



CITY COUNCIL
HOUSING AUTHORITY AND
SUCCESSOR AGENCY TO THE EL CAJON
REDEVELOPMENT AGENCY

Council Chamber
200 Civic Center Way
El Cajon, CA 92020

Agenda

MAY 9, 2023, 3:00 p.m.

Bill Wells, Mayor

Steve Goble, Deputy Mayor

Gary Kendrick, Councilmember

Michelle Metschel, Councilmember

Phil Ortiz, Councilmember

Graham Mitchell, City Manager

Vince DiMaggio, Assistant City Manager

Morgan Foley, City Attorney

Angela Cortez, City Clerk

CALL TO ORDER: Mayor Bill Wells

ROLL CALL: City Clerk Angela Cortez

PLEDGE OF ALLEGIANCE TO THE FLAG AND MOMENT OF SILENCE

POSTINGS: The City Clerk posted Orders of Adjournment of the April 25, 2023, Meetings and the Agenda of the May 9, 2023, Meeting in accordance to State Law and City Council/Housing Authority/Successor Agency to the Redevelopment Agency Policy.

PRESENTATIONS:

- **Proclamation: Municipal Clerk's Week**
- **Proclamation: Water Safety and Drowning Prevention Month**
- **Presentation: Youth of the Year Award**

AGENDA CHANGES:

CONSENT ITEMS:

Consent Items are routine matters enacted by one motion according to the RECOMMENDATION listed below. With the concurrence of the City Council, a Council Member or person in attendance may request discussion of a *Consent Item* at this time.

1. Minutes of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Meeting

RECOMMENDATION:

That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency approves Minutes of the April 25, 2023, Meetings of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

2. Warrants

RECOMMENDATION:

That the City Council approves payment of Warrants as submitted by the Finance Department.

3. Approval of Reading Ordinances by Title Only

RECOMMENDATION:

That the City Council approves the reading by title and waives the reading in full of all Ordinances on the Agenda.

4. Subdivision Agreement for Public Improvements and Final Map for Tentative Subdivision Map (TSM) No. 2020-0002; 1493 Melody Lane; Engineering Job No. 3733

RECOMMENDATION:

That the City Council:

1. Approves the Final Map and Subdivision Agreement for Public Improvements for Tentative Subdivision Map (TSM) No. 2020-0002, 1493 Melody Lane, Engineering Job No. 3733;
2. Authorizes the City Manager to execute the agreements and related documentation; and
3. Authorizes the City Clerk to release cash deposit after completion of improvements.

5. New Classification Specification and Salary Setting for Parking Enforcement Officer

RECOMMENDATION:

That the City Council approves the classification specification and salary setting for the Parking Enforcement Officer.

6. Continuation of Wells Park Restroom Emergency Declaration

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, proclaiming the Continuation of Emergency for Wells Park restroom conditions.

7. Continuation of Emergency for Storm Drain System Repairs - West Side of 1970 Granite Hills Drive

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, to proclaim the Continuation of Emergency for Storm Drain System Repairs.

8. Award of Bid No. 001-24 – Street Light System Maintenance, Emergency Repairs, and Related Construction Services

RECOMMENDATION:

That the City Council:

1. Finds that the Street Light System Maintenance, Emergency Repairs, and Related Construction Services project is exempt from the California Environmental Quality Act (CEQA); and
2. Adopts the next Resolutions, in order, to:
 - a. Approve Plans and Specifications for Street Light System Maintenance, Emergency Repairs, and Related Construction Services for the Cities of El Cajon, La Mesa, Lemon Grove, and Santee, Bid No. 001-24; and
 - b. Award the bid to the lowest responsive, responsible bidder, Southwest Traffic Signal Service, Inc., in the amount of \$344,697 for the base bid and Additive Alternate No. 1. The City of El Cajon's portion of the award is \$152,510.

9. Award of Bid No. 015-23 – Maintenance & Repairs of Mechanical Doors & Gates

RECOMMENDATION:

That the City Council:

1. Finds that the Maintenance and Repairs of Mechanical Doors and Gates services project is exempt from the California Environmental Quality Act (CEQA);
2. Approves Plans and Specifications for Maintenance & Repairs of Mechanical Doors & Gates, Bid No. 015-23; and
3. Awards the bid to the lowest responsive, responsible bidder, Vortex Industries, LLC, in the amount of \$101,300 for the initial one-year term, with up to four additional one-year renewal options.

10. Disposal of Retired Property

RECOMMENDATION:

That the City Council declares the listed property retired and authorizes disposal in accordance with policy.

PUBLIC COMMENT:

At this time, any person may address a matter within the jurisdiction of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency that is not on the Agenda. Comments relating to items on today's docket are to be taken at the time the item is heard. State law prohibits discussion or action on items not on the Agenda; however, Council, Authority and Agency Members may briefly respond to statements or questions. An item may be placed on a future Agenda.

WRITTEN COMMUNICATIONS:

PUBLIC HEARINGS:

11. Delinquent Refuse/Recycling Collection Charges

RECOMMENDATION:

That the City Council:

1. Opens the Public Hearing and receives public testimony;
2. Closes the Public Hearing;
3. Adopts the next Resolution, in order, to confirm the list of property owners as delinquent in the payment of their mandatory refuse/recycling service bills; and
4. Authorizes the City Clerk to record the amount owed for each account as a lien on the respective property and forward the list to the County Tax Assessor for billing on the next property tax bill.

12. Amendment to the 2023 Five-Year Program of Projects for the SANDAG Regional Transportation Improvement Program (RTIP No. 23-04)

RECOMMENDATION:

That the City Council:

1. Opens the Public Hearing and receives testimony;
2. Closes the Public Hearing; and
3. Adopts the next Resolution, in order, approving the amendment to the proposed five-year program of projects for the SANDAG Regional Transportation Improvement Program (RTIP No. 23-04).

13. Consideration of an Adjustment to the SANDAG Regional Transportation Congestion Improvement Program (RTCIP) Fee

RECOMMENDATION:

That the City Council:

1. Opens the Public Hearing and receives testimony;
2. Closes the Public Hearing; and
3. Adopts the next Resolution, in order, approving an adjustment to the Regional Transportation Congestion Improvement Program (RTCIP) Fee to the new amount of \$2,741.97, for each newly-constructed residential unit.

ADMINISTRATIVE REPORTS:

14. Fiscal Year 2022-23 Mid-Year Report and Five-Year Business Plan Update

RECOMMENDATION:

That the City Council:

1. Receives and accepts the Fiscal Year 2022-23 Mid-Year Report and Five-Year Business Plan update;
2. Increases Fiscal Year 2022-23 appropriations from fund equity in the citywide amount of \$5,888,202 for additional CalPERS contributions as detailed in the report; and
3. Increases Fiscal Year 2022-23 appropriations from fund equity or program income, as appropriate, in the amount of \$2,287,773.31 for CDBG / HOME activities as detailed in the report.

15. Urban Roots Gardening Initiative Recap

RECOMMENDATION:

That the City Council receives the report on the Urban Roots Gardening Initiative Program and provides feedback.

COMMISSION REPORTS:

ACTIVITIES REPORTS/COMMENTS OF MAYOR WELLS

SANDAG (San Diego Association of Governments) Board of Directors.

16. Council Activity Report

ACTIVITIES REPORTS/COMMENTS OF COUNCILMEMBERS:

17. **DEPUTY MAYOR STEVE GOBLE**

MTS (Metropolitan Transit System Board); East County Advanced Water Purification Joint Powers Authority Board; Chamber of Commerce – Government Affairs Committee; SANDAG – Board of Directors – Alternate; SANDAG Public Safety Committee – Alternate.

18. **COUNCILMEMBER GARY KENDRICK**

METRO Commission/Wastewater JPA; Heartland Communications; Heartland Fire Training JPA.

19. **COUNCILMEMBER MICHELLE METSCHEL**

Harry Griffen Park Joint Steering Committee; METRO Commission/Wastewater JPA – Alternate; Heartland Communications – Alternate; Heartland Fire Training JPA – Alternate.

20. **COUNCILMEMBER PHIL ORTIZ**
League of California Cities, San Diego Division; East County Economic Development Council; MTS (Metropolitan Transit System Board) – Alternate; East County Advanced Water Purification Joint Powers Authority Board – Alternate; Chamber of Commerce – Government Affairs Committee – Alternate.

JOINT COUNCILMEMBER REPORTS:

GENERAL INFORMATION ITEMS FOR DISCUSSION:

ORDINANCES: FIRST READING

ORDINANCES: SECOND READING AND ADOPTION

21. Amendments to ECMC Title 5 Addressing Service Providers Operating in the City of El Cajon

RECOMMENDATION:

That Mayor Wells requests the City Clerk to recite the title.

An Ordinance Repealing Section 5.16.030 of Chapter 5.16 of the El Cajon Municipal Code; Adding a New Section 5.16.030 to Chapter 5.16 of the El Cajon Municipal Code; and Adding a New Chapter 5.22 to Title 5 of the El Cajon Municipal Code.

This project is exempt pursuant to CEQA Guidelines Subsection 15061(b)(3), the “Common Sense,” rule which states that CEQA applies only to projects which have the potential to cause a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The proposed amendments are designed to ensure a safe living and business environment, inform the City of the number of service providers operating in El Cajon, and prevent nuisance activities throughout the City.

CLOSED SESSIONS:

22. Closed Session - Conference with Labor Negotiators pursuant to Government Code section 54957.6:

Agency Designated Representatives:

Graham Mitchell, City Manager
Vince DiMaggio, Assistant City Manager
Clay Schoen, Director of Finance
Marisol Thorn, Director of Human Resources

Employee Organization:

El Cajon Mid-Management and Professional Employees Group

ADJOURNMENT: The Regular Joint Meeting of the El Cajon City Council/ El Cajon Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 9th day of May 2023, is adjourned to Tuesday, May 23, 2023, at 3:00 p.m.



City Council
Agenda Report

Agenda Item 1.

DATE: May 9, 2023

TO: Honorable Mayor and City Councilmembers

FROM: Angela Cortez, City Clerk

SUBJECT: Minutes of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Meeting

RECOMMENDATION:

That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency approves Minutes of the April 25, 2023, Meetings of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

Attachments

04-25-23DRAFTminutes - 3pm

04-25-23DRAFTminutes - 7pm

JOINT MEETING OF THE EL CAJON CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY



MINUTES

CITY OF EL CAJON EL CAJON, CALIFORNIA

April 25, 2023

An Adjourned Regular Joint Meeting of the El Cajon City Council/Housing Authority/ Successor Agency to the El Cajon Redevelopment Agency, held Tuesday, April 25, 2023, was called to order by Mayor/Chair Bill Wells at 3:00 p.m., in the Council Chambers, 200 Civic Center Way, El Cajon, California.

ROLL CALL

Council/Agencymembers present: Kendrick, Metschel, and Ortiz
Council/Agencymembers absent: None
Deputy Mayor/Vice Chair present: Goble
Mayor/Chair present: Wells
Other Officers present: Mitchell, City Manager/Executive Director
DiMaggio, Assistant City Manager
Foley, City Attorney/General Counsel
Janzer, Deputy City Clerk/Secretary

PLEDGE OF ALLEGIANCE TO THE FLAG led by Mayor Wells and MOMENT OF SILENCE.

POSTINGS: The City Clerk posted Orders of Adjournment of the April 11, 2023, meeting and the Agenda of the April 25, 2023, meetings in accordance with State Law and El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Policy.

PRESENTATIONS:

- TEDxKids@ElCajon
- El Cajon Library Update

AGENDA CHANGES: None

CONSENT ITEMS: (1 – 5)

1. Minutes of El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Meetings

Approve Minutes of the April 11, 2023, Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

2. Warrants

Approve payment of Warrants as submitted by the Finance Department.

3. Approval of Reading Ordinances by Title Only

Approve the reading by title and waives the reading in full of all Ordinances on the Agenda.

PULLED FOR DISCUSSION:

4. Continuation of Wells Park Restroom Emergency Declaration

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, proclaiming the continuation of emergency for Wells Park restroom conditions.

DISCUSSION:

In answer to a question by Mayor Wells, City Manager Mitchell stated that a continuation for an emergency declaration is required until the job is accepted as completed.

4. Continuation of Wells Park Restroom Emergency Declaration

Adopt Resolution No. 023-23 proclaiming the continuation of emergency for Wells Park restroom conditions.

CONSENT ITEMS: (Continued)

5. Continuation of Emergency for Storm Drain System Repairs

Adopt Resolution No. 024-23 proclaiming the Continuation of Emergency for Storm Drain Repairs.

MOTION BY WELLS, SECOND BY METSCHEL, to APPROVE Consent Items 1 to 5.

MOTION CARRIED BY UNANIMOUS VOTE.

PUBLIC COMMENT: None

WRITTEN COMMUNICATIONS: None

PUBLIC HEARINGS:

6. Adoption of New Fees; Modification and Elimination of Existing Fees; and Amendment of Schedule of Miscellaneous Fees

RECOMMENDATION:

That the City Council:

1. Opens the Public Hearing and receives testimony;
2. Closes the Public Hearing; and
3. Adopts the next Resolution, in order, to modify certain existing fees, add and delete certain fees, and amend the City's Schedule of Miscellaneous Fees.

DISCUSSION

City Attorney Foley provided a summary of the Item.

Mayor Wells opened the Public Hearing.

No public comment was received.

Discussion ensued among Council and Staff concerning the following:

- City of El Cajon does not charge Development Impact fees;
- Fees are only to cover staff time for services, not to make a profit; and
- Affordable housing projects.

PUBLIC HEARINGS: (Item 6 – Continued)

MOTION BY ORTIZ, SECOND BY METSCHEL, to CLOSE the Public Hearing and ADOPT Resolution No. 025-23, to modify certain existing fees, add and delete certain fees, and amend the City’s Schedule of Miscellaneous Fees.

MOTION CARRIED BY UNANIMOUS VOTE.

7. Consider Proposed Amendments to ECMC Title 5 Addressing Service Providers Operating in the City of El Cajon

RECOMMENDATION:

That the City Council:

1. Opens the Public Hearing and receives testimony;
2. Closes the Public Hearing; and
3. Introduces the next Ordinance, in order, approving proposed Amendment to ECMC Title 5.

DISCUSSION

Director of Community Development, Anthony Shute, provided a summary of the Item.

Mayor Wells opened the Public Hearing.

Discussion ensued among Council and Staff concerning the following:

- 48 hour notification from the County of San Diego when someone on Static-99R list is placed in a City of El Cajon motel;
- Discrepancy of motel rates; and
- Consequences for non-complying hotels.

No public comment was received.

MOTION BY ORTIZ, SECOND BY METSCHEL, to CLOSE the Public Hearing.

MOTION CARRIED BY UNANIMOUS VOTE.

Discussion continued among Council and Staff concerning the following:

- Cannot deny placement of Static-99R individual, as its considered a form of discrimination;
- Gathering information of where homeless individuals have lived prior to being placed in El Cajon;
- Surrounding cities should have motel occupancy for homeless in their areas;
- Placement of people experiencing domestic violence should not be in the same motels where sex offenders are being placed;

PUBLIC HEARINGS: (Item 7 – Continued)

- Providers should be held responsible of where their clients are placed;
- Background checks for ‘active warrants’;
- Would a background check be needed for those seeking placement in Safe Parking programs;
- No Safe Parking is available in the City of El Cajon;
- Placing operational standards on service providers who are placing individuals in motels;
- Suggested changes to the proposed ordinance

MOTION BY GOBLE, SECOND BY ORTIZ, to INTRODUCE the next Ordinance, in order, approving proposed Amendment to ECMC Title 5, with changes as directed by the City Council.

MOTION CARRIED BY UNANIMOUS VOTE.

The Deputy City Clerk recited the title of the ordinance:

AN ORDINANCE REPEALING SECTION 5.16.030 OF CHAPTER 5.16 OF THE EL CAJON MUNICIPAL CODE; ADDING A NEW SECTION 5.16.030 TO CHAPTER 5.16 OF THE EL CAJON MUNICIPAL CODE; AND ADDING A NEW CHAPTER 5.22 TO TITLE 5 OF THE EL CAJON MUNICIPAL CODE

ADMINISTRATIVE REPORTS: None

COMMISSION REPORTS: None

ACTIVITIES REPORTS/COMMENTS OF MAYOR WELLS:

SANDAG (San Diego Association of Governments) Board of Directors.

8. Council Activities Report/Comments

Report as submitted.

ACTIVITIES REPORTS OF COUNCILMEMBERS:

9. DEPUTY MAYOR STEVE GOBLE
MTS (Metropolitan Transit System Board); East County Advanced Water Purification Joint Powers Authority Board; Chamber of Commerce – Government Affairs Committee; SANDAG – Board of Directors – Alternate; SANDAG Public Safety Committee – Alternate.

Council Activities Report/Comments.

In addition to the submitted Report, Deputy Mayor Goble reported that Caltrans approved a concrete barrier on West I-8, between Second Street & State Route 67.

10. COUNCILMEMBER GARY KENDRICK
METRO Commission/Wastewater JPA; Heartland Communications; Heartland Fire Training JPA.

Council Activities Report/Comments.

Report as submitted.

11. COUNCILMEMBER MICHELLE METSCHEL
Harry Griffen Park Joint Steering Committee; Heartland Communications – Alternate; Heartland Fire Training JPA – Alternate; METRO Commission/Wastewater JPA – Alternate.

Council Activities Report/Comments.

In addition to the submitted Report, Councilmember Metschel invited the public to the County of San Diego’s meeting regarding the Bradley Street widening project.

12. COUNCILMEMBER PHIL ORTIZ
League of California Cities, San Diego Division; East County Economic Development Council; MTS (Metropolitan Transit System Board) – Alternate; East County Advanced Water Purification Joint Powers Authority Board – Alternate; Chamber of Commerce – Government Affairs Committee – Alternate.

Council Activities Report/Comments.

In addition to the submitted Report, Councilmember Ortiz stated that the County of San Diego would host a community event regarding the Bradley Street widening project.

JOINT COUNCILMEMBER REPORTS:

- 13. Cost Recovery from Skilled Nursing Facilities for Abuse of the City's Emergency Medical Response System

RECOMMENDATION:

That the City Council directs staff to provide a policy analysis or to draft an ordinance for City Council consideration that would create a cost recovery fee to be charged to skilled nursing facilities that abuse the City's emergency medical response system.

DISCUSSION

Mayor Wells and Councilmember Ortiz provided detailed information on the Item.

Discussion ensued among Council and Staff concerning the following:

- Facilities who take advantage of medical response system;
- Triage calls to assess level of response needed; and
- Facilities use key words to get services.

No public comment was received.

MOTION BY ORTIZ, SECOND BY KENDRICK, to DIRECT staff to draft an ordinance for City Council consideration that would create a cost recovery fee to be charged to skilled nursing facilities that abuse the City's emergency medical response system.

MOTION CARRIED BY UNANIMOUS VOTE.

GENERAL INFORMATION ITEMS FOR DISCUSSION: None

ORDINANCES: FIRST READING - None

ORDINANCES: SECOND READING AND ADOPTION - None

CLOSED SESSIONS:

RECOMMENDATION: That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency adjourns to Closed Session as follows:

CLOSED SESSIONS:

14. Closed Session - Conference with Labor Negotiators pursuant to Government Code section 54957.6:

Agency Designated Representatives:

Graham Mitchell, City Manager

Vince DiMaggio, Assistant City Manager

Clay Schoen, Director of Finance

Marisol Thorn, Director of Human Resources

Employee Organization:

El Cajon Municipal Employees Association

15. Closed Session - Public Employee Performance Evaluation: City Manager

MOTION BY WELLS, SECOND BY ORTIZ, to ADJOURN to Closed Session at 4:08 p.m.

MOTION CARRIED BY UNANIMOUS VOTE.

RECONVENED to Open Session at 5:04 p.m.

City Attorney Foley reported the following actions:

14. Direction was given to City Negotiators
15. Performed Evaluation of City Manager

Adjournment: Mayor Wells adjourned the Adjourned Regular Joint Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 25th day of April, 2023, at 5:05 p.m., to Tuesday, April 25, 2023, at 7:00 p.m.

ANGELA L. CORTEZ, CMC
City Clerk/Secretary

JOINT MEETING OF THE EL CAJON CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY



MINUTES

CITY OF EL CAJON EL CAJON, CALIFORNIA

April 25, 2023

An Adjourned Regular Joint Meeting of the El Cajon City Council/Housing Authority/ Successor Agency to the El Cajon Redevelopment Agency, held Tuesday, April 25, 2023, was called to order by Mayor/Chair Bill Wells at 7:00 p.m., in the Council Chambers, 200 Civic Center Way, El Cajon, California. This meeting was adjourned from the Adjourned Regular Joint Meeting held at 3:00 p.m., Tuesday, April 25, 2023, by order of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

ROLL CALL

Council/Agencymembers present:

Kendrick, Metschel, and Ortiz

Council/Agencymembers absent:

None

Deputy Mayor/Vice Chair absent:

Goble

Mayor/Chair present:

Wells

Other Officers present:

Mitchell, City Manager/Executive Director

DiMaggio, Assistant City Manager

Foley, City Attorney/General Counsel

Cortez, City Clerk/Secretary

PLEDGE OF ALLEGIANCE TO THE FLAG led by Mayor Wells and MOMENT OF SILENCE.

AGENDA CHANGES: None

PUBLIC COMMENT: None

PUBLIC HEARINGS:

100. Adoption of FY 2023-24 One Year Action Plan, Acceptance of Annual Allocations (CDBG and HOME) and Approving Minor Amendment to FY 2022-2023 One Year Action Plan.

RECOMMENDATION:

That the City Council:

1. Opens the Public Hearing and accepts public testimony for the adoption of the FY 2023-24 One Year Action Plan;
2. Closes the Public Hearing; and
3. Approves the following:
 - a) Re-allocate and appropriate \$170,106 from prior year CDBG unallocated funds to the FY 2022-23 ADA Concrete Improvements Project (C1093);
 - b) Increase in appropriation of the FY 2022-23 ADA Concrete Improvements Project (C1093/213021PWCP) in the amount of \$170,106;
4. Approves Contract Change Order No. 1 for the ADA Concrete Improvements 2022 project, 213021PWCP, Bid No. 002-23, in the amount of \$170,106 to Portillo Concrete, Inc., for critical ADA concrete improvements;
5. Finalizes the HUD allocations of CDBG and HOME funds as part of the FY 2023-24 One Year Action Plan;
6. Adopts the next Resolution, in order, providing a minor amendment to FY 2022-23 ADA Concrete Improvements Project (C1093);
7. Adopts the next Resolution, in order:
 - a) Approving and adopting the FY 2023-24 One Year Action Plan in the form presented, with such monetary and non-monetary changes as approved by the City Manager, and authorizes the City Manager or designee to submit the Plan to HUD, to make any necessary or needed corrections or adjustments to allocations and to execute all affiliated documents; and
 - b) Accepting, appropriating, and expending HUD's annual allocations for FY 2023-24 (\$1,228,967 in CDBG and \$688,986 in HOME funds) and \$2,365,757 in prior year HOME housing pool of funds.

DISCUSSION

Housing Specialist, Deyanira Pelayo-Brito, provided a summary of the Item.

Mayor Wells opened the Public Hearing.

No public comment was received.

PUBLIC HEARINGS: (Item 100 – Continued)

MOTION BY WELLS, SECOND BY KENDRICK, to CLOSE the Public Hearing.

