AVALON CITY COUNCIL MEETING
TUESDAY, JULY 19, 2016 – 6:00 P.M.
CITY COUNCIL CHAMBERS
410 AVALON CANYON ROAD, AVALON
A G E N D A

In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact Denise Radde, City Clerk (310) 510-0220. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35.104 ADA Title II). All public records relating to an agenda item on this agenda are available for the public inspection at the time the records are distributed to all, or a majority of all, members of the City Council. Such records shall be available at City Hall located at 410 Avalon Canyon Rd.

CALL TO ORDER / PLEDGE OF ALLEGIANCE / INVOCATION / ROLL CALL

ANNOUNCEMENTS / WRITTEN COMMUNICATIONS

CITY MANAGER REPORT / CITY ATTORNEY REPORT

COUNCILMEMBER REPORTS / MAYOR REPORT

PRESENTATION

1. Update from Southern California Edison on Stage II Water Rationing.

ORAL COMMUNICATION

Members of the public may address the City Council at this time. No action will be taken on non-agenda items at this meeting. Speakers should limit comments to three (3) minutes each.

CONSENT CALENDAR

All items listed on the Consent Calendar are considered to be routine by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a specific item is removed from the Consent Calendar for further discussion and possible action.

1. Actions

   Although the live recording is the official record of public meetings, actions are prepared for the Council's approval.

   Recommended Action

   Approve actions from the July 5, 2016 regular City Council meeting and the July 14, 2016 Special City Council meeting.

2. Expenditures Submitted for Approval

   - Warrants in the amount of $1,755,320.45.
   - Two payrolls in the amount of $494,298.
   - Six electronic fund transfers totaling $190,002.39.

   Recommended Action

   Approve total expenditure amount of $2,439,621.71.

3. Consideration of Resolution Adopting the State CEQA Guidelines as the City's Local CEQA Guidelines for Implementing the California Environmental Quality Act
The California Environmental Quality Act (CEQA) requires public agencies to consider the environmental impacts of their discretionary actions and to adopt objectives, criteria, and procedures for the evaluation of public and private projects undertaken or approved by such public agencies, and the preparation, if required, of environmental impact reports and negative declarations in connection with that evaluation.
Recommended Action
Adopt resolution adopting the California State CEQA Guidelines as the City of Avalon's Local CEQA Guidelines for implementing the California Environmental Quality Act.

4. Voting Delegate and Alternate for the League of California Cities Annual Conference
The Annual League of California Cities Conference is October 5-7, 2016 and in order for the City to vote on resolutions at the Business Meeting, the City Council has to appoint a delegate and an alternate(s).
Recommended Action
A. Appoint Mayor Pro Tem Oley Olsen as the voting delegate and Mayor Anni Marshall as the alternate voting delegate.
B. Adopt resolution designating a voting delegate and alternate for the Annual League of California Cities Conference.

5. Fiscal Year 2015-16 Fourth Quarter Treasurer's Report
State and Municipal Codes require the Treasurer to submit within 30 days following each fiscal quarter a report summarizing the City's cash and investment balances. Accordingly, attached is the fourth quarter Treasurer's Report for FY15-16.
Recommended Action
Adopt resolution accepting the FY15-16 Fourth Quarter Treasurer's Report.

6. Consider Implementing a 1.5% Cost of Living Adjustment for All Unrepresented and Management Employees Effective July 6, 2016
The most recent cost of living adjustment for management and unrepresented employees was July 1, 2011. Staff is recommending a 1.5% cost of living adjustment for all employees not represented by any of the three unions, which will then be consistent with the pay increase of the represented employees.
Recommended Action
Adopt resolution authorizing the City Manager or authorized designee to implement a 1.5 % cost of living increase for all unrepresented and management employees effective July 6, 2016.

7. Extend the Audit Services Contract for FY 15/16
At the April 16, 2013 meeting, the City Council authorized a professional services contract with Mayer Hoffman McCann P.C (MHM) to perform Certified Audits for the

City of Avalon for the three years ending June 30, 2014 with an option for an additional two years ending June 30, 2016. This is the second and final extension. MHM is now Davis Farr Certified Public Accountants.

Recommended Action

Approve a one-year final extension of the audit services contract and authorize the City Manager and Finance Director to engage Davis Farr LLP to perform the audit of the City's FY 15/16 financial statements and submit the annual State Controller's Report for an amount not to exceed $36,000.

8. Adoption of the Environmentally Preferable Purchasing and Practices Policy and Resolution Authorizing Submittal of Applications for CalRecycle Grants

The City of Avalon is looking to finalize and submit a proposal for the CalRecycle Beverage Container Recycling Grant Program. The purpose of the grant is to issue funds annually in the form of grants for beverage container recycling and litter reduction programs to promote increased recycling of beverage containers throughout California and reduce beverage container litter in the waste stream.

Recommended Action

Adopt the Environmentally Preferable Purchasing and Practices Policy, and the resolution authorizing submittal of applications for CalRecycle Grants for which the City of Avalon is eligible.

GENERAL BUSINESS

9. Stormwater Permit Year 3 Compliance Consultant Contract - MS4 Permit

The City of Avalon has been designated as permittee under the Small Municipal Separate Storm Sewer System (MS4) Permit. As part of compliance under Year 3 the City is responsible for completion of many requirements. Meeting the requirements and development of the associated procedures and programs requires expertise in stormwater management.

Recommended Action

Execute a contract with Olaunu for a not to exceed amount of $69,810.00 to assist the City of Avalon with compliance with the Year 3 requirements of the Small Municipal Separate Storm Sewer System (MS4) Permit.

10. Clarify the Duties of the Audit Committee

City Council requested that an item be placed on the agenda to discuss the duties of the Audit Committee.

Recommended Action

Discuss and define the Audit Committee duties.

11. Adopt the FY 16/17 Budget
At the July 14, 2016 Special City Council meeting, Staff presented the FY16-17 Budget. City Council directed Staff to make some changes to the budget.
Recommended Action
Adopt resolution approving the Budget for Fiscal Year 2016/2017.

CLOSED SESSION

1. Conference with Legal Counsel—Existing Litigation:
Amanda Cook vs City of Avalon
Case number not assigned yet.

ADJOURN

NOTICE OF POSTING

I, Denise Radde, declare that the City Council Agenda for July 19, 2016 was posted Friday, July 15, 2016, on the City's website www.cityofavalon.com, and at City Hall, 410 Avalon Canyon Road. Copies of agendas and staff reports are available at City Hall.

Denise A. Radde, City Clerk / Chief Administrative Officer

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 1

ORIGINATING DEP: City Clerk **CITY MANAGER:** DR

PREPARED BY: Denise Radde, City Clerk

SUBJECT: City Council Actions

RECOMMENDED ACTION(S): Approve actions from the July 19, 2016 regular City Council meeting and the July 14, 2016 Special City Council meeting.

REPORT SUMMARY: Although the live recording is the official record of public meetings, actions are prepared for the Council's approval.

FISCAL IMPACTS: N/A

GOAL ALIGNMENT: Not aligned,

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: N/A

FOLLOW UP ACTION: File Actions in the City Clerk's office.

ADVERTISING, NOTICE AND PUBLIC CONTACT: This item was properly listed on the posted agenda pursuant to the Brown Act.

ATTACHMENTS:

- Actions will be provided under separate cover.

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 2

ORIGINATING DEP: Finance **CITY MANAGER:** DR

PREPARED BY: Robert Mescher, Finance Director

SUBJECT: Warrants

RECOMMENDED ACTION(S): Approve the total disbursements from June 7, 2016 to July 11, 2016 totaling 2,439,621.71.

REPORT SUMMARY: These disbursements from June 7, 2016 to July 11, 2016 are comprised of warrants totaling $1,755,320.45, two payrolls totaling $494,298.87, and six electronic funds transfers totaling $190,002.39.

US Bank Warrants #22564-22565 - $706.20 – June 7, 2016
US Bank Warrants #22566-22640 - $1,004,547.22 – June 17, 2016
US Bank Warrant #22641 - $614.10 – June 22, 2016
US Bank Warrant #22642-22644 - $1,600.00 – June 23, 2016
US Bank Warrants #22645-22739 - $482,699.73 – June 30, 2016
US Bank Warrants #22740-22748 - $265,153.20 – July 7, 2016
Payroll - $260,179.97 – June 24, 2016
Payroll - $234,118.90 – July 8, 2016
EFT – CALPERS Retirement - $29,180.56 – June 13, 2016
EFT – Board of Equalization - $5,679.00 – June 23, 2016
EFT – CALPERS Retirement - $38,764.92 – June 24, 2016
EFT – CALPERS Retirement 0 $6,341.05 – June 27, 2016
EFT – CALPERS Health - $76,094.82 – July 1, 2016
EFT – CALPERS Retirement - $33,942.04 – July 11, 2016

Expenses that have been reimbursed through payroll totaled $3,557.54.

GOAL ALIGNMENT: Ongoing meeting of City obligations.

FISCAL IMPACTS: There are sufficient funds available, and the expenditures are included in the adopted FY 2015-2016 budget and the preliminary 2016-2017 budget which is proposed to be adopted this evening.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: N/A

FOLLOW UP ACTION: N/A

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Audit Certificate and Warrant List

AVALON CITY COUNCIL

FY16 MEETING OF JULY 19, 2016

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE
17992	6/24/2016	1,111.33	OLSEN, WILFRED
17988	6/24/2016	11.34	MONROE, JORDAN
17935	6/24/2016	150.00	BOYD, RAY
17933	6/24/2016	470.86	CAMERON, CURTIS
17921	6/24/2016	174.39	MORENO, TOMAS
17919	6/24/2016	379.66	POINDEXTER, JAMES
17917	6/24/2016	122.00	SALDANA, MARTIN
18068	7/8/2016	41.66	MONROE, JORDAN
18047	7/8/2016	68.30	HERNANDEZ, JEFFREY
18030	7/8/2016	150.00	BROOKS, MICHAEL
18025	7/8/2016	128.00	CHRISTENSEN, DAVID
18024	7/8/2016	150.00	DAWES, DAVID
53782	7/8/2016	150.00	DELEHANT, MATTHEW
18022	7/8/2016	150.00	EROEN, RON
18021	7/8/2016	150.00	FLICKINGER, WILLIAM
18011	7/8/2016	150.00	SCHMIDT, KEVIN

$ 3,557.54

DESCRIPTION
REIMB O/P COSTS - TRAVEL
REIMB O/P COSTS - TRAVEL
REIMB O/P COST - SAFETY WEAR
REIMB O/P COSTS - TRAVEL
REIMB O/P COSTS - UNIFORMS
REIMB O/P COSTS - TRAVEL
REIMB O/P COSTS - SAFETY WEAR
REIMB O/P COSTS - TRAVEL
REIMB O/P COSTS - TRAVEL
REIMB O/P COSTS - SAFETY WEAR
REIMB O/P COSTS - SAFETY WEAR
REIMB O/P COSTS - SAFETY WEAR
REIMB O/P COSTS - SAFETY WEAR
REIMB O/P COSTS - SAFETY WEAR
REIMB O/P COSTS - SAFETY WEAR
REIMB O/P COSTS - SAFETY WEAR

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AVALON CITY COUNCIL
MEETING OF JULY 19, 2016

