

# CITY OF ARCADIA

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## City Council Regular Meeting Agenda



**Tuesday, May 2, 2023, 5:30 p.m.**

**Location: City Council Conference Room, 240 W. Huntington Drive, Arcadia**

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability related modification or accommodation in order to participate in a meeting, including auxiliary aids or services, may request such modification or accommodation from the City Clerk at (626) 574-5455. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting.

根据《美国残障人法案》，需要调整或提供便利设施才能参加会议的残障人士（包括辅助器材或服务）可与市书记官办公室联系（电话：(626) 574-5455）。请在会前 48 小时通知市书记官办公室，以便作出合理安排，确保顺利参加会议。

Pursuant to the City of Arcadia's Language Access Services Policy, limited-English proficient speakers who require translation services in order to participate in a meeting may request the use of a volunteer or professional translator by contacting the City Clerk's Office at (626) 574-5455 at least 72 hours prior to the meeting.

根据阿凯迪亚市的语言便利服务政策，英语能力有限并需要翻译服务才能参加会议的人可与市书记官办公室联系（电话：(626) 574-5455），请求提供志愿或专业翻译服务，请至少在会前 72 小时提出请求。

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### How to Submit Public Comment:

Members of the Public who wish to submit public comment may do so using one of the following methods. Public comment is limited to the time and words allotted.

1. **In-Person:** Complete a Speaker Card, indicating the agenda item number and submit it to the City Clerk prior to the meeting, or simply come to the podium when the Mayor asks for those who wish to speak. Speakers shall be limited to five (5) minutes per person. At the Mayor's discretion, the time limit may be shortened to allow all speakers to address the City Council.

Electronic submission of Public Comment is also available via the City's website or by email as noted below. Public Comment submitted electronically will not be read into the record at the posted meeting time but are forwarded to the City Council prior to the meeting for consideration.

1. **Website:** Please submit your comments using our online public comment form at [ArcadiaCA.gov/comment](https://ArcadiaCA.gov/comment). Your comments must be received at least 30 minutes prior to the posted meeting time.
2. **Email:** Please submit your comments via email to [CityClerk@ArcadiaCA.gov](mailto:CityClerk@ArcadiaCA.gov). Your comments must be received at least 30 minutes prior to the posted meeting time.

### 如何提交公众评论意见：

公众成员可以使用以下任何一种方法提交公众评论意见。请在时间和字数的限制范围内提交公众评论意见。

1. **亲自出席：**填写一张发言人卡片，注明议程项目编号，然后在会议开始前提交给市书记官，或者在市长询问公众发言时，直接到讲台上发言。每位发言人的发言时间不得超过五（5）分钟。市长可自行决定缩短发言限制时间，以便允许所有发言人向市议会表达自己的意见。

亦可按照以下方法在本市网站上或通过电子邮件以电子方式提交公众评论意见。以电子方式提交的公众评论意见不会在公布的会议期间读入记录，但会在会议开始前转交给市议会，供市议会考虑。

1. **网站：**请使用以下网站中刊载的在线公众评论意见表提交您的评论意见：[ArcadiaCA.gov/comment](http://ArcadiaCA.gov/comment)。必须在公布的会议时间前至少提前 30 分钟提交评论意见。
2. **电子邮件：**请将您的评论意见通过电子邮件发送至：[CityClerk@ArcadiaCA.gov](mailto:CityClerk@ArcadiaCA.gov)。必须在公布的会议时间前至少提前 30 分钟提交评论意见。

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## CALL TO ORDER

### ROLL CALL OF CITY COUNCIL MEMBERS

Paul P. Cheng, Mayor  
April A. Verlato, Mayor Pro Tem  
Michael Cao, Council Member  
Sharon Kwan, Council Member  
Eileen Wang, Council Member

### PUBLIC COMMENTS (5-minute time limit each speaker)

Any person wishing to speak before the City Council is asked to complete a Speaker Card and provide it to the City Clerk prior to the start of the meeting. Each speaker is limited to five (5) minutes per person, unless waived by the City Council. Under the Brown Act, the City Council is prohibited from discussing or taking action on any item not listed on the posted agenda.

### CLOSED SESSION

- a. Pursuant to Government Code Section 54956.9(d)(1), Existing Litigation, Jesus Anguiano and Josefina Anguiano v. City of Arcadia, Arcadia Public Works Services Department; and Does 1-30, inclusive (Case No. 22STCV05427)
- b. Pursuant to Government Code Section 54956.9(d)(1), Existing Litigation, Yeznaian v. KJR Eastern Enterprises, et al. (Case No. 22STCV11585)
- c. Pursuant to Government Code Section 54956.9(d)(1), Existing Litigation, Aldo Perez v. Heliodaro Jose Altamiro Jr., City of Arcadia, and Does 1-20, inclusive (Case No. 22AHCV00534)

**Regular Meeting  
City Council Chambers, 7:00 p.m.**

**1. CALL TO ORDER**

**2. INVOCATION**

Reverend John Scholte, Arcadia Community Church

**3. PLEDGE OF ALLEGIANCE**

**4. ROLL CALL OF CITY COUNCIL MEMBERS**

Paul P. Cheng, Mayor  
April A. Verlato, Mayor Pro Tem  
Michael Cao, Council Member  
Sharon Kwan, Council Member  
Eileen Wang, Council Member

**5. REPORT FROM CITY ATTORNEY REGARDING CLOSED/STUDY SESSION ITEMS**

**6. SUPPLEMENTAL INFORMATION FROM CITY MANAGER REGARDING AGENDA ITEMS**

**7. PRESENTATIONS**

- a. Presentation by Kevin McManus, PR & Communications Manager, of adoptable dog by the Pasadena Humane Society.
- b. Presentation of plaque to Senior of the Year, Marilyn Daleo.
- c. Presentation of Mayor's Cup trophy to the Development Services Department for participation in the Derby Day 5K.

**8. PUBLIC HEARING**

Any person wishing to speak before the City Council on a public hearing item is asked to complete a Speaker Card noting the agenda item number and provide it to the City Clerk prior to the start of the public hearing. Separate and apart from the applicant (who may speak longer in the discretion of the City Council) each speaker is limited to five (5) minutes per person unless waived by the City Council. Under the Brown Act, the City Council is prohibited from discussing or acting on any item not listed on the posted agenda. The applicant may additionally submit rebuttal comments, in the discretion of the City Council.

You are hereby advised that should you desire to legally challenge in court or in an administrative proceeding any action taken by the City Council regarding any public hearing item, you may be limited to raising only those issues and objections you or someone else raised at the public hearing or in written correspondence delivered to the City Council at, or prior to, the public hearing.

- a. Annual Military Equipment Report per Assembly Bill No. 481.  
CEQA: Not a Project  
Recommended Action: Approve

- b. Resolution No. 7492 Establishing a Fire Protection Facilities Development Impact Fee  
CEQA: Not a Project  
Recommended Action: Adopt

**9. PUBLIC COMMENTS (5-minute time limit each speaker)**

Any person wishing to speak before the City Council is asked to complete a Speaker Card and provide it to the City Clerk prior to the start of the meeting. Each speaker is limited to five (5) minutes per person, unless waived by the City Council. Under the Brown Act, the City Council is prohibited from discussing or taking action on any item not listed on the posted agenda.

**10. REPORTS FROM MAYOR, CITY COUNCIL AND CITY CLERK (including reports from the City Council related to meetings attended at City expense [AB 1234]).**

**11. CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless a member of the City Council, staff, or the public requests that a specific item be removed from the Consent Calendar for separate discussion and action.

- a. Regular Meeting Minutes of April 18, 2023.  
CEQA: Not a Project  
Recommended Action: Approve
- b. Resolution No. 7490 amending the Fiscal Year 2022-23 Operating Budget authorizing an appropriation to amend the Professional Services Agreement with Dudek to complete a new Environmental Justice Element in conjunction with the Safety Element Update in the amount of \$35,340 with a 10% contingency, offset by a reduction in the General Reserve Fund in the amount of \$38,874, and extending the contract term to June 30, 2024.  
CEQA: Not a Project  
Recommended Action: Adopt
- c. Professional Services Agreement with Range Maintenance Services, LLC for Gun Range Maintenance Services for Fiscal Years 2023-24 through 2025-26, in an amount not to exceed \$90,000, with the option of three, one-year renewals.  
CEQA: Not a Project  
Recommended Action: Approve
- d. Municipal Right-of-Way Facilities Use Agreement with Crown Castle Fiber, LLC., for use of City facilities for the installation, operation, and maintenance of cellular equipment.  
CEQA: Not a Project  
Recommended Action: Approve

**12. CITY MANAGER**

- a. Report, discussion, and direction regarding City events including a sponsorship request from the Downtown Arcadia Improvement Association for the Annual Fourth of July Celebration.  
CEQA: Not a Project  
Recommended Action: Provide Direction

- b. Report, discussion, and direction regarding Front-of-Package Labeling for food products.  
CEQA: Not a Project  
Recommended Action: Provide Direction

**13. ADJOURNMENT**

The City Council will adjourn this meeting to May 16, 2023, 6:00 p.m. in the City Council Conference Room.

## Welcome to the Arcadia City Council Meeting!

The City Council encourages public participation, and invites you to share your views on City business.

**MEETINGS:** Regular Meetings of the City Council are held on the first and third Tuesday of each month at 7:00 p.m. in City Council Chambers. A full City Council agenda packet with all backup information is available at City Hall, the Arcadia Library, and on the City's website at [www.ArcadiaCA.gov](http://www.ArcadiaCA.gov). Copies of individual Agenda Reports are available via email upon request ([CityClerk@ArcadiaCa.gov](mailto:CityClerk@ArcadiaCa.gov)). Documents distributed to a majority of the City Council after the posting of this agenda will be available for review at the Office of the City Clerk, 240 W. Huntington Drive, Arcadia, California. Live broadcasts and replays of the City Council Meetings are on cable television. Your attendance at this public meeting may result in the recording and broadcast of your image and/or voice as previously described.

**PUBLIC PARTICIPATION:** Your participation is welcomed and invited at all City Council meetings. Time is reserved at each regular meeting for those in the audience who wish to address the City Council. The City requests that persons addressing the City Council refrain from making personal, slanderous, profane, or disruptive remarks. Where possible, please submit a **Speaker Card** to the City Clerk prior to your comments, or simply come to the podium when the Mayor asks for those who wish to speak, and state your name and address (optional) for the record. Please provide the City Clerk with a copy of any written materials used in your address to the City Council as well as 10 copies of any printed materials you would like distributed to the City Council. The use of City equipment for presentations is not permitted.

**MATTERS NOT ON THE AGENDA** should be presented during the time designated as "PUBLIC COMMENTS." In general, each speaker will be given five (5) minutes to address the City Council; however, the Mayor, at his/her discretion, may shorten the speaking time limit to allow all speakers time to address the City Council. **By State law, the City Council may not discuss or vote on items not on the agenda. The matter will automatically be referred to staff for appropriate action or response or will be placed on the agenda of a future meeting.**

**MATTERS ON THE AGENDA** should be addressed when the City Council considers that item. Please indicate the Agenda Item Numbers(s) on the **Speaker Card**. Your name will be called at the appropriate time and you may proceed with your presentation within the five (5) minute time frame. The Mayor, at his/her discretion, may shorten the speaking time limit to allow all speakers to address the City Council.

**PUBLIC HEARINGS AND APPEALS** are items scheduled for which public input is either required or desired. Separate and apart from the applicant (who may speak longer in the discretion of the City Council), speakers shall be limited to five (5) minutes per person. The Mayor, at his/her discretion, may shorten the speaking time limit to allow all speakers to address the City Council. The applicant may additionally submit rebuttal comments.

**AGENDA ITEMS:** The Agenda contains the regular order of business of the City Council. Items on the Agenda have generally been reviewed and investigated by the City Staff in advance of the meeting so that the City Council can be fully informed about a matter before making its decision.

**CONSENT CALENDAR:** Items listed on the Consent Calendar are considered to be routine by the City Council and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the City Council, Staff, or the public so requests. In this event, the item will be removed from the Consent Calendar and considered and acted on separately.

**DECORUM:** While members of the public are free to level criticism of City policies and the action(s) or proposed action(s) of the City Council or its members, members of the public may not engage in behavior that is disruptive to the orderly conduct of the proceedings, including but not limited to, conduct that prevents other members of the audience from being heard when it is their opportunity to speak or which prevents members of the audience from hearing or seeing the proceedings. Members of the public may not threaten any person with physical harm or act in a manner that may reasonably be interpreted as an imminent threat of physical harm. All persons attending the meeting are expected to adhere to the City's policy barring harassment based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, sexual orientation, or age. The Chief of Police, or such member or members of the Police Department, shall serve as the Sergeant-at-Arms of the City Council meeting. The Sergeant-at-Arms shall carry out all orders and instructions given by the presiding official for the purpose of maintaining order and decorum at the meeting. Any person who violates the order and decorum of the meeting may be placed under arrest and such person may be prosecuted under the provisions of Penal Code Section 403 or applicable Arcadia Municipal Code section.

# 欢迎参加阿凯迪亚市议会会议！

市议会鼓励公众参与，并邀请您分享对城市管理的看法。

**会议：**市议会定期会议于每个月第一个和第三个星期二下午七时在市议会会议厅举行。在市政厅、阿凯迪亚图书馆和市政府网站（[www.ArcadiaCa.gov](http://www.ArcadiaCa.gov)）可以找到包含所有相关信息的完整市议会议程。单独的议程报告可应请求通过电子邮件索取（[CityClerk@ArcadiaCa.gov](mailto:CityClerk@ArcadiaCa.gov)）。至于在发布该议程后向市议会多数成员分发的文件，公众可在阿凯迪亚市书记官办公室查阅，地址：240 W. Huntington Drive, Arcadia, California。市议会会议实况将通过有线电视进行现场直播和回放。如在以往的通知中所提示，如果您参加这次公开会议，您的图像和/或声音可能被录下并播出。

**公众参与：**市议会欢迎并邀请您参加市议会的所有会议。在每次定期会议上都为那些希望在会上发言的市民留出时间。市政府要求在市议会发言的人杜绝个人攻击、诽谤、亵渎或破坏性言论。如有可能，请在发表意见之前向市书记官提交一张**发言卡**，亦可在市长宣布自由发言时直接上台发言，并说出您的姓名和地址（如果您愿意），以便制作会议记录。请向市书记官提供一份您在发言中使用的任何书面材料，以及 10 份您希望分发给市议会的任何印刷材料。不允许把市政府设备用于准备发言内容。

**议程之外的事项**应当在指定的“公众评议”时间提出。在一般情况下，每位发言者将有五（5）分钟时间向市议会陈述意见，但市长可酌情缩短发言时限，以便让所有希望发言的人都有机会发言。**根据州法，市议会不得讨论或表决未列入议程的事项。此类事项将自动转给工作人员采取适当行动或作出回应，或将其列入未来会议的议程。**

**列入议程的事项**应当在市议会审议该事项时讨论。请在**发言卡**上标明事项的议程编号。在适当的时间会叫到您的名字，您可以在五（5）分钟时限内发言。市长可酌情缩短发言时限，以便让所有希望发言的人都有机会发言。

**公开听证和上诉**是为需要或希望征求公众意见的事项安排的日程。除申请人外（市议会可酌情决定延长申请人的发言时间），每位发言人的发言不得超过五（5）分钟。市长可酌情缩短发言时限，以便让所有希望发言的人都有机会发言。申请人还可以另外提交反驳意见。

**议程事项：**议程包含市议会的例行议题。一般而言，由市政府工作人员在会议前对议程中的事项进行审查和调查，以便市议会在作出决定之前能够充分了解情况。

**同意日历：**在同意日历上列出的事项被市议会视为例行公事，并将通过一项动议采取行动。除非市议员、工作人员或公众提出请求，否则不会对这些事项进行单独讨论。如果有人提出请求，该事项将从同意日历中删除，单独进行审议和采取行动。

**行为规范：**尽管市民可对市政府的政策和市议会或其成员的行动或拟议行动自由地提出批评，但不得出现干扰会议正常秩序的行为，包括但不限于在别人的发言时间内阻止别人发言，或妨碍公众听到发言内容或看到议程进展状况。市民亦不得威胁进行身体伤害或以可能被合理理解为作出身体伤害紧迫威胁的方式行事。所有出席会议的人都必须遵守市政府的反骚扰政策，禁止基于个人种族、宗教信仰、肤色、原国籍、祖籍、身体残障、疾病、婚姻状况、性别、性取向或年龄骚扰他人。警察局长或警察局其他成员将担任维持市议会会议秩序的保安官。保安官将执行会议主持人的一切命令和指示，以维持会议秩序和行为规范。对任何违反会议秩序和行为规范的人可执行拘捕，并可能根据《刑法典》第 403 条或《阿凯迪亚市政法典》相关条款提出起诉。



# STAFF REPORT

Police Department

**DATE:** May 2, 2023

**TO:** Honorable Mayor and City Council

**FROM:** Roy Nakamura, Chief of Police  
By: Amber Abeyta, Management Analyst

**SUBJECT:** ANNUAL MILITARY EQUIPMENT REPORT PER ASSEMBLY BILL NO. 481  
**CEQA:** Not a Project  
**Recommendation:** Approve

## **SUMMARY**

On April 19, 2022, the City Council adopted Ordinance No. 2387 approving a Military Equipment Use Policy ("Policy") pursuant to Assembly Bill 481 ("AB 481"). In accordance with AB 481 and the Policy, an annual report must be submitted to the City Council for any approved military equipment. The report must be submitted within one year of equipment acquisition, and annually thereafter, for as long as the military equipment is available for use. In compliance with AB 481, outlined below is the 2022 Annual Military Equipment Report and attached is the updated Policy.

It is recommended that the City Council approve the Annual Military Equipment Report per Assembly Bill No. 481.

## **BACKGROUND**

On September 30, 2021, Assembly Bill 481 ("AB 481") required law enforcement agencies to adopt a military equipment use policy ("Policy"), by ordinance, no later than May 1, 2022. The Police Department complied with AB 481 and adopted Ordinance No. 2387 approving the Policy.

AB 481 also requires law enforcement agencies to submit to the City Council an annual military equipment report ("Report") on the use of the equipment, any complaint(s) or concern(s) regarding the use of the equipment, results of any internal audits on the use of the equipment, the annual costs for the equipment, the quantity possessed by the agency and the intention to purchase additional equipment in the following year. In addition, within 30 days of submitting and publicly releasing the Report, a well-publicized, community meeting must be held to allow for public comments.

**DISCUSSION**

To meet the requirements of the Report pursuant to AB 481, a review was conducted of the Police Department’s military equipment with the findings reported below.

**Military Equipment Use, Amount of Usage, and Annual Cost**

<b>Item</b>	<b>Military Equipment Use</b>	<b>Amount of Usage</b>	<b>Annual Cost</b>
Robot	Field deployment	4	\$650 (miscellaneous parts and battery)
40MM Launcher	Training	60	\$2,500 (rounds and maintenance)
Launching Cup	Training	4	\$400 (munitions)
Distraction Device	a) Training b) Field deployment	a) 30 b) 2	\$1,200
Rifles	Training	400	\$500
Chemical Agent/Smoke	Training	10	\$1,000 (munition)
Explosive Breaching Tools	N/A	0	\$0
Pepperball	Training	25	\$1,000 (round/co2)
Mobile Command Post	Field deployment	15	\$11,000 (maintenance/fuel)
Rescue Vehicle (new purchase)	a) Training b) Field deployment	a) 10 b) 6	\$4,000 (maintenance/fuel)
Kinetic Breaching Tool (new purchase)	N/A	0	\$0
Handgun Ammunition	Training	70,000 rounds	\$65,000
Rifle Ammunition (.223)	Training	15,000 rounds	\$25,000
Rifle Ammunition (.308)	Training	4,000 rounds	\$10,000

In addition, the new military equipment that was purchased during this reporting period includes a rescue vehicle, kinetic breaching tool, and MC16 platform rifles manufactured by Geissele. These purchases were made in compliance with AB 481 and are included in the updated Policy.

**Complaints or Concerns**

Staff reviewed department records and determined there were no complaints or concerns reported on the use of the equipment in 2022.

Internal Audit

The Department conducted an internal audit and determined that there were no violations of the military equipment use policy.

Intention to Purchase Additional Equipment

The Department is in the process of evaluating drone technology for acquisition in future fiscal years. The use of drones expedites the response time to calls, aids in the active investigation of a criminal offense, or other calls where an aerial view of an incident can help preserve life and/or property. Furthermore, drones can help personnel determine the best tools, tactics, and resources to safely mitigate a problem, often before an officer arrives on-scene. When a budget request for drone acquisition is brought to City Council for approval, it will be included in that fiscal year's Report.

In compliance with the requirements of AB 481, this staff report, which includes the annual Report, and the updated Policy were published on the Department's website as of March 31, 2023, which meets the required 30-day publishing period. In addition, a Public Hearing Notice was posted 10 days prior to this meeting per Resolution No. 7483.

**ENVIRONMENTAL ANALYSIS**

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA"), and it can be seen with certainty that it will have no impact on the environment. Thus, this matter is exempt under CEQA per Section 15061 (b)(3) of the CEQA Guidelines.

**FISCAL IMPACT**

There is no fiscal impact related to this annual report.

**RECOMMENDATION**

It is recommended that the City Council determine that this action does not constitute a project and is, therefore, exempt under the California Environmental Quality Act ("CEQA"); and approve the Annual Military Equipment Report per Assembly Bill No. 481.

Approved:

  
\_\_\_\_\_  
Dominic Lazzaretto  
City Manager

Attachment: Military Equipment Use Policy

# Arcadia Police Department

## Arcadia PD Policy Manual

### *Military Equipment*

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## MILITARY EQUIPMENT

### 708.1 PURPOSE AND SCOPE

The purpose of this policy (“Policy”) is to provide guidelines for the approval, acquisition, and reporting requirements of military equipment pursuant to Assembly Bill 481 (“AB 481”). (California Government Code section 7070 et seq.)

#### 708.1.1 DEFINITIONS

Definitions related to this Policy include those provided in Government Code Section 7070, and as follows:

**Governing body** — City of Arcadia City Council (“City Council”).

**Military equipment** — Includes but is not limited to the following:

- Unmanned, remotely piloted, powered aerial or ground vehicles.
- Mine-resistant ambush-protected (“MRAP”) vehicles or armored personnel carriers.
- High mobility multipurpose wheeled vehicles (“HMMWV”), two-and-one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached.
- Tracked armored vehicles that provide ballistic protection to their occupants.
- Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
- Weaponized aircraft, vessels, or vehicles of any kind.
- Battering rams, slugs, and breaching apparatuses that are explosive in nature. This does not include a handheld, one-person ram.
- Firearms and ammunition of .50 caliber or greater, excluding standard-issue shotguns and standard-issue shotgun ammunition.
- Specialized firearms and ammunition of less than .50 caliber, including firearms and accessories identified as assault weapons in Penal Code Section 30510 and Penal Code Section 30515, with the exception of standard-issue firearms.
- Any firearm or firearm accessory that is designed to launch explosive projectiles.
- Noise-flash diversionary devices and explosive breaching tools.
- Munitions containing tear gas or OC, excluding standard, service-issued handheld pepper spray.
- TASER® Shockwave, microwave weapons, water cannons, and long-range acoustic devices (“LRADs”).

- Kinetic energy weapons and munitions.
- Any other equipment as determined by City Council or a state agency to require additional oversight.

**708.2 POLICY**

It is the Policy of the City of Arcadia (“City”) that members of the Arcadia Police Department (“Department”) comply with the provisions of AB 481 with respect to the funding, acquisition and use of military equipment.

**708.3 MILITARY EQUIPMENT COORDINATOR**

The Chief of Police shall designate a member of the Department to act as the Military Equipment Coordinator. The responsibilities of the Military Equipment Coordinator include but are not limited to:

- (a) Acting as liaison to the City Council for matters related to the requirements of this Policy.
- (b) Identifying Department equipment that qualifies as military equipment in the current possession of the Department, or the equipment the Department intends to acquire that requires approval by City Council.
- (c) Conducting an inventory of all military equipment at least annually.
- (d) Collaborating with any allied agency that may use military equipment within the jurisdiction of the Department.
- (e) Preparing for, scheduling, and coordinating the annual community engagement meeting to include:
  - 1. Publicizing the details of the meeting; and
  - 2. Preparing for public questions regarding the Department’s funding, acquisition, and use of military equipment.
- (f) Preparing the annual military equipment report for submission to the Chief of Police and City Council and ensuring that the report is made available on the Department website.
- (g) Establishing the procedure for a person to register a complaint or concern, or how that person may submit a question about the use of a type of military equipment, and how the Department will respond in a timely manner.

**708.4 MILITARY EQUIPMENT INVENTORY**

The following constitutes a list of qualifying equipment for the Department:

**708.4.1 ROBOT**

An unmanned machine operating on the ground utilized to enhance the safety of the community and officers.

- (a) Description, quantity, capabilities, and purchase cost:

Item No. 1

1. Description: The Robotex Avatar III (“Avatar III”) is a remote controlled, tracked, unmanned device used to surveil an area or building before officers enter it.
  2. Quantity: One (1).
  3. Capabilities: The Avatar III is equipped with a camera that provides a real time view of its surroundings, it has a two-way communication system that allows officers to communicate with subjects/suspects remotely, and an articulating arm that allows it to open doors and move objects.
  4. Purchase Cost: The Avatar III was purchased in 2019 for \$46,000.
- (b) Purpose: The Avatar III enhances the capabilities of officers in tactical situations by allowing them to inspect dangerous situations and communicate with the subjects/ suspects from a safe distance quickly and safely.
- (c) Authorized Use: Only officers who have completed training shall be permitted to operate the robot. Deployment of the robot will be authorized by the Incident or Tactical Commander.
- (d) Expected Life Span: 8-10 years.
- (e) Fiscal Impact: Annual maintenance and battery replacement cost is approximately \$200.
- (f) Training: All robot operators must complete three (3) hours of training provided by the S.W.A.T. team.
- (g) Legal and Procedural Rules: The Avatar III will only be deployed with the authorization of the Incident or Tactical Commander and will only be deployed for official law enforcement purposes. in a manner that respects the privacy of our community and complies with State and Federal Law.

**708.4.2 MM LAUNCHERS AND ROUNDS**

40MM Launchers are utilized by Department personnel as a less lethal tool to launch impact rounds.

- (a) Description, quantity, capabilities, and purchase cost:

Item No. 1

1. Description: Defense Technology. 40MM Exact Impact Sponge.

2. Quantity: 520.
3. Capabilities: A less lethal 40MM lightweight plastic and foam projectile fired from a single shot 40MM launcher with a rifled barrel at 325 FPS. The 30-gram foam projectile delivers 120 ft/lbs of energy upon impact. The 40MM Exact Impact Sponge Round provides accurate and effective performance when fired from the approved distance of not less than five (5) feet and as far as 125 feet from the target.
4. Purchase Cost: \$18 each.

Item No. 2

1. Description: Defense Technology, 40MM Direct Impact OC.
2. Quantity: 140.
3. Capabilities: A less lethal 40MM lightweight plastic foam projectile fired from a single shot 40MM launcher with a rifled barrel at 295 FPS. The 39-gram foam projectile delivers 120 ft/lbs of energy upon impact in addition to the dispersion of 5 grams of OC irritant. The 40MM Direct Impact OC Round provides accurate and effective performance when deployed from the approved distance of not less than five (5) feet and as far as 120 feet from the target.
4. Purchase Cost: \$30 each.