MOTION CARRIED BY UNANIMOUS VOTE OF THOSE PRESENT (GOBLE – Absent).

In answer to a question by Councilmember Ortiz, Ms. Pelayo-Brito stated that the amount of \$170,106, previously allocated, is available to be expended now.

MOTION BY ORTIZ, SECOND BY METSCHEL, to RE-ALLOCATE and appropriate \$170,106 from prior year CDBG unallocated funds to the FY 2022-23 ADA Concrete Improvements Project (C1093); Increase in appropriation of the FY 2022-23 ADA Concrete Improvements Project (C1093/213021PWCP) in the amount of \$170,106; Approve Contract Change Order No. 1 for the ADA Concrete Improvements 2022 project, 213021PWCP, Bid No. 002-23, in the amount of \$170,106 to Portillo Concrete, Inc., for critical ADA concrete improvements; Finalize the HUD allocations of CDBG and HOME funds as part of the FY 2023-24 One Year Action Plan; Adopt Resolution No. 026-23 to provide a minor amendment to FY 2022-23 ADA Concrete Improvements Project (C1093); Adopt Resolution No. 027-23 to Approve and adopte the FY 2023-24 One Year Action Plan in the form presented, with such monetary and non-monetary changes as approved by the City Manager, and authorize the City Manager or designee to submit the Plan to HUD, to make any necessary or needed corrections or adjustments to allocations and to execute all affiliated documents; and Accept, appropriate, and expend HUD's annual allocations for FY 2023-24 (\$1,228,967 in CDBG and \$688,986 in HOME funds) and \$2,365,757 in prior year HOME housing pool of funds.

MOTION CARRIED BY UNANIMOUS VOTE OF THOSE PRESENT (GOBLE – Absent).

ADJOURNMENT: Mayor Wells adjourned the Adjourned Regular Joint Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency, held this 25th day of April, 2023, at 7:06 p.m., to Tuesday, May 9, 2023, at 3:00 p.m.

ANGELA L. CORTEZ, CMC
City Clerk/Secretary



City Council
Agenda Report

Agenda Item 4.

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Yazmin Arellano, Director of Public of Works
SUBJECT: Subdivision Agreement for Public Improvements and Final Map for Tentative Subdivision Map (TSM) No. 2020-0002; 1493 Melody Lane; Engineering Job No. 3733

RECOMMENDATION:

That the City Council:

1. Approves the Final Map and Subdivision Agreement for Public Improvements for Tentative Subdivision Map (TSM) No. 2020-0002, 1493 Melody Lane, Engineering Job No. 3733;
2. Authorizes the City Manager to execute the agreements and related documentation; and
3. Authorizes the City Clerk to release cash deposit after completion of improvements.

BACKGROUND:

On September 28, 2021, the City Council approved TSM-2020-0002 for a 5-lot subdivision, by Resolution No. 076-21, subject to conditions. The subdivision is in the Residential, Single-family, 6,000 square-foot (RS-6) zone and located on the southwest corner of Melody Lane and North 3rd Street; addressed as 1493 Melody Lane (the "Project").

All conditions have been satisfied or are guaranteed by the Subdivision Agreement. All fees and securities have been paid. Therefore, the Final Map is ready to be recorded.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

Approval of the Final Map with the accompanying Subdivision Agreement is statutorily exempt under the California Environmental Quality Act (CEQA) pursuant to Section 15368 (b)(3) Ministerial Projects (approval of final subdivision maps) of the CEQA Guidelines.

FISCAL IMPACT:

None. The property owner has paid all fees.

Prepared By: Paul Romero, Associate Engineer
Reviewed By: Yazmin Arellano, Director of Public Works
Approved By: Graham Mitchell, City Manager

Attachments

Final Map

Subdivision Agreement - Public Improvements

OWNER'S STATEMENT

I HEREBY STATE THAT I AM THE OWNER OF OR AM INTERESTED IN THE LAND SUBDIVIDED BY THIS MAP AND I CONSENT TO THE PREPARATION AND RECORDATION OF THIS MAP, CONSISTING OF THREE SHEETS.

MELODY LANE INVESTMENTS LLC, A CALIFORNIA LIMITED LIABILITY COMPANY.

BY: [Signature] DATE: 4/27/23 NOORI BARKA, AS MANAGER

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT

NOTARY STATEMENT

STATE OF CALIFORNIA) COUNTY OF SAN DIEGO) ON 4-27-2023, 2023 BEFORE ME, Merna Issa, A NOTARY PUBLIC, PERSONALLY APPEARED NOORI BARKA

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS / ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT (HE / SHE / THEY) EXECUTED THE SAME IN (HIS / HER / THEIR) AUTHORIZED CAPACITY(IES), AND BY (HIS / HER / THEIR) SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND. SIGNATURE: [Signature] PRINT NAME: Merna Issa A NOTARY PUBLIC IN AND FOR SAID STATE.

PRINCIPAL PLACE OF BUSINESS IS COUNTY OF San Diego MY COMMISSION EXPIRES: August 16, 2024 COMMISSION # OF NOTARY: 2331269



SIGNATURE OMISSION STATEMENT

THE SIGNATURES OF THE PARTIES LISTED BELOW, OWNERS OF EASEMENTS PER DOCUMENTS NOTED BELOW, HAVE BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436 SECTION (a)(3)(A)(i) OF THE SUBDIVISION MAP ACT. THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY.

AN EXISTING EASEMENT FOR ROADWAY AND PUBLIC UTILITIES IN BOOK 1995, PAGE 277, RECORDED DECEMBER 18, 1945 OF OFFICIAL RECORDS.

1. IN FAVOR OF: J. PADULA & SON, A PARTNERSHIP

TSM NO. 2020-0002

THE NORTH 132 FEET OF LOT 9, IN BLOCK 13, IN THE SUBDIVISION OF THE "S" TRACT, RANCHO EL CAJON, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF MADE BY O.N. STANFORD NO. 355, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY JULY 24, 1886.

EXCEPTING THEREFROM THE INTEREST IN AND TO A PORTION OF SAID LAND AS CONVEYED TO THE CITY OF EL CAJON BY DEED RECORDED OCTOBER 23, 1958 IN BOOK 7315, PAGE 140 OF OFFICIAL RECORDS.

CITY COUNCIL RESOLUTIONS NO. 075-21 AND 076-21 APPROVING TSM 2020-0002, DATED 09/28/2021

SUBDIVISION GUARANTEE FOR THIS SUBDIVISION FURNISHED BY: CORINTHIAN TITLE COMPANY OF CALIFORNIA, ORDER NUMBER: 2016032-HT, DATED: FEBRUARY 27, 2023

GRADING, DRAINAGE & IMPROVEMENT PLANS FOR ENGINEERING, JOB NO. 3733, PREPARED BY MAY ENGINEERING AND SURVEYING FOR TSM NO. 2020-0002 ON FILE WITH THE CITY ENGINEER, CITY OF EL CAJON.

SOILS REPORT BY SOIL TESTERS, PROJECT NO. 1252A5-21 DATED MARCH 11, 2021, ON FILE WITH THE CITY ENGINEER, CITY OF EL CAJON.

TOTAL NUMBER OF LOTS: 5 ASSESSOR'S PARCEL NUMBER: 511-391-48-00 GROSS ACREAGE IS 0.844 ACRES

INDEX OF SHEETS

Table with 2 columns: SHEET NO. and DESCRIPTION. Row 1: 1 TITLE SHEET. Row 2: 2 PROCEDURE OF SURVEY. Row 3: 3 SUBDIVISION BREAKDOWN.

NOTICE OF IMPROVEMENT CONSTRUCTION AGREEMENT

AN AGREEMENT TO CONSTRUCT PUBLIC IMPROVEMENTS WITHIN TWO YEAR'S TIME IS ON FILE WITH THE CITY CLERK.

SCHOOL DISTRICT FEE ASSESSMENT

SCHOOL DISTRICTS IN THE CITY OF EL CAJON CURRENTLY HAVE DEVELOPER FEE ASSESSMENT POLICIES. THESE FEES ARE COLLECTED AT THE TIME OF ISSUANCE OF BUILDING PERMITS.

CERTIFICATE OF COUNTY TREASURER-TAX COLLECTOR & DIRECTOR OF DEPARTMENT OF PUBLIC WORKS

WE, COUNTY TREASURER-TAX COLLECTOR OF THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA AND DIRECTOR OF PUBLIC WORKS OF SAID COUNTY, HEREBY CERTIFY THAT THERE ARE NO UNPAID SPECIAL ASSESSMENTS OR BONDS WHICH MAY BE PAID IN FULL SHOWN ON THE BOOKS OF OUR OFFICES AGAINST THE TRACT OR SUBDIVISION OR ANY PART THEREOF SHOWN ON THE ANNEXED MAP AND DESCRIBED IN THE CAPTION THEREOF.

DAN MCALLISTER, COUNTY TREASURE AND TAX COLLECTOR

BY: _____ DATE: _____ DEPUTY

_____, PUBLIC WORKS DIRECTOR

BY: _____ DATE: _____ FOR DIRECTOR

CERTIFICATE OF FINANCE DIRECTOR/CITY TREASURER

I, CLAY SHOEN, DIRECTOR OF FINANCE AND CITY TREASURER OF THE CITY OF EL CAJON, CERTIFY THAT THERE ARE NO LIENS FOR UNPAID BONDS ISSUED UNDER ANY IMPROVEMENT ACT OR IMPROVEMENT BOND ACT OF THE STATE OF CALIFORNIA SHOWN BY THE BOOKS OF THIS OFFICE, EXCEPT TAXES NOT PAYABLE AGAINST THE TRACT OR SUBDIVISION, OR ANY PART THEREOF, SHOWN ON THE ANNEXED MAP AND DESCRIBED IN THE CAPTION THEREOF.

CLAY SHOEN DIRECTOR OF FINANCE AND CITY TREASURER

BY: _____ DATE

CITY COUNCIL'S MAP APPROVAL CERTIFICATE

I, ANGELA CORTEZ, CITY CLERK OF THE CITY OF EL CAJON, CERTIFY THAT THE COUNCIL OF THE CITY OF EL CAJON HAS APPROVED THIS MAP.

ANGELA CORTEZ CITY CLERK OF THE CITY OF EL CAJON

BY: _____ DATE

PLANNING COMMISSION APPROVAL

APPROVED AFTER EXAMINATION OF THE SUBDIVISION AND MAP THEREOF.

BY: _____ DATE: _____ ANTHONY SHUTE DIRECTOR OF COMMUNITY DEVELOPMENT

SHEET 1 OF 3 SHEETS

ENGINEER'S / SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF MELODY LANE INVESTMENTS LLC, A CALIFORNIA LIMITED LIABILITY COMPANY IN JANUARY 2022 AND THE MONUMENTS ARE OF THE CHARACTER INDICATED AND OCCUPY THE POSITIONS SHOWN THEREON. I WILL SET ALL OTHER MONUMENTS OF THE CHARACTER AND AT POSITIONS INDICATED BY THE LEGEND IN THIS MAP WITHIN THREE HUNDRED SIXTY FIVE (365) DAYS AFTER THE RECORDING OF THE MAP AND ALL SUCH MONUMENTS ARE OR WILL BE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED. (SEE SHEET 2)

I HEREBY STATE THAT THIS MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY.

BY: [Signature] DATE: 4/27/2023 ELLIOTT M. MAY R.C.E. 18592



CITY ENGINEER'S STATEMENT

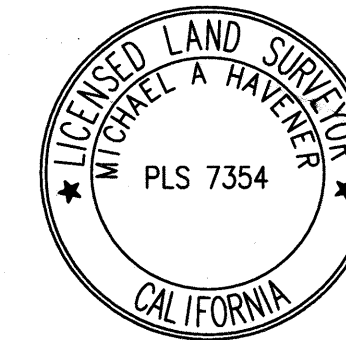
I STATE THAT I HAVE EXAMINED THIS MAP; THAT THE SUBDIVISION IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS THEREOF; THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT AND TITLE 16 OF THE CODE OF THE CITY OF EL CAJON HAVE BEEN COMPLIED WITH.

MARIO SANCHEZ DATE CITY ENGINEER, CITY OF EL CAJON R.C.E. 52765



I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

BY: _____ DATE: _____ MICHAEL A. HAVENER SURVEY CONSULTANT, CITY OF EL CAJON P.L.S. 7354



CITY ATTORNEY'S STATEMENT

APPROVED AS TO FORM

MORGAN L. FOLEY, ESQ. DATE CITY ATTORNEY, CITY OF EL CAJON

TAX DEPOSIT STATEMENT

I, DAVID HALL, CLERK OF THE BOARD OF SUPERVISORS, HEREBY CERTIFY THAT THE PROVISIONS OF THE SUBDIVISION MAP ACT (DIVISION 2 OF TITLE 7 OF THE GOVERNMENT CODE) REGARDING (a) DEPOSITS FOR TAXES AND (b) CERTIFICATION OF THE ABSENCE OF LIENS FOR UNPAID STATE, COUNTY, MUNICIPAL, OR LOCAL TAXES, OR SPECIAL ASSESSMENTS COLLECTED AS TAXES, EXCEPT THOSE NOT YET PAYABLE, HAVE BEEN COMPLIED WITH.

DAVID HALL DATE CLERK OF THE BOARD OF SUPERVISORS

COUNTY RECORDER'S CERTIFICATE

FILE NO. _____

I, JORDAN Z. MARKS, COUNTY RECORDER OF THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, HEREBY CERTIFY THAT I HAVE ACCEPTED FOR RECORDATION THIS MAP FILED AT THE REQUEST OF ELLIOTT M. MAY THIS _____ DAY OF _____ 20__ AT _____ O'CLOCK _____ M.

JORDAN Z. MARKS COUNTY RECORDER

BY: _____ DEPUTY COUNTY RECORDER

FEE: \$ 59.00

MONUMENT LEGEND

- INDICATES SET 3/4" X 18" IRON PIPE WITH DISC STAMPED "RCE 18592"
- △ INDICATES SET LEAD AND DISC STAMPED "RCE 18592" IN CONCRETE ON AN OFFSET ALONG THE EXTENSION OF THE PARCEL LINE THE DISTANCE INDICATED
- INDICATES SET 2" IRON PIPE WITH 1.5" DISC STAMPED "RCE 18592"
- INDICATES FOUND MONUMENT AS NOTED
- ▲ INDICATES FOUND LEAD & DISC AS NOTED
- INDICATED FOUND STANDARD STREET MONUMENT AS NOTED

— INDICATES SUBDIVISION BOUNDARY

- () INDICATES RECORD INFORMATION PER MAP 4013, OR CALCULATED THEREFROM, OR AS NOTED
- [] INDICATES RECORD INFORMATION PER MAP 4312, OR CALCULATED THEREFROM
- { } INDICATES RECORD INFORMATION PER MAP 7826, OR CALCULATED THEREFROM
- (()) INDICATES RECORD INFORMATION PER MAP 4234, OR CALCULATED THEREFROM

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS PARCEL MAP IS THE SAN DIEGO COUNTY REAL TIME NETWORK USING CALIFORNIA COORDINATE SYSTEM 83, ZONE 6, NAD 83, EPOCH 2017.50, AS DETERMINED LOCALLY BY A LINE BETWEEN CONTINUOUS GLOBAL POSITIONING STATION (CGPS) AND/OR CONTINUOUS OPERATING REFERENCE STATIONS (CORS) "JAS1" AND "P473" BEING N18°41'37"W AS DERIVED FROM GEODETIC VALUES PUBLISHED BY THE CALIFORNIA SPATIAL REFERENCE CENTER (CSRC) AND/OR NATIONAL GEODETIC SURVEY (NGS), RESPECTIVELY AND MEETS ALL THE REQUIREMENTS OF THE CALIFORNIA PUBLIC RESOURCES CODE.

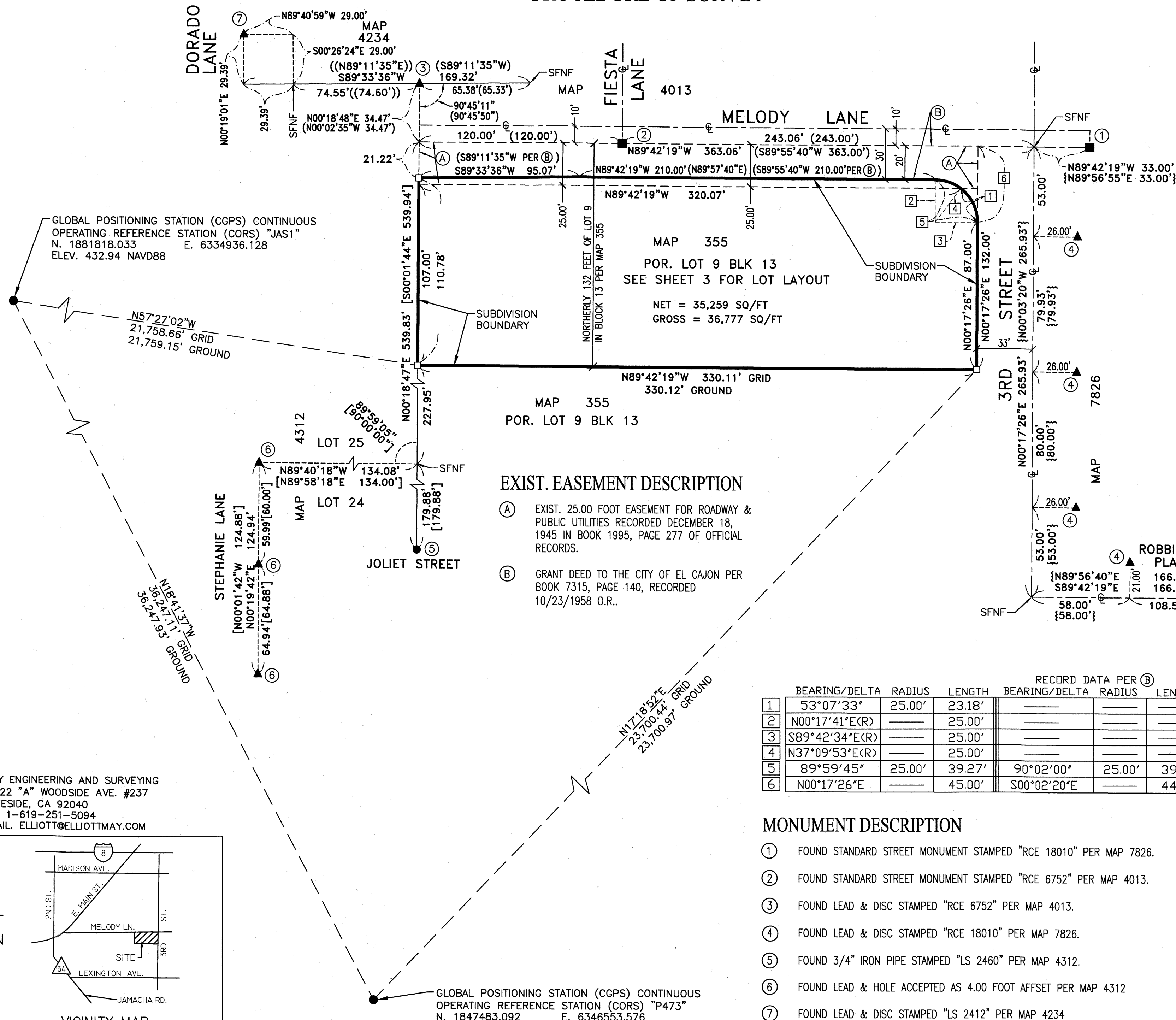
QUOTED BEARINGS FROM REFERENCE MAPS OR DEEDS MAY OR MAY NOT BE IN TERMS OF SAID SYSTEM.

THE COMBINED SCALE FACTOR AT STATION "JAS1" IS 0.999977460
 GRID DISTANCE = GROUND DISTANCE X COMBINED SCALE FACTOR.

GENERAL NOTES

1. TOTAL NUMBER OF LOTS = 5
2. TOTAL AREA CONTAINED BY SUBDIVISION BOUNDARY IS 36,777 sq/ft, 0.844 ACRES
3. STREET WIDTHS SHOWN WITHOUT DECIMALS REPRESENT THAT DISTANCE TO ZERO HUNDRE DTH'S.
4. ALL DISTANCES SHOWN ARE GROUND UNLESS NOTED OTHERWISE.

PROCEDURE OF SURVEY



EXIST. EASEMENT DESCRIPTION

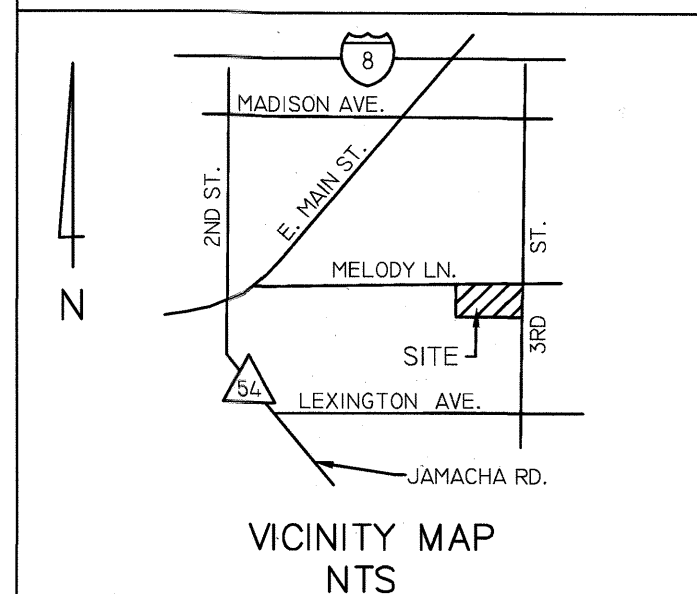
- (A) EXIST. 25.00 FOOT EASEMENT FOR ROADWAY & PUBLIC UTILITIES RECORDED DECEMBER 18, 1945 IN BOOK 1995, PAGE 277 OF OFFICIAL RECORDS.
- (B) GRANT DEED TO THE CITY OF EL CAJON PER BOOK 7315, PAGE 140, RECORDED 10/23/1958 O.R..