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
22564	06/07/16	163.35	WITMER PUBLIC SAFETY GROUP	REISSUED LOST CK - FIRE
22565	06/07/16	542.85	ZEST CATERING	USC BAND LUNCH
22566	06/17/16	-	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22567	06/17/16	35,355.45	AAA OIL, INC	FUEL - RESALE
22568	06/17/16	67.70	AIR SOUCRE INDUSTRIES	SUPPLIES - FIRE
22569	06/17/16	645.18	ALEGRIA, VALENTE	MED REIMB APR-JUNE
22570	06/17/16	5,504.97	AMERICAN EXPRESS	CREDIT CHGS - ALL DEPTS
22571	06/17/16	535.53	ARTS, CAPS N' DESIGN	UNIFORMS - HARBOR
22572	06/17/16	128,008.72	ASSOCIATED PACIFIC CONSTR.	PROGRESS PYMT - FUEL DOCK
22573	06/17/16	290.00	ASSOCIATED SOILS ENGINEER	SERVICE - FUEL DOCK
22574	06/17/16	3,725.47	AT&T	COMMUNIATIONS- ALL DEPTS
22575	06/17/16	7,134.26	AVALON BOAT STAND	SUPPLIES - GARGAGE/HBR
22576	06/17/16	121,373.65	AVALON ENVIRONMENTAL SVCS	CONTRACT SVCS 05/16
22577	06/17/16	65.90	AVALON FREIGHT SERVICES	FREIGHT- ALL DEPTS
22578	06/17/16	38,134.09	BEST, BEST & KREIGER, LLP	CONTRACT SVC - MAR 16
22579	06/17/16	2,893.30	BEYOND SOFTWARE SOLUTIONS	CONTRACT SVCS - ADMIN
22580	06/17/16	935.46	BLUE TARP FINANCIAL	SUPPLIES - P/W
22581	06/17/16	795.50	BORDIN MARTORELL, LLP	LITIGATON COSTS - ADMIN
22582	06/17/16	475.00	CALIFORNIA PARK & REC. SO	YRLY DUES - REC
22583	06/17/16	671.24	CANBY, CLAUDIA	SUPPLIES - GARG/HBR
22584	06/17/16	83.15	CARUSO FORD	SUPPLIES - GARAGE
22585	06/17/16	2,249.39	CATALINA BEVERAGE CO.	SUPPLIES - ALL DEPTS
22586	06/17/16	49.95	CATALINA BROADBAND SOLUTI	INTERNET - ALL DEPTS
22587	06/17/16	94,850.00	CATALINA CHAMBER OF COMMERCE	TOT- JUNE 2016
22588	06/17/16	29,773.80	CATALINA EXPRESS	2ND HLF 5/16 - SUBSIDY
22589	06/17/16	108.16	CATALINA MEDICAL CENTER	EMPLOYEE PHYSICALS
22590	06/17/16	35,200.00	CATALINA MEDICAL CENTER	SALES TAX PASS THRU
22591	06/17/16	1,096.17	CATALINA ISLAND PLUMBING	SERVICE - WAREHOUSE/PW
22592	06/17/16	297.00	CATALINA PEST CONTROL	SERVICE HBR
22593	06/17/16	3,815.84	CATALINA TRANSPORTION S	ART- JUNE 2016
22594	06/17/16	180.00	CHARLES ABBOTT ASSOCIATES	CONTRACT SVCS- ADMIN
22595	06/17/16	35.30	CHET'S HARDWARE	SUPPLIES- FIRE
22596	06/17/16	2,749.92	CLINE, KEN	MED REIMB JAN-JUNE
22597	06/17/16	104,618.05	CO.OF LOS ANGELES SHERIFF	RESIDENT DPTY 05/16
22598	06/17/16	177,310.00	COUNTY OF LOS ANGELES FIRE	QTRLY PARAMEDIC PYMT
22599	06/17/16	323.65	DAILY SAW SERVICE, INC	SUPPLIES - GARAGE
22600	06/17/16	5,490.00	CONSTRUCTORS PLUS C/O DEN	CONTRACT SVCS- ADMIN
22601	06/17/16	4,770.00	CONSTRUCTORS PLUS C/O DEN	CONTRACT SVCS- ADMIN
22602	06/17/16	219.00	DEWEY PEST CONTROL	SERVICE- ADMIN
22603	06/17/16	2,813.66	EDISON	UTILITIES - ALL DEPTS
22604	06/17/16	108,855.72	ENVIRON STRATEGY CONSULTANT	CONTRACT SVCS - MAY 2016
22605	06/17/16	1,025.03	FIDELITY SECURITY LIFE IN	VISION - JUNE 2016
22606	06/17/16	1,891.29	FIRST RECORDS RETRIEVAL	LITIGATON COSTS - ADMIN
22607	06/17/16	211.80	GRAINGER	SUPPLIES -GARAGE
22608	06/17/16	360.18	IDEXX DISTRIBUTION, INC	SUPPLIES- CDO
22609	06/17/16	687.71	IMPERIAL SUPPLIES, LLC	SUPPLIES - GARAGE
22610	06/17/16	28.43	ISLAND FIRE EXTIGUISHERS	SERVICE - FIRE
22611	06/17/16	378.40	JORDAHL CONSTRUCTION	EMERG S/W RPR
22612	06/17/16	1,589.00	KICK IT UP KIDZ, LLC	SERVICE - REC
22613	06/17/16	10,104.00	LIBERTY CASSIDY WHITMORE	CONTRACT SVCS - ADMIN

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CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
22614	06/17/16	9,064.18	MAID IN AVALON	SERVICE APR - MAY 2016
22615	06/17/16	477.76	MAIL FINANCE	POSTAGE METER LEASE PYMT
22616	06/17/16	31,030.00	MARTIN & CHAPMAN	2016 ELECTION SERVICES
22617	06/17/16	78.26	MCMASTER- CARR	SUPPLIES - HARBOR
22618	06/17/16	642.00	MR. NING'S	SENIOR MEALS - MAY 2016
22619	06/17/16	59.10	NAPA AUTO PARTS	SUPPLIES - GARAGE
22620	06/17/16	450.00	NICKEL, KAREN	REIMB O/P COSTS
22621	06/17/16	377.37	PEBBLY BEACH BUILDING SUP	SUPPLIES - PW
22622	06/17/16	179.63	PETTY CASH	PETTY CASH - ALL DEPTS
22623	06/17/16	560.26	PHILLIPS STEEL COMPANY	SUPPLIES - P/W
22624	06/17/16	125.00	PINS ADVANTAGE, INC	CONTRACT SVCS - ADMIN
22625	06/17/16	177.61	PORT SUPPLY	SUPPLIES - GARAGE
22626	06/17/16	64.13	PRAXAIR	SUPPLIES - GARAGE
22627	06/17/16	310.74	QUIL CORP	SUPPLIES - ALL DEPTS
22628	06/17/16	6,710.00	REGIONAL GOVERNMENT SERVI	CONTRACT SVCS - ADMIN
22629	06/17/16	332.71	REGISTRAR - RECORDER/ CNTY	SERVICE - ADMIN
22630	06/17/16	89.46	ROMO, JOHN	MED. PREM. REIMB. JAN-JUNE 16
22631	06/17/16	84.19	ALBERTSONS SAFEWAY	SUPPLIES - ADMIN/FIRE
22632	06/17/16	1,566.00	SANDTRAP	SENIOR MEALS - APR/MAY 16
22633	06/17/16	875.00	SIRIA'S CLEANING SERVICE	SERVICE - REC
22634	06/17/16	550.00	SUPERIOR COURT OF CAL CO	PARKING CIT - 04/16
22635	06/17/16	803.52	TRIPLE H COMPANY	SUPPLIES - CEMETERY
22636	06/17/16	13.50	UNDERGROUND SERVICE ALERT	SERVICE - PLANNING
22637	06/17/16	60.86	UNITED PARCEL SERVICE	FREIGHT - ALL DEPTS
22638	06/17/16	4,270.00	WANDA STONE	SERVICE - HARBOR
22639	06/17/16	1,773.04	WITMER PUBLIC SAFETY GROUP	SUPPLIES - FIRE
22640	06/17/16	6,046.88	AMERICAN EXPRESS	CREDIT CHRGS - ALL DEPTS
22641	06/22/16	614.10	ANTHEM BLUE CROSS	RETIREE MEDICAL PAYMENT
22642	06/23/16	643.00	COUNTY OF LOS ANGELES	PERMIT FEES - FUEL DOCK
22643	06/23/16	314.00	COUNTY OF LOS ANGELES	PERMIT FEES - FUEL DOCK
22644	06/23/16	643.00	COUNTY OF LOS ANGELES	PERMIT FEES - FUEL DOCK

$1,007,467.52

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CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
22645	6/30/2016	24,894.45	AAA OIL, INC	FUEL- ALL DEPTS
22646	6/30/2016	249.40	AMERIFLEX	FSA ADMIN FEES
22647	6/30/2016	924.00	ANTONIO'S	MOW - MAY 2016
22648	6/30/2016	42.43	AT&T	COMMUNICATIONS - ALL DEPTS
22649	6/30/2016	16,094.66	AVALON BOAT STAND	SUPPLIES - GARAGE
22650	6/30/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22651	6/30/2016	4,914.54	AVALON FREIGHT SERVICES	FREIGHT - ALL DEPTS
22652	6/30/2016	13,564.20	AVALON MOORING SERVICES	SERVICE- HARBOR
22653	6/30/2016	2,936.00	B&H PHOTO	SUPPLIES - IT
22654	6/30/2016	7,598.71	BALBOA BOAT YARD	SERVICE - HARBOR
22655	6/30/2016	4,875.00	BEING DESIGN STUDIO, INC	SERVICE - FUEL DOCK
22656	6/30/2016	37,696.71	BEST, BEST, & KRIEGER , LLP	LEGAL FEES- 05/16
22657	6/30/2016	2,908.30	BEYOND SOFTWARE SOLUTIONS	CONTRACT SVCS- ADMIN
22658	6/30/2016	171.12	CAMERON SCOTT	LASD SUBSISTENCE
22659	6/30/2016	1,626.08	CANBY, CLAUDIA	SUPPLIES - GARAGE/HARBR
22660	6/30/2016	31,250.00	CARNIVAL CRUISE LINES	QRTLY PYMT- 06/16
22661	6/30/2016	435.65	CARUSO FORD	SUPPLIES - GARAGE
22662	6/30/2016	3,770.50	CATALINA BEVERAGE CO	SUPPLIES - ALL DEPTS
22663	6/30/2016	2,563.32	CATALINA BOATYARD, INC	SERVICE - HARBOR
22664	6/30/2016	28,060.20	CATALINA EXPRESS	1ST HALF JUNE -2016
22665	6/30/2016	108.16	CATALINA ISLAND MEDICAL CENTER	EMPLOYEE PHYSICALS
22666	6/30/2016	2,151.55	CATALINA ISLAND PLUMBING	SERVICES - P/W
22667	6/30/2016	3,230.66	CATALINA ISLANDER	ADVERTISING - ALL DEP
22668	6/30/2016	325.00	CATALINA STEAM CLEANING	SERVICE - HARBOR
22669	6/30/2016	19,647.47	CATALINA TRANSPORTATION	ART/DAR - MAY 2016
22670	6/30/2016	2,973.52	CATALINA YAMAHA	SUPPLIES - GARAGE
22671	6/30/2016	761.47	CDW GOVERNMENT	SUPPLIES - IT
22672	6/30/2016	9,808.50	CHARLES ABBOTT ASSOCIATES	CONTRACT SVCS - PLANNING
22673	6/30/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22674	6/30/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22675	6/30/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22676	6/30/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22677	6/30/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22678	6/30/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22679	6/30/2016	4,383.21	CHET'S HARDWARE	SUPPLIES - ALL DEPTS
22680	6/30/2016	172.33	CHROMIAK, ALLEN	LASD SUBSISTENCE
22681	6/30/2016	4,000.00	CITY FABRICK	CONTRACT SVC - FIT TRAIL
22682	6/30/2016	9,986.46	CO. OF LOS ANGELES SHERRIFF	WTR FRNT PTRL - FEB/MAR 16
22683	6/30/2016	1,086.85	COMPOSITES ONE LLC	SUPPLIES - FUEL DOCK
22684	6/30/2016	765.00	CONEY ISLAND	USC BAND LUNCH
22685	6/30/2016	2,689.60	COOPERATIVE PERSONNEL	SERVICE- ADMIN
22686	6/30/2016	2,500.00	D WOOLEY & ASSOCIATES	SERVICE - PLANNING
22687	6/30/2016	486.97	DAHL, TOM	LASD SUBSITENCE
22688	6/30/2016	4,410.00	CONSTRUCTORS PLUS C/O DEN	CONTRACT SVC - ADMIN
22689	6/30/2016	4,860.00	CONSTRUCTORS PLUS C/O DEN	CONTRACT SVC - ADMIN
22690	6/30/2016	88.00	DEWEY PEST CONTROL	SERVICE - HARBOR
22691	6/30/2016	372.08	DON MILLER & SONS	SUPPLIES - CITY RSTRM
22692	6/30/2016	29,228.99	EDISON	UTILITIES - ALL DEPTS
22693	6/30/2016	2,684.00	ESG ENGINEERING	SERVICE - HRBR/PLAN
22694	6/30/2016	11,688.97	EVOQUA	BIOXIDE - WWTP