Item No. 3

1. Description: Defense Technology, Ferret 40MM Liquid Barricade Penetrator Round.
2. Quantity: 76.
3. Capabilities: A less lethal 40MM round used to penetrate barriers, such as windows, hollow core doors, wallboard, and thin plywood. Upon impacting the barrier, the nose cone ruptures and instantaneously delivers a small amount of chemical agent inside of a structure or vehicle. In a tactical deployment situation, the 40MM Ferret is primarily used to dislodge barricaded subjects from confined areas. Its purpose is to minimize the risks to all parties through temporary discomfort and/or incapacitation of potentially violent or dangerous subjects.
4. Purchase Cost: \$23 each.

Item No. 4

1. Description: Defense Technology, 40MM Round Muzzle Blast with C5.

2. Quantity: 22.
  3. Capabilities: The 40MM Muzzle Blast OC Round is a less lethal option for the immediate and close deployment of chemical agent. It can also be employed in tactical operations such as barricaded subjects for area denial, area contamination, and a means of contaminating crawl spaces and attics. It can be deployed inside or outside and has a maximum effective range of 30 feet.
  4. Purchase Cost: \$28 each.
- (b) Purpose: To limit the escalation of conflict and to decrease the potential use of lethal force.
  - (c) Authorized Use: Examples of situations where less lethal weapon systems may include but are not limited to: Dangerous and/or combative individuals, barricaded suspects, and aggressive animals.
  - (d) Expected Life Span: 15 years.
  - (e) Fiscal Impact: Annual maintenance is approximately \$10 for each launcher.
  - (f) Training: Sworn members utilizing 40MM less lethal chemical agents or impact rounds are trained in their use by P.O.S.T. certified less lethal and chemical agent instructors.
  - (g) Legal and Procedural Use: Officers will deploy 40MM impact and chemical agents in compliance with Arcadia Police Manual section 300 and in compliance with State and Federal Law regarding the use of force.

#### **708.4.3 COMBINED SYSTEMS LC5 40MM LAUNCHING CUP**

The combined systems LC5 40MM launching cups are cups that attach to 12-gauge less lethal shotguns which allow officers to launch canisters of chemical agents or smoke.

- (a) Description, quantity, capabilities, and purchase cost:

##### Item No. 1

1. Description: Combined Systems LC5 40MM Launching Cup.
2. Quantity: Two (2),
3. Capabilities: The cups can be attached to a 12-gauge shotgun and the munition is launched with a model 2800 launching cartridge.
4. Purchase Cost: \$150 each.

- (b) Purpose: To deploy chemical agents into an area or location from a distance.
- (c) Authorized Use: Situations for use of the less lethal weapon systems may include but are not limited to dangerous and/or combative individuals. Riot/crowd control and civil unrest incidents. Circumstances where a tactical advantage can be obtained by the use of chemical agent, and potentially vicious animals.
- (d) Expected Lifespan: 25 years.
- (e) Fiscal Impact: No annual maintenance.
- (f) Training: Sworn members utilizing LC5 40MM launching cups are trained in their use by P.O.S.T. certified less lethal and chemical agent instructors.
- (g) Legal and Procedural Use: Only fully trained S.W.A.T. Operators will deploy LC5 40MM Launching Cup, in compliance with Arcadia Police Manual section 300 and in compliance with State and Federal Law regarding the use of force.

**708.4.4 DISTRACTION DEVICE**

A distraction device is used to distract dangerous suspects during assaults, hostage rescue, room entry or other high-risk arrest situations.

- (a) Description, quantity, capabilities, and purchase cost:

Item No. 1

- 1. Description: Defense Technologies Low Roll DD.
- 2. Quantity: 12.
- 3. Capabilities: A non-bursting, non-fragmenting single use device that produces a loud sound and bright light. Ideal for distracting dangerous suspects during assaults, hostage rescue, room entry or other high-risk arrest situations.
- 4. Cost: \$50 each.

Item No. 2

- 1. Description: ALS1208 Bore Thunder.
- 2. Quantity: 12.
- 3. Capabilities: The ALS1208 Bore Thunder is a 12-gauge barrel delivered light and sound distraction device that produces approximately 174 dB at five (5) feet. Because the Bore Thunder remains in the delivery device, the potential for accidental fire or unintended injury is drastically reduced.

4. Purchase Cost: \$6.80 each.
- (b) Purpose: To produce brilliant light and loud sound to momentarily distract a suspect or subject (6-8 seconds), to enhance the officers' ability to safely contact and detain or arrest.
- (c) Authorized Use: Diversionary devices shall only be used by S.W.A.T. Operators who have been trained in their proper use during hostage and barricaded subject situations, high-risk warrant (search/arrest) services where there may be extreme hazards to officers, or during other high-risk situations where their use would enhance officer and community safety.
- (d) Expected Lifespan: Until used.
- (e) Fiscal Impact: No annual maintenance.
- (f) Training: Prior to use, S.W.A.T. Operators must attend diversionary device training that is conducted by P.O.S.T. certified instructors.
- (g) Legal and Procedural Rules Use: The Department will only utilize diversion devices for official law enforcement purposes, pursuant to State and Federal law regarding the use of force.

#### 708.4.5

#### **RIFLES**

Firearms that are fired from the from the shoulder, having a long spiral grooved barrel to make bullets spin and thereby have greater accuracy over a long distance.

- (a) Description, quantity, capabilities, and purchase cost:

##### Item No. 1

1. Description: Colt M4 Commando.223 carbine converted from fully automatic to semi-automatic.
2. Quantity: 92.
3. Capabilities: To provide precision fire to address a threat with more accuracy than a handgun, particularly at greater distances.
4. Purchase Cost: \$750 each.

##### Item No. 2

1. Description: Geissele Super Duty Rifle .223 carbine semi-automatic.

2. Quantity: 18.
3. Capabilities: To provide precision fire to address a threat with more accuracy than a handgun, particularly at greater distances.
4. Purchase Cost: \$1,750 each.

Item No. 3

1. Description: Peer LE Gold Dot.223 Rem 55 grain ammunition.
2. Quantity: 120,000 rounds.
3. Purchase Cost: \$600 per 1,000 rounds.

Item No. 4

1. Description: Black Hills.308 STX Copper 168 grain STX ammunition.
2. Quantity: 1,000 rounds.
3. Purchase Cost: \$2,300.

Item No. 5

1. Description: Colt Automatic Rifle (AR) .223.
  2. Quantity: 1
  3. Purchase Cost: \$1,400.00.
- (b) Purpose: To be used as precision weapons to address a threat with more accuracy than a handgun, particularly at greater distances. The AR is an area denial and material destruction weapon.
- (c) Authorized Use: Only members who have completed P.O.S.T. certified training are authorized to deploy a rifle.
- (d) Expected Lifespan: 10 years.
- (e) Fiscal Impact: Annual maintenance is approximately \$50 for each rifle.
- (f) Training: Prior to using a rifle, Officers must be certified by a P.O.S.T. instructor in the operation of the rifle. Additionally, all members that operate the rifle are required to train with it a minimum of three (3) times a year and must pass an annual range qualification.

- (g) Legal and Procedural Rules Use: Officers will deploy patrol rifles and the AR in accordance with Department manual section 312.3.1, and pursuant to State and Federal law regarding the use of force.

**708.4.6 CHEMICAL AGENT AND SMOKE CANISTERS**

Canisters that contain chemical agents that are released when deployed.

- (a) Description, quantity, capabilities, and purchase cost:

Item No. 1

1. Description: Defense Technology, Triple-Chase Separating Canister, CS.
2. Quantity: 50
3. Capabilities: The Triple-Chase CS consists of three separate canisters pressed together with separating charges between each. When deployed, the canisters separate and land approximately 20 feet apart allowing increased area coverage in a short period of time. This canister can be hand thrown or launched from a fired delivery system. The canister is 6.5 in. by 2.7 in. and holds approximately 3.2 oz. of active agent. It has an approximate dispersion time of 20-30 seconds.
4. Purchase Cost: \$47 each.

Item No. 2

1. Description: Defense Technology, Riot Control Continuous Discharge Grenade.
2. Quantity: Eight (8).
3. Capabilities: The Riot Control CS Grenade is designed specifically for outdoor use in crowd control situations with a high-volume continuous dispersion that expels its contents in approximately 20-40 seconds through four ports located on the top of the canister. This canister can be used to conceal tactical movement or to route a crowd. This launchable canister is 6.0 in. by 2.35 in. and holds approximately 2.7 oz. of active agent.
4. Purchase Cost: \$27 each.

Item No. 3

1. Description: Defense Technology, Flameless Expulsion OC Grenade.
2. Quantity: 18.

3. Capabilities: The OC Flameless Expulsion Grenade is a compact, non-pyrotechnic, chemical agent device that provides safe expulsion without risk of fire. It is safe to use inside of a residence. Unlike pyrotechnic canisters, this device's contents are expelled upon actuation of a CO<sub>2</sub> cartridge that will affect a confined area of approximately 1500 square feet. The canister is 7.5 in. by 1.65 in. and delivers approximately .02 oz. of active agent during its 3-second discharge time.
  4. Purchase Cost: \$49 each.
- (b) Purpose: To deescalate a situation and lower the likelihood of lethal force. Situations for use of the less lethal weapon systems may include, but are not limited to, dangerous and/or combative individuals, riot/crowd control and civil unrest incidents, circumstances where a tactical advantage can be obtained, and potentially vicious animals.
  - (c) Authorized Use: Only officers who have received P.O.S.T. certification in the use of chemical agents are authorized to use them.
  - (d) Training: Sworn members utilizing chemical agent canisters must be certified by P.O.S.T. less lethal and chemical agent instructors.
  - (e) Fiscal Impact: No annual maintenance.
  - (f) Legal and Procedural Rules: Officers will only deploy chemical agents in compliance with Department manual section 300, and State and Federal law, including those regarding the use of force.

#### **708.4.7 EXPLOSIVE BREACHING TOOLS**

Explosive breaching tools are tools that are used to conduct an explosive breach to create an entry or exit point during a tactical situation.

- (a) Description, quantity, capabilities, and purchase cost:

##### Item No. 1

1. Description: Detonating Cord.
2. Quantity: 80 feet.
3. Capabilities: The detonating cord is a thin, flexible plastic tube usually filled with pentaerythritol tetranitrate (PETN, pentrite). With the PETN exploding at a rate of approximately 6400 m/s, any common length of detonation cord appears to explode instantaneously. It is a highspeed fuse which explodes, rather than burns, and is suitable for detonating explosives.
4. Purchase Cost: \$1 per foot.

Item No. 2

1. Description: Nonel Detonators.
2. Quantity: 12.
3. Capabilities: A detonator is a small sensitive primary explosive device generally used to detonate a larger, less sensitive secondary explosive, such as plastic explosive.
4. Purchase Cost: \$12 each.

Item No. 3

1. Description: Royal Remington 870 Express Breaching Shotgun:
2. Quantity: Two (2).
3. Capabilities: This device allows for breachers to safely utilize shotgun breaching rounds in order to destroy deadbolts, locks, and hinges. The stand-off that is attached to the end of the barrel allows for positive placement of the device into the correct position and vents gases to prevent overpressure. This device can also defeat windows and sliding glass doors. This device uses a less lethal 2.4-inch shotgun round firing a ballistic fiber bag filled with 40 grams of lead shot, at a velocity of 270-290 feet per second (FPS).
4. Purchase Cost: \$658 each.

**708.4.8**

**PEPPERBALL LAUNCHER**

A device that discharges irritant projectiles.

- (a) Description, quantity, capabilities, and purchase cost:

Item No. 1

1. Description: PepperBall VKS Carbine.
2. Quantity: Five (5).
3. Capabilities: The Variable Kinetic System (VKS) is a compressed-air powered launcher designed to fire non-lethal PepperBall projectiles. The PepperBall VKS Carbine features a dual feed system that offers the ability to quickly switch between Hopper mode and Magazine mode for optimum versatility.
4. Purchase Cost: \$600 each.

Item No. 2

1. Description: PepperBall Live-X Projectile.
  2. Quantity: 500.
  3. Capabilities: The Live Projectile contains a concentrated amount of PAVA pepper powder. One round of LIVE-X contains the equivalent to 10 standard PepperBall rounds. Discharged from a PepperBall Launcher, the projectile has a velocity of 280-350 FPS. The projectile has a direct impact of 60 feet and an area of saturation of 150+ feet. The projectile contains 5% PAVA powder.
  4. Purchase Cost: \$3 per projectile.
- (b) Purpose: To deescalate a situation and lower the potential for the use of lethal force. Situations for use of the less lethal weapon systems may include, but are not limited to, dangerous and/or combative individuals, riot/crowd control and civil unrest incidents, circumstances where a tactical advantage can be obtained, and potentially vicious animals.
- (c) Authorized Use: Only those officers who have been trained in the use of PepperBall launchers are authorized to use them.
- (d) Expected Lifespan: Launcher and munitions: Five (5) years.
- (e) Fiscal Impact: Annual maintenance is approximately \$50 for each PepperBall launcher.
- (f) Training: Sworn members utilizing PepperBall launchers and projectiles are trained in their use by P.O.S.T. certified less lethal and chemical agent instructors.
- (g) Legal and Procedural Rules: Officers will deploy the PepperBall launcher in compliance with Department Manual Section 300, and to State and Federal law, including those regarding the use of force.

**708.4.9 MOBILE COMMAND POST VEHICLE (M.C.P.)**

The Mobile Command Post (M.C.P.) vehicle is a mobile office that provides shelter, access to Department computer systems, communications, food, and restroom facilities on extended events.

- (a) Description, quantity, capabilities, and purchase cost:

Item No. 1

1. Description: Freightliner Chassis (custom built) vehicle.
2. Quantity: One (1).

3. Capabilities: The M.C.P. can also be utilized for S.W.A.T./C.N.T. and other critical incidents, preplanned large events, searching for missing persons, natural disasters, and community events.
  4. Purchase Cost: \$280,000.
- (b) Purpose: To be used based on the specific circumstances of a given critical incident, large event, natural disaster, or community event that is taking place.
  - (c) Authorized Use: The M.C.P. shall be used by officers trained in their deployment and in a manner consistent with Department policy and training. Furthermore, only personnel who have completed the Department's driving and operations training will be allowed to drive the M.C.P. (Per S.O.P.).
  - (d) Expected Lifespan: The M.C.P., 20-year lifespan on chassis and vehicle structure. Upgrades as needed to ensure updated and properly maintained I.T. systems.
  - (e) Fiscal Impact: Annual maintenance is approximately \$11,000.
  - (f) Training: The driver/operator shall receive training in the safe handling of the vehicle on a closed training course. Once the operator has shown competence in vehicle handling, the driver/operator will drive the vehicle throughout the city with an experienced driver. Driver/operators will also receive training in the proper set-up and break down of the M.C.P. when deployed for events and operations.
  - (g) Legal and Procedural Rules: It is the policy of the Department to use the M.C.P. only for official law enforcement purposes, and in the accordance with California State law, City & Department Policies, and Standard Operating Procedures ("S.O.P.") related to the operation of emergency motor vehicles.

**708.4.10 ARMORED RESCUE VEHICLE (A.R.V.)**

The 2022 BearCat Armored Rescue Vehicle is an emergency vehicle that provides armored protection for heightened emergency responses.

- (a) Description, quantity, capabilities, and purchase cost:

Item No. 1

1. Description: Ford 550, 4WD, diesel engine, single rear wheel configuration. The vehicle is painted green with police logos. The A.R.V. provides ballistic protection for its occupants. The A.R.V. is equipped with emergency lights/siren and a public address system.
2. Quantity: One (1).
3. Capabilities: The A.R.V. can also be utilized for S.W.A.T./C.N.T. and other critical incidents, preplanned large events, natural disasters, and community events.

4. Purchase Cost: \$386,400.05.
- (b) Purpose: The A.R.V.'s primary use is to provide ballistic protection for citizens and officers during critical incidents. The A.R.V. can transport officers to and from critical incidents, assist with citizen and officer rescues, and assist with the evacuation and protection of civilians in harm's way during a critical incident.
- (c) Authorized Use: The A.R.V. shall be used by officers trained in their deployment and in a manner consistent with Department policy and training. Furthermore, only personnel who have completed the Department's driving and operations training will be allowed to drive the A.R.V.
- (d) Expected Lifespan: The ARV has a 20-25 year lifespan.
- (e) Fiscal Impact: Annual maintenance is approximately \$1,000.
- (f) Training: The A.R.V. may be used by personnel who have been properly trained in the safe handling and care of the vehicle.
- (g) Legal and Procedural Rules: It is the policy of the Department to use the A.R.V. only for official law enforcement purposes, and in the accordance with California State law, City & Department Policies, and Standard Operating Procedures ("S.O.P.") related to the operation of emergency motor vehicles.

#### 708.4.11

#### **KINETIC BREACHING TOOL**

Kinetic Breaching Tools are powder actuated breaching tools that are used to create an entry or exit point during heightened emergency responses.

- (a) Description, quantity, capabilities, and purchase cost:

##### Item No. 1

1. Description: The Kinetic Breaching Tool is a specialized tool used to gain entry into structure.
  2. Quantity: Three (3)
  3. Capabilities: The Kinetic Breaching Tool utilizes a proprietary blank cartridge to deliver up to 850 ft./lbs. of kinetic energy through a steel ram, at the point of entry.
  4. Purchase Cost: \$9,650 each.
- (b) Purpose: To quickly and safely gain entry into a structure.
  - (c) Authorized Use: Kinetic Breaching Tool may only occur after notification to a supervisor, to breach entry into a structure.

- (d) **Fiscal Impact:** Annual maintenance is approximately \$500.
- (e) **Training:** Only officers trained in the use of the Kinetic Breaching Tool are authorized to use it.
- (f) **Legal and Procedural Rules:** Only fully trained officers are authorized to use the Kinetic Breaching Tool and only with authorization of a supervisor.

## **708.5**

### **APPROVAL**

The Chief of Police or the authorized designee shall obtain approval from City Council by way of an ordinance adopting this Policy. As part of the approval process, the Chief of Police or the authorized designee shall ensure the Policy is submitted to City Council and is available on the Department website at least thirty (30) days prior to any public hearing concerning the Policy. The Policy must be approved by City Council prior to engaging in any of the following:

- (a) Requesting military equipment made available pursuant to USC section 2576(a).
- (b) Seeking funds for military equipment, including but not limited to applying for a grant, soliciting, or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.
- (c) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.
- (d) Collaborating with another law enforcement agency in the deployment or other use of military equipment within the Department's jurisdiction.
- (e) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by this Policy.
- (f) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of military equipment.
- (g) Acquiring military equipment through any means not provided above.

## **708.6**

### **COMPLIANCE**

- (a) Department members are bound to adhere to this Policy, in addition to state and local laws and ordinances when employing the use of military equipment at any time. Violations of the law or this Policy may result in criminal or administrative investigations and, or actions.
- (b) Members of the public may register complaints or submit questions or concerns about the use of each type of military equipment in this Policy by any of the following means:

1. Via email: [ArcadiaPolice@ArcadiaCa.gov](mailto:ArcadiaPolice@ArcadiaCa.gov)
2. Via telephone: (626) 574-5156
3. Via mail: Arcadia Police Department  
Attn: Military Equipment Use Coordinator  
250 W. Huntington Drive  
Arcadia, CA 91007

The Department is committed to responding to complaints, concerns, and questions received through any of the above methods in a timely manner.

#### **708.7 COORDINATION WITH OTHER JURISDICTIONS**

Military equipment used by any member of this jurisdiction shall be approved for use and in accordance with this Department policy. Military equipment used by other jurisdictions that are providing mutual aid to this jurisdiction, or otherwise engaged in law enforcement operations in this jurisdiction, shall comply with their respective military equipment use policies in rendering mutual aid.

#### **708.8 ANNUAL REPORT**

Upon approval of this Policy, the Chief of Police or the authorized designee should submit a military equipment report to City Council for each type of military equipment approved within one year of approval, and annually thereafter for as long as the military equipment is available for use.

The Chief of Police or the authorized designee should also make each annual military equipment report publicly available on the Department's website for as long as the military equipment is available for use. The report shall include all information required by Government Code section 7072 for the preceding calendar year for each type of military equipment in Department inventory. "Type" of military equipment is defined to mean each item that shares the same manufacturer model number.

#### **708.9 COMMUNITY ENGAGEMENT**

Within thirty (30) days of submitting and publicly releasing the annual report, the Department shall hold at least one well-publicized and conveniently located community engagement meeting, at which the Department should discuss the report and respond to public questions regarding the funding, acquisition, or use of military equipment.



# STAFF REPORT

Fire Department

**DATE:** May 2, 2023

**TO:** Honorable Mayor and City Council

**FROM:** Chen Suen, Fire Chief  
By: Maria Lourdes Taylor, Senior Management Analyst

**SUBJECT:** RESOLUTION NO. 7492 ESTABLISHING A FIRE PROTECTION FACILITIES DEVELOPMENT IMPACT FEE

**CEQA: Not a Project**

**Recommendation: Adopt**

## **SUMMARY**

On December 13, 2018, the Citizen's Financial Advisory Committee ("CFAC") published their final report detailing its recommendations to the City Council for cost containment and/or revenue enhancements. The report noted a study conducted by FM3 Research, in which Arcadia residents identified, among other public safety priorities, that maintaining local fire protection and paramedic services were vital to the community. As the City continues to experience growth and new development, it must plan for the expansion of facilities to add capacity to meet the needs of new development. Thus, the primary objective of implementing a Fire Protection Facilities Development Impact Fee (fire impact fee) is to ease the financial burden associated with increased service levels resulting from new development: the fire impact fee would help fund the infrastructure and capital costs associated with this growth and alleviate the burden on other taxpayers.

Therefore, it is recommended that the City Council conduct a public hearing regarding the establishment of a Fire Protection Facilities Development Impact Fee and adopt Resolution No. 7492 establishing a Fire Protection Facilities Development Impact Fee.

## **BACKGROUND**

The *Mitigation Fee Act*, contained in the *California Government Code* Sections 66000 *et seq.*, allows the City to establish development impact fees for public facilities projects that will accommodate future growth if there is a reasonable relationship between new development and the use of fee revenues. The City currently does not charge impact fees to fund fire protection facilities. With the City forecasted to experience moderate growth over the next 20 years, particularly in the downtown core, there will be an increase in demand for public services and the public facilities required to deliver them.

On December 13, 2018, the Citizen's Financial Advisory Committee ("CFAC") published their final report detailing its recommendations to the City Council for cost containment and/or revenue enhancements. The report noted a study conducted by FM3 Research, in which Arcadia residents identified, among other public safety priorities, that maintaining local fire protection and paramedic services were vital to the community. As the City continues to experience growth and new development, it must plan for the expansion of facilities to add capacity to meet the needs of new development.

Thus, the primary objective of implementing a Fire Protection Facilities Development Impact Fee (fire impact fee) is to ease the financial burden associated with increased service levels resulting from new development: the fire impact fee would help fund the infrastructure, capital costs, and related equipment associated with this growth within the City of Arcadia and alleviate the burden on other taxpayers. This means that the City plans to expand facilities to add capacity and purchase equipment to meet the needs of new development, as opposed to providing maintenance on existing facilities. Using a Capital Improvement Plan and equipment inventories can help the City identify and direct its fee revenue to public facilities and equipment projects that will accommodate future growth. By programming fee revenues to specific capital and equipment projects, the City can help ensure a reasonable relationship between new development and the use of fee revenues as required by the Mitigation Fee Act.

Comparatively, there are other related impact fees that are currently in place wherein new development pays a fair share of the higher expenses that are incurred against the impacts to their facilities or level of services. For instance, the City's Park Facilities Impact Fee assesses \$2.85 per square foot for single-family projects and \$3.73 per square foot for multi-family projects. The Arcadia Unified School District charges a fee of \$4.79 per square foot for residential projects, and \$0.78 per square foot for commercial and industrial projects. Also, Transportation Impact Fees are calculated on a trip basis and the use of the new project as related to traffic, which is \$1.00 per square foot for both residential and nonresidential occupancies.

## **DISCUSSION**

During Fiscal Year 2022-23, Willdan Financial Services was hired to conduct a Fire Protection Facilities Development Impact Fee Study (*see attachment, Exhibit "A"*) within the guidelines of the Mitigation Fee Act. The purpose of this study was to determine the maximum justified development impact fee (or a fire impact fee) to impose on new development to maintain the City's existing facilities standards for fire protection facilities.

Based on projected growth, the fee analysis examined the City's existing facilities, future facility needs, and projected service demands. The methodology used in supporting the proposed impact fee was based on the following six considerations:

- **Estimate existing development and future growth:** Identify a base year for existing development and a growth forecast that reflects the increased demand for public facilities;
- **Identify facility standards:** Determine the facility standards used to plan for new and expanded facilities;
- **Determine the facilities required to serve new development:** Estimate the total amount of planned facilities, and identify the share required to accommodate new development;
- **Determine the cost of facilities required to serve new development:** Estimate the total amount and the share of the cost of planned facilities required to accommodate new development;
- **Calculate fee schedule:** Allocate the facilities' costs per unit of new development to calculate the development impact fee schedule; and
- **Identify alternative funding requirements:** Determine if any non-fee funding is required to complete projects.

Preliminary Planned Facilities

A preliminary list of known facility projects to accommodate future service demands is identified in the attached fee study report, totaling \$3,870,000. The table below delineates these capital projects. However, due to the continued increase in the cost of materials, the cost to purchase the ambulance has increased by \$251,600 or \$731,600 since the writing of this report. Thus, the total preliminary project has been updated, as listed below, to \$4,121,600. This change does not affect the calculation of the proposed fire impact fee.

**Preliminary Fire Protection Facilities Capital Improvement Plan**

<b>DESCRIPTION</b>	<b>TOTAL</b>
<b>Shed For Vehicle Storage</b>	<b>\$ 140,000</b>
<b>Station 105 Reconfiguration</b>	<b>\$ 270,000</b>
<b>Station 106 Reconfiguration</b>	<b>\$ 290,000</b>
<b>Station 107 Reconfiguration</b>	<b>\$ 2,650,000</b>
<b>Fire Prevention Vehicle</b>	<b>\$ 40,000</b>
<b>Ambulance*</b>	<b>\$ 731,600</b>
<b>Total Project Cost</b>	<b>\$ 4,121,600</b>

\*Apparatus estimates were obtained during late 2022 and some items might have increased in cost since the writing of this report.

Future facilities to serve development growth will be identified through the City’s annual Capital Improvement and/or Equipment Acquisition Budget Plan process, and/or possible completion of a new facility master plan.

Methodology Used in Calculating the Proposed Fire Impact Fee:

The existing inventory method is used to calculate the impact fees. The City of Arcadia is currently served by three (3) fire stations with their accompanying vehicles, apparatus, and equipment. The existing inventory method allocates costs based on the ratio of existing facilities to demand from existing development, as follows:

$$\frac{\text{Current Value of Existing Facilities}}{\text{Existing Development Demand}} = \$/\text{unit of demand}$$

Under this method, new development will fund the expansion of facilities at the same standard currently serving existing development. This method is often used when a long-range plan for new facilities is not available. Only the initial facilities to be funded with fees are identified in the fee study. Future facilities to serve growth are identified through the annual Capital Improvement and/or Equipment Acquisition Budget plan and process.

Growth projections are used as indicators of demand to determine facility needs and allocate those needs between existing and new development. The projection of residents is based on data from the Southern California Association of Governments (SCAG) Connect SoCal Demographics and Growth Forecast (2020). Fire protection facilities serve both residents and businesses. Therefore, demand for services and associated facilities is based on the City’s service population including residents and workers. It is reasonable to assume that residential and nonresidential locations have varying amounts of demand for these services.