RECORD DATA PER (B)					
	BEARING/Delta	RADIUS	LENGTH	BEARING/Delta	LENGTH
1	53°07'33"	25.00'	23.18'		
2	N00°17'41"E(R)		25.00'		
3	S89°42'34"E(R)		25.00'		
4	N37°09'53"E(R)		25.00'		
5	89°59'45"	25.00'	39.27'	90°02'00"	25.00'
6	N00°17'26"E		45.00'	S00°02'20"E	44.99'

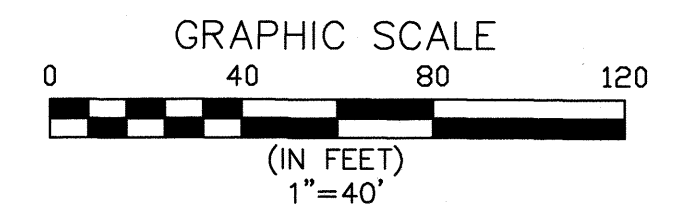
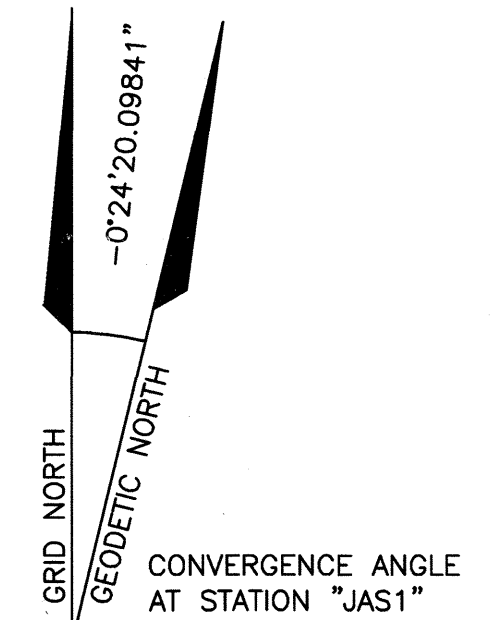
MONUMENT DESCRIPTION

- (1) FOUND STANDARD STREET MONUMENT STAMPED "RCE 18010" PER MAP 7826.
- (2) FOUND STANDARD STREET MONUMENT STAMPED "RCE 6752" PER MAP 4013.
- (3) FOUND LEAD & DISC STAMPED "RCE 6752" PER MAP 4013.
- (4) FOUND LEAD & DISC STAMPED "RCE 18010" PER MAP 7826.
- (5) FOUND 3/4" IRON PIPE STAMPED "LS 2460" PER MAP 4312.
- (6) FOUND LEAD & HOLE ACCEPTED AS 4.00 FOOT OFFSET PER MAP 4312
- (7) FOUND LEAD & DISC STAMPED "LS 2412" PER MAP 4234

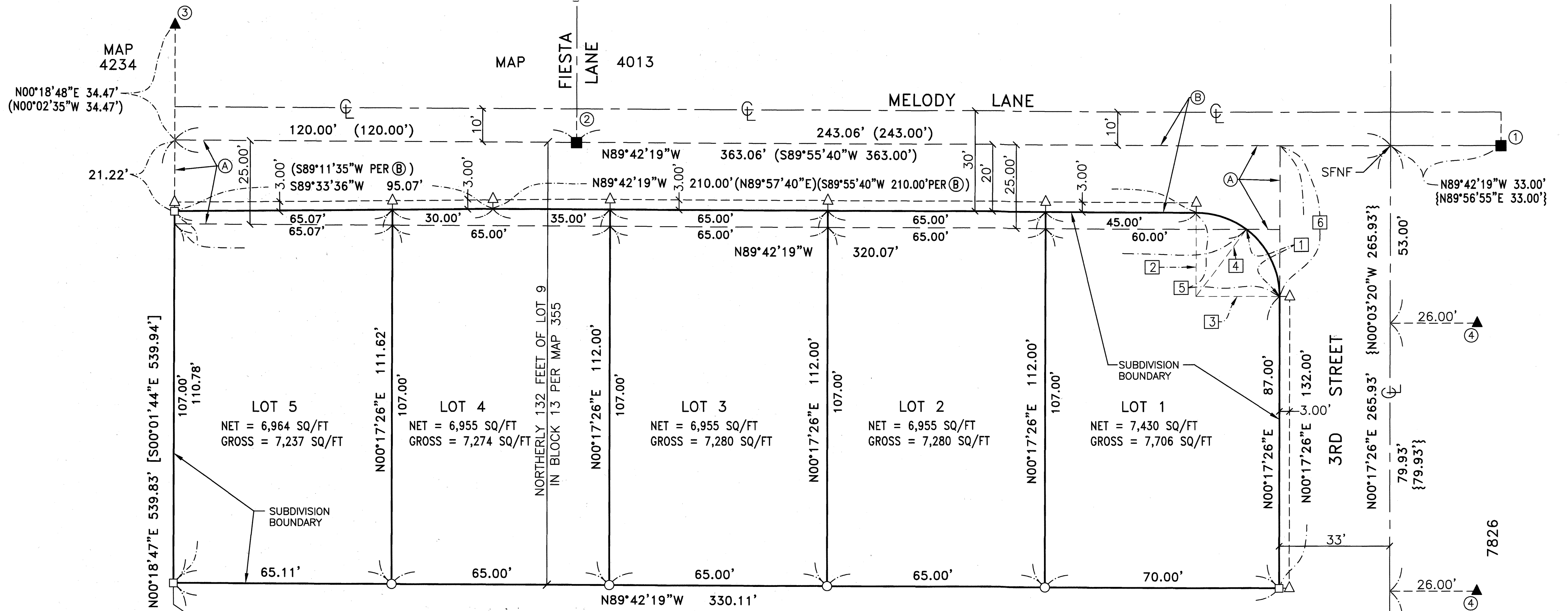
MAY ENGINEERING AND SURVEYING
 12222 "A" WOODSIDE AVE. #237
 LAKESIDE, CA 92040
 PH: 1-619-251-5094
 EMAIL: ELLIOTT@ELLIOTTMAY.COM



GLOBAL POSITIONING STATION (CGPS) CONTINUOUS OPERATING REFERENCE STATION (CORS) "P473"
 N. 1847483.092 E. 6346553.576

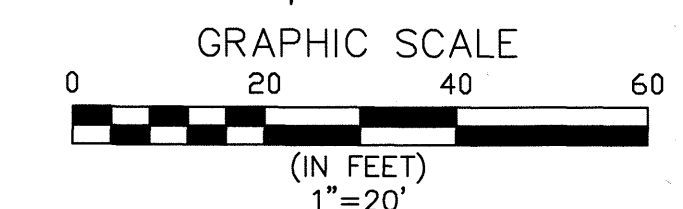
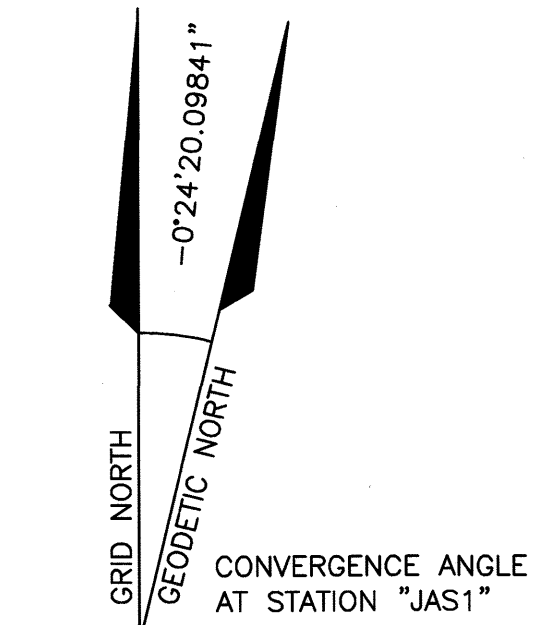


SUBDIVISION BREAKDOWN



RECORD DATA PER (B)

	BEARING/DELTA	RADIUS	LENGTH	BEARING/DELTA	RADIUS	LENGTH
1	53°07'33"	25.00'	23.18'			
2	N00°17'41"E(R)		25.00'			
3	S89°42'34"E(R)		25.00'			
4	N37°09'53"E(R)		25.00'			
5	89°59'45"	25.00'	39.27'	90°02'00"	25.00'	39.29'
6	N00°17'26"E		45.00'	S00°02'20"E		44.99'



MAY ENGINEERING AND SURVEYING
12222 "A" WOODSIDE AVE. #237
LAKESIDE, CA 92040
PH: 1-619-251-5094
EMAIL: ELLIOTT@ELLIOTTMAY.COM

SUBDIVISION AGREEMENT

(Public Improvements)

(1493 Melody Lane)

THIS AGREEMENT entered into by and between the CITY OF EL CAJON, a California charter city and municipal corporation, hereinafter referred to as "City", and Melody Lane Investments LLC, a California limited liability company, hereinafter referred to as "Developer"; and

WHEREAS, Developer, pursuant to the provisions of the Subdivision Map Act of the State of California and Title 16 of the El Cajon Municipal Code, contemplates the filing of Tentative Subdivision Map 2020-0002 ("TSM 2020-0002") prior to the completion of certain public improvements as shown on the official plans, specifications and detailed drawings on file with the City Engineer of City (the "Improvements"); and

WHEREAS, the City Engineer has estimated the cost of said Improvements to be the sum of ONE HUNDRED FIFTEEN THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$115,000.00); and

WHEREAS, Developer has or will post a bond or other form of surety (the "Improvement Security") by cash deposit of ONE HUNDRED FIFTEEN THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$115,500.00) (the "Deposit").

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. That in consideration of the approval of said TSM 2020-0002 prior to the completion of the Improvements for said project, Developer hereby covenants and agrees to install and construct the said Improvements in accordance with the official plans, and that said Improvements shall be completed within two (2) years from the date of the recording of the subdivision map by the County Recorder of the County of San Diego.

2. Should Developer fail to complete said Improvements within the time set forth above, City, at its option, has the right to enter onto the property to complete said Improvements. Should the City exercise such option, it shall be at the expense of Developer, or the City may, in the alternative, hold Developer and the Surety Insurer liable for damages.

3. Developer agrees to furnish and City agrees to release the Improvement Security in accordance with Title 16 of the El Cajon Municipal Code to secure warranty, faithful performance, and payment of labor and materials for said construction and installation. Any surety bonds shall be issued by corporate sureties admitted to do business in California and approved by the City Attorney. The form of said bonds shall be substantially as set forth in Sections 66499.1 and 66499.2 of the Government Code of the State of California.

4. Developer further agrees to furnish the following surety bonds or cash deposits, if applicable to the project. Any such bonds shall be issued by corporate sureties authorized to do business in California and approved by the City Attorney:

- a. \$ 2,500.00 for Lot Staking
- b. \$40,000.00 for installation of Underground Utilities
- c. \$ -0- for any deposits or bonds identified in the Resolution approving this project not otherwise in this Agreement.

5. The City or any officer or employee thereof shall not be liable for any injury to persons or property occasioned by reason of the acts or omissions of Developer, its agents or employees in the performance of this Agreement. Developer further agrees to protect and hold harmless City, its elected and appointed officials, officers and employees, from any and all claims, demands, causes of action, liability or loss of any sort because of, or arising out of, acts or omissions of Developer, its agents or employees, in the performance of this Agreement, including claims, demands, causes of action, liability or loss because of, or arising out of, the design or construction of the Improvements, provided, however, that the approved Improvement Security shall not be required to cover the provisions of this paragraph. Said indemnification and agreement to hold harmless shall extend to injuries to persons and damages or taking of property resulting from the design or construction of said subdivision and the Improvements as provided herein, and to adjacent property owners as a consequence of and/or the diversion of waters from the design, construction or maintenance of drainage systems, streets and other improvements. Acceptance by the City of the Improvements shall not constitute an assumption by the City of any responsibility for such damage or taking.

City shall not be an insurer or surety for the design or construction of the subdivision pursuant to the approved improvement plans, nor shall any officer or employee thereof be liable or responsible for any accident, loss or damage happening or occurring during the construction of the work or Improvements as specified in this Agreement, except as it may be shown that said officers or employees specifically directed that said work or improvement be accomplished in a manner contrary to the wishes and desires of Developer, and Developer has filed a written objection with the City Engineer prior to commencing said work or improvement.

Provisions of this section shall remain in full force and effect for ten (10) years following substantial completion by the Developer of the Improvements.

6. Developer agrees to file with the City Clerk, at the time this executed agreement is submitted, a certificate of insurance by a company approved by the City Attorney in conformance with City Council policy.

[Remainder of page intentionally left blank]

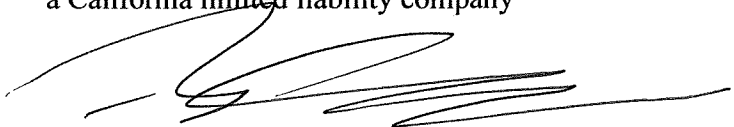
IN WITNESS WHEREOF, we have this day set our hands and seals.

Date: March 7, 2023

CITY OF EL CAJON,
a California charter city
and municipal corporation

By _____
Bill Wells, Mayor

MELODY LANE INVESTMENTS LLC,
a California limited liability company


By _____
Noori Barka, Managing Member

ATTEST:

By _____
Angela L. Cortez, CMC, City Clerk

APPROVED AS TO FORM:

By _____
Morgan L. Foley, City Attorney

ALL PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) SS:
COUNTY OF SAN DIEGO)

On March 7, 2023, before me, Meron Cholagh, a Notary Public, personally appeared Nauri Barlea, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

M Cholagh
Signature



(SEAL)



City Council
Agenda Report

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Chelsea Pullen, Human Resources Analyst
SUBJECT: New Classification Specification and Salary Setting for Parking Enforcement Officer

RECOMMENDATION:

That the City Council approves the classification specification and salary setting for the Parking Enforcement Officer.

BACKGROUND:

As part of a continuous effort to enforce parking regulations on City property, the City is requesting to add a Parking Enforcement Officer classification. The proposed classification will be represented by the El Cajon Municipal Employees Association (ECMEA). On April 25, 2023 ECMEA notified the City that they had reviewed and approved the classification as written. The proposed classification specification and salary setting is included for review and approval by the Council.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

This proposed action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5) because it is a governmental administrative activity.

FISCAL IMPACT:

There is no fiscal impact. A vacant Police Records Specialist position will be reclassified into a Parking Enforcement Officer position.

Prepared By: Chelsea Pullen, HR Analyst

Reviewed By: Marisol Thorn, Director of Human Resources

Approved By: Graham Mitchell, City Manager

Attachments

Parking Enforcement Officer Classification Specification
Salary Setting for Parking Enforcement Officer

CITY OF EL CAJON

PARKING ENFORCEMENT OFFICER

CLASSIFICATION DESCRIPTION

Function: Under general supervision, to enforce parking regulations and issue warnings or citations for illegal parking; to provide general information to the public; and to perform related work as required.

Representative Duties:

- Issues citations, warnings, notices to appear;
- Enforces municipal code and parking control ordinances such as illegal commercial / recreational vehicles, disabled parking, time limit or 72 hour parking, tow away zones, and loading zones.
- Directs vehicle and pedestrian traffic;
- Investigates and impounds abandoned vehicles;
- Investigates parking complaints;
- Patrols and enforces parking laws and regulations;
- Maintains records and prepare legible reports;
- Provides information to the public.

Contacts and Relationships: Employees deal with essentially all segments of society, often in situations requiring the exercise of the utmost tact and discretion.

Accountability: Employees are accountable for taking prompt and appropriate action in emergency situations while applying learned techniques and procedures. Employees are expected to follow departmental policy, procedure and training guidelines as well as deal courteously with the public.

Working Conditions: This position requires both office and field work. Employees working in the field are exposed to the elements, the hazards of traffic, and verbal and physical abuse. Employees will be required to wear uniforms.

QUALIFICATIONS GUIDELINES

Experience: Customer Service experience is desirable.

Education: Educational achievement equivalent to graduation from high school. College level coursework in criminal justice is desirable.

Special Requirements: Possession of, or ability to obtain, prior to employment, a valid Class C California driver's license with a safe driving record.

Possession of, or ability to obtain, a PC832 certification within 6 months of appointment.

Physical Condition: Shall possess the physical, mental and emotional ability to perform the essential duties of the position without the threat of hazard to self or others.

Abilities/Skills/Knowledge:

- Knowledge of method, practices, and procedures associated with parking control and enforcement;
- Knowledge of local and state laws pertaining to parking of vehicles, towing and abatement procedures;
- Knowledge of procedures and precautions related to safe operation of vehicles and familiarity with California driving laws;
- Knowledge of city geography;
- Ability to interpret and apply legal statutes and departmental policies and procedures;
- Ability to prepare clear, complete and accurate reports;
- Ability to analyze situations and adopt a course of action;
- Ability to research and maintain records, logs and files;
- Ability to deal tactfully and courteously with the public and law enforcement personnel;
- Ability to understand and follow written and oral instructions;

Salary Setting for Parking Enforcement Officer

Range	Step A	Step B	Step C	Step D	Step E
85.9	23.81	25.01	26.28	27.61	29.00



City Council
Agenda Report

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Yazmin Arellano, Director of Public of Works
SUBJECT: Continuation of Wells Park Restroom Emergency Declaration

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, proclaiming the Continuation of Emergency for Wells Park restroom conditions.

BACKGROUND:

On March 28, 2023, the City Council approved an emergency declaration for Wells Park restroom conditions to safeguard public health and safety. The work completed since the continued emergency declaration on April 25, 2023, includes the construction of steel-reinforced concrete masonry unit exterior block walls. The walls on both sides of the building are ten feet tall and include four openings for metal gates. Roof framing and electrical work are anticipated over the next two weeks. Emergency work will continue through the end of May pending items with extended lead times, such as stainless steel toilets and light fixtures.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

Emergency repairs to publicly-owned service facilities necessary to maintain service essential to the public health, safety, or general welfare are exempt from the requirements of CEQA pursuant to section 15269(b) (Emergency Projects) of the CEQA guidelines.

FISCAL IMPACT:

On March 28, 2023, the City Council considered the use of \$250,000 of American Rescue Plan Act (ARPA) funding for the emergency repairs of this facility.

Prepared By: Senan Kachi, Associate Engineer

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

Attachments

Resolution

RESOLUTION NO. 0__-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CAJON
PROCLAIMING THE CONTINUATION OF EMERGENCY FOR
WELLS PARK RESTROOM REPAIRS

WHEREAS, the El Cajon City Council ("City Council") is authorized under section 8630 of the California Government Code to proclaim the existence of a local emergency when conditions exist within the jurisdiction of the City of El Cajon (the "City") which pose an extreme peril to public health, safety and life; and

WHEREAS, section 8.08.060 of the El Cajon Municipal Code ("ECMC") empowers the City Council to proclaim a local emergency when the City is affected or likely to be affected by a public calamity; and

WHEREAS, on March 22, 2023, the City Manager proclaimed the existence of an emergency on due to ongoing vandalism and deteriorating conditions of the restrooms at Wells Park that have resulted in extensive damage to the facilities, making the only restroom facilities available to the public patronizing the park unusable, unavailable, and unsafe, which proclamation was ratified by the City Council on March 28, 2023 and April 11, 2023; and

WHEREAS, because the emergency work to repair the Wells Park restrooms is not completed, it is necessary for the City Council to again ratify the City Manager's proclamation of emergency for the Wells Park restroom conditions on March 22, 2023, as ratified by the City Council on March 28, 2023, by Resolution No. 017-23; on April 11, 2023, by Resolution No. 022-23; and on April 25, 2023 by Resolution No. 023-23.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. That the foregoing recitals are true and correct, and are the findings of the City Council.
2. That in adopting Resolution No. 023-23, the City Council approved an exemption from further environmental review under section 15269(b) (Emergency Projects) of California Environmental Quality Act ("CEQA") Guidelines, and authorized staff to file a notice of exemption for this emergency project.
3. That the City Council hereby proclaims the continuation of the local emergency for restroom repairs at Wells Park.
4. That the local emergency shall be deemed to continue to exist until termination is proclaimed by the City Council of the City of El Cajon.



City Council Agenda Report

Agenda Item 7.

DATE: May 9, 2023

TO: Honorable Mayor and City Councilmembers

FROM: Michael James, Deputy Director of Public Works - Operations

SUBJECT: Continuation of Emergency for Storm Drain System Repairs - West Side of 1970 Granite Hills Drive

RECOMMENDATION:

That the City Council adopts the next Resolution, in order, to proclaim the Continuation of Emergency for Storm Drain System Repairs.

BACKGROUND:

This report provides a status update regarding the emergency storm drain system repair project on the west side of 1970 Granite Hills Drive. On April 10, 2023, the City Manager declared an emergency for immediate repairs to protect adjacent public improvements and maintain critical street thoroughfares. On April 11, 2023, the City Council ratified the City Manager's Declaration and established a Declaration of Emergency with Resolution No. 022-23. Following the City Council's ratification and Declaration of Emergency, the City contracted with Jimenez Inc. dba MJC Construction (MJC Construction).

As of May 1, 2023, MJC Construction replaced all segments of the failed corrugated metal pipe and poured a concrete drainage swale. Staff inspected the project's condition and progress up to this point in time and deemed all work acceptable and complete. For the final step in the project, MJC Construction will slurry seal and stripe along the affected areas. That portion of the work is scheduled to be completed before May 31, 2023. Until then, it is necessary to continue the emergency status to complete the project work and calculate the final construction costs.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

Emergency repairs to publicly-owned service facilities necessary to maintain service essential to the public health, safety, or general welfare are exempt from CEQA pursuant to section 15269(b) (Emergency Projects) of the CEQA Guidelines.

FISCAL IMPACT:

Funding in the amount of \$100,000 is available through the Fiscal Year 2023 Wastewater Operations Annual Budget (650720).

Prepared By: Mike James, Deputy Director of Public Works

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

Attachments

Resolution

RESOLUTION NO. 0__-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CAJON
PROCLAIMING THE CONTINUATION OF EMERGENCY FOR STORM DRAIN
SYSTEM REPAIRS AT AND AROUND GRANITE HILLS DRIVE

WHEREAS, the El Cajon City Council ("City Council") is authorized under section 8630 of the California Government Code to proclaim the existence of a local emergency when conditions exist within the jurisdiction of the City of El Cajon (the "City") which pose an extreme peril to public health, safety and life; and

WHEREAS, section 8.08.060 of the El Cajon Municipal Code ("ECMC") empowers the City Council to proclaim a local emergency when the City is affected or likely to be affected by a public calamity; and

WHEREAS, on Monday, April 10, 2023, after Public Works staff inspected two sinkhole areas located in and near 1970 Granite Hills Drive, and found that the existing field conditions revealed excessive moisture surrounding all failed pipe sections that include both sinkhole areas, the City Manager declared an emergency; and

WHEREAS, because the emergency work to repair the sinkhole areas and storm drain system is not completed, it is necessary for the City Council to again ratify the City Manager's proclamation of emergency, as first ratified by the City Council on April 11, 2023, by Resolution No. 022-23, and on April 25, 2023 by Resolution No. 024-23.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. That the foregoing recitals are true and correct, and are the findings of the City Council.
2. That in adopting Resolution No. 024-23, the City Council approved an exemption from further environmental review under section 15269(b) (Emergency Projects) of California Environmental Quality Act ("CEQA") Guidelines, and authorized staff to file a notice of exemption for this emergency project.
3. That the City Council hereby proclaims the continuation of the local emergency on and around Granite Hills Drive due to two sinkholes caused by failures in the existing corrugated metal pipe.
4. That the local emergency shall be deemed to continue to exist until termination is proclaimed by the City Council of the City of El Cajon.



City Council Agenda Report

Agenda Item 8.

DATE: May 9, 2023

TO: Honorable Mayor and City Councilmembers

FROM: Mara Romano, Purchasing Agent

SUBJECT: Award of Bid No. 001-24 – Street Light System Maintenance, Emergency Repairs, and Related Construction Services

RECOMMENDATION:

That the City Council:

1. Finds that the Street Light System Maintenance, Emergency Repairs, and Related Construction Services project is exempt from the California Environmental Quality Act (CEQA); and
2. Adopts the next Resolutions, in order, to:
 - a. Approve Plans and Specifications for Street Light System Maintenance, Emergency Repairs, and Related Construction Services for the Cities of El Cajon, La Mesa, Lemon Grove, and Santee, Bid No. 001-24; and
 - b. Award the bid to the lowest responsive, responsible bidder, Southwest Traffic Signal Service, Inc., in the amount of \$344,697 for the base bid and Additive Alternate No. 1. The City of El Cajon's portion of the award is \$152,510.

