

CITY OF ARCADIA

City Council Regular Meeting Agenda



Tuesday, July 18, 2023, 4:30 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。

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. 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. 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。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。必须在公布的会议时间前至少提前 30 分钟提交评论意见。

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)(4) to confer with legal counsel regarding potential litigation - two (2) cases.
- c. Pursuant to Government Code Section 54956.9(d)(1) to confer with legal counsel regarding the matter of Arcadians for Environmental Preservation v. City of Arcadia, Los Angeles County Superior Court (Case No. 20STCP02902).
- d. Pursuant to Government Code Section 54957, Public Employee Performance Evaluation: City Attorney

STUDY SESSION

- a. Report, discussion, and direction regarding The Shops at Santa Anita at 400 S. Baldwin Avenue.

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

1. CALL TO ORDER

2. INVOCATION

Rabbi Sholom Stiefel, Chabad of Arcadia

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 of Proclamation to the Jewish Federation of the Greater San Gabriel and Pomona Valleys denouncing antisemitism, hatred, and prejudice.
- b. Presentation to outgoing Board and Commission Members.
- c. Administer the Oath of Office to newly appointed Board and Commission Members.
- d. Presentation to Robert Garrett and volunteer attorneys that supported Law Day 2023.
- e. Presentation on the 2023 Downtown Arcadia Festival by Donna Choi, DAIA Executive Director; Peter Amundson, Patriotic Festival Chair; and MJ Finstrom, DAIA Marketing Director.

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. Confirm the County of Los Angeles Department of Agricultural Commissioner/Weights and Measures Weed Abatement Charges and order the County Auditor to enter the amounts of the assessment against the parcels of land as they appear on the current assessment roll.

CEQA: Not a Project

Recommended Action: Approve

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 June 20, 2023, and Special Meeting Minutes of June 28, 2023.

CEQA: Not a Project

Recommended Action: Approve

- b. Resolution No. 7517 amending the Fiscal Year 2023-24 Operating Budget authorizing a supplemental budget appropriation for the 2023 Mid-Autumn Moon Festival in an amount not to exceed \$25,000, offset by a reduction in the General Fund Reserve.

CEQA: Not a Project

Recommended Action: Adopt

- c. Resolution No. 7518 amending the Fiscal Year 2023-24 Operating Budget authorizing a supplemental budget appropriation for a new Recreation Supervisor in the amount of \$112,000, offset by a reduction in the General Fund Reserve.

CEQA: Not a Project

Recommended Action: Adopt

- d. Establishment of new Ambulance Operator Class Specification.

CEQA: Not a Project

Recommended Action: Approve

- e. Agreement for Specialized Personnel-Related Legal Services and an Employment Relations Consortium Agreement for personnel-related training and services with Liebert Cassidy Whitmore in an amount not to exceed \$192,000 over a three-year period.

CEQA: Not a Project

Recommended Action: Approve

- f. Amendment to the agreement with AdminSure Inc. for Workers' Compensation Third Party Claims Administration Services extending the term for an additional two years in the amount of \$209,880.
CEQA: Not a Project
Recommended Action: Approve
- g. Renewal of the Fire Communications Service Agreement with the Verdugo Cities for Fire Dispatch Services in the amount of \$468,960.
CEQA: Not a Project
Recommended Action: Approve
- h. Purchase Order with Tsai Fong for International Language Materials in an amount not to exceed \$33,500.
CEQA: Not a Project
Recommended Action: Approve
- i. Purchase Order with HydroPro Solutions for the purchase of Data Log Radio Read Water Meters for the City's water distribution system in the amount of \$1,200,000.
CEQA: Exempt
Recommended Action: Approve
- j. Reject low bid from UAG Cerritos I, LLC dba Penske Chevrolet and approve a Purchase Order with Mountain View Chevrolet for the purchase of one 2023 Chevrolet Silverado 1500 Pickup Truck in the amount of \$56,423.60.
CEQA: Not a Project
Recommended Action: Approve
- k. Reject low bids from UAG Cerritos I, LLC dba Penske Chevrolet and Courtesy Chevrolet Center, and approve a Purchase Order with Sierra Chevrolet of Monrovia for the purchase of three 2023 Chevrolet Silverado 2500 Heavy Duty Utility Service Body Pickup Trucks in the amount of \$196,682.31.
CEQA: Not a Project
Recommended Action: Approve

12. ADJOURNMENT

The City Council will adjourn this meeting to August 15, 2023, 6:00 p.m. at 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. Copies of individual Agenda Reports are available via email upon request (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）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）。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。



WHEREAS, Arcadia takes great pride in its diversity and is committed to the inclusion and advancement of all persons regardless of race, ethnicity, national origin, religion, age, or gender; and

WHEREAS, the Jewish community is a vital part of Arcadia's fabric and the community's story of faith, hope, love, and survival are a key strength of this City; and

WHEREAS, Arcadia vehemently opposes antisemitism and all forms of hatred, recognizing that Jewish community members still experience hate, prejudice, discrimination, violence, and Holocaust denial and distortion in 2023; and

WHEREAS, Jewish Peoples have been engrained in the fabric of America since its inception, fighting in all wars this country has undertaken, and are inclusive of all communities, in every way; and

WHEREAS, Arcadia condemns all forms of hatred and prejudice, and supports educational efforts on Holocaust programs to counter intolerance and discrimination; and

WHEREAS, victims of antisemitism are urged to report any incidents to local law enforcement, so perpetrators can be brought to justice and all residents can feel safe; and

WHEREAS, the City of Arcadia, as supporters and allies of our Jewish community, pledge to stand against hate, bias, or violence based on identity, and remain committed to building a community that is welcoming for all.

NOW, THEREFORE, I, Paul Cheng, Mayor of the City of Arcadia, do hereby proclaim that:

- 1.) Any hate, racism, or violence perpetrated, tolerated, or encouraged by any group or individual is not acceptable in Arcadia; and all persons deserve to be treated with dignity and fairness.
- 2.) The City of Arcadia affirms that antisemitism has no place in our community and extends its unwavering support to its Jewish community members.



*Dated this
18th Day of July, 2023*


Paul P. Cheng, Mayor



STAFF REPORT

Office of the City Clerk

DATE: July 18, 2023
TO: Honorable Mayor and City Council
FROM: Dominic Lazzaretto, City Manager
By: Linda Rodriguez, Assistant City Clerk

SUBJECT: CONFIRM THE COUNTY OF LOS ANGELES DEPARTMENT OF AGRICULTURAL COMMISSIONER/WEIGHTS AND MEASURES WEED ABATEMENT CHARGES AND ORDER THE COUNTY AUDITOR TO ENTER THE AMOUNTS OF THE ASSESSMENT AGAINST THE PARCELS OF LAND AS THEY APPEAR ON THE CURRENT ASSESSMENT ROLL
CEQA: Not a Project
Recommendation: Approve

SUMMARY

Annually, the County of Los Angeles Agricultural Commissioner/Weights and Measures (“County”) abates weeds, rubbish, and refuse from certain properties within the City of Arcadia (“City”). At the request of the County, this public hearing has been scheduled to provide Arcadia residents that have been charged an inspection and/or weed abatement charge an opportunity to protest the charge.

DISCUSSION

At the City Council meeting of February 7, 2023, the City Council set the date of February 21, 2023, for a Public Hearing regarding the properties in the City which were found to have weeds, brush, and/or rubbish, as determined by the County. At the public hearing, no objections were noted. Property owners had the option of clearing their properties of weeds and debris or allow the County to do so on their behalf. If the property owner chose to have the County abate the weeds, the charges would be levied as an assessment by the County Assessor.

The County has since informed the property owners of the cost for destroying and removing the weeds on their properties. The County has provided the attached Weed Abatement Charge List (Exhibit “A”) and a List of Properties (Exhibit “B”) within the City on which the County has removed weeds and assessed a charge. Each property on the list incurred an annual inspection fee of \$48.09.

Confirm County Weed Abatement Charges

July 18, 2023

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Each property on the list has been posted and noticed by the County regarding the public hearing. If a property owner objects to the assessed charge during the Public Hearing, the City Council may elect to have the matter investigated by the Arcadia Fire Department or overrule the objection.

ENVIRONMENTAL ANALYSIS

The proposed action of assessing charges 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.

FISCAL IMPACT

There is no fiscal impact to the City as a result of City Council action on this item. Each affected property owner is required to pay an assessment of \$48.09 to the County for inspection services.

RECOMMENDATION

It is recommended that the City Council determine that this action is exempt under the California Environmental Quality Act ("CEQA"); and confirm the County of Los Angeles Department of Agricultural Commissioner/Weights and Measures weed abatement charges and order the County Auditor to enter the amounts of the assessment against the parcels of land as they appear on the current assessment roll.

Attachments: Exhibit "A" - County Weed Abatement Charge List
Exhibit "B" - Weed Abatement Charge List by Address

Exhibit "A"

JULY 6, 2023

CITY OF ARCADIA
WEED ABATEMENT CHARGES

KEY	MAPBOOK	PAGE	PARCEL	ZONE	CITY CODE	CHARGES
7	5765	002	015	06	035	48.09
7	5765	002	016	06	035	48.09
7	5773	007	009	06	035	48.09
7	5779	015	041	06	035	48.09
7	5779	018	040	06	035	48.09
7	5779	018	050	06	035	48.09
7	5784	020	014	06	035	48.09
7	8532	013	026	06	035	48.09
7	8532	013	027	06	035	48.09
7	8532	013	029	06	035	48.09
7	8532	016	001	06	035	48.09
7	8532	016	003	06	035	48.09
7	8532	016	004	06	035	48.09
7	8532	016	022	06	035	48.09
7	8572	002	005	06	035	48.09
7	8572	002	007	06	035	48.09
7	8573	024	005	06	035	48.09
7	8573	024	006	06	035	48.09
TOTAL IMPROVED PARCELS =			0		TOTAL CHARGES	\$0.00
TOTAL UNIMPROVED PARCELS =			0		TOTAL CHARGES	\$0.00
TOTAL INSPECTION FEE ONLY PCLS =			18		TOTAL CHARGES	\$865.62
TOTAL PARCELS			18		TOTAL CHARGES	\$865.62

EXHIBIT "B"
WEED ABATEMENT CHARGES BY ADDRESS

Street Address	Owners Name	Parcel No.	Total Charges
Canyon Rd.	Nevis Capital LLC	5765-002-015	\$48.09
Canyon Rd.	Nevis Capital LLC	5765-002-016	\$48.09
153 E. Santa Clara St.	Koeper, Josef TR	5773-007-009	\$48.09
E. Duarte Rd.	Chien, Chen F A Co TR	5779-015-041	\$48.09
201 E. Duarte Rd.	Meiloon Properties LLC	5779-018-040	\$48.09
203 E. Duarte Rd.	Meiloon Properties LLC	5779-018-050	\$48.09
Leroy Ave.	Kolovox, George P TR	5784-020-014	\$48.09
Durfee Ave.	289 North Robertson Blvd. II LLC	8532-013-026	\$48.09
Durfee Ave.	289 North Robertson Blvd. II LLC	8532-013-027	\$48.09
Durfee Ave.	289 North Robertson Blvd. II LLC	8532-013-029	\$48.09
Clark St.	Livingston Graham Inc.	8532-016-001	\$48.09
Clark St.	Livingston Graham Inc.	8532-016-003	\$48.09
Clark St.	Livingston Graham Inc.	8532-016-004	\$48.09
Clark St.	Livingston Graham Inc.	8532-016-022	\$48.09
314 E. Live Oak Ave.	Wu, Yi-Shuen M and Shi-Hung K	8572-002-005	\$48.09
Live Oak Ave.	Wu, Yi-Shuen M and Shi-Hung K	8572-002-007	\$48.09
122 E. Live Oak Ave.	Live Oak Development II LLC	8573-024-005	\$48.09
128 E. Live Oak Ave.	Live Oak Development II LLC	8573-024-006	\$48.09

**ARCADIA CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, JUNE 20, 2023**

CALL TO ORDER - Mayor Cheng called the Study Session to order at 4:33 p.m.

ROLL CALL OF CITY COUNCIL MEMBERS

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

ABSENT: None

PUBLIC COMMENTS

Sonia Martin, an Arcadia resident, appeared and expressed her reasons why Angie Gren should not be appointed to a City board or commission.

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)(4) to confer with legal counsel regarding potential litigation - two (2) cases.

Due to a conflict of interest regarding one of the cases under Closed Session Item b., Mayor Pro Tem Verlato and Council Member Kwan recused from participating and left the room during that particular item.

No reportable action was taken.

The Closed Session ended at 5:30 p.m.

All City Council Members were present for the Open Session.

OPEN SESSION

- a. Interview potential candidates for appointment to the Planning Commission.

The purpose of this meeting was to interview potential candidates for appointment to the Planning Commission. The City Council interviewed six (6) potential candidates for appointment to the Planning Commission. At the conclusion of the interviews the City Council deliberated with each Council Member identifying their top two choices as follows:

Mayor Pro Tem Verlato – David Arvizu
Council Member Kwan – David Arvizu
Council Member Wang – David Arvizu
Council Member Cao – Sonny Mediana and Pardha Akalamkam
Mayor Cheng – Sonny Mediana and David Arvizu

As a result, it was the consensus of the City Council that David Arvizu be appointed to the Planning Commission for a four (4) year term ending June 30, 2027.

The Open Session ended at 6:45 p.m.

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

1. **CALL TO ORDER** – Mayor Cheng called the Regular Meeting to order at 7:05 p.m.
2. **INVOCATION** – Reverend Eva Thai-Erwin, Church of the Good Shepherd
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 Closed Session to discuss the two items listed on the posted agenda; he stated that no reportable action was taken; and noted that due to a conflict of interest regarding one of the cases under Closed Session Item b., Mayor Pro Tem Verlato and Council Member Kwan recused themselves from participation.

City Attorney Maurer furthered reported that the City Council met in an Open Session to interview potential candidates for appointment to the Planning Commission; and stated that their selection will be announced during agenda Item 8, Appointments.

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

City Manager Lazzaretto had nothing to report.

7. **PRESENTATIONS**

- a. Presentation of Mayor’s Certificate of Commendation to WWII Veteran and 60-year Arcadia resident Joe Sciarra.

8. **APPOINTMENTS**

- a. Appointments to City Boards and Commissions.
CEQA: Not a Project
Recommended Action: Make Appointments

City Manager Lazzaretto presented the staff report, and the City Council conducted the nomination process.

Arcadia Beautiful Commission (2 positions)

Regarding the Arcadia Beautiful Commission, the City Council made the following nominations:

Mayor Pro Tem Verlato nominated Gary Brewer and Vivien Watts.

Council Member Cao nominated Gary Brewer and Sonny Mediana.

Council Member Kwan nominated Gary Brewer and Vivien Watts. Council Member Wang concurred.

Mayor Cheng nominated Gary Brewer and Vivien Watts.

Seeing no other nominations, the City Council cast their votes as follows:

Mayor Pro Tem Verlato – Gary Brewer and Vivien Watts
Council Member Cao – Gary Brewer and Sonny Mediana
Council Member Wang – Gary Brewer and Vivien Watts
Council Member Kwan – Gary Brewer and Vivien Watts
Mayor Cheng – Gary Brewer and Vivien Watts

As a result, Gary Brewer was reappointed to the Arcadia Beautiful Commission for a second four (4) year term ending June 30, 2027; and Vivien Watts was appointed to the Arcadia Beautiful Commission for a four (4) year term ending June 30, 2027.

Human Resources Commission (1 position)

Regarding the Human Resources Commission, the City Council made the following nominations:

Mayor Pro Tem Verlato nominated Kaitlyn Jeong. Council Member Kwan and Council Member Cao concurred.

Seeing no other nominations, it was the consensus of the City Council that Kaitlyn Jeong be reappointed to the Human Resources Commission for a second four (4) year term ending June 30, 2027.

Library Board (1 position)

Regarding the Library Board, the City Council made the following nominations:

Council Member Cao nominated Sonny Mediana.

Council Member Kwan nominated Pardha Akalamkam.

Council Member Wang nominated Thomas Tseng.

Mayor Pro Tem Verlato nominated Pardha Akalamkam. Mayor Cheng concurred.

Seeing no other nominations, the City Council cast their votes as follows:

Council Member Cao – Sonny Mediana
Council Member Kwan – Pardha Akalamkam
Council Member Wang – Thomas Tseng
Mayor Pro Tem Verlato – Pardha Akalamkam
Mayor Cheng – Pardha Akalamkam

As a result, Pardha Akalamkam was appointed to the Library Board for a four (4) year term ending June 30, 2027.

Planning Commission (1 position)

It was the consensus of the City Council that the David Arvizu be appointed to the Planning Commission for a four (4) year term ending June 30, 2027.

Recreation and Parks Commission (2 positions)

Regarding the Recreation and Parks Commission, the City Council made the following nominations:

Council Member Cao nominated Jamie Lee.

Council Member Kwan nominated Sonny Mediana.

Council Member Wang nominated Robert Ayala.

Mayor Pro Tem Verlato nominated Sonny Mediana. Mayor Cheng concurred.

It was the consensus of the City Council that the Peter Chu be reappointed to the Recreation and Parks Commission.

As a result, Peter Chu was reappointed to the Recreation and Parks Commission for a second four (4) year term ending June 30, 2027; and Sonny Mediana was appointed to the Recreation and Parks Commission for a four (4) year term ending June 30, 2027.

Senior Citizens' Commission (1 At-Large position)

It was the consensus of the City Council that Robert Bolster be reappointed to the Senior Citizens' Commission for a second two (2) year term ending June 30, 2025.

Traveler's Club (1 position)

Based on the Traveler's Club letter of recommendation, it was the consensus of the City Council that Joyce Platt be appointed to the Senior Citizens' Commission, Traveler's Club for a two (2) year term ending June 30, 2025.

Senior Men's Club (1 position)

Based on the Senior's Men Club letter of recommendation, it was the consensus of the City Council that Stephen Sherman be appointed to the Senior Citizens' Commission, Senior Men's Club for a two (2) year term ending June 30, 2025.

Arcadia Senior Friendship Club (1 position)

Based on the Senior Friendship Club letter of recommendation, it was the consensus of the City Council that Margaret Swope be reappointed to the Senior Citizens' Commission, Senior Friendship Club for a second two (2) year term ending June 30, 2025.

9. PUBLIC HEARING

- a. Resolution No. 7510 Confirming the Engineer's Report for the levy and collection of the Arcadia Citywide Lighting District No. 1 and the associated Assessment Diagram; and ordering the levy and collection of assessments for Fiscal Year 2023-24.

CEQA: Not a Project

Recommended Action: Adopt

Management Analyst Brogan presented the Staff Report.

Mayor Cheng opened the Public Hearing.

No one appeared.

Mayor Cheng closed the Public Hearing.

It was moved by Mayor Pro Tem Verlato, seconded by Council Member Wang, and carried on a roll call vote to adopt Resolution No. 7510 Confirming the Engineer's Report for the levy and collection of the Arcadia Citywide Lighting District No. 1 and the associated Assessment Diagram; and ordering the levy and collection of assessments for Fiscal Year 2023-24.

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

NOES: None

ABSENT: None

10. PUBLIC COMMENTS

Gerri Lyn, an Arcadia resident, appeared and expressed her concerns regarding possible home birthing centers near her residence; and stated that her home should be zoned as a single-family residence.

Mike Veerman, an Arcadia resident, appeared and expressed his reasons why he is in support of a proposed Arcadia Homelessness Summit.

11. 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 announced that he attended a Neighborhood Watch meeting hosted by the Arcadia Police Department; the Arcadia Library Summer Reading Kick-off event; LA County Arboretum Los Voluntarios Volunteer Installation Dinner; the One-Year Anniversary Memorial Ceremony honoring El Monte Police Sergeant Michael Paredes and Officer Joseph Santana; that he participated in the Arcadia Police Ride-Along program; the Arcadia Fire Department's Fire OPS 101; and attended the Foothill Transit Authority meeting.

Council Member Kwan had nothing to report.

Council Member Wang announced that she participated in the Arcadia Fire Department's Fire OPS 101; that she hosted a charity concert at the Arcadia Senior Living in support of students; she stated that a senior from that center has been reported missing; she further announced that she attended the Los Angeles County Sheriff's Department – San Gabriel Valley Community Safety event; the Arcadia Library Summer Reading Kick-off event; the LA County Arboretum Los Voluntarios Volunteer Installation Dinner; the Chamber of Commerce Board of Directors meeting; the Foothill Gold Line JPA meeting; Arcadia Library Board meeting; that she attended the Ribbon

Cutting Ceremony at Little Provence Sandwich Bistro, among other events outside the City of Arcadia; she noted June 24 is Law Day; that she received a letter from a resident regarding homelessness; and encouraged the community to voice their issues during City Council meetings.

Mayor Pro Tem Verlato announced that she attended the San Gabriel Valley Council of Governments Homelessness Committee meeting; that she participated in the Arcadia Police Ride-Along program; she noted that there are many job opportunities at the Police Department; she further announced that she attended the San Gabriel Valley Council of Governments meeting; that June 22 is “Concerts & Movies in the Park”; that on June 24, Holy Angels Church is sponsoring Troop 104 of the Boy Scouts of America 75th anniversary celebration; that July 1 is the Patriotic Festival; and she requested City Council support to have a City Council Meeting the week of Jun 19 with an agenda item to discuss hosting a Moon Festival in September; Council Member Kwan and Council Member Wang concurred.

Mayor Cheng announced that he attended the Arcadia Fire Department’s Fire OPS 101; the One Year Anniversary Memorial Ceremony honoring El Monte Police Sergeant Michael Paredes and Officer Joseph Santana; he thanked first responders for their service; he reminded everyone to visit a memorial website that shares stories about fallen officers; he announced that June 24 is Law Day; and thanked Dr. Anthony Fellow, elected board member of the Upper San Gabriel Valley Municipal Water District, for attending the City Council meeting.

12. CONSENT CALENDAR

- a. Regular Meeting Minutes of June 6, 2023.
CEQA: Not a Project
Recommended Action: Approve
- b. Resolution No. 7493 amending the Fiscal Year 2019-20 Capital Improvement Program Budget, authorizing a supplemental budget appropriation for design of the new Goldring Municipal Water Supply Well in the amount of \$111,350, offset by a reduction in the Water Reserve Fund, and amending the Professional Services Agreement with Stetson Engineers, Inc. for design of the new Goldring Municipal Water Supply Well in the amount of \$222,700.
CEQA: Not a Project
Recommended Action: Adopt
- c. Resolution No. 7502 adopting a list of projects for Fiscal Year 2023-24 funded by SB 1: The Road Repair and Accountability Act of 2017.
CEQA: Not a Project
Recommended Action: Adopt
- d. Resolution No. 7509 requesting the termination of proceedings related to Local Agency Formation Commission (“LAFCO”) Reorganization Case No. 2023-02 to the City of Monrovia for the property addressed as 923 S. 10th Avenue.
CEQA: Not a Project
Recommended Action: Take No Action
- e. Resolution No. 7511 amending the Fiscal Year 2022-23 Capital Improvement Program Budget, authorizing a supplemental budget appropriation for emergency street repairs on Sunset Boulevard between Portola Drive and Balboa Drive in the amount of \$93,658, offset by a reduction in the General Fund Reserve; and approving a Purchase Order with Mission Paving and Sealing, Inc. for emergency street repairs on Sunset Boulevard between Portola Drive and Balboa Drive in the amount of \$93,658.