Maximum Allowed Fire Impact Fee Schedule

Table A below shows the maximum justified fire protection facilities fee schedule (fire impact fee) that the City can adopt.

**Table A**

<b>Land Use</b>	<b>Fee per Square Foot</b>
<b>Residential</b>	\$ 0.35
<b>Non-Residential</b>	
Commercial	\$ 1.91
Office	\$ 2.92
Industrial	\$ 1.04

For remodels or demolitions of residential units, a resident would only be charged for the new net livable square footage. For example, a 2,500 square foot single family home that would be demolished/remodeled and be rebuilt to 5,000 square feet would only be charged for the additional 2,500 square feet added to the home at \$0.35 per square foot, or a total of \$875 in fire impact fee.

Basically, the proposed fees above are calculated by taking the cost per capita and converting that amount to a fee per unit of new development. Table B below shows how the study arrived at the per capita cost (calculation of the existing per capita investment in fire protection by the existing service population).

**Table B**

<b>Fire Protection Facilities – Existing Standard</b>	
Existing Fire Facilities	\$50,314,547
Existing Service Population	102,572
Facility Standard Per Capita <sup>1</sup>	\$ 491
Cost per Resident	\$ 491
Cost per Worker <sup>2</sup>	\$ 879

<sup>1</sup>The standard is calculated by dividing the replacement cost of existing facilities by the existing service population.

<sup>2</sup>The value per capita is multiplied by the worker weighing factor of 0.65 to determine the existing facility standard per worker. The use of a worker demand factor in Arcadia is based on a comprehensive analysis of fire department incidents, categorized by land use, in the City from 2019 to 2021. Further explanation is explained in the attached study.

Finally, Table C outlines the breakdown of how the maximum justified fire protection facilities impact fee was determined for both land use types: residential and non-residential. The residential density figure below was derived from the U.S. Census Bureau, 2021 American Community Survey; and the nonresidential density was from the Institute of Traffic Engineers (“ITE”) Trip Generation Manual, which is a common source of estimating density for fire impact studies.

**Table C**  
**Maximum Justified Fire Protection Facilities Impact Fee Schedule**

Land Use	A	B	C = A x B	D = C x 0.02	E = C + D	E / Average
	Cost Per Capita	Density	Base Fee <sup>1</sup>	Admin Charge <sup>1, 2</sup>	Total Fee <sup>1</sup>	Fee per Sq. Ft. <sup>3</sup>
<u>Residential Dwelling Unit</u>	\$ 491	2.66	\$ 1,306	\$ 26	\$ 1,332	\$ 0.35
<u>Nonresidential - Fee per 1,000 Sq. Ft.</u>						
Commercial	\$ 879	2.12	\$ 1,867	\$ 37	\$ 1,905	\$ 1.91
Office	879	3.26	2,861	57	2,919	2.92
Industrial	879	1.16	1,018	20	1,038	1.04

<sup>1</sup> Fee per average sized dwelling unit (residential) or per 1,000 square feet (nonresidential).

<sup>2</sup> Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

<sup>3</sup> Assumes an average of 3,836 square feet per dwelling unit in Arcadia, based on an analysis of building permits from 2019 to 2021.

Revenue Forecast from Today through Year 2045

It is estimated that the total fees collected will be \$11,905,300 over the next 22 years based on anticipated development trends. Referencing the total figure of \$4,121,600 from the “Preliminary Fire Protection Facilities Capital Improvement Plan” table above, a balance of \$7,783,700 would be available for unidentified additional facilities. According to the Mitigation Fee Act, the fees collected could only be used for capital or equipment expenditures related to expanding services associated with new developments. The funds could not be used to address existing service levels or ongoing operating expenditures.

The implementation of this new impact fee would ensure that new development would pay their fair share of costs associated with the increased level of services and demands resulting from such growth and development. Proposed Resolution No. 7492 Establishing a Fire Protection Facilities Development Impact Fee (*see attachment, Exhibit “B”*) satisfies all requirements of the Fee Mitigation Act.

Upon adoption of the Fire Protection Facilities Impact Fee, this new fee would be collected when building permits are issued, in addition to other existing development fees, such as plan check fees, permits fees, school district fees, park fees, and transportation fees.

## **ENVIRONMENTAL ANALYSIS**

The proposed action does not constitute a project under the California Environmental Quality Act (“CEQA”), and it can be seen with certainty that it will have no impact on the environment. Thus, this matter is exempt under CEQA.

## **PUBLIC COMMENTS/NOTICE**

Pursuant to *California Government Code Section 66016.5(a)(7)*, a Notice of Publication for the rate study must be published at least 30 days prior to the public hearing on this item. On April 3, 2023, the notice was posted on the City’s website and at the following public facilities: City Council Chambers, City Clerk’s Office, Fire Headquarters Station 105, and Arcadia Public Library. Additionally, the adoption of the actual Fire Protection Facilities Development Impact Fee requires public noticing for 10 days before the public hearing. The 1<sup>st</sup> Notice of Public Hearing was posted on April 21, 2023, and the 2<sup>nd</sup> Notice of Public Hearing was published April 27, 2023, at previously mentioned public facilities and via the City’s website. As of writing this report, no public comments have been received by staff regarding the proposed fire impact fee study.

A Fire Protection Facilities Development Impact Fee Nexus Study Workshop was also held on Thursday, April 13, 2023, at 3:30 p.m. at Fire Station 106. Several prominent stakeholders in the development industry were invited including, but were not limited to, representatives from the Builders’ Industry Association, Assen Homes, Rodeo Construction, WYF Architecture, HC Designs, and a few others. In attendance was Fire Department staff, a Willdan representative, and Development Services staff. No comments of note have been submitted in response to this workshop.

## **FISCAL IMPACT**

A Fire Protection Facilities Impact Fee will ensure that new development pays for the infrastructure and capital costs associated from its growth. Without this impact fee, the City’s ability to maintain the City’s existing level of services and facilities’ standards for fire protection may be threatened.

During the fee collection period through 2045, it is estimated that the total generated revenues from this impact fee would be approximately \$11,905,300. This figure could vary substantially depending on the amount of additional building activities happen over the next 20 years in the community.

## **RECOMMENDATION**

It is recommended that the City Council determine that this action does not constitute a project and is, therefore, exempt under the California Environmental Quality Act

Adopt Resolution No. 7492  
Fire Protection Facilities Development Impact Fee  
May 2, 2023  
Page 8 of 8

("CEQA"); and adopt Resolution No. 7492 establishing a fire protection facilities development impact fee.

Approved:



Dominic Lazzaretto  
City Manager

Attachments: Exhibit "A" Fire Protection Facilities Development Impact Fee Nexus Study  
Exhibit "B" Resolution No. 7492

# CITY OF ARCADIA

## FIRE PROTECTION FACILITIES DEVELOPMENT IMPACT FEE NEXUS STUDY

*Final Draft*  
**MARCH 14, 2023**



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# Executive Summary

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This report summarizes an analysis of the need for fire protection facilities and capital improvements to support future development within the City of Arcadia through 2045. It is the City's intent that the costs representing future development's share of these facilities and improvements be imposed on that development in the form of a development impact fee. The facilities and improvements included in this analysis are classified as fire protection facilities.

## Background and Study Objectives

The primary policy objective of a development impact fee program is to ensure that new development pays the capital costs associated with growth. The primary purpose of this report is to complete a comprehensive fee study and determine the maximum justified development impact fee levels to impose on new development to maintain the City's existing facilities standards for fire protection facilities. This means that the City plans to expand facilities to add capacity to meet the needs of new development, as opposed to providing maintenance on existing facilities. The City should review and update this report and the calculated fees at least every eight years as required by law to incorporate the best available information.

The City imposes development impact fees under authority granted by the *Mitigation Fee Act (Act)*, contained in *California Government Code* Sections 66000 *et seq.* This report provides the necessary findings required by the Act for adoption of the fire protection facilities development impact fees presented in the fee schedules contained herein.

All development impact fee-funded capital projects should be programmed through the City's Capital Improvement Plan (CIP). Using a CIP can help the City identify and direct its fee revenue to public facilities projects that will accommodate future growth. By programming fee revenues to specific capital projects, the City can help ensure a reasonable relationship between new development and the use of fee revenues as required by the *Mitigation Fee Act*.

## Facility Standards and Costs of Growth

This fee analysis uses the **existing inventory** approach to estimate future facility needs and costs associated with new development. This approach is based on a facility standard derived from the City's existing level of facilities and existing demand for services. This approach results in no facility deficiencies attributable to existing development. Only the initial facilities to be funded with fees are identified in the fee study. Future facilities to serve growth will be identified through the City's annual capital improvement plan and budget process and/or completion of a new facility master plan.

## Fee Schedule Summary

**Table E.1** summarizes the schedule of maximum justified fire protection facilities fees based on the analysis contained in this report. The City may adopt any fee up to those shown in the table.

**Table E.1: Maximum Justified Fire Protection Facilities Impact Fee Schedule**

Land Use	Fee per Square Foot	
<i>Residential Dwelling Units</i>	\$	0.35
<i>Nonresidential</i>		
Commercial	\$	1.91
Office		2.92
Industrial		1.04

Source: Table 3.9.

# 1. Introduction

---

This report presents an analysis of the need for fire protection facilities to accommodate new development in the City of Arcadia. This chapter explains the study approach and summarizes results under the following sections:

- ◆ Background and Study Objectives
- ◆ Public Facilities Financing in California
- ◆ Study Methodology
- ◆ Impact Fees for Accessory Dwelling Units
- ◆ Organization of the Report

## Background and Study Objectives

The primary policy objective of a development impact fee program is to ensure that new development pays the capital costs associated with growth. The primary purpose of this report is to determine the appropriate development impact fee levels to impose on new development to maintain the City's facilities standards for fire protection facilities. The City should review and update this report and the calculated fees at least once every eight years to incorporate the best available information.

The City imposes development impact fees under authority granted by the *Mitigation Fee Act (Act)*, contained in *California Government Code Sections 66000 et seq.* Currently, the City of Arcadia does not charge impact fees to fund fire protection facilities. This report provides the necessary findings required by the Act for adoption the fire protection facilities development impact fees presented in the fee schedules contained herein.

The City of Arcadia is forecast to experience moderate growth through this study's planning horizon of 2045. This growth will create an increase in demand for public services and the public facilities required to deliver them. The City has decided to use a development impact fee program to ensure that new development funds the share of facility costs associated with growth. This report makes use of the most current available growth forecasts and facility plans to calculate a development impact fee schedule for fire protection facilities, to fund new development's fair share of future fire facilities.

## Public Facilities Financing in California

The changing fiscal landscape in California during the past 45 years has steadily undercut the financial capacity of local governments to fund infrastructure. Three dominant trends stand out:

- The passage of a string of tax limitation measures, starting with Proposition 13 in 1978 and continuing through the passage of Proposition 218 in 1996;
- Declining popular support for bond measures to finance infrastructure for the next generation of residents and businesses; and
- Steep reductions in federal and state assistance.

Faced with these trends, many cities and counties have adopted a policy of "growth pays its own way." This policy shifts the burden of funding infrastructure expansion from existing taxpayers onto new development. This funding shift has been accomplished primarily through the imposition of assessments, special taxes, and development impact fees also known as public facilities fees.

Assessments and special taxes require the approval of property owners and are appropriate when the funded facilities are directly related to the developing property. Development fees, on the other hand, are an appropriate funding source for facilities that benefit all development jurisdiction-wide. Development fees need only a majority vote of the legislative body for adoption.

## Study Methodology

Development impact fees are calculated to fund the cost of facilities required to accommodate growth. The six steps followed in this development impact fee study include:

1. **Estimate existing development and future growth:** Identify a base year for existing development and a growth forecast that reflects increased demand for public facilities;
2. **Identify facility standards:** Determine the facility standards used to plan for new and expanded facilities;
3. **Determine facilities required to serve new development:** Estimate the total amount of planned facilities, and identify the share required to accommodate new development;
4. **Determine the cost of facilities required to serve new development:** Estimate the total amount and the share of the cost of planned facilities required to accommodate new development;
5. **Calculate fee schedule:** Allocate facilities costs per unit of new development to calculate the development impact fee schedule; and
6. **Identify alternative funding requirements:** Determine if any non-fee funding is required to complete projects.

The key public policy issue in development impact fee studies is the identification of facility standards (step #2, above). Facility standards document a reasonable relationship between new development and the need for new facilities. Standards ensure that new development does not fund deficiencies associated with existing development.

## Types of Facility Standards

There are three separate components of facility standards:

- ♦ *Demand standards* determine the amount of facilities required to accommodate growth, for example, park acres per thousand residents, square feet of library space per capita, or gallons of water per day. Demand standards may also reflect a level of service such as the vehicle volume-to-capacity (V/C) ratio used in traffic planning.
- ♦ *Design standards* determine how a facility should be designed to meet expected demand, for example, park improvement requirements and technology infrastructure for City office space. Design standards are typically not explicitly evaluated as part of an impact fee analysis but can have a significant impact on the cost of facilities. Our approach incorporates the cost of planned facilities built to satisfy the City's facility design standards.
- ♦ *Cost standards* are an alternate method for determining the amount of facilities required to accommodate growth based on facility costs per unit of demand. *Cost standards* are useful when demand standards were not explicitly developed for the facility planning process. *Cost standards* also enable different types of facilities to be analyzed based on a single measure (cost or value) and are useful when different facilities are funded by a single fee program. Examples include facility costs per capita, cost per vehicle trip, or cost per gallon of water per day.

## New Development Facility Needs and Costs

A number of approaches are used to identify facility needs and costs to serve new development. This is often a two-step process: (1) identify total facility needs, and (2) allocate to new development its fair share of those needs.

There are three common methods for determining new development's fair share of planned facilities costs: the **existing inventory method**, the **planned facilities method**, and the **system plan method**. The formula used by each approach and the advantages and disadvantages of each method is summarized below:

### *Existing Inventory Method*

The existing inventory method allocates costs based on the ratio of existing facilities to demand from existing development as follows:

$$\frac{\text{Current Value of Existing Facilities}}{\text{Existing Development Demand}} = \$/\text{unit of demand}$$

Under this method new development will fund the expansion of facilities at the same standard currently serving existing development. By definition the existing inventory method results in no facility deficiencies attributable to existing development. This method is often used when a long-range plan for new facilities is not available. Only the initial facilities to be funded with fees are identified in the fee study. Future facilities to serve growth are identified through an annual capital improvement plan and budget process, possibly after completion of a new facility master plan. **This approach is used to calculate the impact fees in this report.**

### *Planned Facilities Method*

The planned facilities method allocates costs based on the ratio of planned facility costs to demand from new development as follows:

$$\frac{\text{Cost of Planned Facilities}}{\text{New Development Demand}} = \$/\text{unit of demand}$$

This method is appropriate when planned facilities will entirely serve new development, or when a fair share allocation of planned facilities to new development can be estimated. An example of the former is a Wastewater trunk line extension to a previously undeveloped area. An example of the latter is a portion of a roadway that has been identified as necessary to mitigate the impact from new development through traffic modeling analysis. Under this method new development will fund the expansion of facilities at the standards used in the applicable planning documents. This approach is not used in this report.

### *System Plan Method*

This method calculates the fee based on the value of existing facilities plus the cost of planned facilities, divided by demand from existing plus new development:

$$\frac{\text{Value of Existing Facilities} + \text{Cost of Planned Facilities}}{\text{Existing} + \text{New Development Demand}} = \$/\text{unit of demand}$$

This method is useful when planned facilities need to be analyzed as part of a system that benefits both existing and new development. It is difficult, for example, to allocate a new fire station solely to new development when that station will operate as part of an integrated system of fire stations that together achieve the desired level of service.

The system plan method ensures that new development does not pay for existing deficiencies. Often facility standards based on policies such as those found in General Plans are higher than the existing facility standards. This method enables the calculation of the existing deficiency required to bring existing development up to the policy-based standard. The local agency must

secure non-fee funding for that portion of planned facilities required to correct the deficiency to ensure that new development receives the level of service funded by the impact fee. This approach is not used in this report.

## Impact Fees for Accessory Dwelling Units

The California State Legislature recently amended requirements on local agencies for the imposition of development impact fees on accessory dwelling units (ADU) with Assembly Bill AB 68 in 2020. The amendment to California Government Code §65852.2(f)(2) stipulates that local agencies may not impose any impact fees on ADU less than 750 square feet. ADU greater than 750 square feet can be charged impact fees in proportion to the size of the primary dwelling unit.

### Calculating Impact Fees for Accessory Dwelling Units

For ADUs greater than 750 square feet, impact fees can be charged as a percentage of the single family fire protection facilities impact fee. The formula is:

$$\frac{\text{ADU Square Feet}}{\text{Primary Residence Square Feet}} \times \text{Single Family Impact Fee} = \text{ADU Impact Fee}$$

In the case of an 800 square foot ADU and a 1,600 square foot primary residence, the fire protection facilities impact fees would be 50 percent (800 square feet / 1,600 square feet = 50%) of the fee calculated for the primary dwelling unit on the parcel.

## Organization of the Report

The determination of a development impact fee begins with the selection of a planning horizon and development of projections for population and employment. These projections are used throughout the analysis and are summarized in Chapter 2.

Chapter 3 is devoted to documenting the maximum justified development impact fees for fire protection facilities.

Chapter 4 describes how this report complies with the recently implemented requirements of AB602.

Chapter 5 details the procedures that the City must follow when implementing a development impact fee program. Impact fee program adoption procedures are found in *California Government Code Section 66016*.

The five statutory findings required for adoption of the proposed development impact fees in accordance with the *Mitigation Fee Act (codified in California Government Code Sections 66000 through 66025)* are summarized in Chapter 6.

## 2. Demographic Assumptions

---

Growth projections are used as indicators of demand to determine facility needs and allocate those needs between existing and new development. This chapter explains the source for the growth projections used in this study based on a 2022 base year and a planning horizon of 2045.

Estimates of existing development and projections of future growth are critical assumptions used throughout this report. These estimates are used as follows:

- The estimate of existing development in 2022 is used as an indicator of existing facility demand and to determine existing facility standards.
- The estimate of total development at the 2045 planning horizon is used as an indicator of future demand to determine total facilities needed to accommodate growth.
- Estimates of growth from 2022 through 2045 are used to (1) allocate facility costs between new development and existing development, and (2) estimate total fee revenues.

The demand for public facilities is based on the service population, dwelling units or nonresidential development creating the need for the facilities.

### Land Use Types

To ensure a reasonable relationship between each fee and the type of development paying the fee, growth projections distinguish between different land use classifications. The land-use types used in this analysis are defined below.

- ♦ **Residential Dwelling Units:** All residential dwelling units including detached and attached one-unit dwellings (Includes single family homes and townhomes) and attached multifamily dwellings including duplexes and condominiums. Fees charged per square foot.
- ♦ **Commercial:** All commercial, retail, educational, and hotel/motel development.
- ♦ **Office:** All general, professional, and medical office development.
- ♦ **Industrial:** All manufacturing and warehouse development.

Some developments may include more than one land use type, such as an industrial warehouse with living quarters (a live-work designation) or a planned unit development with both single and multifamily uses. In these cases, the development impact fees would be calculated separately for each land-use type.

The City should have the discretion to impose the development impact fee based on the specific aspects of a proposed development regardless of the zoning designation where the project will be located. Should the project be located in an area that is not zoned as any of the above stated land use types, the guideline to use is the probable occupant density of the development, either residents per dwelling unit or workers per building square foot, to determine which fee will be charged. The fee imposed should be based on the land use type that most closely represents the probable occupant density of the development.

## Existing and Future Development

**Table 2.1** shows the estimated number of residents, dwelling units, employees, and building square feet in Arcadia, both in 2022 and in 2045. The base year estimate of residents comes from the California Department of Finance. The projection of residents is based on data from the Southern California Association of Governments (SCAG) Connect SoCal Demographics and Growth Forecast (2020).

Base year employees were estimated based on the latest data from the US Census' OnTheMap application and exclude local government (public administration) employees.<sup>1</sup> Total projected workers were also identified in the SCAG Connect SoCal Demographics and Growth Forecast.

**Table 2.1: Growth Forecasts**

	Residents <sup>1</sup>	Workers <sup>2</sup>
Existing (2022)	55,934	26,055
New Development (2022-2045)	6,266	10,045
Total (2045)	62,200	36,100

<sup>1</sup> Current population from California Department of Finance. Projection in 2045 from the SCAG Connect SoCal Demographics and Growth Forecast.

<sup>2</sup> Current estimates of primary jobs from the US Census' Bureau's OnTheMap Application. Estimated by adjusting 2019 estimate to 2022 by annual average growth rate needed to meet SCAG 2045 projection. Excludes public administration employees. Projection in 2045 from the SCAG Connect SoCal Demographics and Growth Forecast.

Sources: California Department of Finance, Table E-5, 2022; SCAG Connect SoCal Demographics and Growth Forecast, 2020; U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (2019); Willdan Financial Services.

## Service Population

Different types of new development use public facilities at different rates in relation to each other, depending on the services provided. In Chapter 3, a specific service population is identified for fire protection facilities to estimate total demand for these types of facilities. The service population weights residential land use types against nonresidential land uses based on the relative demand for services between residents and workers.

## Occupant Densities

Occupant densities ensure a reasonable relationship between the increase in service population and the amount of the fee. Developers pay the fee based on the number of additional housing units or building square feet of non-residential development, so the fee schedule must convert

<sup>1</sup> Local government employment is excluded from estimates of demand for fire protection services and facilities because local government workers are only in the City to meet the demand for City services from residents and other workers in the City. Consequently, demand for fire protection services from local government workers, is actually driven by City residents and workers, not from local government itself.

service population estimates to these measures of project size. This conversion is done with average occupant density factors by land use type, shown in **Table 2.2**.

The residential occupant density factor is derived from the U.S Census Bureau, 2021 American Community Survey (ACS) **Tables B25024** and **B25033**. **Table B25024** provides total housing units by land use designation. **Table B25033** documents the total population residing in occupied housing. Total residents are divided by total units to estimate average persons per dwelling unit Citywide.

The nonresidential occupancy factors are derived from the latest data from the Institute of Traffic Engineers (ITE) Trip Generation Manual, 11th Edition. The City does not track nonresidential occupancy statistics, so the ITE data was used instead. Aside from its typical use in trip generation studies, the ITE data is a common source for estimating nonresidential occupant density for nexus studies, as it draws from a large, national, detailed database of land uses, trip generation, site characteristics and employment counts.

**Table 2.2: Occupancy Density Assumptions**

<u>Residential Dwelling Unit</u>	2.66	Persons per dwelling unit
<u>Nonresidential</u>		
Commercial	2.12	Employees per 1,000 square feet
Office	3.26	Employees per 1,000 square feet
Industrial	1.16	Employees per 1,000 square feet

Sources: U.S. Census Bureau, 2021 American Community Survey 5-Year Estimates, Tables B25024 and B25033; ITE Trip Generation Manual, 11th Edition; Willdan Financial Services.

# 3. Nexus Analysis

The purpose of the fee is to ensure that new development funds its fair share of fire protection facilities. A fee schedule is presented based on the existing standard of fire protection facilities in the City of Arcadia facilities to ensure that new development provides adequate funding to meet its needs.

## Service Population

Fire protection facilities serve both residents and businesses. Therefore, demand for services and associated facilities is based on the City’s service population including residents and workers.

**Table 3.1:** Service Population shows the estimated service population in 2022 and 2045. It is reasonable to assume that residential and nonresidential locations have varying amounts of demand for these services. To calculate the service population for fire protection facilities, residents are weighted at 1.00.

The use of a worker demand factor of 1.79 for workers in Arcadia is based on an analysis of fire department incidents, categorized by land use, in the City from 2019 to 2021. Average annual incidents at residential land uses were divided by the average residential population from 2019 to 2021 to yield an average annual incidents-per-capita factor. Dividing average annual incidents at nonresidential areas by average annual employment in the City yielded a comparable per-capita factor. The ratio of the worker per capita factor to the resident per capita factor is the worker demand factor used in the analysis. See **Appendix Table A.1** for a detailed worker weighting analysis.

**Table 3.1: Service Population**

	A	B	C	D = A + (B x C)
	Residents	Workers	Worker Demand Factor <sup>1</sup>	Service Population
Existing (2022)	55,934	26,055	1.79	102,572
New Development (2022-2045)	<u>6,266</u>	<u>10,045</u>	<u>1.79</u>	<u>24,247</u>
Total Development (2045)	62,200	36,100	1.79	126,819

<sup>1</sup> See Appendix Table A.1 for calculation of worker demand factor.

Sources: California Department of Finance, Table E-5, 2022; SCAG Connect SoCal Demographics and Growth Forecast, 2020; U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (2019); Appendix Table A.1, Willdan Financial Services.

## Facility Inventories, Plans & Standards

This study uses an existing standard approach to calculate fees for fire protection facilities. The City of Arcadia is currently served by three fire stations, accompanying vehicles, apparatus, and equipment. As more people live and work in Arcadia, new development will create additional demand for fire protection services and the facilities needed to deliver those services. The existing standard approach maintains the existing facility standards in terms of quantity of facilities to service population as new development adds demand for facilities.

**Table 3.2** shows the existing building and land values by facility. The unit cost per acre of land is based on an analysis of sales comparisons of undeveloped land in Arcadia since 2020 as reported by CoStar. The assumed station replacement cost of \$700 per square foot is conservatively estimated based on Willdan’s experience with other clients in Southern California. Storage tank and storage garage costs were sourced from the Fire Department’s asset inventory.

**Table 3.2: Existing Facility Inventory - Land and Buildings**

	Amount	Unit Cost	Replacement Cost
<i><u>Fire Station #105 / Headquarters</u></i>			
Land	0.93 acres	\$ 4,472,400	\$ 4,159,332
Fuel Storage Tank	1.00 tank	\$ 79,554	79,554
Building <sup>1</sup>	22,457 sq. ft.	700	<u>15,719,900</u>
Subtotal			\$ 19,958,786
<i><u>Fire Station #106</u></i>			
Land	0.65 acres	\$ 4,472,400	\$ 2,907,676
Building <sup>1</sup>	12,557 sq. ft.	700	<u>8,789,900</u>
Subtotal			\$ 11,697,576
<i><u>West Orange Fire Station #107</u></i>			
Land	0.62 acres	\$ 4,472,400	\$ 2,772,888
Building <sup>1</sup>	4,100 sq. ft.	700	2,870,000
Storage Garage	448	119	<u>53,117</u>
Subtotal			\$ 5,696,005
Total Value Existing Facilities			\$ 37,352,367

<sup>1</sup> Estimated replacement cost per square foot based on estimates from other recent Willdan clients in Southern California.

Sources: City of Arcadia Fire Department; CoStar; Willdan Financial Services.

**Table 3.3** details the current inventory of vehicles and apparatus used for fire protection services. The replacement cost of these vehicles and apparatus was provided by the Fire Department for use in this analysis.