BACKGROUND:

The City of El Cajon is the lead agency for a multi-city contract that provides street light system maintenance, emergency repair, and related construction services for the Cities of El Cajon, La Mesa, Lemon Grove, and Santee. The cities have been cooperatively contracting for these services for over 25 years in order to receive competitive unit bid prices. The operation of street lighting systems is dependent on routine maintenance, which is vital to the safety and movement of people and goods throughout the City.

This bid was advertised on March 2, 2023. The City received three bids on April 12, 2023, and evaluated the bid submissions.

The specifications include an Additive Alternate encompassing the installation of City-furnished luminaires and photocells.

The California Public Contract Code allows the City to specify which award method will be utilized to determine the lowest bid. Per the bid specifications, the lowest bid shall be determined based on the lowest total of the bid prices on the base contract and those additive or deductive items specifically identified in the bid solicitation as being used to determine the lowest bid price. This language does not preclude the City from adding or deducting any additive items after the lowest responsible bidder has been determined. After examining the

bid, Additive Alternate No. 1 – Install City-Furnished Luminaire shall be included in the award.

The bid includes an option to renew the contract for four optional one-year terms. Funds for the renewal terms will be in accordance with the approved budget for each fiscal year. Each participating agency is responsible for its own contractual agreement and payment.

Staff recommends the City Council awards the bid to the lowest responsive, responsible bidder, Southwest Traffic Signal Service, Inc., in the total amount of \$344,697 (base bid of \$329,697 and Additive Alternate No. 1 of \$15,000). The summary of bids is attached, and complete proposals are on file in the Purchasing Division.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The proposed Street Light System Maintenance, Emergency Repairs, and Related Construction Services for the Cities of El Cajon, La Mesa, Lemon Grove, and Santee, project is exempt from the California Environmental Quality Act (CEQA) pursuant to section 15301 (Existing Facilities). This exemption applies to projects involving repair and maintenance of existing public or private structures, facilities, and mechanical equipment involving negligible or no expansion of use.

FISCAL IMPACT:

The City of El Cajon's fiscal impact for the initial one-year term is \$152,510. Sufficient funds are included in the proposed Fiscal Year 2023-24 Public Works – Traffic Engineering (101520) budget, contingent upon City Council approval. Subsequent 4-year costs are estimated to total \$690,204.03.

Prepared By: Mara Romano, Purchasing Agent

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

Attachments

Reso - Plans & Specs

Reso - Award

Bid Summary - 001-24

RESOLUTION NO. -23

RESOLUTION APPROVING
PLANS AND SPECIFICATIONS FOR
STREET LIGHT SYSTEM MAINTENANCE, EMERGENCY REPAIRS,
AND RELATED CONSTRUCTION SERVICES
(Bid No. 001-24)

WHEREAS, the Director of Public Works has submitted plans and specifications for the Street Light System Maintenance, Emergency Repairs, and Related Construction Services for the Cities of El Cajon, La Mesa, Lemon Grove, and Santee (the "Project"); and

WHEREAS, it appears to be in the best interests of the City of El Cajon that the plans and specifications for the Project should be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. That the plans and specifications for the Project submitted by the Director of Public Works are hereby approved and adopted as the official plans and specifications for said Project.
2. Said plans and specifications are directed to be filed in the office of the Director of Public Works of the City of El Cajon.

RESOLUTION AWARDING BID FOR STREET LIGHT SYSTEM MAINTENANCE,
EMERGENCY REPAIRS, AND RELATED CONSTRUCTION SERVICES
(Bid No. 001-24)

WHEREAS, the Street Light System Maintenance, Emergency Repairs, and Related Construction Services Project (the "Project") includes providing street light system maintenance, emergency repair, and related construction services for the Cities of El Cajon, La Mesa, Lemon Grove, and Santee, that have been in partnership for over 25 years in order to receive competitive unit bid prices for such work; and

WHEREAS, the Project was advertised on March 2, 2023, with three (3) responses received and evaluated on April 12, 2023; and

WHEREAS, the specifications for the Project include an Additive Alternate encompassing the installation of City-furnished luminaires and photocells; and

WHEREAS, after evaluation, City staff recommends that the City Council awards the bid to the lowest responsive, responsible bidder, Southwest Traffic Signal Service, Inc., in the total amount of \$344,697 for all the cities (base bid of \$329,697 and Additive Alternate No. 1 of \$15,000) of which \$152,510 will be the City's portion of the work for the initial term of the Project; and

WHEREAS, sufficient funds are available in the proposed Fiscal Year 2023-24 Public Works – Traffic Engineering (101520) budget, contingent upon City Council approval, and subsequent optional 4-year renewal term costs for the City are estimated to total \$690,204.03; and

WHEREAS, the City Council believes it to be in the best interests of the City to find the bid of the lowest responsive, responsible bidder in the amount of \$344,697.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. The above recitals are true and correct, and are the findings of the City Council.
2. The City Council hereby awards the bid for the Project to the lowest responsive, responsible bidder:

Southwest Traffic Signal Service, Inc.

in an amount not to exceed \$344,697.

3. The City Manager and City Clerk are authorized and directed to execute a contract for the Project on behalf of the City of El Cajon, with such changes or amendments as maybe approved by the City Manager.



City of El Cajon – Purchasing Division

BID EVALUATION

(To be included as an attachment to the agenda report.)

Bid No. 001-24	Bid Name: Street Light System Maintenance, Emergency Repairs, and Related Construction Services
Solicitation Due Date/Time: April 12, 2023/ 2:00 p.m.	Initial Date of Advertisement: March 2, 2023
Number of Responses Received: 3	Bid Estimate: \$350,000

SUMMARY OF BIDS (INCLUDE ANY ADD. ALTS.):

Vendor	Vendor Type	Bid Amount	Format	Submit Date	Status
Southwest Signal		\$344,697.00	Electronic	04/12/2023 11:31:56 AM	Submitted
Yunex LLC	CADIR	\$345,491.25	Electronic	04/12/2023 8:47:02 AM	Submitted
Advanced Railway Innovations	CADIR, DBE, Local	\$430,877.90	Electronic	04/12/2023 11:10:13 AM	Submitted

BID EVALUATION (TOP THREE LOWEST RESPONSES):

Bidder	Bid Responsiveness	Notes
Southwest Traffic Signal Service, Inc.	Yes	
Yunex, LLC	Yes	
Advanced Railway Innovations dba Advanced Electrical Innovations	Yes	

LEGAL REVIEW REQUIRED: YES NO **IF YES, DATE LEGAL REVIEW COMPLETED:**

RENEWAL OPTIONS: YES NO **IF YES, SPECIFY TERM W/RENEWAL OPTIONS:** INITIAL ONE YEAR TERM WITH THE OPTION TO RENEW FOR FOUR ADDITIONAL ONE YEAR PERIODS

LOWEST, RESPONSIVE, RESPONSIBLE BIDDER NAME AND AMOUNT: **SOUTHWEST TRAFFIC SIGNAL SERVICE, INC. \$344,697**

PURCHASING DIVISION:

Review Completed By: Mara Romano

Date: April 17, 2023



City Council
Agenda Report

Agenda Item 9.

DATE: May 9, 2023

TO: Honorable Mayor and City Councilmembers

FROM: Mara Romano, Purchasing Agent

SUBJECT: Award of Bid No. 015-23 – Maintenance & Repairs of Mechanical Doors & Gates

RECOMMENDATION:

That the City Council:

1. Finds that the Maintenance and Repairs of Mechanical Doors and Gates services project is exempt from the California Environmental Quality Act (CEQA);
2. Approves Plans and Specifications for Maintenance & Repairs of Mechanical Doors & Gates, Bid No. 015-23; and
3. Awards the bid to the lowest responsive, responsible bidder, Vortex Industries, LLC, in the amount of \$101,300 for the initial one-year term, with up to four additional one-year renewal options.

BACKGROUND:

The Maintenance & Repairs of Mechanical Doors & Gates contract includes routine maintenance service and as-needed repairs of mechanical doors, gates, and related equipment at various City facilities. The bid includes an opportunity to renew the contract for up to four optional one-year terms. Funds for the renewal terms will be in accordance with the approved budget for each fiscal year.

This bid was advertised on February 2, 2023. The City received two bids on March 20, 2023, and evaluated all bid submissions.

During the bid evaluation, it was discovered there was an error in the estimated annual service quantities specified and locations with multiple doors/gates were bid as a “lot” versus individual units producing inflated pricing. The Purchasing Division confirmed the pricing with the apparent lowest responsive, responsible bidder resulting in the reduced contract amount.

Staff recommends the City Council awards the bid to the lowest responsive, responsible bidder, Vortex Industries, LLC, in the amount of \$101,300 (\$47,300 preventative maintenance and \$54,000 for as-needed repairs). The summary of bids is attached, and complete proposals are on file in the Purchasing Division.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The proposed Maintenance & Repairs of Mechanical Doors & Gates Services project is exempt from the California Environmental Quality Act (CEQA) pursuant to section 15301 (Existing Facilities). This exemption applies to projects involving repair and maintenance of existing public or private structures, facilities, and mechanical equipment involving negligible or no expansion of use.

FISCAL IMPACT:

The fiscal impact for the initial one-year term is \$101,300. Sufficient funds are available for this service in Fiscal Year 2022-23 Annual Budget: Public Works – Facilities Maintenance (101550). Subsequent 4-year costs are estimated to total \$436,515.46.

Prepared By: Mara Romano, Purchasing Agent

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

Attachments

Reso - Plans & Specs

Reso - Award

Bid Summary - 015-23

RESOLUTION NO. -23

RESOLUTION APPROVING
PLANS AND SPECIFICATIONS FOR
MAINTENANCE & REPAIRS OF MECHANICAL DOORS & GATES
(Bid No. 015-23)

WHEREAS, the Director of Public Works has submitted plans and specifications for the Maintenance and Repairs of Mechanical Doors & Gates; and

WHEREAS, it appears to be in the best interests of the City of El Cajon that the plans and specifications for the Project should be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. That the plans and specifications for the Project submitted by the Director of Public Works are hereby approved and adopted as the official plans and specifications for said Project.

2. Said plans and specifications are directed to be filed in the office of the Director of Public Works of the City of El Cajon.

RESOLUTION NO. -23

RESOLUTION AWARDING BID FOR MAINTENANCE & REPAIRS
OF MECHANICAL DOORS & GATES
(Bid No. 015-23)

WHEREAS, the Maintenance & Repairs of Mechanical Doors & Gates Services project ("Project") includes routine maintenance service and as-needed repairs of mechanical doors, gates, and related equipment at various city facilities; and

WHEREAS, the bid was advertised on February 2, 2023, with two (2) responses; and

WHEREAS, after evaluation, City Staff recommends the City Council awards the Project to the lowest responsive, responsible bidder, Vortex Industries, LLC in the amount of \$101,300 (\$47,300 preventative maintenance and \$54,000 for as-needed repairs); and

WHEREAS, the fiscal impact for the initial one-year term is \$101,300 and sufficient funds are available in the Fiscal Year 2022-23 Annual Budget: Public Works – Facilities Maintenance (101550) budget, and subsequent optional 4-year renewal term costs are estimated to total \$436,515.46; and

WHEREAS, the City Council believes it to be in the best interests of the City to award the bid to the lowest responsive, responsible bidder in the amount of \$101,300.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. The above recitals are true and correct, and are the findings of the City Council.

2. The City Council hereby awards the bid for the Project to the lowest responsive, responsible bidder:

Vortex Industries, LLC

in an amount not to exceed \$101,300.

3. The City Manager and City Clerk are authorized and directed to execute a contract for the Project on behalf of the City of El Cajon, with such changes or amendments as maybe approved by the City Manager.



City of El Cajon – Purchasing Division

BID EVALUATION

(To be included as an attachment to the agenda report.)

Bid No. 015-23	Bid Name: Maintenance & Repairs of Mechanical Doors & Gates
Solicitation Due Date/Time: March 20, 2022/ 2:00 p.m.	Initial Date of Advertisement: February 2, 2023
Number of Responses Received: 2	Bid Estimate: \$40,000

SUMMARY OF BIDS (INCLUDE ANY ADD. ALTS.):

Vendor	Vendor Type	Bid Amount	Format	Submit Date	Status
Vortex Industries, LLC	CADIR	\$177,200.00	Electronic	03/13/2023 11:13:00 AM	Submitted
National Garage Door Co	CADIR	\$223,200.00	Electronic	03/20/2023 11:03:15 AM	Submitted

BID EVALUATION (TOP THREE LOWEST RESPONSES):

Bidder	Bid Responsiveness	Notes
Vortex Industries, LLC	Yes	
JT Lewis, Inc. dba National Garage Door Company	Yes	

LEGAL REVIEW REQUIRED: YES NO **IF YES, DATE LEGAL REVIEW COMPLETED:** April 10, 2023

RENEWAL OPTIONS: YES NO **IF YES, SPECIFY TERM W/RENEWAL OPTIONS:** INITIAL ONE-YEAR TERM WITH THE OPTION TO RENEW FOR FOUR ADDITIONAL ONE-YEAR PERIODS

LOWEST, RESPONSIVE, RESPONSIBLE BIDDER NAME AND AMOUNT: VORTEX INDUSTRIES, LLC. \$101,300

PURCHASING DIVISION:

Review Completed By: Mara Romano

Date: April 10, 2023



City Council
Agenda Report

Agenda Item 10.

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Mara Romano, Purchasing Agent
SUBJECT: Disposal of Retired Property

RECOMMENDATION:

That the City Council declares the listed property retired and authorizes disposal in accordance with policy.

BACKGROUND:

In accordance with Municipal Code 3.16.090, departments shall submit to the purchasing agent reports showing supplies and equipment that are no longer used or have become obsolete or worn out.

The attached items are recommended for disposal as City retired equipment as they have become unsuitable for City use. Auctionable items will be offered by Fischer Auction Company at their regularly scheduled online auction (<http://www.facauctions.com>).

Obsolete computer equipment shall be donated to the non-profit charitable organization: San Diego Futures Foundation. Equipment which can be salvaged is repaired/refurbished and donated back to non-profit organizations in the community. Equipment which cannot be reused is recycled, generating money for their educational programs. Local programs that have benefited in the past from San Diego Futures Foundation donations include the McAlister Institute, Cajon Valley School District, Grossmont High School, and El Cajon Youth Football and Cheer.

The City of El Cajon's IT Department shall erase all sensitive data from computer hard drives prior to disposal.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The disposal of retired equipment is not subject to the California Environmental Quality Act.

FISCAL IMPACT:

There is a one-time revenue resulting from the sale of auctioned items. Funds will be deposited back to the original funding source used to purchase the equipment.

Prepared By: Mara Romano, Purchasing Agent

Reviewed By: N/A

Approved By: Graham Mitchell, City Manager

Attachments

Retired Property List

**Retired Property List
City Council Meeting: May 9, 2023**

Equipment for Auction

Quantity	Description	Asset No.	Serial #
7	XTL 2500 Vehicle Radios	7038; 7041; 7130; 7144; 7148-7149;	
4	XTL 5000 Vehicle Radios		
80	XTS 5000 Vehicle Radios	3020; 6111-6112; 6306-6308; 6715-6717; 6719-6720; 6722; 6742-6743; 6745; 6749; 6751-6758; 6760-6768; 6794-6795; 6797-6802; 6804-6805; 6808-6809; 6812; 6814; 6816; 6818-6819; 6821-6824; 6896; 7042-7044; 7046-7048; 7050-7051; 7053-7055; 7057-7060; 7063-7069; 7100-7102	
1	2005 SS125 DC Craftco Crack Sealer Machine	5966	
2	120/130 Pionjar Telespar Installation Driller & Whacker	5220-5221	502511- 502512

Equipment for Donation

Quantity	Description
13	Monitors
9	Desktop Computer
8	Laptop
2	Printer
1	Shredder
	Misc. Computer Equipment: Video Projectors, Dock, UPS, Speakers, Cables, Hard Drives, etc.



City Council Agenda Report

Agenda Item 11.

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Michael James, Deputy Director of Public Works - Operations
SUBJECT: Delinquent Refuse/Recycling Collection Charges

RECOMMENDATION:

That the City Council:

1. Opens the Public Hearing and receives public testimony;
2. Closes the Public Hearing;
3. Adopts the next Resolution, in order, to confirm the list of property owners as delinquent in the payment of their mandatory refuse/recycling service bills; and
4. Authorizes the City Clerk to record the amount owed for each account as a lien on the respective property and forward the list to the County Tax Assessor for billing on the next property tax bill.

BACKGROUND:

The City has a collection services and franchise agreement (Agreement) with EDCO Disposal (EDCO) for mandatory residential and commercial garbage, recyclable materials, and organic waste collection services. Single-family residential customers who apply for and receive an exemption from the mandatory residential refuse/recycling services are excluded from the Agreement. Examples of exemptions include vacant properties, residents taking their refuse/recycling to their privately-owned business in the City limits of El Cajon with an active EDCO commercial account, or hauling their refuse/recycling to a City-approved collection alternative. In any instance, the customer must provide backup documentation and/or receipts of disposal as proof to receive an exemption.

As part of the Agreement, EDCO is allowed to bill for regular service, and the City assumes responsibility for placing liens on delinquent residential dwelling accounts. Once collected through the tax lien process the City must remit the funds collected to EDCO. This allows the City to use the enforcement power of a property lien, when necessary, to collect past-due amounts. Additionally, the lien process is cost-effective for the City to ensure payment for delivered services.

Shown below is a summary of notices regarding the lien process:

- Throughout 2022, invoices and reminder letters were mailed, ROBO calls made, and carts tagged to remind customers of their past-due balances;
- January 2023 - notices and letters were mailed, and ROBO calls were made;

- February 2023 - personal phone calls were made, emails sent, owners were verified and contacted, and carts tagged;
- March 2023 - personal phone calls were continued, and owner information was verified one more time; and
- April 5, 2023 - public hearing notices were sent.

EDCO provided several notices, outreach efforts, and opportunities to pay any delinquent amount before the lien process was brought before the City Council. This is evident when you compare the initial total number of delinquent accounts in February 2023 of 1,500 to the total delinquent accounts by April 26, 2023, of 197, a decrease of 1,303 or 87%. The total lien amount plus fees is \$57,735.14. The table below details the breakdown of the total fees:

2022 Lien Amount Summary

Delinquent Amount	10% City Fee	\$20 County Recording Fee	\$13 City Clerk Fee	Delinquent Total with Fees
\$46,576.49	\$4,657.65	\$3,940	\$2,561	\$57,735.14

Pending any payments of delinquent accounts between May 1 and May 9, 2023, the total of \$57,735.14 is not to exceed the amount that staff recommends to the City Council to authorize the City Clerk to record as owed as a lien on each property with a delinquent account.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The requested action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15308 because it is an action taken to assure the maintenance of the environment.

FISCAL IMPACT:

As provided in El Cajon Municipal Code section 8.24.080, the City will receive 10 percent of the total delinquent amount and a \$13 City Clerk fee for each delinquent account, which as of May 1, 2023, equals \$7,218.65.

A list of Delinquent Refuse Collection Accounts is available for review in the City Clerk's Office, during regular business hours.

Prepared By: Monica Martinez, Sr. Management Analyst

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

Attachments

Resolution

RESOLUTION NO. ___-23

RESOLUTION APPROVING REPORT AND ACCOUNT OF
DELINQUENT REFUSE COLLECTION SERVICE FEES AND CHARGES;
AND CONFIRMING ASSESSMENTS AS LIENS PURSUANT TO
CHAPTER 8.24 OF THE EL CAJON MUNICIPAL CODE

WHEREAS, pursuant to the provisions of Chapter 8.24 of the El Cajon Municipal Code, a public hearing was held on May 9, 2023, for the purpose of hearing objections or protests to a report and account of delinquent refuse collection service fees and charges; and

WHEREAS, protests and objections of the owners of the properties liable to be assessed for said delinquent charges have been heard and considered by said City Council, and said accounts have been approved as submitted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. In accordance with the provisions of Title 4, Division 3, Chapter 10, section 38791 and Title 3, Division 2, Chapter 8, section 25831 of the Government Code of the State of California, and section 8.24.090 of Chapter 8.24 of the El Cajon Municipal Code, the report and account of delinquent refuse collection service fees and charges (Exhibit "A") considered at the hearing held on May 9, 2023, on file in the office of the City Clerk, is approved, and the unpaid amounts designated in said report and account shall be a charge to the owners of the properties on the next regular tax bill, and shall be liens upon the properties involved.

2. The sums herein assessed remaining unpaid after thirty (30) days from the date of this resolution shall bear interest at the rate of seven percent (7%) per annum, as set forth in section 8.24.100 of Chapter 8.24 of the El Cajon Municipal Code.

3. The designation of said parcels is shown by Assessor's parcel numbers, and the initial amounts plus interest to be assessed and imposed as liens are designated thereafter on Exhibit "A," on file in the Office of the City Clerk.

4. Said liens shall be of no further force or effect upon the confirmation of the Tax Collector that said assessments have been added to the tax rolls.

5. The City Clerk is hereby directed to record one or more certified copies of this resolution, which shall collectively include all of Exhibit "A," in the office of the County Recorder of San Diego County.

6. The City Clerk is hereby authorized to discharge and release any such lien when the claim under said lien has been fully satisfied.

7. The decision in your matter is final on this date, and by this notice, you have 90 calendar days from the date of the mailing of this notice to seek judicial

review of this decision pursuant to California Code of Civil Procedure sections 1094.5 and 1094.6, and El Cajon Municipal Code Chapter 1.32.

05/09/23 CC Agenda
Reso - Delinquent Refuse Liens (May 2023) 032422



City Council
Agenda Report

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Yazmin Arellano, Director of Public of Works
SUBJECT: Amendment to the 2023 Five-Year Program of Projects for the SANDAG Regional Transportation Improvement Program (RTIP No. 23-04)

RECOMMENDATION:

That the City Council:

1. Opens the Public Hearing and receives testimony;
2. Closes the Public Hearing; and
3. Adopts the next Resolution, in order, approving the amendment to the proposed five-year program of projects for the SANDAG Regional Transportation Improvement Program (RTIP No. 23-04).

BACKGROUND:

Local SANDAG TransNet regulations require the City to hold a public meeting regarding any proposed amendments to the Five-Year Regional Transportation Improvement Program (RTIP). TransNet is the countywide half-cent sales tax for local transportation projects that was first approved by voters in 1988 and extended in 2004 for another 40 years. The current five-year 2023 RTIP was formally adopted by City Council on May 10, 2022. The RTIP is a prioritized capital improvement program designed to implement the region's overall strategy for providing mobility and improving the efficiency and safety of the City's transportation system. The City receives approximately \$3.5 million annually in TransNet funds for transportation capital improvement projects.

This proposed amendment includes the following changes to the existing RTIP program list of projects:

1. Increase funds in the (EL03) Street Overlay account by \$6,000,000 for current and new projects. This annual paving program provides for the re-paving of local and major streets within the City in conjunction with the pavement management program that prioritizes streets based on their existing pavement conditions.
2. Increase funds in the (EL11) Sidewalk Improvement account by \$550,000 for current and new projects. This annual sidewalk improvement program repairs damaged sidewalks and installs new sidewalks, curbs, and gutters at various locations throughout the City.
3. Increase funds in the (EL21) Street Resurfacing account by \$1,000,000 for current and new projects. This annual street resurfacing program repairs (slurry seals) streets to prolong the life of existing pavement at various locations throughout the City.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The proposed action to increase funds to existing projects found in the 2023 RTIP is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 Class 1(c), because the projects include maintenance of existing facilities and new sidewalks within existing rights-of-way.

