Manager, which the Owner(s), Applicant(s), and occupant(s) understand and acknowledge may include, but not necessarily be limited to, any or all of the following:
  - a) Reducing the intensity or brightness of sign illumination;
  - b) Installing additional shielding or filters for illuminated signs; and/or
  - c) Dimming or turning off the illumination on signs at certain times.

For the purpose of this condition, “reasonably foreseeable” shall include any determination made based upon the judgement and discretion of the City Council or City Manager. City staff’s discretion shall not be directed toward the content or wording of signage.

10. All signs erected and maintained pursuant to the SIGN PROGRAM shall be kept clean, complete, and in good structural and functional working order, and shall not be allowed to fall into a state of disrepair, damage, or decrepitude.
11. No sign erected and maintained pursuant to the SIGN PROGRAM shall flash, blink, rotate, engage in any motion, or emit any noise.
12. Any request to modify the conditions of approval contained herein shall require review and authorization by the City Manager. The City Manager may require the submission of such documentation or reporting, or the conduct of such studies or analysis, as he/she/they deems necessary to evaluate a request for modification. The City Manager may in his/her/their discretion refer such decision to the City Council.



## ITEM 8.1 – Exhibit B to Attachment A

13. This approval may be modified or revoked by the City Council, after applicable notice and public hearing procedures have been satisfied, should it be determined, within the City’s jurisdictional authority, that the conditions under which the project has been operated or maintained are detrimental to the public health, safety or welfare, or materially injurious to property or animals in the vicinity; or if the project is operated or maintained so as to constitute a public nuisance, or if the project is operated or maintained in violation of any of the conditions of approval set forth herein, or for any other reason permitted by law.

14. Transfer:

In the event of transfer of the property to which this approval pertains, the transferee(s) are advised that the City encourages the transferee(s) to arrange and attend a conference with the City to review these conditions of approval, and document the manner in which activities will occur and the manner in which these conditions of approval will be met.

15. Termination:

Upon approval, this SIGN PROGRAM shall become null and void (A) upon the expiration of building permits, due to inactivity, obtained to construct this project, or (B) after the project has been constructed, 180 calendar days after such time the approved use at the approved location ceases to be operated as noted by lapse of City business license, lapse of California Department of Tax & Fee Administration (or successor agency) permit or license, or date noted by City official with proper site verification of abandonment or discontinuance.

The City Manager may in his/her/their discretion refer decision regarding termination to the City Council.

This SIGN PROGRAM shall be deemed immediately terminated should the approved location be occupied by a use not in accord with this approval, subject to written notice to the Owner(s) with 10 calendar days to cure.

16. The Owner(s), Applicant(s), and occupant(s), or successor(s) in interest, shall as a condition of issuance of this approval, at its sole expense, defend, indemnify, and hold harmless the City and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (“INDEMNITEES”) from any claim, action, or proceeding against the INDEMNITEES to attach, set aside, void or annul an approval of the City Council or other decision-making body, or staff action concerning this SIGN PROGRAM approval, or its implementation, except when occurring solely as a result the negligent or willful acts or omissions of the INDEMNITEES. The Owner(s), Applicant(s), and occupant(s) shall pay all of the City’s defense costs incurred by counsel of the City’s choosing, and shall reimburse the

ITEM 8.1 – Exhibit B to Attachment A

City for any and all court costs and other parties' attorney fees that the City may be required by a court to pay as a result of such defense. The Owner(s), Applicant(s), and/or occupant(s) may at their sole discretion participate in the defense of any such action under this condition, with its own counsel.

17. The Owner(s) shall sign and have notarized (acknowledgement) the "Owner(s) Acknowledgement of Conditions of Approval for Sign Program Amendment SP-2024-0001" and return one wet-signed original to the City Manager with a copy of a recordable legal description of all affected properties in form acceptable to the City Manager.

[SIGNATURES ON NEXT PAGE]

ITEM 8.1 – Exhibit B to Attachment A

**OWNER(S) ACKNOWLEDGEMENT OF CONDITIONS OF APPROVAL FOR SIGN PROGRAM AMENDMENT SP-2024-0001 (“ACKNOWLEDGEMENT”)**

1. **ACKNOWLEDGEMENT OF CONDITIONS OF APPROVAL.** The person or persons executing this ACKNOWLEDGEMENT on behalf of the respective Owner(s) has reviewed all Conditions of Approval for Sign Program Amendment SP-2024-0001 and has had the opportunity to consult with legal counsel regarding them as the Owner(s) has deemed appropriate.
2. **PURPOSE.** The purpose of this ACKNOWLEDGEMENT is to ensure the Owner(s) are aware of the Conditions of Approval for Sign Program Amendment SP-2024-0001, which “run with the land.” References to “Applicant(s)/Owner(s)” in the Conditions of Approval for Sign Program Amendment SP-2024-0001 are not intended to, and will not be interpreted by the City as, conferring any additional legal responsibility or liability upon the Owner(s) beyond that which otherwise exists in applicable law, or otherwise changing the Owner(s) existing legal obligations.
3. **RECORDATION.** The person or persons executing this ACKNOWLEDGEMENT on behalf of the respective Owner(s) consents to the recordation of the Conditions of Approval for Sign Program Amendment SP-2024-0001, including this ACKNOWLEDGEMENT, in the office of the Clerk-Recorder for the County of Orange.
4. **AUTHORITY TO EXECUTE.** The person or persons executing this ACKNOWLEDGEMENT on behalf of the respective Owner(s) represents and warrants that he/she/they has/have the authority to so execute this ACKNOWLEDGEMENT and to bind the respective Owner(s) to its obligations hereunder.
5. **SEVERABILITY.** If any term, condition or covenant of this ACKNOWLEDGEMENT is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this ACKNOWLEDGEMENT shall not be affected thereby and the ACKNOWLEDGEMENT shall be read and construed without the invalid, void or unenforceable provision(s).

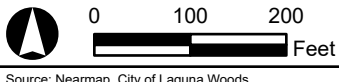
**Property Owner – JTP Laguna Woods LLC**

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

Full Name: \_\_\_\_\_ Title: \_\_\_\_\_

SIGNATURE MUST BE NOTARIZED; ATTACH ACKNOWLEDGEMENT.

*This page is intentionally blank.*



Vicinity Map for Sign Program Amendment SP-2024-0001

*This page is intentionally blank.*

**9.1**

**GOLDEN RAIN FOUNDATION OF LAGUNA  
WOODS' USE OF 800 MEGAHERTZ RADIOS AS  
PART OF THE ORANGE COUNTY  
COUNTYWIDE COORDINATED  
COMMUNICATIONS SYSTEM**

*This page is intentionally blank.*





# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** July 17, 2024 Regular Meeting

**SUBJECT:** Golden Rain Foundation of Laguna Woods' Use of 800 Megahertz Radios as part of the Orange County Countywide Coordinated Communications System

---

### **Recommendation**

Approve a memorandum of understanding with the Golden Rain Foundation of Laguna Woods to allow for the Golden Rain Foundation of Laguna Woods' use of 800 megahertz radios as part of the Orange County Countywide Coordinated Communications System and authorize the Mayor to execute the memorandum of understanding, subject to approval as to form by the City Attorney.

### **Background**

Laguna Woods Village Security has monitored the Orange County Fire Authority's radio transmissions for over 25 years using 800 megahertz ("MHz") radios donated to them by Doctor's Ambulance (a former 9-1-1 emergency ambulance service provider in Laguna Woods) and a pager-based system provided by the Orange County Fire Authority. The 800 MHz radios stopped receiving transmissions after Doctor's Ambulance stopped providing 9-1-1 emergency ambulance services in Laguna Woods, at which time Laguna Woods Village Security became reliant on the pager-based system, which only provides notifications of dispatches from Orange County Fire Authority Station 22. The Orange County Fire Authority does not plan to support the pager-based system indefinitely.

In February 2024, Laguna Woods Village Security approached City staff with a request to reactivate the 800 MHz radios in their possession. The City's approval is

necessary as it is the local signatory to the Orange County Countywide Coordinated Communications System on which the 800 MHz radios operate.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on a proposed memorandum of understanding ("MOU") with the Golden Rain Foundation of Laguna Woods ("GRF") which would allow GRF to use 800 MHz radios as part of the Orange County Countywide Coordinated Communications System (Attachment A). Staff recommends that the City Council approve the proposed MOU in order to promote safety and well-being within the city of Laguna Woods by enhancing Laguna Woods Village Security's situational awareness and allowing for expedited response by Laguna Woods Village Security to the scene of incidents and emergencies occurring within Laguna Woods Village to help provide traffic control, crowd control, interior access, or other assistance, subject to direction conveyed by the Orange County Fire Authority, the Orange County Sheriff's Department, and other governmental response agencies.

Key terms of the proposed MOU include, but are not limited to, the following:

- The term would begin upon execution and run through June 30, 2027, with the potential for extensions subject to written agreement of both parties.
- Ownership of the 800 MHz radios in GRF's possession would be transferred to the City. This would allow the City to maintain and replace the radios.
- The City would assume responsibility for coordinating maintenance of the 800 MHz radios. GRF would be responsible for associated costs.
- A process would be established for the City to replace the 800 MHz radios when requested by GRF. Due to the age of the existing 800 MHz radios, it is anticipated that replacement would be necessary during the term of the MOU. GRF would be responsible for associated costs.

Prior to drafting the proposed MOU, staff consulted with the Orange County Fire Authority and Orange County Sheriff's Department. Both agencies are supportive of Laguna Woods Village Security's requested use of 800 MHz radios.

GRF's Board of Directors has reviewed and approved the proposed MOU.

**Fiscal Impact**

Costs associated with the City's responsibilities under the proposed MOU would be reimbursed and/or advanced by GRF.

Attachment: A – Proposed Memorandum of Understanding

*This page is intentionally blank.*

**MEMORANDUM OF UNDERSTANDING**  
**TO ALLOW FOR THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS' USE OF**  
**800 MEGAHERTZ RADIOS AS PART OF THE ORANGE COUNTY COUNTYWIDE**  
**COORDINATED COMMUNICATIONS SYSTEM ("MOU")**

1. *AGREEMENT TO FACILITATE USE OF 800 MEGAHERTZ RADIOS.* Effective on the date of execution below, the City of Laguna Woods, a California municipal corporation ("CITY"), agrees to facilitate the Golden Rain Foundation of Laguna Woods', a California nonprofit mutual benefit corporation ("GRF"), use of 800 Megahertz ("MHZ") radios as part of CITY's participation in the Orange County Countywide Coordinated Communications System ("CCCS") for the specific and limited purpose of allowing the Laguna Woods Village Security Department to monitor the Orange County Fire Authority's ("OCFA") 800 MHz radio traffic so as to receive real-time updates on incidents and emergencies occurring within Laguna Woods Village. CITY and GRF agree that GRF receiving such real-time updates promotes safety and well-being within the city of Laguna Woods by enhancing the Laguna Woods Village Security Department's situational awareness and allowing for expedited response by the Laguna Woods Village Security Department to the scene of incidents and emergencies occurring within Laguna Woods Village to help provide traffic control, crowd control, interior access, or other assistance, subject to direction conveyed by OCFA, the Orange County Sheriff's Department, and other governmental response agencies. The term of this agreement and accompanying MOU shall commence on the date of execution below and end at 11:59 p.m. on June 30, 2027. Such term may be extended upon written agreement of both parties to this MOU.

2. *TRANSFER OF 800 MHZ RADIOS OWNERSHIP.* Effective on the date of execution below, the 800 MHz radios in GRF's possession identified by the following serial numbers – 500CEG1450 and 500CFM3587 – shall become property of CITY. This transfer of ownership will allow CITY to perform its obligations set forth in this MOU.

3. *MAINTENANCE AND REPLACEMENT OF 800 MHZ RADIOS.* Subject to the limitations set forth in Paragraph 4 below, effective on the date of execution below, CITY shall assume responsibility for coordinating the maintenance of the 800 MHz radios in good condition and reasonable working order and as may be required by agreements, laws, policies, and regulations which CITY is subject to as a participant in the CCCS, as may change from time-to-time. GRF shall reimburse CITY for its actual costs thereof including, but not limited to, CCCS cost-share charges, contract services, equipment, supplies, shipping, and mileage, plus 25% for CITY staff time and administrative overhead applied to CITY's actual costs, within 30 calendar days of receiving an invoice from CITY. GRF shall be responsible for notifying CITY in writing of conditions and circumstances that may indicate a need for maintenance and reasonably cooperating with CITY to confirm the need for such maintenance and obtain such maintenance. GRF shall also reasonably cooperate with CITY to inventory and account for the 800 MHz radios.

CITY shall only replace the 800 MHz radios after written request of GRF and GRF's prepayment of CITY's actual costs thereof – to the extent known or reasonably estimated by CITY – including, but not limited to, CCCS cost-share charges, contract services, equipment, supplies, shipping, and mileage, plus 25% for CITY staff time and administrative overhead applied to CITY's actual costs. GRF shall reimburse CITY for the remainder of CITY's actual costs thereof,

plus 25% for CITY staff time and administrative overhead applied to CITY's actual costs, not prepaid, within 30 calendar days of receiving an invoice from CITY. CITY shall refund to GRF any amounts overpaid due to changes in costs subsequent to any pre-payment within 30 calendar days of CITY's final payments for the subject replacement. All 800 MHz radios replaced by CITY shall be property of CITY.

4. *LIMITATIONS.* CITY's obligations under this MOU shall be limited by agreements, laws, policies, and regulations which CITY is subject to or may become subject to during the term of this MOU including, but not limited to, agreements, laws, policies, and regulations which CITY is subject to as a participant in the CCCS, as may change from time-to-time, without exception. Nothing in this MOU shall be construed as requiring CITY to take any action contrary to or in excess of its obligations set forth in agreements, laws, policies, or regulations to which it is subject to or may become subject to, whether mandatorily or electively.

GRF acknowledges that the 800 MHz radios will require maintenance and replacement from time-to-time. CITY makes no promise, representation, nor warranty of any kind to GRF, nor to any party claiming by or through GRF, nor to any third party whatsoever, that it will keep, attain, or maintain a specific level of operable time or performance of the 800 MHz radios, and no duty, mandatory or otherwise, is created for CITY hereby.

This MOU specifically excludes from CITY's obligations, the provision, maintenance, or replacement of any equipment other than the 800 MHz radios including, but not limited to, adaptors, amplifiers, antennas, chargers, power cords, power supplies, repeaters, mounts, and signal generators, except to the extent such equipment is a part of the 800 MHz radios replaced by CITY as evidenced by the inclusion of such equipment in the specifications set forth in the CCCS purchasing agreement used by CITY to make such replacement.

5. *NOTICES.* All notices required or permitted to be given under this MOU shall be in writing and shall be personally delivered, or sent by telecopy or certified mail, postage prepaid and return receipt requested, addressed as follows:

To CITY:           City of Laguna Woods  
                          Attn: City Manager  
                          24264 El Toro Road  
                          Laguna Woods, CA 92637

To GRF:            Golden Rain Foundation of Laguna Woods  
                          ATTN: President  
                          24351 El Toro Road  
                          Laguna Woods, CA 92637

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

6. *INDEMNIFICATION.* GRF agrees to indemnify, protect, defend, and hold CITY and its respective elected and appointed boards, officials, officers, agents, employees, attorneys and

ITEM 9.1 – Attachment A

volunteers harmless from and against any and all claims, losses, liabilities, actions, judgements, costs, and expenses (including reasonable attorneys’ fees and costs) that they may suffer or incur as a result of the use of 800 MHz radios specified herein.

7. *ASSIGNMENT.* GRF shall not assign or transfer this MOU or any portion of this MOU without the prior written consent of CITY.

8. *NO THIRD-PARTY BENEFICIARIES.* This MOU, its provisions, and its covenants, are for the sole and exclusive benefit of CITY and GRF. No other parties or entities are intended to be, nor shall be considered, beneficiaries of the performance by either CITY or GRF of any of the obligations under this MOU.

9. *BINDING EFFECT.* This MOU shall be binding upon the heirs, executors, administrators, successors, and assigns of CITY and GRF.

10. *AUTHORITY TO EXECUTE.* The person or persons executing this MOU on behalf of CITY and GRF has reviewed the terms and conditions of this MOU and has had the opportunity to consult with legal counsel regarding them as CITY and GRF has deemed appropriate.

The person or persons executing this MOU on behalf of CITY and GRF represents and warrants that he/she/they has/have the authority to so execute this MOU and to bind CITY or GRF to the performance of its obligations hereunder.