**Table 3.3: Existing Vehicle and Apparatus Inventory**

Equip. No	Description	Replacement Cost
60108	1991 Pierce Pumper	\$ -
60111	1992 Chevy 1 Ton Pickup 2/WD	62,853
60165	1994 Chevy 1 Ton Pickup 2/WD	65,553
60177	1994 Pierce Pumper	961,364
60182	1995 Spartan Ladder Pumper Truck	1,265,000
70043	Pumper	28,463
80174	2008 International Search & Rescue Truck	299,000
80209	2006 Pierce Pumper	961,364
80210	2006 Pierce Pumper	961,364
80226	2007 Pierce Pumper	961,364
80246	2008 HME OES Fire Pumper	961,364
80247	2009 Chevy Suburban 4X4	97,740
80273	2010 Pierce Ladder Truck	1,265,000
80286	2012 Chevrolet Tahoe	69,854
80306	2013 Chevy 4X4 Pickup	52,165
80348	2015 Chevrolet Ambulance	299,000
80352	2015 Chevrolet Ambulance	299,000
80361	2015 Chevrolet Ambulance	299,000
80368	2013 Chevy Silverado 1500	41,950
80374	Ford Explorer Interceptor	49,741
80376	2017 Chevrolet Volt	46,430
80382	Volt	46,430
80388	Arrow XT	961,364
80422	Silverado	52,166
80437	XT Pumper	961,364
Total All Vehicles & Equipment		\$ 11,068,890

Sources: City of Arcadia Fire Department.

**Table 3.4** lists additional fire protection equipment owned by the Department and used to provide fire protection services to the City. The replacement cost of these capital assets was provided by the Fire Department for use in this analysis.

**Table 3.4: Fire Protection Equipment Inventory**

Description	Quantity	Unit Cost	Total Replacement Cost
Truck Company - 6 Wood Ladders	2	\$ 31,600	\$ 63,200
Engine Company - 3 Wood Ladders	4	9,300	37,200
Engine Company - 3 Aluminum Ladders	2	2,200	4,400
Subtotal - Ladders			\$ 104,800
SCBA Equipment			\$ 1,148,800
Fire Hoses	9	30,000	270,000
Turnouts	112	3,108	348,096
Helmets	59	366	21,594
Total Replacement Value - Equipment			\$ 1,893,290

Source: City of Arcadia Fire Department.

**Table 3.5** summarizes the total replacement cost of the existing fire facilities inventory, which includes the total value of facilities, vehicles and apparatus, and equipment. The total replacement cost of the fire facilities inventory is approximately \$50.3 million.

**Table 3.5: Total Value of Existing Fire Protection Facilities Inventory**

Description	Replacement Cost
Land and Buildings	\$ 37,352,367
Vehicles and Apparatus	11,068,890
Equipment	1,893,290
Total	\$ 50,314,547

Sources: Tables 3.2, 3.3 and 3.4.

**Table 3.6** details the initial capacity expanding fire protection facilities identified by the Fire Department to be funded through this impact fee. All planned facilities enhance the Department’s ability to provide services to new development within the City. Projects were identified by the fire department to meet short term and long-term capacity needs throughout the City. In the short term an additional Basic Life Support (BLS) ambulance will operate out of either Station 105 and/or 106. In the long term the Fire Department anticipates BLS ambulance operators for all three transports, moving paramedics to fire engines and ladder truck, and keeping a transport in each district paired with an Advanced Life Support (ALS) fire engine or truck. The vehicle storage facilities and station reconfiguration at Station 107 allow for the Fire Department to meet these long-term priorities.

The remodeling projects are not correcting existing deficiencies, rather they will allow the Fire Department to house additional staff needed to maintain its current level service, and continue to

provide that same level of service to new development as it occurs. The improvements can accommodate additional personnel as follows:

- Station 107 – projects accommodate two additional BLS ambulance operators and an additional ambulance.
- Station 106 – project accommodates two BLS ambulance operators.
- Station 105 - two BLS ambulance operators, an additional Fire Prevention vehicle to accommodate the adding of one additional fire inspector.

The fee calculation is driven by the existing facility standards used to determine the cost per capita. Additional facilities will need to be constructed to maintain the existing facility standard through the planning horizon.

**Table 3.6: Fire Protection Facilities Capital Improvement Plan**

Description	Total
Station 107 shed for vehicle storage (Rescue Ambulance)	\$ 140,000
Station 107 Remodeling – convert current apparatus floor into dorms, office space and add new apparatus garage, exiting South.	2,650,000
Station 106 Remodeling – remodel one large dorm to accommodate two new employees. Rework floor plan in PM office to accommodate multiple workstations and add additional computers.	290,000
Station 105 Remodeling- remodel Fire Chief and Deputy Chief dorms into one large dorm with lockers, two beds and workstations. As a result of remodel, Fire Chief and Deputy Chief office will need new cabinets with murphy bed. New lockers for administration shower area.	270,000
Fire Prevention Vehicle	40,000
Ambulance	480,000
Total	<u>\$3,870,000</u>

Source: City of Arcadia Fire Department.

## Facility Standard

**Table 3.7** shows the calculation of the existing per capita investment in fire protection facilities. This standard is calculated by dividing the replacement cost of existing facilities by the existing service population. The value per capita is multiplied by the worker weighting factor of 0.65 to determine the existing facility standard per worker.

**Table 3.7: Fire Protection Facilities - Existing Standard**

Existing Fire Facilities	\$ 50,314,547
Existing Service Population	<u>102,572</u>
Facility Standard per Capita	\$ 491
Cost per Resident	\$ 491
Cost per Worker <sup>1</sup>	879

<sup>1</sup> Worker weighting factor applied to cost per resident.

Sources: Tables 3.1 and 3.5.

## Projected Revenue

The City plans to use fire protection facilities fee revenue to construct improvements to add to the system of fire protection facilities to serve new development. While the City plans to construct the facilities in Table 3.6, additional facilities will need to be constructed to maintain the existing facility standard through the planning horizon. **Table 3.8** details a projection of fee revenue, based on the service population growth increment identified in Table 3.1.

**Table 3.8: Projected Fire Protection Facilities Impact Fee Revenue**

Existing Facility Standard per Capita	\$ 491
Service Population Growth (2022-2045)	<u>24,247</u>
Total Projected Fire Facilities Impact Fee Revenue	\$ 11,905,300
Cost of Planned Facilities	\$ 3,870,000
Additional Facilities to be Identified	\$ 8,035,300

Sources: Tables 3.1 and 3.7.

## Fee Schedule

**Table 3.9** shows the maximum justified fire protection facilities fee schedule. The City can adopt any fee up to this amount. The cost per capita is converted to a fee per unit of new development based on dwelling unit and employment densities (persons per dwelling unit or employees per 1,000 square feet of nonresidential building space) shown in Table 2.2. The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two percent (2) percent administrative charge to fund costs that include: a standard overhead charge applied to all City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue

collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

**Table 3.9: Maximum Justified Fire Protection Facilities Impact Fee Schedule**

Land Use	A	B	C = A x B	D = C x 0.02	E = C + D	E / Average
	Cost Per Capita	Density	Base Fee <sup>1</sup>	Admin Charge <sup>1, 2</sup>	Total Fee <sup>1</sup>	Fee per Sq. Ft. <sup>3</sup>
<i>Residential Dwelling Unit</i>	\$ 491	2.66	\$ 1,306	\$ 26	\$ 1,332	\$ 0.35
<i>Nonresidential - Fee per 1,000 Sq. Ft.</i>						
Commercial	\$ 879	2.12	\$ 1,867	\$ 37	\$ 1,905	\$ 1.91
Office	879	3.26	2,861	57	2,919	2.92
Industrial	879	1.16	1,018	20	1,038	1.04

<sup>1</sup> Fee per average sized dwelling unit (residential) or per 1,000 square feet (nonresidential).

<sup>2</sup> Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

<sup>3</sup> Assumes an average of 3,836 square feet per dwelling unit in Arcadia, based on an analysis of building permits from 2019 to 2021.

Sources: Tables 2.2 and 3.7.

# 4. AB 602 Requirements

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On January 1, 2022, new requirements went into effect for California jurisdictions implementing impact fees. Among other changes, AB 602 added Section 66016.5 to the Government Code, which set guidelines for impact fee nexus studies. Three key requirements from that section which concern the nexus study are reproduced here:

66016.5. (a) (2) When applicable, the nexus study shall identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is appropriate.

66016.5. (a) (4) If a nexus study supports the increase of an existing fee, the local agency shall review the assumptions of the nexus study supporting the original fee and evaluate the amount of fees collected under the original fee.

66016.5. (a) (5) A nexus study adopted after July 1, 2022, shall calculate a fee imposed on a housing development project proportionately to the square footage of proposed units of the development. A local agency that imposes a fee proportionately to the square footage of the proposed units of the development shall be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development.

66016.5. (a) (6) Large jurisdictions shall adopt a capital improvement plan as a part of the nexus study.

## Compliance with AB 602

The following sections describe this study's compliance with the new requirements of AB 602.

### 66016.5. (a) (2) - Level of Service

The fees calculated in this study use the existing standard methodology which assumes no increases in the currently provided level of service. The fees are calculated such that new development funds facilities at the existing level of service. The existing level service in terms of the existing facility cost per capita is shown in Table 3.7.

### 66016.5. (a) (4) – Review of Original Fee Assumptions

This study is the first fire protection facilities impact fee nexus study completed in Arcadia, so there are no prior fee study assumptions to review.

### 66016.5. (a) (5) – Residential Fees per Square Foot

Fees for residential land uses are calculated per square foot and comply with AB 602.

### 66016.5. (a) (6) – Capital Improvement Plan

The Capital Improvement Plan for this nexus study is comprised of the identified planned facilities in Table 3.6. Adoption of this nexus study would approve the planned facilities identified herein as the Capital Improvement Plan for this nexus study. Additional facilities will need to be identified to maintain the existing standard of facilities through the planning horizon. Note that the CIP does not drive the fee calculation. The fee calculation is driven by the existing facility standards used to determine the cost per capita.

# 5. Implementation

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## Impact Fee Program Adoption Process

Impact fee program adoption procedures are found in the California Government Code section 66016. Adoption of an impact fee program requires the City Council to follow certain procedures including holding a public meeting. Fourteen days mailed public notice is required for those registering for such notification. Per AB602, this impact fee nexus study must be adopted by the City Council with 30 days' notice before the public hearing. Legal counsel can inform the City of any other procedural requirements and provide advice regarding adoption of an enabling ordinance and/or a resolution. After adoption, there is a mandatory 60-day waiting period before the fees go into effect. This procedure must also be followed for fee increases.

## Inflation Adjustment

Appropriate inflation indexes should be identified in a fee ordinance including an annual inflation adjustment to the fee schedule. The fees can be adjusted based on the City's recent capital project experience or can be adjusted based on any reputable construction cost index, such as the California Construction Cost Index (CCCI). Inflationary adjustments to the development impact fee schedule require adoption by the City Council.

## Fee Accounting

The City should deposit fire protection impact fee revenues into a restricted account. Fee revenue can only be spent on capacity expanding fire protection facilities. Fee revenue cannot be spent on operations and maintenance costs.

## Programming Revenues and Projects with the CIP

The City should integrate the fire protection facilities CIP from this study into its Citywide CIP. That document should program fee revenue to specific projects. The use of the CIP in this manner documents a reasonable relationship between new development and the use of those revenues. Fee revenues can legitimately be used to fund system planning to further identify needed facilities.

The City may decide to alter the scope of the planned projects or to substitute new projects. This is acceptable if the modified or new projects continue to be for facilities necessary to serve the needs of new development. If the total cost of facilities varies from the total cost used as a basis for the fees, the City should consider revising the fees accordingly.

Fees collected must be spent or allocated to specific projects within five years. In compliance with the requirements of the Act, the City should allocate existing fund balances and projected fee revenues to specific projects in the CIP accordingly within the five-year time period. Note that the City can hold funds in a project account for longer than five years if necessary to collect sufficient monies to complete a project.

## Reporting Requirements

The City will comply with the annual and five-year reporting requirements of the *Mitigation Fee Act*. **Table 5.1** summarizes the annual and five-year reporting requirements identified in the *Mitigation Fee Act*.

**Table 5.1: Mitigation Fee Act - Annual and Five-year Administrative Requirements**

CA Gov't Code Section	Timing	Reporting Requirements <sup>1</sup>	Recommended Fee Adjustment
66001.(d)	The fifth fiscal year following the first deposit into the account or fund, and every five years thereafter	(A) Identify the purpose to which the fee is to be put. (B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged. (C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements. (D) Designate the approximate dates on which supplemental funding is expected to be deposited into the appropriate account or fund.	Comprehensive Update
66006.(b)	Within 180 days after the last day of each fiscal year	(A) A brief description of the type of fee in the account or fund. (B) The amount of the fee. (C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (E) An identification of each public improvement on which fees were expended including share funded by fees. (F) An identification of an approximate date by which the construction of the public improvement will commence. (G) A description of any potential interfund transfers. (H) The amount of refunds made (if any).	Inflationary Adjustment

<sup>1</sup> Edited for brevity. Refer to the government code for full description.

Sources: California Government Code §6601 and §6606.

# 6. Mitigation Fee Findings

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Fees are assessed and typically paid when a building permit is issued and imposed on new development projects by local agencies responsible for regulating land use (cities and counties). To guide the imposition of facilities fees, the California State Legislature adopted the Mitigation Fee Act (Act) with Assembly Bill 1600 in 1987 and subsequent amendments. The Mitigation Fee Act, contained in California Government Code §§66000 – 66025, establishes requirements on local agencies for the imposition and administration of fees. The Mitigation Fee Act requires local agencies to document five statutory findings when adopting fees.

The five findings in the Act required for adoption of the maximum justified fees documented in this report are: 1) Purpose of Fee, 2) Use of Fee Revenues, 3) Benefit Relationship, 4) Burden Relationship, and 5) Proportionality. They are each discussed below and are supported throughout the rest of this report.

## Purpose of Fee

- *Identify the purpose of the fee (§66001(a)(1) of the Act).*

We understand that it is the policy of the City that new development will not burden the existing service population with the cost of facilities required to accommodate growth. The purpose of the fees proposed by this report is to implement this policy by providing a funding source from new development to fund fire protection facilities to serve that development. The fees advance a legitimate City interest by enabling the City to provide municipal services to new development.

## Use of Fee Revenues

- *Identify the use to which the fees will be put. If the use is financing facilities, the facilities shall be identified. That identification may, but need not, be made by reference to a capital improvement plan as specified in §65403 or §66002, may be made in applicable general or specific plan requirements, or may be made in other public documents that identify the facilities for which the fees are charged (§66001(a)(2) of the Act).*

Fees proposed in this report, if enacted by the City, would be available to fund expanded fire protection facilities to serve new development. Facilities funded by these fees are designated to be located within the City.

## Benefit Relationship

- *Determine the reasonable relationship between the fees' use and the type of development project on which the fees are imposed (§66001(a)(3) of the Act).*

The City plans to restrict fee revenue to the acquisition of land, construction of facilities and buildings, and purchase of related equipment, furnishings, vehicles, apparatus, and services used to serve new development in the City of Arcadia. Facilities funded by the fees are expected to provide a citywide network of facilities accessible to the additional residents and workers associated with future residential and nonresidential land use development. The fees calculated in this report will fund only the expansion of fire protection facilities like those currently owned by the City and listed in Chapter 3 to maintain the current level of service for all future development. Under the Act, fees are not intended to fund planned facilities needed to correct existing deficiencies. Thus, a reasonable relationship can be shown between the use of fee revenue to provide additional facilities and services to meet the service demands that will be created by new residential and nonresidential land use classifications that will be subject to the fees.

## Burden Relationship

- *Determine the reasonable relationship between the need for the public facilities and the types of development on which the fees are imposed (§66001(a)(4) of the Act).*

Facilities need is based on a facility standard that represents the demand generated by new development for those facilities. The service populations are established based upon the number of residents and workers, which correlate to demand for fire protection facilities.

For fire protection facilities, demand is measured by a single facility standard that can be applied across land-use types to ensure a reasonable relationship to the type of development. Service population standards are calculated based upon the number of residents associated with residential development and the number of workers associated with non-residential development. To calculate a single, per capita standard, one worker is weighted differently than one resident based on estimates of the relative use demand between residential and non-residential development.

Chapter 2, Demographic Assumptions provides a description of how service population and growth projections are calculated. Facility standards are described in the *Facility Inventories, Plans & Standards* sections of each facility fee category chapter.

## Proportionality

- *Determine how there is a reasonable relationship between the fees amount and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed (§66001(b) of the Act).*

The reasonable relationship between each facilities fee for a specific new development project and the cost of the facilities attributable to that project is based on the estimated new development growth the project will accommodate. Fees for a specific project are based on the project's size or increases in service population. Larger new development projects can result in a higher service population resulting in higher fee revenue than smaller projects in the same land use classification. Thus, the fees can ensure a reasonable relationship between a specific new development project and the cost of the facilities attributable to that project.

See Chapter 2, Demographic Assumptions, or the Service Population section in Chapter 3 for a description of how service population is determined for different types of land uses. See the Fee Schedule section of Chapter 3 for a presentation of the maximum justified fire protection facilities fee schedule.

# Appendix

**Appendix Table A.1: Fire Department - Worker Weighting Factor**

	2019	2020 <sup>1</sup>	2021	Annual Average
<i>Annual Incidents</i>				
Residential	1,678	921	2,126	1,575
Nonresidential	1,491	559	1,676	1,242
Residents <sup>2</sup>	58,891	56,894	56,240	57,342
Calls per Resident	0.028	0.016	0.038	0.027
Employees <sup>3</sup>	24,970	25,327	25,688	25,328
Calls per Employee	0.060	0.022	0.065	0.049
Employee Weighting Factor <sup>4</sup>	2.10	1.36	1.73	1.79

<sup>1</sup> Partial year of call data, due to a transition of the dispatch center's system

<sup>2</sup> Estimates from CA DOF, Table E-5.

<sup>3</sup> Annual jobs in Arcadia based on estimate of 24,970 in 2019, increasing by 1.428% annually, as implied by SCAG 2045 projection.

<sup>4</sup> Calls per employee / calls per resident.

Sources: CA DOF, Table E-5; OnTheMap Application, US Census Bureau; Arcadia Fire Department; Willdan Financial Services.

RESOLUTION NO.7492

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCADIA,  
CALIFORNIA, ESTABLISHING A FIRE PROTECTION FACILITIES  
DEVELOPMENT IMPACT FEE

WHEREAS, on December 13, 2018, the Citizen's Financial Advisory Committee published their final report detailing its recommendations to the City Council for cost containment and/or revenue enhancements; and

WHEREAS, the Citizen's Financial Advisory Committee concluded at that time in their study that the City needed to expand its locally-controlled revenues to address concerns such as devastating effects of wildfire; and

WHEREAS, in a study conducted by FM3 Research, Arcadia residents identified amongst other public safety priorities that maintaining local fire and police protection and paramedic services were important; and

WHEREAS, moderate growth in the City of Arcadia will increase the demand for public services and the public facilities required to deliver those services; and

WHEREAS, the implementation of a Fire Protection Facilities Development Impact Fee will ease the financial burden resulting from the increased costs of services and demands from new development; and

WHEREAS, a duly noticed public hearing was held by the City Council concerning the proposed adoption of the Fire Protection Facilities Development Impact Fee on this Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ARCADIA,  
CALIFORNIA, DOES FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1.

- A. The fees established herein shall be imposed on new developments in the City (except for remodels or demolitions of residential units where a resident would only be charged for the new net livable square footage). The primary policy objective of the Fire Protection Facilities Development Impact Fee is to ensure that new development pays the capital and infrastructure costs associated with this growth.
- B. The initial or preliminary planned facilities to be funded by this newly established impact fee are identified in the fee study. Future facilities to serve growth will be identified through the City's annual Capital Improvement and/or Equipment Acquisition Budget plan and process and/or completion of a new facility master plan.

SECTION 2. The proposed new Fire Protection Facilities Development Impact Fee would be \$0.35 per square foot for residential dwelling units. For non-residential units, commercial units would be \$1.91 per square foot, office units would be \$2.92 per square foot, and industrial units \$1.04 per square foot. The resulting fees for the different land uses are listed in Exhibit A and are hereby adopted.

SECTION 3. Based on the foregoing, the City Council hereby finds this Resolution is exempt from the requirements of the California Environmental Quality Act as specified in section 15378 (b)(4) of the California Code of Regulations.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution.

Passed, approved and adopted this 2nd day of May, 2023.

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Mayor of the City of Arcadia

ATTEST:

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City Clerk

APPROVED AS TO FORM:



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Michael Maurer  
City Attorney

**EXHIBIT "A"**

**FIRE PROTECTION FACILITIES IMPACT FEE SCHEDULE**

<b>LAND USE</b>	<b>FEE PER SQUARE FOOT</b>
Residential Dwelling Units	\$ 0.35
<b>Non-Residential Units</b>	
Commercial	\$ 1.91
Office	\$ 2.92
Industrial	\$ 1.04

**ARCADIA CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, APRIL 18, 2023**

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**CALL TO ORDER** - Mayor Cheng called the Study Session to order at 6:05 p.m.

**ROLL CALL OF CITY COUNCIL MEMBERS**

PRESENT: Cao, Kwan, Wang, Verlato, and Cheng

ABSENT: None

**PUBLIC COMMENTS**

The following individuals appeared and expressed their support for the creation of a City Health Commission:

Dr. Kenneth Wogensen  
Dr. Dino Clarizio  
Dr. Chia-Chieh Hu  
David Ratto MD  
Keith Levine

**STUDY SESSION**

- a. Presentation, discussion, and direction regarding the creation of a City Health Commission.

Council Member Cao provided the PowerPoint presentation and a discussion ensued. It was the consensus of the City Council that this item be brought back for further discussion at the April 26, 2023, Goal Setting Session.

No action was taken, and the Study Session ended at 6:50 p.m.

**Regular Meeting  
City Council Chambers, 7:00 p.m.**

1. **CALL TO ORDER** – Mayor Cheng called the Regular Meeting to order at 7:00
2. **INVOCATION** – Reverend Jolene Cadenbach, Arcadia Congregational Church
3. **PLEDGE OF ALLEGIANCE** – Council Member Cao
4. **ROLL CALL OF CITY COUNCIL MEMBERS**

PRESENT: Cao, Kwan, Wang, Verlato, and Cheng

ABSENT: None

5. **REPORT FROM CITY ATTORNEY REGARDING CLOSED/STUDY SESSION ITEMS**

City Attorney Maurer reported that prior to the Regular Meeting the City Council met in a Study Session to receive a presentation from Council Member Cao regarding the proposed City Health Commission; and indicated that no action was taken on the Study Session item.

**6. SUPPLEMENTAL INFORMATION FROM CITY MANAGER REGARDING AGENDA ITEMS**

City Manager Lazzaretto had nothing to report.

**7. PRESENTATIONS**

- a. Presentation on Air Quality by Vice Chair Michael Cacciotti of the South Coast Air Quality Management District.
- b. Arcadia Police Department's Awards Presentation recognizing Responding Officers for the event occurring on August 10, 2022.

The City Council recessed at 7:32 p.m. and reconvened at 7:39 p.m.

**8. PUBLIC COMMENTS**

Michael Dickerson appeared and spoke about creating a new sport that would be an ideal fit for the Santa Anita Racetrack; and indicated he would like to further discuss the future of the Santa Anita Racetrack.

Cesar Estrada appeared and spoke about water conservation; and provided solutions for conserving water.

Gerri Lin, an Arcadia resident, appeared and expressed her reasons why her home should be zoned as a single-family residence.

Mark Liu appeared and requested the City Council establish a monument to commemorate Dr. Robert Wilson, a former Arcadia resident and surgeon that saved lives during the war in Nanjing, China.

Steven Rhee, with RE/MAX Commercial, appeared and introduced Scott Harris and Kerrie Ajormond, the new owners of Matt Denny's restaurant. Mr. Harris thanked the community for their support and invited everyone to dine at the restaurant.

Jonathan Rodriguez and Sina Mohajer, board members of the Arcadia Chamber of Commerce, appeared and thanked the City Council for recognizing the El Monte Police Officers; they announced that April 15 through 30, is "Dine Arcadia", a two week tasting event from participating restaurants in Arcadia; that on April 27, the Arcadia Chamber and the Chinese Chamber of Commerce of Los Angeles are hosting a Dim Sum Mixer at Capital Seafood; and that May 11, is the 1<sup>st</sup> Annual Arcadia Chamber Golf Tournament.

**9. REPORTS FROM MAYOR, CITY COUNCIL AND CITY CLERK (including reports from the City Council related to meetings attended at City expense [AB 1234]).**

Council Member Cao commended the Arcadia and El Monte Police Officers that were recognized; he announced that he attended the Clean Power Alliance meeting; Congresswoman Judy Chu's presentation of the Colorado Boulevard Complete Street grant award; Santa Anita Park's Derby Day 5k; the Planning Commission Meeting; the League of California Cities Leaders Summit; and a Neighborhood Watch meeting hosted by the Arcadia Police Department.

Council Member Kwan announced that she attended Congresswoman Judy Chu's presentation of the Colorado Boulevard Complete Street grant award; and the retirement ceremony of USC Methodist Hospital President and CEO, Dan Ausman.

Council Member Wang thanked the Arcadia Police Department for their service; she announced that she attended Congresswoman Judy Chu's presentation of the Colorado Boulevard Complete Street grant award; the U.S. Chamber of Commerce Celebration Ceremony; Santa Anita Park's Derby Day 5k; the League of California Cities Leaders Summit; and a Neighborhood Watch Informational meeting hosted by the Arcadia Police Department. She further noted an email she received from a resident thanking City staff for street repairs they requested.

Mayor Pro Tem Verlato commended the police officers that were recognized; she thanked Public Works Services Director Cranmer for working with L.A. County to get the Santa Anita spreading grounds filled with water. She announced that she attended Santa Anita Park's Derby Day 5k and the San Gabriel Valley Council of Governments Homelessness Committee meeting; she indicated that the SGVCOG committee is tracking legislation from Sacramento and provided an update on the homelessness and mental health crisis.

Mayor Cheng spoke about fallen officers and the memorial page that shares stories about fallen officers; he encouraged the community to visit the website and thank the Arcadia Police Department.

## 10. CONSENT CALENDAR

- a. Regular Meeting Minutes of April 4, 2023.  
CEQA: Not a Project  
Recommended Action: Approve
- b. Ordinance No. 2396 related to Text Amendment No. 22-03 amending various sections of Article IX, Chapter 1 of the Arcadia Municipal Code pertaining to Accessory Dwelling Units and Final Parcel Maps with dedications, and amending Article IV, Chapter 6 (Noise Regulation) pertaining to the allowable hours for gardening and landscaping, and Chapter 4 (Property Maintenance and Nuisance Abatement Code) to establish requirements and regulations for non-operating properties in non-residential zones.  
CEQA: Exempt  
Recommended Action: Adopt
- c. Resolution No. 7484 accepting a dedication for street and sidewalk purposes and approving Final Tract Map No. 83604 for a ten-unit multi-family residential condominium subdivision at 1022 La Cadena Avenue.  
CEQA: Exempt  
Recommended Action: Adopt
- d. Resolution No. 7485 authorizing submittal of the Fiscal Year 2022-23 Transportation Development Act – Article 4 Claim Forms to receive capital and operating funds for Arcadia Transit.  
CEQA: Not a Project  
Recommended Action: Adopt
- e. Professional Services Agreements for On-Call Construction Inspection Services with SA Associates, LAE Associates Inc., and KOA Corporation.  
CEQA: Not a Project  
Recommended Action: Approve

It was moved by Council Member Cao, seconded by Council Member Kwan, and carried on a roll call vote to approve Consent Calendar Items 10.a through 10.e.