FISCAL IMPACT:

The proposed increase in TransNet funds to the aforementioned accounts does not impact any appropriations in the current Fiscal Year 22-23 budget, including the General Fund.

Prepared By: Mario Sanchez, City Engineer

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

Attachments

Reso

Program of Projects

RESOLUTION NO. ____-23

RESOLUTION OF THE CITY OF EL CAJON AMENDING THE
TRANSNET LOCAL STREET IMPROVEMENT PROGRAM OF
PROJECTS FOR FISCAL YEARS 2023 THROUGH 2027

WHEREAS, on November 4, 2004, the voters of San Diego County approved the San Diego Transportation Improvement Program Ordinance and Expenditure Plan (*TransNet* Extension Ordinance); which has been amended from time to time in accordance with the applicable amendment requirements; and

WHEREAS, the *TransNet* Extension Ordinance provides that San Diego Association of Governments ("SANDAG"), acting as the Regional Transportation Commission, shall approve on a biennial basis a multi-year program of projects submitted by local jurisdictions identifying those transportation projects eligible to use transportation sales tax (*TransNet*) funds; and

WHEREAS, the City of El Cajon was provided with an estimate of annual *TransNet* local street improvement revenues for fiscal years 2023 through 2027; and

WHEREAS, the City of El Cajon approved its 2023 *TransNet* Local Street Improvement Program of Projects ("POP") on May 10, 2022 and the City of El Cajon desires to make adjustments to its POP; and

WHEREAS, the City of El Cajon has held a noticed public hearing with an agenda item that clearly identified the proposed list of projects prior to approval of the projects by its authorized legislative body in accordance with Section 5(A) of the *TransNet* Extension Ordinance and Rule 7 of SANDAG Board Policy No. 31; and

WHEREAS, City staff has recommended the proposed amendment to the RTIP, which does not impact any appropriations in the current Fiscal Year 22-23 budget including the General Funds, and includes the following changes to the scheduled list of projects:

1. Increase funds in the (EL03) Street Overlay account by \$6,000,000.00 for current and new projects. This annual paving program provides for the re-paving of local and major streets within the City in conjunction with the pavement management program that prioritizes streets based on their existing pavement conditions.
2. Increase funds in the (EL11) Sidewalk Improvement account by \$550,000.00 for current and new projects. This annual sidewalk improvement program repairs damaged sidewalk, installs new sidewalk, and new curb and gutter at various locations throughout the City.
3. Increase funds in the (EL21) Street Resurfacing account by \$1,000,000.00 for current and new projects. This annual street resurfacing program repairs

(slurry seals) streets to prolong the life of existing pavement at various locations throughout the City; and

WHEREAS, the 2023 RTIP program of projects is categorically exempt from the provisions of the California Environmental Quality Act (“CEQA”), according to section 15301, Class 1(c) of the CEQA guidelines, which contains an exemption for the maintenance of roadways.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. That City of El Cajon requests that SANDAG make the following changes to its 2023 POP (the “Amendment”) as programmed in the 2023 RTIP; and

2. Pursuant to Section 2(C)(1) of the *TransNet* Extension Ordinance, the City of El Cajon certifies that no more than 30 percent of its cumulative revenues shall be spent on local street and road maintenance-related projects, or that its expenditures are consistent with the most recent *TransNet* Extension Ordinance requirements adopted by SANDAG.

3. Pursuant to Section 4(E)(3) of the *TransNet* Extension Ordinance, the City of El Cajon certifies that all new projects, or major reconstruction projects, funded by *TransNet* revenues shall accommodate travel by pedestrians and bicyclists, and that any exception to this requirement permitted under the Ordinance and proposed shall be clearly noticed as part of the City of El Cajon’s public hearing process for the Amendment.

BE IT FURTHER RESOLVED that the City of El Cajon does hereby certify that all other applicable provisions of the *TransNet* Extension Ordinance and SANDAG Board Policy No. 31 have been met.

BE IT FURTHER RESOLVED that the City of El Cajon continues to agree to indemnify, hold harmless, and defend SANDAG, the San Diego County Regional Transportation Commission, and all officers and employees thereof against all causes of action or claims related to City of El Cajon’s *TransNet* funded projects

Table 1
2023 Regional Transportation Improvement Program
Amendment No. 4
San Diego Region (in \$000s)

El Cajon, City of

MPO ID: EL03	RTIP #:23-04
Project Title: Overlay/Reconstruction Projects	RAS (M-39)
Project Description: Various locations per the attached list - street reconstruction and overlays greater than 1" thick, including thoroughfares, collectors & residential streets	TransNet - LSI: CR
Change Reason: Increase funding	
Capacity Status:NCI Exempt Category:Safety - Pavement resurfacing and/or rehabilitation	
Est Total Cost: \$52,183	

	TOTAL	PRIOR	22/23	23/24	24/25	25/26	26/27	FUTURE	PE	RW	CON
TransNet - L	\$6,747	\$6,747									\$6,747
TransNet - L (Cash)	\$2,541	\$2,541									\$2,541
TransNet - LSI	\$18,521	\$11,107	\$1,636	\$1,600	\$1,178	\$1,500	\$1,500				\$18,521
TransNet - LSI (Cash)	\$416	\$416									\$416
TransNet - LSI Carry Over	\$14,871	\$8,871		\$6,000							\$14,871
Local Funds	\$8,807	\$4,457	\$1,450	\$1,450	\$1,450						\$8,807
Local RTCIP	\$280	\$280									\$280
TOTAL	\$52,183	\$34,419	\$3,086	\$9,050	\$2,628	\$1,500	\$1,500				\$52,183

PROJECT LAST AMENDED 23-00

	TOTAL	PRIOR	22/23	23/24	24/25	25/26	26/27	FUTURE	PE	RW	CON
TransNet - L	\$6,747	\$6,747									\$6,747
TransNet - L (Cash)	\$2,541	\$2,541									\$2,541
TransNet - LSI	\$18,521	\$11,107	\$1,636	\$1,600	\$1,178	\$1,500	\$1,500				\$18,521
TransNet - LSI (Cash)	\$416	\$416									\$416
TransNet - LSI Carry Over	\$8,871	\$8,871									\$8,871
Local Funds	\$8,807	\$4,457	\$1,450	\$1,450	\$1,450						\$8,807
Local RTCIP	\$280	\$280									\$280
TOTAL	\$46,183	\$34,419	\$3,086	\$3,050	\$2,628	\$1,500	\$1,500				\$46,183

** Pending final SANDAG approval

**2023 Regional Transportation Improvement Program
Amendment No. 4
San Diego Region (in \$000s)**

El Cajon, City of

MPO ID: EL11		RTIP #:23-04										
Project Title:		Sidewalk, Curb and Gutter, and Pedestrian Ramp Repairs							TransNet - LSI: Maint			
Project Description:		Various locations as shown on the Maintenance Zone Map - repair damaged sidewalk, curb and gutter, pedestrian ramps, driveways, etc.										
Change Reason:		Increase funding										
		Capacity Status:NCI Exempt Category:Air Quality - Bicycle and pedestrian facilities										
Est Total Cost: \$6,931												
	TOTAL	PRIOR	22/23	23/24	24/25	25/26	26/27	FUTURE	PE	RW	CON	
TransNet - L	\$450	\$450							\$150		\$300	
TransNet - L (Cash)	\$250	\$250									\$250	
TransNet - LSI	\$3,783	\$2,604	\$215	\$364	\$100	\$250	\$250				\$3,783	
TransNet - LSI (Cash)	\$8	\$8									\$8	
TransNet - LSI Carry Over	\$1,165	\$615		\$550							\$1,165	
Local Funds	\$1,275	\$525	\$250	\$250	\$250						\$1,275	
TOTAL	\$6,931	\$4,452	\$465	\$1,164	\$350	\$250	\$250		\$150		\$6,781	

PROJECT LAST AMENDED 23-00												
	TOTAL	PRIOR	22/23	23/24	24/25	25/26	26/27	FUTURE	PE	RW	CON	
TransNet - L	\$450	\$450							\$150		\$300	
TransNet - L (Cash)	\$250	\$250									\$250	
TransNet - LSI	\$3,783	\$2,604	\$215	\$364	\$100	\$250	\$250				\$3,783	
TransNet - LSI (Cash)	\$8	\$8									\$8	
TransNet - LSI Carry Over	\$615	\$615									\$615	
Local Funds	\$1,275	\$525	\$250	\$250	\$250						\$1,275	
TOTAL	\$6,381	\$4,452	\$465	\$614	\$350	\$250	\$250		\$150		\$6,231	

MPO ID: EL21		RTIP #:23-04										
Project Title:		Street Resurfacing with Slurry Seals							TransNet - LSI: Maint			
Project Description:		Various locations in the City - as grouped by the maintenance zone map for street resurfacing with rubber polymer modified slurry (RPMS) seals less than 1" thick										
Change Reason:		Increase funding										
		Capacity Status:NCI Exempt Category:Safety - Pavement resurfacing and/or rehabilitation										
Est Total Cost: \$12,394												
	TOTAL	PRIOR	22/23	23/24	24/25	25/26	26/27	FUTURE	PE	RW	CON	
TransNet - LSI	\$4,575	\$2,075	\$500	\$500	\$500	\$500	\$500				\$4,575	
TransNet - LSI (Cash)	\$5	\$5									\$5	
TransNet - LSI Carry Over	\$4,814	\$3,814		\$1,000							\$4,814	
Local Funds	\$3,000	\$1,200	\$600	\$600	\$600						\$3,000	
TOTAL	\$12,394	\$7,094	\$1,100	\$2,100	\$1,100	\$500	\$500				\$12,394	

PROJECT LAST AMENDED 23-00												
	TOTAL	PRIOR	22/23	23/24	24/25	25/26	26/27	FUTURE	PE	RW	CON	
TransNet - LSI	\$4,575	\$2,075	\$500	\$500	\$500	\$500	\$500				\$4,575	
TransNet - LSI (Cash)	\$5	\$5									\$5	
TransNet - LSI Carry Over	\$3,814	\$3,814									\$3,814	
Local Funds	\$3,000	\$1,200	\$600	\$600	\$600						\$3,000	
TOTAL	\$11,394	\$7,094	\$1,100	\$1,100	\$1,100	\$500	\$500				\$11,394	

** Pending final SANDAG approval

**2023 Regional Transportation Improvement Program
Amendment No. 4
San Diego Region (in \$000s)**

RTIP Fund Types

<i>Local Funding</i>	
Local Funds AC	Local Funds - Advanced Construction; mechanism to advance local funds to be reimbursed at a later fiscal year with federal/state funds
RTCIP	Regional Transportation Congestion Improvement Program
<i>TransNet-L</i>	Prop. A Local Transportation Sales Tax - Local Streets & Roads
<i>TransNet-L (Cash)</i>	TransNet - L funds which agencies have received payment, but have not spent
<i>TransNet-LSI</i>	Prop. A Extension Local Transportation Sales Tax - Local System Improvements
<i>TransNet-LSI Carry Over</i>	TransNet - LSI funds previously programmed but not requested/paid in year of allocation
<i>TransNet-LSI (Cash)</i>	TransNet - LSI funds which agencies have received payment, but have not spent



City Council Agenda Report

Agenda Item 13.

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Yazmin Arellano, Director of Public of Works
SUBJECT: Consideration of an Adjustment to the SANDAG Regional Transportation Congestion Improvement Program (RTCIP) Fee

RECOMMENDATION:

That the City Council:

1. Opens the Public Hearing and receives testimony;
2. Closes the Public Hearing; and
3. Adopts the next Resolution, in order, approving an adjustment to the Regional Transportation Congestion Improvement Program (RTCIP) Fee to the new amount of \$2,741.97, for each newly-constructed residential unit.

BACKGROUND:

The Regional Transportation Congestion Improvement Program (RTCIP), an element of the TransNet Extension Ordinance, adopted in 2008, requires the eighteen member cities and the County of San Diego to collect an exaction fee from the private sector for each new housing unit constructed in each jurisdiction. New dwelling units built for low- and moderate-income and senior housing are exempted from the fee. The program intends to provide a local funding source for improving major arterial streets on the Regional Arterial System (RAS) to help alleviate traffic congestion.

Cities must comply with the TransNet ordinance to receive general TransNet funds annually for local streets and roads that are not the Regional Arterial System. The City collects the RTCIP fee at the time of building permit issuance, and it can only be used for future projects on major streets that are part of the Regional Arterial System. The RAS in El Cajon includes Avocado Avenue, Ballantyne Street, Fletcher Parkway, Navajo Road, North Second Street, and Washington Avenue.

The TransNet ordinance requires this exaction fee to be adjusted annually in accordance with the current Engineering Construction Cost Index (CCI) published by the Engineering News Record (ENR). The index is based on prevailing costs in the construction industry, and the annual adjustment should be no less than two (2) percent.

On February 24, 2023, the SANDAG Board of Directors approved a two (2) percent fee increase that would raise the RTCIP fee to \$2,741.97 from the current amount of \$2,688.21 per new dwelling unit. The new fee will take effect on July 1, 2023, and staff recommends that the City Council adopt this fee adjustment.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The proposed RTCIP fee increase is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4) because it is a governmental fiscal activity.

FISCAL IMPACT:

This fee is in conformance with the TransNet extension ordinance and it will fund future improvements in the Regional Arterial System within the City.

Prepared By: Mario Sanchez, City Engineer

Reviewed By: Yazmin Arellano, Director of Public Works

Approved By: Graham Mitchell, City Manager

Attachments

Resolution

Sandag Discussion Memo

RESOLUTION NO. -23

RESOLUTION APPROVING AN ADJUSTMENT TO THE
REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM
(RTCIP) FEE FOR NEWLY-CONSTRUCTED RESIDENTIAL UNITS
ON THE SAN DIEGO REGIONAL TRANSPORTATION ARTERIAL SYSTEM

WHEREAS, the city is a member agency of the San Diego Association of Governments ("SANDAG"), a joint powers agency consisting of the city, the county of San Diego, and the seventeen other cities situated in San Diego County; and

WHEREAS, in November 2004, voters approved Proposition A (TransNet Ordinance) to extend the TransNet half-cent sales tax for transportation projects through 2048, and passage of Prop A resulted in the establishment of the Regional Transportation Congestion Improvement Program (the "RTCIP"), which created a development impact fee for new residential units, to pay for transportation improvements on the Regional Arterial System; and

WHEREAS, cities are required to comply with the ordinance in order to receive TransNet sales tax funding for local streets and roads, and this fee is collected by the City at the time of Building Permit issuance; and

WHEREAS, all funds collected can only be used for future projects on El Cajon's major streets that are part of the Regional Arterial System, and the intent of the program is to provide a local funding source for improving major arterials that will help alleviate traffic congestion; and

WHEREAS, SANDAG completed an RTCIP Nexus Study to satisfy the legal requirements governing development impact fees in California and the Nexus Study contains a minimum annual fee adjustment of 2.0%; on February 24, 2023, the SANDAG Board of Directors approved a 2.0% fee adjustment to the RTCIP fee; and

WHEREAS, it is recommended the current fee of \$2,688.21 should be adjusted by 2.0% and be set at \$2,741.97 per dwelling unit in order to comply with the TransNet Ordinance; and

WHEREAS, this fee is required to comply with the RTCIP and will fund future transportation improvements on the Regional Arterial System, which in El Cajon consists of major streets including Fletcher Parkway, Second Street, Avocado Boulevard, Ballantyne Street and Washington Avenue.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

Section 1. *Findings*. The City Council hereby refers to and incorporates herein by this reference those findings set forth in section 2 of the San Diego County

Transportation Uniform Mitigation Fee Program Ordinance of 2008 (section 15.13.020 of the El Cajon Municipal Code) as if set forth in full herein.

Section 2. *Calculation of Fees.* The methodology set forth in Table 11 of the Nexus Study has been used to establish the schedule of fees set forth in this resolution.

Section 3. *Schedule of Fees.* For the purpose of funding those certain improvements to the regional arterial system identified in the Nexus Study, and in accordance with the Ordinance, the following schedule of fees shall be applicable to each and every non-exempt and newly constructed residential unit in the City of El Cajon:

Regional Transportation Congestion Improvement Program fee = \$2,741.97

Section 4. *Effective Date.* This new fee amount of \$2,741.97 for each newly-constructed residential unit is approved and shall become effective on the July 1, 2023 (the "Effective Date").

05/09/23 CC Agenda
Reso – FY24 Fee Adjustment (eff 07-01-23) 042523

TransNet Regional Transportation Congestion Improvement Program Proposed Fee Adjustment

Overview

The TransNet Extension Ordinance requires the 18 cities in the San Diego region and the County of San Diego to collect a Regional Transportation Congestion Improvement Program (RTCIP) fee from the private sector for each new housing unit constructed in its jurisdiction, with certain exceptions, including low-income residential units and accessory dwelling units.

The purpose of this fee is to help ensure that future development contributes its proportional share of the funding needed to pay for the impact of new growth on the Regional Arterial System and related regional transportation facility improvements as defined in the most recent Regional Transportation Plan adopted by SANDAG.

Key Considerations

SANDAG is required to adjust the minimum RTCIP fee amount on July 1, of each year based on an analysis of construction cost indices, but never less than 2%. The purpose of this annual adjustment is to ensure that the RTCIP retains its purchasing power to improve the Regional Arterial System.

Based on an analysis of construction cost trends and relevant indices, staff recommends a 2% fee adjustment to the RTCIP, raising the minimum RTCIP fee from \$2,688.21 to \$2,741.97 beginning July 1, 2023 (Attachment 1). Even though CCI inflation has accelerated from its previous low pace, this 2% increase is enough to ensure that the RTCIP fee maintains its purchasing power to complete necessary transportation improvements due to past CCI increases being less than 2%. Staff will also continue monitoring the performance of the economy and the construction cost indices and may propose an increase larger than the 2% minimum in 2024. Further detail can be found in Attachment 1.

Next Steps

In accordance with TransNet Extension Ordinance provisions each jurisdiction's RTCIP funding program must be submitted for review by the Independent Taxpayer Oversight Committee (ITOC) by April 1 of each year to remain eligible for TransNet local street and road funding. The annual submittal of RTCIP funding programs by local jurisdictions is scheduled for review at the April 12, 2023, ITOC meeting.

Susan Huntington, Director Financial Planning and Budgets

Key Staff Contacts: Michael Terlep, (619) 699-6929 michael.terlep@sandag.org
Marcia Smith, (619) 595-5338 marcia.smith@sandag.org

Attachment: 1. Discussion Memo

Action: **Approve**

The Board of Directors is asked to approve a 2% adjustment to the Regional Transportation Congestion Improvement Program, raising the minimum fee from \$2,688.21 to \$2,741.97 beginning July 1, 2023.

Discussion Memo

Background

The *TransNet* Extension Ordinance requires the 18 cities and the County of San Diego to collect a fee from the private sector for each new housing unit¹ constructed in that jurisdiction for contribution to the Regional Transportation Congestion Improvement Program (RTCIP). RTCIP revenue is required to be used to construct improvements on the Regional Arterial System, such as new or widened arterials, traffic signal coordination and other traffic improvements, freeway interchange and related freeway improvements, railroad grade separations, and improvements required for express bus and rail transit.

The Ordinance further requires SANDAG to adjust the RTCIP fee amount each year, and states that in no event shall the adjustment be less than 2% per year or more than the percentage increase set forth in the Engineering Construction Cost Index (CCI) published by the Engineering News-Record (ENR), or a similar CCI. The purpose of this annual adjustment is to ensure that the RTCIP retains its purchasing power to improve the Regional Arterial System and to help ensure future development contributes its proportional share of the funding needed to pay for the impact of new growth on the Regional Arterial System and related regional transportation facility improvements, as defined in the most recent Regional Transportation Plan adopted by SANDAG.

The RTCIP funding programs fall under the responsibility of the 19 local jurisdictions, which must maintain their RTCIP funding programs and comply with specific administrative requirements in order to remain eligible for *TransNet* local street and road funding.

The RTCIP has been implemented in the San Diego region since July 1, 2008. Annual RTCIP fee adjustments, funding program reports, and related audits can be found at the [RTCIP page](#) of the SANDAG Website. Relevant excerpts can be referenced at [TransNet Extension Ordinance](#) and [SANDAG Board Policy No. 031: TransNet Ordinance and Expenditure Plan Rules](#).

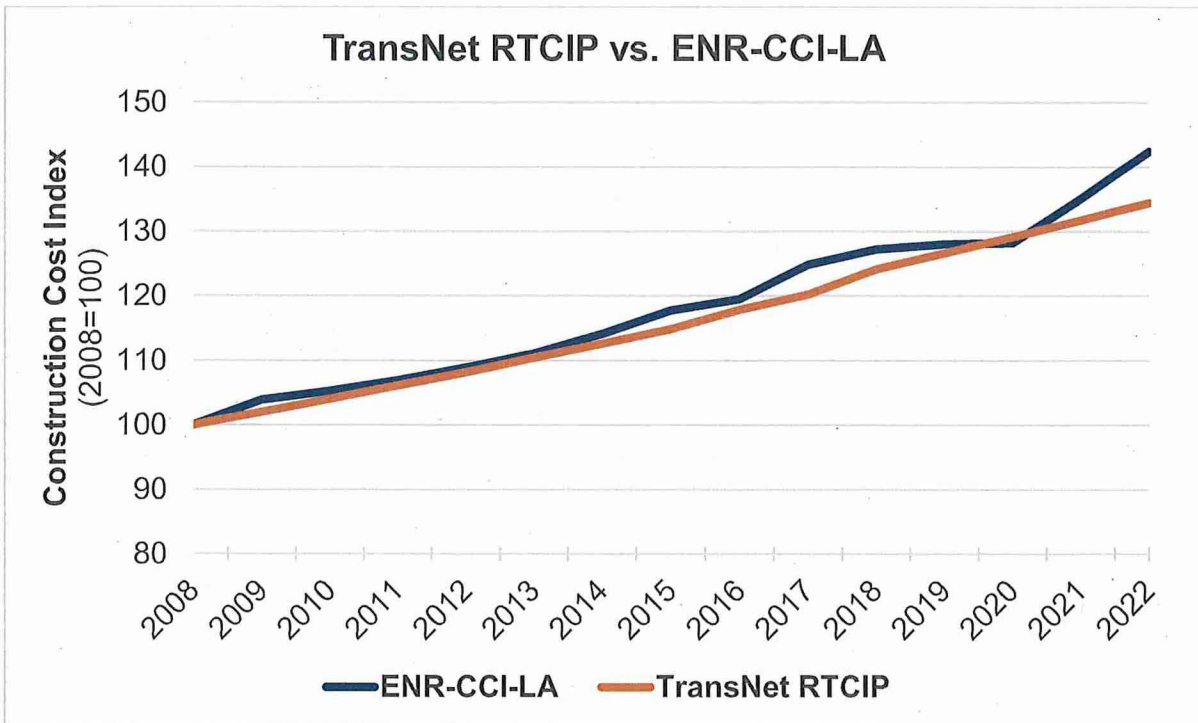
Analysis of Construction Cost Indices

SANDAG staff evaluated changes recorded in the ENR Los Angeles CCI, which is based on monthly price changes in four areas: lumber, cement, structural steel, and labor. Los Angeles reflects construction cost trends similar to those in San Diego. From December 2021 to December 2022, the ENR Los Angeles CCI increased by 5.8%, after a December 2020 to December 2021 increase of 7.0% in 2021 and only 0.3% uptick from December 2019 to December 2020. The ENR National CCI grew by 7.2% in 2022, after an annual increase 5.8% in 2021 and just 1.6% in 2020.