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CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
22695	6/30/2016	1,832.78	FIRE ACE INC.	SERVICE - ALL DEPTS
22696	6/30/2016	337.61	GALLIVER, JIM	LASD SUBSISTENCE
22697	6/30/2016	475.00	GEISHECKER, JUNE	SUPPLIES - HARBOR
22698	6/30/2016	498.55	ARIENS SPECIALTY BRANDS L	SUPPLIES - GARAGE
22699	6/30/2016	2,637.50	GEOGRAPHIC DATA & MANAGEMENT	SERVICE - ADMIN/PLAN
22700	6/30/2016	1,492.53	GRAINGER	SUPPLIES - HBR/FIRE/PW
22701	6/30/2016	2,473.75	IDEXX DISTRIBUTION, INC	SUPPLIES - CDO
22702	6/30/2016	558.00	IMHOF & ASSOCIATES	LITIGATION SVCS - ADMIN
22703	6/30/2016	1,295.42	INDUSTRIAL METAL SUPPLY C	SUPPLIES HBR/STRM DRAIN
22704	6/30/2016	1,860.00	JOHNSON-FRANK & ASSOCIATE	SERVICE - PLANNING
22705	6/30/2016	118.00	JORDAHL CONSTRUCTION	HHW DISPOSAL
22706	6/30/2016	25.00	KING, LEEAN	REFUND - RECREATION
22707	6/30/2016	51.44	KNOEDLER, JOSH	SUPPLIES- PW
22708	6/30/2016	1,033.50	LEASON, TIMOTHY	REFUND - OVERPYMT
22709	6/30/2016	1,630.50	LEIBERT CASSIDY WHITMORE	YRLY DUES - ADMIN
22710	6/30/2016	2,187.56	MACKTAL, JOHN	SUPPLIES - GARAGE
22711	6/30/2016	805.91	MCMASTER-CARR	SUPPLIES - FD/HBR
22712	6/30/2016	363.73	MICROSOFT	BALANCE DUE
22713	6/30/2016	82.13	MUNICIPAL EMERGENCY SERVICE	SERVICE - FIRE
22714	6/30/2016	7,716.50	ON THE WING FALCONRY, INC	CONTRACT SVCS - ADMIN
22715	6/30/2016	289.24	PARTSTREE.COM	SUPPLIES - P/W
22716	6/30/2016	434.51	PEBBLY BEAHC BUILDING SUP	SUPPLIES - ALL DEPTS
22717	6/30/2016	1,267.03	PORT SUPPLY	SUPPLIES - GARAGE
22718	6/30/2016	782.84	QUIL CORP	SUPPLIES - ALL DEPTS
22719	6/30/2016	34,996.63	MICHAEL BAKER INTERNATIONAL	CONTRACT SVCS - ADMIN
22720	6/30/2016	904.75	RICOH AMERICAS CORP	COPIER LEASE- PLANNING
22721	6/30/2016	663.91	RICOH USA, INC	COPIER LEASE - PLANNING
22722	6/30/2016	89.46	ROMO, JOHN	REISSUE LOST CK
22723	6/30/2016	75.00	ROSENOW SPEVACEK GROUP , INC	SERVICE - SA
22724	6/30/2016	1,381.19	SAN DIEGO PLASTICS , INC	SUPPLIES - P/W
22725	6/30/2016	4,925.36	SANTA CATALINA ISLAND RES	PROP TAX FEES - ALL DEPTS
22726	6/30/2016	1,069.77	SHERWIN-WILLIAMS	SUPPLIES - HARBOR
22727	6/30/2016	11,432.25	SIRIA'S CLEANING SERVICE	CONTRACT SVC - JUNE 2016
22728	6/30/2016	777.10	SPORTS DECALS & SPIRITS	SUPPLIES - REC
22729	6/30/2016	1,073.63	STANDARD INSURANCE COMP	LIFE INSURANCE
22730	6/30/2016	101.18	UNITED PARCEL SERVICE	FREIGHT - HARBOR
22731	6/30/2016	2,306.24	US JETTING	SUPPLIES - GARAGE
22732	6/30/2016	113.72	USA FACT, INC	SERVICE - ADMIN
22733	6/30/2016	852.72	VERIZON WIRELESS	COMMUNICATIONS - ALL DEPTS
22734	6/30/2016	634.46	AVALON FREIGHT SERVICES	FREIGHT - ALL DEPTS
22735	6/30/2016	91.75	CHET'S HARDWARE	SUPPLIES - P/W
22736	6/30/2016	50,439.75	NAPA AUTO PARTS	LIFT PURCHASE - GARAGE
22737	6/30/2016	2,625.00	OMB ELECTRICAL ENGINEERS	SERVICE - EBUSES
22738	6/30/2016	316.10	WALTERS WHOLESALE ELECTRIC	SUPPLIES - EBUSES
22739	6/30/2016	34,596.67	CARUSO FORD	FORD F250 PURCHASE

$ 482,699.73

FY 17

AVALON CITY COUNCIL
MEETING OF JULY 19, 2016

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
22740	7/7/2016	39,318.00	ALLIANT INSURANCE SVCS	POLICY RENEWAL FY 17
22741	7/7/2016	350.00	CALPELRA	MEMBERSHIP RENEWAL FY 17
22742	7/7/2016	1,896.83	CATALINA BROADBAND	SERVICE - ALL DEPTS
22743	7/7/2016	65,461.26	COMMUNITY FIRST NATIONAL	VACTOR TRUCK LEASE PYMT
22744	7/7/2016	136,755.30	DEPT. OF PARKS & RECREATION	ANNL LOAN PAYMENT - HBR
22745	7/7/2016	4,900.00	OPENGOV	ANNLY RENEWAL FEE FY 17
22746	7/7/2016	6,508.81	QSCEND TECHNOLOGIES	ANNL WEBSITE/EMAIL FEES
22747	7/7/2016	438.00	SO. CALIF. ASSOC. OF GOVT.	MEMBERSHIP RENEWAL FY 17
22748	7/7/2016	9,525.00	VEGA, EDMUNDO	CONTRACT SVC - JULY 2016
		$265,153.20		

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 3

ORIGINATING DEP: City Attorney **CITY MANAGER:** DA

PREPARED BY: City Attorney Scott Campbell

SUBJECT: Consideration of Resolution Adopting the State CEQA Guidelines as the City's Local CEQA Guidelines for Implementing the California Environmental Quality Act

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RECOMMENDED ACTION(S):
That the City Council adopt a Resolution adopting the California State CEQA Guidelines as the City of Avalon's Local CEQA Guidelines for implementing the California Environmental Quality Act.

REPORT SUMMARY:
The California Environmental Quality Act (Pub. Resources Code, §§ 21000 et seq.) ("CEQA") requires public agencies to consider the environmental impacts of their discretionary actions. The State CEQA Guidelines (Cal. Code of Regs., tit. 14, §§ 15000 et seq.) were prepared and adopted by the Secretary of Natural Resources Agency to implement CEQA's provisions.

CEQA and the State CEQA Guidelines require all public agencies to adopt objectives, criteria, and procedures for the evaluation of public and private projects undertaken or approved by such public agencies, and the preparation, if required, of environmental impact reports ("EIRs") and negative declarations in connection with that evaluation.

As permitted under State CEQA Guidelines section 15022(d), agencies may adopt the State CEQA Guidelines as their local CEQA guidelines, through incorporation by reference.

GOAL ALIGNMENT: Update City Policies

FISCAL IMPACTS: None.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The City will not have adopted local guidelines, consistent with Public Resources Code section 21082 and State CEQA Guidelines section 15022.

FOLLOW UP ACTION: None.

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: One resolution.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AVALON ADOPTING THE STATE CEQA GUIDELINES AS THE CITY OF AVALON'S LOCAL CEQA GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (PUBLIC RESOURCES CODE §§ 21000 ET SEQ.)

WHEREAS, in 1970 the California Legislature enacted the California Environmental Quality Act (Pub. Resources Code, §§ 21000 et seq.) ("CEQA") to require public agencies to consider the environmental impacts of their discretionary actions; and

WHEREAS, the State CEQA Guidelines (Cal. Code of Regs., tit. 14, §§ 15000 et seq.) were prepared and adopted by the Secretary of Natural Resources Agency to implement the provisions of CEQA; and

WHEREAS, Public Resources Code section 21082 and State CEQA Guidelines section 15022 require all public agencies to adopt objectives, criteria and procedures for the evaluation of public and private projects undertaken or approved by such public agencies, and the preparation, if required, of environmental impact reports and negative declarations in connection with that evaluation; and

WHEREAS, the City of Avalon ("City") desires to adopt the State CEQA Guidelines as its local guidelines.

NOW, THEREFORE, the City of Avalon hereby resolves as follows:

SECTION 1. The City hereby adopts the State CEQA Guidelines, as adopted by the Secretary of Natural Resources Agency of the State of California and as codified in Title 14 of the California Code of Regulations, commencing with section 15000, as may be amended from time to time, as its local CEQA Guidelines, based upon the following:

A. State CEQA Guidelines section 15022 allows a public agency to adopt the State CEQA Guidelines as its local guidelines through incorporation by reference.

B. All future revisions to the State CEQA Guidelines shall hereafter be automatically made a part of the City's local CEQA Guidelines, without the need for any further action by the City of Avalon.

SECTION 3. The City Clerk shall certify the adoption of this Resolution.

PASSED AND ADOPTED BY the City Council of the City of Avalon, Avalon, California, at a meeting held on the _____ day of _____, 2016, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

_____
Ann H. Marshall
Mayor

ATTEST:

_____
Denise A. Radde
City Clerk

CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 4

ORIGINATING DEPT: Administration **CITY MANAGER:** DR

PREPARED BY: Denise Radde- City Clerk/Chief Administrative Officer

SUBJECT: Voting Delegate and Alternate for the Annual League of California Cities Conference

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RECOMMENDED ACTION(S): 1) Appoint Oley Olsen as the voting delegate and Anni Marshall as the alternate delegate, and 2) Adopt resolution designating a voting delegate and alternate for the Annual League of California Cities Conference in October, 2016.

REPORT SUMMARY AND BACKGROUND: The Annual League of California Cities Conference is being held in Long Beach this year on October 5-7, 2016. An important part of the conference is the Annual Business Meeting, scheduled for 12:00 p.m., Friday, October 7, at the Long Beach Convention Center. Here, the League membership considers and takes action on resolutions that establishes League policy. In order to vote at the Business Meeting, City Council must designate a voting delegate and up to two alternate delegates.

Mayor Pro Tem Oley Olsen and Mayor Marshall have signed up for the conference.

FISCAL IMPACTS: Monies have been placed in the FY 2016/2017 budget to attend conferences. (Account 101-10-5510)

GOAL ALIGNMENT: Professional development.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION(S): The City of Avalon will not be able to vote on the Resolutions at the Annual League of California Cities Conference.

ALTERNATIVE ACTION(S):N/A

FOLLOW UP ACTION(S): If adopted, City Clerk will send certified resolution to the League of California Cites.

ADVERTISING, NOTICING AND PUBLIC CONTACT: The agenda for this meeting was properly posted.

ATTACHMENTS:
Resolution appointing voting delegates.

RESOLUTION _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AVALON APPOINTING A VOTING DELEGATE TO THE 2016 ANNUAL LEAGUE OF CALIFORNIA CITIES CONFERENCE

WHEREAS, the Annual League of California Cities Conference will be held in Long Beach, Ca., on October 5-7, 2016 and.

WHEREAS, the Annual Business Meeting of the League of California Cities will be held Friday, October 7, 2016 and

WHEREAS, traditionally, the Mayor and Mayor Pro Tem are appointed to be the City of Avalon's voting delegate and alternate, and

WHEREAS, the Mayor and Mayor Pro Tem will be attending the Annual League of California Cities Conference and available to vote at the Annual Business Meeting,

NOW, THEREFORE, the City Council of the City of Avalon hereby resolves as follows:

That Mayor Pro Tem Oley Olsen shall be the City of Avalon's Voting Delegate and Mayor Ann H. Marshall shall be the Alternate Voting Delegates at the Annual League of California Cities Conference.

The above and foregoing resolution was passed and adopted at the Avalon City Council meeting held on the 19th of July, 2016 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Ann H. Marshall, Mayor

ATTEST:

_____
Denise A. Radde, City Clerk

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 5

ORIGINATING DEP: Finance **CITY MANAGER:** DR

PREPARED BY: Christy Lins, Treasurer
Robert Mescher, Finance Director

SUBJECT: Fiscal Year 2015-16 Fourth Quarter Treasurer's Report

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RECOMMENDED ACTION(S): Adopt the resolution accepting the FY15-16 Fourth Quarter Treasurer's Report.

REPORT SUMMARY: State and Municipal Codes require the Treasurer to submit within 30 days following each fiscal quarter a report summarizing the City's cash and investment balances. Accordingly, attached is the fourth quarter Treasurer's Report for FY15-16.

The purpose of the report is to inform you on a quarterly basis, the City's cash and investment balances, the investment types, yields, and market values, and to ensure you that the City's investments are in compliance with the City's adopted Investment Policy.

The report shows that all of the City's funds are in compliance with its investment policy. Generally, operating cash is held in US Bank checking accounts and the excess cash is invested in California's Local Agency Investment Fund (LAIF) and earn about 0.58%. Earlier this year, the City Treasurer and Finance Director identified longer term investments in various certificates of deposits (CDs) that mature between three and five years, and are earning double the yield of LAIF investments. The $3 million invested in CDs is FDIC insured.

GOAL ALIGNMENT: Required disclosures.

FISCAL IMPACTS: N/A

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: N/A

FOLLOW UP ACTION: None.

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS:
1. FY15-16 Fourth Quarter Treasurer's Report
2. Resolution to Accept the Report

CITY OF AVALON
QUARTERLY TREASURER'S REPORT
FOURTH QUARTER ENDED JUNE 30, 2016

NAME OF ISSUER/TYPE OF INVESTMENT	BALANCE	Annual Yield	MATURITY	MARKET VALUE
CITY CASH AND INVESTMENTS				
US BANK - GENERAL CHECKING ACCOUNT	$ 474,562.65	0.00%	On demand	$ 474,562.65
US BANK - PAYROLL ACCOUNT	146,415.39	0.00%	On demand	146,415.39
US BANK - FLEX BENEFITS ACCOUNT	9,264.54	0.00%	On demand	9,264.54
PETTY CASH	500.00	0.00%	On demand	500.00
PROEQUITIES - VARIOUS CERTIFICATES OF DEPOSITS (ALL CDS ARE FDIC INSURED)	$3,001,685.35	1.18%	3 - 5 years	$3,024,881.08
LAIF - GENERAL ACCOUNT (CA LOCAL AGENCY INVESTMENT FUND)	8,692,153.41	0.58%	On demand	8,694,074.90
TOTAL CITY CASH AND INVESTMENTS	$ 12,324,581.34			$ 12,349,698.56
OTHER ACCOUNTS:				
US BANK - FLEX BENEFITS ACCOUNT	$ 29,788.65	0.00%	On demand	$ 29,788.65
US BANK - HOUSING AUTHORITY (LOW MODERATE INCOME HOUSING)	454,490.50	0.00%	On demand	454,490.50
LAIF - HOUSING AUTHORITY	4,472,943.16	0.58%	On demand	4,473,931.95
US BANK - SUCCESSOR AGENCY TO ACIA	41,245.07	0.00%	On demand	41,245.07
LAIF - SUCCESSOR AGENCY TO ACIA	1,859,686.79	0.58%	On demand	1,860,097.89
US BANK (AS TRUSTEE) - ACIA AVALON COMMUNITY IMPROVEMENT AGENCY 2003 TAX ALLOCATION BONDS - SERIES A	-	0.00%	On demand	-
US BANK (AS TRUSTEE) - SUCCESSOR AGENCY 2015 REFUNDING BONDS DEBT SERVICE - SERIES A & B	0.70	0.00%	On demand	0.70
TOTAL OTHER ACCOUNTS	$ 6,858,154.87			$ 6,859,554.76
TOTAL BALANCE OF ALL ACCOUNTS	$ 19,182,736.21			$ 19,209,253.32

Under the provision of Section 53646 of the California Government Code, the Treasurer or Chief Fiscal Officer shall render a report to the City Council and City Manager, at least quarterly, detailing information on all securities, investments and moneys of the City. The City is able to meet its anticipated expenditure requirements for the next six months. This quarterly report complies with the current Investment Policy adopted by the City Council on February 2, 2016.