11. *ENTIRE AGREEMENT.* This MOU is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between CITY and GRF prior to the execution of this MOU. No statements, representations or other agreements, whether oral or written, made by any party which is not embodied herein shall be valid and binding. No amendment to this MOU shall be valid and binding unless in writing duly executed by CITY and GRF or their authorized representatives.

12. *SEVERABILITY.* If any term, condition or covenant of this MOU is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this MOU shall not be affected thereby and the MOU shall be read and construed without the invalid, void or unenforceable provision(s).

**IN WITNESS WHEREOF**, the parties hereto have caused this MOU to be executed the latter day and year dated below.

**CITY OF LAGUNA WOODS:**

\_\_\_\_\_  
Noel Hatch, Mayor

\_\_\_\_\_  
Date

THE ABOVE SIGNATURE SHALL BE NOTARIZED.  
ATTACH ACKNOWLEDGEMENT FORM.

Approved by the City Council on: July 17, 2024

Approved as to Form:

---

Alisha Patterson, City Attorney

**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS:**

---

James Hopkins, President

---

Date

THE ABOVE SIGNATURE SHALL BE NOTARIZED.  
ATTACH ACKNOWLEDGEMENT FORM.



**9.2**

**2023-2024 ORANGE COUNTY GRAND JURY  
REPORT, “TALKING TRASH: RECYCLABLES  
AND ORGANIC WASTE”**

*This page is intentionally blank.*



# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** July 17, 2024 Regular Meeting

**SUBJECT:** 2023-2024 Orange County Grand Jury Report, “Talking Trash: Recyclables and Organic Waste”

---

### **Recommendation**

Approve a response to the 2023-2024 Orange County Grand Jury Report, “Talking Trash: Recyclables and Organic Waste,” authorize the Mayor to execute the response, and direct the City Manager to submit the response as required by applicable law.

### **Background**

On June 11, 2024, the Orange County Grand Jury publicly released a report titled “Talking Trash: Recyclables and Organic Waste” (Attachment A). The report requires all 34 Orange County cities and the Orange County Board of Supervisors to respond to certain findings and recommendations, in accordance with California Penal Code Section 933. The City Council is required to respond to 10 findings and seven recommendations no later than September 10, 2024, unless an extension is obtained pursuant to California Penal Code Section 933.05(b)(3).

### **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on a response to the 2023-2024 Orange County Grand Jury Report, “Talking Trash: Recyclables and Organic Waste.” Staff recommends that the City Council approve the proposed response (Attachment B), authorize the Mayor to execute the proposed response, and direct the City Manager to submit the proposed response as

required by applicable law.

To satisfy the requirements of California Penal Code Section 933(c), the response approved by the City Council is submitted on behalf of the City Council to the Presiding Judge of the Orange County Superior Court.

The proposed response has been prepared in conformance with California Penal Code Section 933.05, which requires the City to respond as follows:

For Findings (select one of the following)

- The City **agrees** with the finding; or
- The City **disagrees wholly** or **partially** with the finding, in which case the response shall specify the portion of the finding that is disputed and include an explanation of the reasons therefor.

State law does not provide an option for the City to decline to respond based on a finding's inapplicability. The City must either agree, disagree wholly, or disagree partially.

For Recommendations (select one of the following)

- The recommendation **has been implemented**, with a summary regarding the implemented action; or
- \*The recommendation has not yet been implemented, but **will be implemented** in the future, with a timeframe for implementation; or
- \*The recommendation **requires further analysis**, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the City Council that does not exceed six months from the date of publication of the grand jury report; or
- The recommendation **will not be implemented** because it is not warranted or is not reasonable, with an explanation therefor.

\* The City is required to define timeframes for responses to recommendations that have not yet been implemented, but **will be implemented** in the future or **require further analysis**. In the case of recommendations requiring further analysis, the City Council would be required to complete such analysis by December 11, 2024. The Orange County Grand Jury requests annual reports in March of each year on the status of recommendations accepted but not yet implemented.

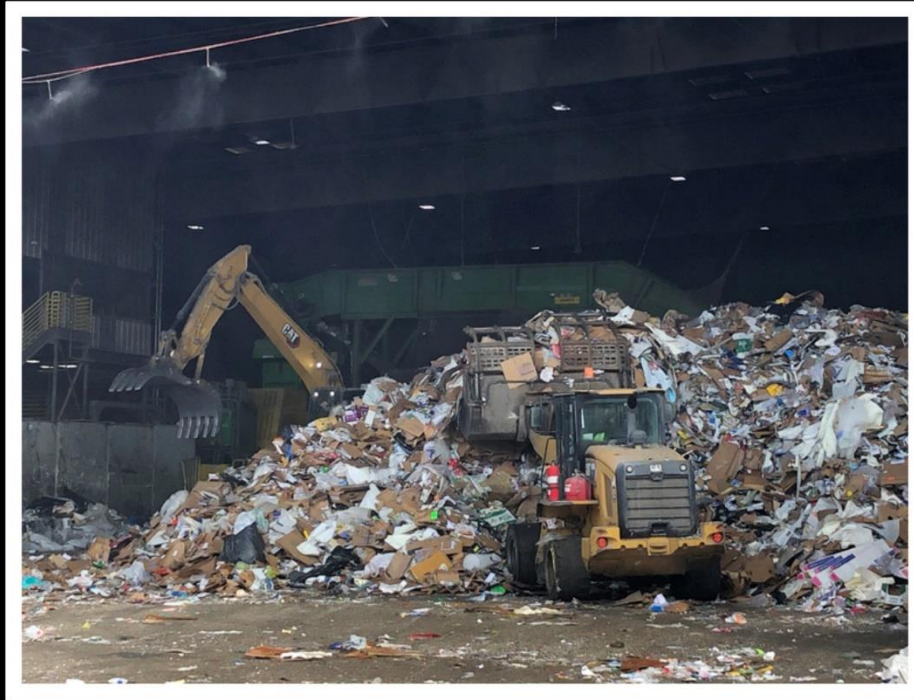
**Fiscal Impact**

Funds to support this project are included in the City’s budget.

Report Prepared With: Nadia Cook, Conservation Administrator

- Attachments: A – 2023-2024 Orange County Grand Jury Report, “Talking Trash: Recyclables and Organic Waste”  
B – Proposed Response to 2023-2024 Orange County Grand Jury Report, “Talking Trash: Recyclables and Organic Waste”

*This page is intentionally blank.*



# Talking Trash: Recyclables and Organic Waste



## TABLE OF CONTENTS

<b>SUMMARY</b> .....	3
<b>BACKGROUND</b> .....	3
<b>REASON FOR THE STUDY</b> .....	4
<b>METHOD OF STUDY</b> .....	5
<b>INVESTIGATION AND ANALYSIS</b> .....	6
<b>Overview of SB 1383</b> .....	6
<b>How Are Jurisdictions Impacted by SB 1383?</b> .....	7
<b>Orange County Jurisdictions’ SB 1383 Implementation Status</b> .....	8
<i>How do jurisdictions assess their own progress?</i> .....	8
<i>Main Implementation Issues</i> .....	8
<b>COMMENDATIONS</b> .....	18
<b>FINDINGS</b> .....	18
<b>RECOMMENDATIONS</b> .....	19
<b>RESPONSES</b> .....	21
<b>Responses Required</b> .....	22
<i>Findings – 90 Day Response Required</i> .....	22
<i>Recommendations – 90 Day Response Required</i> .....	24
<b>REFERENCES</b> .....	25
<b>GLOSSARY</b> .....	26
<b>APPENDICES</b> .....	28
<b>APPENDIX A – SURVEY RESULTS</b> .....	28
<b>APPENDIX B – CIRCULAR ECONOMY STARTS IN YOUR KITCHEN</b> .....	33



## SUMMARY

In 2016, the State of California enacted Senate Bill (SB) 1383, requiring counties, cities, and other organizations responsible for waste collection to coordinate with their residents to divert organic waste, including food scraps, from the landfill waste disposal stream. Another provision makes jurisdictions responsible for procuring a quantity of the recovered organic waste products resulting from the diversion. The 2023-2024 Orange County Grand Jury (OCGJ) investigated how Orange County jurisdictions are complying with the requirements and goals of SB 1383 that impact single-family residential units.

The investigation revealed that the approaches to meeting SB 1383's requirements vary greatly from jurisdiction to jurisdiction. The majority of Orange County jurisdictions have not yet distributed residential waste containers that meet the SB 1383 standardization requirements, leaving outdated labeling/embossing in place. Education and outreach have not yet taken place at all in some jurisdictions. Even when information has been disseminated in other jurisdictions, the methods disproportionately favor intermittent paper mailings. Also, the State's unrealistic targets for the procurement of recycled organic waste products do not account for a jurisdiction's population density or geographic size, which frequently makes them extremely difficult to meet.

The local enforcement stage of SB 1383 started on January 1, 2024. However, the majority of Orange County jurisdictions are unlikely to meet the SB 1383 targeted seventy-five percent reduction in the amount of organic waste sent to landfills by January 2025.

The OCGJ concludes there is a clear need to improve education and outreach efforts, develop enforcement mechanisms and processes, and to coordinate and collaborate among all jurisdictions to collectively address the challenges and to achieve the goals and targets of SB 1383.

## BACKGROUND

Organic waste comprises more than a third of the waste stream in California and includes green waste, wood, food waste, and fibers such as paper and cardboard. When left to decompose in landfills, organic waste releases large amounts of methane gas which is harmful to the environment (CalRecycle, 2024). In September 2016, SB 1383 set reduction targets in a statewide effort to reduce emissions of Short-Lived Climate Pollutants (SLCP) including methane. Simply put, this required all statewide jurisdictions to implement mandatory organic waste collection and recycling to divert organic waste from landfills. Another key benefit of the diversion of organic and other recyclable material from landfills is the preservation of overall landfill capacity.

In 2014, the State conducted random sampling of twenty-six landfills, Material Recovery Facilities (MRF), and Transfer Stations located in twenty-one of California's fifty-eight counties (none in Orange County). The results were used to establish the baseline for

## Talking Trash: Recyclables and Organic Waste

the required reduction in organic waste destined for landfills. SB 1383 then set goals to reduce organic waste sent to landfills below the 2014 baseline by fifty percent no later than January 1, 2020, and seventy-five percent by January 1, 2025. However, despite the law's requirements, the amount of organic waste sent to landfills statewide actually increased by twenty-three percent above the 2014 baseline (Little Hoover Commission, 2023).

SB 1383 requires all jurisdictions to memorialize the bill's requirements in their municipal codes and ordinances no later than January 1, 2022. One of the results of these changes is that each jurisdiction had to amend or renegotiate their waste haulers' franchise agreements to incorporate the new requirements.

In accordance with SB 1383, as of January 1, 2024, all jurisdictions (and therefore all waste producers) will be subject to enforcement, including monetary fines. While SB 1383 has a myriad of requirements for commercial as well as residential waste producers, the OCGJ narrowed its investigation to the impacts associated with local jurisdiction compliance with SB 1383 on Orange County residents. This report focuses on the specific requirements associated with SB 1383, the local actions taken so far to meet those requirements, the success of those actions and how they are measured, local agency outreach and education efforts, and the challenges that remain for the County of Orange and the county's thirty-four cities.

## REASON FOR THE STUDY

The organics diversion mandate under SB 1383 began to take effect in California on January 1, 2022. This means that jurisdictions in California were required to implement programs for the separation and diversion of organic waste, including food scraps, from landfill disposal. The actual enforcement of this requirement started on January 1, 2024. The OCGJ's intent was to take a closer look at how Orange County jurisdictions are responding to this mandate, their successes and challenges, and the impact of this new requirement on the Orange County residents.

The OCGJ initially focused on two questions:

- What actions have Orange County jurisdictions taken to implement organics collection for their residential customers, and how do they measure the success of these actions?
- Given that one key to the success of SB 1383 is public participation, have local jurisdictions conducted sufficient outreach and education?

While investigating the answers to these questions, the OCGJ discovered additional information about Orange County recycling and waste management that is notably relevant to this topic and is included in this report.

## METHOD OF STUDY

The OCGJ toured several local waste facilities, including:

- The Frank R. Bowerman landfill in Irvine, owned by the County of Orange and managed and operated by OC Waste & Recycling (OCW&R). This enabled the OCGJ to gain a better understanding of the refuse collection and disposal process.
- The MRF operated by Rainbow Environmental Services, located at 17121 Nichols Lane in the city of Huntington Beach. This facility was previously decommissioned then reopened on short notice when the newer Anaheim MRF was destroyed by fire in February 2022.
- The MRF operated by Waste Management, located at 2050 North Glassell Street in the city of Orange. This tour allowed the OCGJ to gain information on the operation of a newer, larger MRF.

The OCGJ reviewed SB 1383 and related documents, training videos, public meeting recordings, and presentations available on the CalRecycle website.

The OCGJ reviewed online publications from various organizational and media sources related to trash hauling and general operations of the waste and recycling industry and conducted fourteen interviews with representatives from the waste industry, local jurisdictions, and the State's enforcement agency.

The OCGJ also disseminated a nine-question survey to each of the thirty-four Orange County cities and the County to obtain their perspectives on local implementation of SB 1383. Follow-up interviews were conducted with representatives of the same ten cities included in the 2019-2020 OCGJ report "OC Recycling: Doing it the Right Way" and the County for additional insight into each jurisdiction's implementation of, and compliance with, SB 1383's requirements.

The OCGJ utilized the same sampling of ten cities as well as the County of Orange (for its unincorporated areas) because they represent different geographical areas of the county (from Brea in the north to Dana Point in the south) and reflect a variety of larger cities by population and/or land area (e.g., Santa Ana, Irvine) and some that are smaller (e.g., Buena Park, Mission Viejo).

Individual members of the OCGJ also observed the types and colors of carts, their labeling, and their contents at various locations throughout the county. These observations were documented via photographs to illustrate dissimilar details and nuances among jurisdictions and haulers.

# INVESTIGATION AND ANALYSIS

## Overview of SB 1383

SB 1383 set ambitious targets for reducing organic waste disposal in landfills from the 2014 baseline: fifty percent by January 2020 (which was not met), and seventy-five percent by January 2025. Organic waste comprises more than half the waste stream in California and includes green waste, wood, food waste, and fibers such as paper and cardboard. When left to decompose in landfills, organic waste releases large amounts of methane gas. The overall goal of the bill is to reduce greenhouse gas emissions by at least four million metric tons per year by 2030 by requiring that “organics” going to the landfill be reduced to 5.7 million metric tons by 2025.

This groundbreaking legislation is a statewide effort to reduce Short-Lived Climate Pollutants (SLCPs). SLCPs such as methane, black carbon, tropospheric (ground level) ozone, and hydrofluorocarbons remain in the atmosphere for a shorter time than carbon dioxide but have a much stronger warming effect. Therefore, reducing SLCPs has the potential to significantly slow global climate change in the near term (California Air Resources Board, 2024). The State’s efforts and policies are intended to substantially increase the rate of organic material diversion away from landfills. This diversion goal is meant to move the State towards the desired “circular economy” where organic waste is collected, converted into new materials or products, and reused for other purposes.

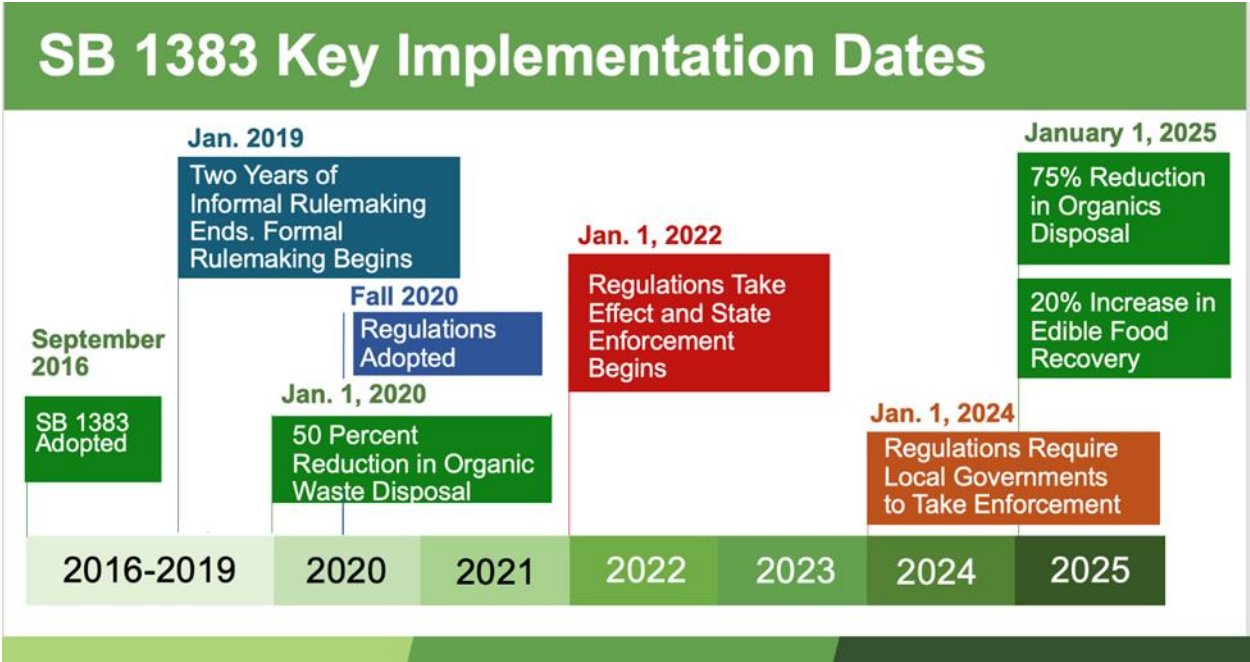


Figure 1

Source: CalRecycle

## How Are Jurisdictions Impacted by SB 1383?

In this context, a jurisdiction may be a city, county, city and county, or special district that collects solid waste.