CEQA: Exempt
Recommended Action: Adopt and Approve

- f. Resolution No. 7512 amending the Fiscal Year 2022-23 Capital Improvement Program Budget, authorizing a supplemental budget appropriation for the Miscellaneous Sewer Main Repair Project in the amount of \$10,800, offset by a reduction in the Sewer Reserve Fund; and accepting all work performed by Bonadiman Water, Inc. for the Miscellaneous Sewer Main Repair Project as complete.
CEQA: Exempt
Recommended Action: Adopt and Approve
- g. Resolution No. 7513 approving continued participation in the Los Angeles Urban County Community Development Block Grant Program (“CDBG”) and authorizing the City Manager to sign a Cooperation Agreement with the Los Angeles County Development Authority (“LACDA”).
CEQA: Not a Project
Recommended Action: Adopt
- h. Resolution No. 7515 amending Resolution No. 7383 establishing compensation and related benefits for City Council, Executive Management and Unrepresented Confidential Employees for July 1, 2021, through June 30, 2024 (Communication and Engagement Officer).
CEQA: Not a Project
Recommended Action: Adopt
- i. Resolution No. 7516 approving the Multiple Employer Other Post-Employment Benefits and Pension Section 115 Trust administered by Shuster Advisory Group, LLC, and transfer of the City’s current Other Post-Employment Benefits Trust with California Employers’ Retiree Benefit Trust, and approve a Trust Administrative Service and Investment Advisory Agreements with Shuster Advisory Group, LLC.
CEQA: Not a Project
Recommended Action: Adopt and Approve
- j. Contract with Onyx Paving Company, Inc. for the Fiscal Year 2022-23 Pavement Rehabilitation Project in the amount of \$1,525,000, with a 10% Contingency.
CEQA: Exempt
Recommended Action: Approve
- k. Professional Services Agreement with Citiguard, Inc. for Security Guard Services for Fiscal Years 2023-24 through 2025-26, in an amount not to exceed \$93,600, with the option of three one-year renewals.
CEQA: Not a Project
Recommended Action: Approve
- l. Professional Services Agreement with Allied Universal for Jail Operation Services for Fiscal Years 2023-24 through 2025-26, in an amount not to exceed \$1,215,300 over the three-year period, with the option of three one-year renewals.
CEQA: Not a Project
Recommended Action: Approve

- m. Amendment to the Professional Services Agreement with Executive Information Services, Inc. for PS.NET Public Safety Software System Support Services in the amount of \$39,821.
CEQA: Not a Project
Recommended Action: Approve
- n. Amendment to the Professional Services Agreement with Baker & Taylor for Primary Library Materials Vendor Services.
CEQA: Not a Project
Recommended Action: Approve
- o. Final Tract Map No. 82953 for an eight-unit multi-family residential condominium subdivision at 416-428 Genoa Street.
CEQA: Exempt
Recommended Action: Approve
- p. Purchase Order with S & J Supply Company Inc. for the purchase of water pipeline fittings, brass valves, and other related accessories for the City's Water Distribution System in the amount of \$144,000, with the option of three one-year extensions.
CEQA: Not a Project
Recommended Action: Approve
- q. Purchase Order with OverDrive, Inc. for eBooks, eMagazines, digital audiobooks, and streaming videos in an amount not to exceed \$69,000.
CEQA: Not a Project
Recommended Action: Approve
- r. Purchase Order with OCLC, Inc. for Bibliographic Services and Metadata in an amount not to exceed \$32,525.
CEQA: Not a Project
Recommended Action: Approve
- s. Accept all work performed by General Pump Company, Inc. for the Inspection and Rehabilitation of the Orange Grove Well 1A Project as complete.
CEQA: Exempt
Recommended Action: Approve

It was moved by Mayor Pro Tem Verlato, seconded by Council Member Wang, and carried on a roll call vote to approve Consent Calendar Items 12.a through 12.s.

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

13. CITY MANAGER

- a. Resolution No. 7514 authorizing the City Manager to accept gifts and donations having a value or in an amount of \$10,000 or less.
CEQA: Not a Project
Recommended Action: Adopt

Deputy City Manager Bruno presented the Staff Report.

After City Council discussion, it was moved by Mayor Pro Tem Verlato, seconded by Council Member Wang, and carried on a roll call vote to adopt Resolution No. 7514 authorizing the City Manager to accept gifts and donations having a value or in an amount of \$10,000 or less.

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

- b. Report, discussion, and direction regarding a City of Arcadia Homelessness Summit.
CEQA: Not a Project
Recommended Action: Provide Direction

Mayor Pro Tem Verlato explained the purpose of bringing this item for consideration. She indicated that the unhoused population in the City continues to increase and explained the impact this is having on the community. She indicated that she would like to collaborate with surrounding cities to learn how they are addressing homelessness in their respective communities.

After discussion, the City Council directed staff to bring back more information at a future study session to discuss options, costs, and the logistics around hosting a Homelessness Summit.

14. ADJOURNMENT

The City Council adjourned at 9:00 p.m. to Tuesday, July 18, 2023, at 6:00 p.m. in the City Council Conference Room.



Linda Rodriguez
Assistant City Clerk

**ARCADIA CITY COUNCIL
SPECIAL MEETING MINUTES
WEDNESDAY, JUNE 28, 2023**

CALL TO ORDER – Mayor Cheng called the Special Meeting to order at 5:34 p.m.

ROLL CALL OF CITY COUNCIL MEMBERS

PRESENT: Cao, Kwan, Wang, Verlato, and Cheng
ABSENT: None

PUBLIC COMMENTS – No one appeared.

CITY MANAGER ITEM

- a. Report, discussion, and direction regarding proposed Moon Festival hosted by the City of Arcadia.

The City Council met to discuss hosting a Moon Festival. A discussion ensued.

Mayor Cheng re-opened the Public Comment period to allow a member of the public to speak.


Karen Mac Nair, Chief Executive Officer of the Arcadia Chamber of Commerce, appeared and stated that the Chamber would help support the City's Moon Festival, but would not be hosting its own event independently; she indicated that the Chamber would seek the participation from Chamber businesses by offering them booth space and would help the City with connections to local food and business vendors.

Mayor Cheng closed Public Comment.

After City Council discussion, a motion was made by Council Member Kwan, seconded by Mayor Pro Tem Verlato, and carried on a roll call vote to approve the 2023 Mid-Autumn Moon Festival to be held on September 30, 2023, hosted by the City of Arcadia, with support and assistance from the Arcadia Chinese Association, the Arcadia Chamber of Commerce, and any other willing community organizations. City Staff will determine the best location for the event and will bring forward a supplemental budget request to host the Moon Festival, in an amount not to exceed \$25,000, for City Council approval.

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

The Special meeting ended at 8:05 p.m.



Linda Rodriguez
Assistant City Clerk



STAFF REPORT

Recreation and Community Services Department

DATE: July 18, 2023

TO: Honorable Mayor and City Council

FROM: Sara Somogyi, Director of Recreation and Community Services
By: Ashley Marston, Management Aide

SUBJECT: RESOLUTION NO. 7517 AMENDING THE FISCAL YEAR 2023-24 OPERATING BUDGET AUTHORIZING A SUPPLEMENTAL BUDGET APPROPRIATION FOR THE 2023 MID-AUTUMN MOON FESTIVAL IN AN AMOUNT NOT TO EXCEED \$25,000, OFFSET BY A REDUCTION IN THE GENERAL FUND RESERVE
CEQA: Not a Project
Recommendation: Adopt

SUMMARY

The City Council has approved the 2023 Mid-Autumn Moon Festival and provided direction to utilize \$25,000 from the General Fund Reserve for the event. This resolution provides the necessary budget authorization to host the 2023 Mid-Autumn Moon Festival.

It is recommended the City Council adopt Resolution No. 7517 amending the Fiscal Year 2023-24 Operating Budget authorizing a supplemental budget appropriation for the 2023 Mid-Autumn Moon Festival in an amount not to exceed \$25,000, offset by a reduction in the General Fund Reserve.

BACKGROUND

Harvest Moon Festivals are celebrated in many cultures and are traditionally held when the full moon occurs nearest the autumnal equinox, usually between mid-September to early October. On the Chinese Lunar Calendar, Moon Festival is celebrated on the 15th day of the eighth month, and for 2023, the Moon Festival falls on September 29. Celebrations for this holiday include community gatherings, music, cultural performances, lanterns, and traditional food like mooncakes.

In previous years, the Arcadia Chinese Association (“ACA”) has held Moon Festival events. For the Moon Festival event in 2018 and 2019, the ACA received in-kind support from the City such as usage of City-owned equipment and City Staff time. The

Arcadia Chinese Association is not interested in hosting their own Moon Festival in 2023, but has offered to assist the City with these efforts. The Arcadia Chamber of Commerce has also voiced a similar offer to provide support for the event. To date, no community organization has expressed interest in being the lead agency to host a Moon Festival.

At the May 2, 2023, City Council Meeting, information regarding community events in Arcadia was presented, which included information on events the City hosts, funds, and staffs; events the City co-sponsors with non-profit partners; outside events the City supports and recovers costs for; and potential new events. One of the potential new events discussed was the Mid-Autumn Moon Festival.

On June 20, 2023, the City Council further discussed the possibility of adding a Mid-Autumn Moon Festival and agreed to bring the event to Study Session to further explore the cost and feasibility of the event. At the June 28, 2023, Study Session, the City Council unanimously approved the 2023 Mid-Autumn Moon Festival and a \$25,000 budget to support the event.

DISCUSSION

The Mid-Autumn Moon Festival will be held on September 30, 2023, and will be led by the Recreation & Community Services Department, with support and assistance from the Arcadia Chinese Association, the Arcadia Chamber of Commerce, and other willing community organizations. The Mid-Autumn Moon Festival will feature live entertainment, children's games and activities, food, drinks, and numerous vendors. The location and additional event specifics are to be determined by the Recreation & Community Services Department as the event takes shape and availability permits.

Logistically, this event will require tables, chairs, lighting, generators, decorations, marketing, games, activities, and prizes, some of which will be rented and some of which will be purchased outright. Additionally, the event will require personnel support from City staff, a sound engineer, and contract entertainment.

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.

FISCAL IMPACT

The associated fiscal impact is a net reduction in the General Fund Reserve in an amount not to exceed \$25,000 for Fiscal Year 2023-24. When possible, Staff will seek alternative revenue sources and partner with community organizations to help alleviate

the burden on the General Fund Reserve. An annual budget for the Moon Festival event will be added to future year's budgets for City Council approval.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project, and therefore, is exempt under the California Environmental Quality Act ("CEQA"); and adopt Resolution No. 7517 amending the Fiscal Year 2023-24 Operating Budget authorizing a supplemental budget appropriation for the 2023 Mid-Autum Moon Festival in an amount not to exceed \$25,000, offset by a reduction in the General Fund Reserve.

Approved:



Dominic Lazzaretto
City Manager

Attachment: Resolution No. 7517

RESOLUTION NO.7517

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, AMENDING THE FISCAL YEAR 2023-24 OPERATING BUDGET AUTHORIZING A SUPPLEMENTAL BUDGET APPROPRIATION FOR THE 2023 MID-AUTUMN MOON FESTIVAL IN AN AMOUNT NOT TO EXCEED \$25,000, OFFSET BY A REDUCTION IN THE GENERAL FUND RESERVE

WHEREAS, the City of Arcadia values opportunities for community members to gather for entertainment, leisure, and celebratory purposes; and

WHEREAS, community events foster community connection and engagement, as well as attract visitors and generate local tourism; and

WHEREAS, the Recreation and Community Services Department hosts over 30 community events a year; and

WHEREAS, the City Council approved the 2023 Mid-Autumn Moon Festival community event on June 28, 2023; and

WHEREAS, a budget in an amount not to exceed \$25,000 is necessary to hold the 2023 Mid-Autumn Moon Festival occurring on September 30, 2023; and

WHEREAS, the City Council is authorized to grant monies for purposes that provide community benefit and meet a public purpose; and

WHEREAS, the City Manager has certified that there are sufficient reserves available in the General Fund Reserve 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 Twenty-Five Thousand Dollars (\$25,000) is hereby appropriated in the Recreation and Community Services Department budget, offset with

a reduction in the General Fund Reserve by \$25,000.

SECTION 2. The City Manager is authorized to sign any agreements or take any other actions necessary to effectuate this resolution.

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


Passed, approved and adopted this 18th day of July, 2023.

Mayor of the City of Arcadia

ATTEST:

City Clerk

APPROVED AS TO FORM:



Michael J. Maurer
City Attorney



STAFF REPORT

Administrative Services Department

DATE: July 18, 2023

TO: Honorable Mayor and City Council

FROM: Hue C. Quach, Administrative Services Director
By: Henry Chen, Financial Services Manager/City Treasurer

SUBJECT: RESOLUTION 7518 AMENDING THE FISCAL YEAR 2023-24 OPERATING BUDGET AUTHORIZING A SUPPLEMENTAL BUDGET APPROPRIATION FOR A NEW RECREATION SUPERVISOR IN THE AMOUNT OF \$112,000, OFFSET BY A REDUCTION IN THE GENERAL FUND RESERVE.

CEQA: Not a Project

Recommendation: Adopt

SUMMARY

During the Budget Study Session held on May 8, 2023, a new Recreation Supervisor position was included as part of the Fiscal Year 2023-24 Proposed Operating Budget to better manage the growing number of community events organized by the City each year. This position was inadvertently removed from the final proposed budget that was presented to Council for adoption on June 6, 2023. It is recommended that City Council adopt Resolution No. 7518, authorizing a supplemental budget appropriation for this new Recreation Supervisor in the amount of \$112,000.

DISCUSSION

As part of the annual budget development, Department's assess staffing levels to ensure adequate provision of services to residents. During this evaluation, three additional full-time positions were suggested for the upcoming Fiscal Year. Among these positions was a Recreation Supervisor role responsible for overseeing community events and acting as the central point of contact for other departments. Historically, community events have been managed by the City Manager's Office, Development Services, Recreation & Community Services, or the Police Department, depending on how the event originated.

Recently, there has been an increase in the number and scope of community events planned by both the City and community partners such as the Downtown Arcadia Improvement Association, Arcadia Chamber of Commerce, Arcadia Chinese Association, and others. In just the past month, the City Council has added a Harvest Moon Festival and a Lunar New Year event to the community calendar. Having a single point of contact overseeing all community events will streamline processes and improve the quality of the

events, whether originated by the City or others. With the addition of a new employee to manage events, Departments typically tasked with these duties will be granted more capacity and time to better address everyday objectives. The City Council conceptually approved the inclusion of the new community events position along with all recommended positions in the proposed budget for the Fiscal Year 2023-34 budget.

Unfortunately, during the final refinement process, an oversight led to the unintentional exclusion of the community events Recreation Supervisor position from the actual budget document for Fiscal Year 2023-24. The need for the position remains high and there is sufficient capacity in the budget to include this budget item. Therefore, it is recommended that the City Council adopt Resolution No. 7518 to reinstate this position, as it was originally intended to be included in the budget.

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.

FISCAL IMPACT

The salary and benefits of a Recreation Supervisor are estimated to total \$112,000 annually. A budget appropriation of \$112,000 is requested for inclusion in the FY 2023-24 General Fund Operating Budget. The anticipated surplus in the General Fund is expected to be more than sufficient to accommodate this request.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project under the California Environmental Quality Act ("CEQA"); and adopt Resolution No. 7518 amending the Fiscal Year 2023-24 Operating Budget authorizing a supplemental budget appropriation for a new Recreation Supervisor in the amount of \$112,000, offset by a reduction in the General Fund Reserve.

Approved:


Dominic Lazzaretto
City Manager

Attachment: Resolution No. 7518

RESOLUTION NO. 7518

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, AMENDING THE FISCAL YEAR 2023-24 OPERATING BUDGET AUTHORIZING A SUPPLEMENTAL BUDGET APPROPRIATION FOR A NEW RECREATION SUPERVISOR IN THE AMOUNT OF \$112,000, OFFSET BY A REDUCTION IN THE GENERAL FUND RESERVE

WHEREAS, On May 8, 2023, the City Council conducted a study session on the proposed fiscal year 2023-24 operating budget; and

WHEREAS, There were 3 new full time positions that were proposed to be added to the fiscal year 2023-24 budget; and

WHEREAS, City Council was agreeable to adding those positions; and

WHEREAS, The Recreation Supervisor position was one of those 3 and was inadvertently left off the final proposed budget for Council adoption on June 6, 2023; and

WHEREAS, Staff is requesting that this position be add back into the budget; and

WHEREAS, The total estimated cost of this position is \$112,000 for salaries and related benefits; and

WHEREAS, The anticipated surplus in the General Fund for the fiscal year ending is expected to be more than enough to accommodate this request; and

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

SECTION 1. The sum of One Hundred Twelve Thousand Dollars (\$112,000) is hereby appropriated in the FY23-24 Operating Budget, with the fiscal year ending anticipated surplus to be more than enough to accommodate this propose expenditure.

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


Passed, approved and adopted this 18th day of July, 2023.

Mayor of the City of Arcadia

ATTEST:

City Clerk

APPROVED AS TO FORM:



Michael J. Maurer
City Attorney



STAFF REPORT

Fire Department

DATE: July 18, 2023

TO: Honorable Mayor and City Council

FROM: Chen Suen, Fire Chief

SUBJECT: ESTABLISHMENT OF A NEW AMBULANCE OPERATOR CLASS SPECIFICATION
CEQA: Not A Project
Recommendation: Approve

SUMMARY

As part of the City's Fiscal Year 2023-24 Budget adoption, the City Council allocated funds to staff a peak hours Basic Life Support ambulance with two (2) Ambulance Operators. It is recommended that the City Council approve the establishment of a new Ambulance Operator class specification.

BACKGROUND

The Arcadia Fire Department has been providing paramedic ambulance service to the Arcadia community since the early 1970s, with quality pre-hospital care for medical and trauma-related emergency calls. Over the past three years emerging from the COVID-19 pandemic, the Fire Department observed an upward trend in the total number of emergency incidents in the City of Arcadia. With the forthcoming commercial and residential development throughout the City, the call volume is expected to increase.

Due to increased call volume and longer hospital bed wait times during peak hours, throughout the year, there are times when neither of the Fire Department's current rescue ambulances are available to respond to medical incidents in the City. To maintain adequate service levels in response to this challenging situation, the City Council approved a Basic Life Support ("BLS") Peak Hours Ambulance program during the FY 2023-24 Budget Adoption process. Two BLS Ambulance Operator positions would be staffed each day for 12 hours, from 8:00 a.m. to 8:00 p.m., five days a week. Critical to this program is the creation of a new Ambulance Operator position. Attached is the new job specification for the proposed Ambulance Operator position (see *Attachment "A"*). For further reference, the memo in *Attachment "B"* fully describes the program's intent and overall assessment of the need for such a program.

DISCUSSION

The BLS Peak Hours Ambulance Program will transport lower-acuity medical patients during peak hours, allowing for the advanced life support paramedic ambulances to respond to more critical calls. Additionally, in the event of a significant, larger scale incident, a BLS ambulance will provide an additional medical resource. For this program, two Ambulance Operators would be staffed each day for 12-hours, from 8:00 a.m. to 8:00 p.m., five days a week.

The primary function of the new Ambulance Operator is to provide basic life support care, within the scope of an Emergency Medical Technician (“EMT”), on sick, injured, or convalescent persons at the sites of emergencies or enroute to hospitals or other medical facilities. Some of the key duties associated with this position include hemorrhage control, treatment for shock, cardiopulmonary resuscitation, airway maintenance, and fracture stabilization and control. Other responsibilities of an Ambulance Operator include operating an emergency vehicle to transport and provide care to and from the scene of an emergency. This position also requires specialized certification and licensure within the following areas: American Heart Association and CPR; possession of a DMV ambulance endorsement and a California EMT-B license before hiring; National Incident Management System (“NIMS”) IS 700; Incident Command System (“ICS”) 100 and 200; and graduation from a 240-hour California Fire Academy or equivalent, is highly desirable.

This is a non-safety/non-firefighter position that will work under the supervision of a Fire Captain and the overall direction of an EMS Coordinator. The work schedule for each Ambulance Operator would fall under a part-time position (see *Attachment “C”* for the salary schedule). Finally, the organizational chart in *Attachment “D”* illustrates the hierarchical responsibilities of this job classification within the Fire Department.

The new job classification for the Ambulance Operator position has been discussed with the Human Resources Division, which found the specifications, licensing and required certifications to be in line with other similar positions in the region, and the compensation in line with market expectations.

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

The Ambulance Operator position would be placed at part-time salary range number PTP14, with its hourly salary schedule ranging from the base step of \$17.43/hour through the highest level at \$19.24/hour (see *Attachment “C”*). In the adopted Fiscal Year 2023-

24 Fire Operations Budget, a total of \$127,508.16 was allocated for the Ambulance Operator positions and is sufficient to cover the proposed salary and benefits.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project under the California Environmental Quality Act (“CEQA”); and approve the establishment of a new Ambulance Operator class specification.

Approved:



Dominic Lazzaretto
City Manager

- Attachments: A) New Class Specification – Ambulance Operator Position
B) Memo – Implementation of a BLS Peak Hours Ambulance Program
C) Proposed Salary Schedule
D) Fire Department’s Organizational Chart

Attachment "A"

CITY OF ARCADIA

AMBULANCE OPERATOR

DEFINITION

Under general supervision, to provide basic medical care and transport of the ill and injured as an Emergency Medical Technician (EMT); to respond to emergency medical calls for service including accidents and other emergencies; and, to operate an emergency vehicle to and from the scene of an emergency. The ambulance operator is expected to attend didactic and clinical continued education as required; to respond to emergency calls to render first aid and lifesaving techniques; and to participate in fire department training activities.

SUPERVISION EXERCISED

This is a non-safety/non-firefighter position that works under the supervision of a Fire Captain and the overall direction of an EMS Coordinator to perform emergency medical transport services.

EXAMPLES OF IMPORTANT AND ESSENTIAL DUTIES

AMBULANCE OPERATOR:

Perform necessary basic life support care, within the scope of an EMT, on sick, injured, or convalescent persons at the sites of emergencies or enroute to hospitals or other medical facilities. Basic life support includes, but is not limited to hemorrhage control, treatment for shock, cardiopulmonary resuscitation, airway maintenance, and fracture stabilization and pain control.

Record event information including patient condition, patient history, treatments, vital signs, and scene observations.

Observe established basic life support medical protocols in accordance with Los Angeles Department of Health Services.

Provide patient information to physicians or designee via radio, cell phone transmission or direct contact.

Bandaging and lifting patients into an ambulance and assisting paramedics as directed.

Maintain a daily log of responses.

Maintain and inventory emergency ambulance supplies, equipment, and routine vehicle maintenance.

Operate emergency vehicles enroute to emergencies and during patient transport to the hospital.

Ambulance Operator duties:

An Ambulance Operator will be required to perform the following job tasks:

Operate City-owned ambulances and other department vehicles as directed, including driving to and from medical emergencies as part of the emergency transportation team.

Perform appropriate field procedures utilizing EMT-B level skills such as attaining and documenting vital signs, bandaging, splinting, lifting patients into an ambulance and assisting paramedics as directed.

Maintain and inventory emergency ambulance supplies, equipment and routine vehicle parts.

Operate within federal, state, county and city laws, regulations and guidelines including the Health Insurance Portability and Accountability Act Attend and complete department and hospital training sessions and drills.

Participate in station and equipment clean-up and perform other assignments as directed.

Respond to and assist the public in a wide variety of emergency calls involving illness and urgent situations and emergency medical incidents; analyze patient needs and administer first aid until relieved by proper medical personnel.

Participate in drills; attend continuing and advanced training sessions which can include emergency medical care, firefighting techniques, and the proper use of all equipment and related tools.

Respond to complaints and requests for information from the public; engage in public information activities; conduct station tours.

An Ambulance Operator will conduct daily inspections of condition and readiness of equipment; clean, wash, and service equipment; inspect, test, and maintain equipment.

Ambulance Operators are expected to drive and operate equipment safely under limited conditions.

An Ambulance Operator must be able to read electronic and incident maps and follow map directions; recognize street names quickly; locate house numbers and navigate quickly through business districts.