Christy Lins - Treasurer Date

Robert Mescher - Finance Director Date

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AVALON/SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY ADOPTING THE TREASURER'S INVESTMENT REPORT FOR FISCAL YEAR 2015/2016 FOURTH QUARTER

The City Council of the City of Avalon/Successor Agency does determine, find and resolve as follows:

Section 1. The Fiscal Year 2015-2016 Fourth Quarter Treasurer's Report for is hereby adopted and approved.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Avalon on this 19th day of July, 2016, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

_____
Ann H. Marshall,
Mayor

ATTEST:

_____
Denise A. Radde, City Clerk

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 6

ORIGINATING DEP: Finance **CITY MANAGER:** DR

PREPARED BY: Robert Mescher

SUBJECT: Consider Implementing a 1.5% Cost of Living Adjustment for All Unrepresented and Management Employees Effective July 6, 2016

RECOMMENDED ACTION(S): Adopt the resolution authorizing the City Manager or authorized designee to implement a 1.5 % cost of living increase for all unrepresented and management employees effective July 6, 2016.

REPORT SUMMARY: On December 15, 2016, the City Council approved three Memorandums of Understanding (MOUs) for AMEA, AHEA, and IAFF. The MOUs included an annual cost of living adjustment (COLA) for all represented employees. The three MOUs stated, "Beginning with the first pay period after July 1, 2016 and July 1, 2017 but not beyond the term of this MOU, employees shown to fall below market median in total compensation, in each calendar year, shall receive an annual cost of living increase, when the Consumer Price Index (CPI) for Urban Wage Earners in Los Angeles County shows a salary increase is warranted."

Based on the most recent CPI for Urban Wage Earners in Los Angeles County, the COLA for all union-represented employees is 1.5%, beginning, July 6, 2016, which is the first period after July 1, 2016.

The COLA increase in the MOUs, however, does not include management and other employees not represented by the three MOUs. The most recent cost of living adjustment for management and unrepresented employees was July 1, 2011.

Therefore, staff is recommending a 1.5% cost of living adjustment for all employees not represented by any of the three unions, which will then be consistent with the pay increase of all other employees.

GOAL ALIGNMENT: Not aligned

FISCAL IMPACTS: If approved, the COLA adjustment would increase wages by a total of approximately $19,000. The drafted FY16-17 Budget includes the 1.5% COLA for all employees.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: Management and all unrepresented employees would be excluded from the COLA.

FOLLOW UP ACTION: None

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Resolution.

RESOLUTION NO. _____

RESOLUTION BY THE CITY OF AVALON TO IMPLEMENT A COST OF LIVING ADJUSTMENT FOR UNREPRESENTED AND MANAGEMENT EMPLOYEES EFFECTIVE JULY 6, 2016

WHEREAS, the City of Avalon, (the "City") has drafted an annual budget for fiscal year 2016-2017 including a 1.5% cost of living adjustment for all City employees; and

WHEREAS, on December 15, 2015, the City Council approved an annual cost of living adjustment for all employees represented by the three unions AMEA, AHEA and IAFF; and

WHEREAS, The Memorandums of Understanding (MOUs) of the AMEA, AHEA, and IAFF state, "Beginning with the first pay period after July 1, 2016 and July 1, 2017 but not beyond the term of this MOU, employees shown to fall below market median in total compensation, in each calendar year, shall receive an annual cost of living increase, when the Consumer Price Index (CPI) for Urban Wage Earners in Los Angeles County shows a salary increase is warranted."; and

WHEREAS, the CPI for Urban Wage Earners in Los Angeles County adjustment for all union-represented employees is 1.5%, beginning, July 6, 2016, which is the first period after July 1, 2016; and

WHEREAS, the most recent cost of living increase for unrepresented and management employees was July 1, 2011; and

WHEREAS, the City Manager recommends a 1.5% cost of living adjustment for all employees not represented by any of the three unions which is consistent with the pay increase of all other employees.

NOW, THEREFORE, BE IT RESOLVED, that the City Manager or authorized designee is hereby authorized and directed to implement a 1.5 % cost of living increase for all unrepresented and management employees effective July 6, 2016.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Avalon on this 19th day of July, 2016, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

_____
Ann H. Marshall, Mayor

ATTEST:

_____
Denise A. Radde, City Clerk

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 7

ORIGINATING DEP: Finance **CITY MANAGER:** DR

PREPARED BY: Robert Mescher, Finance Director

SUBJECT: Extend the Audit Services Contract for FY15-16

RECOMMENDED ACTION(S): Approve a one-year extension of the audit services contract and authorize the City Manager and Finance Director to engage Davis Farr LLP to perform the audit of the City's FY15-16 financial statements and submit the annual State Controller's Report for an amount not to exceed $36,000.

REPORT SUMMARY: At the April 16, 2013 meeting, the City Council authorized the Interim City Manager to award and enter into a professional services contract with Mayer Hoffman McCann P.C (MHM) to perform Certified Audits for the City of Avalon for the three years ending June 30, 2014 with an option for an additional two years ending June 30, 2016. This is the second and final extension and will be $31,620, which is a 2% increase from the prior year's fees. The audit firm also assists the City in preparing and submitting the required annual State Controller's Report for an additional $4,000.

On June 1, 2015, Davis Farr acquired the California Local Government audit practice from MHM. Davis Farr is operating out of the same offices and is utilizing the same audit software and systems previously used under MHM. The audit team that performed the City of Avalon's previous audits under performs the audits under Davis Farr for FY14-15 and FY15-16. Davis Farr is willing to honor the terms and conditions of the original MHM contract.

GOAL ALIGNMENT: Not aligned

FISCAL IMPACTS: The $36,000 for professional services is included in the FY16-17 Budget for General Fund 101-35-5010 and Redevelopment Fund 136-25-5010.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: Noncompliance with bond covenants and government regulations.

FOLLOW UP ACTION: Engagement letters signed by the City Manager

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Financial audit engagement letter with terms and conditions

DavisFarr
CERTIFIED PUBLIC ACCOUNTANTS

Davis Farr LLP
2301 Dupont Drive | Suite 200 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

July 7, 2016

City of Avalon
Attn: Denise Radde, Interim City Manager
P.O. Box 707
Avalon, Ca 90704

Dear Denise:

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide **the City of Avalon** (the "Entity").

ENGAGEMENT OBJECTIVES

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the Entity's basic financial statements, as of **June 30, 2016** and for the year then ended, and the related notes to the financial statements. The City's discretely presented component unit, the Avalon Medical Development Corporation, is audited by other auditors. We will not audit the financial statements of the discretely presented component unit but will instead refer to the other auditor's report in our audit opinion.

Also, accounting principles generally accepted in the United States of America ("US GAAP") provide for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A"), to supplement the Entity's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Entity's RSI in accordance with auditing standards generally accepted in the United States of America ("US GAAS"). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by US GAAP and will be subjected to certain limited procedures, but will not be audited.

1. Management's Discussion and Analysis
2. Schedule of the Plan's Proportionated Share of the Net Pension Liability
3. Schedule of Plan Contributions
4. General Fund and Major Special Revenue Fund Budgetary Comparison Schedules

We have also been engaged to report on supplementary information other than RSI that accompanies the Entity's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including

comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with US GAAS, and we will provide an opinion in relation to the financial statements as a whole.

1. Combining Statements
2. Individual Fund Statements and Schedules

OUR RESPONSIBILITIES

The objective of our audit is the expression of an opinion as to whether the financial statements are fairly presented, in all material respects, in conformity with US GAAP and to report on the fairness of the additional information referred to above when considered in relation to the financial statements taken as a whole.

We will make reference to other auditor's audit of the Avalon Medical Development Corporation in our report on the Entity's financial statements.

We will also provide a report, which does not include an opinion, on internal controls related to the financial statements and compliance with the provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards.* The reports on internal control and compliance will each include a paragraph that states the report is solely to describe the scope and testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and that the report is not suitable for any other purpose.

Audit

Our audit will be conducted in accordance with US GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion on the financial statements is other than unmodified, we will fully discuss the reasons with management in advance. If, for any reason, we are unable to complete the audit, or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts (e.g., tests of the physical existence of inventories, direct confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions, etc.). We may also request written representations from the Entity's attorneys as part of the engagement, and they may bill the Entity for responding to this inquiry.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations

that are attributable to the Entity or to acts by management or employees acting on behalf of the Entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal controls, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with US GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. We will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility, as auditors, is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Internal Control
Our audit will include obtaining an understanding of the Entity and its environment, including internal controls sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal controls or to identify control deficiencies. However, we will inform management and those charged with governance of internal control matters that are required to be communicated under professional standards.

Compliance
As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The services described above do not relieve management or those charged with governance of their responsibilities.

THOSE CHARGED WITH GOVERNANCE

The preparation and presentation of the financial statements of the Entity are the responsibility of management with oversight from those charged with governance. Those charged with governance are also responsible for overseeing the strategic direction of the Entity and any obligations related to its accountability, resolving disagreements between management and us regarding financial reporting, appointing us to perform the services described above, and informing us about all known or suspected fraud involving the Entity. In turn, we will provide those charged with governance with any communications required by the professional standards described above.

MANAGEMENT'S RESPONSIBILITIES

Management is responsible for all management decisions and performing all management functions, and for designating an individual, preferably from senior management, with suitable skill, knowledge, or experience to oversee these services, any bookkeeping services, tax services, or other services we provide. Management is responsible for evaluating the adequacy and results of the services performed and accepting responsibility for them.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management is also responsible for providing us with (a) access to all information they are aware of that is relevant to the preparation and fair presentation of the financial statements, (b) additional information that we may request for the purpose of this engagement, and (c) unrestricted access to persons within the Entity from whom we determine it necessary to obtain information, and (d) access to the Avalon Municipal Hospital information, persons, those charged with governance, and component auditors as deemed necessary.

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities, for the selection and application of accounting principles, for the safeguarding of assets, and for the preparation and fair presentation of the financial statements in conformity with US GAAP even though we may assist management with their preparation. Accordingly, management may be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that management has reviewed and approved the financial statements and related notes prior to their issuance and has accepted responsibility for them.

Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Entity involving (a) management, (b) employees who have significant roles in internal controls, and (c) others where the fraud could have a material effect on the financial statements. Management is also responsible for informing us of any known allegations of fraud or suspected fraud affecting the Entity received in communications from employees, former employees, regulators, or others. In addition, management is also responsible for identifying and ensuring that the Entity complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

During the course of our engagement, we will request information and explanations from management regarding the Entity. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide certain representations in a written representation letter. The procedures we will perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written and oral representations that we receive from management. In view of the foregoing, the Entity agrees to release our firm, its shareholders, and other personnel from any liability and costs relating to our services under this letter resulting from false or misleading representations made to us by any member of the Entity's management.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other related studies. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. Management is responsible for providing its views on our current findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report, and for the timing and format for providing that information.

OTHER SERVICES

The Entity must obtain our written consent before including its financial statements and our report in an offering or other document, or otherwise distributing our report or referencing our Firm in connection with an offering. Management agrees to provide reasonable notice to allow sufficient time for us to perform certain additional procedures. Management will also provide us with a copy of the final reproduced material for our approval before it is distributed. Our fees for such services are in addition to those discussed elsewhere in this letter, and the specific terms of any such future services will be determined at the time the services are to be performed.

As a result of our prior or future services, we might be requested to provide information or documents to the Entity or a third party in a legal, administrative, or arbitration or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to the Entity as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests, we will observe the confidentiality requirements of our profession and will notify management promptly of the request.

ENGAGEMENT FEES

Our fixed fees (inclusive of expenses) for the services previously outlined are $31,620, which represents a nominal 2% increase from the prior year. Our fees are based upon the complexity of the work to be performed, timing of the engagement, experience level of the personnel required, and estimates of the professional time to complete the required services.

Additionally, our fees are dependent on the availability, quality, and completeness of the Entity's records and, where applicable, upon the Entity's personnel providing the level of assistance identified in the "prepared by client" request list distributed at the end of our planning work (e.g., Entity employees preparing confirmations and schedules we request, locating documents selected by us for testing, etc.).

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion

dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable. In addition, fees for any related projects, such as proposed business combinations or research and/or consultation on special business or financial issues, will be billed separately from the fee referred to above and will be subject to separate arrangements.

We consider telephone calls and meetings on accounting and reporting matters to be an integral part of the engagement and no additional fees are charged for these services. If, however, there is a significant transaction or new accounting issue that requires us to spend a substantial amount of time that was not anticipated in our fees, there may be additional billings.

The fee estimate above assumes no adjustments will be necessary for routine accounting entries normally made before the beginning of the engagement. If, for any reason, we are asked to assist in the preparation of these entries, before beginning this service, we will provide an estimate of the time required to perform such services and the additional fees to be billed.