The jurisdictions' responsibilities specified by SB 1383 relating to residential units include (CalRecycle, 2024):

- Providing organics collection services to all residents
- Conducting education and outreach to community
- Procuring recyclable and recovered organic products
- Securing access to recycling capacity
- Monitoring compliance and conducting enforcement

SB 1383 contains a significant amount of detail regarding the types of allowable collection programs. Critical requirements are listed below:

- Each resident must subscribe to an organic waste collection service that either “source-separates” the waste by using separate bins or transports all unsegregated waste to a facility that recovers seventy-five percent of the organic content collected.
- SB 1383 requires one of the following collection options:
  - A one-can system – all contents are transported to a facility that recovers seventy-five percent of the organic content.
  - A two-can system – at least one of the containers (whichever includes organic waste and garbage) must be transported to a facility that recovers seventy-five percent of the organic content.
  - A three-can system – organic waste is required to be source separated (recyclables in blue, food and yard waste in green).

Jurisdictions must also conduct education and outreach to all residents regarding collection service requirements, contamination standards, self-haul requirements, and overall compliance with SB 1383. Educational material must be linguistically accessible to non-English speaking residents.



Figure 2

Source: CalRecycle

## Orange County Jurisdictions’ SB 1383 Implementation Status

### How do jurisdictions assess their own progress?

The OCGJ sent a ten-question survey to thirty-four cities and OC Waste & Recycling (OCW&R) and received thirty-one responses. The purpose of the survey was to verify how these agencies measure their progress on the implementation of various aspects of SB 1383. Survey participants were asked to mark their progress on the scale from 1 (significant challenges) to 5 (excellent) for each of the questions. The survey questions as well as more detailed information on responses and follow-up comments and explanations is included in Appendix A.

### Main Implementation Issues

To follow-up on the survey, the OCGJ conducted a series of interviews with jurisdictions to learn more about their specific challenges in implementing SB 1383, successes, concerns, and solutions to common issues. The eleven jurisdictions interviewed were the same included in the 2019-2020 OCGJ report “OC Recycling: Doing it the Right Way” representing different geographical areas of the county and a variety of populations and/or land areas. Several themes emerged from the interviews:

- **Container Standardization**

SB 1383 requires standardized colors for residential and business curbside containers (green for organics, blue for recyclables, and grey for trash). It also requires container

labels on new containers. The color scheme for collection containers must meet either of these requirements:

- The lid of the container is the correct designated color
- The body of the container is the correct designated color, and the lid is also the same specified color or may be gray or black

Out of the eleven jurisdictions interviewed, only two have distributed containers that meet the State requirements. However, jurisdictions are not required to replace containers prior to January 1, 2036. Most are replacing their containers gradually over time. The variety of colors used by various jurisdictions contributes to the confusion and potentially increases contamination rates. In many cases, existing containers include embossed information that is no longer accurate or labels with outdated information (see examples below).

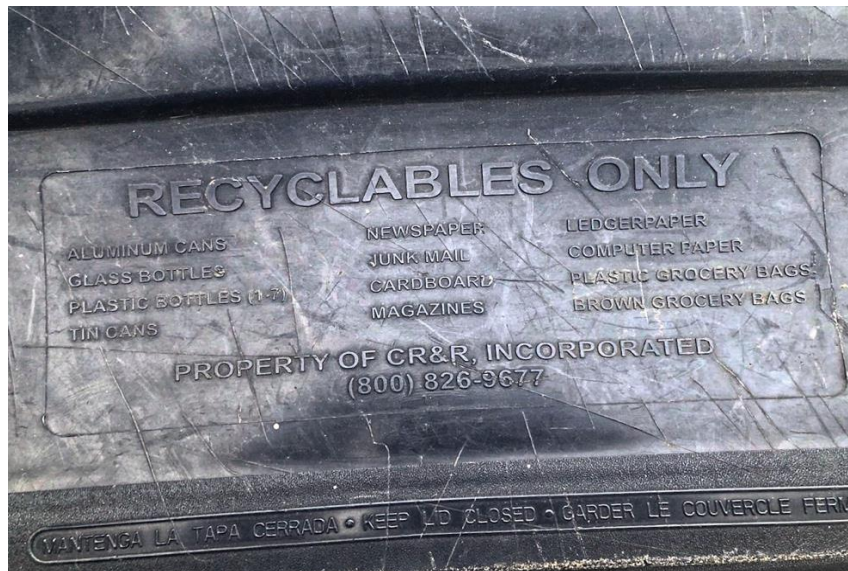


Figure 3. The embossed information wrongly directs residents to put plastic grocery bags in the recycling container. Photo: OCGJ



Figure 4. The old sticker incorrectly directs residents to put shoes, clothes, and other textiles in the recycling container. Photo: OCGJ



Figure 5. Outside label on the 'green waste' container contains no information regarding food scraps. Photo: OCGJ

The following two images of the “Food Scrap” container (outside and inside) were taken by an OCGJ member in a public park. The contents of the container, which contains unallowable items, such as plastic packaging, further underscores the need for clear signage and more public education.



Talking Trash: Recyclables and Organic Waste



Figure 6. Lid of the “Food Scraps” container in a public park from November 2023 showing correct information. Photo: OCGJ



Figure 7. Contents of the same “Food Scraps” container in the public park from November 2023. Photo: OCGJ

## Talking Trash: Recyclables and Organic Waste

Another standardization issue is that what is accepted for recycling varies among the jurisdictions and haulers.

For example, some allow palm fronds into organics bins while others do not, and some allow food scraps to be deposited in compostable bags while others do not, further adding to the confusion.

- **Funding and Enforcement**

While conducting interviews with the Orange County jurisdictions, the OCGJ learned that there are two approaches to funding their solid waste management programs (including SB 1383 implementation activities): (1) using an enterprise fund; and (2) using the general fund. Using an enterprise fund ensures that all revenues generated by the solid waste management program are reinvested in that program rather than being diverted into other needs of the jurisdiction.

Even though enforcement activities were effective starting January 1, 2024, jurisdictions only conduct inspections and spot-checks of residential customers' organic and trash containers using either "lid flipping" or smart trucks that record the contents of the containers as they are being emptied. Haulers (via contracts) have been designated to perform these functions. If residents are found to be in violation, the first step is to provide them with additional educational materials and information. If the violation persists, warning notices are issued. The final step is issuing fines. *The penalties imposed by a jurisdiction are based on Government Code Sections 53069.4, 25132, and 36900, and are as follows:*

- *First violation: \$50-\$100 per violation;*
- *Second violation: \$100-\$200 per violation;*
- *Third or subsequent violation: \$250-\$500 per violation*

*Penalties increase when an entity violates the same requirement within a one-year period (CalRecycle, 2024).*

While jurisdictions have yet to collect fines, some have not even established the collection protocol or the account where collected fines will be deposited.

- **Education and Outreach**

Clearly, there is a need for more education and outreach. The success of SB 1383 implementation and the ability to reach the CalRecycle goal of a seventy-five percent diversion rate depend largely on residents' compliance and behavior change. Education and outreach is the first and most critical component of that change.

*"The accuracy of consumer disposal decisions directly influences the performance of the recycling system." (Christian Blanco C. S., 2023)*

## Talking Trash: Recyclables and Organic Waste

Most interviewed jurisdictions collaborate with haulers to create and distribute educational materials. Others also use consulting services for that purpose. Outreach strategies, the number of outreach events and communications, as well as participation rates vary greatly from jurisdiction to jurisdiction, but most rely heavily on paper mailings, which may not be the most effective way of reaching the public. If combined with junk mail, the educational material may go unread into a recycling bin, if not the trash. Frequently, the information flyers are mailed together with hard-copy utility bills, which may overlook those who subscribe to electronic billing.

As part of their outreach/education campaigns, some of the interviewed jurisdictions purchased kitchen pails for recycling food scraps to distribute to some or all households. These purchases were funded through SB 1383 assistance grants from CalRecycle, which most of the Orange County jurisdictions applied for and received.

The OCGJ reviewed a sampling of educational materials being distributed by several cities and concluded that the quality of these materials can range from highly informative publications with accessible and attractive designs to flimsy “newsletters” issued by haulers for their respective jurisdictions with graphics and instructions that are barely legible.

Paper mailings have their role but represent only one of many possible outreach methods. The recycling industry itself is embracing technological advancements, including the use of Artificial Intelligence (AI), in waste sorting, predicting trends, the use of smart hauler trucks and smart bins, as well as in outreach and education (Recycling Inside, 2023).

*According to Recycling Inside, “AI can play a pivotal role in educating the public about recycling practices. Chatbots and virtual assistants powered by AI can provide real-time guidance on waste disposal, recycling guidelines, and collection schedules. By engaging with individuals through personalized interactions, AI-driven platforms can raise awareness, promote recycling behavior, and facilitate proper waste management at the consumer level.”*

According to research by the Recycling Partnership, “People have a misconception that what is recyclable doesn’t change. They are recycling incorrectly in some cases because they are basing decisions on past guidelines and recycling knowledge such as believing milk cartons are wax coated and should not be recycled, or envelopes with windows should not be recycled. They think they know what they need to know about recycling because that’s what they’ve always known.” (Center for Sustainable Behavior & Impact, 2022)

*More than seventy percent of people surveyed wish there was an easier way to get information on what can and can’t be recycled in their community. (Center for Sustainable Behavior & Impact, 2022)*

## Talking Trash: Recyclables and Organic Waste

Determining the success of their outreach efforts is another challenge that Orange County jurisdictions are facing in the near future. Most jurisdictions need to determine how to measure outreach efforts, as the enforcement started January 1, 2024. Having common standards and methods to measure the success of public education and compliance, and regularly posting this information on the jurisdiction's website related to SB 1383 goals, will give the public an incentive to comply with SB 1383. However, in the interim, there is a significant amount of visual evidence regarding the level of residents' confusion as evidenced by the photo below. The photo is the amount of waste in the first five hours of a workday that was improperly included in residential recyclable containers and delivered to a MRF, where it had to be hand sorted out.



Figure 8: Waste improperly included in recyclable containers Photo: OCGJ

- **Procurement of Recovered Organic Waste Products**

Representatives from most of the jurisdictions the OCGJ interviewed indicated that meeting the procurement requirements of SB 1383 is challenging. This is due to their jurisdictions' State-calculated procurement targets far exceeding the quantity of recovered organic waste products that they can utilize.

*To comply with SB 1383, jurisdictions must procure recovered organic waste products to meet an annual procurement target. Recovered organic waste products include:*

- *Compost*
- *Mulch*

## Talking Trash: Recyclables and Organic Waste

- *Renewable energy (transportation fuel, electricity, and gas for heating) from anaerobic digestion*
- *Electricity from biomass conversion*

*Each jurisdiction's procurement target is calculated by multiplying its population, as reported by the California Department of Finance, by the per capita procurement target (0.08 tons of organic waste per California resident per year). The resulting procurement target can then be multiplied by product conversion factors (as established by the regulations) to determine the annual procurement requirements for recovered organic waste products.*

Source: CalRecycle

As one of the survey respondents stated:

*“Meeting the annual procurement target presents a significant challenge. In addition, the formula used to calculate a jurisdiction's procurement target does not account for density or square miles. Denser areas equal less space to distribute mulch or compost. More people equals higher procurement target.”*

As a result, a number of jurisdictions with high procurement targets had to use grant funding to purchase the required amounts of compost/mulch. Because the required target procurement amounts exceeded what they can utilize in their communities, they had to distribute the compost/mulch (via hauler) to agricultural communities outside Orange County. They also admitted that without grant funding, meeting the targets will be even more difficult and will require diverting resources from their own communities or raising rates.

The regulations limit procurement to “*use or giveaway, and do not include the sale of products [14CCR Section 18993.1(e)(1)] so jurisdictions cannot sell the procured recovered organic waste products, such as compost, via a third party.*” (CalRecycle, 2022)

Renewable Natural Gas (RNG) is one of the products that can be counted towards meeting a jurisdiction's procurement goal. Haulers operating in Orange County, including Republic, CR&R, and Waste Management, utilize trucks powered by RNG. However, in most cases the RNG they use is not purchased from an approved facility so it cannot be counted towards the required procurement goal. CalRecycle maintains a [list of anaerobic digestion facilities in California](#) to help jurisdictions find renewable gas that may be eligible towards their SB 1383 procurement obligations.

Currently, this list contains only six facilities that produce Compressed Natural Gas (CNG), which in this case is presumably compressed RNG. None of these facilities is located in Orange County. The closest are located in Riverside County (Perris), San Bernardino County (Victorville and Rialto), and San Diego County (Escondido).

The issue of RNG is further complicated by the fact that some sewage treatment plants also produce RNG, which (according to CalRecycle) is mostly ineligible. Below is the

## Talking Trash: Recyclables and Organic Waste

information included in “Frequently Asked Questions” on RNG on the CalRecycle website (CalRecycle, 2022):

*Renewable gas derived solely from sewage is ineligible for meeting the procurement target because a Publicly Owned Treatment Work (POTW) is not a solid waste facility and therefore not in the scope of the legislative intent of SB 1383. Sewage is also not typically destined for a landfill, so its use does not help achieve the landfill diversion goals.*

*However, [Title 14](#) explicitly authorizes POTWs to accept food waste without a solid waste facility permit, making it functionally similar to incentivizing biomethane from a solid waste facility. Therefore, it is justifiable to allow the portion of renewable gas resulting from the digestion of food waste at POTWs to count toward the procurement targets, provided the POTW accepts food waste from specified facilities or operations [see 14 CCR Section 18993.1(h)(1)] and meets all other applicable regulatory requirements. For more information, please see the [Final Statement of Purpose and Necessity](#) (pages 178-180).*

The issue of procurement difficulties encountered by California jurisdictions is mentioned in the Little Hoover Commission 2023 report on the implementation of SB 1383. The Commission recommended that “the state should expand the list of compliance pathways and products eligible to count toward a jurisdiction’s procurement requirements.” (Little Hoover Commission, 2023)

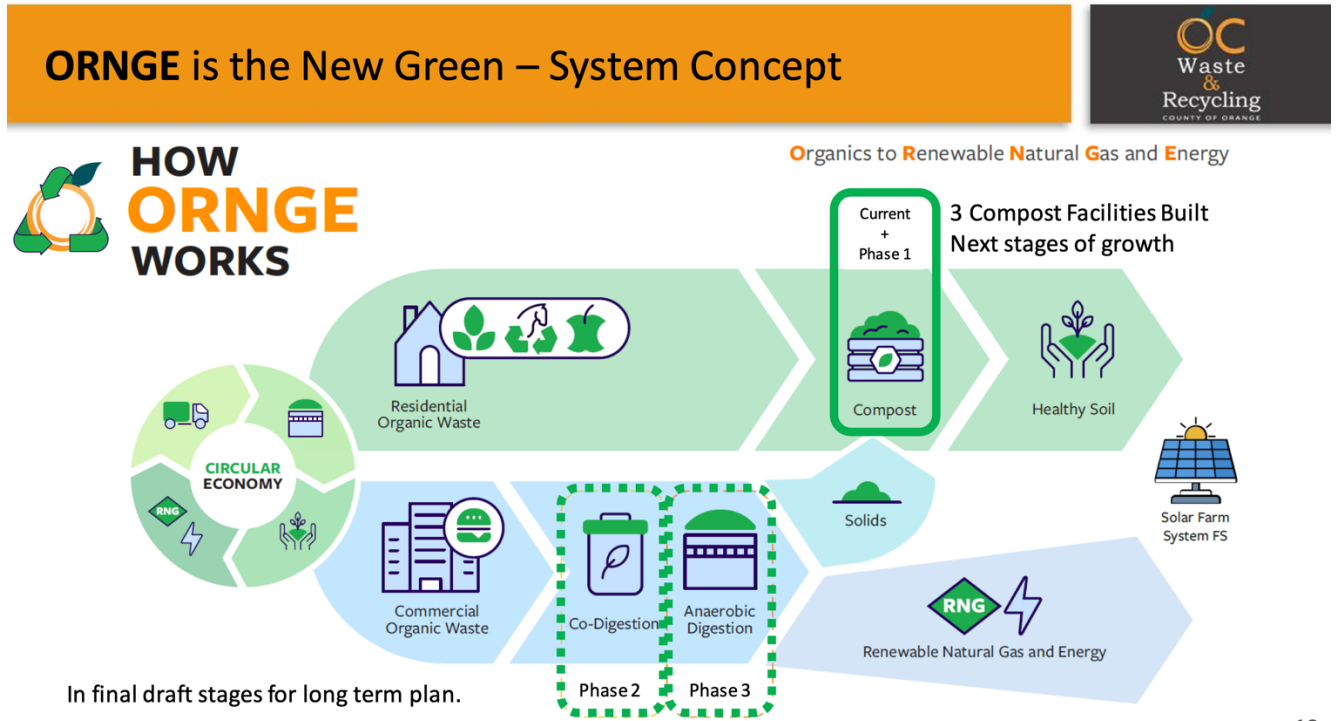
- **Coordination and Vision for the Future**

In a county with thirty-four cities and several other jurisdictions, coordination, collaboration, and sharing resources and best practices can be a challenge. The OCGJ learned that county-wide groups meet on a regular basis, including a waste management coordinators’ group, a haulers’ group, and a market development group. Additionally, the OCGJ learned that OCW&R has assumed a leadership role in positioning Orange County for a greener, more sustainable future.