AYES: Cao, Kwan, Wang, Verlato, and Cheng  
NOES: None  
ABSENT: None

## 11. CITY MANAGER

- a. Resolution No. 7489 amending the Fiscal Year 2022-23 Operating Budget authorizing an appropriation to amend the Professional Services Agreement with Kimley-Horn and Associates to complete implementation actions required by the City's adopted Housing Element for the 2021-2029 planning period in the amount of \$185,000, offset by a reduction in the General Fund Reserve in the amount of \$90,000, and extending the contract term to December 31, 2024.

CEQA: Not a Project

Recommended Action: Adopt

Assistant City Manager/Development Services Director Kruckeberg presented the Staff Report.

After discussion, a motion was made by Council Member Cao, seconded by Council Member Kwan, and carried on a roll call vote to adopt Resolution No. 7489 amending the Fiscal Year 2022-23 Operating Budget authorizing an appropriation to amend the Professional Services Agreement with Kimley-Horn and Associates to complete implementation actions required by the City's adopted Housing Element for the 2021-2029 planning period in the amount of \$185,000, offset by a reduction in the General Fund Reserve in the amount of \$90,000, and extending the contract term to December 31, 2024.

AYES: Cao, Kwan, Wang, Verlato, and Cheng  
NOES: None  
ABSENT: None

## 12. ADJOURNMENT

The City Council adjourned at 8:30 p.m. to Tuesday, May 2, 2023, 4:00 p.m. at the Arcadia Police Department Community Room/Emergency Operations Center ("EOC").



\_\_\_\_\_  
Linda Rodriguez  
Assistant City Clerk



# STAFF REPORT

Development Services Department

**DATE:** May 2, 2023

**TO:** Honorable Mayor and City Council

**FROM:** Jason Kruckeberg, Assistant City Manager/Development Services Director  
Lisa Flores, Deputy Development Services Director  
Fiona Graham, Planning Services Manager

**SUBJECT:** RESOLUTION NO. 7490 AMENDING THE FISCAL YEAR 2022-23 OPERATING BUDGET AUTHORIZING AN APPROPRIATION TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH DUDEK TO COMPLETE A NEW ENVIRONMENTAL JUSTICE ELEMENT IN CONJUNCTION WITH THE SAFETY ELEMENT UPDATE IN THE AMOUNT OF \$35,340 WITH A 10% CONTINGENCY, OFFSET BY A REDUCTION IN THE GENERAL FUND RESERVE IN THE AMOUNT OF \$38,874, AND EXTENDING THE CONTRACT TERM TO JUNE 30, 2024  
**CEQA: Not a Project**  
**Recommendation: Adopt**

## SUMMARY

An amendment to an existing Professional Services Agreement (“PSA”) is necessary to prepare an Environmental Justice Element along with the Safety Element Update, as part of the overall General Plan Update project. A PSA was approved with Dudek on March 2, 2022, to update the City’s Safety Element to bring it into compliance with recent changes to State law. Other changes in State law are now requiring local governments to identify environmental justice communities (called “disadvantaged communities”) in their jurisdictions and address environmental justice in their General Plans. This must happen when two or more General Plan Elements are updated concurrently after January 1, 2018. Since the Housing Element was adopted in 2022 and the Safety Element Update is in progress, the Environmental Justice Element is required per State law.

It is recommended that the City Council adopt Resolution No. 7490 (refer to Attachment No. 1) authorizing an appropriation to amend the Professional Services Agreement with Dudek to complete an Environmental Justice Element in conjunction with the Safety Element Update in the amount of \$38,874, which includes a 10% contingency, offset by a reduction in the General Fund, and extending the contract term to June 30, 2024.

## **BACKGROUND**

On March 2, 2022, the City Council authorized a Professional Services Agreement (“PSA”) with Dudek to update the City’s Safety Element in the amount of \$29,973.20. The Safety Element was last updated as part of the 2010 General Plan Update. The City is required to update its Safety Element upon the revision of the Housing Element, which the City Council approved on February 15, 2022. Additionally, Senate Bills (“SB”) 379 and 99 require the Safety Element be updated to address climate adaptation and resiliency strategies and identify evacuation routes for residential development in hazard areas.

In 2016, the State of California passed SB 1000 requiring cities and counties to address environmental justice in their General Plans when two or more Elements are updated and when a local jurisdiction identifies one or more disadvantaged communities within its General Plan planning area. To determine this, the City used: 1) CalEnviroScreen to examine whether the planning area for the General Plan contains census tracts that have a combined score of 75% or higher (the scoring is based on environmental pollution, health measures, and socioeconomic information such as poverty and unemployment) and 2) a map of the household median incomes by census tract in the planning area at or below statewide median income along with disproportionate pollution burden. Based on this analysis, it was concluded that a portion of Census Tract 4325 falls within these parameters. Specifically, Census Tract 4325, in the southeastern corner of the City (see map on next page), falls within the low-income category with a CalEnviroScreen score greater than 75%. As a result, an Environmental Justice Element is required since the City recently approved the Housing Element Update in 2022 and is completing a Safety Element Update to its General Plan.

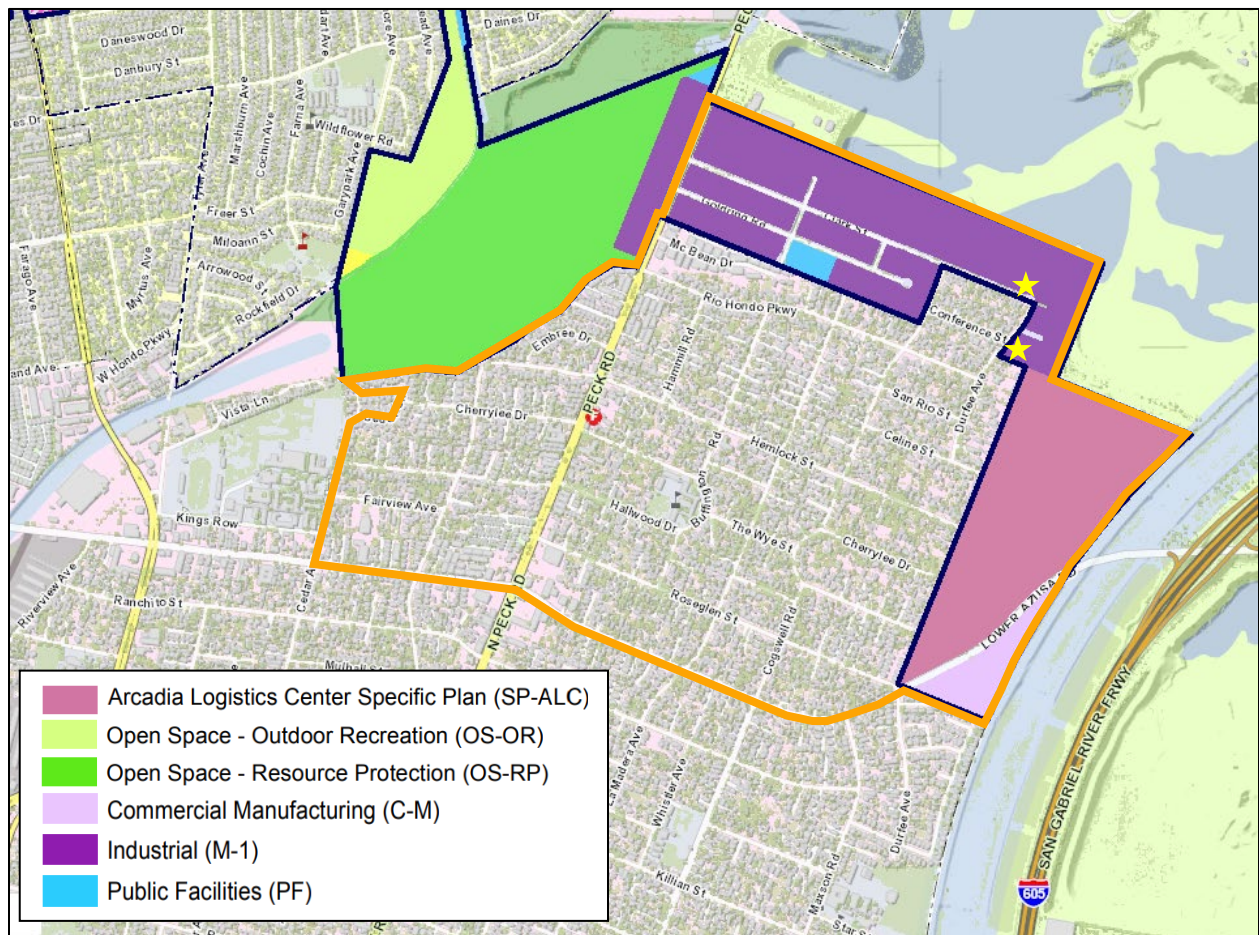
The Environmental Justice Element is required to include a comprehensive set of goals and policies aimed at increasing participation of disadvantaged communities in the public decision-making process and reducing their exposure to environmental hazards.

## **DISCUSSION**

An Environmental Justice Element must identify disadvantaged communities in the City and is required to incorporate objectives and policies to reduce the unique or compounded health risks in those disadvantaged communities, promote civic engagement in the public decision-making process, and prioritize improvements and programs that address the needs of the disadvantaged communities.

A “disadvantaged community” is defined as “an area identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code or an area that is a low-income area that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation”. The City of Arcadia has one disadvantaged community as mapped on CalEnviroScreen, as shown in Census Tract 4325 below. That

area in the City is entirely zoned for light industrial uses; however, it contains two, legal-nonconforming residences with a total of 12 residents according to the 2020 Census. The remainder of Census Tract 4325 is within the City of El Monte and comprises a residential neighborhood (refer to Figure 1). SB 1000 does not take into account the number of residents when defining a disadvantaged community. The Census Tract itself is enough to trigger the “disadvantaged community” definition. Since Census Tract 4325 falls within this definition, and the CalEnviroScreen score was 90%, the City is required to prepare an Environmental Justice Element.



**Figure 1: Arcadia zoning and the boundary of census tract 4325 (orange line). The two, non-conforming houses are identified with yellow stars.**

The Environmental Justice Element will develop policy frameworks to address pollution burdens, health and equity initiatives, high poverty, high unemployment, and how to improve long-term community participation in disadvantaged (or “environmental justice”) communities. Per SB 1000, an Environmental Justice Element has eight primary topics of consideration:

- Pollution exposure including air quality, water quality, and land use compatibility
- Public facilities
- Food access
- Safe and sanitary homes including housing location, quality, and affordability
- Physical activity including accessibility to public transit, employment, and services
- Additional unique or compounded health risks including climate vulnerability (i.e., high fire threat areas, sea level rise, high flood or seismic risk areas, etc.)
- Civic or community engagement
- Prioritization of improvements for disadvantaged communities

The City's response to these various objectives will be dependent on the specific needs of the disadvantaged community, which will be identified through the research and preparation phase of the Environmental Justice Element.

Dudek has experience completing Environmental Justice Elements for local jurisdictions throughout Southern California, including the Cities of South El Monte, El Cajon, Highland, and Lomita. A new Environmental Justice Element will be prepared with the Safety Element Update along with California Environmental Quality Act ("CEQA") review for both Elements.

A 10% contingency has been added to the project budget, for a total appropriation amount of \$38,874. Preparation of the Environmental Justice Element must include consultation with the community, and the project schedule includes two community workshops. However, if there is significant interest from the public on the Environmental Justice Element, additional meetings or engagement activities may be required. To ensure there is a sufficient budget to accommodate any additional consultation work, the 10% contingency was included. The contract timeframe is also being extended to June 30, 2024, to allow sufficient time to prepare and complete the Environmental Justice Element, CEQA analysis, and take the two Elements through the necessary public hearings.

## **ENVIRONMENTAL ANALYSIS**

The approval of the amended scope of work for the PSA is not, in and of itself, a project per the California Environmental Quality Act ("CEQA"), as it can be seen with certainty that it will have no impact on the environment. The adoption of the updated Safety Element in conjunction with an Environmental Justice Element will be accompanied by an Initial Environmental Study and a Negative Declaration when the project is brought through the Planning Commission and City Council hearings.

## **FISCAL IMPACT**

The total contract amount for the Safety Element Update was \$29,973.20. To fund the proposed amendment to the contract to prepare a new Environmental Justice Element, a

\$38,874 budget appropriation is being requested. There is sufficient funding available in the General Fund Reserve for appropriation of the requested \$38,874. The overall cost for this project will be \$68,847.20.

**RECOMMENDATION**

It is recommended that the City Council adopt Resolution No. 7490 amending the Fiscal Year 2022-23 Operating Budget authorizing an appropriation to amend the Professional Services Agreement with Dudek to complete a new Environmental Justice Element in conjunction with the Safety Element Update in the amount of \$35,340 with a 10% contingency, offset by a reduction in the General Fund Reserve in the amount of \$38,874, and extending the contract term to June 30, 2024.

Approved:



Dominic Lazzaretto  
City Manager

- Attachment No. 1: Resolution No. 7490
- Attachment No. 2: Proposed Scope of Work from Dudek

# Attachment No. 1

Resolution No. 7490

RESOLUTION NO. 7490

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, AMENDING THE FISCAL YEAR 2022-23 OPERATING BUDGET AUTHORIZING AN APPROPRIATION TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH DUDEK TO COMPLETE A NEW ENVIRONMENTAL JUSTICE ELEMENT IN CONJUNCTION WITH THE SAFETY ELEMENT UPDATE IN THE AMOUNT OF \$35,340 WITH A 10% CONTINGENCY, OFFSET BY A REDUCTION IN THE GENERAL FUND RESERVE IN THE AMOUNT OF \$38,874, AND EXTENDING THE CONTRACT TERM TO JUNE 30, 2024

WHEREAS, on March 2, 2022, the City Manager executed a Professional Services Agreement (“PSA”) with Dudek to update the Safety Element in the amount not to exceed \$29,973.20; and

WHEREAS, the State of California passed Senate Bill (“SB”) 1000 in 2016 requiring local agencies to address environmental justice in their General Plans when two or more Elements are updated and approved after January 1, 2018; and

WHEREAS, an Environmental Justice Element is required since the City approved a Housing Element Update in 2022, and is the process of updating the Safety Element to the General Plan. The Environmental Justice Element is required to include a comprehensive set of goals and policies aimed at increasing participation of disadvantaged communities in the public decision-making process and reducing their exposure to environmental hazards. The California Government Code Section 65040.12(e) defines environmental justice as “the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies;” and

WHEREAS, the City Council authorizes an amendment to the PSA with Dudek in the amount not to exceed \$38,874 for the preparation of an Environmental Justice

Element in conjunction with the Safety Element Update along with the California Environmental Quality Act (“CEQA”) analysis to the City’s General Plan Update; and

WHEREAS, the City Manager has certified that there are sufficient unprogrammed reserves available in General Fund Reserves for appropriation.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, DOES FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The sum of thirty-eight thousand, eight-hundred and seventy-four dollars (\$38,874) is hereby appropriated from the General Fund Reserves to amend the Professional Services Agreement with Dudek to complete an Environmental Justice Element in conjunction with the Safety Element Update and the CEQA analysis and extend the contract term to June 30, 2024.

SECTION 2. The City Clerk shall certify to the adoption of this Resolution.

[SIGNATURES ON THE NEXT PAGE]


Passed, approved and adopted this 2nd day of May, 2023.

\_\_\_\_\_  
Mayor of the City of Arcadia

ATTEST:

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

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael J. Maurer  
City Attorney

# Attachment No. 2

Proposed Scope of Work from Dudek

## TASK 1 PROJECT MANAGEMENT

Dudek will participate in up to six (6) half hour 3 virtual meetings that will be strategically scheduled to facilitate a smooth project execution. Dudek will also submit monthly progress reports and invoices.

### Task 1 Assumptions

- Project meetings will last 30 minutes; Dudek can reduce the number of meetings if longer meetings are needed

### Task 1 Deliverables

- Up to six (6) half hour virtual project check in meetings with agendas
- List of data and contact information needs
- Monthly progress reports and invoices

## TASK 2 PUBLIC ENGAGEMENT

### Task 2.1 Online Survey

Dudek will work to develop an online survey using Survey Monkey. Dudek will respond to one round of City comments. Dudek will provide a link and QR code for the City to advertise. Dudek will share the results with the City after events or other campaigns to drive responses.

#### Task 2.1 Assumptions

- The City will advertise the survey

### Task 2.2 Public Workshop Materials and Attendance

Dudek will be present at and develop materials for one in-person public meeting/workshop. Engagement materials will include up to six mapping or prioritization boards to better understand the community's needs and feelings toward various policies.

#### Task 2.2 Assumptions

- City staff will coordinate the location and invitation list for the public workshops

### Optional Task 2.3 Additional Meeting Attendance

Dudek will replicate the activities in Task 2.2. Dudek recommends that either Dudek or staff complete a minimum of three meetings to achieve a meaningful engagement strategy.

### Optional Task 2.4 Public Workshops Organization

Dudek will organize the public workshop location and invitation list. Dudek will work with the stakeholders the City identifies to secure a meeting location and an ideal time for the meeting. This task should be done in coordination with Optional Tasks 2.2 and/or 2.3.

### Task 2 Deliverables

- Online survey

- Four phone interviews
- Materials and attendance at one public meeting

### **Task 2 Optional Deliverables**

- Meeting organization
- Additional meeting attendance

## **TASK 3 ENVIRONMENTAL JUSTICE ELEMENT**

### **Task 3.1 Data Collection and Background Research**

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Dudek will utilize multiple data sources to outline the public health conditions across the City. This will serve as the basis for defining disadvantaged communities (DACs) in accordance with Senate Bill 1000 and the Governor's Office of Planning and Research 2017 guidelines; additionally, Dudek will create custom maps for each of the six pillars of Senate Bill 1000. It is important to note that CalEnviroScreen designates DACs on a census tract level, which rarely aligns with recognized community boundaries. Depending on the size of the census tract, a designated DAC could include multiple distinct neighborhoods and communities or only represent a portion of a larger community. Dudek will work with the City to identify communities and neighborhoods that are partially or wholly within the one designated DAC census tract. Dudek will work with the City to corroborate and further refine this data directly with the DAC during the public outreach process.

### **Task 3.2 Draft Plan**

---

Building on the findings in Task 3.1 Dudek will draft the environmental justice element in Microsoft Word to best match the existing General Plan. Dudek will provide a tracked changes copy of the implementation plan.

### **Task 3.3 Final Plan**

---

Dudek will respond to one round of consolidated City comments from the draft plan. A final environmental justice element will be provided to the City in the form of a Microsoft Word document. The accompanying implementation plan will be provided in ~~strikeout~~ underline.

### **Optional Task 3.4 Site Photos**

---

Dudek staff will take photos from representative areas in the community to update photos in the safety element and provide new photos in the environmental justice element.

### **Task 3 Assumptions**

- No additional public meetings beyond the existing meetings scoped for the safety element will be required
- If Optional Task 3.4 is not pursued, Dudek staff will take limited photos of City facilities prior to the public hearing included in the Safety Element scope.

### **Task 3 Deliverables**

- One draft implementation plan
- One final implementation plan

## **TASK 4 CEQA**

Dudek will update the project description and analysis in the existing negative declaration to identify the additional project component and analyze whether any impacts would occur. This task assumes that no significant impacts to the environment would result from the Environmental Justice Element.

### **Task 4 Deliverables**

- Updated negative declaration

City of Arcadia  
 P2221390 (City of Arcadia Environmental Justice)  
 DUDEK FEE ESTIMATE  
 11/21/2022



Dudek Labor Hours and Rates										
		Project Director/Environmental					TOTAL DUDEK HOURS	DUDEK LABOR COSTS	OTHER DIRECT COSTS	TOTAL FEE
Project Team Role:		Specialist V	Specialist I	Analyst II	Specialist III					
Team Member:		Asha Bleier	Rose Newberry	Henry Eckold	Grant Sles	Emily Seklecki				
Billable Rate:		\$265.00	\$185.00	\$145.00	\$100.00	\$165.00				
Task 1	Project Management	4	8				12	\$2,540.00		\$2,540.00
Task 2	Public Engagement									
2.1	Online Survey	2	2	4	8		16	\$2,280.00		\$2,280.00
2.2	Public Workshop Materials and Attendance	2	2	16	8		28	\$4,020.00		\$4,020.00
	Subtotal Task 2	4	4	20	16		44	\$6,300.00		\$6,300.00
Task 3	Environmental Justice Element									
3.1	Data Collection and Background Research	2	8	12	32		54	\$6,950.00		\$6,950.00
3.2	Draft Plan	2	8	24	32		66	\$8,690.00		\$8,690.00
3.3	Final Plan	2	4	12	12		30	\$4,210.00		\$4,210.00
	Subtotal Task 3	6	20	48	76		150	\$19,850.00		\$19,850.00
Task 4	CEQA					4	4	\$660.00		\$660.00
	Total Hours	14	32	68	92	4	210			
	Total	\$3,710.00	\$5,920.00	\$9,860.00	\$9,200.00	\$660.00		\$29,350.00	\$0.00	\$29,350.00
	Percent of Hours (Base)	7%	15%	32%	44%	2%				
Optional Services										
Task 2	Other Optional Tasks									
2.3	Additional Meeting Attendance			8	8		16	\$1,960.00		\$1,960.00
2.4	Public Workshops Organization	2	4	8	12		26	\$3,630.00		\$3,630.00
3.4	Site Photos				4		4	\$400.00		\$400.00
	Subtotal Task 5	2	4	16	24		46	\$5,990.00		\$5,990.00
	Total Optional + Base Hours and Fee	16	36	84	116	4	256	\$35,340.00	\$0.00	\$35,340.00
	Percent of Hours (Optional + Base)	6%	14%	33%	45%	2%				





# STAFF REPORT

Police Department

**DATE:** May 2, 2023  
**TO:** Honorable Mayor and City Council  
**FROM:** Roy Nakamura, Chief of Police  
By: Amber Abeyta, Management Analyst

**SUBJECT:** PROFESSIONAL SERVICES AGREEMENT WITH RANGE MAINTENANCE SERVICES, LLC FOR GUN RANGE MAINTENANCE SERVICES FOR FISCAL YEARS 2023-24 THROUGH 2025-26, IN AN AMOUNT NOT TO EXCEED \$90,000, WITH THE OPTION OF THREE, ONE-YEAR RENEWALS  
**CEQA: Not a Project**  
**Recommendation: Approve**

## **SUMMARY**

The current contract for the Arcadia Police Department's gun range maintenance services is due to expire on June 30, 2023. To procure a new contract by the beginning of Fiscal Year 2023-24, a Request for Proposals ("RFP") for gun range maintenance services was issued. As a result of the RFP, the lowest responsive bidder is Gun Range Maintenance Services, LLC. It is recommended that the City Council approve and authorize the City Manager to enter into a Professional Services Agreement with Range Maintenance Services, LLC for Fiscal Year 2023-24 to Fiscal Year 2025-26, in the amount not to exceed \$90,000 over three years, with an option to renew for three additional one-year periods.

## **BACKGROUND**

The Arcadia Police Department's gun range, also known as a firearms range, is a 4,500 square foot indoor training facility. The gun range is available 24 hours per day, seven days per week and is only for use by law enforcement agencies. The facility's main purpose is to provide a climate controlled indoor range for Arcadia Police officers who are required to complete periodic firearms trainings; however, it is also used for training purposes by neighboring law enforcement agencies. The five-lane, 50-yard facility is equipped with a variable lighting system, targeting system, ready room for weapon cleaning and preparation, observation area, armory storage room, and training classroom.

It is imperative for the Department to keep its gun range facility clean and safe. The City must protect its employees and patrons from lead and gaseous pollutants, which are common dangers of an indoor gun range. To protect the health of all gun range users and preserve the condition of the facility, Arcadia’s gun range undergoes a series of four maintenance services: monthly air filter replacements; biannual filter replacements; annual high-efficiency particulate air (“HEPA”) filter replacements; and an annual Gran Bullet Trap maintenance service. The Department maintains a Professional Services Agreement with a contractor to provide these gun range maintenance services.

**DISCUSSION**

Currently, the Department has a contract with Gun Range Maintenance Services, LLC that is due to expire on June 30, 2023. To procure a new contract by the beginning of Fiscal Year 2023-24, an RFP was issued on February 6, 2023. After a two-week submission period, for which a Notice Inviting Proposals was published two times in the Arcadia Weekly, two gun range maintenance services proposals were received, with one from Range Maintenance Services, LLC, and the other from HCI Environmental & Engineering. A committee comprised of four City staff members convened to review and rate the proposals using a 100-point evaluation system. The proposals were evaluated according to thoroughness and understanding of work, related experience, references, quality of proposal, and costs. Figure 1.1 is a summary of the average scores and final rank.

**Figure 1.1 – Average Scores for Gun Range Maintenance Services Proposals**

COMPANY NAME AND HEADQUARTERS LOCATION	THOROUGHNESS & UNDERSTANDING OF SCOPE OF WORK	RELATED EXPERIENCE	REFERENCES	PROPOSAL QUALITY	SUB TOTAL	COST PROPOSAL	GRAND TOTAL
(1) Range Maintenance Services, LLC	25	20	15	10	70	20	90
(2) HCI Environmental & Engineering	20	15	15	15	65	10	75

As shown in the table above, Range Maintenance Services, LLC received the highest score. Range Maintenance Services, LLC has been maintaining and servicing gun ranges for law enforcement agencies since 1997. The company has been servicing the Arcadia Police Department’s gun range for about 14 years and performs all work in accordance with all applicable South Coast Air Quality Management District (“SCAQMD”), U.S. Department of Transportation (“USDOT”), Environmental Protection Agency (“EPA”), Department of Toxic and Substance Control (“DTSC”), and California Occupational Safety and Health Administration (“CAL-OSHA”) rules and regulations. Other law enforcement agencies that use their services include Santa Clara Police Department, El

Segundo Police Department, Berkeley Police Department, Santa Cruz Police Department, Daly City Police Department, and San Francisco Police Department. In addition to its superior customer service, the company is providing the City with significant cost savings compared to its competitors. The company’s cost proposal was the lowest of the two bids at \$29,880.45 per year. The total cost breakdown is as follows:



Under the agreement, Range Maintenance Services, LLC shall comply with all applicable Minimum Standards specified by all applicable Federal and State requirements, laws, rules, and regulations. Services would include all required supervision, labor, tools, clothing, associated equipment, and material needed to effectively and efficiently perform all duties required of the gun range maintenance. The contractor is also duly licensed in accordance with all gun range/shooting industry requirements for the State of California. The company will perform gun range maintenance services for the Arcadia Police Department as detailed in the Scope of Services section of the City’s Professional Services Agreement.

Overall, Range Maintenance Services, LLC is a qualified firm that has the experience to provide long-term services to the City. Therefore, it is recommended that the City Council approve a three-year contract with Range Maintenance Services, LLC for Fiscal Year 2023-24 to Fiscal Year 2025-26, in an amount not to exceed \$90,000, with an option to renew for three additional one-year periods.

**FISCAL IMPACT**

The first-year cost (\$29,880.45) has been budgeted in the City’s FY 2023-24 Operating Budget. Years two and three will be included in their respective operating budgets for FY 2024-25 and FY 2025-26.

**RECOMMENDATION**

It is recommended that the City Council determine that this action does not constitute a project and is, therefore, exempt under the California Environmental Quality Act (“CEQA”); and approve a Professional Services Agreement with Range Maintenance Services, LLC for Gun Range Maintenance Services for Fiscal Years 2023-24 through 2025-26, in an amount not to exceed \$90,000, with an option of three, one-year renewals.