Work effectively in difficult and hazardous emergency situations and environments and carry out work assignments as instructed.

Safely and properly transport patients during ambulance transportation.

Follow oral and written instructions; communicate effectively both orally and in writing.

Maintain physical fitness to perform the physical aspects of the position.

Assist in the maintenance of the fire station and grounds.

OTHER JOB RELATED DUTIES

Perform related duties and responsibilities as assigned by their supervisor.

JOB RELATED AND ESSENTIAL QUALIFICATIONS

Knowledge of:

Basic emergency medical procedures including obtaining vital signs.

Locations of area hospitals and proper transport destinations.

Symptoms of medical emergencies and of appropriate responses to such conditions.

Principles of inventory management.

Procedures, methods, and techniques of emergency medical services including basic first aid and CPR.

Pertinent Federal, State, and local laws, codes, and regulations.

Principles and procedures of record keeping.

Safe driving principles and practices.

Skill to:

Operate a motor vehicle safely.

Operate a variety of fire emergency response equipment safely and effectively including communications equipment.

Operate modern office equipment and technology.

Utilize handheld electronic devices for electronic care reporting documentation.

Ability to:

Evaluate patients' conditions and properly render emergency medical care including administration of emergency medications.

Perform at required emergency medical services within the Los Angeles County Department of Health Services Basic Life Support scope of practice.

Participate in preliminary fact-finding inspections and investigations including evidence gathering and preservation.

Interpret and apply policies, procedures, laws, codes, and regulations pertaining to assigned programs and functions.

Read, understand, and apply basic life support materials and concepts.

Respond quickly to changing situations under stressful emergency conditions.

Demonstrate physical endurance, agility, strength, and stamina in the performance of hazardous tasks under emergency conditions; think and act quickly in emergencies.

Understand and follow oral and written directions promptly and accurately.

Exercise good judgment, flexibility, creativity, and sensitivity in response to changing situations and needs.

Communicate clearly and concisely, both orally and in writing.

Establish, maintain and foster positive and harmonious working relationships with those contacted in the course of work.

Minimum Qualifications:

Training:

Equivalent to the completion of high school supplemented by college-level coursework and/or specialized training in basic life support.

License or Certificate:

American Heart Association First Aid and CPR

Must possess and maintain a valid California Class C driver license and satisfactory driving record. Must possess a DMV ambulance endorsement before the date of hire.

Must possess and maintain a California EMT-B license before the date of hire.

National Incident Management System (NIMS) IS 700.

Incident Command System (ICS) 100 and 200.

Graduate of a 240-hour California Fire Academy or equivalent is highly desired.

Special Requirements:

Essential duties require the following physical skills and work environment:

Ability to sit, stand, walk, run, kneel, crouch, stoop, squat, crawl, twist, climb, and lift 125 lbs.; exposure to cold, fire, heat, smoke, noise, outdoors, vibration, confining work space, chemicals, communicable diseases, biohazard materials, explosive materials, mechanical hazards, and electrical hazards; ability to travel to different sites and locations; availability for shift work, on-call, and stand-by.

Effective Date: July 2023



MEMORANDUM

Fire Department

DATE: May 10, 2023

TO: Honorable Mayor and City Council; and Dominic Lazzaretto, City Manager

FROM: Chen Suen, Fire Chief

SUBJECT: Implementation of a Basic Life Support Peak Hours Ambulance

Respectfully, the Fire Department is requesting the implementation of a new program, a basic life support (BLS) peak hours ambulance. A basic life support ambulance is staffed by two personnel who are trained at a basic medical technician level.

Gradual Increase in Call Volume

Over the past three years emerging from the COVID-19 pandemic, the Fire Department observed an upward trend of total emergency incidents in the city of Arcadia (City). With the coming months and years of future commercial and residential development, the call volume will inevitably continue to increase. With the total number of commercial and residential units added, the rise in population will contribute to this increase. Table A summarizes the total call volume from 2018 through 2023. It shows a gradual increase in incidents and provides the projected call volume for Calendar Year 2023.

Table A Total Call Volume

Calendar Year	Avg. Daily Calls	Total Calls
2018	15.63	5,705
2019	15.60	5,693
2020	13.63	4,974
2021	15.28	5,576
2022	16.79	6,128
2023	16.83*	6,142*

**calculated based on the total call volume as of 3/28/2023*

Of this total, approximately 70% of the total call volume is dedicated to our response to emergency medical incidents and most of these incidents require medical transport to a hospital. An example of this breakdown is given in Table B, provided by our medical biller, Wittman Billing (Wittman).

Table B – Actuals for FY 2021-22 (per Wittman Billing)

Total Medical Runs	2,992
Advanced Life Support Care – 82% of Total Runs	2,447
Basic Life Support Care – 18% of Total Runs	545
Average Advanced Life Support Transport Charge	\$2,682.19
Average Basic Life Support Transport Charge	\$1,797.09

The Fire Department deploys three fire engines, one truck company, two advanced life support (ALS) paramedic ambulances, and one command vehicle across three strategically placed fire stations in the city of Arcadia. An advanced life support ambulance requires two paramedic trained firefighters who can provide advanced life support including but not limited to the administration of intravenous therapy including critical medications, the interpretation of electrocardiogram rhythms, the manual electrical shocking of the heart, the intubation of patients using advanced airways, the performance of a needle thoracostomy to alleviate pressure from a collapsed lung, and much more. Table C below provides a comparison of local cities and their deployment models including the number of ambulances utilized.

Table C – Deployment Comparison Between Local Cities

City	Call Volume	Population Served	Square Miles	Stations	Engine Companies	Truck Companies	Ambulances
Arcadia	6,100	56,681	11.1	3	3	1	2 (ALS)
Monrovia	4,600	37,931	13.7	2	2	1	Contracted
Alhambra	7,100	82,868	7.6	4	4	1	2 (ALS)
Monterey Park	5,400	61,096	7.7	3	3	1	2 (ALS)
San Gabriel	3,200	39,568	4.1	2	2	0	1 (ALS)
Sierra Madre	1,400	11,268	3.0	1	1	0	1 (ALS)
San Marino	2,000	12,513	3.8	1	1	0	1 (ALS)
Beverly Hills	7,000	32,701	5.7	3	4	1	3 (ALS)
Culver City	6,700	40,779	5.1	3	3	1	3 (ALS) 1 (BLS)
Downey	10,000	114,355	12.4	4	4	1	4 (BLS)

Automatic Aid Received for Medical Transport

Although service coverage provided by our existing rescue ambulances appears to be mostly sufficient, throughout the year our Fire Department has leaned on our neighboring agencies for assistance. When a neighboring agency responds to Arcadia, they receive the benefit of cost recovery when a patient is billed for services rendered.

More importantly, patient transport is delayed due to the extended response time for an ambulance responding from outside of the City. Time is crucial for positive patient outcome. The Fire Department has utilized ambulances from the Sierra Madre Fire Department, the San Marino Fire Department, and as far as the San Gabriel Fire Department.

For part of Calendar Year 2023, it is important to note that the Fire Department also utilized Care Ambulance as part of Monrovia Fire’s automatic aid contractual obligations to the region. Automatic aid is assistance dispatched automatically by contractual agreement between two communities. In this case, the 13 agencies dispatched by Verdugo Fire Communications in Glendale are under this agreement. Due to staffing shortages, Care Ambulance was unable and unwilling to continue to provide ambulance transport for agencies outside of Monrovia.

Using the furthest geographical example in Calendar Year 2023, our City utilized San Gabriel Rescue Ambulance 51, twice. The closest distance between San Gabriel Station 51, where their Rescue Ambulance is stationed, and the most southwestern border of our City is 4.2 miles. Depending on traffic conditions, the potential response time for San Gabriel Rescue Ambulance 51 is 10 to 14 minutes.

A summary of the total automatic aid received for the last six years is detailed in Table D. Table E details which outside agency provided the automatic aid.

Table D – Automatic Aid Received per Calendar Year (Advanced Life Support Care or Basic Life Support Care)

Calendar Year	Total RA Auto-Aid to ARC	Advanced Life Support Care (82%)*	Basic Life Support Care (18%)*
2018	119	98	21
2019	136	112	24
2020	83	68	15
2021	87	71	16
2022	156	128	28
2023	120**	98**	22*

**% of breakdown obtained from the most recent FY 2021-22 actual “Total Runs” or billable transports by Wittman*

***calculated based on the total medical transports by auto-aid agencies as of 3/28/2023*

Table E – Summary of Automatic Aid Provided by Outside Agencies

Calendar Year	Monrovia Fire	San Marino Fire	Sierra Madre Fire	San Gabriel Fire	Alhambra Fire	Total Calls
2018	105	13	1	0	0	119
2019	136	0	0	0	0	136
2020	83	0	0	0	0	83
2021	87	0	0	0	0	87
2022	115	6	30	2	3	157
2023*	6	4	17	2	0	29*

**As of 3/28/2023*

Rapid response to high priority medical calls is critical because it can impact a patient's outcome. The basic life support ambulance will transport lower acuity medical patients during peak hours, allowing for either of our advanced life support paramedic ambulances to respond to more critical calls.

Cost Recovery from Medical Transports

Based on historical data and costs recovered from our medical transports, the Fire Department collects on an annual basis approximately 27% on total gross billable transports by Wittman. These figures are based on data collected over several years. The cost recovery difference between gross and net payments is the total amount collected at a private insurance and self-pay rate compared against monetary amounts collected at the Medicare and Medi-Cal reimbursement rates, respectively. Tables F through J detail the approximate net revenue loss as a result of automatic aid responses into our City. Table K summarizes net payments for Calendar Years 2018 through 2022.

Table F – 2018 Revenue Loss per Advanced Life Support or Basic Life Support Transport

Emergency Type	Average Rate	Incident Count	Gross Charges	Revenues or Net Payments (27%)*
Advanced Life Support	\$2,682.19	98	\$ 262,854.62	\$ 70,970.75
Basic Life Support	\$1,797.09	21	\$ 37,738.89	\$ 10,189.50
TOTALS		119		\$ 81,160.25

*Average % of Revenue Collected (Gross Charges versus Actual Net Payments of 27%)

Table G – 2019 Revenue Loss per Advanced Life Support or Basic Life Support Transport

Emergency Type	Average Rate	Incident Count	Gross Charges	Revenues or Net Payments (27%)*
Advanced Life Support	\$2,682.19	112	\$ 300,405.28	\$ 81,109.43
Basic Life Support	\$1,797.09	24	\$ 43,130.16	\$ 11,645.14
TOTALS		136		\$ 92,754.57

*Average % of Revenue Collected (Gross Charges versus Actual Net Payments of 27%)

Table H – 2020 Revenue Loss per Advanced Life Support or Basic Life Support Transport

Emergency Type	Average Rate	Incident Count	Gross Charges	Revenues or Net Payments (27%)*
Advanced Life Support Care	\$2,682.19	68	\$ 182,388.92	\$ 49,245.00
Basic Life Support Care	\$1,797.09	15	\$ 26,956.35	\$ 7,278.21
TOTALS		83		\$ 56,523.21

*Average % of Revenue Collected (Gross Charges versus Actual Net Payments of 27%)

Table I – 2021 Revenue Loss per Advanced Life Support or Basic Life Support Transport

Emergency Type	Average Rate	Incident Count	Gross Charges	Revenues or Net Payments (27%)*
Advanced Life Support Care	\$2,682.19	71	\$ 190,435.49	\$ 51,417.58
Basic Life Support Care	\$1,797.09	16	\$ 28,753.44	\$ 7,763.43
TOTALS		87		\$ 59,181.01

*Average % of Revenue Collected (Gross Charges versus Actual Net Payments of 27%)

Table J - 2022 Revenue Loss per Advanced Life Support or Basic Life Support Transport

Emergency Type	Average Rate	Incident Count	Gross Charges	Revenues or Net Payments (27%)*
Advanced Life Support	\$2,682.19	128	\$ 343,320.32	\$ 92,696.49
Basic Life Support	\$1,797.09	28	\$ 50,318.52	\$ 13,586.00
TOTALS		156		\$ 106,282.49

*Average % of Revenue Collected (Gross Charges versus Actual Net Payments of 27%)

Table K - 5-Year Summary of Net Revenue Loss per Advanced Life Support or Basic Life Support Transport, per Calendar Year

Calendar Year	Advanced Life Support Net Revenue Loss	Basic Life Support Net Revenue Loss	TOTALS Net Revenue Loss
2018	\$ 70,970.75	\$ 10,189.50	\$ 81,160.25
2019	\$ 81,109.43	\$ 11,645.14	\$ 92,754.57
2020	\$ 49,245.00	\$ 7,278.21	\$ 56,523.21
2021	\$ 51,417.58	\$ 7,763.43	\$ 59,181.01
2022	\$ 92,696.49	\$ 13,586.00	\$ 106,282.49
TOTALS	\$ 345,439.25	\$ 50,462.28	\$ 395,901.53
<i>% of Cost -Share</i>	87%	13%	

Based on the figures above, Table L predicts what the potential revenue loss will be for Calendar Year 2023. This includes the projected automatic aid responses the City will receive, broken down by advanced and basic life support transports, potential total gross revenue loss, and the projected net revenue loss calculated at the same 27% reimbursement rate.

Table L - 2023 Projected Revenue Loss Advanced Life Support or Basic Life Support Transport

Emergency Type	Average Rate	Incident Count	Gross Charges	Revenues or Net Payments (27%)*
Advanced Life Support	\$2,682.19	98	\$ 262,854.62	\$ 70,970.75
Basic Life Support	\$1,797.09	22	\$ 39,535.98	\$ 10,674.72
TOTALS		120		\$ 81,645.47

*Average % of Revenue Collected (Gross Charges versus Actual Net Payments of 27%)

Justification for a Basic Life Support Peak Hours Ambulance

Based on the information provided herein, a basic life support peak hours ambulance would improve our services to the community. When requested and available, our basic life support ambulance will transport patients requiring only a basic level of care. This reserves our advanced life support ambulances to respond to incidents requiring a higher level of medical care. Additionally, the availability of a third medical transport vehicle will cover incidents that now require an automatic aid response. This will improve response times that previously required an out-of-city resource and maximize our ability to recover costs generated by medical transports. This will undoubtedly improve patient outcomes.

Costs and Deployment Model Associated with a Basic Life Support Peak Ambulance

Personnel

There are three possible deployment models. A total of two (2) basic life support ambulance operators would staff each of these deployment options.

- (1) A peak hours ambulance staffed Monday through Friday. (“Weekday Model”)
- (2) A peak hours ambulance staffed seven days a week. (“7-Day Model”)

(3) A basic life support ambulance staffed 24-hour a day. (“24-Hour Model”)

When balancing current projected revenue totals against the cost of all three deployment models, it is likely that there will be a net cost. The unquantifiable benefit for this added resource is the potential time saved when lowering response times, which is crucial for patient outcomes.

The Weekday Model would require at least four basic life support ambulance operators. Two teams of two would be developed and be assigned to an alternating schedule. Team One would work Monday through Wednesday the first week and then Monday through Tuesday the second week. Team Two would work Thursday through Friday the first week and then Wednesday through Friday the second week.

The 7-Day Model would require at least six basic life support ambulance operators. Three teams of two basic life support ambulance operators would be developed and assigned to each of our three platoons. Additionally, there will be other ancillary costs such as station uniforms and personal protective equipment. Since these individuals would not be placed into the same environments as a firefighter, the costs of their uniforms and personal protective equipment would be significantly less. The projected cost is detailed in Tables M and N for the two deployment models calculated for personnel costs only.

Table M – Projected Annual Personnel Cost for Two (2) BLS Ambulance Operators 0800 to 2000 hours, Five Days a Week – Monday Through Friday

Personnel	Hourly Rate	Number of Hours	Total Amount Paid Per Day	Work Days Per Year	Total Annual Cost
BLS AMBULANCE OPERATOR 0800 to 2000	\$17.00	12.0	\$204.00	260	\$ 53,040.00
PERS Rate 20.2% (miscellaneous)					\$ 10,714.08
TOTALS					\$ 63,754.08
ANNUAL TOTAL FOR TWO BLS AMBULANCE OPERATORS					\$ 127,508.16

Table N – Projected Annual Personnel Cost for Two (2) BLS Ambulance Operators 0800 to 2000 hours, Seven Days a Week

Personnel	Hourly Rate	Number of Hours	Total Amount Paid Per Day	Days Per Year	Total Annual Cost
BLS AMBULANCE OPERATOR 0800 to 2000	\$17.00	12.0	\$204.00	365	\$ 74,460.00
PERS Rate 20.2% (miscellaneous)					\$ 15,040.92
TOTALS		12.0	\$187.00	365	\$ 89,500.92
ANNUAL TOTAL FOR TWO BLS AMBULANCE OPERATORS					\$ 179,001.84

Busiest Hours

A report provided by Verdugo Fire Communications indicated that the hours between 1000 to 1900 hours were our City’s busiest times of the day for calls. Table O details the busiest hours for 2022. An earlier start time, 8:00 a.m., provides our basic life support ambulance operators an opportunity to receive a briefing in the morning, and conduct vehicle and equipment check out, maintenance, and inventory. An end time of 8:00 p.m. allows our basic life support ambulance operators an opportunity to debrief with their supervisor and return the vehicle to a ready-state for the next operational period. When examining data for automatic aid received from outside agencies, the incidents trended similarly to Table O in regards to the time of day.

Table O - 2022 Busiest Hours for All Incidents - Arcadia Fire

	Hours	Number of Incidents
1	1:00pm to 2:00pm	400
2	3:00pm to 4:00pm	388
3	2:00pm to 3:00pm	371
4	11:00am to 12:00pm	357
5	10:00am to 11:00am	353
6	6:00pm to 7:00pm	350
7	5:00pm to 6:00pm	346
8	4:00pm to 5:00pm	334

***Provided by Verdugo Fire Communications Center Annual Report**

Busiest Days of the Week

Further, in researching what days of the week would benefit the most from a basic life support ambulance, Table P details the call volume for each of the days of the week over the last five years. If the Weekday deployment option was selected, a Monday through Friday basic life support peak hours ambulance would be recommended. When examining data for automatic aid received from outside agencies, the incidents trended similarly to Table P.

Table P – Busiest Days of the Week for All Incidents

Year	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
2018	749	795	759	861	833	895	813
2019	799	852	819	834	814	800	775
2020	682	728	728	747	690	711	688
2021	734	792	770	774	807	874	825
2022	813	926	835	886	854	923	891
TOTAL	3777	4093	3911	4102	3998	4203	3992
AVG OF 5 YRS	755	819	782	820	800	841	799

***Highlighted sections are the five busiest days of the week

Vehicle

For Fiscal Year 2023-24 and as part of the new equipment acquisition plan, an additional Rescue Ambulance will be requested at a cost of \$731,600 (\$634,800 for vehicle cost and \$96,800 for upfitting). With the addition of a basic life support peak hours ambulance, we anticipate the need to retain one of the current rescue ambulances to utilize as a reserve vehicle.

Other Costs

Other costs possibly associated with this new program could be absorbed by our other budget line items. Such areas include office supplies, training, and medical supplies. With an increase of approximately 120 incidents per year and adding only four to six part-time personnel, these costs would not have a significant impact in the areas indicated in this section.

Potential Additional Revenue Sources

The Fire Department is exploring and researching possible additional revenue sources associated with a basic life support ambulance. Two such sources include the ability to provide interfacility transfer services for USC Arcadia Hospital and possibly other local hospitals to local destinations and executing a reciprocal agreement with Care Ambulance for mutual aid assistance.

The Fire Department is exploring the possibility of providing basic life support interfacility transfer service to patients from the hospital to a local facility or their personal residence. This will help USC Arcadia Hospital and other local hospitals transfer patients who are discharged from the hospital back to their homes. Requests for private ambulance service can sometimes be delayed with long estimated arrival times. By providing our resource, it may help “unclog” the system. The basic life support ambulance would be made available at the discretion of the on-duty Battalion Chief. The patient would be directly billed for this service.

Similar to the La Verne Fire Department’s basic life support ambulance model, our Fire Department would proactively approach Care Ambulance to explore a possible reciprocal agreement. Our basic life support ambulance would serve as a secondary transport source for Monrovia and the Los Angeles County Fire Department when a Care Ambulance is not available. Care Ambulance has experienced staffing shortages. This would allow Care Ambulance to resume their responses into Arcadia as part of their regional automatic aid obligations with the Monrovia Fire Department. These transport opportunities would generate additional cost recovery opportunities for the basic life support ambulance program.

La Verne Fire Department started their program in March 2022 and their specific financial numbers will not be available until the end of this Fiscal Year. However, based on initial projections, the Fire Chief of the La Verne Fire Department has indicated that their ground ambulance transportation revenues will generate more revenues than originally budgeted for.

Summary

The implementation of this new program will improve services to our community. It will alleviate potential long response times from outside resources and provide our City with additional opportunities for cost recovery. When time matters for patient outcome, every minute saved is crucial. A basic life support ambulance program will also help keep vital paramedic resources available for more critical medical responses.

It is recommended that the basic life support ambulance program be phased in, initially starting with a Monday through Friday peak hours ambulance operating from 0800 to 2000 hours. The total projected costs and revenue are detailed in Table Q. Once established and the actual financial numbers are realized, the Department can continue to explore the other options of either adding two additional days or converting the ambulance to a 24-hour basic life support ambulance, or completely discontinuing the program.

Table Q – Total Annual Costs and Revenue Projection for BLS Peak Hours Ambulance, Monday Through Friday – 0800 to 2000 hours

COSTS	START UP	ONGOING ANNUAL COST
(2) BLS Ambulance Operators 0800 to 2000 Monday through Friday	\$ 127,508.16	\$ 127,508.16
Uniform and Gear	\$ 4,000 (\$ 1,000 per person)	\$ 1,600 (\$ 400 per person)
Ambulance Costs and Maintenance	\$ 731,600 (new)	\$ 20,000
TOTAL	\$ 863,108.16	\$ 149,108.16
REVENUE	\$ 81,645.47	\$ 93,399.10*
ADDITIONAL REVENUE SOURCES	UNKNOWN	UNKNOWN
NET TOTAL	(-\$ 781,462.69)	(-\$ 55,709.06)

*average net revenue loss for Calendar Year 2018, 2019, and 2022

Should you have further questions or concerns, I am available for discussion. Thank you for your consideration.