Because cost indices exhibit volatility, especially amid the COVID-19 pandemic-related disruptions and inflation in recent years, it is important to take a broader view of historical trends, going back to 2008—when the RTCIP was instituted—to consider the required annual adjustment.

The cumulative growth of the RTCIP from 2008 through 2022 was 34.4%, while the ENR Los Angeles CCI seeing a 42.4% growth over the same period. The chart below shows how the RTCIP and the ENR Los Angeles CCI compare over time. It shows that by maintaining the annual adjustment at the minimum 2% increase required, the RTCIP has kept pace with inflation and retained its purchasing power.

¹ Units constructed for extremely low-, very low-, low-, and moderate-income households may be exempted.



As expected, construction costs—and inflation, in general—surged in the second half of 2021, exhibiting economic impact of the 2020 COVID-19 recession and supply chain disruptions, including shortages of labor and raw materials.

The Ordinance requires SANDAG to adjust the RTCIP fee amount each year, and states that in no event shall the adjustment be less than 2% per year or more than the percentage increase set forth in the Engineering CCI published by the ENR, or a similar CCI. The most recent available data shows Los Angeles CCI increased much more than the minimum 2%, but staff recommends the RTCIP be adjusted only by the required minimum of 2% in 2023 (\$2,741.97). Even though CCI inflation has accelerated from its previous low pace, this 2% increase is enough to ensure that the RTCIP fee maintains its purchasing power to complete necessary transportation improvements due to past CCI increases being less than 2%.

Staff will also continue monitoring the performance of the economy and the construction cost indices. Downside risks related to persistent inflation, a looming recession, and economic uncertainty, which can sap growth and expansion, put additional pressure on commodity prices and labor costs. These considerations may necessitate an increase larger than the 2% minimum RTCIP increase in 2024.



City Council
Agenda Report

Agenda Item 14.

DATE: May 9, 2023

TO: Honorable Mayor and City Councilmembers

FROM: Clay Schoen, Director of Finance

SUBJECT: Fiscal Year 2022-23 Mid-Year Report and Five-Year Business Plan Update

RECOMMENDATION:

That the City Council:

1. Receives and accepts the Fiscal Year 2022-23 Mid-Year Report and Five-Year Business Plan update;
2. Increases Fiscal Year 2022-23 appropriations from fund equity in the citywide amount of \$5,888,202 for additional CalPERS contributions as detailed in the report; and
3. Increases Fiscal Year 2022-23 appropriations from fund equity or program income, as appropriate, in the amount of \$2,287,773.31 for CDBG / HOME activities as detailed in the report.

BACKGROUND:

The City of El Cajon prepares the Mid-Year Report and Five-Year Business Plan Update as part of an overall financial planning and monitoring program. Other major components of the program include the Annual Budget and the Annual Comprehensive Financial Report. When viewed as a cycle, they represent long-term planning, the implementation of that plan, and the execution and measurement of that plan.

Mid-Year Report - This document is an opportunity to measure financial performance at the midpoint of the fiscal year. Mid-year results are compared to both budgeted amounts and previous year's results. This is also the basis for projecting year-end results, as well as longer-term projections.

Five-Year Business Plan - This document is a long-range financial plan intended to clarify City goals and objectives. By forecasting five years, City decision-makers can easily see the long-term impacts of their decisions, as well as provide time to prepare for future challenges.

As part of this process, it is common to identify City Council actions, including budget adjustments, which are needed for financial and/or operational circumstances that have arisen since the Fiscal Year 2022-23 budget was developed last year.

Fiscal Year 2021-22 Results

General Fund

Fiscal Year 2021-22 ended with total General Fund revenues of \$88.3 million. This amount exceeded the final budget by approximately \$4.0 million. This is largely the result of sales taxes, which continue to defy prognostications of economic doom and outperformed the expectations of June 2021 by \$6.3 million.

For the same period, General Fund expenditures totaled \$80.8 million. This was \$3.0 million below budget, led by Public Works expenditure savings of \$1.6 million.

As a result of this combined activity, the General Fund closed Fiscal Year 2021-22 with an increase to reserves of approximately \$7.5 million. This change increased total reserves to \$60.6 million, or 75.0% of Fiscal Year 2021-22 General Fund expenditures.

Wastewater Enterprise Fund

Total Wastewater Enterprise Fund revenues were \$28.6 million, while budgetary expenses totaled \$24.2 million. This contributed \$4.4 million to Wastewater budgetary fund equity, bringing the year-end balance to \$32.3 million (133.9% of Fiscal Year 2021-22 expenses).

CalPERS, POBs, and Pension Liabilities

At the presentation of the City's Annual Pension Report in January 2023, staff received requests for additional information. One request was regarding the evolution of pension liability, plan assets, and unfunded liability balances. Specifically, additional information was requested to demonstrate the drivers of the changes in these balances. Included, as an attachment to this report, is Appendix A: Pension Material. The first six pages of this attachment are each plan's schedules from the June 30, 2021 CalPERS actuarial valuations for the reconciliation of plan assets, gain/loss analysis, and development of liabilities. These schedules detail changes to the plans from the previous year's actuarial reports.

Since the presentation of this Annual Pension Status Report, staff used CalPERS' Pension Outlook tool to estimate the impacts of the CalPERS Fiscal Year 2022 investment losses. While the June 30, 2022 actuarial valuation will not be released until late summer 2023, this tool provided enough information to update the report to reflect anticipated impacts. This updated information is presented on page 7 of the attached Appendix A: Pension Material.

Additionally, the City Council requested information regarding how actuarial experience compared to the estimates prepared at the time the City contemplated issuance of Pension Obligation Bonds. This information is presented on page 8 of the attached Appendix A: Pension Material. As of the first two years, when measured against the last Actuarial Valuation (06/30/2019) issued prior to Pension Obligation Bond (POB) issuance, savings were \$1.6 million more than anticipated. When one rolls this analysis forward to reflect current Unfunded Accrued Liability (UAL) amortization estimates (page 9, Appendix A: Pension Material), one can see the significant impact CalPERS investment returns have had on estimated future UAL contributions.

However disappointing this analysis is, one can see a small period (2024-26), created by the timing of the infusion of POB proceeds and the amortization of investment gains and losses, where projected savings are generated. Therefore, staff recommends incorporating a series of additional contributions during this period into the City's long-term financial planning.

Additionally, staff recommends using \$5.0 million of the Fiscal Year 2021-22 General Fund surplus, and a similar, proportional amount from the other participating funds (\$5.9 million citywide) as additional contributions in the current year, with the remainder (\$2.5 million) falling back to General Fund reserves to offset the planned use of \$2.1 million in Fiscal Year 2022-23. These proposed contributions are detailed on page 10 of Appendix A: Pension Material.

Following approval of this recommendation, General Fund reserves would total \$55.5 million (62.5% of Fiscal Year 2021-22 General Fund expenditures).

During the presentation of the Annual Pension Status Report a comment was made about the sizable portion of the General Fund's budget consumed by CalPERS contributions. In the Fiscal Year 2022-23 Annual Budget, total estimated pension costs total \$21.3 million, or 23.1% of the total General Fund budget. Of this, \$15.6 million (16.9%) represents the combination of the UAL amortization and POB debt service.

This liability continues to be a significant burden on the City's financial future. However, given the lengthy timeline of this issue, modest but consistent action can greatly improve the City's position on this matter.

CDBG / HOME Reconciliation

Many City processes are being evaluated as part of the transition to the new Enterprise Resource Planning (ERP) system. One area of improvement is the administration of the CDBG and HOME programs. As part of this project a series of budget adjustments are proposed to bring the project budgets in the City's ERP system in line with amounts previously approved by the City Council, and also to establish and maintain a one-to-one relationship with HUD's IDIS platform. Additionally, HUD provided a waiver for the 2017 – 2020 CHDO Set Aside funds to be used for the Housing Pool of Funds and adjustments for this purpose are also proposed. A summary of these proposed adjustments are attached to this report as Appendix B: CDBG / HOME Adjustments. These are budget modifications only, and do not involve any new federal award.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The Mid-Year Report and Five-Year Business Plan Update is an administrative activity of government exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b).

FISCAL IMPACT:

The Fiscal Year 2022-23 Mid-Year Report and Five-Year Business Plan are critical for informed financial decision-making and the ongoing implementation of City goals. Approval of this action will increase appropriations \$8,175,975.31 citywide as detailed in Appendix A: Pension Material and Appendix B: CDBG / HOME Adjustments.

Prepared By: Clay Schoen, Director of Finance

Reviewed By:

Approved By: Graham Mitchell, City Manager

Attachments

FY23 Mid-Year Report & Five-Year Business Plan

Appendix A: Pension Material

Appendix B: CDBG / HOME Adjustments

CITY OF EL CAJON MID-YEAR REPORT FISCAL YEAR 2022-23

This report is intended to evaluate the status of revenues and expenditures at the halfway point of the fiscal year, as well as communicate anticipated year-end results. In evaluating mid-year performance, current year activity is compared to that of previous years and budgeted expectations. This analysis has been conducted for the City of El Cajon’s major funds: the General Fund, the American Rescue Plan Act special revenue fund, the Low-Moderate Income Housing Asset Fund special revenue fund, and the Wastewater enterprise fund. This report is useful for both managing operations for the remainder of this fiscal year, as well as contributing information necessary for the Five-Year Business Plan and developing the Fiscal Year 2023-24 Annual Budget.

Note: The following analysis was prepared solely for the purpose of determining how revenues and expenditures are performing as related to the budget. Consequently, the information contained herein may not be presented in accordance with generally accepted accounting principles.

GENERAL FUND

Overview

As of December 31, 2022, General Fund Revenues and Sources of Funds totaled \$27.5 million, an increase of 2.9% (\$765,000) from the same point last year. Expenditures and Uses of Funds totaled \$41.9 million, which is up approximately 22.1% (\$7.6 million) from last year’s midway point. This change is primarily due to pension contributions and timing differences of debt service payments for Pension Obligation Bonds.

For this period, July through December 2022, Expenditures and Uses of Funds exceeded Revenues and Sources of Funds by approximately \$14.4 million. Several of the General Fund’s larger revenue streams, such as Property Taxes, are received in the latter half of the fiscal year. During the first six months of the fiscal year, the General Fund cash flow needs are reliant upon the City’s 20% Operating Reserve which prevents the City from having to borrow funds (i.e. issue tax and revenue anticipation notes), thereby avoiding additional interest and issuance expenses.

The table below summarizes this activity for the current year, as well as the two previous years.

	FY22-23 Budget*	FY22-23 Mid-Year	% of Budget	FY21-22 Mid-Year	FY20-21 Mid-Year
Revenues and Sources of Funds	\$90,071,236	\$27,514,581	30.6	\$26,748,750	\$24,563,861
Expenditures and Uses of Funds	93,862,252	41,891,942	44.6	34,310,637	36,953,020

By fiscal year end, Revenues and Sources of Funds are projected to total \$94.9 million, which is \$4.9 million above budget, and represents a 6.4% increase from last year. Expenditures and Uses of Funds are estimated to be \$87.3 million at fiscal year-end. That total is \$4.9 million below budget and 7.0% above last year’s total expenditures. Further analysis of selected revenues and expenditures follows.

Revenue and Sources of Funds

While the General Fund has many sources of revenue, three major categories account for 76.4% of total budgeted revenue. These categories are: Sales Taxes, Property Taxes, and Franchise Fees. Each of these will be discussed separate of all remaining sources.

Sales Taxes- Sales tax revenue is comprised of two components: the City’s share of the State sales tax rate and a voter approved 0.5% general sales tax (Proposition J). At the mid-year point of the fiscal year, sales tax receipts are up approximately \$852,000 (5.7%) from the same point last year. The table below summarizes these balances, as well as those of the two previous years.

	FY22-23 <u>Budget</u>	FY22-23 <u>Mid-Year</u>	% of <u>Budget</u>	FY21-22 <u>Mid-Year</u>	FY20-21 <u>Mid-Year</u>
Sales Taxes	\$32,470,477	\$11,196,482	34.5	\$10,671,497	\$9,827,365
Sales Taxes (Proposition J)	12,768,090	4,594,859	36.0	4,267,394	3,758,885

Sales Taxes are expected to be over budgeted amounts by approximately \$1.8 million by fiscal year end. This is the result of better than expected economic performance.

Property Taxes- Property tax revenue is comprised of three major components: regular property taxes, property tax received in lieu of Vehicle License Fees, and the residual distribution from the Redevelopment Property Tax Trust Fund. Property taxes, in total, are up approximately 12.8% (\$510,000) from last year.

	FY22-23 <u>Budget</u>	FY22-23 <u>Mid-Year</u>	% of <u>Budget</u>	FY21-22 <u>Mid-Year</u>	FY20-21 <u>Mid-Year</u>
Property Taxes (PT)	\$10,882,162	\$4,487,259	41.2	\$3,976,967	\$4,083,604
PT – In Lieu VLF	11,265,271	-	-	-	403
PT – RPTTF Residual Distribution	1,400,000	-	-	-	-

The majority of this revenue is received in the second half of the fiscal year, and projections indicate that year-end results will exceed budgetary expectations for this category by \$2.1 million.

Franchise Fees- Franchise fees are collected from San Diego Gas & Electric, Waste Management, EDCO, Cox Communications, and Direct TV. At the midpoint of the fiscal year, current year Franchise Fees are up approximately 8.4% (\$116,000) from last year. The table below illustrates Franchise Fees for the current year, as well as the two previous years.

	FY22-23 <u>Budget</u>	FY22-23 <u>Mid-Year</u>	% of <u>Budget</u>	FY21-22 <u>Mid-Year</u>	FY20-21 <u>Mid-Year</u>
Franchise Fees	\$6,583,983	\$1,497,646	22.7	\$1,381,573	\$1,256,339

Other Revenue Categories- The remaining revenue categories represent 23.6% of total budgeted General Fund Revenues and Sources of Funds. The following table details the mid-year performance of each category for the current year, as well as the two most recent years.

	FY22-23 <u>Budget</u>	FY22-23 <u>Mid-Year</u>	% of <u>Budget</u>	FY21-22 <u>Mid-Year</u>	FY20-21 <u>Mid-Year</u>
Transient Occupancy Tax	\$2,700,000	\$815,087	30.2	\$810,193	\$562,305
Business Licenses	833,000	435,930	52.3	398,414	520,196
Real Property Transfer Tax	500,000	167,437	33.5	515,760	157,240
Ambulance/Paramedic Tax	360,000	92,301	25.6	96,672	80,797
Licenses and Permits	1,599,000	1,078,671	67.5	913,100	822,295
Intergovernmental Revenues	1,094,700	519,405	47.4	309,714	107,096
Charges for Services	3,342,946	1,766,243	52.8	1,486,713	1,493,929
Use of Money and Property*	3,105,000	620,912	20.0	355,942	191,975
Fines and Forfeitures	698,500	208,600	29.9	207,831	180,195
Other Revenue & Reimbursement*	259,000	32,952	12.7	1,345,016	1,508,116
Other Financing Sources	209,107	797	0.4	12,463	13,119

*Beginning in Fiscal Year 2022-23, a number of accounts were reclassified into the Use of Money and Property category which replaced the category Investment Earnings used in previous fiscal years.

Projected results for each major revenue category is shown in the following table.

	FY22-23 <u>Budget</u>	FY22-23 <u>Projected</u>	% of <u>Budget</u>
Sales Taxes	\$45,238,567	47,067,692	104.0
Property Taxes	23,547,433	25,651,408	108.9
Franchise Fees	6,583,983	7,089,195	107.7
All Other Categories	13,701,253	15,114,253	110.3
Total General Fund Revenue	<u>\$90,071,236</u>	<u>\$94,922,548</u>	105.4

Expenditures and Uses of Funds

Expenditures and Uses of Funds are \$41.9 million or 44.6% of budget at mid-year. This represents a 22.1% (\$7.6 million) increase from the same point last year. This change is related to pension contributions and timing differences in debt service payments for Pension Obligation Bonds. The following table shows mid-year expenditures organized by function for the current year, as well as the two preceding years.

	FY22-23 <u>Budget</u>	FY22-23 <u>Mid-Year</u>	% of <u>Budget</u>	FY21-22 <u>Mid-Year</u>	FY20-21 <u>Mid-Year</u>
General Government	\$9,684,512	\$3,749,454	38.7	\$3,002,438	\$2,990,566
Public Safety- Police	46,006,956	21,789,608	47.4	17,428,843	19,345,491
Public Safety- Fire	19,477,573	9,443,714	48.5	8,105,994	8,332,772
Public Works	9,854,938	3,431,043	34.8	3,215,412	3,559,881
Parks & Recreation	4,739,227	1,996,003	42.1	1,494,198	1,434,625
Community Development	3,349,046	1,357,122	40.5	1,063,752	1,289,685
Other Financing Uses	<u>750,000</u>	<u>124,998</u>	16.7	-	-
Total General Fund Expenditures	<u>\$93,862,252</u>	<u>\$41,891,942</u>	44.6	<u>\$34,310,637</u>	<u>\$36,953,020</u>

General Fund expenditures are also shown by category in the following table.

	FY22-23 <u>Budget</u>	FY22-23 <u>Mid-Year</u>	% of <u>Budget</u>	FY21-22 <u>Mid-Year</u>	FY20-21 <u>Mid-Year</u>
Salaries and Benefits	\$62,511,257	\$29,078,803	46.5	\$26,568,701	\$30,146,337
Materials, Services, and Supplies	21,456,836	8,546,390	39.8	7,741,937	6,755,293
Capital Outlay	1,108,334	123,851	11.2	-	51,390
Other Financing Uses	<u>8,785,825</u>	<u>4,142,898</u>	47.2	-	-
Total General Fund Expenditures	<u>\$93,862,252</u>	<u>\$41,891,942</u>	44.6	<u>\$34,310,637</u>	<u>\$36,953,020</u>

By year end, these categories in total are projected to total less than budgeted amounts as shown in the following table.

	FY22-23 <u>Budget</u>	FY22-23 <u>Projected</u>	% of <u>Budget</u>
Salaries and Benefits	\$62,511,257	59,546,125	95.2
Materials, Services, and Supplies	21,456,836	18,154,703	84.6
Capital Outlay	1,108,334	844,471	76.2
Other Financing Uses	<u>8,785,825</u>	<u>8,785,825</u>	-
Total General Fund Expenditures	<u>\$93,862,252</u>	<u>\$87,331,124</u>	93.0

Fund Balance

Fund balance is comprised of reserves and designations for specific operating needs or purposes. The 20% Operating Reserve is used to provide sufficient cash flow during the first half of the fiscal year, primarily resulting from the timing differences between expenditures and revenues. The Economic Uncertainty Reserve is established for the purpose of stabilizing delivery of City services during periods of budget deficits and to mitigate the effects of major economic uncertainties resulting from unforeseen changes in revenues and/or expenditures. The Reserve for Unfunded Retirement Obligation was established to address increasing unfunded liabilities and higher employer contribution rates. Any remaining fund balance creates a Carryover Reserve.

The fund balance at the start of the fiscal year was \$60.6 million. Taking into consideration projected revenues and expenditures at fiscal year-end; fund balance is expected to total approximately \$68.3 million. The following table illustrates projected reserve balances at year-end.

Projected General Fund Balance

	07/01/22	06/30/23
	<u>Fund Balance</u>	Estimated <u>Fund Balance</u>
20% Operating Reserve	\$15,883,202	\$15,883,202
Economic Uncertainty Reserve	15,883,202	15,883,202
Reserve for Unfunded Retirement Obligation	13,000,000	13,000,000
Carryover Reserve **	<u>15,866,839</u>	<u>23,508,749</u>
Total Fund Balance	<u>\$60,633,243</u>	<u>\$68,275,153</u>

** Carryover Reserve is available to bridge any imbalance of expenditures exceeding revenues.

AMERICAN RESCUE PLAN ACT FUND

The American Rescue Plan Act Fund is a special revenue fund used to manage various programs related to the mitigation of the impacts of the public health crisis related to the Covid-19 virus. The fund is administered by the City Manager’s Office, and is funded primarily by revenues generated from the American Rescue Plan Act.

	FY22-23	FY22-23	% of	FY21-22	FY20-21
	<u>Budget</u>	<u>Mid-Year</u>	<u>Budget</u>	<u>Mid-Year</u>	<u>Mid-Year</u>
Expenditures	\$26,407,999	2,427,133	9.2	\$2,193,979	\$ -
Revenues	14,627,507	-	0.0	7,600	-

LOW-MODERATE INCOME HOUSING ASSET FUND

The Low-Moderate Income Housing Asset Fund (LMIHAF) is a special revenue fund used to manage the housing programs and projects to increase affordable housing opportunities for the City's lower income households. The fund is administered by the City's Community Development Department, and is funded primarily by revenues generated from the housing assets transferred from the former redevelopment agency.

	FY22-23 <u>Budget</u>	FY22-23 <u>Mid-Year</u>	% of <u>Budget</u>	FY21-22 <u>Mid-Year</u>	FY20-21 <u>Mid-Year</u>
Expenditures	\$3,276,500	\$ 204,696	6.3	\$ 242,270	\$ 96,003
Revenues	503,420	59,529	11.8	182,103	4,656,573

The activity in this fund is largely project based, and therefore highly impacted by timing differences. However, it is anticipated that year-end results will be within budget.

WASTEWATER ENTERPRISE FUND

Revenues at the midpoint of the fiscal year total \$32.8 million, which is up 19.2% (\$5.3 million) from the same point last year. The chart below illustrates mid-year performance for the current year, as well as the two preceding years.

<u>Wastewater Revenues</u>	FY22-23 <u>Budget</u>	FY22-23 <u>Mid-Year</u>	% of <u>Budget</u>	FY21-22 <u>Mid-Year</u>	FY20-21 <u>Mid-Year</u>
Sewer Service Fee	\$29,875,000	\$30,015,939	100.5	\$26,820,607	\$22,053,296
Septic Tank Disposal Fee	1,600,000	622,540	38.9	428,758	404,298
All Other Revenue	<u>319,000</u>	<u>2,174,871</u>	681.8	<u>281,493</u>	<u>262,188</u>
Total Revenue	<u>\$31,794,000</u>	<u>\$32,813,350</u>	103.2	<u>\$27,530,859</u>	<u>\$22,719,782</u>

Expenditures of \$12.7 million are 26.6% (\$2.7 million) higher than the same period last year. It is anticipated that the Wastewater Fund expenditures will be within budget at year end.