OCW&R has a clear vision for a regional, county-wide approach to the implementation of SB 1383, which includes not only organics and edible food strategies, but also market creation and development, procurement and compliance, and regional standardization and collaboration.

The details of their vision are outlined in the 2024 presentation to the legislative group, which is available on the OCW&R website (OC Waste & Recycling, 2024).

The following slide has been taken from this presentation.



10

Figure 9. Circular economy concept for Orange County

Source: OCW&R

- **Other Issues**

Multi-family housing units: While not within the scope of this report, it should be noted that services to multi-family units still pose a significant challenge. Jurisdictions are required to provide organic waste collection to multi-family units. Many find it difficult to provide a three-bin source-separated service to these units due to limited space. Creative solutions, such as providing smaller organics containers or containers that are placed in a common area to serve multiple units, have been utilized by Orange County cities, but full compliance is difficult to achieve.

The cost of SB 1383 implementation: The Little Hoover Commission Report states that the gross cost of implementation was determined to be \$40 billion between 2019 and 2030. (CalRecycle, 2019) “About 5 percent of this figure represents soft costs (i.e. the work local jurisdictions must do to create organic waste programs, educate the public, and ensure health, safety, and quality control measures are met). The other 95 percent represents the cost of disposing of organic waste, including constructing infrastructure” (Little Hoover Commission, 2023). Most Orange County jurisdictions interviewed by the OCGJ indicated that they had to increase their residential and/or business waste collection rates to cover the cost of expanded services mandated by SB 1383.

## COMMENDATIONS

- County of Orange, OC Waste & Recycling is commended for having successfully met SB 1383 mandates, developing new composting infrastructure, a model education and outreach program, moving towards robust and repurposing recycling programs, and developing gas-to-energy facilities to produce renewable energy.
- City of Mission Viejo, Solid Waste Program is commended for their proactive implementation of SB 1383 mandates, distributing compliant waste containers to all residents, and producing a robust outreach and education program using numerous delivery methods.
- City of Santa Ana Public Works, Trash and Recycling Program is commended for proactively revising their hauler contract to meet SB 1383 requirements, producing a notable and ongoing outreach and education program, distributing compliant waste containers to all residents, and fostering a highly collaborative relationship with their hauler.

## FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled “Talking Trash: Recyclables and Organic Waste,” the 2023-2024 Orange County Grand Jury has arrived at the following principal findings:

### Container Standardization

- F1. The majority of Orange County jurisdictions have not yet required their haulers to distribute residential containers that meet the CalRecycle standardized colors, leaving legacy and often incorrect or illegible labeling and embossing in place.

### Funding and Enforcement

- F2. While a jurisdiction may not delegate its overall responsibility for compliance with State requirements to a hauler, some jurisdictions have designated the task of imposing and collecting fines from residents to the hauler in accordance with State law. However, not all jurisdictions are clear on who ultimately receives and retains the collected fines.
- F3. All jurisdictions will eventually start collecting fines from residents for non-compliance, but some have not yet determined whether the revenues will go into a waste and recycling enterprise fund or into the jurisdiction’s general fund.



### **Education and Outreach**

- F4. In most jurisdictions, education and outreach is a joint effort between jurisdiction, hauler, and sometimes consultants, with the jurisdiction reviewing the materials before publication. The methods of dissemination vary by jurisdiction and hauler but frequently rely on a resident actively seeking the information, which requires the resident to have some awareness of the new mandates in the first place. Most efforts primarily revolve around intermittent hard-copy paper mailings.
- F5. Most jurisdictions currently have no way to accurately determine the effectiveness of their respective education and outreach efforts other than the eventual inspections or audits that will take place.

### **Procurement of Recovered Organic Waste Products**

- F6. There is some concern that there are not enough composting facilities in Orange County to process all organic waste, forcing some jurisdictions/haulers to transport it long distances for processing.
- F7. There is currently no infrastructure in the county that is a State-approved source of Renewable Natural Gas (RNG) and energy from organic waste. Jurisdictions that use vehicles running on RNG procured from non-approved sources cannot count that RNG towards fulfillment of their procurement requirement.
- F8. The formula used by the State to calculate a jurisdiction's procurement target does not account for a jurisdiction's population density or geographic size (square miles). As such, meeting the annual procurement target presents a significant challenge for most jurisdictions.
- F9. Many Orange County jurisdictions were unable to meet the requirement in SB 1383 to reduce organic waste sent to landfills by the 2020 deadline. It is unlikely the required seventy-five percent reduction will be achieved by the 2025 deadline.
- F10. The current procurement requirements mandated by SB 1383 are unrealistic and likely unachievable by most jurisdictions.

## **RECOMMENDATIONS**

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

## Talking Trash: Recyclables and Organic Waste

Based on its investigation titled “Talking Trash: Recyclables and Organic Waste,” the 2023-2024 Orange County Grand Jury makes the following recommendations:

**Container Standardization**

- R1. All jurisdictions should expedite the acquisition and distribution of residential containers that meet the CalRecycle standardized colors. Additionally, until the compliant containers can be distributed, all jurisdictions should ensure the distribution of labeling for non-compliant containers that explain the current SB 1383 requirements applicable to their jurisdiction by June 30, 2025.

**Funding and Enforcement**

- R2. By December 31, 2024, all jurisdictions should ensure their waste hauling agreements are in compliance with State statute so that haulers may be designated to perform certain required tasks but are not improperly delegated overall responsibility for compliance. Additionally, all jurisdictions should ensure that any fines collected by a hauler are forwarded to the jurisdiction.
- R3. The OCGJ recommends that all jurisdictions utilize a dedicated waste and recycling enterprise fund for collection of fines for non-compliance with SB 1383 by December 31, 2024.

**Education and Outreach**

- R4. By December 31, 2024, all jurisdictions should diversify the methods and media used for education and outreach to include, among others, various social media platforms, emails to residents, newspaper, television, flyer mailings, community events, and appearances at other public gatherings.
- R5. By December 31, 2024, and in order to gauge the effectiveness of their education and outreach efforts, all jurisdictions should develop new methods to engage residents directly to help determine their awareness of the requirements associated with SB 1383, such as surveys, online quizzes, and door-to-door polling.

**Procurement of Recovered Organic Waste Products**

- R6. By June 30, 2025, the OCGJ recommends that all jurisdictions participate in the OCW&R-led efforts to develop a coordinated county-wide approach to the organics recycling infrastructure and programs as well as procurement requirements associated with SB 1383, working towards creating circular economy as a long-term goal.

## Talking Trash: Recyclables and Organic Waste

- R7. By December 31, 2024, the Orange County Board of Supervisors and all Orange County cities should lobby appropriate members of the State Legislature and/or CalRecycle to revise the organic waste diversion targets to better reflect Orange County's waste amounts, revise the jurisdictions' procurement requirements to better represent the limited options currently available for procurement, the jurisdictions' varying populations, population densities, and geographic size, and to delay associated enforcement actions by the State.

## RESPONSES

The following excerpts from the California Penal Code provide the requirements for public agencies to respond to the Findings and Recommendations of this Grand Jury report:

### Section 933

(c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.

### Section 933.05.

(a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:

- (1) The respondent agrees with the finding.
- (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons thereof.

Talking Trash: Recyclables and Organic Waste

(b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation, thereof.

**Responses Required**

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code Section 933.05 are required from:

**Findings – 90 Day Response Required**

OC Board of Supervisors:	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
City Councils of:	
Aliso Viejo	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Anaheim	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Brea	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Buena Park	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Costa Mesa	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Cypress	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Dana Point	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Fountain Valley	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Fullerton	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10

## Talking Trash: Recyclables and Organic Waste

Garden Grove	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Huntington Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Irvine	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
La Habra	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
La Palma	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Laguna Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Laguna Hills	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Laguna Niguel	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Laguna Woods	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Lake Forest	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Los Alamitos	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Mission Viejo	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Newport Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Orange	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Placentia	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Rancho Santa Margarita	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
San Clemente	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
San Juan Capistrano	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Seal Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Stanton	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Tustin	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Villa Park	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Westminster	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10

ITEM 9.2 - Attachment A

Talking Trash: Recyclables and Organic Waste

Yorba Linda F1, F2, F3, F4, F5, F6, F7, F8, F9, F10

**Recommendations – 90 Day Response Required**

OC Board of Supervisors: R1, R2, R3, R4, R5, R6, R7

City Councils of:

Aliso Viejo R1, R2, R3, R4, R5, R6, R7

Anaheim R1, R2, R3, R4, R5, R6, R7

Brea R1, R2, R3, R4, R5, R6, R7

Buena Park R1, R2, R3, R4, R5, R6, R7

Costa Mesa R1, R2, R3, R4, R5, R6, R7

Cypress R1, R2, R3, R4, R5, R6, R7

Dana Point R1, R2, R3, R4, R5, R6, R7

Fountain Valley R1, R2, R3, R4, R5, R6, R7

Fullerton R1, R2, R3, R4, R5, R6, R7

Garden Grove R1, R2, R3, R4, R5, R6, R7

Huntington Beach R1, R2, R3, R4, R5, R6, R7

Irvine R1, R2, R3, R4, R5, R6, R7

La Habra R1, R2, R3, R4, R5, R6, R7

La Palma R1, R2, R3, R4, R5, R6, R7

Laguna Beach R1, R2, R3, R4, R5, R6, R7

Laguna Hills R1, R2, R3, R4, R5, R6, R7

Laguna Niguel R1, R2, R3, R4, R5, R6, R7

Laguna Woods R1, R2, R3, R4, R5, R6, R7

Lake Forest R1, R2, R3, R4, R5, R6, R7

Los Alamitos R1, R2, R3, R4, R5, R6, R7

Mission Viejo R1, R2, R3, R4, R5, R6, R7

Newport Beach R1, R2, R3, R4, R5, R6, R7

Orange R1, R2, R3, R4, R5, R6, R7

## Talking Trash: Recyclables and Organic Waste

Placentia	R1, R2, R3, R4, R5, R6, R7
Rancho Santa Margarita	R1, R2, R3, R4, R5, R6, R7
San Clemente	R1, R2, R3, R4, R5, R6, R7
San Juan Capistrano	R1, R2, R3, R4, R5, R6, R7
Seal Beach	R1, R2, R3, R4, R5, R6, R7
Stanton	R1, R2, R3, R4, R5, R6, R7
Tustin	R1, R2, R3, R4, R5, R6, R7
Villa Park	R1, R2, R3, R4, R5, R6, R7
Westminster	R1, R2, R3, R4, R5, R6, R7
Yorba Linda	R1, R2, R3, R4, R5, R6, R7

## REFERENCES

- California Air Resources Board. (2024). *Short-Lived Climate Pollutants*. Retrieved from <https://ww2.arb.ca.gov/our-work/programs/slcp/about>
- CalRecycle. (2019, October 2). *Initial Statement of Reasons Appendix A: Cost Update*. Retrieved from CalRecycle: <https://www2.calrecycle.ca.gov/Docs/Web/115980>
- CalRecycle. (2022, December 5). *Procurement Questions and Answers*. Retrieved from CalRecycle: <https://calrecycle.ca.gov/organics/slcp/faq/recycledproducts/>
- CalRecycle. (2023). *SB1383 Education and Outreach Resources*. Retrieved from CalRecycle: <https://calrecycle.ca.gov/organics/slcp/education/>
- CalRecycle. (2024). *2022 State of Disposal and Recycling Report*. Sacramento: Department of Resources Recycling and Recovery (CalRecycle). Retrieved from <https://www2.calrecycle.ca.gov/Publications/Details/1732>
- CalRecycle. (2024). *Enforcement Questions and Answers*. Retrieved from <https://calrecycle.ca.gov/organics/slcp/faq/enforcement/>
- CalRecycle. (2024). *SB 1383 Education and Outreach Resources*. Retrieved from <https://calrecycle.ca.gov/organics/slcp/education/>

Center for Sustainable Behavior & Impact. (2022). *Consumer Insights on Packaging, Labels, and Claims for Recycling*. The Recycling Partnership. Retrieved from [https://recyclingpartnership.org/wp-content/uploads/dlm\\_uploads/2023/06/Consumer\\_Labeling\\_Research\\_Final.pdf](https://recyclingpartnership.org/wp-content/uploads/dlm_uploads/2023/06/Consumer_Labeling_Research_Final.pdf)

Christian Blanco, C. S. (2023, May 30). *America's Broken Recycling System*. Retrieved from California Management Review : <https://cmr.berkeley.edu/2023/05/america-s-broken-recycling-system/>

Christian Blanco, C. S. (2023, May 30). Is it Time to Consider a National Recycling Standard? *California Management Review*. Retrieved from <https://cmr.berkeley.edu/2023/05/is-it-time-to-consider-a-national-recycling-standard/>

Little Hoover Commission. (2023). *Reducing California's Landfill Methane Emissions: SB1383 Implementation*. Sacramento: Little Hoover Commission.