Approved:



Dominic Lazzaretto  
City Manager

Attachment: Proposed Professional Services Agreement

**CITY OF ARCADIA  
PROFESSIONAL SERVICES AGREEMENT REGARDING  
GUN RANGE MAINTENANCE SERVICES**

This Agreement is made and entered into as of [REDACTED], 20[REDACTED] by and between the City of Arcadia, a municipal corporation organized and operating under the laws of the State of California with its principal place of business at 240 West Huntington Drive, Arcadia, California 91066 ("City"), and Gun Range Maintenance Services, LLC, a limited liability corporation with its principal place of business at 303 McCloud Avenue, Mt. Shasta, CA 96067 (hereinafter referred to as "Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

**RECITALS**

A. City is a public agency of the State of California and is in need of professional services for the following project:

**GUN RANGE MAINTENANCE SERVICES**

(hereinafter referred to as "the Project").

B. Consultant is duly licensed and has the necessary qualifications to provide such services.

C. The Parties desire by this Agreement to establish the terms for City to retain Consultant to provide the services described herein.

**AGREEMENT**

**NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

1. Services.

Consultant shall provide the City with the services described in the Scope of Services attached hereto as Exhibit "A"

2. Compensation.

a. Subject to paragraph 2(b) below, the City shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit "B."

b. In no event shall the total amount paid for services rendered by Consultant under this Agreement exceed the sum of ninety thousand dollars and zero cents (\$90,000.00) over a three year period. This amount is to cover all printing and related costs, and the City will not pay any additional fees for printing expenses. Periodic payments shall be made within 30 days of receipt of an invoice which includes a detailed description of the work performed. Payments to Consultant for work performed will be made on an annual basis.

3. Additional Work.

If changes in the work seem merited by Consultant or the City, and informal consultations with the other party indicate that a change is warranted, it shall be processed in the following manner: a letter outlining the changes shall be forwarded to the City by Consultant

with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the City and executed by both Parties before performance of such services, or the City will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Maintenance of Records.

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by City.

5. Term.

The term of this Agreement shall be from **July 1, 2023**, to **June 30, 2026**, unless earlier terminated as provided herein. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Project. Consultant shall perform its services in a prompt and timely manner within the term of this Agreement and shall commence performance upon receipt of written notice from the City to proceed ("Notice to Proceed").

6. Delays in Performance.

a. Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.

b. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law.

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government, including Cal/OSHA requirements.

b. If required, Consultant shall assist the City, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies.

c. If applicable, Consultant is responsible for all costs of clean up and/ or removal of hazardous and toxic substances spilled as a result of his or her services or operations performed under this Agreement.

8. Standard of Care

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Subconsultant

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates, and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Contractor

Consultant is retained as an independent contractor and is not an employee of City. No employee or agent of Consultant shall become an employee of City. The work to be performed shall be in accordance with the work described in this Agreement, subject to such directions and amendments from City as herein provided.

11. Insurance. Consultant shall not commence work for the City until it has provided evidence satisfactory to the City it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this section.

a. Commercial General Liability

(i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the City.

(ii) Coverage for Commercial General Liability insurance shall be at least as broad as the following:

(1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.

(iii) Commercial General Liability Insurance must include coverage for the following:

- (1) Bodily Injury and Property Damage
- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability
- (5) Aggregate Limits that Apply per Project
- (6) Explosion, Collapse and Underground (UCX) exclusion deleted
- (7) Contractual Liability with respect to this Agreement
- (8) Property Damage
- (9) Independent Consultants Coverage

(iv) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

(v) The policy shall give City, its officials, officers, employees, agents and City designated volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the City, and provided that such deductibles shall not apply to the City as an additional insured.

b. Automobile Liability

(i) At all times during the performance of the work under this Agreement, the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the City.

(ii) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(iii) The policy shall give City, its officials, officers, employees, agents and City designated volunteers additional insured status.

(iv) Subject to written approval by the City, the automobile liability program may utilize deductibles, provided that such deductibles shall not apply to the City as an additional insured, but not a self-insured retention.

c. Workers' Compensation/Employer's Liability

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this section.

d. Professional Liability (Errors and Omissions)

At all times during the performance of the work under this Agreement the Consultant

shall maintain professional liability or Errors and Omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to the City and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

e. Minimum Policy Limits Required

(i) The following insurance limits are required for the Agreement:

	<u>Combined Single Limit</u>
Commercial General Liability	\$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability	\$1,000,000 per occurrence
Professional Liability	\$1,000,000 per claim and aggregate (errors and omissions)

(ii) Defense costs shall be payable in addition to the limits.

(iii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

f. Evidence Required

Prior to execution of the Agreement, the Consultant shall file with the City evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required

(i) Consultant shall provide the City at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires

during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the City at least ten (10) days prior to the effective date of cancellation or expiration.

(ii) The Commercial General Liability Policy and Automobile Policy shall each contain a provision stating that Consultant's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the City or any named insureds shall not be called upon to contribute to any loss.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(v) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

h. Qualifying Insurers

(i) All policies required shall be issued by acceptable insurance companies, as determined by the City, which satisfy the following minimum requirements:

(1) Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

i. Additional Insurance Provisions

(i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(ii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(iii) The City may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(iv) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

j. Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the City that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the City as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, City may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

## 12. Indemnification.

a. To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

b. To the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's obligations under the above indemnity shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, but shall not otherwise be reduced. If Consultant's obligations to defend, indemnify, and/or hold harmless arise out of Consultant's performance of "design professional services" (as that term is defined under Civil Code section 2782.8), then upon Consultant obtaining a final adjudication that liability under a claim is caused by the comparative active negligence or willful misconduct of the City, Consultant's obligations shall be reduced in proportion to the established comparative liability of the City and shall not exceed the Consultant's proportionate percentage of fault.

## 13. California Labor Code Requirements.

a. Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects (“Prevailing Wage Laws”). If the services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$15,000 or more for maintenance or \$25,000 or more for construction, alteration, demolition, installation, or repair, Consultant agrees to fully comply with such Prevailing Wage Laws. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1).

b. If the services are being performed as part of an applicable “public works” or “maintenance” project and if the total compensation is \$15,000 or more for maintenance or \$25,000 or more for construction, alteration, demolition, installation, or repair, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant’s sole responsibility to comply with all applicable registration and labor compliance requirements.

c. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant’s sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor that affect Consultant’s performance of services, including any delay, shall be Consultant’s sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor.

#### 14. Verification of Employment Eligibility.

By executing this Agreement, Consultant verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

#### 15. Laws and Venue.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action

shall be brought in a state or federal court situated in the County of Los Angeles, State of California.

16. Termination or Abandonment

a. City has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, City shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. City shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by City and Consultant of the portion of such task completed but not paid prior to said termination. City shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to City only in the event of substantial failure by City to perform in accordance with the terms of this Agreement through no fault of Consultant.

17 Documents. Except as otherwise provided in "Termination or Abandonment," above, all original field notes, written reports, Drawings and Specifications and other documents, produced or developed for the Project shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the City.

18. Organization

Consultant shall assign Jayden Aragon as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the City.

20. Limitation of Agreement.

This Agreement is limited to and includes only the work included in the Project described above.

21. Notice

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

CITY:

City of Arcadia  
240 West Huntington Drive  
Arcadia, CA 91066  
Attn: Chief of Police

CONSULTANT:

Range Maintenance Services, LLC  
303 McCloud Avenue  
Mt. Shasta, CA 96067  
Attn: Donna Foggiato

and shall be effective upon receipt thereof.

22. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the City and the Consultant.

23. Equal Opportunity Employment.

Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

24. Entire Agreement

This Agreement, with its exhibits, represents the entire understanding of City and Consultant as to those matters contained herein, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. Each party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This Agreement may not be modified or altered except in writing signed by both Parties hereto. This is an integrated Agreement.

25. Severability

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the provisions unenforceable, invalid or illegal.

26. Successors and Assigns

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of City. Any attempted assignment without such consent shall be invalid and void.

27. Non-Waiver

None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

28. Time of Essence

Time is of the essence for each and every provision of this Agreement.

29. City's Right to Employ Other Consultants

City reserves its right to employ other consultants, including engineers, in connection with this Project or other projects.

30. Prohibited Interests

Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no director, official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**[SIGNATURES ON FOLLOWING PAGE]**

DRAFT

**SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE CITY OF ARCADIA  
AND [\*\*\*INSERT NAME\*\*\*]**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF ARCADIA

[INSERT NAME OF CONSULTANT]

By: \_\_\_\_\_  
Dominic Lazzaretto  
City Manager

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

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

Its: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Printed Name

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

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

APPROVED AS TO FORM

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

By: \_\_\_\_\_  
Michael J. Maurer  
City Attorney

Its: \_\_\_\_\_

\_\_\_\_\_  
Printed Name

## EXHIBIT "A"

### Scope of Services

The consultant shall provide services to include all required supervision, labor, tools, clothing, associated equipment, ever word yes and material needed to effectively and efficiently perform all duties required of the gun range maintenance project including, but not limited, to any mandatory staff training.

Consultant shall comply with all applicable Minimum Standards specified by all applicable Federal and need to and state requirements, laws, rules, and regulations, whether now in effect, hearing after affected are implemented as applicable to the Arcadia Police Departments gun range in the future.

Consultant will maintain proper licenses in accordance with all gun range/shooting industry requirements for the state of California. The gun range maintenance services provided by consultant under these specifications shall be on the highest possible caliber.

#### **1. RESPONSIBILITIES/SCOPE OF SERVICES**

##### **I. STAGE 1 - Monthly Air Filter Replacements**

*Frequency: One time per month (12 times a year)*

- Estimated one (1) day of work.
- Remove nine (9) Pre-Filters from Air Handler.
- Remove six (6) 24" x 24" x 2" FP Mini Pleat Filters with RCRA D008 Lead Solids from Air Handler package.
- Remove three (3) 12" x 24" x 2" FP Mini Pleat Filters with RCRA D008 Lead Solids from Air Handler package.
- Have hazardous waste company remove the filters from premises.
- Install six (6) 24" x 24" x 2" FP Mini Pleat Filters.
- Install three (3) 12" x 24" x 2" FP Mini Pleat Filters.
- Install nine (9) Pre-Filters.

##### **II. STAGE 2 - Biannual Filter Replacements**

*Frequency: Every 6 months*

- Estimated one (1) day of work.
- Remove six (6) 24" x 24" x 2" FP Pre-Filters with RCRA D008 Lead Solids from Air Handler package.

- Have hazardous waste company transport and dispose of fifty-five (55) gallon drum.
- Install six (6) 24" x 24" x 2" FP Pre- Filters.

### **III. STAGE 3 - Annual HEPA Filter Replacements**

*Frequency: Every 12 months*

- Estimated one (1) day of work
- Remove six (6) 24" x 24" x 11 ½ " FP HEPA Filters with RCRA D008 Lead Solids from Air Handler package.
- Remove three (3) 12" x 24" x 11 ½" FP HEPA Filters with RCRA D008 Lead Solids from Air Handler package.
- Have hazardous waste company remove the filters from premises.
- Install six (6) 24"x 24" x 11 ½" FP HEPA Filters.
- Install three (3) 12" x 24" x 11 ½" FP HEPA Filters.

### **IV. Annual Gran Bullet Trap Maintenance**

*Frequency: Every 12 months*

The following mining actions are required to extract lead from the rubber material:

- Estimated total of three (3) days to separate the rubber material from the bullet material for re-packing the Bullet Trap with the recycled material.
- Start raking at the 10 ft. peak base of the Bullet Trap to clean out shotgun wads. Bag and dispose.
- Commence to mine the rubber, copper jackets/bullet material from the center hot spot areas of all five (5) point impact areas of the Bullet Trap. Mining depth of mixed material will vary from fourteen inches (14") to sixteen inches (16") deep. Outside of the hot spots, mining will vary from twelve inches (12") to fourteen inches (14") of mixed material.
- All material will be positioned in a row in front of the Bullet Trap. There should be approximately thirteen (13) to fifteen (15) cubic yards of material extracted from the twenty-seven-foot (27') x twelve foot (12') 5 pt. Bullet Trap area, using a gran trap vacuum to separate bullets and agitate unburned gun powder.
- At least 90% cleanout is expected from the entire trap.

- Use a Gran Trap Vacuum to separate bullet material from the rubber trap material. The vacuum machine should blow the rubber back into the Bullet Trap through a series of six-inch (6") duct pipes then leaving the lead material on the floor to be shoveled into one gallon containers for transportation.
- Replenish hopper in the upper part of the Bullet Trap buy utilizing the trap vacuum.
- Shovel and rake rubber media to re-create factory specification sloped angle for Bullet Trap.
- Use bags of rubber material to insure proper angle. (Contractor to purchase and provide)
- Apply fire retardant to rubber berm material.
- Remove and properly dispose of bullet material from premises.
- Clean range of any lead residue from walls, baffles, tracks, floors and ceilings.
- Seal off evacuation vents to prevent packing the filtration system during mining process.
- Replace filtration filters as necessary and clean electronic monitoring system.

Product Needs;

The Department currently utilizes the following products for maintenance of the gun range. Consultant shall procure products of the same quality and specifications.

**FILTER LIST**

- |                     |                     |
|---------------------|---------------------|
| <b>Size:</b>        | 12" x 24" x 2"      |
| <b>Company:</b>     | Filtration Group    |
| <b>Part #:</b>      | 21131               |
| <b>Description:</b> | Pleated Filter      |
| <br>                |                     |
| <b>Size:</b>        | 24" x 24" x 2"      |
| <b>Company:</b>     | Filtration Group    |
| <b>Part #:</b>      | 10391               |
| <b>Description:</b> | Pleated Filter      |
| <br>                |                     |
| <b>Size:</b>        | 24" x 24" x 11 1/2" |
| <b>Company:</b>     | Flanders            |
| <b>Part #:</b>      | F0610908            |

**Description:** HEPA Filter  
**Size:** 12" x 24" x 11 ½"  
**Company:** Filtration Group  
**Part #:** 51675  
**Description:** HEPA Filter

## **2. TRAINING**

Contractor, at its own cost, shall train all its employees on gun range maintenance services and all related State and Federal Regulations, rules, laws, policies, and procedures prior to being assigned for service in the City.

Additionally, and as needed, Contractor shall provide retraining and continuing education for contract employees.

## **3. STAFFING AND SUPERVISION OF STAFFING**

The successful Proposer must always maintain, an adequate number of qualified personnel to perform the gun range maintenance services specified in this RFP.

### **All Contract employees shall be:**

- At least eighteen (18) years of age.
- Physically and mentally capable of performing duties related to gun range maintenance duties.
- Neat and well groomed.
- Have the ability to give and follow oral and written instructions in the English language.
- Have the ability to establish and maintain effective working relationships with the public and City personnel.
- Be in possession of valid permits, licenses, and certifications required for the performance of job-related duties at the time of execution of the Agreement.
- Be able to legally, safely, and properly operate necessary equipment and tools related to gun range maintenance services.
- Have the ability to operate motor vehicles and walk for several hours; the ability to sit, stand, walk, kneel, crouch, stoop, squat, crawl, twist, climb, and lift fifty (50) pounds; and exposure to heat, noise, outdoors, confining work spaces, chemicals, mechanical hazards, and electrical hazards.

- Shall have taken and passed a developed reference check, a drug screening test, and undergone a medical examination to determine fitness to perform assigned duties.
- Shall have undergone a criminal history check in order to determine that contract employee possesses no felony criminal convictions. Misdemeanor criminal convictions will be reviewed by the City on a case by case basis for acceptability.
- Shall have the ability to remain calm and use good judgment and initiative in a confrontational or emergency situation.
- Shall be capable of acting in the utmost professional manner when interacting with customers and the general public.

### **Expectations for Professional Behavior of Contract Employees:**

- Contractor shall be responsible for the conduct, demeanor and appearance of its employees while in the City or while acting in the course and scope of employment.
- While in the City or while acting in the course and scope of employment, all employees of the Contractor shall be neat and clean and shall act in a courteous and professional manner. No employee shall use improper language or act in a loud, offensive, or otherwise improper manner.
- Contract employees are trained as to the purpose of their positions and the importance of performing their job duties according to the City's operating instructions.
- All contract employees shall always be polite and courteous in their dealings with the City, treating every person with care and respect.
- All contract employees are to be attentive, alert, and responsive to all customer service issues, needs, comments or complaints.
- All contract employees must speak clearly and in a professional manner while interacting with City officials and when offering the assistance needed.

### **Supervision**

Contractor is wholly responsible for the supervision of contract employees and administration of the contract to the satisfaction of the City. Contractor shall be responsible for providing competent personnel to assist the City with its gun range maintenance services needs. Contractor shall be solely responsible for selecting, hiring, employing, paying, supervising, training, and discharging its personnel.

Additionally, Contractor must ensure staffing to ensure that all service requests are filled in accordance with the response time requested. In emergency situations, response time to reply to communication is not to exceed twenty-four (24) hours. Contractor will work with the Department to establish service dates. Contractor is also responsible for: performance evaluations of contract employees, conduct disciplinary action against contract employees, and handle processing for all payroll and benefits allowances for its employees.

Contractor shall ensure that at least one (1) supervisory level employee having decision-making authority with regard to gun range maintenance services is available to the City by mobile phone twenty-four (24) hours a day, seven (7) days a week.

The Chief of Police, or his designee, maintains approval rights for the appointing of all gun range maintenance services positions. The City reserves the right to request that a contract employee be replaced at any time without cause.

#### **4. SCHEDULING REQUIREMENTS**

Contractor will fill any absence or vacancy immediately to ensure that minimum staffing is retained at all times and frequency requirements are met.

Contractor will work with Arcadia Police Department staff to schedule service times, and provide service within a reasonable time frame. Contractor will perform duties during a set window of normal business hours: Monday-Friday, 7:00 am – 5:00 pm.

#### **5. EQUIPMENT**

Contractor shall have available for its own use, gun range maintenance services tools, equipment, and material to perform the work as specified in the Scope of Services of this RFP. Contractor shall be readily available to help solve the City's gun range maintenance problems and provide recommendations when needed.

Contractor will be financially responsible for all lost or damaged City property caused by Contractor employees over the course of the Agreement.

**Vehicles.** Contractor is responsible for supplying its transportation requirements, including vehicles for use in the performance of its gun range maintenance duties.

- Contractor shall pay for all associated vehicles costs including but not limited to gasoline and maintenance.
- All vehicles used by Contractor in its performance of this Agreement shall:
  - Be clearly identified as performing gun range maintenance services.
  - Be operated at all times in compliance with all state and local motor vehicle laws.

- Contractor is responsible for the cleanliness, repair, and replacement of all vehicles used in the performance of this Contract.

## **6. BILLING AND RECORDS**

The billings for all services rendered pursuant to the Agreement shall be submitted monthly, based upon the services rendered at the time of the submission, to City by Contractor, and shall be paid by the City within forty-five (45) days after receipt of same.

The successful Proposer shall be responsible for maintaining all related records in compliance with all County and State regulations and inspections. All such records will become, and will remain, the property of the City of Arcadia.

## **7. CITY OF ARCADIA RIGHTS**

The City retains the following rights:

The right to request that Consultant respond to communication in a timely manner (not to exceed twenty-four (24) hours) and provide services within a reasonable time frame.

The right to demand additional information and reports, including, but not limited to drug-screening reports, as may be permitted by law.

The right to approve or disapprove of any new hire assigned to the Contract.

The right to withdraw the enforcement authority of any contract employee, either permanently or temporarily, when such action is in the best interests of the City, and the right to replace any contract employee when his/her continued employment is detrimental to the best interests of the City.

The right to approve or disapprove any invoice.

## **8. CITY SUPERVISION**

The City's Chief of Police, or his designee, shall have the right of general supervision of all work performed by Contractor and shall be the City's agent with respect to obtaining Contractor's compliance hereunder. No payment for any services rendered under the Agreement shall be made without prior approval of the Chief of Police, or his designee.

EXHIBIT "B"

Schedule of Charges/Payments

Consultant shall bill the City for each project (according to the specified schedule of services) according to the following cost breakdown on an annual basis at an annual cost of \$29,880.45 and a total not to exceed \$90,000 over the first three-year term.

- Monthly Air Filter Replacement - \$632.50 per service
    - 12 services per year = \$7,590
  - Biannual Filter Replacements - \$2,235.60 per service
    - 2 services per year/every 6 months = \$4,471.20
  - Annual HEPA Filter Replacements
    - 1 service per year = \$7,296.75
  - Annual Gran Bullet Trap Maintenance
    - 1 service per year = \$7,762.50
  - Insurance Cost
    - Annual Cost \$1,696.25
  - Worker's Compensation
    - Annual Cost \$1,063.75
- Total cost = **\$29,880.45**

DRAFT

EXHIBIT "C"  
Activity Schedule

Consultant shall provide the activity as listed in Exhibit "A."

DRAFT

EXHIBIT "D"  
Federal Requirements

DRAFT



# STAFF REPORT

Development Services Department

**DATE:** May 2, 2023

**TO:** Honorable Mayor and City Council

**FROM:** Jason Kruckeberg, Assistant City Manager/Development Services Director  
Kevin Merrill, City Engineer

**SUBJECT:** MUNICIPAL RIGHT-OF-WAY FACILITIES USE AGREEMENT WITH CROWN CASTLE FIBER, LLC., FOR USE OF CITY FACILITIES FOR THE INSTALLATION, OPERATION, AND MAINTENANCE OF CELLULAR EQUIPMENT  
**CEQA: Not a Project**  
**Recommendation: Approve**

## **SUMMARY**

In 2018, the Federal Communications Commission (the “FCC”) adopted a Small Cell Order that limits local government authority to collect “fair and reasonable compensation” for use of its facilities in the public right-of-way. Specifically, the order established a “safe harbor” fee for use of minor City property, such as streetlights, in the amount of \$270 per year. Crown Castle Fiber, LLC., previously had a Municipal Right-of-Way Facilities Use Agreement (“Agreement”) at a rate that exceeded the current limits. Crown Castle Fiber, LLC has requested to enter into a new Agreement based on the reduced fee allowed by the Order.

It is recommended that the City Council approve, authorize and direct the City Manager to execute a Municipal Right-of-Way Facilities Use Agreement with Crown Castle Fiber, LLC., for use of City facilities for installation, operation, and maintenance of cellular equipment.

## **BACKGROUND**

Cellular service providers are regulated by the Federal Communications Commission, but under state law, have the right to use City public rights-of-way for their facilities, provided their facilities do not inconvenience public use of the right-of-way. In order to manage these installations to the greatest extent, the City has developed a Wireless Facilities in Public Right-of-Way Application permit, which provides requirements and guidance to cellular providers for installations.

As part of the permit review process, wireless providers are asked to locate their facilities on existing facilities such as streetlights or utility poles, to minimize the impact on the City. For the use of utility poles, the cellular provider needs the authorization of the pole owner. For the use of City facilities, the City Attorney prepared a standard agreement, entitled a Municipal Right-of-Way Facilities Use Agreement, to allow cellular providers to use City facilities for the installation, operation, and maintenance of their cellular equipment. The Agreement requires City Council approval and is intended to be a master document for any and all installations on City-owned facilities by a cellular provider. Subsequently, each location is administratively approved with the issuance of the Site License Authorization Form, attached to the Agreement as an exhibit. This change simplifies and streamlines the process for both the provider and the City.

The City currently has three (3) cellular providers under agreement for use of City facilities. Verizon Wireless and Extenet Systems entered into the initial Municipal Right-of-Way Facilities Use Agreement in 2016, with an annual streetlight use fee of \$1,500. AT&T Wireless entered into the agreement in 2022 and will be paying a reduced fee per facility as described in the next paragraph. NextG Networks/Crown Castle entered into an older, different agreement in November 2009 for a term of 10 years, with an annual streetlight fee of \$500; they currently have three small cell facilities in operation.

In 2018, the Federal Communications Commission (the “FCC”) adopted an order (FCC 18-133) pertaining to the deployment of small wireless facilities, including the use of municipal facilities by cellular providers. The Order, referred to as the Small Cell Order, determined that failing to allow use of municipal facilities for cellular equipment could be an “effective prohibition” of wireless service under federal law. Further, the Order limited local government authority to collect “fair and reasonable compensation” for use and established an annual “safe harbor” fee in the amount of \$270, for use of a City facility like a streetlight pole. A higher fee may be justified if it complies with the Order’s requirements, it reflects a reasonable approximation of actual costs and is non-discriminatory. Regarding existing agreements, the FCC Order did not preempt fees but, rather stated the Order’s effect on any existing agreement would depend upon all the facts and circumstances of that specific case, and with no guarantee it would impact any agreement in place before the Order took effect.

Prior to November 2019, Crown Castle Fiber, LLC., requested to enter into a new agreement with the City for the use of Arcadia’s right-of-way facilities for the installation, operation, and maintenance of their small cell equipment. Crown Castle requested that the annual streetlight use fee be set at \$270, per the Small Cell Order. Because the Order was under appeal at the time, the City prepared an agreement that set the annual fee at \$1,500 and offering an exception for denial of the appeal, which would reduce the annual fee to \$270. The City Council approved the agreement, but Crown Castle refused to sign it. The City has allowed Crown Castle to continue under their old agreement, paying the \$500 pole fee until the present time.

In May 2021, the FCC rejected the appeal and by July 2021, all other appeal efforts as high as the United States Supreme Court were rejected, leaving the Small Cell Order as the governing directive. The Order does not allow local agencies to reject the use of City facilities as a blanket policy. Cities must make streetlights and traffic lights available as well as accept and consider applications within specific timelines set forth in the statute. Cities may approve or deny access to streetlight or traffic signal poles on a case-by-case basis, including any other reasonable terms and conditions that may consist of aesthetic and safety standards, among other criteria.

## **DISCUSSION**

Crown Castle Fiber, LLC., requested the use of City right-of-way facilities for the installation, operation, and maintenance of small cell equipment, with primary interest in City streetlight poles at an annual fee of \$270.

The City's Municipal Right-of-Way Facilities Use Agreement has been revised to reflect the FCC's Small Cell Order. The City Attorney has added language to reflect the pole use amount of \$270 and has also added alternatives based on any future changes to the FCC Order.

The Municipal Right-of-Way Facilities Use Agreement includes the following key elements:

- The Agreement has a term of 10 years, with one 5-year extension.
- The City must approve each location with a Site License Authorization form in advance of each installation.
- The City will receive an annual fee of \$270 per street light installation, with an annual increase of 4% in lieu of an annual CPI adjustment.
- The Agreement allows for the use of other City facilities, like conduit, if requested.
- Additional fees for the use of other facilities are to be determined upon request and agreed upon by both parties.
- Electricity is not provided by the City.
- The Agreement requires the Facility to be relocated, if requested by the City.
- Equipment must be removed upon abandonment of service or termination of Agreement, or it becomes the sole property of the City.
- Carrier to post a Performance Bond in the amount of \$50,000 for up to 50 locations and \$100,000 for more than 50.

Crown Castle Fiber, LLC., has indicated that the company concurs with this latest Agreement.

### **ENVIRONMENTAL ANALYSIS**

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA"), as it can be seen with certainty that it will have no impact on the environment. Thus, this matter is exempt under CEQA.

### **FISCAL IMPACT**

With the City's standard agreement, the City would receive \$270 per year for each installation on a streetlight. At this time, it is not known how many City facilities may be utilized by Crown Castle Fiber, LLC., under this Agreement, but it could reasonably reach a number in the dozens over time. Given the three current small cell facilities operated by Crown Castle, \$810 would be collected annually under the Agreement.