<u>Wastewater Expenditures</u>	FY22-23 <u>Budget</u>	FY22-23 <u>Mid-Year</u>	% of <u>Budget</u>	FY21-22 <u>Mid-Year</u>	FY20-21 <u>Mid-Year</u>
Salaries & Benefits	\$5,129,536	\$2,106,726	41.1	\$1,935,797	\$2,131,495
Materials, Services, and Supplies	20,776,590	7,396,178	35.8	7,537,495	7,887,849
Debt Service	-	454,196	-	421,190	475,485
Capital Outlay and Projects	15,418,519	2,499,789	18.3	130,735	52,472
Other Financing Uses	<u>475,018</u>	<u>237,516</u>	50.0	-	-
Total Expenditures	<u>\$41,799,663</u>	<u>\$12,694,405</u>	30.4	<u>\$10,025,217</u>	<u>\$10,547,301</u>

**CITY OF EL CAJON
MID-YEAR REVENUE AND SOURCES OF FUNDS COMPARISON REPORT**

FUND	CURRENT YEAR / FY2022-23				PRIOR YEAR / FY2021-22			
	BUDGET	REVENUE	BALANCE	%	BUDGET	REVENUE	BALANCE	%
101 GENERAL FUND								
11 CITY MANAGER	363,000.00	144,102.04	218,897.96	39.70%	180,000.00	89,982.02	90,017.98	49.99%
12 CITY CLERK AND ELECTIONS	5,000.00	34,416.75	(29,416.75)	688.34%	15,000.00	1,430.00	13,570.00	9.53%
14 FINANCE	83,417,429.00	24,229,527.44	59,187,901.56	29.05%	76,549,394.00	24,096,319.36	52,453,074.64	31.48%
16 CITY ATTORNEY	-	54.50	(54.50)	0.00%	-	41.10	(41.10)	0.00%
20 COMMUNITY DEVELOPMENT	2,030,000.00	1,259,843.23	770,156.77	62.06%	2,211,400.00	1,047,049.38	1,164,350.62	47.35%
30 POLICE	1,844,307.00	507,287.46	1,337,019.54	27.51%	1,825,807.00	451,898.01	1,373,908.99	24.75%
40 FIRE	1,265,000.00	674,696.02	590,303.98	53.34%	1,395,000.00	464,815.65	930,184.35	33.32%
50 PUBLIC WORKS	878,000.00	603,662.87	274,337.13	68.75%	1,209,960.00	531,667.83	678,292.17	43.94%
60 PARKS & RECREATION	268,500.00	60,991.05	207,508.95	22.72%	252,500.00	66,046.60	186,453.40	26.16%
TOTAL GENERAL FUND	90,071,236.00	27,514,581.36	62,556,654.64	30.55%	83,639,061.00	26,749,249.95	56,889,811.05	31.98%
201 AMERICAN RESCUE PLAN ACT F	14,627,507.00	-	14,627,507.00	0.00%	15,199,875.00	7,600.39	15,192,274.61	0.05%
202 CARES ACT FUND	-	-	-	0.00%	283,612.00	-	283,612.00	0.00%
209 CA BEVERAGE GRANT	-	(176.18)	176.18	0.00%	25,868.00	384.50	25,483.50	1.49%
211 GAS TAX	2,861,662.00	1,191,955.41	1,669,706.59	41.65%	2,708,477.00	1,314,507.18	1,393,969.82	48.53%
213 TRANSIT	85,000.00	(1,806.97)	86,806.97	-2.13%	103,323.00	83,264.70	20,058.30	80.59%
215 STATE COPS GRANT-BRUELTE	250,000.00	168,554.89	81,445.11	67.42%	242,500.00	155,659.77	86,840.23	64.19%
221 LEGACY ST HOMELAND SEC GR	-	-	-	0.00%	81,968.00	(0.28)	81,968.28	0.00%
222 FEDERAL ASSET FORFEITURE	10,000.00	33,569.92	(23,569.92)	335.70%	21,700.00	3,263.47	18,436.53	15.04%
223 STATE ASSET FORFEITURE	1,000.00	8,007.38	(7,007.38)	800.74%	160.00	25,852.49	(25,692.49)	16157.81%
224 LOCAL PUBLIC SAFETY PROP 1	525,000.00	254,874.86	270,125.14	48.55%	474,900.00	240,284.35	234,615.65	50.60%
225 LEGACY POLICE GRANTS	-	(29,853.00)	29,853.00	0.00%	295,597.00	29,635.83	265,961.17	10.03%
226 POLICE GRANTS	1,146,927.00	63,239.33	1,083,687.67	5.51%	-	-	-	0.00%
240 RECREATION PROGRAMS	714,210.00	173,894.12	540,315.88	24.35%	730,500.00	287,272.31	443,227.69	39.33%
241 MAGNOLIA PERFORMING ARTS	600,000.00	203,974.88	396,025.12	34.00%	1,700,000.00	22,328.78	1,677,671.22	1.31%
251 PUBLIC WORKS OPERATING GRA	3,004,287.00	23,248.31	2,981,038.69	0.77%	-	-	-	0.00%
253 LEGACY UASI GRANTS	-	-	-	0.00%	1,039,319.00	(2,417.44)	1,041,736.44	-0.23%
254 FIRE DEPARTMENT GRANTS	159,591.00	-	159,591.00	0.00%	-	-	-	0.00%
265 LEGACY COMM DEV MISC GRANT	-	5,760.14	(5,760.14)	0.00%	225,000.00	(84,020.34)	309,020.34	-37.34%
266 STATE CASP-AB1379 FUND	28,000.00	17,700.00	10,300.00	63.21%	28,000.00	17,488.00	10,512.00	62.46%
270 LEGACY CDBG	-	(503,649.58)	503,649.58	0.00%	1,313,106.00	24,352.53	1,288,753.47	1.85%
271 COMMUNITY DEV BLOCK GRANT	1,219,861.00	518,694.58	701,166.42	42.52%	-	-	-	0.00%
275 LEGACY HOME	-	(9,289.93)	9,289.93	0.00%	611,412.00	170,096.81	441,315.19	27.82%
276 HOME	665,010.00	519,485.96	145,524.04	78.12%	-	-	-	0.00%
290 LOW-MOD HOUSING ASSET FUND	503,420.00	59,528.71	443,891.29	11.82%	503,421.00	182,102.68	321,318.32	36.17%
299 HOUSING IN LIEU FEES	-	244,612.79	(244,612.79)	0.00%	-	1,401.51	(1,401.51)	0.00%
401 PENSION OBLIGATION BONDS	9,122,874.00	4,561,428.00	4,561,446.00	50.00%	9,119,116.00	0.53	9,119,115.47	0.00%
501 CITY CAPITAL IMPROVMENT PRO	1,448,822.40	37,174.74	1,411,647.66	2.57%	10,507,630.00	407,846.10	10,099,783.90	3.88%
502 PUBLIC SAFETY FACILITY	40,486.00	(10,841.49)	51,327.49	-26.78%	-	16,824.14	(16,824.14)	0.00%
503 LEGACY TRANSNET	-	(630,650.00)	630,650.00	0.00%	2,558,000.00	248,924.36	2,309,075.64	9.73%
504 LEGACY SPECIFIC ST OBLIGA	-	-	-	0.00%	100,000.00	-	100,000.00	0.00%
505 LEGACY PARKS & REC IMPROV	-	-	-	0.00%	-	23,389.81	(23,389.81)	0.00%
506 LEGACY TRAFFIC CONG RELIEF	-	(1,085.73)	1,085.73	0.00%	-	1,677.30	(1,677.30)	0.00%
511 ROAD MAINTENANCE & REHAB	2,286,226.00	968,022.21	1,318,203.79	42.34%	-	-	-	0.00%
512 TRANSNET	8,223,465.00	-	8,223,465.00	0.00%	-	-	-	0.00%
513 REGIONAL TRANSP CONGESTION	-	5,323.71	(5,323.71)	0.00%	-	-	-	0.00%
515 LEGACY PARK IMPACT FEES	-	(410.55)	410.55	0.00%	30,000.00	1,071.63	28,928.37	3.57%
517 PARK IMPACT FEES	-	825.00	(825.00)	0.00%	-	-	-	0.00%
550 LEGACY PW TRANSPORTATION	-	-	-	0.00%	8,712,375.00	737,825.75	7,974,549.25	8.47%
551 CAPITAL GRANTS	20,489,970.68	14,194.26	20,475,776.42	0.07%	-	-	-	0.00%
552 LEGACY TRANSPORTATION GRAN	-	(49,176.32)	49,176.32	0.00%	245,900.00	48,844.54	197,055.46	19.86%
553 LEGACY TRANSPRT CONGESTION	-	(2,222.04)	2,222.04	0.00%	-	11,047.33	(11,047.33)	0.00%
554 LEGACY RMRA	-	(379,812.86)	379,812.86	0.00%	2,063,118.00	719,994.41	1,343,123.59	34.90%
601 VEHICLE-EQUIPMENT MAINTENA	2,200,000.00	1,100,277.05	1,099,722.95	50.01%	2,200,000.00	1,100,379.08	1,099,620.92	50.02%
605 VEHICLE-EQUIPMENT REPLACEM	250,000.00	124,998.00	125,002.00	50.00%	-	-	-	0.00%
610 SELF-INSURANCE FUND	4,212,000.00	2,074,749.31	2,137,250.69	49.26%	2,002,937.00	1,476,984.63	525,952.37	73.74%
611 LEGACY WORKER COMP SELF INS	-	-	-	0.00%	1,505,558.00	814,769.55	690,788.45	54.12%
615 IT SERVICES FUND	3,850,741.00	1,862,742.00	1,987,999.00	48.37%	3,825,479.00	1,910,559.41	1,914,919.59	49.94%
620 OTHER POST-EMPLOYMENT BENE	1,200,000.00	600,012.00	599,988.00	50.00%	956,000.00	478,984.98	477,015.02	50.10%
650 WASTEWATER	31,794,000.00	32,809,162.60	(1,015,162.60)	103.19%	31,646,000.00	27,530,859.26	4,115,140.74	87.00%
651 WASTEWATER PROJECTS AND GR	-	4,187.44	(4,187.44)	0.00%	-	-	-	0.00%

**CITY OF EL CAJON
MID-YEAR EXPENDITURE AND USES OF FUNDS COMPARISON REPORT**

FUND	CURRENT YEAR / FY2022-23				PRIOR YEAR / FY2021-22			
	BUDGET	EXPENDITURE	BALANCE	%	BUDGET	EXPENDITURE	BALANCE	%
101 GENERAL FUND								
10 MAYOR-CITY COUNCIL	\$ 624,519.00	\$ 271,171.41	\$ 353,347.59	43.42%	\$ 664,394.00	\$ 308,780.60	\$ 355,613.40	46.48%
11 CITY MANAGER	3,572,846.00	1,099,551.92	2,473,294.08	30.78%	2,504,107.00	874,089.95	1,630,017.05	34.91%
12 CITY CLERK AND ELECTIONS	786,349.00	421,060.85	365,288.15	53.55%	613,013.00	223,507.66	389,505.34	36.46%
14 FINANCE	2,597,893.00	1,137,781.38	1,460,111.62	43.80%	2,197,608.00	938,026.69	1,259,581.31	42.68%
16 CITY ATTORNEY	827,419.00	294,558.00	532,861.00	35.60%	822,549.00	254,302.00	568,247.00	30.92%
18 HUMAN RESOURCES	1,275,486.00	525,330.06	750,155.94	41.19%	1,012,907.00	403,730.97	609,176.03	39.86%
20 COMMUNITY DEVELOPMENT	3,349,046.00	1,357,121.74	1,991,924.26	40.52%	3,107,476.00	1,063,752.17	2,043,723.83	34.23%
30 POLICE	46,006,956.00	21,789,608.47	24,217,347.53	47.36%	41,414,645.00	17,428,843.40	23,985,801.60	42.08%
40 FIRE	19,477,573.00	9,443,714.41	10,033,858.59	48.49%	17,894,511.00	8,105,994.05	9,788,516.95	45.30%
50 PUBLIC WORKS	9,854,938.00	3,431,042.93	6,423,895.07	34.82%	8,921,338.00	3,215,411.59	5,705,926.41	36.04%
60 PARKS & RECREATION	4,739,227.00	1,996,003.00	2,743,224.00	42.12%	3,636,513.00	1,494,198.18	2,142,314.82	41.09%
80 OTHER FINANCING SOURCES & U	750,000.00	124,998.00	625,002.00	16.67%	1,000,000.00	-	1,000,000.00	0.00%
TOTAL GENERAL FUND	\$ 93,862,252.00	\$ 41,891,942.17	\$ 51,970,309.83	44.63%	\$ 83,789,061.00	\$ 34,310,637.26	\$ 49,478,423.74	40.95%
201 AMERICAN RESCUE PLAN ACT F	26,407,999.00	2,427,133.38	23,980,865.62	9.19%	30,399,751.00	2,193,978.50	28,205,772.50	7.22%
202 CARES ACT FUND	-	-	-	0.00%	283,612.00	-	283,612.00	0.00%
209 CA BEVERAGE GRANT	-	-	-	0.00%	25,868.00	1,395.37	24,472.63	5.39%
211 GAS TAX	3,592,274.00	1,226,988.29	2,365,285.71	34.16%	2,848,699.00	1,259,756.70	1,588,942.30	44.22%
213 TRANSIT	117,506.00	33,605.28	83,900.72	28.60%	104,974.00	24,865.51	80,108.49	23.69%
215 STATE COPS GRANT-BRUELTE	404,586.00	85,676.76	318,909.24	21.18%	457,227.00	262,552.17	194,674.83	57.42%
221 LEGACY ST HOMELAND SEC GR	-	-	-	0.00%	81,968.00	-	81,968.00	0.00%
222 FEDERAL ASSET FORFEITURE	67,872.00	32,953.89	34,918.11	48.55%	67,850.00	24,512.60	43,337.40	36.13%
224 LOCAL PUBLIC SAFETY PROP 1	827,388.00	263,682.44	563,705.56	31.87%	752,407.00	232,406.89	520,000.11	30.89%
225 LEGACY POLICE GRANTS	-	-	-	0.00%	353,575.00	53,353.99	300,221.01	15.09%
226 POLICE GRANTS	1,146,927.00	135,433.23	1,011,493.77	11.81%	-	-	-	0.00%
240 RECREATION PROGRAMS	694,711.00	311,573.92	383,137.08	44.85%	737,744.00	250,418.41	487,325.59	33.94%
241 MAGNOLIA PERFORMING ARTS	1,138,900.00	389,364.28	749,535.72	34.19%	1,124,775.00	263,735.63	861,039.37	23.45%
251 PUBLIC WORKS OPERATING GRA	3,004,287.00	24,690.89	2,979,596.11	0.82%	-	-	-	0.00%
253 LEGACY UASI GRANTS	-	-	-	0.00%	1,039,319.00	1,036.00	1,038,283.00	0.10%
254 FIRE DEPARTMENT GRANTS	159,591.00	-	159,591.00	0.00%	-	-	-	0.00%
260 COMMUNITY DEVELOPMENT GRAN	-	35,430.00	(35,430.00)	0.00%	-	-	-	0.00%
265 LEGACY COMM DEV MISC GRANT	-	-	-	0.00%	225,000.00	19,638.25	205,361.75	8.73%
266 STATE CASP-AB1379 FUND	7,200.00	936.50	6,263.50	13.01%	27,340.00	757.17	26,582.83	2.77%
270 LEGACY CDBG	-	-	-	0.00%	4,319,785.00	510,682.48	3,809,102.52	11.82%
271 COMMUNITY DEV BLOCK GRANT	4,786,302.56	425,652.17	4,360,650.39	8.89%	-	-	-	0.00%
275 LEGACY HOME	-	-	-	0.00%	3,456,202.00	44,064.01	3,412,137.99	1.27%
276 HOME	4,026,922.89	37,399.30	3,989,523.59	0.93%	-	-	-	0.00%
280 CAL HOME GRANT	64,588.00	-	64,588.00	0.00%	64,588.00	-	64,588.00	0.00%
290 LOW-MOD HOUSING ASSET FUND	3,276,500.00	204,696.22	3,071,803.78	6.25%	3,236,821.00	242,270.06	2,994,550.94	7.48%
299 HOUSING IN LIEU FEES	303,000.00	-	303,000.00	0.00%	303,000.00	-	303,000.00	0.00%
401 PENSION OBLIGATION BONDS	9,127,874.00	-	9,127,874.00	0.00%	9,119,116.00	2,436,480.48	6,682,635.52	26.72%
501 CITY CAPITAL IMPROVMENT PRO	9,963,455.83	222,197.28	9,741,258.55	2.23%	11,490,800.00	420,922.11	11,069,877.89	3.66%
502 PUBLIC SAFETY FACILITY	4,076,773.65	263,705.03	3,813,068.62	6.47%	70,000.00	9,355.27	60,644.73	13.36%
503 LEGACY TRANSNET	-	-	-	0.00%	2,875,350.00	256,009.24	2,619,340.76	8.90%
504 LEGACY SPECIFIC ST OBLIGA	-	-	-	0.00%	-	-	-	0.00%
505 LEGACY PARKS & REC IMPROV	-	-	-	0.00%	-	23,389.81	(23,389.81)	0.00%
511 ROAD MAINTENANCE & REHAB	5,001,391.00	926,260.64	4,075,130.36	18.52%	-	-	-	0.00%
512 TRANSNET	8,020,087.00	189,681.05	7,830,405.95	2.37%	-	-	-	0.00%
513 REGIONAL TRANSP CONGESTION	720,000.00	1,742.34	718,257.66	0.24%	-	-	-	0.00%
514 SPECIFIC STREET OBLIGATION	721,719.00	101.05	721,617.95	0.01%	-	-	-	0.00%
515 LEGACY PARK IMPACT FEES	-	-	-	0.00%	90,000.00	-	90,000.00	0.00%
516 TRAFFIC CONGESTION RELIEF	373,000.00	902.61	372,097.39	0.24%	-	-	-	0.00%
550 CIP MEMO ONLY FUND	76,721,850.45	4,046,558.93	72,675,291.52	5.27%	5,378,250.00	779,013.47	4,599,236.53	14.48%
551 CAPITAL GRANTS	18,510,000.68	484,443.14	18,025,557.54	2.62%	-	-	-	0.00%
552 LEGACY TRANSPORTATION GRAN	-	-	-	0.00%	245,900.00	113,578.06	132,321.94	46.19%
553 LEGACY TRANSPRT CONGESTION	-	-	-	0.00%	720,000.00	-	720,000.00	0.00%
554 LEGACY RMRA	-	-	-	0.00%	3,300,000.00	-	3,300,000.00	0.00%
601 VEHICLE-EQUIPMENT MAINTENA	2,342,236.00	984,267.99	1,357,968.01	42.02%	2,199,548.00	861,563.53	1,337,984.47	39.17%
605 VEHICLE-EQUIPMENT REPLACEM	1,125,209.00	38,106.45	1,087,102.55	3.39%	1,229,823.00	3,864.88	1,225,958.12	0.31%
610 SELF-INSURANCE FUND	5,158,490.00	3,090,928.26	2,067,561.74	59.92%	2,500,123.00	1,327,739.33	1,172,383.67	53.11%
611 LEGACY WORKER COMP SELF INS	-	-	-	0.00%	2,007,000.00	1,397,012.17	609,987.83	69.61%
615 IT SERVICES FUND	5,613,770.00	2,234,109.66	3,379,660.34	39.80%	5,796,339.00	2,106,752.52	3,689,586.48	36.35%
620 OTHER POST-EMPLOYMENT BENE	1,212,000.00	184,904.60	1,027,095.40	15.26%	1,096,000.00	328,597.50	767,402.50	29.98%
650 WASTEWATER	26,920,284.00	10,635,331.51	16,284,952.49	39.51%	31,536,045.00	10,025,217.26	21,510,827.74	31.79%
651 WASTEWATER PROJECTS AND GR	14,879,378.59	2,059,073.74	12,820,304.85	13.84%	-	-	-	0.00%

CITY OF EL CAJON FIVE-YEAR BUSINESS PLAN FISCAL YEAR 2023-24 UPDATE

The Five-Year Business Plan is used to evaluate and update revenue and expenditure assumptions for the General Fund and other funds based on current economic conditions. Long-range forecasting can reveal imbalances not apparent today, providing time to take corrective action in a proactive way. Accordingly, financial planning is central to how the City is governed and managed. This long-range financial forecast is not intended as a budget, but as a decision-making tool.

The purpose of the plan is to assist City staff in making better business decisions by assessing mid-term and long-term financial implications of current economic conditions and proposed obligations, policies, programs, and assumptions. As such, the Five-Year Business Plan is an important tool in preparation of the upcoming budget. The plan represents the opportunity to take a broad view of the City's operating finances before considering the details of the Annual Budget.

Economic Outlook

The economic outlook for the county, state, and nation are taken into consideration when updating the Five-Year Business Plan. Economies have been tested over the past few years with first the economic impacts resulting from the public health crisis caused by the COVID-19 pandemic followed by challenges related to the Russian invasion of Ukraine. Recently, anxiety emerged as a result of high profile banking failures. However, the Federal Reserve's Open Market Committee (FOMC) made the following comments in its March 22, 2023 press release to reassure the public.

The U.S. banking system is sound and resilient. Recent developments are likely to result in tighter credit conditions for households and businesses and to weigh on economic activity, hiring, and inflation. The extent of these effects is uncertain. The Committee remains highly attentive to inflation risks.

The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. In support of these goals, the Committee decided to raise the target range for the federal funds rate... The Committee will closely monitor incoming information and assess the implications for monetary policy. The Committee anticipates that some additional policy firming may be appropriate in order to attain a stance of monetary policy that is sufficiently restrictive to return inflation to 2 percent over time.

To address the FOMC's continued efforts to mitigate inflation, the UCLA Anderson Forecast cautioned potential effects on the economy in a March 15, 2023 release with the following comments.

The Federal Reserve was contemplating different inflation-fighting strategies that might slow but not stall inflation or, depending on how aggressively the Fed acted, trigger a mild recession.

To simplify an admittedly complicated set of actions, the more aggressively the Fed raises interest rates to combat inflation, the likelier a recession becomes.

Now, approaching the second quarter of 2023, the UCLA Anderson Forecast again presents a two-scenario approach for the national economy. One scenario is no recession: Economic growth slows but remains positive, inflation ebbs, labor markets remain robust and the Federal Reserve takes a less aggressive approach to monetary policy tightening.

The second scenario is a recession that occurs toward the end of the year because the Federal Reserve took aggressive inflation-fighting actions. In the latter scenario, the Fed forces a mild recession and accepts an economic contraction and higher unemployment to combat inflation.

The difference between the two scenarios is how the Federal Reserve sets monetary policy. The Fed has said it will be data-dependent. If data show that the labor market remains robust but inflation remains persistent, the Fed will likely err on the side of tightening monetary policy more aggressively.

In addition, the Forecast expanded this thought by quoting the FOMC and adding the following comments about the economic outlook.

“While the economy has so far remained resilient to higher interest rates outside of some moderate softening in construction, that resiliency is what might lead to the recession scenario path,” the report’s authors write. “The more consumers continue to spend despite higher prices and higher interest rates, the more gradually demand-induced inflation will come down, and the more the Federal Reserve might be expected to tighten monetary policy to combat inflation. The ‘might’ here could well be mitigated by falling commodity prices and new rental lease contracts.”

In both scenarios, the Forecast expects continued GDP growth in the first quarter of 2023 at a seasonally adjusted annual rate (SAAR) of 2.3%, driven by consumption and business investment. The scenarios then diverge.

In the no-recession scenario, quarterly GDP growth would slow to 1.8% SAAR in the second quarter of 2023. It would remain below 1.0% in the third and fourth quarters of 2023 and then pick up in 2024 and 2025.

In the recession scenario, the economy would contract beginning in the third quarter of 2023; the contraction would deepen in the fourth quarter of 2023 and the first quarter of 2024, and then the economy would begin to rebound.