Mouchard, A. (2024, May 4). Tech meets trash in Orange County's landfill future. *Orange County Register*. Retrieved from <https://www.ocregister.com/2024/05/04/tech-meets-trash-in-orange-countys-landfill-future/>

OC Waste & Recycling. (2024). OCW&R. Retrieved from OCW&R: <https://oclandfills.com/sites/ocwr/files/2024-03/1383%20IMAGINE%20WHAT%20CAN%20BE%20Presentaiton.pdf>

Recycling Inside. (2023, June 2). *Revolutionizing Recycling: The Relevance of Artificial Intelligence in the Recycling Industry*. Retrieved from <https://recyclinginside.com/the-relevance-of-artificial-intelligence-in-the-recycling-industry/>

Savage, S. (2023, February 16). *Forbes*. Retrieved from <https://www.forbes.com/sites/stevensavage/2023/02/16/the-golden-states-circular-economy-goals-is-that-just-california-dreamin-or-the-future/?sh=95c357338e58>

## GLOSSARY

AB	Assembly Bill
CalRecycle	California Department of Resources Recycling and Recovery



## Talking Trash: Recyclables and Organic Waste

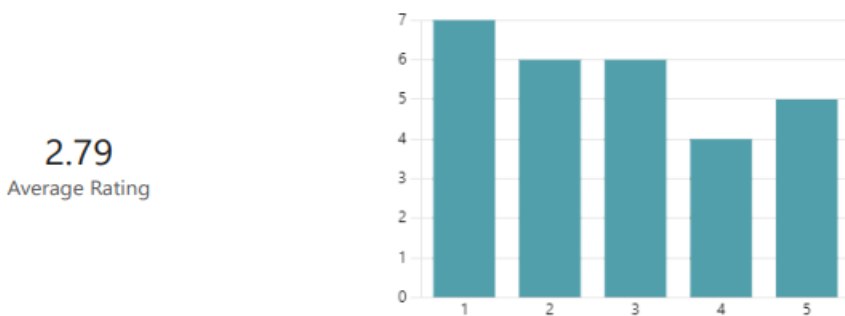
Circular Economy	Current economic models consist of acquiring materials, making them into products, and then those products become waste. A circular economy reduces material use, redesigns materials and products to be less resource intensive, and recaptures “waste” as a resource to manufacture new materials and products.
Compost	Compost is made from a variety of organic materials and is used to add nutrients and improve soil structure by mixing it into the soil.
Mulch	Mulch is typically made from a single material like straw, grass clippings, or wood chips and is spread on top of the soil to suppress weeds, retain moisture, regulate soil temperature, and protect plant roots.
MRF	Material Recovery Facility
OCGJ	Orange County Grand Jury
OCW&R	OC Waste & Recycling, a department of the County of Orange
Organic Waste	Solid wastes originated from living organisms and their metabolic waste products, and from petroleum, which contain naturally produced organic compounds, and which are biologically decomposable by microbial and fungal action into the constituent compounds of water, carbon dioxide, and other simpler organic compounds. Sometimes called biodegradable waste.
ORNGE	Organics to Natural Gas and Energy
POTW	Publicly Owned Treatment Work
Recycling	Using waste as material to manufacture a new product. Recycling involves altering the physical form of an object or material and making a new object from the altered material.
RNG	Renewable Natural Gas
SB	Senate Bill
SLCP	Short-Lived Climate Pollutants
Solid Waste	Discarded or abandoned materials. Solid wastes can be solid, liquid, semi-solid or containerized gaseous material.
Waste	Objects or materials for which no use or reuse is intended.

## APPENDICES

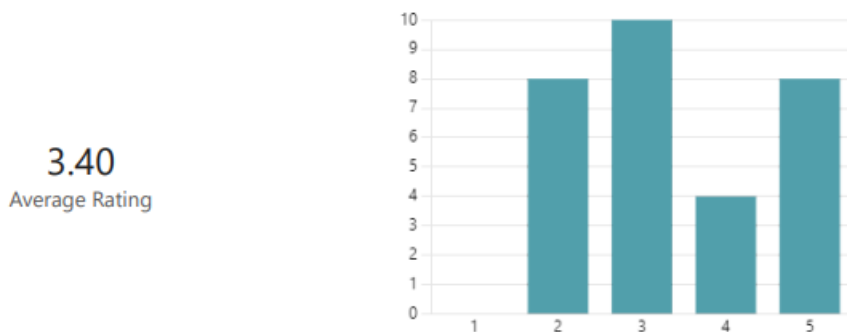
### APPENDIX A – SURVEY RESULTS

Survey participants were asked to mark their progress on a scale from 1 (significant challenges) to 5 (excellent progress) for each of the nine questions. On the following bar graphs, the 'x' axis (horizontal) depicts the rating scale from 1 to 5. The 'y' axis (vertical) represents the number of respondents that gave themselves a particular rating.

Was your city successful in meeting the goal of reducing organic waste disposal 50% by 2020?



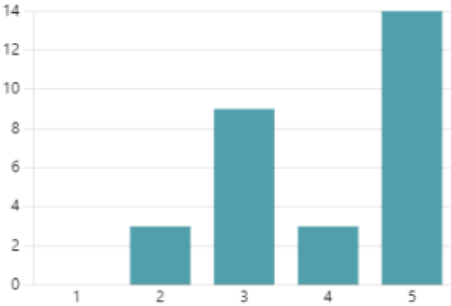
Are you confident that your city will meet the goal of reducing organic waste 75% by 2025?



Talking Trash: Recyclables and Organic Waste

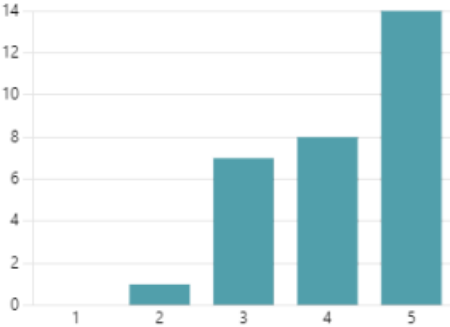
How would you rate your city's success in providing organic waste collection services to all residents?

3.97  
Average Rating



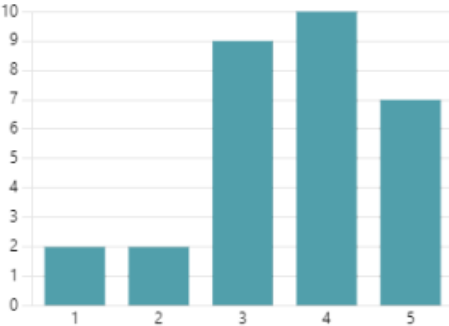
How successful is your city in recycling these organic materials?

4.17  
Average Rating



How would you rate your confidence that city residents have been educated to have sufficient knowledge of the composting requirements (and associated restrictions) with the proper disposal of yard trimmings and food scraps?

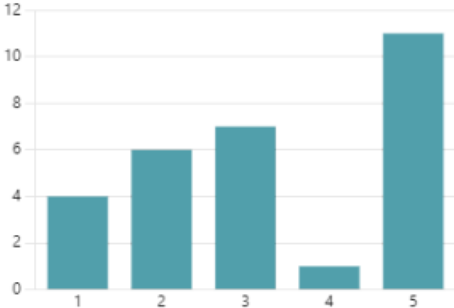
3.60  
Average Rating



Talking Trash: Recyclables and Organic Waste

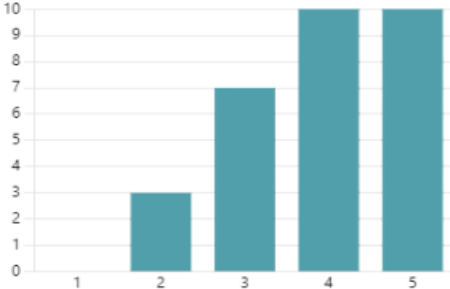
How successful was your city in procuring a quantity of recovered organic waste products annually?

3.31  
Average Rating



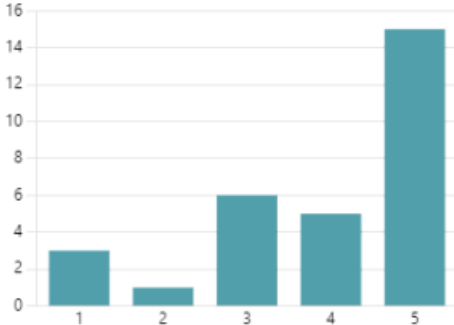
How would you rate your city's success in meeting the record-keeping requirements associated with SB1383, including but not limited to, inspection and enforcement, compliance reviews, investigation of complaints, and alleged violations?

3.90  
Average Rating



How satisfied are you that your current agreements(s) with the hauler(s) that service your city are adequate to comply with all provisions of residential services required by SB1383?

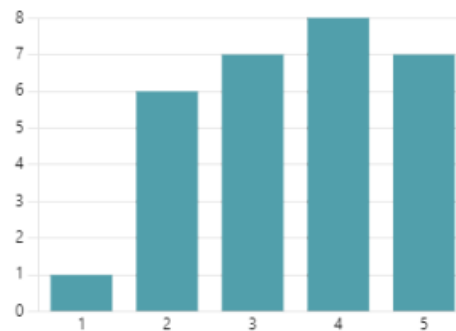
3.93  
Average Rating



## Talking Trash: Recyclables and Organic Waste

Are your city's current staffing levels that are, or will become, responsible for all aspects of full SB1383 compliance adequate to meet the tasks at hand?

3.48  
Average Rating



The following examples of additional comments or explanations for their answers to the questions above were provided by survey respondents:

*“Comprehensive implementation and effective management of SB 1383 would require additional resources and financial support. Despite our [jurisdiction’s] proactive approach, including securing a new hauler/franchise agreement . . . that aligns with SB 1383’s requirements and achieving near-complete adoption of these guidelines, there remains a widespread reluctance towards organic recycling. Ongoing educational efforts are in place and will continue; however, achieving significant behavioral change and compliance will require additional resources.”*

*“[Our jurisdiction has] been working on compliance regarding SB 1383 with new franchise agreements, building out local infrastructure, meeting the SB 619 procurement targets, providing education and outreach, programs are being implemented to incrementally improve participation and increase diversion. We are increasing staffing levels to help with continued support for compliance as it requires increased effort for more inspections, waste characterizations, more education and outreach, further program development, market creation and development for compost and mulch, inspections, education, and enforcement support. Although meeting the 75% goal requires more heavy lifting, I anticipate we will see incremental improvements from our efforts.”*

*“SB 1383 has proven to challenge the recycling habits of many throughout the [jurisdiction]. Through updated franchise agreements . . . and CalRecycle grant funding, we have been able to educate and encourage change in disposal habits as required via SB 1383. Additional outreach outlining the requirements and benefits of recycling organic material will be key in successfully transitioning residents and business owners to recycle organic material.”*

*“[We] started a new franchise agreement after an RFP process . . . . This allowed us to incorporate all hauler-related SB 1383 compliance activities and select an innovative*

## Talking Trash: Recyclables and Organic Waste

*organic waste collection program. We are facing procurement challenges as energy related products are not readily available (particularly) RNG for collection vehicles. Staffing may prove to be a challenge, depending upon the amount of complaints, inspections, and enforcement actions we are required to address.”*

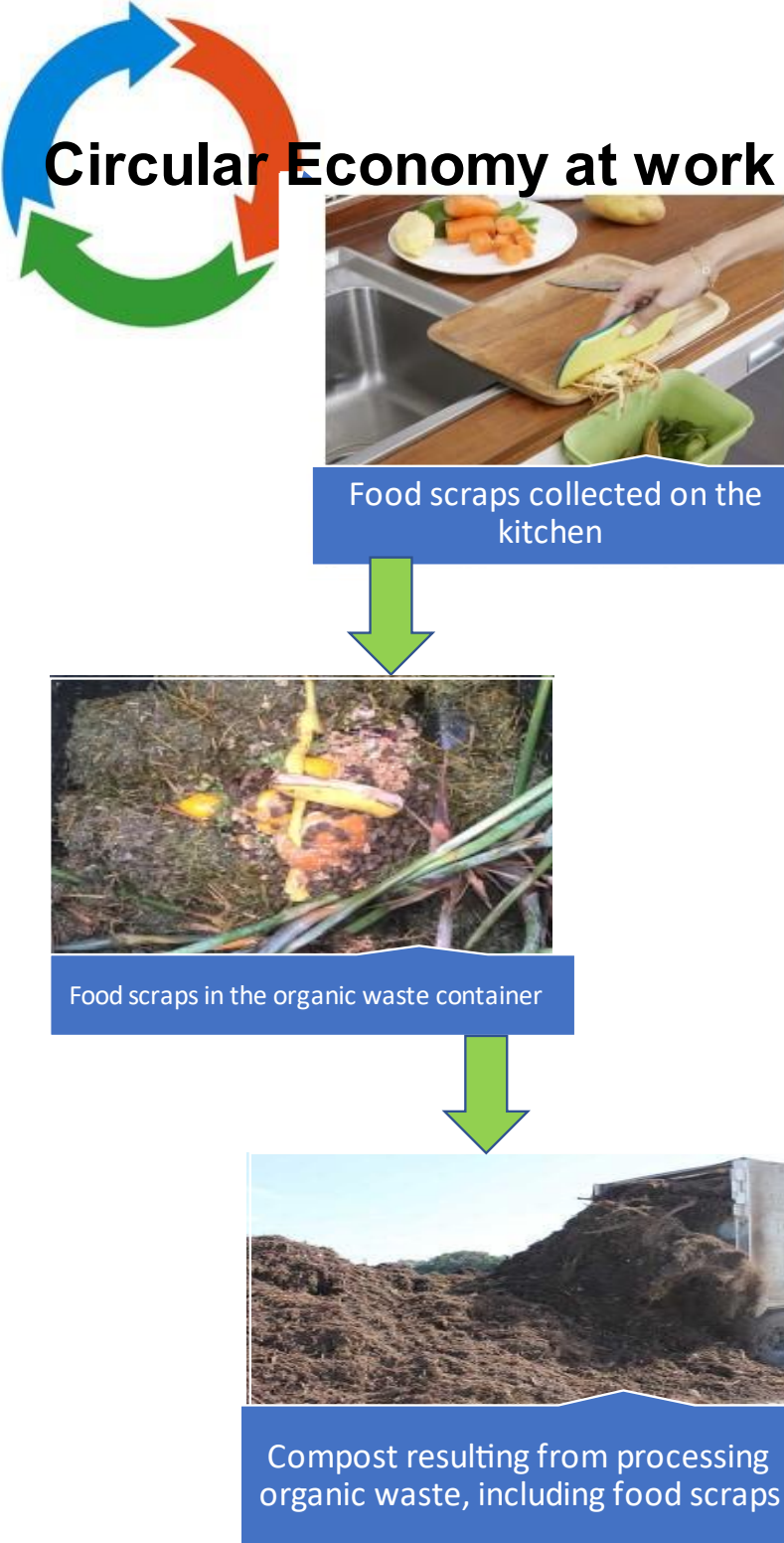
*“Procurement [is our] biggest challenge.”*

*“Our agreement with [the hauler] required that they implement 1383 compliant programming immediately for residential. It also includes education/outreach, contamination monitoring, purchase or compost/mulch on our behalf. Residential 3-cart was implemented on day one of the agreement. However, even with education, residents are hesitant to participate with food in the organics container due to not being allowed to use compostable bags and therefore attracting bugs and vermin.”*

*“Meeting the annual procurement target presents a significant challenge. [The hauler’s] collection trucks are fueled with RNG. The RNG purchased is California produced, though not SB 1383 qualified. In addition, the formula used to calculate a jurisdiction’s procurement target does not count for density or square miles. Denser areas equal less space to distribute mulch or compost. More people equals higher procurement target.”*

*“As with any new program where you need to change habits and behavior, it is going to a long-term project to get adults in the habit of separating their food scraps. State of CA should implement a statewide outreach campaign, and not just rely on local jurisdictions to provide all the outreach.”*

**APPENDIX B – CIRCULAR ECONOMY STARTS IN YOUR KITCHEN**



*This page is intentionally blank.*



Noel Hatch  
*Mayor*

July XX, 2024

Shari L. Horne  
*Mayor Pro Tem*

The Honorable Maria D. Hernandez  
Presiding Judge of the Superior Court  
700 Civic Center Drive West  
Santa Ana, CA 92701

Cynthia S. Conners  
*Councilmember*

Annie McCary  
*Councilmember*

**SUBJECT: City of Laguna Woods' Response to the 2023-2024 Orange County Grand Jury Report, "Talking Trash: Recyclables and Organic Waste"**

Carol Moore  
*Councilmember*

Christopher Macon  
*City Manager*

Dear Judge Hernandez:

Thank you for the report and for the time and effort involved in preparing it.

Per the Orange County Grand Jury's request, and in accordance with California Penal Code Section 933, please find the City of Laguna Woods' response to the subject report attached. The response was approved by the Laguna Woods City Council on July 17, 2024.

If you have any questions or would like any additional information, please contact Christopher Macon, City Manager, at (949) 639-0512 or [cmacon@cityoflagunawoods.org](mailto:cmacon@cityoflagunawoods.org).

Sincerely,

Noel Hatch  
Mayor

Attachment: A – City of Laguna Woods' Response to the 2023-2024 Orange County Grand Jury Report, "Talking Trash: Recyclables and Organic Waste"

cc: Orange County Grand Jury  
700 Civic Center Drive West  
Santa Ana, CA 92701

**ATTACHMENT A**

City of Laguna Woods’ Response to the 2023-2024 Orange County Grand Jury Report,  
“Talking Trash: Recyclables and Organic Waste”

**FINDINGS**

**F1.** The majority of Orange County jurisdictions have not yet required their haulers to distribute residential containers that meet the CalRecycle standardized colors, leaving legacy and often incorrect or illegible labeling and embossing in place.

**Response:** The City of Laguna Woods disagrees partially with this finding. Based on our understanding of the subject and experience in other cities, we believe it is correct that the distribution of residential containers that meet the CalRecycle standardized colors remains pending in a majority of Orange County jurisdictions, but disagree that the reason is solely because those jurisdictions have not yet required their haulers to do so. While that may be true in some instances, we understand that some jurisdictions are experiencing challenges procuring the required quantities of new containers while others simply intend to complete the distribution of new containers closer to the compliance deadline. The City of Laguna Woods has completed its distribution of new residential containers.