Attachment "C"

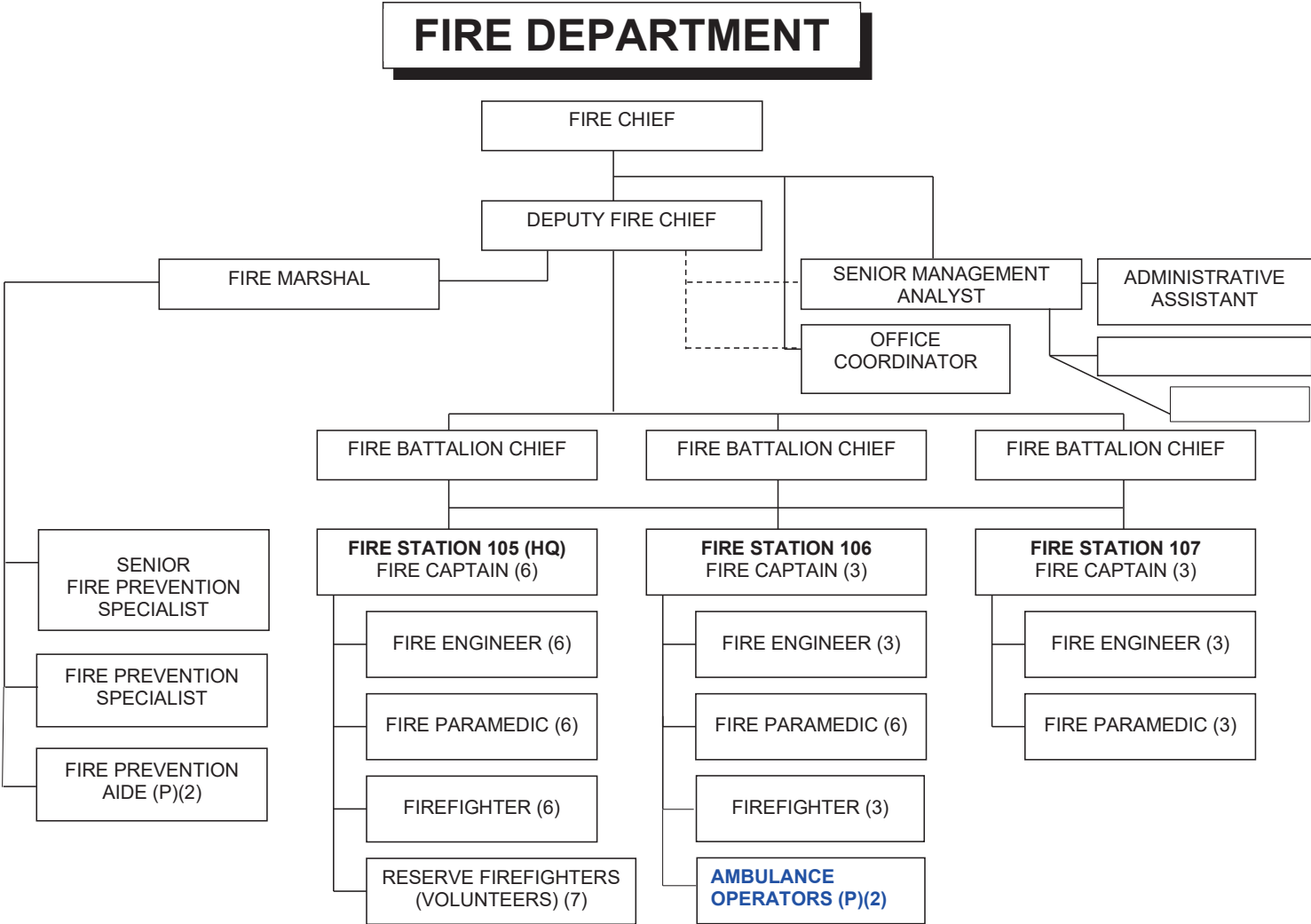
Proposed Salary Schedule with **NEW** Ambulance Operator Job Classification

City of Arcadia Part-Time Hourly Wage Schedule CalPERS Retirement Effective January 1, 2023

Range Number	Title	Step A	Step B	Step C	Step D	Step E
PTP12	Activity Leader I Library Aide Laborer Police Cadet	\$16.59	\$17.00	\$17.42	\$17.86	\$18.31
PTP13	Administrative Intern	\$17.00	\$17.42	\$17.86	\$18.31	\$18.77
PTP14	Activity Leader II Ambulance Operator	\$17.43	\$17.86	\$18.31	\$18.77	\$19.24
PTP15		\$17.87	\$18.31	\$18.77	\$19.24	\$19.72
PTP16	Fire Prevention Aide	\$18.32	\$18.77	\$19.24	\$19.72	\$20.21
PTP17		\$18.78	\$19.24	\$19.72	\$20.21	\$20.72
PTP18	Camp Manager Library Clerk	\$19.25	\$19.72	\$20.21	\$20.72	\$21.23
PTP19		\$19.73	\$20.21	\$20.72	\$21.23	\$21.76
PTP20	Tram Driver	\$20.22	\$20.72	\$21.23	\$21.76	\$22.31
PTP21		\$20.73	\$21.23	\$21.76	\$22.31	\$22.87
PTP22		\$21.24	\$21.76	\$22.31	\$22.87	\$23.43
Communications & Marketing Specialist I		\$28.49	\$29.22	\$29.94	\$30.70	\$31.45
Communications & Marketing Specialist II		\$33.04	\$33.87	\$34.72	\$35.59	\$36.48

Volunteer Services Coordinator:	\$22.93 per hr
Reserve Police Officer (Level II):	\$26.24 per hr
Reserve Police Officer (Level I): Step A of Police Officer salary, plus 11%	\$44.40 per hr (as of 7/1/22)
Law Enforcement Recruit: Step A of Police Officer salary, plus 7%	\$42.80 per hr (as of 7/1/22)
Law Enforcement Recruit/ Pre-Service: Step A of Police Officer salary, plus 7%	\$42.80 per hr (as of 7/1/22)

Attachment "D"





STAFF REPORT

Administrative Services Department

DATE: July 18, 2023
TO: Honorable Mayor and City Council
FROM: Hue Quach, Administrative Services Director
By: Anely Williams, Human Resources Administrator

SUBJECT: AGREEMENT FOR SPECIALIZED PERSONNEL-RELATED LEGAL SERVICES AND AN EMPLOYMENT RELATIONS CONSORTIUM AGREEMENT FOR PERSONNEL-RELATED TRAINING AND SERVICES WITH LIEBERT CASSIDY WHITMORE IN AN AMOUNT NOT TO EXCEED \$192,000 OVER A THREE-YEAR PERIOD
CEQA: Not a Project
Recommendation: Approve

SUMMARY

Liebert Cassidy Whitmore (“LCW”) provides legal services to the City of Arcadia (“City”) related to employment law and labor relations. Based on the expertise and services provided, it is recommended that the City Council approve, authorize and direct the City Manager to execute, an agreement for personnel-related legal services and an employment relations consortium agreement, with LCW in the amount of \$64,000 annually for Fiscal Year (“FY”) 2023-24 through 2025-26.

BACKGROUND

The City has had an agreement for personnel-related legal services with the LCW law firm for many years. LCW provides a variety of employer-employee relations legal services including advice on matters of labor relations, defending the City in grievance and disciplinary appeal hearings, and litigation defense.

The depth of expertise and services LCW has provided to the City has been of great assistance. Particularly, the diversity of LCW’s legal experience with public employers, and their ability to provide practical applications to a multitude of complex laws in employment matters has proven extremely helpful over the years. Thus, it is recommended that the City Council approve the execution of new service agreements for FY 2023-24 through FY 2025-26.

DISCUSSION

The agreement for personnel legal services provides for LCW attorneys and human resources consultants to provide representation for the City in litigation and other employment relations services as requested by the City.

As part of the agreement for personnel legal services, the contract grants the City membership in the Employment Relations Consortium with LCW. The Consortium offers critical workshops and training covering various employment relations subjects such as management rights and obligations, employment discrimination, and legislative developments in personnel administration. The Employment Relations Consortium membership includes a subscription to the LCW library and unlimited access to critical forms, policies, and workbooks.

ENVIRONMENTAL ANALYSIS

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA"), based on Section 15061(b)(3) of the CEQA Guidelines, 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

Adequate funding has been allocated in the current FY 2023-24 budget and all future contract years will be adequately funded:

Fiscal Year 2023-24: \$64,000
Fiscal Year 2024-25: \$64,000
Fiscal Year 2025-26: \$64,000

It should be noted that the City will only be billed for hours used under the legal services agreement and there is no retainer cost associated with the agreement.

RECOMMENDATION

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act, and approve, authorize and direct the City Manager to execute, an agreement for Specialized Personnel-Related Legal Services and an Employment Relations Consortium Agreement for personnel-related training and services with Liebert Cassidy Whitmore in an amount not to exceed \$192,000 over a three-year period.

Agreement for Personnel-Related Legal Services and
Training with Liebert Cassidy Whitmore
July 18, 2023
Page 3 of 3

Approved:



Dominic Lazzaretto
City Manager

Attachments: Proposed Agreement for Special Services
Proposed Employment Relations Consortium Agreement

AGREEMENT FOR SPECIAL SERVICES

This Agreement is entered into between the law firm of LIEBERT CASSIDY WHITMORE, A Professional Corporation (“Attorney”), and the CITY OF ARCADIA, A Municipal Corporation (“City”).

1. Conditions

This Agreement will not take effect, and Attorney will have no obligation to provide services, until City returns a properly signed and executed copy of this Agreement.

2. Attorney’s Services

Attorney agrees to provide City with consulting, representational and legal services pertaining to employment relations matters, including representation in negotiations and in administrative and court proceedings, as requested by City or otherwise required by law.

3. Fees, Costs, Expenses

City agrees to pay Attorney the sums billed monthly for time spent by Attorney in providing the services, including reasonable travel time.

The current range of hourly rates for Attorney time is from Two Hundred Sixty to Four Hundred Twenty-Five Dollars (\$260.00 - \$425.00). See Schedule I for a full Fee Schedule. Attorney reviews its hourly rates on an annual basis and, if appropriate, adjusts them effective July 1. Attorney will provide the City with written notification of any adjustment in the range of rates. Attorney bills its time in minimum units of one-tenth of an hour.

For Litigation Matters

See Schedule II attached for a description of Attorney's Litigation and E-Discovery Management.

Other Expenses

City agrees to reimburse Attorney for necessary costs and expenses incurred by Attorney on behalf of City. Attorney bills photocopying charges at Fifteen Cents (\$0.15) per page. See Schedule I attached.

Payment by City against monthly billings is due upon receipt of statements, and is considered delinquent if payment is not received within thirty (30) days of the date of the invoice.

4. Professional Liability Insurance

The California Business & Professions Code requires us to inform you whether we maintain errors and omissions insurance coverage applicable to the services to be rendered to you. We hereby confirm that the firm does maintain such insurance coverage.

5. Arbitration of Professional Liability or Other Claims

Disputes. If a dispute between City and Attorney arises over fees charged for services, the controversy will be submitted to binding arbitration in accordance with the rules of the California State Bar Fee Arbitration Program, set forth in California Business and Professions Code, sections 6200 through 6206. The arbitrator or arbitration panel shall have the authority to award to the prevailing party attorneys' fees, costs and interest incurred. Any arbitration award may be served by mail upon either side and personal service shall not be required.

If a dispute arises between City and Attorney over any other aspect of the attorney-client relationship, including, without limitation, a claim for breach of professional duty, that dispute will also be resolved by arbitration. It is understood that any dispute as to any alleged breach of professional duty (that is, as to whether any legal services rendered under this agreement were allegedly unnecessary, unauthorized, omitted entirely, or were improperly, negligently or incompetently rendered) will be determined by submission to arbitration as provided by California law, and not by a lawsuit or resort to court process except as California law provides for judicial review of arbitration proceedings. **Both parties to this agreement, by entering into it, are giving up their constitutional right to have any such dispute decided in a court of law before a jury, and instead are accepting the use of arbitration.** Each party is to bear its own attorney's fees and costs.

6. File Retention

After our services conclude, Attorney will, upon City's request, deliver the file for the matter to City, along with any funds or property of City's in our possession. If City requests the file for the matter, Attorney will retain a copy of the file at the City's expense. If City does not request the file for this matter, we will retain it for a period of seven (7) years after this matter is closed. If City does not request delivery of the file for this matter before the end of the seven (7) year period, we will have no further obligation to retain the file and may, at our discretion, destroy it without further notice to City. At any point during the seven (7) year period, City may request delivery of the file.

7. Assignment

This Agreement is not assignable without the written consent of City.

8. Independent Contractor

It is understood and agreed that Attorney, while engaged in performing the terms of this Agreement, is an independent contractor and not an employee of City.

9. Authority

The signators to this Agreement represent that they hold the positions set forth below their signatures, and that they are authorized to execute this Agreement on behalf of their respective parties and to bind their respective parties hereto.

10. Term

This Agreement is effective July 1, 2023 through June 30, 2026 and may be modified by mutual agreement of the parties. This agreement shall be terminable by either party upon thirty (30) days written notice.

LIEBERT CASSIDY WHITMORE,
A Professional Corporation

CITY OF ARCADIA
A Municipal Corporation

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

SCHEDULE I – FEES & COSTS

1. Hourly Rates (As of Agreement Effective Date)

Partners	\$425.00
Senior Counsel	\$355.00
Associates	\$260.00 - \$335.00
Labor Relations/HR Consultant	\$270.00
Paralegals	\$145.00
E- Discovery Specialists	\$145.00
Law Clerks	\$145.00 - \$185.00

2. COSTS

1. Photocopies	\$0.15 per copy
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SCHEDULE II

LCW LITIGATION and E-DISCOVERY MANAGEMENT

LCW is committed to using state-of-the-art technology to efficiently manage and harness electronically-stored information (“ESI”) in compliance with Federal and State law requirements. LCW partners with an outside managed services provider to provide Relativity, the industry leading e-discovery software, for this purpose. The cost for each matter will depend on the volume and format of the data. For non-complex data up to 50 gigabytes, LCW charges a monthly fee of \$450 on all active litigation matters for data management, including data validation and security, ingestion, de-duplication, culling and streamlining, and creation of Relativity fields for expedited review. For data of 50 gigabytes and over and for complex data requiring specialized services (e.g., payroll data, spreadsheets with underlying formulas, video, advanced searches, etc.), additional charges are incurred and are passed through to the client. For such charges, we will provide an itemized bill from our managed services provider and obtain client approval prior to incurring the charges.

Litigation Case Staffing

LCW has organized its litigation practice to meet the challenges of today’s complex litigation cases. We employ a dedicated Litigation Manager – a non-billing attorney litigator – whose responsibility is to monitor all litigation cases to ensure quality, efficiency, and adherence to client and firm litigation guidelines. Each litigation case is staffed with a Partner, an Associate (or Associates, as required and as approved by the Client), a Paralegal and an E-Discovery Specialist. Our E-Discovery Specialists have extensive experience in the efficient management of electronic data through every stage of the e-discovery life cycle, and they strategize with attorneys and clients on effective ESI protocols. This makes the document review process more efficient and enables our attorneys to target the most relevant data to meet litigation objectives. Working with our e-discovery managed services provider, we are able to provide state-of-the-art data processing and hosting services at below-market rates.

AGREEMENT FOR SPECIAL SERVICES

This Agreement is entered into between the City of Arcadia, A Municipal Corporation, hereinafter referred to as "Agency," and the law firm of LIEBERT CASSIDY WHITMORE, A Professional Corporation, hereinafter referred to as "Attorney."

WHEREAS Agency has the need to secure expert training and consulting services to assist Agency in its workforce management and employee relations; and

WHEREAS Agency has determined that no less than twenty-eight (28) public agencies in the San Gabriel Valley area have the same need and have agreed to enter into identical agreements with Attorney; and

WHEREAS Attorney is specially experienced and qualified to perform the special services desired by the Agency and is willing to perform such services;

NOW, THEREFORE, Agency and Attorney agree as follows:

Attorney's Services:

During the year beginning July 1, 2023, Attorney will provide the following services to Agency (and the other aforesaid public agencies):

1. Five (5) days of group training workshops covering such employment relations subjects as management rights and obligations, negotiation strategies, employment discrimination and affirmative action, employment relations from the perspective of elected officials, performance evaluation (administering evaluations), grievance and discipline administration for supervisors and managers, planning for and responding to concerted job actions, current court, administrative and legislative developments in personnel administration and employment relations, etc., with the specific subjects covered and lengths of individual workshop presentations to be determined by Agency and the other said local agencies.

It is expressly understood that the material used during these presentations, including written handouts and projected power points are provided solely for the contracted workshops. This agreement warrants there will be no future use of Liebert Cassidy Whitmore material in other trainings or formats without the expressed written permission of Liebert Cassidy Whitmore. Any such use will constitute a violation of this agreement and copyright provisions.

2. Availability of Attorney for Agency to consult by telephone. Consortium calls cover questions that the attorney can answer quickly with little research. They do not include the review of documents, in depth research, written responses (like an opinion letter) or advice on on-going legal matters. The caller will be informed if the question exceeds the scope of consortium calls. Should the caller request, the attorney can assist on items that fall outside the service, but these matters will be billed at the attorney's hourly rate. (See additional services section.)
3. Providing of a monthly newsletter covering employment relations developments.

Fee:

Attorney will provide these special services to Agency for a fee of Three Thousand Three Hundred Fifty Five Dollars (\$3,355.00) payable in one payment prior to August 1, 2023. The fee, if paid after August 1, 2023 will be \$3,455.00.

Said fee will cover Attorney's time in providing said training and consultative services and the development and printing of written materials provided to attendees at the training programs.

Additional Services:

Attorney shall, as and when requested by Agency, make itself available to Agency to provide representational, litigation, and other employment relations services. The Agency will be billed for the actual time such representation services are rendered, including reasonable travel time, plus any necessary costs and expenses authorized by the Agency.

The range of hourly rates for Attorney time is from Two Hundred Sixty to Four Hundred Thirty-Five Dollars (\$260.00 - \$435.00) per hour for attorney staff, Two Hundred Eighty Dollars (\$280.00) per hour for Labor Relations/HR Consultant and from One Hundred Forty-Five to One Hundred Eighty-Five Dollars (\$145.00 - \$185.00) per hour for services provided by paraprofessional and litigation support staff. Attorneys, paraprofessional and litigation support staff bill their time in minimum units of one-tenth of an hour. Attorney reviews its hourly rates on an annual basis and if appropriate, adjusts them effective July 1.

Independent Contractor:

It is understood and agreed that Attorney is and shall remain an independent contractor under this Agreement.

Term:

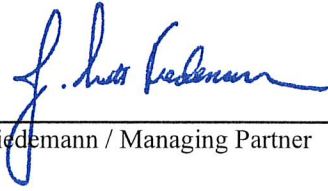
The term of this Agreement is twelve (12) months commencing July 1, 2023. The term may be extended for additional periods of time by the written consent of the parties.

Condition Precedent:

It is understood and agreed that the parties' aforesaid rights and obligations are contingent on no less than twenty-eight (28) local agency employers entering into a substantially identical Agreement with Attorney on or about July 1, 2023.

LIEBERT CASSIDY WHITMORE
A Professional Corporation

CITY OF ARCADIA
A Municipal Corporation

By: 

J. Scott Tiedemann / Managing Partner

By: _____

Date: 6/28/2023

Name: _____

Title: _____

Date: _____



STAFF REPORT

Administrative Services Department

DATE: July 18, 2023

TO: Honorable Mayor and City Council

FROM: Hue Quach, Administrative Services Director
By: Anely Williams, Human Resources Administrator

SUBJECT: AMENDMENT TO THE AGREEMENT WITH ADMININSURE INC. FOR WORKERS' COMPENSATION THIRD PARTY CLAIMS ADMINISTRATION SERVICES EXTENDING THE TERM FOR AN ADDITIONAL TWO YEARS IN THE AMOUNT OF \$209,880
CEQA: Not a Project
Recommendation: Approve

SUMMARY

On June 16, 2020, the City Council approved a three-year Agreement with AdminSure, Inc. ("AdminSure") for Third Party Workers' Compensation claims administration services. At that time, the City's risk pool, California Insurance Pool Authority ("CIPA") went out to bid on behalf of the City of Arcadia and other participating member cities. Based on competitive bid results, CIPA negotiated a five-year contract through June 30, 2025, for all cities except City of Arcadia, who entered into a three-year contract instead.

For a period of time prior to 2020, the City did not feel that it was receiving the level service it expected, and thus, wished to enter into a shorter contract term to evaluate whether the level of service would improve. Since then, the City has been extremely satisfied with the services provided and response rate received. Based on the positive experiences and the competitive bid results from 2020, it is recommended that the City Council approve, authorize, and direct the City Manager to execute an amendment to the existing agreement with AdminSure to extend the term of the agreement from June 30, 2023, to June 30, 2025. This change would align with all other CIPA member cities and would ensure continuity of service. The cost for the additional two years totals \$209,880 and are as follows:

- Fiscal Year 2023-2024: \$103,392
- Fiscal Year 2024-2025: \$106,488

DISCUSSION

The City of Arcadia is a member of CIPA, which operates within the guidelines of the Joint Powers Authority to self-fund the Workers' Compensation insurance program. The program requires the services of a Third-Party Administrator ("TPA") to handle the daily operations of the City's claims. AdminSure has provided TPA services for the City's Workers' Compensation program since 1985. Although there was a short period during which the City was experiencing reduced service levels, AdminSure remained committed to providing excellent service. Through assignment of a different claims adjuster and more oversight, the City has not experienced any further concerns. AdminSure continues to provide excellent service and expertise in claims administration.

The services provided by AdminSure includes all aspects of claims administration in compliance with the applicable Workers' Compensation laws for the State of California, including but not limited to: monitoring claims, setting and updating reserves, authorizing medical treatments, processing medical bills, and meeting all reporting requirements mandated by Medicare and Medicaid. Additionally, AdminSure provides electronic access to their program database to review both open and closed claims and reserves.

The proposed amendment would extend the duration of the contract from June 30, 2023, to June 30, 2025, to ensure there is continuity of service. No other contract terms will be revised, including any notification of termination. Should the City choose to terminate the contract at any time, a Request for Proposal ("RFP") would be required, which could take several months to complete. Upon completion of the RFP, the City would need to provide 60 days' notice to AdminSure to guarantee there is no lapse in the claims administration processes.

ENVIRONMENTAL ANALYSIS

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA"), based on Section 15061(b)(3) of the CEQA Guidelines, 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

Adequate funding has been allocated in the current FY 2023-24 budget to support these services. Next year's costs for these services will be addressed during the annual budget adoption process:

- Fiscal Year 2023-24: \$103,392
- Fiscal Year 2024-25: \$106,488

RECOMMENDATION

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act, and approve, authorize, and direct the City Manager to execute an amendment to the agreement with AdminSure Inc. for Workers' Compensation Third Party Claims Administration Services extending the term for an additional two years in the amount of \$209,880.

Approved:



Dominic Lazzaretto
City Manager

Attachments: Current AdminSure Agreement and First Amendment
Proposed Second Amendment Extending Arcadia's Term

**AGREEMENT FOR
CLAIMS ADMINISTRATION SERVICES**

Article 1. GENERAL

This Agreement is entered into on July 1, 2020 by and between the CALIFORNIA INSURANCE POOL AUTHORITY (“CIPA”), a California public joint powers authority, on behalf of the CITIES OF ARCADIA, BUENA PARK, CYPRESS, IRVINE, LAGUNA BEACH, MONTCLAIR, ORANGE, TUSTIN AND YORBA LINDA (“Member Cities or Member City”) and AdminSure, Inc. (“Administrator”), having an office at 3380 Shelby Street, Ontario, California.

Article 2. SCOPE OF APPOINTMENT/RELATIONSHIP OF THE PARTIES

Administrator, its agents and employees are hereby appointed as CIPA and/or Member Cities’ agents and representatives to administer Member Cities’ self-insured workers’ compensation programs and processes, evaluate, adjust and handle workers’ compensation claims against Member Cities. Administrator agrees to provide the services set forth in Article 4 of this Agreement.

The relationship of Administrator and CIPA and/or Member Cities established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed to establish an employer/employee relationship or to constitute the parties as partners, joint ventures, co-owners, or otherwise as participants in a joint and common undertaking. Administrator, its agents and employees are representatives of CIPA and/or Member Cities only for the purpose of administering Member Cities’ self-insured workers’ compensation program as set forth in this Agreement, and they have no power or authority as agent, employee, or in any other capacity to represent, act for, bind or otherwise create or assume any obligation on behalf of CIPA and/or Member Cities for any purpose whatsoever, except as specifically required to perform Administrator’s obligations under this Agreement.

Article 3. DURATION

This Agreement applies to all work performed by Administrator which is described in Article 4, whether performed in anticipation of or following the execution of this Agreement. The initial term shall begin on July 1, 2020 and shall expire June 30, 2025, except for City of Arcadia which shall expire on June 30, 2023. Subsequent annual terms from July 1, to June 30, may be mutually agreed upon between the parties.