### **RECOMMENDATION**

It is recommended that the City Council determine that this action is exempt under the California Environmental Quality Act ("CEQA"); and approve, authorize and direct the City Manager to execute a Municipal Right-of-Way Facilities Use Agreement with Crown Castle Fiber, LLC., for use of City facilities for the installation, operation, and maintenance of cellular equipment.

Approved:

  
\_\_\_\_\_  
Dominic Lazzaretto  
City Manager

Attachment: City's Municipal Right-of-Way Facilities Use Agreement

**CITY OF ARCADIA**

**MUNICIPAL RIGHT-OF-WAY FACILITIES USE AGREEMENT**

**THIS MUNICIPAL RIGHT-OF-WAY FACILITIES USE AGREEMENT** (“Agreement”) is entered into on \_\_\_\_\_, 2023 (“Effective Date”), by the CITY OF ARCADIA, a California municipal corporation (“City”), and CROWN CASTLE FIBER LLC a New York, limited liability company (“Licensee”). City and Licensee are at times collectively referred to hereinafter as the “Parties” or individually as the “Party.”

**RECITALS**

A. City is the owner of certain Municipal Facilities (as defined in Sec. 1.4 below) located in the Public Way (as defined in Sec. 1.5 below).

B. Licensee desires to use space on certain Municipal Facilities in the Public Way for installation, operation and maintenance of its Equipment (as defined in Sec. 1.1 below) for the transmission and reception of wireless, cellular telephone and/or data communications, and is willing to compensate the City in exchange for a license to use portions of particular Municipal Facilities in the Public Way.

**AGREEMENT**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following covenants, terms, and conditions:

1 **DEFINITIONS.** The following definitions apply generally to the provisions of this Agreement:

1.1 “Equipment” means antennas, fiber optic cables, wires, and related equipment, whether referred to singly or collectively, to be installed and operated by Licensee pursuant to an approved Site License Authorization (as hereinafter defined). Any Equipment must receive prior written approval from the City before it may be installed on any Municipal Facility or placed on or in the Public Way.

1.2 “Installation Date” means the earlier of the installation date listed on the Site License Authorization or the date that any Equipment is first installed by Licensee pursuant to a Site License Authorization issued by the City in accordance with this Agreement and is inspected and approved by City in accordance with its customary permitting procedures. The Installation Date shall be documented in writing following such determination.

1.3 “Laws” means applicable statutes, constitutions, ordinances, resolutions, regulations, judicial decisions, rules, tariffs, administrative orders, certificates, orders, or other requirements of the City or other governmental agency having joint or several jurisdiction over the Parties to this Agreement.

1.4 “Municipal Facilities” means City-owned Streetlight Poles, traffic light poles, lighting fixtures, electroliers, fiber-optic strands and conduit, or other City-owned structures located within the Public Way. These facilities may be referred to in the singular or plural, as appropriate to the context in which used.

1.5 “Public Way” or “Public Rights-of-Way” means the space in, upon, above, along, across, and over the public streets, roads, lanes, courts, ways, alleys, boulevards, sidewalks, bicycle lanes, and places, including all public utility easements and public service easements as the same now or may hereafter exist, that are under the jurisdiction of the City. This term does not include county, state, or federal rights-of-way or any property owned by any person or entity other than the City, except as provided by applicable laws or pursuant to an agreement between the City and any such person or entity.

1.6 “PUC” means the California Public Utilities Commission.

1.7 “Services” means the services specified in the applicable Site License Authorization.

1.8 “Site License Authorization” means an authorization granted by City to Licensee pursuant to this Agreement to install Equipment on a specified Municipal Facility, the form of which is attached hereto as Exhibit A.

1.9 “Streetlight Pole” means any standard-design concrete, fiberglass, metal, or wooden pole that has a mast arm for electrolier or traffic control equipment support and is used for street lighting purposes.

2 **TERM.** This Agreement is effective on the Effective Date as specified in Section 12.11 and will be for a term of ten (10) years commencing on the Effective Date, unless earlier terminated by either party in accordance with the provisions of Section 10. Within six months prior to the expiration of the initial 10-year term, and upon Licensee’s written request, the parties will meet and confer with regard to a five-year renewal or extension of this Agreement, and the terms and conditions applicable to any such renewal or extension. Any holding over after the expiration of the term shall constitute a default by Licensee, notwithstanding that City may elect to accept one or more payments of fees from Licensee.

3 **SCOPE OF USE.** All rights expressly granted to Licensee under this Agreement, which will be exercised at Licensee’s sole cost and expense, are subject to the prior and continuing right of the City under applicable laws to use all parts of the Public Way exclusively or concurrently with any other person or entity. Use of the Municipal Facilities is further subject to all deeds, easements, dedications, conditions, covenants, restrictions, encumbrances, and claims of title of record that may affect the Public Way. Nothing in this Agreement may be deemed to grant, convey, create, or vest in Licensee a real property interest in land, including any fee, leasehold interest, or easement. No reference herein to a “Public Way” shall be deemed to be a representation or warranty by City that its interest or other rights to control the use of the Public Way is sufficient to permit its use for Licensee’s purposes, and Licensee shall be deemed to gain only those

rights to use as are properly in City and as City may have the undisputed right and power to give. Nothing in this Agreement shall limit in any way Licensee's obligation to obtain any required regulatory approvals from any City department, board or commission or other governmental agency that has regulatory authority over the Licensee's proposed activities involving use of the Municipal Facilities in the Public Way. All work performed pursuant to the rights granted by this Agreement is subject to the prior review and approval of the City in accordance with its customary permitting procedures (see, Section 5.1 below). Licensee shall have the right to terminate any Site License Authorization at any time during the term. Notice of Licensee's exercise of its right to terminate shall be given to City in accordance with the notice provisions set forth in Paragraph 9 and shall be effective upon the mailing of such notice by Licensee, or upon such later date as designated by Licensee. All Annual Fees paid to said termination date shall be retained by City. The Licensee shall have no further obligations for the payment of Annual Fees to City for the terminated Site License Authorization for the period after the termination date.

**3.1 Attachment to Municipal Facilities.** The City authorizes Licensee to locate, place, attach, install, operate, maintain, control, remove, reattach, reinstall, relocate, and replace Equipment in or on Municipal Facilities subject to the terms of this Agreement. Licensee may only use Municipal Facilities pursuant to an approved Site License Authorization, substantially in the form attached hereto as Exhibit A.

**3.2 No Interference.** Licensee acknowledges and agrees that the primary purpose of the Municipal Facilities is to serve the City and the public. City is willing to permit the installation of Licensee's Equipment in or on Municipal Facilities only where such use will not interfere with City's own existing (as of the Installation Date) and future primary service requirements and facilities, or the primary service requirements of others authorized to use the Municipal Facilities of City existing as of the Installation Date. In the performance and exercise of its rights and obligations under this Agreement, Licensee must not interfere in any manner with the existence and operation of any existing (as of the Installation Date) public or private rights-of-way, sanitary sewers, water mains, storm drains, gas mains, poles, aerial and underground electrical and telephone wires, electroliers, cable television and telecommunications facilities, utilities, existing and future licensed municipal communication frequencies, or existing and future Municipal Facilities, without the express approval of the owner or owners of the affected property or properties, except as authorized by applicable laws or this Agreement. If such interference should occur, Licensee shall discontinue using the Equipment, methodology or technology that causes the interference until Licensee takes corrective measures to eliminate such interference.

In the event that such interference does not cease promptly, Licensee acknowledges that continuing interference may cause irreparable injury and harm, and therefore, in addition to any other remedies, and without limitation of any other remedy, City shall be entitled to seek temporary and permanent injunctions against the breach of this Subsection. Further, Licensee shall install a disconnect device at each Municipal Facility on which it installs Equipment pursuant to a Site License Authorization so that in case of emergency, the City may disconnect such Equipment from its power source and safely shut it down.

3.3 **Compliance with Laws.** Licensee will comply with all applicable laws, including regulations and PUC General Orders, in the exercise of its rights and the performance of its obligations under this Agreement.

3.4 **No Authorization to Install Unauthorized Equipment or Provide Other Services.** Licensee represents that its Equipment installed pursuant to this Agreement will be used solely for the purpose of providing the Services identified in the applicable Site License Authorization and that Licensee will not install unauthorized Equipment for any purpose or use its authorized Equipment to offer or provide any other services. Licensee's failure to comply with these limitations will constitute a material breach of this Agreement. For unauthorized Equipment City, after providing written notice to Licensee, may impose liquidated damages in an amount not to exceed \$1,000, and in addition, Licensee shall from the date of such written notice be obligated to pay for such unauthorized Equipment an amount which is five times the applicable fee in Section 4.1 until the breach is cured by Licensee by applying for and obtaining a Site License Authorization for such unauthorized Equipment. For unauthorized Services, City, after providing written notice to Licensee, may impose liquidated damages in an amount not to exceed \$1,000, and in addition, Licensee shall from the date of such written notice be obligated to pay fees for the Site License Authorization(s) for Equipment being used to provide services not identified in the applicable Site License Authorization(s) in an amount which is five times the applicable fee in Section 4.1 until the breach is cured by Licensee by ceasing to provide such unauthorized services or obtaining the City's consent to provide such services in amended Site License Authorization(s).

4 **COMPENSATION; UTILITY CHARGES.** Licensee is solely responsible for the payment of all fees in connection with Licensee's performance under this Agreement, including those set forth below.

4.1 **Annual Fee.** In order to compensate City for Licensee's entry upon and deployment within the Public Way, and as compensation for the use of Municipal Facilities, Licensee will pay to the City an annual fee (collectively the "Aggregate Annual Fee") that consists of the following:

- (i) Pole Fee. A fee in the amount of Two Hundred Seventy Dollars (\$270.00) ("Pole Fee"), One Thousand Five Hundred Dollars (\$1,500.00) ("Alternate Pole Fee"), or a future amount set by the Federal Communications Commission (FCC) ("New Pole Fee"), as applicable pursuant to Section 4 of this Agreement, for the use of each Streetlight Pole or other similar Municipal Facility located within the City's Right-of-Way used by Licensee;
- (ii) Non-Pole Municipal Facility Fee. A fee ("Non-Pole Fee") in an amount to be agreed by the parties and specified in the applicable Site License

Authorization for use of other Municipal Facilities such as conduit.

The Aggregate Annual Fee to be paid with respect to each year of the term will be based on an amount calculated as of the anniversary of the Effective Date equal to (i) the sum of the number of (a) Streetlight Poles or other similar Municipal Facility upon which Equipment was installed for the entire preceding 12 months, and (b) Streetlight Poles or Municipal Facilities which were not initially installed but contained Equipment, during the preceding 12 months (prorated as appropriate based on Installation Date set forth in the Site License Authorization to the anniversary of the Effective Date and based on 365 days) multiplied by (c) the annual Pole Fee, Alternate Pole Fee, or New Pole Fee, as applicable; and (ii) collectively, the annual Non-Pole Fee calculated as agreed by the Parties and shown in the Site License Authorization (and prorated as appropriate based on the Installation Date set forth in the Site License Authorization to the anniversary of the Effective Date and based on 365 days). The Aggregate Annual Fee is due and payable in arrears and not later than 45 days after each anniversary of the Effective Date. If Licensee discovers any error in the amount of compensation due, the City shall be paid within 30 days after discovery of the error or determination of the correct amount, including interest at the rate specified in Section 4.4. Any overpayment to the City through error or otherwise will be offset against the next payment due, except that adjustments to the Pole Fee in the circumstances covered by Section 4.1.1, 4.1.2, and 4.1.3 shall be prospective and not entitled to any offset.

Acceptance by City of any payment of the Aggregate Annual Fee shall not be deemed a waiver by City of any breach of this Agreement occurring prior thereto, nor will the acceptance by City of any such payment preclude City from later establishing that a greater amount was actually due or from collecting any balance that is due.

4.1.1 Alternate Pole Fee. Notwithstanding Section 4.1, in the event that provisions limiting the amount of the recurring fees that can be charged for use of City's Streetlight Poles or other similar Municipal Facilities set forth in the FCC Declaratory Ruling (FCC 18-133) cease to be effective, the Licensee shall automatically and immediately be obligated to pay the Alternate Pole Fee. In such an instance, the Licensee shall pay the Alternate Pole Fee to the City in the amount described in this paragraph and paragraph 4.1(i) and calculated in accordance with paragraphs 4.1.3 and 4.2. The Alternate Pole Fee shall be subject to an annual adjustment pursuant to Section 4.2 below.

4.1.2 New Pole Fee. Notwithstanding Sections 4.1 and 4.1.1, in the event that provisions limiting the amount of the recurring fees that can be charged for use of City's Streetlight Poles or other similar Municipal Facilities set forth in the FCC Declaratory Ruling (FCC 18-133) are still in effect but the FCC establishes a new safe harbor recurring fee ("New Pole Fee"), any new Site License Authorization entered into thereafter shall commence at the New Pole Fee, subject to annual adjustment under Section 4.2, unless and until an alternate pole fee is applicable under Section 4.1.3.

4.1.3 If Licensee has paid the Pole Fee or New Pole Fee pursuant to the provisions of Sections 4.1 and 4.1.2 above for a calendar year, and the relevant provisions of the FCC Declaratory Ruling subsequently cease to be effective during the same calendar year, the Licensee shall pay the difference between the Pole Fee or New Pole Fee, as applicable, and the Alternate Pole Fee for the period from the date the relevant provisions of the FCC Declaratory Ruling ceased to be effective, until the next anniversary of Effective Date of the Agreement (“Pole Fee Adjustment”). Such Pole Fee Adjustment shall be paid to City along with the next Aggregate Annual Fee payment.

4.1.4 Receipt of any Pole Fee, New Pole Fee, or Alternate Pole Fee by the City, with knowledge of any breach of this Agreement by Licensee, or of any default on the part of Licensee in the observance or performance of any of the conditions or covenants of this Agreement, shall not be deemed a waiver of any provision of this Agreement.

4.2 **Annual Adjustment.** Commencing on the first anniversary of the Effective Date and continuing on each anniversary thereafter during the term, the Pole Fee, New Pole Fee, or Alternate Pole Fee, as applicable, and Non-Pole Fee for the ensuing year will be increased by four percent (4%).

4.3 **Electricity Charges.** The Equipment must have an independent source of electricity and may not draw electricity from the power associated with the Municipal Facility to which it is attached or installed. Licensee is solely responsible for the payment to the utility service provider of all electrical utility charges that are attributable to the Equipment’s usage of electricity, including the cost of installing meters for any item of Equipment.

4.4 **Delinquent Payment.** If Licensee fails to pay any amounts due to City under this Section 4 within 30 days from the specified due date, Licensee must pay, in addition to the unpaid fees, a sum of money equal to two percent (2%) of the amount due for each month or fraction thereof during which the payment is due and unpaid.

5 **CONSTRUCTION.** Licensee must comply with all applicable federal, state, and City technical specifications and requirements and all applicable state and local codes related to the construction, installation, operation, maintenance, and control of Licensee’s Equipment installed in or on Municipal Facilities in the City. Licensee may not attach, install, maintain, or operate any Equipment in or on Municipal Facilities without the City’s prior written approval for each location. Licensee shall keep the Municipal Facilities free and clear from any liens arising out of any work performed, material furnished or obligations incurred by or for Licensee.

5.1 **Obtaining Required Permits.** Notwithstanding the provisions of Sections 3.1 and 5.2, Licensee acknowledges that any installation of Equipment shall also be subject to a City encroachment permit (as set forth in Arcadia Municipal Code, Sections 7300 et seq.). Licensee agrees to comply with the City’s current

ordinances regarding such installations as well as any future regulations that may be adopted by the City respecting such installations that are consistent with the City's rights under applicable law.

**5.2 Location of Equipment.** The proposed locations of Licensee's planned initial installation of Equipment will be provided to the City promptly after Licensee's review of available Municipal Facilities maps and prior to any deployment of the Equipment. Prior to installation of the Equipment in or on any Municipal Facility, Licensee must obtain the City's prior written approval. Licensee will submit an application to the authorized representative of the City for a Site License Authorization showing the proposed design for any proposed installations including Equipment in or on Municipal Facilities which Licensee desires to use. The City may approve, approve with conditions, or disapprove a location and installation, in its sole discretion. Any approved Equipment shall be included as part of an applicable Site License Authorization. If Licensee selects a Municipal Facility that is structurally inadequate to accommodate Equipment, Licensee may at its sole cost and expense replace the Municipal Facility with one that is acceptable to and approved by the City as part of the Site License Authorization, and dedicate such replacement Municipal Facility to City. Upon the completion of each installation, Licensee must promptly furnish to the City a current list and map that identifies the exact location of the Equipment in or on the Municipal Facility. That information must be provided in a format that is compatible with City's information technology, including but not limited to ESRI compatible GIS shapefiles. Licensee may replace its approved Equipment with like-kind or similar Equipment without prior written approval of City hereunder. However, if Licensee proposes to install Equipment which is different in any material way from the then-existing and approved Equipment, then Licensee shall first obtain the written approval for the use and installation of the unauthorized Equipment from the City. Any such approval shall take the form of an amendment to the applicable Site License Authorization.

**5.3 Relocation and Displacement of Equipment.** This Agreement creates no right in Licensee to receive any relocation assistance or payment for any reason under the Relocation Assistance Act, the Uniform Relocation Assistance Act or under any existing or future law upon any termination of tenancy. Licensee acknowledges that City may require Licensee to relocate one or more of its Equipment installations. Licensee will at City's direction relocate that Equipment, at Licensee's sole cost and expense, whenever City reasonably determines that the relocation is needed for any of the following purposes: (a) if required for the construction, completion, repair, relocation, or maintenance of a City project; (b) because the Equipment is interfering with or adversely affecting proper operation of City-owned Streetlight Poles, traffic signals, or other Municipal Facilities; or (c) to protect or preserve the public health or safety. Within sixty (60) days after receipt of notice from the CITY, Licensee shall relocate the Equipment. If Licensee fails to relocate any Equipment as requested by the City in sixty (60) days under the circumstances described above, City is entitled to relocate the Equipment at Licensee's sole cost and expense, without further notice to Licensee. To the extent City has actual knowledge thereof, the City will endeavor promptly to inform Licensee of the displacement or removal of any Municipal Facility on which any Equipment is located. Licensee's obligations to reimburse the City for relocation of Equipment under this section shall survive the expiration or termination of this Agreement.

5.4 **Relocations at Licensee's Request.** If Licensee desires to relocate any Equipment from one Municipal Facility to another, Licensee must so advise City by submitting an application for a Site License Authorization for the new location. City will use reasonable efforts to accommodate Licensee by making another reasonably equivalent Municipal Facility available for use in accordance with and subject to the terms and conditions of this Agreement.

5.5 **Damage to Municipal Facilities or Public Way.** Whenever the removal or relocation of Equipment is required or permitted under this Agreement, and that removal or relocation causes the Municipal Facilities or Public Way to be damaged, Licensee, at its sole cost and expense, must promptly repair and return the Municipal Facilities or Public Way to a safe and satisfactory condition as directed by, and to the reasonable satisfaction of, the City Engineer. If Licensee does not repair the site as required above, then City will have the option, upon 15 days' prior written notice to Licensee, to perform or cause to be performed all reasonable and necessary work on behalf of Licensee. City may charge Licensee for all actual and reasonable costs incurred by City, in the manner that City customarily determines costs if the work is performed by City, or at actual cost if the work is performed by a third party. Upon receipt of a demand for payment by City, Licensee must promptly reimburse City for those costs, which obligation shall survive the expiration or termination of this Agreement.

5.6 **Removal of Equipment.** Licensee shall remove the Equipment within 60 days after abandonment of the Municipal Facility or termination of this Agreement or the applicable Site License Authorization, at Licensee's sole cost and expense. If Licensee fails to remove the Equipment, City is entitled to remove and dispose of the Equipment at Licensee's sole cost and expense, upon 30 days written notice to Licensee. In lieu of removal at Licensee's sole cost and expense, any Equipment that is abandoned and not removed by Licensee within the time frames set forth in this section may be declared by the City (by providing written notice to Licensee after expiration of the 60-day period) to have become its sole and exclusive property, after which the City may utilize or dispose of the Equipment as it sees fit. Licensee's obligations to reimburse the City for removal and disposal of Equipment under this section shall survive the expiration or termination of this Agreement.

5.7 **Risk of Loss.** Licensee acknowledges and agrees that Licensee bears all risks of loss or damage of its Equipment and materials installed in or on Municipal Facilities pursuant to this Agreement from any cause, and the City shall not be liable for any cost of repair to damaged Equipment, including, without limitation, damage caused by the City's removal of the Equipment, except to the extent that such loss or damage was solely caused by the willful misconduct or negligence of the City, including, without limitation, each of its elected officials, department directors, managers, officers, agents, employees, and contractors, subject to the limitation of liability provided in Section 6.2 below.

6 **INDEMNIFICATION AND WAIVER.** Licensee will indemnify, defend, protect, and hold harmless the City, its councilmembers, officers, employees, agents, and contractors, from and against liability, claims, demands, losses, damages, fines,

charges, penalties, administrative and judicial proceedings and orders, judgments, and all costs and expenses incurred in connection therewith, including reasonable attorneys' fees and costs of defense (collectively, the "Losses") arising from, resulting from or caused by Licensee's activities undertaken pursuant to this Agreement including activities undertaken by its employees, officers, agents and contractors, except to the extent arising from or caused by the negligence or willful misconduct of the City, its councilmembers, officers, employees, agents, or contractors.

6.1 **Waiver of Claims.** Licensee waives all claims, demands, causes of action, and rights it may assert against City on account of any loss, damage, or injury to any Equipment, or any loss or degradation of the Services, resulting from any event or occurrence that is beyond the City's reasonable control.

6.2 **Limitation of City's Liability.** City will be liable only for the cost of repair to damaged Equipment arising from the sole negligence or willful misconduct of City, its employees, agents, or contractors, and will in no event be liable for indirect or consequential damages.

7 **INSURANCE.** Licensee shall carry and maintain during the term of this Agreement Commercial General Liability insurance in the amount of One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage, and in an amount of Two Million Dollars (\$2,000,000) general aggregate including personal and advertising injury and products-completed operations, and Commercial Automobile Liability in the amount of One Millions Dollars (\$1,000,000) combined single limit each accident for bodily injury and property damage. The Commercial General Liability insurance policy shall include the City, its councilmembers, officers, and employees as an additional insured as their interest may appear under this Agreement as respects any covered liability arising out of Licensee's performance of work under this Agreement. Coverage must be in an occurrence form and in accordance with the limits and provisions specified herein. Claims-made policies are not acceptable. Upon receipt of notice from its insurer, Licensee will use its best efforts to provide the City with thirty (30) days prior written notice of cancellation

7.1 **Filing of Certificates and Endorsements.** Prior to the commencement of any work pursuant to this Agreement, Licensee must file with City the required original certificates of insurance with blanket additional insured endorsements, which must state the following:

- (a) The policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts; and
- (b) That Licensee's Commercial General Liability insurance policy is primary as respects any other valid or collectible insurance that City may possess,

including any self insured retentions that City may have; and that any other insurance the City possesses will be considered excess insurance only and will not be required to contribute with this insurance.

The certificates of insurance with blanket additional insured endorsements and notices must be emailed to the City at the address specified below in Section 9.

**7.2 Workers' Compensation Insurance.** Licensee shall obtain and maintain at all times during the term of this Agreement statutory workers' compensation and employer's liability insurance in an amount of One Million Dollars (\$1,000,000) each accident/disease/policy limit, and must furnish to City a certificate showing proof of that coverage.

**7.3 Insurer Criteria.** All insurance policies obtained by Licensee must be issued by companies that are admitted and licensed or authorized to do business in the State of California and that have a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A" Overall and a Financial Size Category of "X" (i.e., a size of \$500,000,000 to \$750,000,000 based on capital, surplus, and conditional reserves). Insurance policies and certificates issued by non-admitted insurance companies are not acceptable.

**7.4 Severability of Interest.** All deductibles or self-insured retentions must be stated on the certificates of insurance, which must be sent to and approved by City, provided however, this sentence shall not apply to Tenant provided Tenant reasonably demonstrates to the City's satisfaction that it has a net worth in excess of \$100 million. City may request proof of Tenant's net worth at any time(s) during the term of this Agreement. In no event shall Tenant be required to provide information the disclosure of which could be interpreted to be in breach of any state or federal securities regulations. Tenant acknowledges that City is a public agency subject to the California Public Records Act, and therefore the parties agree that should Tenant provide any information pursuant to this Section 7.4 which Tenant claims to be confidential and/or proprietary ("Confidential Information"), then City shall use reasonable efforts not to disclose, reproduce, or disseminate the Confidential Information without the prior express written consent of Tenant; provided however that City may, upon request and if deemed legally necessary to comply with the California Public Records Act or other applicable law, release such Confidential Information without first obtaining Tenant's consent and without any liability to Tenant. "Severability of interest" or "separation of insureds" clauses shall be made a part of the Commercial General Liability and Commercial Automobile Liability policies.

**8 PERFORMANCE BOND.** In order to secure the performance of its obligations under this Agreement, Licensee will provide the following security instrument to the City:

**8.1 Performance Bond.** Prior to the commencement of any work under this Agreement, Licensee must provide a performance bond running to the

City, in the sum of: (i) for 1-25 Site License Authorizations, a total sum of Twenty-Five Thousand Dollars (\$25,000); (ii) for 25-50 Site License Authorizations, a total sum of Fifty Thousand Dollars (\$50,000); and 51 or more Site License Authorizations, a total sum of One Hundred Thousand Dollars (\$100,000). If Licensee expands the number of Site License Authorizations during the term of this Agreement, Licensee shall adjust its performance security in accordance with the scale identified above. The performance bond is conditioned upon the performance by Licensee of all the terms and conditions of this Agreement and upon the further condition that if Licensee fails to comply with any terms or conditions governing this Agreement, there shall be recoverable jointly and severally from the principal and surety of the bond any damage or loss suffered by the City as a result, including the full amount of any compensation, or costs of removal or abandonment of Licensee's property, plus costs and reasonable attorneys' fees up to the full amount of the performance bond. Licensee will keep the performance bond in place during the term of this Agreement.

8.2 **Assessment of the Bond.** Upon Licensee's failure to pay the City any amount owing under this Agreement, the performance bond may be assessed by the City for purposes including, but not limited to:

- (a) Reimbursement of costs borne by the City to correct violations of the Agreement not corrected by Licensee, after City provides notice and a reasonable opportunity to cure such violations.
- (b) To provide monetary remedies or to satisfy damages assessed against Licensee due to a material breach of this Agreement.

8.3 **Restoration of the Bond.** Licensee must deposit a sum of money or a replacement instrument sufficient to restore the performance bond to its original amount within 30 days after written notice from the City that any amount has been recovered from the performance bond. Failure to restore the bond to its full amount within 30 days will constitute a material breach of this Agreement. Licensee will be relieved of the foregoing requirement to replenish the bond during the pendency of an appeal from the City's decision to draw on the performance bond.

8.4 **Costs of Collection.** If the performance bond is drawn upon, all of City's costs of collection and enforcement of the provisions relating to the bond that are specified in this section, including reasonable attorneys' fees and costs, will be paid by Licensee.

8.5 **Required Endorsement.** The performance bond is subject to the approval of the City Attorney and must contain the following endorsement:

*"This bond may not be canceled until sixty (60) days after receipt by the City Attorney, by registered mail, return*

*receipt requested, of a written notice of intent to cancel or not to renew.”*

**8.6 Reservation of City Rights.** The rights reserved by the City with respect to the performance bond are in addition to all other rights and remedies the City may have under this Agreement or any other law.