Invoices will be submitted as the work progresses and a final invoice will be submitted upon completion of the services. Invoices are payable upon receipt. If our invoices for this, or any other engagements the Entity may have with us, are not paid within 30 days, we may suspend or terminate our services for this and any other engagements. In the event our work is suspended or terminated as a result of nonpayment, the Entity agrees we will not be responsible for any consequences.

OTHER ENGAGEMENT MATTERS

The undersigned is the engagement partner responsible for supervising the engagement and signing the report.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement. Please sign the enclosed copy of this letter and return it to us.

Very truly yours,

Jennifer Farr

Jennifer Farr, CPA
Davis Farr LLP

The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

City of Avalon

By_____
David Jinkens, City Manager

Date_____

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 8

ORIGINATING DEP: Administration **CITY MANAGER:** DR

PREPARED BY: Jordan Monroe, Management Aide
Bryce Noll, Administrative Assistant

SUBJECT: Adoption of the Environmentally Preferable Purchasing and Practices Policy and Resolution Authorizing Submittal of Applications for CalRecycle Grants

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RECOMMENDED ACTION(S): Adopt the Environmentally Preferable Purchasing and Practices Policy, and the Resolution Authorizing Submittal of Applications for CalRecycle Grants for which the City of Avalon is eligible.

REPORT SUMMARY: The City of Avalon is looking to finalize and submit a proposal for the CalRecycle Beverage Container Recycling Grant Program. The purpose of the grant is to issue funds annually in the form of grants for beverage container recycling and litter reduction programs to promote increased recycling of beverage containers throughout California and reduce beverage container litter in the waste stream.

The City's proposal is to install and maintain beverage container recycling bins coupled with each of the trash cans using targeted branding to clearly identify and promote recycling efforts and information on how to recycle beverage containers. We are expanding upon a bin design created specifically to meet the form and functional needs of our community, i.e. fits in aesthetically, protects from pest birds and withstands salty ocean conditions. The project area is the one mile stretch from Abalone Point to the Casino. In addition, a key component to ensuring the success of the grant is the development and dissemination of educational materials informing the general public, both residents and visitors alike, about the importance and impact of their effort to source separate recyclables from landfill trash. The goal of this effort is to help extend the life of the landfill by helping increase the efficiency of the hand sorting at the Material Recovery Facility. The City's grant proposal is for $147,560.

Further expanding upon the effort of improving establishing practices, and part of the application process, a Local Agency must have an adopted Environmentally Preferable Purchasing and Practices Policy (EPPP). The EPPP must be adopted and submitted to CalRecycle by August 8, 2016.

The primary purpose of the EPPP policy is to minimize negative environmental impacts of the City's activities by encouraging the procurement of services and products that may:

- Reduce toxicity

- Conserve natural resources, materials, and energy
- Maximize recyclability and recycled content

In addition to fulfilling CalRecycle grants eligibility requirements, the EPPP Policy encourages the City to purchase environmentally preferable products and services, when operationally and financially feasible. Furthermore, the policy is a statement that the City supports reducing its burden on the environment.

Nothing in the EPPP shall be construed as requiring a department or contractor to procure products that perform inadequately for their intended use, are unavailable at a reasonable price within a reasonable period of time, or do not conform to existing regulations and requirement. In addition, for some purchasing considerations may prove to have a lower economic impact on the City as the life cycle cost of machines and equipment shall be taken into consideration, such as maintenance, cost to operate, etc.

Each department will continue to refine and add to the aspects to the policy which are applicable to them. The framework will generally stay the same, but details and supplemental materials will get added to and refined over time.

From a funding perspective, adopting an EPPP Policy may improve the City's eligibility for additional grant opportunities from CalRecycle and from other sources, including regional and federal entities.

The resolution of the City of Avalon authorizing submittal of applications for CalRecycle grants for which the City of Avalon is eligible is required for the Beverage Container Recycling Grant Program. The resolution provides the City Manager or their designee the authority to execute in the name of the City all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project. The resolution authorizes the submittal of application(s) to CalRecycle for all grants for which the City of Avalon is eligible and is effective for five (5) years from the date of adoption of this resolution.

GOAL ALIGNMENT: City Policy, Avalon 2030 Vision

FISCAL IMPACTS: None

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The City will not have an Environmentally Preferable Purchasing and Practices Policy. The City will not have a resolution authorizing the submittal of applications to CalRecycle, and thus will not be eligible for the CalRecycle Beverage Container Recycling Grant Program.

FOLLOW UP ACTION: Submit the adopted EPPP and Resolution to CalRecycle as part of the City's Beverage Container Recycling Grant application. Implement the EPPP and have each Department review and continuously update the sections applicable to their operations.

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS:

1. City of Avalon Environmental Preferable Purchasing and Practices Policy
2. Resolution Authorizing Submittal of Applications for CalRecycle Grants

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF CITY OF AVALON
AUTHORIZING SUBMITTAL OF APPLICATION(S) FOR ALL CALRECYCLE GRANTS
FOR WHICH THE CITY OF AVALON IS ELIGIBLE

WHEREAS, Public Resources Code sections 48000 et seq. authorize the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant programs (grants) in furtherance of the State of California's (state) efforts to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill capacity and protecting public health and safety and the environment; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the application, awarding, and management of the grants; and

WHEREAS, CalRecycle grant application procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Avalon authorizes the submittal of application(s) to CalRecycle for all grants for which the City of Avalon is eligible; and

BE IT FURTHER RESOLVED that the City Manager, or his/her designee is hereby authorized and empowered to execute in the name of the City of Avalon all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project; and

BE IT FURTHER RESOLVED that these authorizations are effective for five (5) years from the date of adoption of this resolution.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Avalon on this 19th day of July, 2016, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

_____
Ann H. Marshall, Mayor

ATTEST:

_____
Denise A. Radde, City Clerk

City of Avalon

Preferable Purchasing and Practices Policy

ENVIRONMENTAL, SOCIAL AND ECONOMIC CONSIDERATIONS

The City of Avalon seeks to conserve and enhance our local and global natural resources; promote and support a vibrant, diverse, and equitable economy; safeguard human health and the environment; and improve the livability of the City's neighborhoods without compromising the ability of future generations to do the same.

The City of Avalon recognizes that the cost of an item is more than the purchased price, and must account for the life cycle of the product and its total environmental and economic costs to the natural environment, the City, and Catalina Island - with specific consideration and recognition of the limited capacity of the island's landfill.

City of Avalon

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Preferable Purchasing and Practices Policy

REVIEW OF CURRENT PRACTICES AND IDENTIFYING ADDITIONAL OPPORTUNITIES

Overview

The City of Avalon General Plan lists, amongst other things, the general desire of the City and the community at large to "exemplify environmental awareness and stewardship though use of new technologies, conduct practices that are energy efficient, reduce pollution and waste, conserve water, and protect the environment, natural features, and open spaces of the City and the island as a whole". As an island community every decision has a measurable and visible impact - shopping local to support the island economy, using water as we all drink from the same 'cup', and throwing waste away as 'away' is in our backyard and we know the capacity of our landfill.

The capacity of our preferable purchasing and best operating practices have not been met, giving the City of Avalon and the Catalina Island community the opportunity to reach the objectives of the General Plan as well as State and Federal targets.

The goal of the Preferred Purchasing Policy (PPP) is to encourage and incase purchasing that reflects the City's commitment to sustainability and explore the practice of "cradle to cradle" design, or "closing the loop" with product purchases and disposal.

A key component to assuring the sustainability of such a purchasing policy is the consideration of fiscal factors, both to promote environmentally responsible markets and materials as well as to consider the lifetime costs to the City.

In addition the City may establish guidelines giving preference to products produced by persons with disabilities, energy efficient products, recycled motor oil and lubricants, vendors that meet or exceed air quality standards, and recycled or reused computer equipment.

Evaluation Criteria

Nothing in the PPP shall be construed as requiring a department or contractor to procure products that perform inadequately for their intended use, are unavailable at a reasonable price within a reasonable period of time or do not conform to existing regulations. In general consideration shall be given to:

- Availability of product
- Impact of procurement on the solid waste stream
- Economic and technological feasibility of producing the product
- Other uses of the recovered materials used to produce the product

Products Categories

The Preferred Purchasing Policy generally addresses:

- Office supplies/equipment
- Printing and mail supplies, including paper products
- Cleaning and landscaping supplies
- Water and energy conservation products
- Vehicles and Equipment
- Other (such as Food Service Contracts and Facility Standards)

To assist in specifically identifying preferred products, product category overviews have been established where general item examples can be identified - such as park benches, engine coolants and binders - and specific characteristics and qualities of these items can be outlined. These categories and details can change with circumstances and should be regularly referred to for guidance.

- Construction Products
- Landscaping Products
- Park & Recreation Products
- Paper Products
- Non-paper Office Products
- Electronic Products
- Vehicular Products
- Transportation Products
- Miscellaneous Products

The Product Category Details and Specifications can be found in the supplemental material, and will be reviewed and updated by the City and the different departments overseeing purchasing.

Purpose and Scope

The City shall acquire its goods and services in a manner that complies with federal, state andcity laws and other requirements (e.g., City resolutions). The City shall purchase and use materials, products and services which are fiscally responsible, reduce resource consumption and waste, promote opportunities to lesser advantaged segments of the community, perform satisfactory, and promote human and environmental health and well-being.

Environmental factors to be considered in selecting products with provisions about specific chemicals (e.g., avoiding volatile organic compounds or harsh solvents/abrasives when possible) are to include:

- Good and services which can be manufactured, used, and disposed of in an environmentally responsible way
- Manufactured with a high recycled content
- Recycle or reused
- Lower energy usage/cost of operating equipment prior to purchase
- Employ suppliers that are committed to environmental improvement
- Reduce 'life cycle' costs and impacts when assessing equipment

Fiscal factors to be considered include but are not limited to:

- Lower total cost by addressing 'life cycle' accounting - purchase, maintenance, disposal, staff time, and labor
- Leveraging City buying power
- Impact on staff time and labor

- Long-term financial/market changes
- Technological advances in a rapidly changing market

Roles & Responsibilities

All City departments are responsible for implementation of this policy and to ensure their respective employees and contractors are fully aware and supportive of the City's policy to purchase environmentally preferable goods and services. All departments are responsible to:

- Ensure that specifications do not discriminate against reusable, recycled, or environmentally preferable products without justification
- Evaluate environmentally preferable products to determine the extent to which they may be used by the department and its contractors
- Review and revise specifications to maximize the specification of designated environmentally preferable products where practicable
- Facilitate data collection on purchases of designated environmentally preferable products by the department in order to assist the continued development of this policy the Product Category Details and Specifications.

The City Manager and/or their designee(s) will administer this policy by establishing a Sustainable Purchasing Committee composed of representatives of various city departments in order to:

- Expand the purchase of environmentally preferable products
- Expand the purchase of products which meet additional preferred guidelines
- Identify environmentally preferable alternatives and initiate pilot studies
- Recommend goals, where practicable, to practice alternative processes within City operations that will reduce the use/disposal of hazardous substances and will promote resource conservation
- Collect and maintain up-to-date information regarding manufacturers, vendors, and other sources for locating/ordering environmentally preferable products and will provide applicable information to departments
- Provide assistance, where feasible, to city departments to incorporate environmentally preferable products into their operations
- Provide any other review, interpretation, and updates of this policy as necessary
- Promote staff education and training as feasible and in coordination with other state and local efforts.

Current Practices

Listed are some examples of the current practices carried out at the City level that meet the standards of the Preferred Purchasing Policy.

Landscaping Products

Compost Made from Landscaping Trimmings and Food Waste

The Avalon landfill composts food waste from the local Food Service Establishments as wells as the green waste from landscaping trimmings. Public Works uses this to supplement decorative flower and plat beds throughout town, as well as mixing this compost into the soil for the expanded cemetery lawn.

Paper Products

Office Paper

The main office paper purchased for the city is _____ and is _____% post consumer recycled.
The City purchases approximately ____ reams of this paper a year.
In all of the printer/copier areas there are recycle bins for paper, and other recyclable materials.
All City printers are default set to print double-sided to save paper.

Paper Towels

For the two restrooms in City Hall the paper towels purchased are _____% post consumer recycled. The City purchases approximately ____ rolls of this paper a year.
The receptacles in the restrooms are marked with a sign stating
"PAPER TOWELS ONLY - COMPOST HERE. Paper towels come from trees and can be turned into soil. Please use only what you need and help our compost efforts by using this bin for paper towels only."
There is a separate bin for other waste items.

Paperboard and Packaging

All cardboard and packaging boxes are separated into the recycling bin.
Much of the packaging materials, including bubble wrap and packing pillows are saved and reused in shipments from the City.

Non-paper Office Products

Printer Cartridges

Printer cartridges are collected by the Finance Department and sent to quill.com in bulk for recycling and repurposing. The City receives a credit for each cartridge.

Electronic Products

Office Computers

In 2014 Avalon City Hall and satellite facilities began an IT update. This specifically targeted the computers, which were largely 10 years old. Instead of purchasing new computers for each user a server environment was established that could utilize the existing computers and allow for the upgrades in performance. This limited, if not eliminated, the purchase of new computers for users.

Miscellaneous Products

Food Service Contracts

The Joe Machado Field concession stand contract states that no styrofoam can be used by the concessionaire.

Wooden Pallets

Large items are delivered on wooden pallets which can be reused. These pallets are stored and reused instead of being sent to the landfill and new ones purchased.