**F2.** While a jurisdiction may not delegate its overall responsibility for compliance with State requirements to a hauler, some jurisdictions have designated the task of imposing and collecting fines from residents to the hauler in accordance with State law. However, not all jurisdictions are clear on who ultimately receives and retains the collected fines.

**Response:** The City of Laguna Woods disagrees wholly with this finding, but only because we have no direct knowledge regarding the manner in which fines are imposed or collected in other cities. While the City of Laguna Woods has not yet needed to issue fines, should fines become necessary, they would be issued by code enforcement staff and collected by administrative services staff with the assistance of a third-party collection company when necessary. Revenue from fines would be retained by the City, less any fees incurred by the use of third-party collection companies. The City’s agreement with its hauler provides very limited authorization for the hauler to issue fines for excessive container contamination. Such delegation is not a prohibited form of delegation under state law. While the hauler has not yet needed to issue fines, should fines become necessary, the hauler would collect and retain revenue from fines that it issues.

**F3.** All jurisdictions will eventually start collecting fines from residents for noncompliance, but some have not yet determined whether the revenues will go into a waste and recycling enterprise fund or into the jurisdiction’s general fund.

**Response:** The City of Laguna Woods disagrees wholly with this finding, but only because we have no direct knowledge regarding other cities’ plans relative to the collection of fines. While the City of Laguna Woods has not yet needed to issue fines, should fines become necessary, revenue collected from fines would be deposited in the General Fund, which

funds a variety of solid waste-related programs including, but not limited to, household hazardous waste collection, document shredding, and recycling outreach.

**F4.** In most jurisdictions, education and outreach is a joint effort between jurisdiction, hauler, and sometimes consultants, with the jurisdiction reviewing the materials before publication. The methods of dissemination vary by jurisdiction and hauler but frequently rely on a resident actively seeking the information, which requires the resident to have some awareness of the new mandates in the first place. Most efforts primarily revolve around intermittent hard-copy paper mailings.

**Response:** The City of Laguna Woods disagrees partially with this finding, but only because the City has limited knowledge of education and outreach undertaken in other jurisdictions. In Laguna Woods, most education and outreach is a joint effort between the City and its hauler; the hauler reviews the City's educational materials before they are finalized, and materials are distributed by the City and/or hauler during compliance inspections, in the course of correspondence with residents and businesses, and during community events. The City also disseminates materials through various online publications (City's website, online magazines, and e-blasts), at Laguna Woods City Hall, and on television message boards. Not all of the City's efforts require residents to have some awareness of the new mandates and very little of the City's efforts revolve around intermittent hard-copy paper mailings.

**F5.** Most jurisdictions currently have no way to accurately determine the effectiveness of their respective education and outreach efforts other than the eventual inspections or audits that will take place.

**Response:** The City of Laguna Woods agrees with this finding. While the City has limited knowledge of education and outreach efforts in other jurisdictions, as is the case with our education and outreach efforts, it is likely that waste audits and compliance inspections are the primary tools used to assess the effectiveness thereof.

**F6.** There is some concern that there are not enough composting facilities in Orange County to process all organic waste, forcing some jurisdictions/haulers to transport it long distances for processing.

**Response:** The City of Laguna Woods agrees with this finding. The City's organic waste is transported to Perris, California (Riverside County) for processing.

**F7.** There is currently no infrastructure in the county that is a State-approved source of Renewable Natural Gas (RNG) and energy from organic waste. Jurisdictions that use vehicles running on RNG procured from non-approved sources cannot count that RNG towards fulfillment of their procurement requirement.

**Response:** The City of Laguna Woods disagrees partially with this finding, but only because the City has limited knowledge of available RNG infrastructure. The City obtains its State-approved RNG from an anaerobic digestion facility in Riverside County and is able to count that RNG towards fulfillment of its procurement requirement. The City agrees

that jurisdictions that use vehicles running on RNG procured from non-approved sources cannot count that RNG towards fulfillment of their procurement requirement.

**F8.** The formula used by the State to calculate a jurisdiction’s procurement target does not account for a jurisdiction’s population density or geographic size (square miles). As such, meeting the annual procurement target presents a significant challenge for most jurisdictions.

**Response:** The City of Laguna Woods agrees with this finding.

**F9.** Many Orange County jurisdictions were unable to meet the requirement in SB 1383 to reduce organic waste sent to landfills by the 2020 deadline. It is unlikely the required seventy-five percent reduction will be achieved by the 2025 deadline.

**Response:** The City of Laguna Woods disagrees partially with this finding, but only because the referenced deadlines were/are for statewide diversion, rather than jurisdiction-specific diversion. The City agrees that it is unlikely that the statewide goal of reducing total organic waste disposal by 75% by 2025 will be met.

**F10.** The current procurement requirements mandated by SB 1383 are unrealistic and likely unachievable by most jurisdictions.

**Response:** The City of Laguna Woods disagrees partially with this finding, but only because the City has limited knowledge of the extent to which other jurisdictions are able to comply with current procurement requirements. The City agrees that meeting the annual procurement target presents a significant challenge for most jurisdictions. The City is currently meeting 100% of its annual procurement target by procuring mulch and RNG.

## **RECOMMENDATIONS**

**R1.** All jurisdictions should expedite the acquisition and distribution of residential containers that meet the CalRecycle standardized colors. Additionally, until the compliant containers can be distributed, all jurisdictions should ensure the distribution of labeling for non-compliant containers that explain the current SB 1383 requirements applicable to their jurisdiction by June 30, 2025.

**Response:** This recommendation was implemented prior to the date of this Grand Jury Report. The City of Laguna Woods completed its distribution of new residential containers in January 2022.

**R2.** By December 31, 2024, all jurisdictions should ensure their waste hauling agreements are in compliance with State statute so that haulers may be designated to perform certain required tasks but are not improperly delegated overall responsibility for compliance. Additionally, all jurisdictions should ensure that any fines collected by a hauler are forwarded to the jurisdiction.

**Response:** The first portion of this recommendation (the first sentence) was implemented prior to the date of this Grand Jury Report. The City of Laguna Woods incorporated applicable state statutes into its solid waste handling services franchise agreement, which

took effect on January 1, 2022. The second portion of this recommendation (the second sentence) will not be implemented because it is not warranted. While the City’s hauler is not generally allowed to issue fines – and cannot issue fines for most instances of non-compliance with SB 1383 – the hauler does have very limited authorization to issue fines and retain related fine revenue for excessive container contamination. This very limited authorization was negotiated during the award of the solid waste handling services franchise agreement (prior to the effective date of SB 1383).

**R3.** The OCGJ recommends that all jurisdictions utilize a dedicated waste and recycling enterprise fund for collection of fines for non-compliance with SB 1383 by December 31, 2024.

**Response:** This recommendation will not be implemented because it is not warranted. The City of Laguna Woods has not yet needed to issue fines and expects that any future fines would be sporadic and minimal in terms of total revenue. Should fines become necessary, revenue collected from fines would be deposited in the General Fund, which funds a variety of solid waste-related programs including, but not limited to, household hazardous waste collection, document shredding, and recycling outreach.

**R4.** By December 31, 2024, all jurisdictions should diversify the methods and media used for education and outreach to include, among others, various social media platforms, emails to residents, newspaper, television, flyer mailings, community events, and appearances at other public gatherings.

**Response:** This recommendation will not be implemented because it is not warranted. While the City of Laguna Woods’ methods for education and outreach do not include all of the recommended methods and media, the City has a diversified education and outreach program that includes distributing materials during compliance inspections, in the course of correspondence with residents and businesses, and during community events. The City also disseminates materials through various online publications (City’s website, online magazines, and e-blasts), at Laguna Woods City Hall, and on television message boards.

**R5.** By December 31, 2024, and in order to gauge the effectiveness of their education and outreach efforts, all jurisdictions should develop new methods to engage residents directly to help determine their awareness of the requirements associated with SB 1383, such as surveys, online quizzes, and door-to-door polling.

**Response:** This recommendation has not yet been implemented but will be implemented by December 31, 2024. The City of Laguna Woods is in the process of preparing new interactive education and outreach methods that will be used to assess residential and commercial customers’ awareness of the requirements associated with SB 1383.

**R6.** By June 30, 2025, the OCGJ recommends that all jurisdictions participate in the OCW&R-led efforts to develop a coordinated county-wide approach to the organics recycling infrastructure and programs as well as procurement requirements associated with SB 1383, working towards creating circular economy as a long-term goal.

**Response:** This recommendation will not be implemented because it is not warranted. While the City of Laguna Woods would anticipate being supportive of countywide efforts to support SB 1383 compliance and create a circular economy, the City does not have a need for additional infrastructure or programs because it is already in full compliance with applicable organics recycling and procurement requirements.

**R7.** By December 31, 2024, the Orange County Board of Supervisors and all Orange County cities should lobby appropriate members of the State Legislature and/or CalRecycle to revise the organic waste diversion targets to better reflect Orange County’s waste amounts, revise the jurisdictions’ procurement requirements to better represent the limited options currently available for procurement, the jurisdictions’ varying populations, population densities, and geographic size, and to delay associated enforcement actions by the State.

**Response:** This recommendation will not be implemented because it is not warranted. While the City of Laguna Woods would anticipate being supportive of some of the lobbying efforts recommended, the City does not have a need for legislative relief because:

- The City does not have a jurisdiction-specific organic waste diversion target; cities are only required to implement an organics recycling program, which the City has done;
- The City is already in full compliance with applicable organics recycling and procurement requirements; and
- AB 1985 was signed into law on September 16, 2022 and provides cities with the ability to phase in procurement efforts until 2025.

**9.3**

**2023-2024 ORANGE COUNTY GRAND JURY  
REPORT, "E-BIKES FRIEND OR FOE"**

*This page is intentionally blank.*





# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** July 17, 2024 Regular Meeting

**SUBJECT:** 2023-2024 Orange County Grand Jury Report, “E-bikes Friend or Foe”

---

### **Recommendation**

Approve a response to the 2023-2024 Orange County Grand Jury Report, “E-bikes Friend or Foe,” authorize the Mayor to execute the response, and direct the City Manager to submit the response as required by applicable law.

### **Background**

On June 20, 2024, the Orange County Grand Jury publicly released a report titled “E-bikes Friend or Foe” (Attachment A). The report requires all 34 Orange County cities and the Orange County Board of Supervisors to respond to certain findings and recommendations, in accordance with California Penal Code Section 933. The City Council is required to respond to three findings and three recommendations no later than September 19, 2024, unless an extension is obtained pursuant to California Penal Code Section 933.05(b)(3).

### **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on a response to the 2023-2024 Orange County Grand Jury Report, “E-bikes Friend or Foe.” Staff recommends that the City Council approve the proposed response (Attachment B), authorize the Mayor to execute the proposed response, and direct the City Manager to submit the proposed response as required by applicable law.

To satisfy the requirements of California Penal Code Section 933(c), the response approved by the City Council is submitted on behalf of the City Council to the Presiding Judge of the Orange County Superior Court.

The proposed response has been prepared in conformance with California Penal Code Section 933.05, which requires the City to respond as follows:

For Findings (select one of the following)

- The City **agrees** with the finding; or
- The City **disagrees wholly** or **partially** with the finding, in which case the response shall specify the portion of the finding that is disputed and include an explanation of the reasons therefor.

State law does not provide an option for the City to decline to respond based on a finding's inapplicability. The City must either agree, disagree wholly, or disagree partially.

For Recommendations (select one of the following)

- The recommendation **has been implemented**, with a summary regarding the implemented action; or
- \*The recommendation has not yet been implemented, but **will be implemented** in the future, with a timeframe for implementation; or
- \*The recommendation **requires further analysis**, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the City Council that does not exceed six months from the date of publication of the grand jury report; or
- The recommendation **will not be implemented** because it is not warranted or is not reasonable, with an explanation therefor.

\* The City is required to define timeframes for responses to recommendations that have not yet been implemented, but **will be implemented** in the future or **require further analysis**. In the case of recommendations requiring further analysis, the City Council would be required to complete such analysis by December 20, 2024. The Orange County Grand Jury requests annual reports in March of each year on the status of recommendations accepted but not yet implemented.

**Fiscal Impact**

Funds to support this project are included in the City's budget.

- Attachments: A – 2023-2024 Orange County Grand Jury Report, “E-bikes Friend or Foe”  
B – Proposed Response to 2023-2024 Orange County Grand Jury Report, “E-bikes Friend or Foe”

*This page is intentionally blank.*



# E-bikes Friend or Foe



E-bikes Friend or Foe

Table of Contents

**SUMMARY** ..... 1

**BACKGROUND** ..... 1

**REASON FOR THE STUDY** ..... 3

**METHOD OF STUDY**..... 3

**INVESTIGATION AND ANALYSIS**..... 4

**Orange County Transportation Authority** ..... 4

**Orange County Sheriff’s Department**..... 4

**Cities Survey** ..... 4

**COMMENDATIONS**..... 12

**FINDINGS** ..... 12

**RECOMMENDATIONS**..... 13

**RESPONSES**..... 13

**REQUIRED RESPONSES**..... 14

**REFERENCES**..... 18

**GLOSSARY** ..... 20

**APPENDICES**..... 21

**APPENDIX 1**..... 21

*Current County of Orange E-Bike Laws - Unincorporated Areas* ..... 21

**APPENDIX 2**..... 22

*California Vehicle Code Section 312.5 as of December 23, 2023* ..... 22

**APPENDIX 3**..... 23

*California Assembly Bills*..... 23

**APPENDIX 4**..... 24

*County of Orange Ordinance No. 18-002*..... 24

## E-bikes Friend or Foe

## SUMMARY

The use of electric bicycles (E-bikes) has increased as our communities look to new and novel ways to commute and to reduce our reliance on automobiles. E-bikes are a cost-effective alternative. However, they bring higher risks of accidents and injuries when compared to conventional bicycles. The public deserves education and safety regulations to mitigate this concern.

The 2023-2024 Orange County Grand Jury (OCGJ) investigation into E-bike regulation, education, and safety focused on what, if any, pertinent regulations have been adopted by Orange County cities. The OCGJ investigation revealed that outside of the California Vehicle Code, the 34 cities, 13 of which are contract cities with the Orange County Sheriff's Department (OCSD), vary significantly in their regulation, safety (accidents, fatalities, etc.), enforcement, and education on E-bikes. The Orange County Transportation Authority (OCTA) oversees E-bike safety, education, and public outreach for all unincorporated areas. OCTA holds quarterly meetings with all 34 cities in the county to discuss transportation issues including E-bike regulation, safety, education, and enforcement.

There is an urgent need to have consistent ordinances for the regulation and enforcement of safe E-bike use in all cities, school districts, parks, and unincorporated areas. Currently, there are significant differences in policy across cities. The recent surge in E-bike usage calls for immediate action to strengthen city oversight of this issue. This report will highlight the differences between cities' approaches and make recommendations to attain realistic and practical policies for their respective jurisdictions.

## BACKGROUND

The modern E-bike was introduced in the 1990s as a pedal assist bike with a battery-powered motor. The OCGJ focused on the 3 classes of E-bikes (see table below).

In most cases, it is hard to tell the difference between a Class 1, 2, or 3 E-bike, as there may be no apparent distinction to the naked eye. It is important that Orange County residents understand the different classes of E-bikes, how fast they can go, and any applicable restrictions or regulations that govern their use. This is particularly pertinent as automobile and bus commuters must now share the road with E-bike riders.

## E-bikes Friend or Foe



The ease of use, relatively low price, and convenience of E-bikes have led to their proliferation throughout Orange County. It is estimated that the sales of E-bikes rose by 145% during 2020-to-2021 (World Economic Forum March 12, 2021).

However, along with the proliferation of E-bikes have come inevitable issues regarding their use, including:

- riding on sidewalks
- riding against traffic
- speeding
- bike vs pedestrian collisions
- bike vs motorized vehicle conflicts
- the ability to make unauthorized modifications to the electric motors which allows the E-bikes to exceed their maximum intended speed

There are also issues regarding E-bike rider injuries in accidents, which can be more serious than injuries of riders in bicycle accidents (US Consumer Product Safety Commission October 17, 2023). According to the OCGJ survey sent to city mayors, many do not track or have awareness of the incidence and prevalence of E-bike injuries and fatalities in their respective cities.



## E-bikes Friend or Foe

The OCGJ sent a survey to all Orange County cities to learn each city's policies, availability of safety education, and enforcement of E-bikes. The responses from the cities that answered indicate a wide variety of differences - with some cities having robust training, enforcement measures, and methods of socializing E-bike use in their communities.