**8.7 Admitted Surety Insurer.** The surety supplying the bond shall be an “admitted surety insurer”, as defined in Code of Civil Procedure §995.120 and authorized to do business in the State of California.

**9 NOTICES.** All notices to be given pursuant to this Agreement must be in writing and delivered personally or transmitted (a) through the United States mail, by registered or certified mail, postage prepaid; or (b) by means of prepaid overnight delivery addressed as follows:

If to City:

CITY OF ARCADIA  
Attn: Jason Kruckeberg  
Assist. City Manager  
240 West Huntington Drive  
Arcadia, CA 91066 If to Licensee:

If to Licensee:

CROWN CASTLE FIBER LLC  
c/o Crown Castle  
Attn: Ken Simon, General Counsel, with a copy sent to  
Contracts Management  
2000 Corporate Drive  
Canonsburg, PA 15317

**9.1 Date of Notices; Changing Notice Recipient or Address.** Notices will be deemed given upon receipt in the case of personal delivery, three days after deposit in the mail, or the next business day in the case of facsimile, email, or overnight delivery. Either Party may from time to time designate any other recipient or address for this purpose by written notice to the other Party delivered in the manner set forth above.

**10 TERMINATION FOR DEFAULT.** Upon a default by the other Party of any material covenant or term of this Agreement, or of a Site License Authorization, which default is not cured within 45 days of receipt of written notice of default (or, if such default is not curable within 45 days, if the defaulting party fails to commence that cure within 45 days or fails thereafter diligently to prosecute such cure to completion) the non-defaulting Party may terminate the Agreement, if such failure is in relation to the Agreement as whole, or may terminate any individual Site License Authorization, if such failure is in connection solely with such Site License Authorization, upon 45 days’ prior written notice to the other Party; provided, that the grace period for any monetary default will be 10 days from receipt of notice.

11 **ASSIGNMENT.** This Agreement and each Site License Authorization under it may be sold, assigned or transferred by the Licensee with notice to City but without any approval or consent of the City to any entity that controls or is controlled by Licensee, or is under common control with Licensee. For purposes of this section, an entity shall be deemed to control another entity if it owns or controls, directly or indirectly, at least fifty percent (50%) of the voting equity of another entity (or other comparable interest for an entity other than a corporation). Any permitted assignee, buyer, or transferee shall assume all obligations of its assignor under the Agreement and be bound by all the terms and conditions, and it shall provide a written acknowledgement of such to the City within thirty (30) days after the assignment. Further, notice of such an assignment must be provided by Licensee to the City within thirty (30) days after the assignment. This Agreement may not otherwise be assigned by Licensee without the express written consent of City, which consent will not be unreasonably withheld, conditioned, or delayed.

12 **MISCELLANEOUS PROVISIONS.** The following provisions apply generally to the obligations of the Parties under this Agreement.

12.1 **Nonexclusive Use.** Licensee acknowledges that this Agreement does not provide Licensee with exclusive use of any Municipal Facility and that City retains the right to install and to permit others to install equipment or devices in or on Municipal Facilities provided the same does not interfere with Licensee's use of the Municipal Facility (unless required to serve City's own primary service requirements).

12.2 **Waiver of Breach.** The waiver by either Party of any breach or violation of any provision of this Agreement will not be deemed to be a waiver or a continuing waiver of any subsequent breach or violation of the same or any other provision of this Agreement.

12.3 **Severability of Provisions.** If any provision of this Agreement is held by court of competent jurisdiction in a final judicial action to be void, voidable, or unenforceable, that provision will be deemed to be severable from the remaining provisions of this Agreement and will not affect the legality, validity, or constitutionality of the remaining portions of this Agreement. Each Party represents that it would have entered into this Agreement, and each of its provisions, regardless of whether any one or more provisions may be declared illegal, invalid, or unconstitutional.

12.4 **Contacting Licensee.** Licensee will be available to the employees of any City department having jurisdiction over Licensee's activities 24 hours a day, seven days a week, regarding problems or complaints resulting from the attachment, installation, operation, maintenance, or removal of the Equipment. City may contact by telephone the Licensee at telephone number 888-632-0931 regarding these problems or complaints.

12.5 **Governing Law; Jurisdiction.** This Agreement will be governed and construed by and in accordance with the laws of the State of California, without reference to its conflicts of law principles. If suit is brought by a party to this Agreement, the parties agree that trial of that action will be vested exclusively in the state

courts of California, County of Los Angeles, or in the United States District Court for the Southern District of California.

12.6 **Attorneys' Fees.** If any dispute arising out of this Agreement results in litigation, the prevailing Party will be entitled to recover its costs of suit, including (without limitation) reasonable attorneys' fees.

12.7 **AS IS CONDITION OF MUNICIPAL FACILITIES.** Municipal Facilities licensed to Licensee pursuant to this Agreement are licensed to and accepted by Licensee "as is" and with all faults. The City makes no representation or warranty of any kind as to the present or future condition of or suitability of the Municipal Facilities for Licensee's use and disclaims any and all warranties express or implied with respect to the physical, structural, or environmental condition of the Municipal Facilities and the merchantability or fitness for a particular purpose. Licensee is solely responsible for investigation and determination of the condition and suitability of any Municipal Facility for Licensee's intended use.

12.8 **Representations and Warranties.** Each of the Parties represents and warrants that it has the full right, power, legal capacity, and authority to enter into and perform its obligations hereunder and that those obligations will be binding upon that Party without the approval or consent of any other person or entity. Licensee represents that it has a franchise or other authorization to use the Public Ways for purposes contemplated in this Agreement. City represents that City owns all Municipal Facilities for the use of which it is collecting from Licensee the Annual Fee pursuant to this Agreement.

12.9 **Amendment of Agreement.** This Agreement may be amended only by a written instrument signed by both Parties.

12.10 **Entire Agreement.** This Agreement contains the entire understanding between the Parties with respect to its subject matter. There are no representations, agreements, or understandings (whether oral or written) between or among the Parties relating to the subject matter of this Agreement that are not fully expressed herein.

12.11 **Effective Date.** It is the intention of the parties that Licensee will first execute this Agreement and then submit it to the City. The effective date will be the date on which this Agreement is executed on behalf of the City. The City Clerk will insert the effective date in the introductory paragraph of all counterparts of this Agreement, attest to their execution by a duly authorized officer of the City, and transmit one or more fully executed counterparts to Licensee.

TO EFFECTUATE THIS AGREEMENT, each of the Parties has caused this Agreement to be executed by its duly authorized representative as of the date set forth below the authorized signature.

APPROVED AS TO FORM:

CITY OF ARCADIA

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

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

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

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

ATTEST:

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

LICENSEE  
CROWN CASTLE FIBER LLC

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

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

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

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

Exhibit "A"  
Site License Authorization

1. Licensee has submitted an application for a Site License Authorization ("Authorization") pursuant to that certain Municipal Right-of-Way Facilities Use Agreement between the City of Arcadia and Licensee dated \_\_\_\_\_ 2023 ("Agreement").
2. City has reviewed the application and grants approval subject to the terms of this Authorization.
3. All of the terms and conditions of the Agreement are incorporated hereby by reference and made a part hereof without the necessity of repeating or attaching the Agreement. In the event of a contradiction, modification or inconsistency between the terms of the Agreement and this Authorization, the terms of this Authorization shall govern. Capitalized terms used in this Authorization shall have the same meaning described for them in the Agreement unless otherwise indicated herein.
4. Project Description and Locations. Licensee shall have the right to attach the Equipment described in Attachment 1 to the specific space on or in the specific Municipal Facility identified in Attachment 2.
5. Services. The Equipment shall be used for constructing, maintaining, repairing and operating a communications facility and uses incidental thereto.
6. Term. The term of this Authorization shall be as set forth in Section 2 of the Agreement.
7. Annual Fees. Pole Fee [*insert applicable starting amount per Section 4*]  
  

**Non-Pole Fee** [*if applicable, insert negotiated amount per Sec. 4.1*]

Annual Fees are subject to 4% annual increase as provided in Section 4.2 of the Agreement
8. Installation Date. The earlier of \_\_\_\_\_ or the date that any Equipment is first installed by Licensee pursuant to a Site License Authorization issued by the City in accordance with the Agreement and is inspected and approved by City in accordance with its customary permitting procedures. The Installation Date shall be documented in writing following such determination.
9. Additional Conditions.
  - a. If this site license authorization is not counter-signed by Licensee and returned Licensor within 30 days after receipt of the authorization by the Licensee, it shall

be void and of no legal effect. If Licensee still wants to use the Municipal Facility, Licensee will be required to submit a new permit application and associated fees.

CITY OF ARCADIA

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

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

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

ACCEPTED BY LICENSEE:

LICENSEE  
CROWN CASTLE FIBER LLC

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

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

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

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



# STAFF REPORT

Office of the City Manager

**DATE:** May 2, 2023

**TO:** Honorable Mayor and City Council

**FROM:** Dominic Lazzaretto, City Manager  
By: Justine Bruno, Deputy City Manager

**SUBJECT:** REPORT, DISCUSSION, AND DIRECTION REGARDING CITY EVENTS INCLUDING A SPONSORSHIP REQUEST FROM THE DOWNTOWN ARCADIA IMPROVEMENT ASSOCIATION FOR THE ANNUAL FOURTH OF JULY CELEBRATION

**CEQA: Not a Project**

**Recommendation: Provide Direction**

## SUMMARY

Over the past few decades, community events have become an increasingly important offering of municipalities. Events can serve to attract visitors and generate tourism that boosts the local economy. Additionally, events provide space for residents to gather, connect, and build community. Local events provide numerous benefits, which is why Arcadia opts to support events both directly and indirectly. Over time, the type and scale of events offered in Arcadia has changed, but the desire to outreach and engage through community events has persisted. Recently, members of the City Council have contemplated the idea of expanding Arcadia's event offerings. This presentation will allow the City Council to explore this concept further and receive important background information regarding current offerings and resource use for events.

An overview of the type of events led by the City and the level of resources used in the production will be covered. Additionally, the potential impacts of adding new events and the feasibility of doing so will be explored. As part of this discussion, a recent funding request from the Downtown Arcadia Improvement Association will be raised for City Council consideration. It is important that both City-led and City-sponsored events be considered holistically, so the City Council can provide direction on their vision for community events going forward.

It is recommended that the City Council provide direction regarding City event offerings, including the request for \$20,000 in direct funding to support the annual July Fourth event/Patriotic Festival hosted by the Downtown Arcadia Improvement Association.

## **BACKGROUND**

Many of the City’s public-facing events are primarily led and funded by two departments: the City Manager’s Office and Recreation and Community Services. Other City departments may host public events, but not at a comparable frequency or scale. For City-led events, production costs entail the purchase of supplies and materials, staffing for the event, promotion and marketing, equipment rental, sanitation services, setup, tear down, and security.

For discussion purposes, City events can be defined when there is public assembly for leisure, social, or cultural purposes, occurring on a one time or limited basis. Conversely, City programming can be defined as a set of structured activities geared towards accomplishing defined goals, occurring on an ongoing or habitual basis. Based on these definitions, some examples of current City event and program offerings can be delineated as such:

### City Event

- Community Bike Ride
- Mayor’s Breakfast & State of the City
- Snow Festival
- Concerts & Movies in the Park
- Trick-or-Treat at the Library
- Holiday Tree Lighting
- Volunteer Appreciation Event
- Breakfast with Santa
- National Night Out
- Community Cleanup Day
- Lunar New Year Luncheon
- Eggstravaganza & Teen Egg Hunt

### City Program

- Senior Bingo/Lunches/Dances
- Coffee with the Mayor
- Leadership Academy
- After-school programs
- The Movies You Missed
- Preservation workshops
- Storytime at the Library
- Museum History Talks
- Neighborhood Watch
- Coyote Town Halls
- School Track Meets
- Kids summer/winter camps

The list above provides a snapshot of event offerings that are hosted and funded by the City, with the number of attendees ranging from a few hundred to a few thousand per event. For these events, the City serves as the lead agency and is responsible for all aspects of the event including the location, preparation, staffing, materials, supplies, ticketing, and cleanup.

### Events Expenses & Cost Recovery

City-hosted events have variable expenses, with some costing as little as \$4,000 as in the case of the Holiday Tree Lighting, up to \$34,000 for the Volunteer Appreciation Event. Most City events do not seek cost recovery; however, for the handful of events that do (Mayor’s Breakfast and State of the City, Eggstravaganza, Breakfast with Santa, Nature Hikes, and Father-Daughter Dance), ticket sales and sponsorships offset between 35% and 78% of costs. What is seldom quantified in the event cost is the staff time invested in facilitating the event. Regardless of the event, there are always 1-5 salaried staff

members that help oversee and facilitate the production of the event, with their time unaccounted for in the expense totals. If salaried staff time was included in the event expenses, the event costs would increase by hundreds, if not thousands, of dollars per event.

#### Cost Sharing on Partnered Events

Historically, the City has partnered with private or other non-profit entities to bring more event offerings to Arcadia. Examples of these events include the Lunar New Year Luncheon with the Arcadia Chinese Association (“ACA”); the Halloween Haunt with the Downtown Arcadia Improvement Association; Law Day with legal partners and the ACA; and a Moon Festival with the ACA. For these events, the City and the non-profit split costs for hosting the event through in-kind and direct contributions.

#### Outside Event Support

Around 2015, the City Council authorized the City Manager to extend in-kind support to any event that advanced the goals of creating or expanding a sense of community, provided there was sufficient budgetary capacity and the support remained within the City Manager’s signature authority (which was \$10,000 at that time). Since then, the City has increased its participation in community events hosted and run by outside agencies.

Examples of these events include Police, Fire, and Public Works Services Department support for Downtown Arcadia Improvement Association events, like the July Fourth Celebration/Patriotic Festival and the Holiday Fair. Additionally, the City regularly supports events held at the Shops at Santa Anita, the Arboretum, and at Santa Anita Park. For events like the Derby Day 5k Run/Walk and the Festival of Bands, the City Council has specifically granted fee waivers for public safety services.

In addition, there are community events the City assists with, but charges full cost recovery. An example of this is the 626 Night Market, where the organizers reimburse the City fully for police, fire, and medical support.

#### New Funding Request – Patriotic Festival

On March 9, 2023, DAIA President Erik Wahl, sent a letter to the City Council requesting monetary assistance to support the July 2023 Patriotic Festival. In its letter requesting funding, the DAIA asserted that due to the number of attendees the Patriotic Festival draws, a direct economic benefit for Arcadia, especially Downtown businesses is produced. In particular, \$20,000 was requested to expand the time of the firework display, which costs approximately \$2,000 per minute of fireworks. In the words of the DAIA, the additionally \$20,000 would be apportioned in the following manner:

- \$10,000 toward the firework display for additional time (adding 3 more minutes) and a fuller experience;
- \$ 4,000 toward increased equipment rentals (stage, electricity, seating, tables, and accessible restrooms for the public);

- \$ 3,000 toward increased security and safety measures; and
- \$ 3,000 toward additional advertising and marketing.

The property owners in downtown Arcadia approved the creation of a Community Benefits District, named the Downtown Arcadia Improvement Association, in 2013. The City of Arcadia owns 5 parcels within the downtown area and, as a member of the DAIA, has paid \$5,400 in assessments this Fiscal Year, which is about 4.2% of the DAIA's total Assessment Revenue. Since its inception in 2013, the City has contributed an average of \$5,600 each year, or approximately \$56,000 thus far.

During its formation, the DAIA created bylaws that limit how their tax assessment can be spent; specifically, the bylaws require that assessment revenue can be spent for the following purposes:

- 48% for District Identity & Branding;
- 27% for Program Management;
- 21% for Sidewalk Beautification and Improvement; and
- 4% for Contingency.

While the DAIA maintains the ability to modify their bylaws and adjust revenue allocations, the 48% earmarked for District Identity & Branding is primarily used to fund Downtown events. With this 48% cap on event spending, a maximum of \$62,300 of the 2023 assessment could be allocated to fund Downtown events this year. According to the DAIA, the bylaws are constraining event funding considering the Patriotic Festival, with a budget of \$62,000, consumes the entire events budget without accounting for the costs of the Halloween Haunt (\$5,000 budget) and the Holiday Fair (\$34,000 budget).

## **DISCUSSION**

The City of Arcadia has long recognized the value of providing events for members of the public to enjoy. Community events help attract visitors to the City and showcase the quality of life in Arcadia. Local events also serve as a gathering place for community members to be entertained, learn more about Arcadia, and build connection. Understanding the continued value in providing events, the following questions for the City Council remain:

### **Provide Direction on Current Event Offerings & Resource Use**

As a general rule of thumb, if the City were to put on a large-scale "signature event" for something like Lunar New Year or a Moon Festival, a budget of \$40,000-\$60,000 would be requested. Something could be provided on a much smaller scale at lower funding levels.

One thing to note is that, based on current resources, the City would be unable to provide any new events without reducing any of the existing offerings or receiving additional

resources – specifically, an events coordinator position would be requested to oversee all community events that happen throughout the year. The fully burdened costs for a Special Event Supervisor that would oversee City events is estimated around \$115,000 for salary, benefits, and supplies.

Currently, the City directs and funds over 20 different events throughout the year. Funding City events costs about \$155,000 annually, with the City recovering nearly 15% of those costs, for a net expenditure of about \$132,000 annually. Staffing for City events involves both exempt and non-exempt employees but requires the assistance of 8-9 employees, on average, per event. Beyond City-led events, many departments assist non-profits and outside agencies by providing public safety, traffic control, and equipment rental services. This assistance is applied to larger community events like the Patriotic Festival, Halloween Haunt, Holiday Fair, Derby Day 5k Run/Walk, the 626 Night Market, the Arboretum Light Show, and the Geld Drop/Menorah Lighting.

If the City Council would like to add more events to Arcadia's existing offerings, more guidance is needed regarding the type of events the City should host, the level of funding to be allocated to support events, and whether any of the existing events should be discontinued in the place of new events.

#### Funding Request for Patriotic Festival

In addition to contributing to the annual assessment, the City has consistently helped subsidize DAIA events through in-kind services. The events held by the DAIA require Police, Fire, and Public Works Services Departmental assistance. While public safety costs are paid by the DAIA, Public Works Services and City Manager's Office support is not, which accounts for another \$8,000 - \$10,000 of in-kind support annually.

The Patriotic Festival budget for 2023 is \$62,000, which is 47% of the Downtown's annual assessment of \$129,800. With one event comprising nearly half of the district's total revenue, the DAIA has turned to fundraising and sponsorships to cover the difference. With the City's \$20,000 contribution, the City would be directly funding nearly one-third of the overall event in addition to the in-kind contributions and payments made to the DAIA as members of the District.

The City Council should consider the precedential nature of this request. Without any long-term changes to the DAIA's revenue stream or event spending, the City Council should expect similar requests annually. In addition, directly financially assisting this event may result in requests for direct assistance from other event organizers.

In total, Arcadia provides the DAIA nearly \$15,000 annually between the assessment revenue and the in-kind contributions for event support. Based on the information provided by the DAIA for the proposed use of the funding, it is recommended that City Council offer a contribution for a lower amount or consider waiving more of the affiliated public safety costs in lieu of a direct contribution. If the City were to participate in this

singular event at the requested level, it might be more appropriate for Arcadia to have a larger role in planning and organizing the event.

### **ENVIRONMENTAL ANALYSIS**

The direction being sought is not considered a project under the California Environmental Quality Act (“CEQA”). Any future decision on City Council action related to City event funding and support will return to the City Council with an accompanying environmental analysis.

### **FISCAL IMPACT**

If the City Council directs staff to add more events, staff will provide estimated costs depending on the scope and size of the event. Additionally, if the City Council would like to grant \$20,000 to the DAIA for the Patriotic Festival, those monies would be fulfilled through the General Fund and added to the Fiscal Year 2022-23 Budget.

### **RECOMMENDATION**

Based on the information and options presented in the staff report, it is recommended that City Council provide direction regarding City event offerings, including the request for \$20,000 in direct funding to support the annual July Fourth event/Patriotic Festival hosted by the Downtown Arcadia Improvement Association.

Attachment: DAIA Letter for Funding Request



March 9, 2023

Mayor Cheng, Mayor Pro Tem Verlato, Council Members Cao, Kwan, and Wang  
Arcadia City Council, City of Arcadia  
240 W. Huntington Dr.  
Arcadia, CA 91007

Dear Mayor Cheng, Mayor Pro Tem Verlato, Council Members Cao, Kwan, and Wang :

It is the Downtown Arcadia Improvement Association's understanding that the City of Arcadia has agreed to provide funding to support our annual July 4<sup>th</sup> Patriotic Festival. Providing funding for this event will help us to make this event better organized, more entertaining and more enticing for the residents of Arcadia to come out and be more involved in our community.

The City of Arcadia really has only a handful of city-wide events that bring out our local residents and the Downtown Arcadia Improvement Association is proud to say that we have been the primary force behind the creation and annual celebration of most of these events. Our events regularly pull in minimum 5,000 Arcadians but the Patriotic Festival in particular has been bringing in 15,000+ every year. The financial gain to the city and the local businesses is immense. We conservatively assume a 6:1 return on every dollar spent in funds returned back to the local businesses and city. In 2022, our Patriotic Festival expense was just over \$65,000 and we conservatively assume that 15,000 minimum citizens showed up to celebrate with us. Assuming that the average spend per citizen is \$30, the financial gain on this evening was \$450,000. Based on our expense, the return was 6.9:1. That's a fantastic return and very encouraging for all local businesses.

It is our understanding that the City of Arcadia will provide the DAIA additional funds for the fiscal year starting July 1, 2023. We respectfully would ask that the city match our firework entertainment expense that in 2022 equaled \$20,537. Our expense equals just over \$2,000 per minute of fireworks. Matching our budget number would give us the opportunity to pull even more citizens out to watch. The more citizens that attend, the more money spent at our local businesses.

**Certainly, providing funds to our Patriotic Festival gives the city its best Bang for the Buck!**

The Downtown Arcadia Improvement Association thanks the City of Arcadia for your generosity.

Sincerely,

Erik Wahl, President  
Downtown Arcadia Improvement Association

Downtown Arcadia Improvement Association  
P.O. Box 661960, Arcadia, CA 91066



# STAFF REPORT

Office of the City Manager

**DATE:** May 2, 2023

**TO:** Honorable Mayor and City Council

**FROM:** Dominic Lazzaretto, City Manager  
By: Justine Bruno, Deputy City Manager

**SUBJECT:** REPORT, DISCUSSION, AND DIRECTION REGARDING FRONT-OF-PACKAGE LABELING FOR FOOD PRODUCTS  
**CEQA: Not a Project**  
**Recommendation: Provide Direction**

## **SUMMARY**

At the regular City Council meeting on March 21, 2023, Mayor Pro Tem Verlato received support to place the topic of front-of-package food labeling on a future City Council Agenda. This agenda item brings forward the topic of front-of-package labeling and potential options for the City Council to consider in support of this initiative. At the conclusion of the discussion, it is recommended that the City Council provide direction regarding any desired action related to front-of-package food labeling.

## **BACKGROUND**

The desire to inform and protect consumers has been a priority of the government for many decades. Labels bearing information that identify the product, the net quantity, and associated manufacturer have been required in the U.S. since 1967, under the Fair Packaging and Labeling Act. Since then, more federal legislation has been enacted to further inform consumers about their purchases.

The 1990 Nutrition Labeling and Education Act ("NLEA") marked the first-time food packages were required to contain standardized information as in the number of calories, serving size, amount of fats, carbohydrates, sugars, sodium, etc., on the product. These efforts are designed to encourage consumers to make healthier choices through the display of nutritional labels. Any additional food labeling beyond what was required through the NLEA in 1990 is entirely voluntary, as in the case of 'Facts up Front'. This initiative has been in place for more than a decade and aims to relocate and simplify nutritional information for packaged food products. This effort was led by the Consumer Brands Association and the Food Marketing Institute and seeks to make

product comparisons and healthy choices easier for consumers. An example of this in practice is the calories listed on the front of a can of soda in large font.

Along those lines and expanding on the concept, the initiative to implement front-of-package labeling has been gaining momentum recently. In 2022, the Biden-Harris Administration declared its interest in pursuing a standardized, front-of-package food labeling system. This declaration was accompanied by numerous petitions sent to the Food and Drug Administration (“FDA”) from the Center for Science in the Public Interest; the Association of SNAP Nutrition Education Administrators; and the Association of State Public Health Nutritionists, all advocating for front-of-packaging food labels.



Over the years, various members of Congress have sponsored legislation that would direct the FDA to develop a standardized front-of-package labeling system, including warning systems for certain foods. Most recently, this effort took shape as the Food Labeling Modernization Act of 2021, which was referred to the House Subcommittee on Health and has yet to move forward. Previous attempts for this legislation failed in 2015 and 2018.

Earlier this year, the FDA announced a new research project that will study effective methods to communicate nutritional information to consumers through front-of-package food labeling. This study was noticed on January 23, 2023, and will explore what type of information and imagery helps consumers better understand nutrition to facilitate healthy food choices.

## **DISCUSSION**

A variety of options exist for the City Council to support front-of-package food labeling. Each option has its affiliated costs, timing, and risks, which have been outlined below:

### **Federal or State Advocacy**

The City Council could decide to lobby state and/or federal representatives for mandatory front-of-package labeling. These advocacy efforts could occur through written and verbal communications. Although Congressional efforts to legislate front-of-package food labels have been unsuccessful to date, showing support may have

positive results. The City Council could also lobby State officials to take action in California.

#### Resolution of Support

The City Council regularly uses Resolutions to express their position on an initiative or policy item or to direct administrative action. The City Council could offer a resolution of support for front-of-package labeling, requesting this matter be addressed at the federal level by the FDA or through Executive Action. Passing a resolution of support allows the City Council to take a position on this topic and express sentiments of support without investing substantial resources or duplicating any federal efforts that may be underway. This option could also be taken in conjunction with lobbying efforts.

#### Local Ordinance Requiring Front-of-Package Labeling

A local ordinance could be developed to require Arcadia retailers to add front-of-package labeling to food products; however, the creation and enforcement of this labeling ordinance would involve budget implications and legal concerns. Some of these concerns include potential legal challenges to the proposed labeling requirements, the difficulty of enforcement, and the ability of local businesses to implement the requirements, since most packaged goods are developed outside City limits. In addition, there would be the threat of federal or state preemptions for any ordinance the City Council approves. Overall, implementing a local ordinance to require front-of-package labeling is within the Council's purview; however, it is not recommended due to the anticipated costs and potential legal implications.

#### Other

There may be other options the City Council wants to pursue in addition to what was proposed above. If there are other considerations the City Council would like to pursue in support of front-of-package labeling, staff will receive that direction accordingly. Finally, an option is to take no action on this item and simply take a wait-and-see approach to this issue.

### **ENVIRONMENTAL ANALYSIS**

No City Council decision is being made as part of this item, thus it is not considered a project under the California Environmental Quality Act ("CEQA"). Any future decision on City Council action related to front-of-packaging food labels will return to the City Council with an accompanying environmental analysis.

### **FISCAL IMPACT**

All the proposed options have an affiliated fiscal impact that range from de minimis resource use and costs (i.e. advocacy and resolution of support) to more intensive resource use and costs (i.e. local ordinance creation). Depending on the proposed

options City Council seeks to pursue, more information can be shared about any potential fiscal impacts.

**RECOMMENDATION**

Based on the information and options presented in the staff report, it is recommended that City Council provide direction concerning the desired action to support front-of-package food labeling in Arcadia.