The Agreement shall automatically renew from year-to-year subject to termination by either party at any time during the life of the Agreement upon sixty (60) days written notice. CIPA maintains the right to terminate this Agreement if CIPA determines that it is in the best interest to do so, in CIPA’s sole discretion and with or without cause. In the event Member Cities purchase workers’ compensation insurance or its Certificate of Consent to Self-Insure is rescinded or revoked, this Agreement shall automatically terminate upon the effective date of such event. When this Agreement is terminated, the parties shall, as necessary, make an adjustment to the payment schedule in Article 6 to prorate fees through date of termination. Thereafter, Member Cities shall pay Administrator moneys due and owing after such adjustment, if any, or Administrator shall refund moneys due and owing Member Cities after such adjustment, if any. Adjustments due and owing shall be paid within 60 days after termination of the Agreement.

Upon notice of termination of the Agreement, the Administrator will fully cooperate with the new Administrator, CIPA and Member Cities in providing required information and service. Failure to fully cooperate will result in a 10% reduction in fees paid to the Administrator during the period the Administrator does not fully cooperate.

Article 4. ADMINISTRATOR SERVICES

Administrator will provide Member Cities the following services:

1. Claims Administration

- A. Administrator will adhere to the *Minimum Performance Standards for Workers' Compensation Claims Administration Policy*, as contained in Addendum 1. Policy revisions adopted by CIPA's Board of Directors shall be automatically incorporated into this Agreement. Any such revisions will be reviewed with Administrator prior to adoption by CIPA
- B. Provide all forms and reports necessary for the efficient operation of Member Cities' programs of self-insurance with respect to workers' compensation claims and prepare and file all forms and reports required by law in a timely manner.
- C. Administrator will participate and assist Member Cities in coordination of this program with other associated disability and medical programs.
- D. At the request of Member Cities, Administrator will attend hearings at no charge to Member Cities.
- E. Maintain records in accordance with legal requirements.
- F. Perform other general administrative services, as necessary, to effectively discharge Member Cities' duties to its employees and under the workers' compensation State statutes.

2. Communication and Training

- A. Attend CIPA and Member City meetings as requested.
- B. Conduct on-site formal educational programs for supervisors, managers and other staff responsible for managing the workers' compensation program as requested, and at least once a year.
- C. Review open claims, procedures and other issues on-site at each Member City, as requested.
- D. Conduct meetings with Member Cities' preferred medical providers to maximize effectiveness of procedures and medical care as requested, and no more than quarterly for each Member City.
- E. To the extent allowable by law, provide copies of file correspondence and documentation as requested by CIPA and/or Member Cities.

3. State and Federal Reports

- A. Prepare Self-Insurer's Annual Reports for Member Cities' and/or CIPA's signature and submission to the State of California.
- B. Prepare Federal Information Return (Forms 1099) for applicable payments.

4. Information Management System

- A. In coordination with CIPA and/or Member Cities, develop management reports that assist CIPA and/or Member Cities and Administrator in effectively managing the workers' compensation program. Standard Reports will be provided within ten (10) days after the end of the month or quarter.
- B. Any hardware or cabling required by Member Cities to access the on-line system is Member Cities' responsibility.
- C. The Administrator will report loss information to the excess insurance carrier(s), including CIPA, in accordance with established procedures.

5. **Consulting**

Provide a comprehensive Annual Program Review which:

- A. Analyzes past statistics, program costs and projects future trends.
- B. Recommends program changes to favorably impact costs and improve procedures.
- C. Upon request, Administrator will provide a comprehensive program review more frequently than annually.

6. **Compliance**

Provide all services in accordance with the applicable Workers' Compensation Laws of the State of California.

7. **Allocated Loss Expense**

"Allocated loss expense" shall mean all reasonable costs actually incurred by Administrator including, without limitation, all Workers' Compensation Appeals Board or court fees and expenses; fees for service or process; copy service; fees to retain attorneys; the cost of the services of investigators and detectives to perform surveillance; and other professional assistance required to provide these services, if previously authorized by Member City. Allocated loss expense shall not include any costs or expenses incurred by Administrator in connection with services performed by it, which services are approved by CIPA and/or Member Cities and are normally performed in the course of administering workers' compensation claims. Allocated charges are to be paid by Member Cities.

8. **Index Bureau & Edex Charges**

Index Bureau and Edex charges will be paid by the Administrator. Copies of the reports will be distributed to Member Cities within 10 days of receipt.

9. **Storage of Closed Claims**

Administrator will provide storage of all closed claims, including storage of closed claims from prior administrator(s).

Article 5. MEMBER CITY OBLIGATIONS

In connection with this Service Agreement, Member Cities accept responsibility to:

- A. Provide data to Administrator on a timely basis to permit compliance with State of California reporting requirements.
- B. Arrange for checking account and provide appropriate funding.

Article 6. COMPENSATION

In consideration of the services provided by Administrator, each Member City agrees to pay Administrator the monthly fee as shown below. CIPA has no obligation to pay fees:

A. Claims Administration

Monthly claims administration fees by Member are shown on the following page:

Member	Monthly Fee	Monthly Fee	Monthly Fee	Monthly Fee	Monthly Fee
City	(7/1/20-6/30/21)	(7/1/21-6/30/22)	(7/1/22-6/30/23)	(7/1/23-6/30/24)	(7/1/24-6/30/25)
Arcadia	\$7,884	\$8,121	\$8,365	\$8,616	\$8,874
Buena Park	\$10,374	\$10,685	\$11,006	\$11,336	\$11,676
Cypress	\$3,182	\$3,277	\$3,376	\$3,477	\$3,582
Irvine	\$21,505	\$23,548	\$25,785	\$28,235	\$30,918
Laguna Beach	\$11,941	\$12,299	\$12,668	\$13,048	\$13,440
Montclair	\$4,011	\$4,131	\$4,255	\$4,383	\$4,514
Orange	\$19,187	\$19,763	\$20,356	\$20,967	\$21,596
Tustin	\$6,679	\$7,835	\$8,991	\$9,126	\$9,263
Yorba Linda	\$111	\$115	\$118	\$122	\$126

B. Ancillary Services

Ancillary services are not tied to this Agreement and may be purchased from another vendor at the option of Member Cities. Administrator’s fee is \$4.00 per bill when bill review services provided by a third-party vendor.

When ancillary services are purchased from Administrator, the fee shall be as follows and no additional fees shall be charged without CIPA’s written authorization and incorporation into the Agreement: All ancillary services provided through Administrator by a third-party vendor shall be billed at actual cost with no “mark-up” by the Administrator.

1. Bill Review

The flat fee per bill, including challenged and duplicate bill is \$9.00, plus when applicable, \$0.60 for e-bill/OCR.

The PPO fee is 20% of savings above the fee schedule except for Blue Cross PPO which is at 23% of savings. PPO fees shall be billed at cost with no mark-up.

If bill review services are not purchased from AdminSure, all electronic data interchange services will be provided by vendor, and not by AdminSure.

2. Utilization Review

The Utilization Review fee is \$85.00 flat fee per review/decision. Examiners will perform Utilization Review in accordance with the Guidelines, unless otherwise directed by CIPA or Member City.

Utilization review by a physician is billed separately at ten (10) minute increments, at the rate of \$200 per hour.

Article 7. REIMBURSEMENTS

Member Cities agree to reimburse Administrator within thirty (30) days of presentation of an itemized statement for the costs of charges not considered allocated expenses or included in Administrator's fee, which are incurred on behalf of Member Cities, provided Member Cities have previously authorized such expense.

Article 8. AUDITS

Administrator agrees to cooperate with CIPA in making all claim files and records available to CIPA for audit by CIPA or Member City's appointed representatives including auditors. During normal office hours, CIPA and/or Member City's representatives, including auditors shall have reasonable access to the necessary portions of Administrator's facilities, files and records for review or audit purposes, so as not to interfere with Administrator's normal business.

Article 9. ASSIGNMENTS

Neither party may assign this Agreement, in part or in total, without the express written consent of the other party.

Article 10. LEGAL RESPONSIBILITIES

The Administrator shall comply with all State and Federal laws, as well as all county and municipal ordinances and regulations which in any manner affect the performance of services pursuant to this agreement, or persons employed by the Administrator.

Administrator agrees that in the performance of the terms of this Agreement, no discrimination shall be made in the employment of persons because of race, color, national origin, ancestry, or religion of such persons. A violation of this provision will subject the Administrator to all penalties imposed by law.

Article 11. INSURANCE

The City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. If the existing policies do not meet the insurance requirements set forth herein, Administrator agrees to amend, supplement or endorse the policies to do so.

Without limiting the indemnity provisions of the contract, the Administrator shall procure and maintain in full force and effect during the term of the contract, the following policies of insurance.

1. Minimum Scope of Insurance

Coverage shall be at least as broad as:

- A. **Commercial General Liability (CGL)** which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 00 01, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- B. **Automobile Liability** with coverage at least as broad as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1) with limit no less than \$1,000,000 each accident for bodily injury and property damage.

- C. **Workers' Compensation** as required by the State of California with statutory limits, and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury or disease.
- D. **Professional Liability** with limit of not less than \$2,000,000 each claim and \$3,000,000 aggregate. Covered professional services shall specifically include all work to be performed under the contract and delete any exclusion that may potentially affect the work to be performed.
- E. **Cyber Privacy Liability** in an amount not less than \$2,000,000 per claim and annual aggregate, covering (1) all acts, errors, omissions, negligence, infringement of intellectual property; (2) network security and privacy risks, including but not limited to unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or negligence in the handling of confidential information, privacy perils, including coverage for related regulatory defense and penalties; (3) data breach expenses payable whether incurred by CIPA, Member Cities or Administrator, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for City or on behalf of City hereunder.

The policy shall contain an affirmative coverage grant for bodily injury and property damage emanating from the failure of the technology services or an error or omission in the content/information provided.

If a sub-limit applies to any elements of coverage, the certificate of insurance evidencing the coverage above must specify the coverage section and the amount of the sub-limit.

- F. **Crime Bond** in amount not less than \$2,000,000 to include at a minimum employee theft, forgery or alteration, computer fraud and funds transfer fraud.

2. **Endorsements**

Insurance policies shall not comply if they include any limiting provision or endorsement. The insurance policies shall contain, or be endorsed to contain, the following provisions:

A. **Commercial General Liability**

- (1) **Additional Insured:** California Insurance Pool Authority and Member Cities, elected officials, officers, employees, volunteers, boards, agents and representatives shall be additional insureds with regard to liability and defense of suits or claims arising out of the work or operations performed by or on behalf of the Administrator including materials, parts or equipment furnished in connection with such work or operations.

Additional Insured Endorsements shall not:

1. Exclude "Contractual Liability"
2. Be limited to "Ongoing Operations"
3. Restrict coverage to the "sole" liability of Administrator
4. Exclude "Third-Party-Over Actions"
5. Contain any other exclusion contrary to the contract

Additional Insured Endorsements shall be at least as broad as ISO Form(s) CG 20 10 11 85; or CG 20 10 and CG 20 37.

- (2) **Primary Insurance:** This insurance shall be primary and any other insurance whether primary, excess, umbrella or contingent insurance, including deductible, or self-insurance available to the insureds added by endorsement shall be in excess of and shall not contribute with this insurance. Coverage shall be at least as broad as ISO CG 20 01 04 13.

B. Auto Liability

- (1) **Additional Insured:** California Insurance Pool Authority and Member Cities, elected officials, officers, employees, volunteers, boards, agents and representatives shall be additional insureds with regard to liability and defense of suits or claims arising out of the work or operations performed by or on behalf of the Administrator.
- (2) **Primary Insurance:** This insurance shall be primary and any other insurance whether primary, excess, umbrella or contingent insurance, including deductible, or self-insurance available to the insureds added by endorsement shall be in excess of and shall not contribute with this insurance.

C. Workers' Compensation

- (1) **Waiver of Subrogation:** A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.

3. Insurance Obligations of Administrator

The insurance obligations under this contract shall be: (1) all the insurance coverage and/or limits carried by or available to the Administrator; or (2) the minimum insurance coverage requirements and/or limits shown in this contract; whichever is greater. Any insurance proceeds more than or broader than the minimum required coverage and/or minimum required limits, which are applicable to a given loss, shall be available to the City. No representation is made that the minimum insurance requirements of this contract are sufficient to cover the obligations of the Administrator under this contract.

4. Notice of Cancellation

Required insurance policies shall not be cancelled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City, except ten (10) days shall be allowed for non-payment of premium.

5. Waiver of Subrogation

Required insurance coverages shall not prohibit Administrator from waiving the right of subrogation prior to a loss. Administrator shall waive all rights of subrogation against the indemnified parties and policies shall contain or be endorsed to contain such a provision. This provision applies regardless of whether the City has received a waiver of subrogation endorsement from the insurer.

6. Evidence of Insurance

All policies, endorsements, certificates, and/or binders shall be subject to approval by the City as to form and content. These requirements are subject to amendment or waiver only if so, approved in writing by the City. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Administrator shall, within ten (10) days

after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

7. Deductible or Self-Insured Retention

Any deductible or self-insured retention must be approved in writing by the City and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not containing a deductible or self-insured retention. The City may require the Administrator to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the Administrator or the City.

8. Contractual Liability

The coverage provided shall apply to the obligations assumed by the Administrator under the indemnity provisions of this contract.

9. Failure to Maintain Coverage

Administrator agrees to suspend and cease all operations hereunder during such period as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City. The City shall have the right to withhold any payment due until Administrator has fully complied with the insurance provisions of this contract.

If the Administrator's operations are suspended for failure to maintain required insurance coverage, the Administrator shall not be entitled to an extension of time for completion of the work because of production lost during suspension.

10. Acceptability of Insurers

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 authorized to do business 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. Any other rating must be approved in writing by the City.

11. Claims Made Policies

If coverage is written on a claims-made basis, the retroactive date on such insurance and all subsequent insurance shall coincide or precede the effective date of the initial Administrator's contract with the City and continuous coverage shall be maintained or an extended reporting period shall be exercised for a period of at least five (5) years from termination or expiration of this contract.

12. Insurance for Subcontractors

Administrator shall be responsible for causing Subcontractors to purchase the same types and limits of insurance in compliance with the terms of this contract, including adding the City as an Additional Insured, providing Primary and Non-Contributory coverage and Waiver of Subrogation to the Subcontractor's policies. The Commercial General Liability Additional Insured Endorsement shall be on a form at least as broad as CG 20 38 04 13.

Article 12. INDEMNIFICATION

Administrator shall defend, indemnify and hold harmless CIPA and/or Member Cities including its governing board, directors, officers, administrators, employees, and agents, from any and all claims, losses and liabilities against or incurred by CIPA and/or Member Cities arising out of the actions, omissions to act or other conduct of Administrator, its agents, employees or subcontractors, in the performance of its duties under this Agreement or otherwise in connection with its activities pursuant to this Agreement. This includes, but is not limited to, any breach by Administrator of its duties or responsibilities under the Agreement, as well as any losses occasioned by a failure of Administrator to provide the services contracted for by CIPA pursuant to this Agreement. In addition, Administrator agrees to assume the defense, at Administrator's expense, using attorneys reasonably acceptable to CIPA of any lawsuit or other proceeding which names CIPA and or Member Cities or its directors, officers, employees and agents as defendants.

Article 13. BUSINESS LICENSE.

Administrator shall maintain a business license for each City as required.

Article 14. RIGHTS TO DATA

All claim files, paper and computer, are and shall remain the property of CIPA and/or Member Cities. CIPA and/or Member Cities reserve the right to obtain original claim files, data discs, copies of reports and other documents applicable to CIPA and/or Member Cities in the event this Agreement is terminated. No documents shall be destroyed unless they have been scanned into the system. Original documents received after termination of this agreement shall be forwarded to the new administrator. Administrator shall bear the cost of relocating any claim files from the premises of Administrator to the premises of CIPA or designated party upon termination of the Agreement.

Article 15. CONFIDENTIALITY

It is agreed and understood that Administrator shall treat information, reports and analyses obtained or developed pursuant to this Agreement as being confidential. Prior written consent from CIPA and/or Member Cities shall be required before any information, in any format, is disclosed to any third party. It is further agreed and understood that Administrator shall produce, maintain and dispose of all such information, reports and analyses in a manner to guarantee reasonable safeguards to such confidentiality.

Article 16. INTERNAL SERVICES PROVIDED BY ADMINISTRATOR

No internal services shall be provided for a fee without the express written permission of Member Cities.

Article 17. EXTERNAL PROVIDER/VENDOR SERVICES

All services provided by external providers/vendors shall be approved by Member Cities and billed at actual cost with no "mark-up" by the Administrator. All external providers/vendors will be selected from a panel approved by each Member City.

Article 18. DOCUMENTS/CORRESPONDENCE

Each Member City will designate documents/correspondence they will require for their files and a timeframe for receipt of such documents/correspondence.

Article 19. MATERIAL PROBLEMS AND REGULATORY CHANGES

The Administrator will advise CIPA on any material problems or need for improvements in any matter related to this Agreement, including advice relating to changes and proposed changes in statutes, regulations and rules affecting Member Cities' workers' compensation programs.

Article 20. CONFLICT OF INTEREST

Administrator agrees to disclose to CIPA any potential conflicts of interest, including but not limited to other sources of income.

Article 21. NOTICES

All notices required or permitted hereunder shall be sent to the other party at the following addresses, or at such other address as may be provided in writing to the other party from time to time:

To Administrator: Alithia Vargas-Flores
AdminSure Inc.
3380 Shelby Street
Ontario, CA 91764-5566
avargas-flores@adminsire.com

To CIPA: Janet D. Kiser
General Manager
California Insurance Pool Authority
366 San Miguel Drive
Suite 312
Newport Beach, CA 92660
jk@kiserco.com

Article 22. DWC AUDIT PENALTY

All penalties assessed by the Workers' Compensation Division, Office of Benefit Assistance and Enforcement shall be paid, whether directly or through reimbursement, by the party responsible for the assessment of the penalty. No claim shall be settled to include payment of any penalty without the express written consent of the Member City. Settlement of any penalty incurs an additional settlement cost and the responsible party shall pay the additional cost for the penalty. If either party disputes the liability for payment of the penalty, the parties shall negotiate to resolve the dispute. If the dispute is not resolved within 30 days after notice to both parties of the penalty, then such dispute shall be submitted to arbitration for determination of the party responsible for the assessment and payment of the penalty. The provisions of this Article shall survive any termination of this Agreement.

The Administrator shall provide a detailed monthly listing of penalties identifying those payable by Member Cities and those payable by the Administrator. The listing shall include fines, penalties and 10% self-imposed increases paid through settlement of a claim. The obligations of the Administrator to pay for fines, penalties, and 10% self-imposed increases shall survive the termination of this Agreement.

Article 23. MMSEA REPORTING & PENALTIES

The Administrator shall report all claims in compliance with Medicare, Medicaid and SCHIP Extension Act (MMSEA) Section 111 Mandatory Reporting.

All Section 111 penalties shall be paid by the Administrator. CIPA and Member Cities shall be promptly notified of any Section 111 penalties assessed. The obligation of the Administrator to pay for penalties shall survive the termination of this Agreement.

Article 24. ASSIGNED PERSONNEL

Each examiner assigned to CIPA will not have a case load that exceeds 150. Caseloads for examiners shall not exceed 150, unless approved in writing by the Member City. Caseloads that include future medical and medical only claims shall count these claims as 2:1 in the caseload limit. Dedicated examiners will not handle claims for any other account. Designated examiners, assistants and medical only clerks will be assigned. If the caseload of an examiner exceeds 150 claim files for two consecutive months, CIPA and/or Member Cities will have the discretion of allowing the overflow or will have the Administrator assign an additional non-dedicated examiner to handle the overflow claims.

Administrator shall provide CIPA and Member Cities with an accounting of caseloads each June 30 and December 31. The accounting for each examiner shall include (1) the name or pseudo name of all assigned clients; and (2) the number of claims, by claim type, for each client. Each examiner shall sign acknowledgement of their claims count and provide to CIPA and Member City.

The examiner assigned to the account must have a minimum of five (5) years full-time experience as a workers' compensation examiner in California, unless requirement is waived by Member City, and the examiner shall have a California Self-Insured Workers' Compensation Certificate.

Member Cities must approve personnel assigned to their account. If, for any reason, the service provided by assigned personnel is unsatisfactory, the Administrator will agree to assign replacement personnel approved by Member Cities.

Article 25. FUNDS

Member Cities may provide Administrator initial funding in an amount mutually agreed to by each Member City and Administrator to be held in trust by and used by Administrator to meet the obligations of Member Cities. Administrator and Member Cities may establish written procedures for approval or ratification of expenditures from such trust accounts and methods of handling such funds; in such event Administrator shall provide a copy of the written procedures to Member Cities. Trust funds shall be used and paid out by Administrator only in the manner set forth in this Agreement.

Article 26. WAIVER

The failure of either party at any time to enforce any right or remedy available to it under this contract with respect to any breach or failure by the other party shall not be constructed to be a waiver of such right or remedy.

Article 27. MISCELLANEOUS

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. If any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, the remaining portions of this Agreement shall remain in full force and effect.

All terms and conditions of the Administrator's proposals of March 26, 2020 are incorporated into this contract, except that in the event of any conflict between the Agreement and the proposal, this Agreement shall be controlling. Any modifications of this Agreement must be in writing and signed by both parties.

Each member of CIPA identified herein shall be a third-party beneficiary of this Agreement with the right to enforce the provisions of this Agreement against Administrator.

In witness whereof the parties hereto have signed this Agreement as of the date set forth in Article 1.

CIPA: California Insurance Pool Authority

Janet Kiser
Authorized Signature

Janet Kiser
Print Name

General Manager
Title

June 25, 2020
Date

ADMINISTRATOR: AdminSure, Inc.

Alithia Vargas-Flores
Authorized Signature

Alithia Vargas-Flores
Print Name

President
Title

6/24/20
Date

**MINIMUM PERFORMANCE STANDARDS
CLAIMS ADMINISTRATOR**

CIPA's *Minimum Performance Standards for Workers' Compensation Claims Administration Policy* is adopted by the Board of Directors and may be revised from time-to time. The adopted Policy is to be incorporated as a part of the Agreement between CIPA and the Administrator and is contained below. Any future revisions to the Policy will be sent to the Administrator and automatically incorporated into the Agreement between CIPA and the Administrator.

The most stringent requirements shall apply if there is any conflict between these standards and the Labor Code or Code of Regulations.

1. CASELOADS

- A. Caseloads for examiners shall not exceed 150, unless approved in writing by the Member City. Caseloads that include future medical and medical only claims shall count these claims as 2:1 in the caseload limit.
- B. Administrator shall provide CIPA and Member Cities with an accounting of caseloads each June 30 and December 31. The accounting for each examiner shall include (1) the name or pseudo name of all assigned clients; and (2) the number of claims, by claim type, for each client. Each examiner shall sign acknowledgement of their claims count and provide to CIPA and Member City.
- C. Supervisory personnel shall not handle a caseload. Exceptions may be made for a small number of claims involving special issues.

2. INITIAL FILE SET-UP AND THREE-POINT CONTACT

- A. Claims will be created and entered in the computer within one (1) business day of receipt of the Form 5020.
- B. All *Employers' Reports of Occupational Injury or Illness*, or notification of a new claim from any other source, will be reviewed for compensability and a decision made to accept, delay or deny within seven (7) calendar days of receipt, or sooner if a delay in payment or notice will result.
- C. Employees will be contacted by telephone or in person within one (1) business day of receipt of a claim by the Administrator unless the employee is represented by an attorney. During this initial contact, employees will be provided with an explanation of their benefits and will be asked whether they have any questions or concerns, which shall be addressed immediately. A benefits pamphlet will be sent to the employee notifying them of their rights under workers' compensation laws of California. The examiner shall contact the employer for assistance if unable to contact the employee. All contact and attempts to contact employee and employer shall be documented in the file.
- D. The Member City will be contacted within two (2) business days of receipt of a claim to verify continuing disability, clarify issues and request additional required information. Contact will be made sooner if delay will result in a late payment or a penalty situation.
- E. The employee's treating doctor will be contacted within two (2) business days of receipt of claim to verify duration of disability, compensability, proposed treatment, clarify issues and request additional information. Contact will be made sooner if a delay will result in a late payment or penalty situation. Thereafter, until the employee returns to work, the examiner shall maintain contact at least every thirty (30) calendar days with the attending physician, obtain medical reports, monitor medical treatment, and facilitating an early return to work.