The OCGJ recognizes that there cannot be a "one size fits all" approach to the regulation of E-bikes, as all cities in Orange County are unique and have different needs. For example, a large beachside city will have its own unique policies as compared to smaller inland cities. The rapidly expanding use of E-bikes compels cities to ensure a safe environment for riders of E-bikes and all citizens of Orange County.

### **REASON FOR THE STUDY**

As E-bike sales have increased by almost 145% worldwide (World Economic Forum Mar. 12, 2021) over the past 2 years, the regulation of their use does not seem to have kept up. Accidents and incidents with E-bikes are on the rise, as are complaints from citizens of Orange County about E-bike riders (Voice of OC Sept. 2023). Accordingly, the OCGJ determined that an investigation into E-bikes was needed to bring public awareness to the safe use of E-bikes and the importance of having city-relevant "rules of the road" in place.

This report seeks to press Orange County cities to actively seek common-sense rules for E-bikes to ensure their safe operation among conventional bicycles, pedestrians, and vehicles.

### **METHOD OF STUDY**

Information from this investigation was collected and verified through multiple sources and statements made during interviews and includes extensive research of current online and print articles regarding E-bikes in Orange County. The OCGJ conducted the following activities:

- In-person interviews of representatives from:
  - A major retail bike shop that sells both E-bikes and standard bicycles
  - The Orange County Transportation Authority
  - The Orange County Sheriff's Department
  - The Central Newport Beach Community Association
- In-person attendance and online viewing of several city council meetings
- In-person attendance at a training session hosted by a local city
- Review of proposed State legislation that failed, passed, or is in committee

## E-bikes Friend or Foe

- Direct observance of E-bike riders, where they are riding, use of protective gear, passengers, dangerous maneuvers, etc.
- An online survey was distributed to the mayors of 34 cities in Orange County. Unincorporated areas/divisions were not included in this survey. Mayors and/or representatives from 22 cities responded to this survey

## INVESTIGATION AND ANALYSIS

Through interviews and surveys, the OCGJ determined that there is wide variation of rules on E-bikes and limited information regarding the reporting of E-bike incidents, accidents, injuries, and basic rules of the road for E-bikes.

Several news outlets (newspapers, magazines, television, online forums) have published stories about E-bikes. While many acknowledge the benefits of E-bikes, they also detail significant issues for cities to address.

Speeding, unsafe, or reckless operation, riders under 18 years of age not wearing helmets and toddlers riding on the back or front without proper child safety seats present common E-bike regulation and enforcement challenges for law enforcement.

### Orange County Transportation Authority

OCTA has published on their website a comprehensive list of regulations listed by city regarding bicycles and E-bikes. As with the OCGJ survey, there are several different rules for E-bike riders dependent on what city they are riding in due to the differences in cities such as availability of bike lanes and the speed at which E-bikes are permitted to travel.

### Orange County Sheriff's Department

OCSD enforces the California Vehicle Code (CVC) Section 312.5 regarding electric bicycles. In addition, the Sheriff's Department works closely with OCTA to provide E-bike outreach and education to the residents of Orange County. The OCSD Training Bulletin 23-01, issued January 4, 2023, provides the current E-bike enforcement criteria for Sheriff's Deputies.

### Cities Survey

OCGJ sent a list of survey questions to all city mayors in Orange County regarding policies in their cities with respect to E-bikes. Of the 34 surveys sent, 22 were completed and returned to the Grand Jury. A sampling of the survey results follows:

E-bikes Friend or Foe

- **Do you track injuries/deaths from E-bike accidents, injuries, fatalities?**

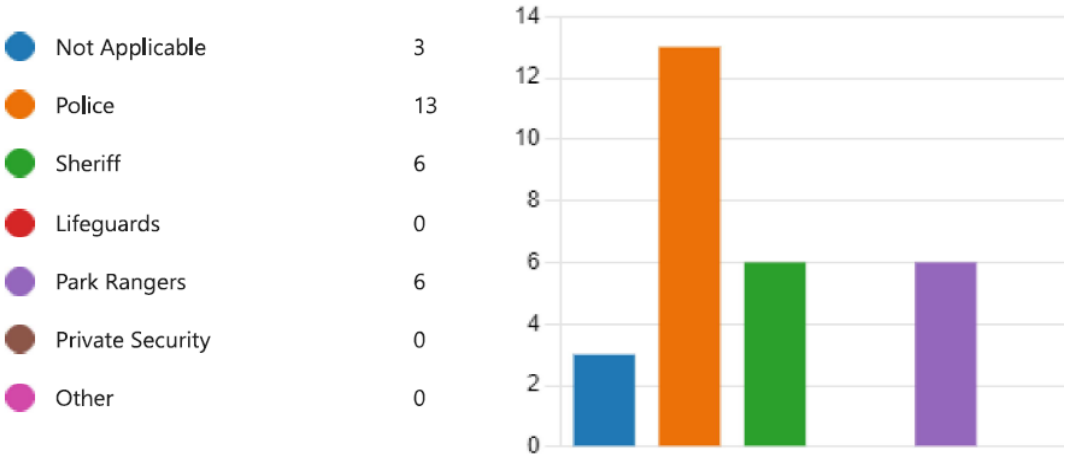


Tracking of E-bike injuries, deaths, property damage and battery fires, 11 of the 22 cities answered that they tracked these items on E-bikes.

The entity responsible for tracking these items varied within each city among law enforcement organizations, city government offices, and local hospitals. There is no standard way to compile and publish accident/incident information on E-bikes.

To properly track trends in E-bike operation, a robust incident and accident tracking mechanism must be in place. Items that need to be tracked include but are not limited to class of E-bike involved, estimated speed of the E-bike, direction of travel, age of the rider, whether helmets were used, and any injuries sustained. In the process of accident reporting, most police agencies do not distinguish whether the bicycle involved was a conventional bike or an E-bike.

- **In your city, who, if anyone, is authorized to enforce infractions? Please select all that apply:**



E-bikes Friend or Foe

Of the 22 cities that completed the survey, 100% indicated that some form of law enforcement was the agency authorized to enforce/cite infractions for E-bike riders. Police Departments, OCSD, or Park Rangers were the organizations authorized for E-bike enforcement.

- In your city, are E-bikes allowed:**



	YES	NO	UNKNOWN
SIDEWALKS	10	8	4
BIKE LANES	21	0	1
PARK TRAILS	13	5	4
SCHOOL CAMPUSES	8	2	12
VEHICLE LANES	16	0	6
HIGHWAYS	9	5	8

10 cities indicated that E-bikes were authorized on sidewalks, 4 cities answered unknown, and the remaining cities answered that E-bikes were prohibited from sidewalks.

21 cities indicated that E-bikes were authorized in bike lanes with one city responding as unknown.

13 cities indicated that E-bikes are allowed on park trails, 5 cities indicated that E-bikes were prohibited from using park trails, and 4 cities indicated that park trail policy for E-bikes was unknown.

16 cities indicated that E-bikes were authorized in vehicle lanes and 6 cities answered unknown.

5 cities answered no, 8 cities answered unknown, and 9 cities indicated that E-bikes were allowed on highways.

Riding on sidewalks was found to be a contentious issue. One city cited California Assembly Bill 825 (which would have barred local agencies from prohibiting bike use on sidewalks but has since been vetoed) as a reason not to prohibit E-bikes on sidewalks.

When there is no defined bike lane, E-bike riders will ride on sidewalks as a matter of safety. E-bikes, depending on the class, can go up to 28 miles per hour, which is typically faster than a conventional bicycle and much faster than a walking pedestrian.

E-bikes Friend or Foe

Although most current laws give the bicyclist and pedestrians the right of way, the reaction time for an E-bike rider going over 10 miles per hour on the sidewalk generally does not give the rider adequate opportunity to avoid pedestrians walking on the sidewalk or cars coming out of driveways.

• Does your city have posted speed limits for E-bikes?

<span style="color: blue;">●</span> Yes	0
<span style="color: orange;">●</span> No	22
<span style="color: green;">●</span> Unknown	0



100% of the cities that answered the OCGJ survey indicated that they do not post speed limits for E-bikes. No reasons were cited as to why they are not posted for E-bikes even though their top speed can be as high as 28 miles per hour or faster if the rider disables speed restrictive devices thus allowing the E-bike to almost double its speed.

There are obvious issues involving where to place speed limit signs for E-bikes. They are allowed to travel in bike lanes, on sidewalks, and in some jurisdictions even allowed to ride in opposition to traffic.

• In your city, are E-bikes expected to travel in the same direction or opposite direction from street traffic?

<span style="color: blue;">●</span> Same direction	16
<span style="color: orange;">●</span> Opposite direction	1
<span style="color: green;">●</span> Both directions	2
<span style="color: red;">●</span> Unknown	3



## E-bikes Friend or Foe

Some cities have authorized E-bikes to ride against the flow of traffic. As stated in the OCTA website (in a section entitled “Wrong Way Riding”), riding against traffic is inherently dangerous due to:

- Oncoming cars approach at a much higher speed
- Drivers cannot see E-bike riders when turning left
- E-bike rider is unable to make right turns
- Traffic signals cannot be seen

- **Is safety training offered by the city for E-bike riders?**



Safety education and/or training for E-bike riders is available only sporadically and is, in most cases, optional. As noted in the survey, only 8 cities indicated that safety training was offered. The Orange County Register published a story (OC Register Jan 3, 2024) about a San Juan Capistrano resident who has taken on educating new E-bike riders as a result of her son being injured on an E-bike. An OCGJ visit to a local retailer of E-bikes found there was no formal training for E-bike purchasers or riders, and the only information to purchasers of E-bikes was a pamphlet. The Huntington Beach Police Department has a safety class every other month which focuses on E-bike safety. OCTA holds safety “bike rodeos” for E-bike riders. These are a few examples of the education available for E-bike riders, but none is mandatory prior to purchasing or riding an E-bike. Therefore, grass-roots efforts are another important step in promoting education and safety.

The OCGJ interviewed a member of the Central Newport Beach Community Association as to their concerns about education, safety, and enforcement regarding E-bikes. The Association has been active in monitoring E-bike use, specifically on the Balboa peninsula. Its focus has been on a perceived lack of enforcement of existing ordinances and the CVC on streets and the beach boardwalk. Along with education and safety training, the Association prefers active enforcement using radar guns, tickets, and increased law enforcement presence.

E-bikes Friend or Foe

- **Do the schools/school districts in your city offer safety information and/or certification for student E-bike users on campus?**



There are 28 school districts spread across the 34 cities of Orange County. Cities were asked whether schools in their jurisdictions offer safety information to student E-bike riders. Of the 22 cities that responded to the survey, 7 answered yes and 2 answered no. The concerning number that leaps to the eye is that 13 survey respondents stated that they were unaware of their school district’s participation in E-bike regulation. At the time of this report, the 5 districts (per district website) that currently require safety training and registration are:

- Capistrano Unified
- Los Alamitos Unified
- Huntington Beach Union
- Irvine Unified
- Ocean View

- **Are there any other persons/groups that might be able to provide meaningful or relevant information regarding E-bikes to the Grand Jury?**

At least 6 cities referred this question to the OCSD. 6 others referred this question to their own police department. Interestingly, at least 6 suggested that their jurisdictional park rangers (if these are in place in their city) would be able to answer the question.





## E-bikes Friend or Foe

There were 15 cities who responded that they do not regulate E-bikes or their usage. The OCGJ felt that this statistic, on its own, warranted further investigation and, possibly, further action by such cities.



### GENERAL COMMENTS FROM SURVEY RESPONDENTS

*"I personally promote safe e-bike texts on local Facebook groups... about 16,000 members. I promote e-bike safety every council meeting."*

*"State and local legislation is lagging far behind e-bike technology and there is a lot of confusion amongst e-bike users and police regarding what is lawful and what is unlawful when it comes to e-bikes."*

*"Thank you for looking into this. I am a relatively new mayor and although I consider e-Bikes an issue, we have so many other issues that are taking priority. I would like to see e-Bikes banned from all trails that were previously used for bicycles and pedestrians only. They function more like scooters than bicycles."*

*"E-bikes and bike safety, in general, are very big topics in the community right now and our Police Department is currently doing A LOT to address these items. Besides conducting weekly High Visibility Enforcement (HVE) operations, IPD's traffic staff oftentimes issue administrative citations to juveniles who commit vehicle code violations on their bicycles, including E-bikes and E-scooters. In fact, approximately 50% of our administrative citations are issued to E-bike and E-scooter operators. Rather than paying a fine similar to conventional traffic citations, our administrative citations require the juvenile to attend a 2-hour long bike safety course with a parent or guardian on the weekend at City Hall."*

## E-bikes Friend or Foe

*“Our city will soon be meeting with reps from OCSD in reference to providing additional educational tools for e-bike riders. I have made contact with our local elected officials in reference to securing funds for e-bike enforcement and education.”*

*“The issue with E-bike safety is an active project in our traffic safety unit. Currently we are looking at any municipal codes which will assist with safety for e-bike riders and motorists.”*

## COMMENDATIONS

The following agencies contributed to the OCGJ’s investigation into the use of E-bikes in Orange County:

- Orange County Transportation Authority has taken a leadership role in outreach and education to all 34 Orange County cities
- Orange County Sheriff’s Department has been very proactive in keeping up with the everchanging rules of the road for E-bikes
- Central Newport Beach Community Association provided important data and various studies on E-bike usage in Newport Beach

## FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires (or, as noted requests) responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court. Based on its investigation titled “E-bikes- Friend or Foe,” the 2023-2024 Orange County Grand Jury has arrived at three principal findings, as follows:

- F1. The majority of Orange County’s 34 cities do not have ordinances or policies in place, which makes it difficult to address the safe operation and regulation of E-bikes leading to confusion.
- F2. Due to the increasing incidence of E-bike injuries and deaths, there is a need for consistent and accurate tracking by law enforcement and first responders, which does not exist now.
- F3. Training and education on E-bike use and safety varies from city to city causing confusion amongst bike riders.

## RECOMMENDATIONS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation described herein, the 2023-2024 Orange County Grand Jury makes the following recommendations:

- R1. Each Orange County city should have specific policies that define the rules of the road for use of E-bikes in their communities by December 1, 2024.
- R2. Each Orange County city should have a mechanism in place to report accidents, injuries and deaths involving E-bikes by December 1, 2024.
- R3. Each Orange County city should research and develop outreach and education programs regarding the safe operation of E-bikes for their residents by December 1, 2024.