Identified Opportunities

As the Preferred Purchasing Policy is implemented new opportunities may be identified by City staff, departments or officials, community members, businesses or other officials and can be integrated into the content and practice of this policy.
Below are the current identified opportunities that have not yet been implemented.

Resources

These preferred products will be purchased using the guidance and certification of the following organizations:

- The United States Environmental Protection Agency – USEPA
  http://www.epa.gov/epp/
- Executive Order 13101
  http://www.ofee.gov/Resources/Guidance_reports/Guidance_reports_archives/greening.pdf
- Green Seal
  http://www.greenseal.org/
- Energy Star
  http://www.energystar.gov/
- The United States Department of Agriculture – USDA
  http://www.usda.gov/wps/portal/usda/usdahome
- Electronic Products Environmental Assessment Tool – EPEAT
  http://www.epeat.net/
- Forest Stewardship Council – FSC
  https://us.fsc.org/

Source Preferences

The following source preferences are used when applicable goods or services can be supplied by these entities and when the products or services meet specifications as to quantity, quality and price:

Local Bidder Preference
AMC Sec. 3-4.109 & 3-4.110

Products by Persons with Disabilities
A preference shall be given to manufactured products of workshops, organizations or corporations whose primary function is training and employing persons with mental or physical disabilities.

Recycled, remanufactured, or Environmentally Sensitive Products
A preference shall be given to products made of recycled materials.

Energy Efficient Products
A preference shall be given to energy efficient products. This shall be evaluated by the energy use of the product offered and considering the costs of such energy use over the expected life of the equipment.

Vendors that Meet or Exceed Air Quality Standards
A preference shall be given to goods or services of a vendor that meets or exceeds state or federal environmental standards, including voluntary standards, relating to air quality.

Recycled or Reused Computer Equipment of Other Manufacturers
A preference shall be given to a manufacturer or service provider that has a program to recycle or reuse the computer equipment of other manufacturers, including collection events, recycling

grants, and manufacture initiatives to accept computer equipment labeled with another manufacturer's brand.

SUPPLEMENTAL MATERIAL

Product Categories Details and Specifications

The examples and individual items listed in the varying product categories are intended to help City of Avalon staff and departments identify relevant products and opportunities reflecting the needs and uses of Avalon.
The Environmental Protection Agency (EPA) makes recommendations regarding minimum percentage levels of post-consumer material for products through the Recovered Materials Advisory Notice - RMAN. When writing product specifications please refer to these recommendations.
Select the product category
http://www.epa.gov/epawaste/conserve/tools/cpg/products/index.htm

Construction Products

- Building Insulation
- Carpet - polyester
- Carpet Cushion
- Laminated Paperboard
- Cement & Concrete Containing
    - Coal fly ash
    - Furnace slag
    - Ground granulated blast
    - Cenospheres
    - Silica fume
- Consolidated & Reprocessed Latex Paint
- Floor Tiles
- Flowable Fill
- Modular Threshold Ramps
- Nonpressure Pipes
- Patio Blocks
- Roofing Materials
- Shower & Restroom Dividers/Partitions
- Structural Fiberboard

Landscaping Products

- Compost Made form Yard Trimmings or Food Waste
- Garden & Soaker Hoses
- Hydraulic Mulch
- Lawn & Garden Edging
- Plastic Lumber Landscaping Timber & Posts

Park & Recreation Products

- Park Benches & Picnic Tables

- Plastic Fencing
- Playground Equipment
- Playground Surfaces
- Awards & Plaques
- Bike Racks

Paper Products

- Commercial & Industrial Sanitary Tissue - paper towels & toilet paper
- Miscellaneous Papers
- Newsprint
- Paperboard & Packaging Products
- Printing and Writing Papers

Non-paper Office Products

- Binders, Clipboards, File Folders, Clip Portfolios & Presentation Folders
- Office Furniture
- Office Recycling Containers
- Office Waste Receptacles
- Plastic Desktop Accessories
- Plastic Envelopes
- Plastic Trash Bags
- Printers Ribbons
- Toner Cartridges

Electronic Products

- Computers - laptops, CPU
- Computer Monitors
- Telephones & Cell Phones
- Communication Radios
- Printers & Copiers

Vehicular Products

- Engine Coolants
- Rebuilt Vehicular Parts
- Re-Refined Lubricating Oils
- Retreated Tires

Transportation Products

- Channelizers
- Delineators

- Flexible Delineators
- Parking Stops
- Traffic Barricades
- Traffic Cones

Miscellaneous Products

- Blasting Grit
- Industrial Drums
- Manual-Grade Strapping
- Mats
- Pallets
- Signage
- Sorbents
- Food Service Contract
- Facility Standards

MODEL PAPER PURCHASING POLICY

Paper plays a key role in the City of Avalon's operations. We are concerned about the future of the world's forests and the environmental impacts of paper production. We are therefore committed to purchasing, using, and disposing of paper in ways that protect endangered forests and their associated biodiversity. reduce pollution, and minimize waste. By developing a comprehensive paper policy, the City is making a commitment to implement and track results of our paper efficiency and procurement strategies by:

1. Using Paper Efficiently by reducing consumption of paper and paper products when possible.
2. Maximizing Recycled Content by buying products with the highest post consumer recycled content feasible for each specific need, but no less than the U.S. Environmental Protection Agency (EPA) minimums for federal agencies.
3. Choosing Responsibly-Sourced Fiber by purchasing products that originate from sustainably managed forests and are certified by independent, third-party organizations, such as the Forest Stewardship Council.
4. Supporting Cleaner Production Practices by selecting products that are processed without chlorine or chlorine compounds and giving preference to suppliers and manufacturers using renewable energy.
5. Closing the Loop by implementing and maintaining a recycling system to ensure the raw materials for producing recycled-content paper are readily available.
6. Spreading the Word by producing an annual sustainability report and posting information on our paper policy and practices on our website, and promoting responsible paper use in publications as appropriate.

The City supports the goals set forth in the Environmental Paper Network's (EPN) A Common Vision for Transforming the Paper Industry: Striving for Environmental and Social Responsibility. [Organization] pledges to work with stakeholders – including the environmental community, suppliers, and other institutional purchasers – to increase the demand for environmentally preferable paper and to encourage the paper industry to meet these goals.

1. Using Paper Efficiently

Using paper efficiently is a key first step in reducing the environmental impacts associated with paper use. To use paper efficiently, the City will:

- Increase paper efficiency by **[x amount]** by **[date]**, upon which time paper use will be re-evaluated and a new target established. The City will develop a method for tracking and documenting results.
- Institute practices that increase paper efficiency, including, but not limited to:
    - Substituting electronic communications for printing.
    - Purchasing copiers, printers, and fax machines that can be set to default to double-sided printing.
    - Reusing products such as file folders, storage boxes, and paper printed on one side.
    - Reducing the basis weight and trim sizes of printed pieces.
    - Rethinking design processes to minimize printing and copying waste.
    - Minimizing unsolicited mail, both sent and received.
    - Minimizing overruns and maximizing sell-through for published materials.

2. Maximizing Recycled Content

Purchasing recycled-content paper and paper products has far reaching environmental benefits and will encourage suppliers to increase their capabilities in providing these products. To maximize the recycled content in paper and paper products, the City will:

- Purchase and source paper and paper products that contain the highest post consumer recycled content feasible for each specific need, but no less than the U.S. Environmental Protection Agency (EPA) minimums for federal agencies.
- Set a timeline for increasing the post consumer content in purchased paper products as quickly as possible to higher percentages.
- Give preference to paper and paper products whose post consumer recycled content is verified by an independent, third-party organization, such as the Forest Stewardship Council.

- Give preference to paper and paper products that also contain other recovered materials (e.g. pre consumer recycled content, agricultural residues, etc.) after maximizing post-consumer recycled content.

3. Choosing Responsibly-Sourced Fiber

The City supports responsible forest management practices that protect biodiversity, ecosystem integrity, and long-term benefits to communities. To promote the use of responsibly-sourced fiber in paper and paper products, the City will:

- Verify Supply Origin: Purchase papers listed on EPN's paper hierarchy when possible. If existing suppliers and manufacturers cannot provide these papers, we will verify with them the source of any virgin fiber content in paper and give preference to suppliers and manufacturers that establish a credible "Chain of Custody" tracking system to reliably identify the origin of fiber sources. We will work with EPN member organizations to assist us with this process.
- Endangered Forests: Give preference to paper and paper products guaranteed to be free of fiber that threatens endangered forests. We currently support the definition of endangered forests as outlined in the Wye River Coalition's Endangered Forests: High Conservation Value Forests Protection – Guidance for Corporate Commitments and ForestEthics, Greenpeace, Natural Resources Defense Council, and Rainforest Action Network's Ecological Components of Endangered Forests. We will consult with environmental experts, including EPN member organizations, for assistance in identifying endangered forests and paper and paper products from these forests.
- Forest Conversion to Plantations: Give preference to paper and paper products that can be guaranteed to be free of fibers from the conversion of diverse natural forest ecosystems into plantations. This policy supports the Forest Stewardship Council's criteria specifying November 1994 as the cut off date for no more conversion of natural forests to plantations. Wood from forests converted to plantations after November 1994 is unacceptable unless the plantations are being restored to natural forests.
- Certified Virgin Fiber: Give preference to paper and paper products with a remaining virgin tree fiber content that is certified by independent, third-party organizations that employ the most environmentally and socially responsible forest management and restoration practices. The Forest Stewardship Council (FSC) is the only acceptable international certification program that meets this guidance. Other certification systems may be considered by [Organization] if their performance-based forest management and chain-of-custody standards meet or exceed FSC's standards; their governance and funding mechanisms are fully balanced, transparent, and independent; and they are widely accepted by environmental and social stakeholders. [Organization] will consult with environmental and other experts, such as EPN member organizations, when evaluating certification systems.
- Alternative Fibers: Give preference to paper and paper products made from alternative fiber crops (e.g. hemp, kenaf, etc.) if Life Cycle Analysis and other comprehensive and credible analysis indicates that alternative fibers are environmentally and socially preferable to other sources of virgin fiber.
- Genetically Modified Organisms: Buy paper and paper products with fiber content known to be free from genetically modified organisms. This includes transgenetically modified trees and plants that have genes of other animals and plants inserted.

4. Supporting Cleaner Production Practices

The City supports minimizing the environmental impacts of paper production. To encourage cleaner production practices, the City will:

- Give preference to paper and paper products processed without chlorine or chlorine compounds (i.e. "processed chlorine free" or PCF papers), as long as they also meet recycled content goals. The City will set timelines for converting purchases of recycled content paper to PCF.
- Choose paper with the minimum brightness suitable for our printing needs to further minimize environmental impacts from paper bleaching.
- Avoid coatings and bright-colored papers whenever possible.
- Give preference to suppliers and manufacturers that use renewable energy to supply electricity for their facilities, either on-site or through the purchase of renewable energy certificates (RECs).

- Use vegetable-based inks (e.g. soy, linseed, corn, etc.) and inks free of toxic metals whenever possible.

5. Closing the Loop

The City supports measures to secure the availability of environmentally preferable papers, such as maintaining a paper recycling program. To ensure the raw materials for producing recycled-content paper must be readily available, the City will:

- Collect and recycle paper that has been used internally as well as paper that is received from outside sources. If a paper recycling program does not currently exist, we will work with our building managers and suppliers to implement such a system.
- Educate co-workers as to what is required of them, including alerting cleaning staff and waste haulers to keep recyclables separate from trash.

6. Spreading the Word

The City recognizes the benefit of promoting environmental awareness with our employees, suppliers, customers, partners, and the public. To publicly promote our commitment to using paper efficiently and purchasing environmentally preferable paper, the City will:

- Publish and distribute to all interested stakeholders an annual sustainability report, which will detail progress in implementing this policy and any other activities related to the City's impact on the environment.
- Post our environmental paper purchasing policy, goals, and achievements on our website.
- Print on documents (e.g. letterhead stationary, envelopes, publications, etc.) an accurate description of the attributes of the environmentally preferable papers used, in order to raise awareness and accountability. Such attributes include, but are not limited to, postconsumer recycled content, bleaching technology (i.e. PCF), and any applicable eco-logos or certifications.
- Encourage suppliers to adopt similar paper policies and implement other environmentally and socially responsible practices.

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 9

ORIGINATING DEP: Administration **CITY MANAGER:** DR

PREPARED BY: Denise Radde, CAO and Dennis Jaich, Interim Public Works Director

SUBJECT: City of Avalon Stormwater Permit Year 3 Compliance Consultant Contract

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RECOMMENDED ACTION(S): Execute a contract with Olaunu for a not to exceed amount of $69,810.00 to assist the City of Avalon with compliance with the Year 3 requirements of the Small Municipal Separate Storm Sewer System (MS4) Permit.