3. **CASE REVIEW**

- A. Lost-time claims, except for future medical claims, shall be reviewed on diary by the assigned examiner no less than every thirty (30) calendar days or more frequently when needed.
- B. In cases where claims investigations are being conducted, claims will be placed on diary no less than every fourteen (14) calendar days by the assigned examiner until all outstanding issues have been resolved.
- C. Medical only claims will be reviewed no less than every thirty (30) calendar days for possible closure. They will be transferred to an indemnity claim when disability is due, compensability is an issue, they are over 120 calendar days old or medical payments (excluding diagnostic expenses) exceed \$1,500.
- D. Future medical claims will be reviewed on diary at least every ninety (90) calendar days. The extent and appropriateness of medical treatment shall be evaluated and documented in the notepad entries.
- E. All files shall be reviewed for closure and closed within seven (7) calendar days from the date all issues have been resolved.

4. **COMMUNICATION**

- A. The injured or ill employee will be contacted at least every two (2) weeks while they are disabled from working, unless they are represented by an attorney or their claim has been finalized.
- B. Employer contact is required to verify continuing disability and explore the availability of modified or light duty work before processing disability payments.
- C. The employee will be called before sending notification of permanent disability and PQME letter, to explain the process and answer the employee's questions.
- D. The Member City will be notified of any claim being delayed or denied before a Notice is sent to the employee. The Member City will also be notified before any questionable claim is accepted.
- E. The Member City will be notified within three (3) business days after knowledge that employee has been found permanent and stationary by the treating doctor.
- F. Telephone calls will be returned within one (1) business day. If the staff member called is not available within this time frame, another designated staff member will return the call.
- G. All written communications received shall be stamped with date of receipt.
- H. The examiner shall respond to all written communications within five (5) business days of receipt or sooner if an immediate response is required.

5. **FILE DOCUMENTATION**

- A. All files will have a "Plan of Action" identified, including time frames for completing activity. Progress on the plan of action will be documented, as well the reasons for any delays or modifications to the plan and include all information that relates to the direction and value of the case. An active case strategy will be documented in the file until closure. The plan of action shall be updated at each diary review.
- B. Delayed claims will clearly document the reasons for the delay, the information needed to determine compensability and the anticipated date of a final decision. In no case will the final decision be more than eighty-five (85) calendar days from the Member City's date of knowledge. Cases will be diaried at least every fourteen (14) calendar days or sooner to monitor the investigation process. All delays in decision letters will be reviewed by the appropriate supervisor before mailing.

- C. All denied claims will document the factual, medical, or legal basis for denial in accordance with State statutes. Denials will be made as soon as information is available that the claim should be denied. All denial letters will be reviewed by the appropriate supervisor before mailing.
- D. Notes and activities entered in the computer system must be dated and identify who completed. All action must be documented in the computer file notes.
- E. File notes shall not be copied from prior entries without reviewing for relevance and accuracy.
- F. All files will contain file contents as specified in the California Code of Regulations.

6. **SUPERVISORY REVIEW**

- A. Indemnity claims, excluding future medical claims, will be reviewed by the appropriate supervisor no less frequently than every 120 calendar days and at the following intervals: file creation, before cases are delayed and/or denied, when reserve increases exceed the examiner's limit of authority, proposed settlements or payments exceed the examiner's limit of authority, at AOE/COE and subrosa investigative referrals, at medical case management referrals, upon defense counsel referrals, fifteen (15) calendar days before mandatory settlement conferences and fifteen (15) calendar days before scheduled trials. Review by the supervisor, including recommended action, shall be documented.
- B. Future medical claims shall be reviewed by the supervisor at least every 180 calendar days. Review shall include the extent and appropriateness of medical treatment and the supervisor shall document their findings and recommendations.
- C. Supervisors shall review files to determine if present and prior plans of action are being implemented.
- D. Supervisors shall review all status reports, including adequacy of reserves, before forwarding to CIPA. Any outstanding issues should be identified by the supervisor and the status report corrected prior to forwarding to CIPA.

7. **PAYMENTS & NOTICES**

- A. Accurate and timely benefits will be paid to employees as required by State statutes.
- B. All medical, legal, rehabilitation, investigation and other service provider invoices will be reviewed before payment for causal relationship to injury and whether services billed are for services requested. Invoices will be paid according to State allowable rates, appropriateness, compliance with any agreements in place with the facility, or as agreed to when service was requested. Vendors providing service at an excessive rate, or billing for services that are not requested or required will be notified of the amount and reason for their reduction in payment. Member Cities shall be notified of any provider who continues to bill unreasonably for services.
- C. Reimbursements to injured workers shall be issued within fifteen (15) calendar days of the receipt of the claim for reimbursement.
- D. Advance travel expenses shall be issued to the injured worker no less than ten (10) calendar days prior to the date of travel.
- E. Indemnity files shall be balanced at least every 180 calendar days to reconcile periods and amounts due compared to actual payments. File notes shall contain the reconciliation.
- F. Penalties shall be coded to be identified as a penalty payment.
- G. Annual proof of life confirmation shall be obtained from claimants receiving life pensions.

H. Accurate and timely Benefit Notices will be sent in accordance with the California Code of Regulations.

8. **INVESTIGATIONS**

- A. Investigations shall be initiated within three (3) business days after a claim is delayed. This may include, but not be limited to, taking employee/witness statements, obtaining services of investigator, requesting medical records and beginning medical evaluation process.
- B. On questionable indemnity claims, investigative assignments will be made to outside vendors with prior authorization from Member City. Referrals will include specific written instructions regarding the scope of the investigation.
- C. Where medical causation is unclear, a qualified medical examination (QME) or agreed medical examination (AME) will be scheduled. All relevant medical records and investigative information will be provided to the physician for review before the date of examination.
- D. An *Index Bureau and Edex Request* will be submitted on all new claims. Thereafter, on claims not finalized, requests will be submitted at least annually or at appropriate intervals if the possibility of other injuries is suspected, and when requested by Member City.
- E. Investigators will be selected from a panel approved by Member City. The examiner shall evaluate and monitor the panel's performance. All concerns or recommendations for panel additions/deletions will be discussed with Member City.
- F. Copies of voluminous medical records by subpoena or copy service will not be obtained unless necessary to the defense of the claim. The examiner will first attempt to obtain copies through plaintiffs' attorney by seeking their cooperation in providing the desired records.

9. **MEDICAL MANAGEMENT & COST CONTAINMENT**

- A. Employees who have not pre-designated a personal physician will be directed to panel medical providers. Panel medical providers will be selected and approved by Member City. The examiner shall evaluate and monitor the panel's performance. All concerns or recommendations for panel additions/deletions will be discussed with Member City.
- B. Medical treatment will be monitored to ensure that treatment is appropriate and related to the compensable injury or illness. Inappropriate medical reports will be objected to timely.
- C. Independent medical examinations by qualified physicians will be scheduled when needed to address necessity or reasonableness of care. A cover letter will be provided to the physician outlining the specific issues and concerns along with the examiner's questions. All medical records shall be sent to the physician prior to the examination.
- D. Pre-existing medical conditions and medical records will be explored/obtained on lost time claims and as requested by Member City.
- E. Treatment recommendations for care such as physical therapy, chiropractic manipulations, etc., will be verified with the physician as to duration, frequency, and anticipated results.
- F. Written authorization must be obtained from CIPA in advance and in writing from CIPA for the selection of an Agreed Medical Examiner (AME) on claims reportable to CIPA. Written authorization must be obtained before any agreement is reached with the applicant's attorney.
- G. Claims referred for outside medical management services will reflect the intent and scope of services requested and must be authorized on a case-by-case basis by Member City. The Member City will approve medical management firms and all other review firms.
- H. On future medical claims, yearly medical reports will be obtained if the employee continues to receive medical treatment.

- I. Medical bills submitted without a supporting medical report will not be paid until a medical report is obtained. Medical bills will be paid/denied/objected to in accordance with State statutes and paid in accordance with the fee schedule or negotiated rate.
- J. Medical-legal costs will be reviewed for appropriateness and necessity. Bills which do not qualify as valid medical-legal expenses will be objected to on a timely basis according to the Labor Code.

10. RETURN TO WORK

- A. The Member City shall be notified immediately of an injured employee's temporary work restrictions or release to full duty and assist in returning the employee to work. Follow-up with the Member City shall take place no less than fourteen (14) calendar days after initial notice to the Member City.
- B. The Member City shall be notified immediately of an employee's permanent work restrictions so that the Member City can determine the availability of alternative, modified or regular work. Follow-up with the Member City shall take place no less than fourteen (14) calendar days after initial notice to the Member City.

11. SUPPLEMENTAL JOB DISPLACEMENT/REHABILITATION MANAGEMENT

- A. For injuries on or after January 1, 2004, the examiner shall coordinate with Member City to offer modified or alternate work within ten (10) calendar days of the last payment of temporary disability.
- B. For injuries on or after January 1, 2004, employees not returning to work shall be provided a supplemental job displacement benefit in accordance with regulations, including the issuance of timely notices.

12. ALLOCATION OF CLAIM COSTS TO APPROPRIATE FILE

- A. For all injuries resulting in the need for permanent disability and/or future medical care where the injured worker has a prior claim to the same body part, the examiner shall obtain a medical opinion addressing allocation and payment of future benefits. The medical opinion is to determine the specific allocation for permanent disability and a separate allocation for future medical care related to the industrial injuries. The percentage allocated to indemnity and future medical care benefits will not be assumed to be the same.
- B. Payments and reserves will not be lumped on one claim when a claimant has multiple claims, including continuous trauma claims. Files will accurately reflect the payments and reserves related to the exposure on each separate claim.

13. LITIGATION MANAGEMENT

- A. The examiner shall retain primary responsibility on all claims referred to defense counsel. Defense counsel will not be used to perform routine activities that should be the responsibility of the examiner. Some examples of routine tasks include, but are not limited to, setting medical examinations, preparing medical cover letters, filing and serving medical reports, negotiating liens, and arranging for photocopying, investigators or other outside vendors. Exceptions will be approved by the Member City.
- B. Legal counsel will be selected from a panel approved by the Member City. The examiner shall evaluate and monitor the panel's performance. Legal counsel will be reviewed for their ability to identify issues, aggressiveness in resolving claims, responsiveness, timeliness, and billing practices. All concerns or recommendations for panel additions/deletions will be discussed with the Member City.

- C. Claims sent to defense counsel will be accompanied by a transmittal letter outlining the status of the case, result of investigation, primary issues, requested action, and a copy of any pertinent documentation. Ongoing documentation will be sent timely to defense counsel.
- D. At the close of discovery on cases going to trial, the file shall be adequately prepared to include necessary depositions, medical examinations and witness identification and contact information.
- E. When copies of medical reports or other records are required by defense counsel, the examiner shall make copies and provide to defense counsel. All invoices for photocopying will be closely monitored to assure compliance with this requirement.
- F. If defense counsel or the examiner learns of new information that could influence the outcome of the trial, they must immediately inform each other. The strategy to resolve the claim will then be assessed.
- G. The examiner is responsible for monitoring compliance with CIPA's *Workers' Compensation Program Defense Counsel Policy*. CIPA Members, and CIPA if applicable, shall be copied on follow-up requests to defense counsel when out of compliance. All claims examiners are responsible for being fully knowledgeable of requirements in the *Workers' Compensation Program Defense Counsel Policy*.

14. **CLAIM RESOLUTION & SETTLEMENT AUTHORITY**

- A. Action shall be taken within fifteen (15) calendar days to finalize a claim upon receipt of medical information that a claim can be finalized. Continued follow-up shall occur, including with legal counsel to facilitate a settlement. The file shall document all efforts and communications regarding a settlement.
- B. Claim files shall fully document the value of any anticipated or proposed settlement. Settlement worksheets shall be prepared and submitted to Member City, and to CIPA if indicated, for approval on all settlements as required. Overpayments shall be identified on any settlement request.
- C. All settlement offers requiring any payment or potential payment from CIPA must be approved in writing in advance by CIPA. Neither the examiner or legal counsel shall make any recommendations or commitments to injured employees or their legal counsel for settlements that involve or potentially involve CIPA funds, without CIPA's prior approval.
- D. Proof of settlement authorization from the Member City, and CIPA if applicable, shall be maintained in the file.
- E. A copy of all settlement documents on reportable claims shall be sent to CIPA within fifteen (15) calendar days of receipt by examiner.

15. **SUBROGATION**

- A. Subrogation possibilities will be identified within five (5) business days after a claim is opened, or within five (5) business days after information is available that subrogation may exist. The claim file shall document subrogation possibilities and all action related to pursuing.
- B. The party responsible for the injury shall be notified of the Member City's right to subrogation within fourteen (14) calendar days after the identity of the responsible party is known by examiner.
- C. Contact with the responsible party and/or insurer to provide notification of the amount of estimated recovery shall be made at least every sixty (60) calendar days or sooner if costs escalate. Subrogation shall be pursued to maximize the recovery for benefits paid and credit for future benefit payments.

- D. The Member City shall be notified within fifteen (15) calendar days after the examiner's knowledge that injured employee filed a civil action against the responsible party. Subrogation counsel shall be assigned to file a Lien or Complaint in Intervention to the civil action, if authorized by Member City. All discussions and actions regarding subrogation shall be documented in the file.
- E. Member City approval is required to waive pursuit of subrogation or agree to a settlement of a third-party recovery. This approval shall be documented in the claim file.
- F. CIPA's approval is required to waive pursuit of subrogation or agree to a third-party settlement if there is potential for the claim to exceed the Member City's self-insured retention.

16. **RESERVING**

- A. Reserves established on indemnity claims, including future medical claims, will reflect the ultimate probable cost of each claim based on the information developed to date. Reserve worksheets will be used to document all reserve changes and reflect amounts allocated to temporary disability, 4850 benefits, permanent disability, life pension, vocational rehabilitation, medical care and allocated expense. The injured workers' disability, age and occupation will be considered in estimating permanent disability.
- B. Reserves will be evaluated at each diary review and modified upon receipt of new information. Files shall document rationale for reserves.

17. **EXCESS INSURANCE REPORTING**

- A. The examiner shall report to the excess insurance carrier(s), including CIPA, in accordance with established procedures.
- B. CIPA's Excess Claims Status Report shall be used for all initial, periodic and final reports. All portions of the report shall be completed and include the information requested. Supervisors must review for completeness and accuracy of reports.
- C. As defined by CIPA's Memorandum of Coverage, as may be modified from time to time, the following claims are reportable to CIPA within five (5) business days after receipt by examiner:
 - 1. A serious injury to two or more employees
 - 2. Paraplegic
 - 3. Quadriplegic
 - 4. Brain Injury
 - 5. Serious burns
 - 6. Loss of vision
 - 7. Death
 - 8. Amputation of a major extremity
- D. Initial Excess Claim Status Reports are due within ten (10) business days after the total incurred is 50% or more of the Member City's self-insured retention.
- E. Excess Claim Status Reports on reportable claims are due to CIPA no less frequently than as follows, and sooner if claims activity warrants:
 - 1. Every three (3) months on claims not finalized by settlement or award
 - 2. Semi-annually on claims finalized by settlement or award
 - 3. Within fifteen (15) calendar days of the total incurred increasing/decreasing by 25% or more

4. Within thirty (30) calendar days of a reportable claim being closed
5. Within thirty (30) calendar days of no longer meeting the reporting requirements (for example, reserves less than 50% of the Member City's SIR)
6. Within ten (10) calendar days of receipt of a New & Further filing
7. As requested by Member City or CIPA

18. **MEDICARE REPORTING**

- A. The examiner shall report all claims in compliance with Medicare, Medicaid and SCHIP Extension Act (MMSEA) Section 111 Mandatory reporting.
- B. Medicare eligibility shall be documented in the file no later than at the time the file is evaluated for settlement.

Utilization Review – Claims Adjuster Authorization Criteria

EXHIBIT A

Claims adjusters may approve the following Request(s) for Authorization (RFAs). All RFAs outside of the authorization criteria listed below must be referred to and processed by Utilization Review. Please note: Only a Physician may modify or deny RFA(s).

Claim Adjusters should adhere to the MTUS Treatment Guidelines. These guidelines are located in L-Drive (*UR Education for Claims > Guideline Folder*).

Treatment Requests - first 30 days of injury or illness	
Treatment Request	Claims Adjuster Authorization Criteria
<p><i>Per Labor Code 4610 (c)</i> <i>First 30 days of injury or illness</i> <i>(Starts January 1, 2018)</i></p>	<p><i>Unless authorized by the employer or rendered as emergency medical treatment, the following medical treatment services shall be subject to prospective utilization review:</i></p> <ul style="list-style-type: none"> • <i>Pharmaceuticals that are non-exempt in the drug formulary</i> • <i>Nonemergency inpatient and outpatient surgeries, including all pre-surgical and post-surgical services</i> • <i>Psychological treatment services</i> • <i>Home health care services</i> • <i>Imaging and radiology services excluding x-rays</i> • <i>All DME that exceeds \$250</i> • <i>Electrodiagnostic testing</i>
Treatment Requests - after 30 days of injury or illness	
Treatment Request	Claims Adjuster Authorization Criteria
<p><i>Physical Methods:</i></p> <ul style="list-style-type: none"> • <i>Occupational therapy</i> • <i>Physical therapy</i> • <i>Chiropractic treatment</i> • <i>Acupuncture</i> 	<p><i>May have 24 visits for the life of the claim.</i></p> <p><i>Initial request – up to 4-6 visits.</i> <i>Additional requests (sets of 4-6 visits) may be approved if provider documents functional improvement.</i></p>
<p><i>Office Visits:</i></p> <ul style="list-style-type: none"> • <i>Initial evaluation</i> • <i>Consultation</i> • <i>Second opinion</i> • <i>Transfer of care</i> • <i>Office visits</i> 	<p><i>May be approved by the claims adjuster.</i></p> <p><i>Send the RFA to UR when questioning whether or not the consultation, second opinion, or transfer of care is medically necessary.</i></p>

Injections: • Steroid	<i>Injections are recommended based on body part accepted and injury/illness.</i> <i>Initial steroid injections for diagnostic and pain management can be approved by claims adjuster. Additional requests should be processed by Utilization Review. Not recommended for therapeutic use.</i>		
Injections: • ESI • Facet • Hyaluronic • PRP • SI joint	<i>Injections are recommended based on body part and injury and must meet criteria outlined in the MTUS Treatment Guidelines.</i>		
Surgery	<i>All surgery requests must be processed by Utilization Review.</i>		
Pre-operative Testing/ Pre-operative Medical Clearance	<i>Upon approval of surgery, claims adjuster may approve the following requests: CBC, CMP, PT/PTT, EKG and Chest X-Ray.</i>		
Radiology/Diagnostic: • X-rays • CT-scans • MRI • EMG/NCV	<i>May be approved by the claims adjuster.</i> <i>See above for directions for the time period "first 30 days."</i>		
Home Health Care	<i>The claims adjuster may approve home health care up to 7 days.</i> <i>All requests for home health care greater than 7 days must be processed by Utilization Review.</i>		
Weight Loss/Gym Membership	<i>Weight loss and gym membership will be reviewed on a case-by-case basis to determine the necessity for utilization review.</i>		
Transportation	<i>The claims adjuster may approve transportation when appropriate.</i>		
Medication: • Per MTUS Formulary • Adhere to MTUS treatment guidelines for injury/illness • FDA approved • Generic drug	Situation	NO UR	Yes UR
	<i>Ongoing drugs</i>	<i>Exempt</i>	<i>Non-Exempt</i>
	<i>Off-label drugs</i>	<i>Exempt</i>	<i>Non-Exempt</i>
	<i>Brand-name drugs</i>		<i>Brand-name drugs</i>
	<i>Physician-dispensed drugs</i>	<i>First 7 days of injury, Exempt/Non-Exempt drugs, 4-day supply</i>	<i>After first 7 days of injury, all medications Exempt/Non-Exempt</i>
	<i>Compound drugs</i>		<i>Compound</i>
	<i>Special fill drugs</i>	<i>First 7 days of injury, Exempt/Non-Exempt, 4-day supply</i>	
	<i>Peri-operative fill drugs</i>	<i>Exempt/Non-Exempt 4 days before/4 days after surgery 4-day supply</i>	
	<i>Health and safety post-exposure prophylaxis (PEP)</i>	<i>Responsibility of the employer to provide urgent PEP after an exposure to bloodborne pathogens</i>	
Detox Programs	<i>All requests for detox programs will be processed by Utilization Review.</i>		

<i>Psychiatric</i>	<i>Requests for psychiatric/neuro-psych or counseling may be approved by the claims adjuster.</i>
<i>Cancer Treatment</i>	<i>All specialized cancer treatment/therapy will require utilization review.</i>
<i>Durable Medical Equipment</i>	<i>Claims adjuster may approve all DME purchases and/or rentals. See above for directions for the time period "first 30 days."</i>

**FIRST AMENDMENT TO AGREEMENT FOR
CLAIMS ADMINISTRATION SERVICES**

This First Amendment is entered into effective October 1, 2021 as an amendment to the Agreement for Claims Administration Services dated July 1, 2020, by and between the CALIFORNIA INSURANCE POOL AUTHORITY ("CIPA"), a California public joint powers authority, on behalf of the CITIES OF ARCADIA, BUENA PARK, CYPRESS, IRVINE, LAGUNA BEACH, MONTCLAIR, ORANGE, TUSTIN AND YORBA LINDA ("Member Cities or Member City") and AdminSure, Inc. ("Administrator"), having an office at 3380 Shelby Street, Ontario, California.

IT IS HEREBY AGREED AS FOLLOWS:

1. Addendum 1, *Minimum Performance Standards for Claims Administrator* is deleted and replaced with the *Minimum Performance Standards for Claims Administrator Policy*, adopted by the Executive Committee on September 21, 2021 and attached to this First Amendment as Addendum 1.
2. Exhibit A, *Utilization Review – Claims Adjuster Authorization Criteria*, is deleted and replaced with Exhibit A, *Workers' Compensation Adjuster Treatment Protocols Policy* adopted by the Executive Committee on September 21, 2021 and attached to this First Amendment as Exhibit A.

In witness whereof the parties hereto have signed this Agreement as of October 1, 2021.

CIPA: California Insurance Pool Authority



Authorized Signature

Janet Kiser

Print Name

General Manager

Title

September 23, 2021

Date

ADMINISTRATOR: AdminSure, Inc.



Authorized Signature

Alithia Vargas-Flores

Print Name

President

Title

September 23, 2021

Date

CALIFORNIA INSURANCE POOL AUTHORITY
MINIMUM PERFORMANCE STANDARDS FOR
WORKERS' COMPENSATION CLAIMS ADMINISTRATION POLICY

Member Agencies shall either incorporate these minimum performance standards into signed agreements with their claims administrator or obtain signed acknowledgement from their claims administrator that they will comply with the Minimum Performance Standards established by California Insurance Pool Authority (CIPA). Copies of the agreements or signed acknowledgments shall be provided to CIPA. Claims will be audited for conformance with this Policy.

The most stringent requirements shall apply if there is any conflict between these standards and the Labor Code or Code of Regulations.