## RESPONSES

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. Such comment shall be made no later than 90 days after the Grand Jury publishes its report (filed with the Clerk of the Court). Additionally, in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official shall comment on the findings and recommendations pertaining to the matters under that elected official's control within 60 days to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05 specifies the manner in which such comment(s) are to be made as follows:

- (a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:
  - (1) The respondent agrees with the finding.
  - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

E-bikes Friend or Foe

- (b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:
  - (1) The recommendation has been implemented, with a summary regarding the implemented action.
  - (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
  - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the Grand Jury report.
  - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation, therefore.
- (c) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

**REQUIRED RESPONSES**

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code Section 933.05 are required from:

**Findings – 90 Day Response Required**

City Councils of:

Aliso Viejo	F1, F2, F3
Anaheim	F1, F2, F3
Brea	F1, F2, F3



## E-bikes Friend or Foe

Buena Park	F1, F2, F3
Costa Mesa	F1, F2, F3
Cypress	F1, F2, F3
Dana Point	F1, F2, F3
Fountain Valley	F1, F2, F3
Fullerton	F1, F2, F3
Garden Grove	F1, F2, F3
Huntington Beach	F1, F2, F3
Irvine	F1, F2, F3
La Habra	F1, F2, F3
La Palma	F1, F2, F3
Laguna Beach	F1, F2, F3
Laguna Hills	F1, F2, F3
Laguna Niguel	F1, F2, F3
Laguna Woods	F1, F2, F3
Lake Forest	F1, F2, F3
Los Alamitos	F1, F2, F3
Mission Viejo	F1, F2, F3
Newport Beach	F1, F2, F3
Orange	F1, F2, F3
Placentia	F1, F2, F3
Rancho Santa Margarita	F1, F2, F3
San Clemente	F1, F2, F3

E-bikes Friend or Foe

San Juan Capistrano	F1, F2, F3
Santa Ana	F1, F2, F3
Seal Beach	F1, F2, F3
Stanton	F1, F2, F3
Tustin	F1, F2, F3
Villa Park	F1, F2, F3
Westminster	F1, F2, F3
Yorba Linda	F1, F2, F3

**Recommendations – 90 Day Response Required**

City Councils of:

Aliso Viejo	R1, R2, R3
Anaheim	R1, R2, R3
Brea	R1, R2, R3
Buena Park	R1, R2, R3
Costa Mesa	R1, R2, R3
Cypress	R1, R2, R3
Dana Point	R1, R2, R3
Fountain Valley	R1, R2, R3
Fullerton	R1, R2, R3
Garden Grove	R1, R2, R3
Huntington Beach	R1, R2, R3
Irvine	R1, R2, R3
La Habra	R1, R2, R3

E-bikes Friend or Foe

La Palma	R1, R2, R3
Laguna Beach	R1, R2, R3
Laguna Hills	R1, R2, R3
Laguna Niguel	R1, R2, R3
Laguna Woods	R1, R2, R3
Lake Forest	R1, R2, R3
Los Alamitos	R1, R2, R3
Mission Viejo	R1, R2, R3
Newport Beach	R1, R2, R3
Orange	R1, R2, R3
Placentia	R1, R2, R3
Rancho Santa Margarita	R1, R2, R3
San Clemente	R1, R2, R3
San Juan Capistrano	R1, R2, R3
Santa Ana	R1, R2, R3
Seal Beach	R1, R2, R3
Stanton	R1, R2, R3
Tustin	R1, R2, R3
Villa Park	R1, R2, R3
Westminster	R1, R2, R3
Yorba Linda	R1, R2, R3

## REFERENCES

2 On Your Side: “Orange County Sees Spike in E-bike Accidents” KCAL NEWS, Nov 3, 2021

<https://www.bing.com/videos/search?q=ebike+injurys+in+orange+county+CA&docid=603525694912734209&mid=D1537F514A8F881DE2A9D1537F514A8F881DE2A9&view=detail&FORM=VIRE>

Biesiada, Noah , “Orange County Cities Struggle to Handle Electronic Bike Regulations” Voice of OC , Dec 20, 2022 <https://voiceofoc.org/2022/12/orange-county-cities-struggle-to-handle-electric-bike-regulations/>

Biesiada, Noah, “Orange County Cities Crack Down on E-bikes with Stricter Regulations” Voice of OC, Sep 28, 2023 [https://Orange County Cities Crack Down on E-Bikes With Stricter Regulations \(voiceofoc.org\)](https://Orange County Cities Crack Down on E-Bikes With Stricter Regulations (voiceofoc.org))

Connelly, Laylan, “E-bike Lady educates new riders before hitting streets on electric bikes” Orange County Register, Jan 3, 2024, [https://E-bike lady’ educates new riders before hitting streets on electric bikes – Orange County Register \(ocregister.com\)](https://E-bike lady’ educates new riders before hitting streets on electric bikes – Orange County Register (ocregister.com))

DMV Motorcycle Handbook, Two Wheel Vehicle Operation, Electric Bicycles <https://www.dmv.ca.gov/portal/handbook/motorcycle-handbook/two-wheel-vehicle-operation/>

“E-Scooter and E-bike-Injuries Soar-2022 Injuries Increased nearly 21%” Consumer Product Safety Commission, Oct 17, 2023 [E-Scooter and E-Bike Injuries Soar: 2022 Injuries Increased Nearly 21% | CPSC.gov](https://www.cpsc.gov/E-Scooter-and-E-Bike-Injuries-Soar-2022-Injuries-Increased-Nearly-21%|CPSC.gov)

Fleming, Shawn “Electric Bike Sales grew by 145% in the US Last Year” World Economic Forum, Mar 12, 2021 [Sales of electric bicycles are up all over the world | World Economic Forum \(weforum.org\)](https://www.weforum.org/articles/2021/03/electric-bike-sales-are-up-all-over-the-world/)

Fry, Hannah, “On Orange County Beaches, proliferation of e-bikes brings battle to the boardwalk” Los Angeles Times, Jan 16, 2023 <https://www.latimes.com/california/story/2023-01-16/mayhem-on-the-boardwalk-orange-county-cities-tackle-e-bikes-with-varying-results>

Irvine Watchdog, “Irvine Transportation Commission to propose E-bike safety ordinance” May 14,2023 <https://irvinewatchdog.org/city-hall/transportation-commission/irvine-transportation-commission-to-propose-e-bike-safety-ordinance/>

Kelly, Charles M., “Council approves introduction of e-bike ordinance City of Seal Beach” Sun News, May 10, 2023, <https://www.sunnews.org/council-approves-introduction-of-e-bike-ordinance/>



## E-bikes Friend or Foe

OC Bike, E-Bikes

<https://octa.net/getting-around/active/oc-bike/e-bikes/>

Orange County Public Works, E-Bike Safety in the County of Orange

<https://ocip.ocpublicworks.com/e-bike>

Orange County Sheriff's Department, E-bike Safety The focus for National Bike Safety Month <https://www.ocsheriff.gov/news/e-bike-safety-focus-national-bike-safety-month>

Orange County Sheriff's Office Training Bulletin, Jan 4, 2023

[https://www.ocsheriff.gov/sites/ocsd/files/2023-01/Bulletin%2023-01%20Enforcement%20and%20Handling%20of%20Electric%20Bicycles%2C%20Motorcycles%20and%20Motorized%20Scooters\\_Redacted.pdf](https://www.ocsheriff.gov/sites/ocsd/files/2023-01/Bulletin%2023-01%20Enforcement%20and%20Handling%20of%20Electric%20Bicycles%2C%20Motorcycles%20and%20Motorized%20Scooters_Redacted.pdf)

Pimental, Joseph, "In Los Alamitos students will need a permit to ride e-bikes to and from school", Spectrum News Jan 23,2023 <https://spectrumnews1.com/ca/la-west/public-safety/2023/01/20/in-los-alamitos—students-will-need-a-permit-to-ride-e-bikes-to—from-school>

**GLOSSARY**

- CNBCA Central Newport Beach Community Association
- CVC California Vehicle Code
- E-bike Electric bicycle
- HVE High Visibility Enforcement
- OCGJ Orange County Grand Jury
- OCSD Orange County Sheriff’s Department
- OCTA Orange County Transportation Authority

## APPENDICES

### APPENDIX 1

#### Current County of Orange E-Bike Laws - Unincorporated Areas <sup>1</sup>

- All E-bikes are required to have a label that describes classification, top assisted speed, and motor wattage.
- Helmets are recommended for all E-bike users. If you are under 18, it's required!
- It is illegal to carry passengers on your E-bike unless your bike has an extra permanent seat or when using a child safety seat.
- E-bikes shall not be operated in excess of their designed speed or the speed limit, whichever is lower, on the road, and in no event in excess of 10 miles per hour on paved trails.
- E-bike shall not be operated in excess of 5 miles per hour on sidewalk.
- Riding on the road against the flow of traffic is prohibited.

---

<sup>1</sup> Orange County Public Works. 2024. "E-bike Safety in the County of Orange." Accessed May 22, 2024. <https://www.ocgov.com> .

## APPENDIX 2

### California Vehicle Code Section 312.5 as of December 23, 2023

An electric bicycle is a bicycle equipped with fully operable pedals and an electric motor of less than 750 watts. Three classes of electric bicycles have been established:

- Class 1: A low speed pedal-assisted electric bicycle equipped with a motor which provides assistance only when the rider is pedaling and ceases to provide assistance when a speed of 20 mph is reached.
- Class 2: A low speed throttle-assisted electric bicycle equipped with a motor used exclusively to propel the bicycle and NOT capable of providing assistance when a speed of 20 mph is reached.
- Class 3: A low speed pedal-assisted electric bicycle equipped with a speedometer, and a motor which provides assistance only when the rider is pedaling and ceases to provide assistance when a speed of 28 mph is reached.

The operator of a Class 3 electric bicycle:

- **Must** be 16 years old or older.
- **Must** wear a bicycle safety helmet.
- **Must not** transport passengers.
- **May** ride an electric bicycle in a bicycle lane **if** authorized by local authority or ordinance.

All electric bicycle classes are exempt from the motor vehicle financial responsibility, driver's license, and license plate requirements (CVC § 24016).

## APPENDIX 3

### California Assembly Bills

Listed below are some of the bills introduced into the State legislature, as published by LegiScan, that have a variety of proposed regulations regarding E-bikes. This is by no means a comprehensive list, and in the interest of brevity we do not include the text of each bill.

**AB 458** 10/08/2023 Chaptered-Regulation of insurance requirements for businesses renting micro mobility vehicles, a category which includes E-bikes.

**AB 1773** 04/01/2024 In committee-Where E-bikes are permitted to operate.

**AB 1774** 04/09/2024. This bill would prohibit a person from selling a product or device that can modify the speed capability of an electric bicycle such that it no longer meets the definition of an electric bicycle.

**AB 2234** 04/01/2024 In committee: The bill will require anyone over the age of 12 without a valid driver's license to take an online e-bike safety training course and pass a written test to prove they understand traffic safety rules. Those without a valid driver's license must have a state-issued ID to operate an E-bike.

**SB 295** 06/16/2023 In committee. Allows Public Agency authority to regulate E-bikes, et. al. on public property.

**SB 381** 10/13/2023 Chaptered-Comprehensive study of E-bikes.

**SB 1271** 04/11/2024. This bill would clarify that an electric bicycle is a bicycle equipped with fully operable pedals and an electric motor with continuous rated mechanical power of not more than 750 watts. The bill would, if an electric bicycle is capable of operating in multiple modes, require a manufacturer and distributor to include on the label the classification number of the highest classes of which it is capable of operating. Also requires lab accreditation of micro mobility batteries.

## APPENDIX 4

### County of Orange Ordinance No. 18-002

AN ORDINANCE OF THE COUNTY OF ORANGE, CALIFORNIA AMENDING SECTION 2-5-29(n) OF THE CODIFIED ORDINANCES OF THE COUNTY OF ORANGE, REGARDING PROHIBITED MOTORIZED WHEELED CONVEYANCES.

The Board of Supervisors of the County of Orange ordains as follows:

SECTION 1. Section 2-5-29(n) of the Codified Ordinances of the County of Orange is hereby amended to read as follows:

Sec. 2-5-29.- Vehicle regulation.

**(n) Motorized Wheeled Conveyance prohibited.** No person shall operate or drive any electric or combustible motorized skateboard, scooter, dirt bike, mini bike, mini motor bike, mini motorcycle, go-kart, go-ped, all-terrain vehicle, quad runner, dune buggy or any similar electric or combustible motorized conveyance in any park, beach or recreational area, with the exception of Class 1 and Class 2 electric bicycles, as defined by the California Vehicle Code, on those regional paved, off-road bikeways designated for such use by the Director of OC Parks, with the approval of the Board of Supervisors.

Noel Hatch  
*Mayor*

July XX, 2024

Shari L. Horne  
*Mayor Pro Tem*

The Honorable Maria D. Hernandez  
Presiding Judge of the Superior Court  
700 Civic Center Drive West  
Santa Ana, CA 92701

Cynthia S. Conners  
*Councilmember*

Annie McCary  
*Councilmember*

Carol Moore  
*Councilmember*

**SUBJECT: City of Laguna Woods' Response to the 2023-2024 Orange County Grand Jury Report, "E-bikes Friend or Foe"**

Christopher Macon  
*City Manager*

Dear Judge Hernandez:

Thank you for the report and for the time and effort involved in preparing it.

Per the Orange County Grand Jury's request, and in accordance with California Penal Code Section 933, please find the City of Laguna Woods' response to the subject report attached. The response was approved by the Laguna Woods City Council on July 17, 2024.

If you have any questions or would like any additional information, please contact Christopher Macon, City Manager, at (949) 639-0512 or [cmacon@cityoflagunawoods.org](mailto:cmacon@cityoflagunawoods.org).

Sincerely,

Noel Hatch  
Mayor

Attachment: A – City of Laguna Woods' Response to the 2023-2024 Orange County Grand Jury Report, "E-bikes Friend or Foe"

cc: Orange County Grand Jury  
700 Civic Center Drive West  
Santa Ana, CA 92701

**ATTACHMENT A**

City of Laguna Woods’ Response to the 2023-2024 Orange County Grand Jury Report,  
“E-bikes Friend or Foe”

**FINDINGS**

**F1.** The majority of Orange County’s 34 cities do not have ordinances or policies in place, which makes it difficult to address the safe operation and regulation of E-bikes leading to confusion.

**Response:** The City of Laguna Woods agrees with this finding.

**F2.** Due to the increasing incidence of E-bike injuries and deaths, there is a need for consistent and accurate tracking by law enforcement and first responders, which does not exist now.

**Response:** The City of Laguna Woods agrees with this finding.

**F3.** Training and education on E-bike use and safety varies from city to city causing confusion amongst bike riders.

**Response:** The City of Laguna Woods agrees with this finding.

**RECOMMENDATIONS**

**R1.** Each Orange County city should have specific policies that define the rules of the road for use of E-bikes in their communities by December 1, 2024.

**Response:** This recommendation has not yet been implemented, but will be implemented in the future, although not by December 1, 2024. The City plans to adopt an ordinance that defines the rules of the road for the use of e-bikes on public streets and on public property in Laguna Woods by June 30, 2025.

**R2.** Each Orange County city should have a mechanism in place to report accidents, injuries and deaths involving E-bikes by December 1, 2024.

**Response:** This recommendation will not be implemented because it is not warranted. Accidents, injuries, and deaths involving e-bikes should be reported to the Orange County Sheriff’s Department.

**R3.** Each Orange County city should research and develop outreach and education programs regarding the safe operation of E-bikes for their residents by December 1, 2024.

**Response:** This recommendation has not yet been implemented, but will be implemented in the future, although not by December 1, 2024. The City plans to research and develop outreach and education programs regarding the safe operation of e-bikes for Laguna Woods residents by June 30, 2025.



**9.4**  
**FISCAL YEARS 2023-34 CAPITAL**  
**IMPROVEMENT PROGRAM**

*This page is intentionally blank.*



# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** July 17, 2024 Regular Meeting

**SUBJECT:** Fiscal Years 2023-34 Capital Improvement Program

---

### **Recommendation**

1. Receive and file a quarterly report on the status of the Fiscal Years 2023-34 Capital Improvement Program and potential amendments thereof.

AND

2. Provide input to the City Manager on potential amendments of the Fiscal Years 2023-34 Capital Improvement Program.

### **Background**

In accordance with Administrative Policy 2.9, and in order to assist with the long-term development of funding for major capital improvement projects on public property, the City Council adopts an 11-year Capital Improvement Program (“CIP”) as a part of each two-year budget. At each fiscal year intervening two-year budget adoptions, the City Council adopts an amended CIP for the same 11-year period in order to remain eligible to receive Measure M2 (OC Go) funds.

The City uses Measure M2 (OC Go) funds to support the maintenance, operation, and construction of roads and right-of-way.

The current CIP was adopted by the City Council on June 28, 2023 for an 11-year period spanning Fiscal Year 2023-24 through Fiscal Year 2033-34. The City Council most recently amended the CIP on May 15, 2024.

## **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on matters concerning the Fiscal Years 2023-34 CIP.

Staff will provide a quarterly report on the status of the Fiscal Years 2023-34 CIP. The report will highlight progress toward the completion of CIP projects, as well as opportunities, needs, and challenges related to capital improvements.

### *CIP Projects – Construction Contract Awarded*

El Toro Road and Moulton Parkway Water Quality Improvement Project: Phase 2

### *CIP Projects – Competitive Bidding Underway*

City Hall Refurbishment and Safety Project: Phase 4

### *CIP Projects – Design Underway*

Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8

City Hall Complex Parking Lot Improvement Project

Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)

Ridge Route Drive Drainage Repair Project

Woods End Wilderness Preserve Trail Drainage and Improvement Project

### *CIP Projects – Pre-Design Underway*

City Hall Refurbishment and Safety Project: Phase 5

### *CIP Projects – Pending Grant Agreement*

Paseo de Valencia - Moulton Parkway Confluence Bypass Corridor Project

### *CIP Projects – Completed in Fiscal Years 2023-25*

Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phases 6 and 6B

Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7

City Hall Electric Vehicle Charging Infrastructure Project

City Hall/Public Library Project

El Toro Road and Moulton Parkway Water Quality Improvement Project: Phase 1

El Toro Road Medians Improvement Project (El Toro Road between Moulton Parkway and Calle Sonora)

Pavement Management Plan Project (Westbound El Toro Road between Canyon Wren and Tanager)

## **Fiscal Impact**

This quarterly report is informational only.

Report Prepared With: April Baumgarten, Public Works Administrator

**9.5**

**SIGN REGULATIONS**

**(AGENDIZED BY COUNCILMEMBER MOORE)**

***(NO REPORT)***