REPORT SUMMARY: The City of Avalon has been designated as permittee under the Small Municipal Separate Storm Sewer System (MS4) Permit, also known as the Phase II Permit, adopted by the State Water Resources Control Board (State Board) on February 5, 2012. The City is listed as a new permittee in Attachment A – Traditional Small MS4 Designation and Monitoring Matrix of this permit. In this attachment the area of permit coverage for the City is identified as "Avalon Urban Cluster". As part of compliance under Year 3 of the Small MS4 Permit the City is responsible for completion of several of the requirements including development of the following:

- Total Maximum Daily Load (TMDL) Implementation Report for the Avalon Bay Fecal Indicator Bacteria TMDL
- Planning and Development Review Process Gaps Review
- Update Inventory of Industrial & Commercial Facilities
- Public Education Outreach Program Survey
- Illicit Discharge Training Program
- Construction Site Operator Educational Materials
- Outfall Monitoring Sampling Protocol
- Permittee Facilities Assessment
- Permittee Operations & Maintenance Activities Assessment Program
- Post Construction Stormwater Management Program Enforceable Mechanism
- Post Construction Best Management Practice Condition Assessment
- Program Effectiveness Assessment and Improvement Plan Implementation Description
- Annual Report

Meeting the above requirements and development of the associated procedures and programs requires expertise in stormwater management. Olaunu has more than 21 years of experience in stormwater management including experience in assisting the City of Avalon. This action is for contracting with Olaunu to develop the above listed items for the City of Avalon to be in compliance with the Year 3 requirements of the Small MS4 Permit.

GOAL ALIGNMENT: City Infrastructure.

FISCAL IMPACTS: Budgeted in FY 2016/2017 Storm Drain Fund 124-25-5105.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: If the City of Avalon does not complete the Year 3 requirements of the Small MS4 Permit, the City will be issued a Notice of Violation (NOV) from the State Board and if not complied with the City will likely be issued monetary fines, which may include civil and administrative penalties.

FOLLOW UP ACTION: Execute a contract with Olaunu.

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Scope of work.

Olaunu

CITY OF AVALON – SMALL MS4 PERMIT YEAR 3 TASKS SCOPE OF WORK

The City of Avalon has been designated as permittee under the Small MS4 Permit, also known as the Phase II Permit, adopted by the State Water Resources Control Board (State Board) on February 5, 2012. The City is listed as a new permittee in Attachment A – Traditional Small MS4 Designation and Monitoring Matrix of this permit. In this attachment the area of permit coverage for the City is identified as "Avalon Urban Cluster". As part of compliance under Year 3 of the Small MS4 Permit the City is responsible for completion of several of the requirements. This scope of work is to assist the City with the Year 3 Tasks under the Small MS4 Permit. The scope has been developed in consideration of compliance dates identified and the Small MS4 Permit.

Task 1: Project Management and Coordination

The task covers project management and coordination with City staff regarding all aspects of the project. Project management includes ensuring quality project performance that includes coordination with City staff to ensure that the goals, objectives and scope for each task are clearly understood. Project management includes tracking schedule and budget to ensure tasks are proceeding within budget and on schedule. Effective coordination is essential to successfully completing the scope of work. This task includes regular conference calls with City staff to provide updates on project status and conference call notes, as needed in person coordination meetings with City Staff to gather information from the City and as needed based on completion of tasks including meeting notes.

Deliverables:

a) Project Status Conference Calls and associated notes
b) In-person Meetings and associated notes

Task 2: TMDL Implementation Report

The intent of this task is to develop a report to update the Los Angeles Regional Board with a status of the City's implementation of the Fecal Indicator Bacteria TMDL. The report will detail the progress with each of the BMPs identified in the TMDL Compliance Plan including the following BMPs: POTW, Collection System, MS4, Non-Point Source, and groundwater. The Year 2 report will be used as the starting point for the Year 3 report. The following are the specific requirements identified in the Small MS4 Permit that will be included in the report:

(i) A description of BMPs implemented, including types, number, and locations
(ii) An assessment of the effectiveness of implemented BMPs in progressing towards attainment of wasteload allocations within the TMDLs' specified timeframes
(iii) All monitoring data, including a statistical analysis of the data to assess progress towards attainment of wasteload allocations within the TMDLs' specified timeframes
(iv) Based on results of the effectiveness assessment and monitoring, a description of the additional BMPs that will be implemented to attain wasteload allocations within the TMDLs specified timeframes

A draft TMDL Implementation Report consistent with the above requirements will be developed and provided to the City for review and comment. Information for inclusion in the report will be provided by the City. Upon comments received from the City a final report will be provided.

Deliverables:

a) Draft Year 3 TMDL Implementation Report
b) Final Year 3 TMDL Implementation Report

Task 3: Planning and Development Review Process Gaps Review

Under the Small MS4 Permit Section E.12.(j) the City is required to perform an annual review of their planning and permitting process to assess any gaps or impediments effecting implementation of the post-construction requirements in Section E.12 of the Small MS4 Permit. A review will be performed based on the previous E.12.(j) assistance provided through the California Stormwater Quality Association (CASQA) Prop 84 Grant and compared to the Post Construction Stormwater Plan (PCSP) Guidance developed in Year 2. A draft Planning and Development Review Process memorandum will be developed and submitted to the City for review and comment. Based on any comments from the City the memorandum will be finalized.

Deliverables:

a) Draft Planning and Development Review Process Memorandum
b) Final Planning and Development Review Process Memorandum

Task 4: Update Inventory of Industrial & Commercial Facilities

Under the Small MS4 Permit Section E.9.b, the City is required to develop and maintain an inventory of all industrial/commercial facilities/sources within the Permittee's jurisdiction. Information from the City will be used to update the inventory of all industrial/commercial facilities in the City developed in Year 2. Additionally, the State Water Resources Control Board (SWRCB) Storm Water Multiple Application and Report Tracking System (SMARTS) database will be searched for any new industrial dischargers in the City.

Deliverables:

a) Updated Industrial & Commercial Facilities Inventory

Task 5: Development of a Public Education Outreach Program Survey

Under the Small MS4 Permit Section E.7.a.(ii)(b) the Public Education requirements identify that the City is required to develop and implement surveys at least twice during the permit term to gauge the level of awareness in target audiences and effectiveness of the City's public education and outreach program. A survey related to the messages of the City's storm water public education and outreach program will be developed. A distribution plan for the survey will also be developed to ensure that a good cross section of the public answers the survey. A draft Stormwater Public Education & Outreach Survey and associated survey distribution plan will be developed and submitted to the City for review and comment. Based on any comments the survey will be finalized and assistance will be provided with distribution of the survey.

Deliverables:

a) Draft Stormwater Public Education & Outreach Survey & Survey Distribution Plan
b) Final Stormwater Public Education & Outreach Survey & Survey Distribution Plan
c) Stormwater Public Education & Outreach Survey Distribution Assistance

Task 6: Illicit Discharge Training Program

Under the Small MS4 Permit Section E7.b.1. the City is required to develop an illicit discharge training program. An illicit discharge training module will be developed consistent with the Illicit Discharge Elimination Procedures developed in Year 2. The module will include the following consistent with Section E7.b.1.(ii) of the Small MS4 Permit:

- (a) Identification of an illicit discharge or illegal connection.
- (b) Proper procedures for reporting and responding to the illicit discharge or illegal connection.
- (c) Follow-up training shall be provided as needed to address changes in procedures, techniques, or staffing.

- (d) An annual assessment of their trained staff's knowledge of illicit discharge response and refresher training as needed.
- (e) Training for new staff who, as part of their normal job responsibilities may be notified of, come into contact with, or otherwise observe an illicit discharge or illegal connection shall be trained no later than six months after the start of employment.
- (f) Contact information, including the procedure for reporting an illicit discharge, shall be included in each of the Permittee's fleet vehicles that are used by field staff.
- (g) Focused education on identified illicit discharges and associated illicit discharge locations.

The module will be presented to City staff at a date to be determined by the City

Deliverables:

a) Development Illicit Discharge Training Module
b) Provide Illicit Discharge Training Module to City Staff

Task 7: Construction Site Operator Education

Under the Small MS4 Permit, Section E.7.b.2(b) requires the City to develop and distribute educational materials to construction site operators. Construction site operator's educational materials will be developed and provided to the City for review and comment. The information to be included will be on BMP selection, installation, implementation, and maintenance. Based on comments provided by the City the educational materials will be updated and finalized and provided to the City for printing and distribution to construction site operators.

Deliverables:

a) Draft Construction Site Operators Educational Materials
b) Final Construction Site Operators Educational Materials

Task 8: Outfall Monitoring Protocol

Under the Small MS4 Permit Section E.9.c., the City is required to sample any outfalls that are flowing or ponding more than 72 hours after the last rain event and conduct dry weather sampling (more than 72 hours since the last rain event) of outfalls annually identified as priority areas. A sampling protocol for the outfall monitoring will be developed consistent with the requirements of Section E.9.c. of the Small MS4 Permit. Based on comments provided by the City the sampling protocol will be updated and finalized and provided to the City.

Deliverables:

a) Draft Outfall Monitoring Sampling Protocol
b) Final Outfall Monitoring Sampling Protocol

Task 9: Permittee Facilities Assessment

Under the Small MS4 Permit Section E.11.c., the City is required conduct a comprehensive inspection and assessment of pollutant discharge potential and identification of pollutant hotspots using the Center for Watershed Protection's (CWP) guide on Urban Subwatershed and Site Reconnaissance, or equivalent for all of the inventory of City facilities completed in Year 2. City facilities inspection and assessment procedures will be developed and provided to the City for review and comment. Per Section E.11.c.(ii) the assessment procedures will include the following:

- (a) Identification of pollutant hotspots: Based on the annual assessment, the Permittee shall identify those facilities that have a high potential to generate storm water and nonstorm water pollutants as pollutant hotspots and assign them a high priority. Among the factors to be considered are the type and volume of pollutants stored at the site, the presence of improperly stored materials, activities that should

not be performed outside (e.g., changing automotive fluids, vehicle washing), proximity to water bodies, poor housekeeping practices, and the discharge of pollutant(s) of concern to receiving water(s). Pollutant hotspots shall include, at a minimum, the Permittee's maintenance yards, hazardous waste facilities, fuel storage and/or dispensing locations, airports marinas, and any other facilities at which chemicals or other materials have a high potential to be discharged in storm water.

- (b) Documentation of the comprehensive assessment procedures and results: The Permittee shall document the procedures it uses for conducting the comprehensive assessment along with a copy of any site evaluation checklists used to conduct the comprehensive assessment.

Inspection and assessment procedures for City facilities will be developed that are consistent with the Center for Watershed Protection's (CWP) guide on Urban Subwatershed and Site Reconnaissance. To document the inspections a City Facility Inspection Form will be developed for the inspections. The draft inspection and assessment procedures and inspection from will be provided to the City for review and comment and based on any comments from the City the inspection and assessment procedures and inspection form will be finalized. Using the finalized City facility inspection and assessment procedures inspections of all of the twenty-eight (28) City facilities identified in the Year 2 inventory. Inspections will be completed with City staff so that City staff understand the areas that have a high potential to generate stormwater and non-storm water pollutants and that future inspections can be potentially completed by City staff. To document the inspections a City Facility Inspection Form will be filled out for each of the twenty-eight (28) City facilities.

Deliverables:

a) Draft City Facility Inspection and Assessment Procedures
b) Final City Facility Inspection and Assessment Procedures
c) City Facility Inspection Form
d) Inspection, assessment, and documentation of twenty-eight (28) City facilities

Task 10: Permittee Operations & Maintenance Activities

Under the Small MS4 Permit Section E.11.h., the City is required to assess its O&M activities for potential to discharge pollutants in stormwater as well as inspect all O&M BMPs on a quarterly basis. A comprehensive program for assessment of the City's O&M activities will be developed based on coordination with City staff regarding the types of O&M activities the City engages in. Per Section E.11.h. the O&M activities assessment program will include the following:

- (a) Develop and implement a program to assess O&M activities and subsequently develop applicable BMPs. The following Permittee O&M activities shall be included in the assessment for their potential to discharge pollutants in storm water:
    - 1) Road and parking lot maintenance, including sidewalk repair, curb and gutter repair, pothole repair, pavement marking, sealing, and re-paving
    - 2) Bridge maintenance, including re-chipping, grinding, saw cutting, and painting
    - 3) Cold weather operations, including plowing, sanding, and application of deicing compounds and maintenance of snow disposal areas
    - 4) Right-of-way maintenance, including mowing, herbicide and pesticide application, and planting vegetation
    - 5) Storm water relevant Permittee-sponsored or sanctioned events such as large outdoor festivals, parades, or street fairs (eg. Earth Day, Coastal Cleanup Day, Creek Week)
    - 6) Green waste deposited in the street
    - 7) Graffiti removal
    - 8) Hydrant flushing

- (b) Identify all materials that could be discharged from each of these O&M activities, and which materials contain pollutants. Typical pollutants associated with these activities include metals, chlorides, hydrocarbons (e.g. benzene, toluene, ethylbenzene, and xylene), sediment, green waste, herbicide, pesticide, dried paint, and trash.

- (c) Develop and implement a set of BMPs that, when applied during Permittee O&M activities, will reduce pollutants in storm water and non-storm water discharges. The Permittee shall use the CASQA Municipal Handbook or equivalent.

- (d) Evaluate BMPs – All BMPs implemented during O&M activities shall be evaluated quarterly.

A draft City O&M assessment program that includes BMPs for each O&M activity and an O&M BMP inspection protocol and an O&M inspection form will be provided to the City for review and comment and based on any comments from the City O&M assessment program will be finalized. Using the finalized City O&M assessment program and associated BMPs, assistance will be provided in implementation of O&M BMPs for four City O&M activities and inspection of the four O&M activities using the O&M BMP inspection form.