This Policy is divided into the following sections:

1. CASELOADS
2. INITIAL FILE SET-UP AND THREE-POINT CONTACT
3. CASE REVIEW
4. COMMUNICATION
5. FILE DOCUMENTATION
6. SUPERVISORY REVIEW
7. PAYMENTS & NOTICES
8. INVESTIGATIONS
9. MEDICAL MANAGEMENT & COST CONTAINMENT
10. RETURN TO WORK
11. SUPPLEMENTAL JOB DISPLACEMENT/REHABILITATION MANAGEMENT
12. ALLOCATION OF CLAIM COSTS TO APPROPRIATE FILE
13. LITIGATION MANAGEMENT
14. CLAIM RESOLUTION & SETTLEMENT AUTHORITY
15. SUBROGATION
16. RESERVING
17. EXCESS INSURANCE REPORTING
18. MEDICARE REPORTING

1. CASELOADS

- A. Caseloads for examiners shall not exceed 150, unless approved in writing by the Member Agency. Caseloads that include future medical and medical only claims shall count these claims as 2:1 in the caseload limit.
- B. Administrator shall provide CIPA and Member Agency with an accounting of caseloads each June 30 and December 31. The accounting for each examiner shall include (1) the name or pseudo name of all assigned clients; and (2) the number of claims, by claim type for each client. Each examiner shall sign acknowledgement of their claims count and provide to CIPA and Member Agency.
- C. Supervisory personnel shall not handle a caseload. Exceptions may be made for a small number of claims involving special issues.

2. INITIAL FILE SET-UP AND THREE-POINT CONTACT

- A. Claims will be created and entered in the computer within one business day of receipt of the Form 5020.
- B. All Employers' Reports of Occupational Injury or Illness, or notification of a new claim from any other source, will be reviewed for compensability and a decision made to accept, delay or deny within seven (7) calendar days of receipt, or sooner if a delay in payment or notice will result.
- C. Employees will be contacted by telephone or in person within one (1) business day of receipt of a claim by the claims administrator unless the employee is represented by an attorney. During this initial contact, employees will be provided with an explanation of their benefits and will be asked whether they have any questions or concerns, which shall be addressed immediately. A benefits pamphlet will be sent to the employee notifying them of their rights under workers' compensation laws of California. The claims examiner shall contact the employer for assistance if unable to contact the employee. All contact and attempts to contact employee and employer shall be documented in the file.
- D. The Member Agency will be contacted within two (2) business days of receipt of a claim to verify continuing disability, clarify issues and request additional required information. Contact will be made sooner if delay will result in a late payment or a penalty situation.
- E. The employee's treating doctor will be contacted within two (2) business days of receipt of claim to verify duration of disability, compensability, proposed treatment, clarify issues and request additional information. Contact will be made sooner if a delay will result in a late payment or penalty situation. Thereafter, until the employee returns to work, the examiner shall maintain contact at least every thirty (30) calendar days with the attending physician, obtain medical reports, monitor medical treatment, and facilitating an early return to work.

3. CASE REVIEW

- A. Lost-time claims, except for future medical claims, shall be reviewed on diary by the assigned examiner no less than every sixty (60) calendar days or more frequently when needed.
- B. In cases where claims investigations are being conducted, claims will be placed on diary no less than every fourteen (14) calendar days by the assigned examiner until all outstanding issues have been resolved.

- C. Medical only claims will be reviewed no less than every 120 calendar days for possible closure. They will be transferred to an indemnity claim when disability is due, compensability is an issue, they are over 120 calendar days old or medical payments (excluding diagnostic expenses) exceed \$1,500.
- D. Future medical claims will be reviewed on diary at least every ninety (90) calendar days. The extent and appropriateness of medical treatment shall be evaluated and documented in the notepad entries.
- E. All files shall be reviewed for closure and closed within thirty (30) calendar days from the date all issues have been resolved.

4. COMMUNICATION

- A. The injured or ill employee will be contacted at least every two (2) weeks while they are disabled from working unless they are represented by an attorney, or their claim has been finalized.
- B. Employer contact is required to verify continuing disability and explore the availability of modified or light duty work before processing disability payments.
- C. The employee will be called before sending notification of permanent disability and PQME letter, to explain the process and answer the employee's questions.
- D. The Member Agency will be notified of any claim being delayed or denied before a Notice is sent to the employee. The Member Agency will also be notified before any questionable claim is accepted.
- E. The Member Agency will be notified within three (3) business days after knowledge that employee has been found permanent and stationary by the treating doctor.
- F. Telephone calls will be returned within one (1) business day. If the staff member called is not available within this time frame, another designated staff member will return the call.
- G. All written communications received shall be stamped with date of receipt.
- H. The examiner shall respond to all written communications within five (5) business days of receipt or sooner if an immediate response is required.

5. FILE DOCUMENTATION

- A. All files will have a "Plan of Action" identified, including time frames for completing activity. Progress on the plan of action will be documented, as well the reasons for any delays or modifications to the plan and include all information that relates to the direction and value of the case. An active case strategy will be documented in the file until closure. The plan of action shall be updated at each diary review.
- B. Delayed claims will clearly document the reasons for the delay, the information needed to determine compensability and the anticipated date of a final decision. In no case will the final decision be more than eighty-five (85) calendar days from the Member Agency's date of knowledge. Cases will be diared at least every fourteen (14) calendar days or sooner to monitor the investigation process. All delays in decision letters will be reviewed by the appropriate supervisor before mailing.
- C. All denied claims will document the factual, medical, or legal basis for denial in accordance with State statutes. Denials will be made as soon as information is available

that the claim should be denied. All denial letters will be reviewed by the appropriate supervisor before mailing.

- D. Notes and activities entered in the computer system must be dated and identify who completed. All action must be documented in the computer file notes.
- E. File notes shall not be copied from prior entries without reviewing for relevance and accuracy.
- F. All files will contain file contents as specified in the California Code of Regulations.

6. SUPERVISORY REVIEW

- A. Indemnity claims, excluding future medical claims, will be reviewed by the appropriate supervisor no less frequently than every 120 calendar days and at the following intervals: file creation, before cases are delayed and/or denied, when reserve increases exceed the examiner's limit of authority, proposed settlements or payments exceed the examiner's limit of authority, at AOE/COE and subrosa investigative referrals, at medical case management referrals, upon defense counsel referrals, fifteen (15) calendar days before mandatory settlement conferences and fifteen (15) calendar days before scheduled trials. Review by the supervisor, including recommended action, shall be documented.
- B. Future medical claims shall be reviewed by the supervisor at least every 180 calendar days. Review shall include the extent and appropriateness of medical treatment and the supervisor shall document their findings and recommendations.
- C. Supervisors shall review files to determine if present and prior plans of action are being implemented.
- D. Supervisors shall review all status report, including adequacy of reserves before forwarding to CIPA. Any outstanding issues should be identified by the supervisor and the status report corrected prior to forwarding to CIPA.

7. PAYMENTS & NOTICES

- A. Accurate and timely benefits will be paid to employees as required by State statutes.
- B. All medical, legal, rehabilitation, investigation and other service provider invoices will be reviewed before payment for causal relationship to injury and whether services billed are for services requested. Invoices will be paid according to State allowable rates, appropriateness, compliance with any agreements in place with the facility, or as agreed to when service was requested. Vendors providing service at an excessive rate, or billing for services that are not requested or required will be notified of the amount and reason for their reduction in payment. Member Cities shall be notified of any provider who continues to bill unreasonably for services.
- C. Reimbursements to injured workers shall be issued within fifteen (15) calendar days of the receipt of the claim for reimbursement.
- D. Advance travel expenses shall be issued to the injured worker no less than ten (10) calendar days prior to the date of travel.
- E. Indemnity files shall be balanced when benefits are ended to reconcile periods and amounts due compared to actual payments. File notes shall contain the reconciliation.
- F. Penalties shall be coded to be identified as a penalty payment.

- G. Annual proof of life confirmation shall be obtained from claimants receiving life pensions.
- H. Accurate and timely Benefit Notices will be sent in accordance with the California Code of Regulations.

8. INVESTIGATIONS

- A. Investigations shall be initiated within seven (7) business days after a claim is delayed. This may include, but not be limited to, taking employee/witness statements, obtaining services of investigator, requesting medical records, and beginning medical evaluation process.
- B. On questionable indemnity claims, investigative assignments will be made to outside vendors with prior authorization from Member Agency. Referrals will include specific written instructions regarding the scope of the investigation.
- C. Where medical causation is unclear, a qualified medical examination (QME) or agreed medical examination (AME) will be scheduled. All relevant medical records and investigative information will be provided to the physician for review before the date of examination.
- D. An Index Bureau and Edex Request will be submitted on all new indemnity claims. Thereafter, on claims not finalized, requests will be submitted at appropriate intervals if the possibility of other injuries is suspected, and when requested by Member Agency.
- E. Investigators will be selected from a panel approved by Member Agency. The examiner shall evaluate and monitor the panel's performance. All concerns or recommendations for panel additions/deletions will be discussed with Member Agency.
- F. Copies of voluminous medical records by subpoena or copy service will not be obtained unless necessary to the defense of the claim. The examiner will first attempt to obtain copies through plaintiffs' attorney by seeking their cooperation in providing the desired records.

9. MEDICAL MANAGEMENT & COST CONTAINMENT

- A. Employees who have not pre-designated a personal physician will be directed to panel medical providers. Panel medical providers will be selected and approved by Member Agency. The examiner shall evaluate and monitor the panel's performance. All concerns or recommendations for panel additions/deletions will be discussed with Member Agency.
- B. Medical treatment will be monitored to ensure that treatment is appropriate and related to the compensable injury or illness. Inappropriate medical reports will be objected to timely.
- C. Independent medical examinations by qualified physicians will be scheduled when needed to address necessity or reasonableness of care. A cover letter will be provided to the physician outlining the specific issues and concerns along with the examiner's questions. All medical records shall be sent to the physician prior to the examination.
- D. Pre-existing medical conditions and medical records will be explored/obtained on lost time claims and as requested by Member Agency.
- E. Treatment recommendations for care such as physical therapy, chiropractic manipulations, etc., will be verified with the physician as to duration, frequency, and anticipated results.

- F. Authorization must be obtained in advance and in writing from CIPA for the selection of an Agreed Medical Examiner (AME) on claims reportable to CIPA. Written authorization must be obtained before any agreement is reached with the applicant's attorney.
- G. Claims referred for outside medical management services will reflect the intent and scope of services requested and must be authorized on a case-by-case basis by Member Agency. The Member Agency will approve medical management firms and all other review firms.
- H. On future medical claims, yearly medical reports will be obtained if the employee continues to receive medical treatment.
- I. Medical bills submitted without a supporting medical report will not be paid until a medical report is obtained. Medical bills will be paid/denied/objected to in accordance with State statutes and paid in accordance with the fee schedule or negotiated rate.
- J. Medical-legal costs will be reviewed for appropriateness and necessity. Bills which do not qualify as valid medical-legal expenses will be objected to on a timely basis according to the Labor Code.

10. RETURN TO WORK

- A. The Member Agency shall be notified immediately of an injured employee's temporary work restrictions or release to full duty and assist in returning the employee to work. Follow-up with the Member Agency shall take place no less than fourteen (14) calendar days after initial notice to the Member Agency.
- B. The Member Agency shall be notified immediately of an employee's permanent work restrictions so that the Member Agency can determine the availability of alternative, modified or regular work. Follow-up with the Member Agency shall take place no less than fourteen (14) calendar days after initial notice to the Member Agency.

11. SUPPLEMENTAL JOB DISPLACEMENT/REHABILITATION MANAGEMENT

- A. For injuries on or after January 1, 2004, the examiner shall coordinate with Member Agency to offer modified or alternate work within ten (10) calendar days of the last payment of temporary disability.
- B. For injuries on or after January 1, 2004, employees not returning to work shall be provided a supplemental job displacement benefit in accordance with regulations, including the issuance of timely notices.

12. ALLOCATION OF CLAIM COSTS TO APPROPRIATE FILE

- A. For all injuries resulting in the need for permanent disability and/or future medical care where the injured worker has a prior claim to the same body part, the examiner shall obtain a medical opinion addressing allocation and payment of future benefits. The medical opinion is to determine the specific allocation for permanent disability and a separate allocation for future medical care related to the industrial injuries. The percentage allocated to indemnity and future medical care benefits will not be assumed to be the same.
- B. Payments and reserves will not be lumped on one claim when a claimant has multiple claims, including continuous trauma claims. Files will accurately reflect the payments and reserves related to the exposure on each separate claim.

13. LITIGATION MANAGEMENT

- A. The examiner shall retain primary responsibility on all claims referred to defense counsel. Defense counsel will not be used to perform routine activities that should be the responsibility of the examiner. Some examples of routine tasks include, but are not limited to, setting medical examinations, preparing medical cover letters, filing, and serving medical reports, negotiating liens, and arranging for photocopying, investigators, or other outside vendors. Exceptions will be approved by the Member Agency.
- B. Legal counsel will be selected from a panel approved by the Member Agency. The examiner shall evaluate and monitor the panel's performance. Legal counsel will be reviewed for their ability to identify issues, aggressiveness in resolving claims, responsiveness, timeliness, and billing practices. All concerns or recommendations for panel additions/deletions will be discussed with the Member Agency.
- C. Claims sent to defense counsel will be accompanied by a transmittal letter outlining the status of the case, result of investigation, primary issues, requested action, and a copy of any pertinent documentation. Ongoing documentation will be sent timely to defense counsel.
- D. At the close of discovery on cases going to trial, the file shall be adequately prepared to include necessary depositions, medical examinations and witness identification and contact information.
- E. When copies of medical reports or other records are required by defense counsel, the examiner shall make copies and provide to defense counsel. All invoices for photocopying will be closely monitored to assure compliance with this requirement.
- F. If defense counsel or the examiner learns of new information that could influence the outcome of the trial, they must immediately inform each other. The strategy to resolve the claim will then be assessed.
- G. The examiner is responsible for monitoring compliance with CIPA's Workers' Compensation Program Defense Counsel Policy. CIPA Members, and CIPA if applicable, shall be copied on follow-up requests to defense counsel when out of compliance. All claims examiners are responsible for being fully knowledgeable of the requirements in the Workers' Compensation Program Defense Counsel Policy

14. CLAIM RESOLUTION & SETTLEMENT AUTHORITY

- A. Action shall be taken within thirty (30) calendar days to finalize a claim upon receipt of medical information that a claim can be finalized and every forty-five (45) days thereafter until settled. Continued follow-up shall occur, including with legal counsel to facilitate a settlement. The file shall document all efforts and communications regarding a settlement.
- B. Claim files shall fully document the value of any anticipated or proposed settlement. Settlement worksheets shall be prepared and submitted to Member Agency, and to CIPA if indicated, for approval on all settlements as required. Overpayments shall be identified on any settlement request.
- C. All settlement offers requiring any payment or potential payment from CIPA must be approved in writing in advance by CIPA. Neither the examiner or legal counsel shall make any recommendations or commitments to injured employees or their legal counsel for settlements that involve or potentially involve CIPA funds, without CIPA's prior approval.

- D. Proof of settlement authorization from the Member Agency, and CIPA if applicable, shall be maintained in the file.
- E. A copy of all settlement documents on reportable claims shall be sent to CIPA within fifteen (15) calendar days of receipt by examiner.

15. SUBROGATION

- A. Subrogation possibilities will be identified within five (5) business days after a claim is opened, or within five (5) business days after information is available that subrogation may exist. The claim file shall document subrogation possibilities and all action related to pursuing.
- B. The party responsible for the injury shall be notified of the Member Agency's right to subrogation within fourteen (14) calendar days after the identity of the responsible party is known by examiner.
- C. Contact with the responsible party and/or insurer to provide notification of the amount of estimated recovery shall be made at least every ninety (90) calendar days or sooner if costs escalate. Subrogation shall be pursued to maximize the recovery for benefits paid and credit for future benefit payments.
- D. The Member Agency shall be notified within fifteen (15) calendar days after the examiner's knowledge that injured employee filed a civil action against the responsible party. Subrogation counsel shall be assigned to file a Lien or Complaint in Intervention to the civil action, if authorized by Member Agency. All discussions and actions regarding subrogation shall be documented in the file.
- E. Member Agency approval is required to waive pursuit of subrogation or agree to a settlement of a third-party recovery. This approval shall be documented in the claim file.
- F. CIPA's approval is required to waive pursuit of subrogation or agree to a third-party settlement if there is potential for the claim to exceed the Member Agency's self-insured retention.

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- A. Reserves established on indemnity claims, including future medical claims, will reflect the ultimate probable cost of each claim based on the information developed to date. Reserve worksheets will be used to document all reserve changes and reflect amounts allocated to temporary disability, 4850 benefits, permanent disability, life pension, vocational rehabilitation, medical care, and allocated expense. The injured workers' disability, age and occupation will be considered in estimating permanent disability.
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- A. The examiner shall report to the excess insurance carrier(s), including CIPA, in accordance with established procedures.
- B. CIPA's Excess Claims Status Report shall be used for all initial, periodic, and final reports. All portions of the report shall be completed and include the information requested. Supervisors must review for completeness and accuracy of reports.

- C. As defined by CIPA's Memorandum of Coverage, as may be modified from time to time, the following claims are reportable to CIPA within five (5) business days after receipt by examiner:
 - 1) A serious injury to two or more employees
 - 2) Paraplegic
 - 3) Quadriplegic
 - 4) Brain Injury
 - 5) Serious burns
 - 6) Loss of vision
 - 7) Death
 - 8) Amputation of a major extremity
- D. Initial Excess Claim Status Reports are due within ten (10) business days after the total incurred is 50% or more of the Member Agency's self-insured retention.
- E. Excess Claim Status Reports on reportable claims are due to CIPA no less frequently than as follows, and sooner if claims activity warrants:
 - 1) Every three (3) months on claims not finalized by settlement or award
 - 2) Semi-annually on claims finalized by settlement or award
 - 3) Within fifteen (15) calendar days of the total incurred increasing/decreasing by 25% or more
 - 4) Within thirty (30) calendar days of a reportable claim being closed
 - 5) Within thirty (30) calendar days of no longer meeting the reporting requirements (for example, reserves less than 50% of the Member Agency's SIR)
 - 6) Within ten (10) calendar days of receipt of a New & Further filing
 - 7) As requested by Member Agency or CIPA

18. MEDICARE REPORTING

- A. The examiner shall report all claims in compliance with Medicare, Medicaid, and SCHIP Extension Act (MMSEA) Section 111 Mandatory reporting.
- B. Medicare eligibility shall be documented in the file no later than at the time the file is evaluated for settlement.

Amended and Approved by the Executive Committee on September 21, 2021

Repeals June 29, 2020 Minimum Performance Standards for Workers' Compensation Claims Administration

CALIFORNIA INSURANCE POOL AUTHORITY

WORKERS' COMPENSATION ADJUSTER TREATMENT PROTOCOLS POLICY

Member Agencies shall either incorporate this *Workers' Compensation Adjuster Treatment Protocols Policy* and any revisions to the *Policy* into signed agreements with their claims administrator or obtain signed acknowledgement from their claims administrator that they will comply with this *Policy* established by California Insurance Pool Authority (CIPA). Copies of the agreements or signed acknowledgments shall be provided to CIPA. Claims will be audited for conformance with this *Policy*.

Claims adjusters shall approve the following procedures:

All Accepted Claims; Accepted Body Parts

1. Office Visits;
2. Specialist Referrals;
3. Non-Narcotic Medications \$250 or less;
4. MRI;
5. CT Scan;
6. X-rays;
7. EMG/NCS;
8. Ultrasound;
9. Physical Therapy - up to 16 sessions;
10. Occupational Therapy - up to 16 sessions;
11. Acupuncture - up to 16 sessions;
12. Chiropractic - up to 16 sessions;
13. Aquatic Therapy - up to 16 sessions;
14. Transfer of care - on approved body parts;
15. Corticosteroid Injections;
16. Durable Medical Equipment - \$2,500 or less;
17. Hearing Aid Replacements;
18. Complete Blood Count (CBC);
19. Basic Metabolic Panel (BMP);
20. Urinary Analysis (UA);
21. Electrocardiogram (ECG or EKG) - only if heart claim; and
22. Partial Thromboplastin (PTT or aPTT)

Future Medical Claims

1. All 22 procedures listed above; and
2. Ongoing medications of \$250 will be reviewed every six months from the date of last Utilization Review certification.

Approved by the Executive Committee on September 21, 2021

**SECOND AMENDMENT TO AGREEMENT FOR
CLAIMS ADMINISTRATION SERVICES**

This Second Amendment is entered into effective July 1, 2023 as an amendment to the Agreement for Claims Administration Services dated July 1, 2020, by and between the CALIFORNIA INSURANCE POOL AUTHORITY (“CIPA”), a California public joint powers authority, on behalf of the CITIES OF ARCADIA, BUENA PARK, CYPRESS, IRVINE, LAGUNA BEACH, MONTCLAIR, ORANGE, TUSTIN AND YORBA LINDA (“Member Cities or Member City”) and AdminSure, Inc. (“Administrator”), having an office at 3380 Shelby Street, Ontario, California.

The terms and conditions of the Agreement and the First Amendment shall remain in full force and effect, except as otherwise set forth in this Second Amendment.

IT IS HEREBY AGREED AS FOLLOWS:

The first paragraph of *Article 3. Duration* is deleted and replaced with the following:

This Agreement applies to all work performed by Administrator which is described in Article 4, whether performed in anticipation of or following the execution of this Agreement. The initial term shall begin on July 1, 2020 and shall expire June 30, 2025, for all Member Cities. Subsequent annual terms from July 1, to June 30, may be mutually agreed upon between the parties.

In witness whereof the parties hereto have signed this Agreement as of October 1, 2021.

CIPA: California Insurance Pool Authority

ADMINISTRATOR: AdminSure, Inc.

Authorized Signature

Authorized Signature

Print Name

Print Name

Title

Title

Date

Date



STAFF REPORT

Fire Department

DATE: July 18, 2023

TO: Honorable Mayor and City Council

FROM: Chen Suen, Fire Chief

SUBJECT: RENEWAL OF THE FIRE COMMUNICATIONS SERVICE AGREEMENT WITH THE VERDUGO CITIES FOR FIRE DISPATCH SERVICES IN THE AMOUNT OF \$468,960

CEQA: Not a Project

Recommendation: Approve

SUMMARY

The Arcadia Fire Department currently participates in a regional fire dispatch services system with Verdugo Fire Communications Center (“VFCC”). VFCC is jointly owned and operated by the Cities of Burbank, Glendale, and Pasadena (“Verdugo Cities”). The current agreement expired on June 30, 2023; however, the Cities have remained operating under the prior terms and conditions. It is recommended that the City Council approve the renewal to the Fire Communications Service Agreement with the Verdugo Cities for Fire Dispatch Services, with two automatic, three-year contract renewals (or through June 30, 2032), in the amount of \$468,960.

BACKGROUND

Since 1999, the Arcadia Fire Department has contracted with VFCC for the dispatching of emergency fire and medical responses. In addition to serving the City of Arcadia, VFCC also serves the Cities of Burbank, Glendale, Pasadena, Alhambra, Monrovia, Montebello, Monterey Park, San Gabriel, San Marino, Sierra Madre, and South Pasadena as well as the Burbank-Glendale-Pasadena Airport Authority Fire Department.

At the State level, the Governor’s Office of Emergency Services (“OES”) divides the 58 counties in California into six mutual-aid regions. Region I encompasses five counties, including Los Angeles County, which is further subdivided into six operational areas, Areas A through G. All agencies served by VFCC are part of Area C and the Unified Response Automatic Aid Plan, to simplify and combine the numerous existing mutual and automatic aid agreements. The Unified Response Automatic Aid Plan provides a borderless fire response area within Area C, where the closest fire apparatus would be dispatched to an incident regardless of the agency origin of the apparatus or the city in

which the incident is located. In addition, the Plan provides Arcadia with additional fire apparatus and fire personnel for incidents that would otherwise exhaust the Arcadia Fire Department's staffing capabilities. These additional resources, in part, contribute to Arcadia's Class 1 status.

DISCUSSION

Current dispatch technology and the regionalization approach by VFCC allow the Fire Department to meet industry standards for response times. In Arcadia, 9-1-1 calls are initially routed to Arcadia Police Dispatch and then immediately transferred to VFCC once it is determined to be a fire or medical incident. VFCC sends a pre-alert to the stations and apparatus, followed by a full dispatch with text to a computer and printer. Vehicle locators in the system then determine the closest resource to be dispatched.

The biggest advantage of contracting with VFCC for fire dispatch services is to be a participant of the Unified Response Automatic Aid Plan. VFCC serves 13 agencies in Area C of Los Angeles County with a combined population of over 838,000 residents, covering an area of 134 square miles. Together, the 13 agencies have 45 fire stations and over 180 emergency response vehicles.

Additional benefits of 13 fire agencies combining resources and participating in VFCC include:

- Economies of scale and cost-savings of personnel, computers, phones, dispatch and radio communication systems;
- Centralization of the Unified Response Automatic Aid Plan and coordination of the State Master Mutual Aid Plan;
- Fast access to the Governor's OES resources through a national system for dispatch of mutual aid resources;
- Participation in the Interagency Communication Interoperability System ("ICI System") digital trunked radio system;
- Multiple radio frequencies licensed through the Federal Communications Commission to allow sufficient radio communications on major incidents and/or multiple incidents with the region;
- Enhanced response times when fire stations are alerted automatically through computer-aided dispatch ("CAD"), which provides dispatch information on mobile computer terminals and mobile devices;
- Vehicle Locators to monitor the closest resources when dispatching for incidents; and
- In-depth statistical analysis of fire and rescue incidents using data captured by the CAD system.

Another significant benefit of contracting with VFCC is the professional services provided by the dispatchers that are specifically trained in fire and rescue incidents and terminology. VFCC dispatchers are Emergency Medical Dispatchers (“EMD”) who provide vital emergency medical information to the 9-1-1 caller prior to Paramedic and EMT arrival on scene.

Finally, it is worth noting that the Arcadia Fire Department jointly operated an in-house dispatching center with the Arcadia Police Department prior to contracting with VFCC. Due to the inherent differences between police and fire incidents, it was determined that each department would be better served with dispatching services unique to their department. In addition, there would be substantial initial and ongoing costs for the purchase, maintenance, periodic upgrade, and licensing of dispatch equipment, radio frequencies, and software, if the City chose to leave VFCC and dispatch on its own again. Moreover, establishing the Fire Department’s own dispatch center would also have negative impacts on its participation in the Unified Response Automatic Aid Plan within Area C, and it would cause delay in activating the State’s Master Mutual Aid Plan.

The most current Agreement with VFCC was approved by the City Council in September 2014 and ended on June 30, 2023, after two automatic, three-year renewals. Therefore, it is now necessary to either approve the renewal or to withdraw from the Agreement. A 90-day withdrawal period is available to VFCC or the City of Arcadia should either party decide to terminate the Agreement. To provide critical and uninterrupted emergency fire and medical dispatch services, it is recommended that the City of Arcadia renew its contract with VFCC through June 30, 2026, and allow for two automatic, three-year contract renewals.

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

The cost of the proposed contract for Fiscal Year 2023-24 is \$468,960. The annual contract cost is determined by the charge per incident dispatched (\$84.18) multiplied by the number of calls dispatched during the preceding calendar year (5,571 in calendar year 2022). During the term of this agreement, the charge per incident dispatched may be increased each Fiscal Year by an amount not to exceed 5% per incident.

Sufficient funds in the amount of \$492,000 have been allocated in the FY 2023-24 Fire Department’s Operating Budget for this contract service.

RECOMMENDATION

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act ("CEQA"); and approve the renewal of the Fire Communications Service Agreement with the Verdugo Cities for Fire Dispatch Services in the amount of \$468,960.

Approved:



Dominic Lazzaretto
City Manager

Attachment: Proposed Amendment No. 1 to the Verdugo Fire Communications Service Agreement

AMENDMENT NO. 1

VERDUGO FIRE COMMUNICATIONS SERVICE AGREEMENT BETWEEN THE CITIES OF BURBANK, GLENDALE, AND PASADENA AND THE CITY OF ARCADIA

This Amendment No. 1 to the Verdugo Fire Communications Service Agreement Between the Cities of Burbank, Glendale, and Pasadena, hereafter referred as VERDUGO CITIES and The City of Arcadia, hereafter referred as CONTRACTING CITY.

RECITALS

1. Whereas on June 1, 2014, Parties entered into an agreement entitled Fire Communications Service Agreement between the Cities of Burbank, Glendale, and Pasadena and the City Arcadia for dispatching of emergency fire and medical response and for providing mutual aid services or automatic aid services to cities in the Verdugo System and other jurisdictions as designated by the State;
2. Whereas the agreement will expire on 06/30/2023 and the parties wish to extend the term of the agreement on the terms and conditions set forth below;
3. Whereas the Parties acknowledge that this Agreement is not a joint powers agreement subject to the provisions of California Government Code Sections 6500 et. seq. and the Parties intend that nothing in this Agreement shall be so construed. The Parties have no intent to create hereby a separate legal entity or public agency and no such entity is hereby created.

NOW THEREFORE, the Parties agree as follows:

AGREEMENT

- A. **TERM.** This Amendment No. 1 shall become effective on 07/01/2023 and remain in effect until 06/30/2026 or until terminated in accordance with the termination provisions in the Agreement, whichever occurs earlier. For consideration received, this Amendment will renew automatically for two terms of three years each, unless 90 days prior to termination of the term, one party provides written notice of intent not to renew to the other party.
- B. **COSTS.** The annual cost shall be the appropriate charge per incident dispatched (\$84.18) multiplied by the actual number of calls dispatched during the preceding calendar year. Number of calls dispatched shall include incidents that occur within CONTRACTING CITY's jurisdiction plus any additional responses to jurisdictions outside the Verdugo System that arise from aid agreements. Beginning 07/01/2024, the per incident charge may increase annually by an amount not to exceed 5% per incident.

C. Except as stated above, all other items and conditions of the document remain unchanged and in full force and effect.

WHEREFORE, the parties have caused this Amendment to be duly executed on this date set forth opposite their signature.

Digital Signatures. A signed copy of this Agreement or any amendment thereto bearing a digital signature, shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement or such amendment thereto for all purposes, and each digital signature should be given the same legal force and effect as a handwritten signature.

CITY OF ARCADIA

Dominic Lazzaretto
City Manager

Date: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

Michael J. Maurer
City Attorney

CITY OF BURBANK

By: _____

Name: _____

Title: _____

Date: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

By: _____

Name: _____

Title: City Attorney _____

CITY OF GLENDALE

By: _____

Name: _____

Title: _____

Date: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

By: _____

Name: _____

Title: City Attorney

CITY OF PASADENA

By: _____

Name: _____

Title: _____

Date: _____

ATTEST:

City Clerk

APPROVE AS TO FORM:

By: _____

Name: _____

Title: City Attorney



STAFF REPORT

Library and Museum Services Department

DATE: July 18, 2023

TO: Honorable Mayor and City Council

FROM: Darlene Bradley, Director of Library and Museum Services

SUBJECT: PURCHASE ORDER WITH TSAI FONG FOR INTERNATIONAL LANGUAGE MATERIALS IN AN AMOUNT NOT TO EXCEED \$33,500
CEQA: Not a Project
Recommendation: Approve

SUMMARY

It is recommended that the City Council approve a Purchase Order for Chinese language materials in an amount not to exceed \$33,500. Sufficient funds are available in the City's Fiscal Year 2023-24 Operating Budget to support this purchase.

DISCUSSION

Tsai Fong provides certain international language titles at a discounted price. This vendor provides English translation titles and invoices necessary to purchase titles in Chinese, Vietnamese, and Korean. The Arcadia Public Library uses the services of Tsai Fong as a sole-source supplier because this is an important feature in assisting with cataloging purchased titles valued by the City's increasingly diverse population.

The estimated cost for Fiscal Year 2023-2024 is \$33,500. Sufficient funds are available in the City's Fiscal Year 2023-24 Operating Budget. Therefore, it is recommended to approve this purchase order with Tsai Fong.

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.

FISCAL IMPACT

Sufficient funds have been approved in the City's Fiscal Year 2023-24 General Fund Operating Budget.

PO with Tsai Fong for International Language Materials

July 18, 2023

Page 2 of 2

RECOMMENDATION

It is recommended that the City Council determine that this action is not a project under the California Environmental Quality Act ("CEQA"); and approve a Purchase Order with Tsai Fong for international language materials in an amount not to exceed \$33,500.

Approved:



Dominic Lazzaretto
City Manager



STAFF REPORT

Public Works Services Department

DATE: July 18, 2023

TO: Honorable Mayor and City Council

FROM: Paul Cranmer, Public Works Services Director
By: John Corona, Utilities Superintendent

SUBJECT: PURCHASE ORDER WITH HYDROPRO SOLUTIONS FOR THE PURCHASE OF DATA LOG RADIO READ WATER METERS FOR THE CITY'S WATER DISTRIBUTION SYSTEM IN THE AMOUNT OF \$1,200,000

CEQA: Exempt

Recommendation: Approve

SUMMARY

As part of the Annual Meter Replacement Program, the Public Works Services Department ("PWSD") Warehouse maintains a supply of water meters for the Utilities Section. To ensure that the City is receiving the most competitive prices for Advanced Metering Infrastructure ("AMI") radio read water meters, a formal bid process was conducted in 2021. In May 2022, the City received a letter from Master Meter, Inc. stating that HydroPro Solutions will be the exclusive distributor of their products in the State.

It is recommended that the City Council approve a sole source Purchase Order with HydroPro Solutions for the purchase of AMI radio-read water meters and related infrastructure for the City's water distribution system in the amount of \$1,200,000.

BACKGROUND

The Annual Meter Replacement Program was created to replace manually read water meters with new meters that are capable of being read via radio frequency. Currently, the City's radio read water meters utilize Automatic Meter Reading ("AMR") technology, which automatically collects consumption, diagnostic, and status data from the water meter. The data is collected from mobile devices by City staff then uploaded to a central database for utility billing purposes. In 2019, the PWSD Utilities Section began replacing the first-generation AMR radio read water meters with Advanced Metering Infrastructure ("AMI") radio read water meters. The new AMI meters provide real time data to the consumer and will be read remotely through the AMI meter infrastructure and base station hubs.

AMI radio read water meters have the capability of capturing the precise measurements and readings of a customer's water usage; it also includes leak detection and data logging functions. AMI meters will also enable residents to monitor and receive alerts for possible leaks on their property, as well as assist them with historical water usage information.

Water meter register accuracy is important in calculating water demands, forecasting customer demands, and conservation efforts. Once the AMI data log meters are installed throughout the City's water system, the meter reading staff can be used for other water related maintenance assignments. However, as the system continues to be converted over to AMI radio read meters, the staff typically assigned to meter reading will complete other work such as meter change outs, leaks, rereads, and other related maintenance to water meters and boxes. The meter sizes that are being changed range from 5/8" to 2". This is the final year of a 3-year project to convert the water system over to AMI meters.

DISCUSSION

The PWSD Warehouse is responsible for distributing all water meters to the Utilities Section for meter replacement and new installations. The Warehouse maintains an available inventory to prevent any service interruptions and orders replacement meters to keep the inventory at acceptable levels. Typical meters in the City's system are replaced once every 15 years to ensure accurate water measurements. The American Water Works Association ("AWWA") standard for 5/8" to 2" water meters, also recommends this replacement interval.

On May 11, 2022, the PWSD received a letter from Master Meter, Inc., stating that HydroPro Solutions will be the exclusive distributor of Master Meter products in the State of California, effective June 1, 2022. As part of the City's Capital Improvement Program, the Annual Meter Replacement Program will retrofit all AMR and older meters to AMI meters. The City utilizes Master Meter's AMI meters for this Program and will need to stay with the same manufacturer to ensure overall infrastructure compatibility and function. Given that Master Meter's letter stating exclusive distribution rights belong solely to HydroPro Solutions in California, this would make HydroPro Solutions a sole source for Master Meter products.

The quantities previously provided are based on estimates. The City may purchase an amount above or below the estimate given according to the needs and requirements of the City at the unit prices quoted in the bid. To ensure that there are acceptable quantities of water meters available in the City's warehouse, the purchase order amount will be for \$1,200,000, which is the total amount budgeted for AMI meters; however, the City will only purchase the amount necessary to ensure adequate inventory levels.

ENVIRONMENTAL ANALYSIS

This project involves the replacement and minor alteration of an existing utility system with no expansion of the system, and therefore, qualifies as a Class 2 categorical exemption per Section 15302(2) of the California Environmental Quality Act (“CEQA”).

FISCAL IMPACT

Funds in the amount of \$1,200,000 have been budgeted in the Capital Improvement Program in Fiscal Year 2023-24 for the Annual Meter Replacement Program.

RECOMMENDATION

It is recommended that the City Council determine that this action is exempt under the California Environmental Quality Act (“CEQA”); and approve a Purchase Order with HydroPro Solutions for the purchase of Data Log Read Water Meters for the City’s water distribution system in the amount of \$1,200,000.

Approved:



Dominic Lazzaretto
City Manager

Attachment: Master Meter Sole Source Letter



May 11, 2022

May 11, 2022

To Whom It May Concern:

Master Meter, Inc. is proud to announce HydroPro Solutions (HPS) as Master Meter's Premier Business Partner and exclusive distributor for the State of California, effective June 1, 2022.

HydroPro Solutions brings unmatched water management knowledge, insight, and customer commitment to our team. Along with our California Regional Sales Manager, Ed Amelung, and B.E.S.T Meter, our manufacturers' representative in southern California, this team offers decades of industry experience. Above all, Master Meter looks forward to supporting our current customers while expanding our presence throughout the state of California.

Master Meter is excited to begin this new journey with HPS.

For more information, please contact Ed Amelung at 714-566-5395 or Derek Chester with HydroPro Solutions at 909-977-1229.

Sincerely,

A handwritten signature in black ink that reads "Neal Farmer".

Neal Farmer
Regional Vice President of Sales
Master Meter, Inc.



STAFF REPORT

Public Works Services Department

DATE: July 18, 2023

TO: Honorable Mayor and City Council

FROM: Paul Cranmer, Public Works Services Director
By: John Corona, Utilities Superintendent

SUBJECT: REJECT LOW BID FROM UAG CERRITOS I, LLC DBA PENSKE CHEVROLET AND APPROVE A PURCHASE ORDER WITH MOUNTAIN VIEW CHEVROLET FOR THE PURCHASE OF ONE 2023 CHEVROLET SILVERADO 1500 PICKUP TRUCK IN THE AMOUNT OF \$56,423.60

CEQA: Not a Project

Recommendation: Approve

SUMMARY

The Fiscal Year 2023-24 Equipment Acquisition Budget provides for the replacement of one 1/2-ton pickup truck for the Public Works Services Department (“PWSD”) that meets the criteria for replacement in the Vehicle Replacement Program. To ensure that the City is receiving the most competitive price, a formal bid process was conducted. UAG Cerritos I, LLC dba Penske Chevrolet submitted the lowest bid. During the evaluation process, it was discovered that UAG Cerritos I, LLC dba Penske Chevrolet provided a bid for one 2024 model year truck rather than the 2023 model year requested. Mountain View Chevrolet was the second lowest bid received, which was determined to be responsive.

It is recommended that the City Council reject the low bid submitted by UAG Cerritos I, LLC dba Penske Chevrolet and approve a Purchase Order with Mountain View Chevrolet for the purchase of one 2023 Chevrolet Silverado 1500 pickup truck in the amount of \$56,423.60.

BACKGROUND

The Fiscal Year 2023-24 Equipment Acquisition Budget provides for the replacement of one 1/2-ton pickup truck for the PWSD. The 2005 Chevrolet 1500 pickup truck, asset #80216, experienced a catastrophic failure of its early generation hybrid drive system. Replacement parts are obsolete and were not available to repair this vehicle. The lack of available repair parts forced premature replacement of this vehicle, which had 91,801 miles at the time of the catastrophic failure.

DISCUSSION

A Notice Inviting Bids was published in accordance with City Council Resolution No. 7483 and bid packages were distributed to local dealerships who provide this type of vehicle. Two bids were received with the following results:

<u>Bidder</u>	<u>Location</u>	<u>Bid Amount</u>
UAG Cerritos I, LLC dba Penske Chevrolet	Cerritos, CA	\$54,723.12
Mountain View Chevrolet	Upland, CA	\$56,423.60

Although bid documents were sent to various dealerships, only two bids were received. An inquiry was conducted into the reasons that the dealerships solicited for this bid did not submit a bid. Reasons provided included not having sufficient time to submit a bid or no interest in submitting a bid for this vehicle.

After careful review and consideration, the bid documents were reviewed for content and the dealerships' background was investigated. During the review process, staff discovered that UAG Cerritos I, LLC dba Penske Chevrolet provided a bid for a 2024 model year truck rather than the 2023 model year specified in the bid specifications. City staff contacted UAG Cerritos I, LLC dba Penske Chevrolet to confirm the model year of the vehicle submitted in their bid, and a representative confirmed that 2024 was correct. Since the bid documents clearly stated that the request was for a 2023 model year truck, UAG Cerritos I, LLC dba Penske Chevrolet is considered non-responsive and should be rejected. Importantly, the 2024 model year truck will not be available to the City as soon as the 2023 model truck, which is available for immediate delivery and was the reason the City requested bids for a 2023 model.

The second low bidder, Mountain View Chevrolet is considered the lowest responsive bidder. The bid submitted by Mountain View Chevrolet was reviewed and the dealership's background investigated. Based on this review, it has been determined that Mountain View Chevrolet is the lowest responsive bidder that met the City's required specifications.

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.

FISCAL IMPACT

The total purchase cost for the vehicle is \$56,423.60. Funds in the amount of \$60,900 have been budgeted in the Fiscal Year 2023-24 Equipment Replacement Budget.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project, and therefore, is exempt under the California Environmental Quality Act ("CEQA"); and reject the low bid from UAG Cerritos I, LLC dba Penske Chevrolet and approve a Purchase Order with Mountain View Chevrolet for the purchase of one 2023 Chevrolet Silverado 1500 pickup truck in the amount of \$56,423.60.

Approved:



Dominic Lazzaretto
City Manager



STAFF REPORT

Public Works Services Department

DATE: July 18, 2023

TO: Honorable Mayor and City Council

FROM: Paul Cranmer, Public Works Services Director
By: John Corona, Utilities Superintendent

SUBJECT: REJECT LOW BIDS FROM UAG CERRITOS I, LLC DBA PENSKE CHEVROLET AND COURTESY CHEVROLET CENTER AND APPROVE A PURCHASE ORDER WITH SIERRA CHEVROLET OF MONROVIA FOR THE PURCHASE OF THREE 2023 CHEVROLET SILVERADO 2500 HEAVY DUTY UTILITY SERVICE BODY PICKUP TRUCKS IN THE AMOUNT OF \$196,682.31

CEQA: Not a Project

Recommendation: Approve

SUMMARY

The Fiscal Year 2023-24 Equipment Acquisition Budget provides for the replacement of three Heavy Duty 3/4-ton pickup trucks for the Public Works Services Department ("PWSD") that meet the criteria for replacement in the Vehicle Replacement Program. To ensure that the City is receiving the most competitive price for three 2023 Chevrolet Silverado 2500 Heavy Duty Utility Service Body pickup trucks, a formal bid process was conducted. UAG Cerritos I, LLC dba Penske Chevrolet submitted the lowest bid. During the evaluation process, it was discovered that UAG Cerritos I, LLC dba Penske Chevrolet provided a bid for three 2024 model year trucks rather than the 2023 model year requested in the bid documents, rendering their bid unresponsive. Courtesy Chevrolet Center was the second lowest bid received and it was discovered that they also provided a bid for three 2024 model year trucks rather than the 2023 model year requested. Sierra Chevrolet of Monrovia was the third lowest bid received, which was determined to be responsive.

It is recommended that the City Council reject the low bids submitted by UAG Cerritos I, LLC dba Penske Chevrolet and Courtesy Chevrolet Center, and approve a purchase order with Sierra Chevrolet of Monrovia for the purchase of three 2023 Chevrolet Silverado 2500 Heavy Duty Utility Service Body pickup trucks in the amount of \$196,682.31.

BACKGROUND

The Fiscal Year 2023-24 Equipment Acquisition Budget provides for the replacement of three Heavy Duty 3/4-ton pickup trucks in the PWSD. The vehicles that will be replaced are currently used by the Utilities section of the PWSD and all meet the mileage and/or age requirements of the City's Vehicle Replacement Program. The vehicles are as follows:

- 2008 Ford F-250 3/4-ton pickup utility body with 133,385 miles
- 2008 Ford F-250 3/4-ton pickup utility body with 107,713 miles
- 2011 Ford F-250 3/4-ton pickup utility body with 134,914 miles

These heavy-duty pickup trucks are used by Utilities section maintenance personnel for repairing/replacing water services and water mains. The heavy-duty chassis is required to accommodate all the parts and fittings necessary to maintain the City's water distribution system. The three existing units will go to auction once replaced.

DISCUSSION

A Notice Inviting Bids was published in accordance with City Council Resolution No. 7483, and bid packages were distributed to local vendors who provide this type of vehicle. Four bids were received with the following results:

<u>Bidder</u>	<u>Location</u>	<u>Bid Amount</u>
UAG Cerritos I, LLC dba Penske Chevrolet Courtesy Chevrolet Center	Cerritos, CA San Diego, CA	\$176,775.00 \$193,320.07
Sierra Chevrolet of Monrovia Mountain View Chevrolet	Monrovia, CA Upland, CA	\$196,682.31 \$200,245.56

All bid documents were reviewed for content and each vendors background was investigated. During the review process, staff discovered that UAG Cerritos I, LLC dba Penske Chevrolet provided a bid for three 2024 model year trucks rather than the 2023 model year specified in the bid specifications. City staff contacted UAG Cerritos I, LLC dba Penske Chevrolet to confirm the model year of the vehicles submitted in their bid, and a representative confirmed that 2024 was correct. The second low bidder, Courtesy Chevrolet Center also bid for three 2024 model year trucks rather than the 2023 model year specified in the bid specifications. They were also contacted to confirm that their bid was for 2024 model year trucks. Since the bid documents clearly stated that the request was for 2023 model year trucks, the two lowest bidders are considered non-responsive and should be rejected. Importantly, the 2024 model year trucks will not be available to the City as soon as the 2023 model trucks, which are available for immediate delivery and was the reason the City requested bids for 2023 model trucks.

The third low bidder, Sierra Chevrolet of Monrovia, is considered the lowest responsive bidder. The bid submitted by Sierra Chevrolet of Monrovia was reviewed and the dealership's background investigated. Based on this review, it has been determined that Sierra Chevrolet of Monrovia is the lowest responsive bidder that met the City's required vehicle specifications.

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.

FISCAL IMPACT

The total purchase cost for the three vehicles is \$196,682.31. Funds in the amount of \$270,000 have been budgeted in the Fiscal Year 2023-24 Equipment Replacement Budget. The remaining budget will be used to outfit the vehicles with necessary equipment.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project, and therefore, is exempt under the California Environmental Quality Act ("CEQA"); and reject the low bids from by UAG Cerritos I, LLC dba Penske Chevrolet and Courtesy Chevrolet Center, and approve a Purchase Order with Sierra Chevrolet of Monrovia for the purchase of three 2023 Chevrolet Silverado 2500 Heavy Duty Utility Service Body pickup trucks in the amount of \$196,682.31.

Approved:


Dominic Lazzaretto
City Manager