Deliverables:

a) Draft City O&M Assessment Program
b) Final City O&M Assessment Program
c) City O&M Inspection Protocol & Inspection Form
d) O&M BMP Implementation Assistance & Inspection for four (4) City O&M Activities

Task 11: Incorporating Water Quality and Habitat Enhancement Features in New Flood Management Facilities

Under the Small MS4 Permit Section E.11.i.., the City is required to develop and implement a process for incorporating water quality and habitat enhancement features into new and rehabilitated flood management facilities. A process for incorporating water quality and habitat enhancement features into new and rehabilitated flood management facilities, that includes the type of water quality and habitat enhancement features appropriate for the City of Avalon facilities will be developed. Coordination with the City and a site visit to the existing flood management facilities will provide an understanding of the types of flood management facilities in the City and upstream of the City. A draft process for incorporating water quality and habitat enhancement features into new and rehabilitated flood management facilities will be provided to the City and based on any City comments the process will be finalized.

Deliverables:

a) Draft Flood Management Facilities Water Quality/Habitat Enhancement Process
b) Final Flood Management Facilities Water Quality/Habitat Enhancement Process

Task 12: Post Construction Stormwater Management Program Enforceable Mechanism

Under the Small MS4 Permit Section E.12.g., the City is required in the third year of the effective date of the permit, to develop and/or modify enforceable mechanisms that will effectively implement the post-construction requirements of Section E.12.b through f. A review of the City's municipal code will be performed to ensure that the specifics of to implement the post-construction requirements of Section E.12.b through f. Any proposed language changes to the City municipal code will be made in redline and provided to the City for review. Based on any comments from the City the redline changes to the City municipal code will be modified and finalized. A City Council staff report will also be developed so staff can take the proposed municipal code changes to City Council for adoption. Presentation of the proposed changes to City Council will also be provided.

Deliverables:

a) Draft Redline Post-Construction Modifications to City Municipal Code
b) Final Redline Post-Construction Modifications to City Municipal Code
c) City Council Staff Report
d) Presentation to City Council

Task 13: Post Construction Best Management Practice Condition Assessment

Under the Small MS4 Permit Section E.12.i., the City is required in the third year of the effective date of the permit, to develop a plan to inventory and assess the maintenance condition of structural post-construction BMPs (including BMPs used for flood control) within the Permittee's jurisdiction. A plan will be developed for inventory, inspection, and assessment of the maintenance condition of all structural post-construction BMPs implemented in the City of Avalon. Based on the requirements of Section E.12.i.(ii) the plan shall include:

- (a) An inventory and map of existing structural post-construction BMPs, in GIS if available.

- (b) Assessments of the self-certification program annual reports. Assessment shall include a ranking of structural BMPs and verification that BMPs are operating to remove pollutants as designed. Regional BMPs should receive higher priority than lot-scale BMPs, and BMPs designed to remove pollutants for which receiving water is impaired should receive priority attention over other BMPs.

- (c) Appropriate escalating enforcement based on the Permittee Enforcement Response Plan to ensure proper maintenance of BMPs and submittal of self-certification annual reports.

- (d) Self-Certification Annual Reports. At a minimum, the self-certification annual reports shall include:
    - (1) Field observations to determine the effectiveness of the structural post construction BMPs in removing pollutants of concern from storm water runoff and/or reducing hydromodification impacts as designed.
    - 2) Long-term plan for conducting regular maintenance of BMPs, including the frequency of such maintenance

The plan will include a post-construction BMP inventory and BMP inspection tracking spreadsheet, a post-construction BMP inspection protocol, post-construction BMP inspection form, map of post-construction BMPs in the City of Avalon, a self-certification program, and escalating enforcement based on the City's Enforcement Response Plan. Coordination with City staff will identify the locations of any post-construction BMPs located in the City to be integrated as part of the inventory. A draft post-construction BMP condition assessment plan will be provided to the City for review and comment and will be finalized based on any City comments. A training slide presentation on how to inspect post-construction BMPs will be developed and presented to City staff. Based on the finalized plan and inventory any post-construction BMPs identified in the City will be inspected with the post-construction BMP inspection form with City staff so City staff understand how to inspect post-construction BMPs.

Deliverables:

a) Draft Post-construction BMP Condition Assessment Plan
b) Final Post-construction BMP Condition Assessment Plan
c) Post-construction BMP Inspection Form
d) Post-Construction Training Presentation
e) Inspection of Post-Construction BMPs

Task 14: Program Effectiveness Assessment and Improvement Plan Implementation Description

Under the Small MS4 Permit Section E.14.a., and identified in the City's Program Effectiveness Assessment and Improvement Plan (PEAIP) the City is required to develop a description of implementation of the PEAIP including a summary of data obtained and an analysis of the data. A description of implementation of the PEAIP will be developed that meets the requirements of Section E.14a will be developed for the City. A draft PEAIP implementation description will be developed and based on any comments provided by the PEAIP implementation description will be finalized.

Deliverables:

a) Draft PEAIP Implementation Description
b) Final PEAIP Implementation Description

Task 15: Annual Report

The Small MS4 Permit requires that City develop and submit an annual report for each year of the permit. The annual report template for the City of Avalon 2015-2016 Annual Report on the SMARTS program will be filled out and provided to the City for review and assistance will be provided to the City in submitting the annual report online using the State Board SMARTS webpage.

Deliverables:

a) City of Avalon 2015-2016 Annual Report & Assistance in submittal of the Annual report via SMARTS

SCHEDULE/COST

Deliverable		Completion Date	Cost
Task 1: Project Management and Coordination			$1,440
1a	Project Status Conference Calls and associated notes	Ongoing	
1b	In-person Meetings and associated notes	Ongoing	
Task 2: TMDL Implementation Report			$1,800
2a	Draft TMDL Implementation Report	July 30, 2015	
2b	Final TMDL Implementation Report	August 30, 2015	
Task 3: Planning and Development Review Process Gaps Review			$1,440
3a	Draft Planning & Development Review Process Memorandum	July 30, 2016	
3b	Final Planning & Development Review Process Memorandum	August 30, 2016	
Task 4: Update Inventory of Industrial & Commercial Facilities			$720
4a	Updated Industrial & Commercial Facilities Inventory	August 15, 2016	
Task 5: Development of a Public Education Outreach Program Survey			$4,500
5a	Draft Stormwater Public Education & Outreach Survey & Survey Distribution Plan	August 30, 2016	
5b	Final Stormwater Public Education & Outreach Survey & Survey Distribution Plan	September 15, 2016	
5c	Stormwater Public Education & Outreach Survey Distribution Assistance	September 30, 2016	

Deliverable		Completion Date	Cost
Task 6: Illicit Discharge Training Program			$4,500
6a	Development Illicit Discharge Training Module	August 15, 2016	
6b	Provide Illicit Discharge Training Module to City Staff	September 15, 2016	
Task 7: Construction Site Operator Education			$3,600
7a	Draft Construction Site Operator Educational Materials	August 30, 2016	
7b	Final Construction Site Operator Educational Materials	September 30, 2016	
Task 8: Outfall Monitoring Protocol			$2,160
8a	Draft Outfall Monitoring Sampling Protocol	August 15, 2016	
8b	Final Outfall Monitoring Sampling Protocol	September 15, 2016	
Task 9: Permittee Facilities Assessment			$13,710
9a	Draft City Facility Inspection and Assessment Procedures	August 15, 2016	
9b	Final City Facility Inspection and Assessment Procedures	September 15, 2016	
9c	City Facility Inspection Form	August 15, 2016	
9d	Inspection, assessment, and documentation of twenty-eight (28) City facilities	September 15, 2016	
Task 10: Permittee Operations & Maintenance Activities			$10,900
10a	Draft City O&M Assessment Program	August 30, 2016	
10b	Final City O&M Assessment Program	September 30, 2016	
10c	City O&M Inspection Protocol & Inspection Form	August 30, 2016	
10d	O&M BMP Implementation Assistance & Inspection for four (4) City O&M Activities	September 30, 2016	
Task 11: Incorporating Water Quality and Habitat Enhancement Features in New Flood Management Facilities			$5,140
11a	Draft Flood Management Facilities Water Quality/Habitat Enhancement Process	August 30, 2016	
11b	Final Flood Management Facilities Water Quality/Habitat Enhancement Process	September 30, 2015	
Task 12: Post Construction Stormwater Management Program Enforceable Mechanism			$2,880
12a	Draft Redline Post-Construction Modifications to City Municipal Code	August 15, 2016	
12b	Final Redline Post-Construction Modifications to City Municipal Code	September 15, 2016	
12c	City Council Staff Report	September 30, 2016	
12d	Presentation to City Council	TBD	
Task 13: Post Construction Best Management Practice Condition Assessment			$14,140
13a	Draft Post-construction BMP Condition Assessment Plan	August 30, 2016	
13b	Final Post-construction BMP Condition Assessment Plan	September 30, 2016	
13c	Post-construction BMP Inspection Form	August 30, 2016	
13d	Post-Construction Training Presentation	September 30, 2016	
13e	Inspection of Post-Construction BMPs	September 30, 2016	
Task 14: Program Effectiveness Assessment and Improvement Plan Implementation Description			$1,440
14a	Draft PEAIP Implementation Description	September 15, 2016	
14b	Final PEAIP Implementation Description	September 30, 2016	
Task 15: Annual Report			$1,440
15a	City of Avalon 2015-2016 Annual Report & Assistance in submittal of the Annual report via SMARTS	October 7, 2016	

Olaunu

Deliverable	Completion Date	Cost
Total		**$69,810**

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 10

ORIGINATING DEP: Finance **CITY MANAGER:** DR

PREPARED BY: Robert Mescher

SUBJECT: Clarify the Duties of the Audit Committee

RECOMMENDED ACTION(S): Discuss and define the Audit Committee duties.

REPORT SUMMARY: City Council requested that an item be placed on the agenda to discuss the duties of the Audit Committee.

Avalon is not required to have an Audit Committee. Historically, however, the City Council has appointed two Council Members to form its Audit Committee. The Committee reviews and approves the Report of Disbursements from the past month by examining the list and questioning payments that seem out of the ordinary. Even though the Committee review is after warrants are paid, it nevertheless strengthens the internal controls of the City by helping to ensure payments were appropriate and reasonable.

Since the Audit Committee is formed by the City Council, it may also define other duties of its committee. Other examples of audit committee duties are selecting the external auditor firm, and providing oversight of the financial reporting process, the audit process, the system of internal controls and compliance with laws and regulations.

The Audit Committee may review the results of the audit with management and external auditors, including matters required to be communicated to the City Council under generally accepted auditing standards.

Audit committees may review internal controls and their effectiveness. They may review management responses to the external auditors' observations and significant findings. They may be responsible for the controls over financial reporting, information technology security and operational matters.

Staff requests that these defined duties be restated at the time of each Committee Member appointment, so that the purpose of the Committee is understood by all.

GOAL ALIGNMENT: Not aligned

FISCAL IMPACTS: None

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The duties of the Audit Committee would not be clearly defined.

FOLLOW UP ACTION: At the time of appointment, restate the duties to new Audit Committee Members for clarification of their responsibilities.

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: None

CITY OF AVALON CITY COUNCIL

MEETING DATE: July 19, 2016 **AGENDA ITEM:** 11

ORIGINATING DEP: Finance **CITY MANAGER:** DR

PREPARED BY: Robert Mescher, Finance Director

SUBJECT: Adopt the FY16-17 Budget

RECOMMENDED ACTION(S): Adopt resolution approving the Budget for Fiscal Year 2016/2017.

REPORT SUMMARY: At the July 14, 2016 Special City Council meeting, Staff presented the FY16-17 Budget. City Council directed Staff to make the following changes to the budget:

$	98,000	Replace vacant Maintenance Coordinator with Public Works Director position (includes payroll related costs)
	(30,000)	Remove the Amphitheater Improvements
	(75,000)	Reduce the Mole Park improvements
	(60,000)	Include additional grant funding for the Mole Park
	75,000	Increase the Green Pier Pilings Repair
	-	Change the description of Server Room HVAC and Security to Chamber Improvements
	100,000	Add Mole Substructure Design
	(80,000)	Include additional grant funding
	500,000	Add Reclaimed Water Design
	105,000	Add Fuel Dock Float already committed
	25,000	Add Peace Officer Standards Training already committed
$	658,000	Net total additional expenditures

GOAL ALIGNMENT: Not aligned.

FISCAL IMPACTS: The above changes will utilize reserves and grants to fund the additional net expenditures of $658,000.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The listed position changes and projects would not occur in FY16-17.

FOLLOW UP ACTION: Mid-Year budget review.

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS:

1. Resolution Adopting the Budget for Fiscal Year 2016-2017.
2. Revised Budget to be provided under separate cover.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AVALON ADOPTING THE BUDGET FOR FISCAL YEAR 2016-2017

WHEREAS, the City Manager submitted a proposed budget to the City Council for review and consideration; and

WHEREAS, the City Council wishes to adopt the budget for the City of Avalon for the Fiscal Year 2016-2017; and

NOW, THEREFORE, the City Council of the City of Avalon declares, finds and resolves as follows:

Section 1. The proposed budget for FY 2016-2017, including the Operating Budget, all expenditures, revenues, and transfers set forth therein are approved and adopted.

Section 2. Authorization to spend: The amount of the Fiscal Year 2016-2017 Budget for each account area of the budget may be drawn upon warrants in payment of demands in accordance with the provisions of California Government Code §§32708 and 32709.

PASSED, APPROVED AND ADOPTED this 19th day of July, 2016.

Ayes: Mayor Marshall, Councilmembers Olsen, Cassidy, Hernandez and Sampson
Absent: None
Abstain: None
Absent: None

_____
Ann H. Marshall, Mayor

ATTEST:

_____
Denise Radde, City Clerk