In both scenarios, inflation would remain elevated throughout 2023, but it would be more persistent in the recession scenario, requiring tighter monetary policy to achieve disinflation. In the no-recession scenario, the Forecast assumes that supply chain pressures would ease more rapidly and therefore inflation would come down more quickly on its own, creating the rationale for a more moderate monetary policy.

The focus of most economists remains the elevated inflation that appears to be pushing the economy towards a tipping point. The City will continue to monitor events closely, and make sound decisions based on data, rather than speculation.

Highlights of this Update

The most important elements of this report’s projected activity is the minor anticipated decline in Sales Tax revenue in Fiscal Year 2023-24, as well as the sun-setting of Proposition J Sales Tax in 2029. While this is concerning, the opportunity for the City to make additional CalPERS contributions to continue to address the unfunded liability is a significant positive point.

This report has traditionally included the projection of the next five years. This timeframe represents a dependable window in which to anticipate performance. However, as focus shifts to longer-term solutions and strategies, the need for a longer view had grown. Therefore, the projections include an additional five years to the General Fund projections, for a total projection window of ten years. What is most noteworthy in these additional projected years is the significant drop-off in revenues as a result of the conclusion of the additional sales tax authorized by Proposition J in 2009. While this work has value in helping to understand the long-term effects of decisions, it should be noted that accuracy diminishes with each successive year projected.

New to the Five-Year Business Plan last year was the addition of projections for the Wastewater Enterprise Fund. As the City’s second largest fund, the inclusion of these projections is an enhancement to the report. While the current five-year data is valuable, we will continue to fine-tune and perfect the methodology used for these projections so their quality will be of the same caliber as that of the General Fund projections.

Employee Retirement – CalPERS

The City is a member of the California Public Employees’ Retirement System (CalPERS). All City employees who work at least 1,000 hours per fiscal year are eligible to participate in CalPERS. Participants in the plan vest after five years of employment.

Over the past few years the CalPERS Board approved significant changes to actuarial policies and assumptions to enhance the long-term stability of the fund. These changes, along with poor investment performance, continue to place significant burden on City finances.

Presented below are tables showing projected CalPERS contribution rates, as well as projected total contributions alongside Pension Obligation Bonds (POB) debt service payments.

PROJECTED CALPERS EMPLOYER CONTRIBUTION RATES

	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY2026-27</u>	<u>FY2027-28</u>
Miscellaneous	22.34%	17.58%	21.77%	25.69%	29.35%
Safety	40.55%	42.38%	44.06%	45.59%	46.44%

*The rates stated above are employer rates only; employee rates apply in addition to the above rates.

PROJECTED CALPERS/POB CASH FLOW ANALYSIS

Fiscal Year	CalPERS Contributions	POB Debt Service
FY 2023-24	12,536,127	8,121,854
FY 2024-25	12,026,536	9,120,081
FY 2025-26	13,066,249	9,118,645
FY 2026-27	14,602,976	9,122,192
FY 2027-28	15,851,530	9,119,078

Additionally, a window of opportunity for additional CalPERS contributions as a result of the timing of the application of POB proceeds and the amortization of CalPERS investment gains and losses. This series of events have shifted unfunded liability payments in such a way to create a three-year period of temporary relief relative to obligations projected prior to POB issuance. In order to maximize the benefits of issuing POBs, the following additional contributions could be made and be neutral to the pre-POB condition of the plans.

**Summary of Proposed Additional Contributions
(Citywide- Estimated)**

FY 2022-23	\$	5,500,000
FY 2023-24		4,500,000
FY 2024-25		3,500,000
FY 2025-26		2,500,000
Total	\$	16,000,000

CalPERS employer contributions, and the City’s unfunded pension liability, continue to represent one of the most significant challenges for the City. While the City has taken significant action to mitigate this issue, there is no guarantee that CalPERS contributions will not continue to grow. It is imperative that the City maintains focus on this issue to ensure the continuation of the progress it has made.

Assumptions Utilized in the Five-Year Business Plan

The Five-Year Business Plan is based on the following assumptions regarding the future.

General Fund Revenue Assumptions

1. Revenue projections are based on anticipated Fiscal Year 2022-23 revenues as determined by mid-year analysis, as well as the most recent data available.
2. Sales tax revenue projections are based on estimates provided by the City’s sales tax consultant/analyst.
3. Property tax revenues are projected to grow by 5.0% annually.

4. Residual revenue distribution resulting from the dissolution of the redevelopment agency is conservatively projected based on experience.
5. Assumes most other revenues to grow 2.0% annually where appropriate.
6. Anticipates no revenue reductions to aid in balancing the State's budget.
7. Assumes no extension of the additional sales tax authorized by Proposition J in 2009.

General Fund Expenditure Assumptions

1. Salary and wages are projected using negotiated or estimated rates where available, and assumes 2.0% growth where applicable.
2. Personnel costs assume an attrition rate of 5.0% in all projected years.
3. Pension related costs are projected based on information provided by CalPERS as part of the actuarial valuations.
4. Assumes additional CalPERS contributions in FY2023-24, FY2024-25, and FY2025-26.
5. Materials and Supplies expenditure growth is projected at 2.0% annually where appropriate.
6. Assumes General Fund funding of the City's capital improvement program and vehicle replacement.
7. Assumes no additional General Fund subsidy in support of Magnolia Performing Arts Center operation.

Wastewater Enterprise Fund Assumptions

1. Revenue projections are based on anticipated Fiscal Year 2022-23 revenues as determined by mid-year analysis, and assumes revenues to grow 2.0% annually.
2. Potential rate increases are not included in the projections.
3. Salary and wages are projected using negotiated or estimated rates where available, and assumes 2.0% growth where applicable.
4. Personnel costs assume an attrition rate of 5.0% in all projected years.
5. Pension related costs are projected based on information provided by CalPERS as part of the actuarial valuations.
6. Assumes additional CalPERS contributions in FY2023-24, FY2024-25, and FY2025-26.
7. Capital expenses are projected for the current year, and an assumed annual 2.0% growth rate for future years.
8. All other non-personnel expenses are projected at known amounts, or 2.0% annually.

Projection Limitations

Projections are designed to anticipate future performance based on past results, but unforeseen events can dramatically impact anticipated results. Projections should therefore be used as a planning tool and to identify structural flaws. The mitigation of

these unforeseen events takes place during the annual budget process and the daily operation of the organization.

General Fund Projection Results

Once the assumptions identified above are taken into account, and weighed alongside objective information, a picture of anticipated results emerges. The overall conclusion is that revenue growth is anticipated to soften in Fiscal Year 2023-24, and then stabilize and begin to grow again. Expenditures will need to be closely monitored in order to align with projected revenues. The impact of unforeseen events may have much bigger impacts than what is anticipated here. The information presented below indicates the starting point from which adjustments can be made during the annual budget process to ensure balanced budgets going forward.

Summary of Projected General Fund Activity

Fiscal Year	Projected Inflows	Projected Outflows	Change in Fund Balance
FY 2022-23	94,922,548	87,280,638	7,641,910
FY 2023-24	96,333,446	97,569,910	(1,236,464)
FY 2024-25	99,507,031	98,627,640	879,391
FY 2025-26	102,972,436	100,793,918	2,178,518
FY 2026-27	106,599,075	102,314,873	4,284,202
FY 2027-28	110,371,455	104,993,941	5,377,514
<i>FY 2028-29</i>	<i>109,540,606</i>	<i>106,948,546</i>	<i>2,592,060</i>
<i>FY 2029-30</i>	<i>100,863,775</i>	<i>108,921,517</i>	<i>(8,057,742)</i>
<i>FY 2030-31</i>	<i>103,856,226</i>	<i>110,933,947</i>	<i>(7,077,721)</i>
<i>FY 2031-32</i>	<i>106,944,337</i>	<i>112,986,626</i>	<i>(6,042,289)</i>
<i>FY 2032-33</i>	<i>110,131,344</i>	<i>115,080,359</i>	<i>(4,949,015)</i>

Fund Balance

City Council Policy B-12, Fund Balance, establishes a policy that ensures the City maintains adequate fund balance and reserves to provide sufficient cash flow for daily needs, secure and maintain investment grade bond ratings, offset significant economic downturns and revenue shortfalls, and provide funds for unforeseen expenditures related to emergencies.

In accordance with the Policy, the General Fund, Fund Balance is currently segregated into an operating reserve, an economic uncertainty reserve, an unfunded pension obligation reserve, and a carryover reserve. The purpose for each of these reserves is discussed more fully below.

Operating Reserve – The Operating Reserve is recomputed annually at 20% of expenditures and is maintained each year. The Operating Reserve serves the following essential purposes:

1. Provides cash flow to avoid borrowing (tax and revenue anticipation notes) during low cash periods (typically the first six-months of the fiscal year).
2. Provides interest-earning revenues to benefit the General Fund.
3. Serves as the single most important practice evaluated by credit rating agencies when rating a municipality.
4. Protects the City from unforeseeable circumstances such as:
 - Unexpected costs resulting from a national or local disaster.
 - A sudden worsening in the economy.
 - Unanticipated external factors, such as litigation or negative actions of other governments.

Economic Uncertainty Reserve – This reserve is established for the purpose of stabilizing delivery of City services during periods of structural budget deficits and to mitigate the effects of major economic uncertainties resulting from unforeseen changes in revenues and/or expenditures.

Unfunded Retirement Obligation Reserve - This reserve was established to address the increasing unfunded liability and higher employer contribution rates. CalPERS conducts periodic evaluations of the actuarial assumptions and, after due consideration by its Board, modifies the assumptions based on actual experience.

Carryover Reserve – The Carryover Reserve is available for the following purposes, and, without mitigation, is expected to be reduced over the course of the Five-Year Business Plan:

1. Allocating additional contributions to vehicle/equipment replacement, information technology replacement, and capital improvement projects for long-term fiscal sustainability.
2. Stabilizing delivery of City services during periods of operational budget deficits.
3. Mitigating the effects of major economic uncertainties resulting from unforeseen changes in revenues and/or expenditures.

Based on projections, and without mitigation, the table below summarizes the impact on fund balance of anticipated activity over the next five years.

GENERAL FUND	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28
Projected Total Ending Fund Balance	\$68,275,153	\$67,038,689	\$67,918,079	\$70,096,597	\$74,380,799	\$79,758,313

Wastewater Enterprise Fund Projection Results

Once the assumptions identified above are taken into account, and weighed alongside objective information, a picture of anticipated results emerges. The impact of unforeseen events may have much bigger impacts than what is anticipated here. The information presented below indicates the starting point from which adjustments can be made during the annual budget process to ensure balanced budgets going forward.

Summary of Projected Wastewater Fund Activity

Fiscal Year	Projected Inflows	Projected Outflows	Change in Fund Balance
FY 2022-23	34,569,390	28,843,295	5,726,095
FY 2023-24	33,003,542	29,968,520	3,035,022
FY 2024-25	33,663,613	30,460,685	3,202,928
FY 2025-26	34,336,885	31,105,799	3,231,086
FY 2026-27	35,023,623	31,642,416	3,381,207
FY 2027-28	35,724,095	32,381,851	3,342,244

It should be noted that this set of projections does not include the impact of user rate increases. As the City increases its repair, maintenance, and development of its sewer system beyond previous levels, authorized rate increases may be necessary. Additionally, rates increases, significant increases in Metropolitan Wastewater JPA participation, or expanded capital activity will greatly affect projected results. However, based on projections, and without mitigation, the table below summarizes the impact on fund balance of anticipated activity over the next five years.

The table below summarizes the impact on fund balance of this projected activity over the next five years.

WASTEWATER FUND	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28
Projected Total Ending Budgetary Fund Balance	\$38,069,003	\$41,104,025	\$44,306,953	\$47,538,039	\$50,919,246	\$54,261,490

Reconciliation of the Market Value of Assets

1. Market Value of Assets as of 6/30/20 including Receivables	\$214,546,056
2. Change in Receivables for Service Buybacks	(48,470)
3. Employer Contributions	111,393,592
4. Employee Contributions	1,876,956
5. Benefit Payments to Retirees and Beneficiaries	(19,008,563)
6. Refunds	(24,177)
7. Transfers	0
8. Service Credit Purchase (SCP) Payments and Interest	54,310
9. Administrative Expenses	(272,154)
10. Miscellaneous Adjustments	0
11. Investment Return (Net of Investment Expenses)	59,042,735
12. Market Value of Assets as of 6/30/21 including Receivables	<u>\$367,560,283</u>

Reconciliation of the Market Value of Assets

1. Market Value of Assets as of 6/30/20 including Receivables	\$163,877,244
2. Change in Receivables for Service Buybacks	(94,908)
3. Employer Contributions	55,499,867
4. Employee Contributions	1,080,151
5. Benefit Payments to Retirees and Beneficiaries	(14,883,909)
6. Refunds	(115,680)
7. Transfers	0
8. Service Credit Purchase (SCP) Payments and Interest	116,445
9. Administrative Expenses	(208,108)
10. Miscellaneous Adjustments	1
11. Investment Return (Net of Investment Expenses)	42,141,198
12. Market Value of Assets as of 6/30/21 including Receivables	<u>\$247,412,300</u>

(Gain)/Loss Analysis 6/30/20 – 6/30/21

To calculate the cost requirements of the plan, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year, actual experience is compared to the expected experience based on the actuarial assumptions. This results in actuarial gains or losses, as shown below.

1. Total (Gain)/Loss for the Year

a) Unfunded Accrued Liability (UAL) as of 6/30/20	\$143,281,559
b) Expected Payment on the UAL during 2020-21	107,314,768
c) Interest through 6/30/21 $ [.07 \times (1a) - ((1.07)^{1/2} - 1) \times (1b)]$	6,337,216
d) Expected UAL before all other changes $ [(1a) - (1b) + (1c)]$	42,304,007
e) Change due to plan changes	0
f) Change due to AL Significant Increase	0
g) Change due to assumption change	2,601,881
h) Change due to method change	0
i) Change due to Funding Risk Mitigation	9,112,740
j) Expected UAL after all other changes $ [(1d) + (1e) + (1f) + (1g) + (1h) + (1i)]$	54,018,628
k) Actual UAL as of 6/30/21	14,552,329
l) Total (Gain)/Loss for 2020-21 $ [(1k) - (1j)]$	<u>(\$39,466,299)</u>

2. Investment (Gain)/Loss for the Year

a) Market Value of Assets as of 6/30/20	\$214,546,056
b) Prior Fiscal Year Receivables	(97,286)
c) Current Fiscal Year Receivables	48,815
d) Contributions Received	113,270,548
e) Benefits and Refunds Paid	(19,032,740)
f) Transfers, SCP Payments and Interest, and Miscellaneous Adjustments	54,310
g) Expected Return at 7% per year	18,004,793
h) Expected Assets as of 6/30/21 $ [(2a) + (2b) + (2c) + (2d) + (2e) + (2f) + (2g)]$	326,794,496
i) Actual Market Value of Assets as of 6/30/21	367,560,283
j) Investment (Gain)/Loss $ [(2h) - (2i)]$	<u>(\$40,765,787)</u>

3. Non-Investment (Gain)/Loss for the Year

a) Total (Gain)/Loss (1l)	(\$39,466,299)
b) Investment (Gain)/Loss (2j)	<u>(40,765,787)</u>
c) Non-Investment (Gain)/Loss $ [(3a) - (3b)]$	<u>\$1,299,488</u>

(Gain)/Loss Analysis 6/30/20 – 6/30/21

To calculate the cost requirements of the plan, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year, actual experience is compared to the expected experience based on the actuarial assumptions. This results in actuarial gains or losses, as shown below.

1. Total (Gain)/Loss for the Year

a) Unfunded Accrued Liability (UAL) as of 6/30/20	\$82,300,443
b) Expected Payment on the UAL during 2020-21	53,678,892
c) Interest through 6/30/21 $ [.07 \times (1a) - ((1.07)^{1/2} - 1) \times (1b)]$	3,914,045
d) Expected UAL before all other changes $ [(1a) - (1b) + (1c)]$	32,535,596
e) Change due to plan changes	0
f) Change due to AL Significant Increase	0
g) Change due to assumption change	121,813
h) Change due to method change	0
i) Change due to Funding Risk Mitigation	5,445,987
j) Expected UAL after all other changes $ [(1d) + (1e) + (1f) + (1g) + (1h) + (1i)]$	38,103,396
k) Actual UAL as of 6/30/21	9,126,318
l) Total (Gain)/Loss for 2020-21 $ [(1k) - (1j)]$	<u>(\$28,977,078)</u>

2. Investment (Gain)/Loss for the Year

a) Market Value of Assets as of 6/30/20	\$163,877,244
b) Prior Fiscal Year Receivables	(249,035)
c) Current Fiscal Year Receivables	154,127
d) Contributions Received	56,580,018
e) Benefits and Refunds Paid	(14,999,589)
f) Transfers, SCP Payments and Interest, and Miscellaneous Adjustments	116,445
g) Expected Return at 7% per year	12,860,896
h) Expected Assets as of 6/30/21 $ [(2a) + (2b) + (2c) + (2d) + (2e) + (2f) + (2g)]$	218,340,106
i) Actual Market Value of Assets as of 6/30/21	247,412,300
j) Investment (Gain)/Loss $ [(2h) - (2i)]$	<u>(\$29,072,194)</u>

3. Non-Investment (Gain)/Loss for the Year

a) Total (Gain)/Loss (1l)	(\$28,977,078)
b) Investment (Gain)/Loss (2j)	<u>(29,072,194)</u>
c) Non-Investment (Gain)/Loss $ [(3a) - (3b)]$	\$95,116

Development of Accrued and Unfunded Liabilities

	June 30, 2020	June 30, 2021
1. Present Value of Projected Benefits		
a) Active Members	\$140,653,016	\$154,721,070
b) Transferred Members	13,453,524	14,656,352
c) Terminated Members	4,446,321	3,864,864
d) Members and Beneficiaries Receiving Payments	250,709,107	270,270,141
e) Total	\$409,261,968	\$443,512,427
2. Present Value of Future Employer Normal Costs	\$31,859,260	\$38,908,227
3. Present Value of Future Employee Contributions	\$19,575,093	\$22,491,588
4. Entry Age Accrued Liability		
a) Active Members [(1a) - (2) - (3)]	\$89,218,663	\$93,321,255
b) Transferred Members (1b)	13,453,524	14,656,352
c) Terminated Members (1c)	4,446,321	3,864,864
d) Members and Beneficiaries Receiving Payments (1d)	250,709,107	270,270,141
e) Total	\$357,827,615	\$382,112,612
5. Market Value of Assets (MVA)	\$214,546,056	\$367,560,283
6. Unfunded Accrued Liability (UAL) [(4e) - (5)]	\$143,281,559	\$14,552,329
7. Funded Ratio [(5) / (4e)]	60.0%	96.2%

Development of Accrued and Unfunded Liabilities

	June 30, 2020	June 30, 2021
1. Present Value of Projected Benefits		
a) Active Members	\$77,977,047	\$78,669,834
b) Transferred Members	9,826,217	10,538,524
c) Terminated Members	4,862,249	5,146,125
d) Members and Beneficiaries Receiving Payments	174,432,134	186,531,202
e) Total	\$267,097,647	\$280,885,685
2. Present Value of Future Employer Normal Costs	\$12,353,646	\$15,262,565
3. Present Value of Future Employee Contributions	\$8,566,314	\$9,084,502
4. Entry Age Accrued Liability		
a) Active Members [(1a) - (2) - (3)]	\$57,057,087	\$54,322,767
b) Transferred Members (1b)	9,826,217	10,538,524
c) Terminated Members (1c)	4,862,249	5,146,125
d) Members and Beneficiaries Receiving Payments (1d)	174,432,134	186,531,202
e) Total	\$246,177,687	\$256,538,618
5. Market Value of Assets (MVA)	\$163,877,244	\$247,412,300
6. Unfunded Accrued Liability (UAL) [(4e) - (5)]	\$82,300,443	\$9,126,318
7. Funded Ratio [(5) / (4e)]	66.6%	96.4%

City of El Cajon Annual Pension Status Report

June 30, 2022 Projected

(Source: June 30, 2021 CalPERS Plan Actuarial Valuations and Pension Outlook Tool)

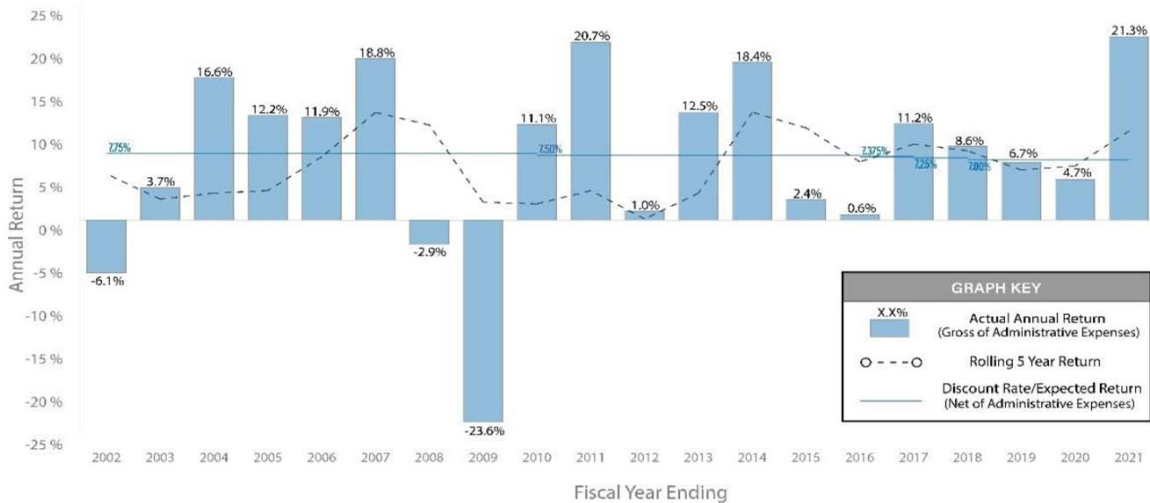
Valuation Date	Safety Plan			Miscellaneous Plan			Combined Plans			
	Plan Liability	Plan Assets	Status	Plan Liability	Plan Assets	Status	Total Liability	Total Assets	Unfunded	Status
June 30, 2022	\$ 393,710,000	\$ 333,970,000	84.8%	\$ 260,420,000	\$ 223,620,000	85.9%	\$ 654,130,000	\$ 557,590,000	\$ 96,540,000	85.2%
June 30, 2021	382,112,612	367,560,283	96.2%	256,538,618	247,412,300	96.4%	638,651,230	614,972,583	23,678,647	96.3%
June 30, 2020	357,827,615	214,546,056	60.0%	246,177,687	163,877,244	66.6%	604,005,302	378,423,300	225,582,002	62.7%
June 30, 2019	339,193,406	210,268,697	62.0%	239,685,601	161,538,723	67.4%	578,879,007	371,807,420	207,071,587	64.2%
June 30, 2018	329,637,443	202,843,543	61.5%	233,570,524	156,241,053	66.9%	563,207,967	359,084,596	204,123,371	63.8%
June 30, 2017	309,732,456	193,702,654	62.5%	218,395,632	149,048,480	68.2%	528,128,088	342,751,134	185,376,954	64.9%
June 30, 2016	293,743,734	180,039,340	61.3%	209,950,483	138,220,065	65.8%	503,694,217	318,259,405	185,434,812	63.2%
June 30, 2015	283,472,973	185,930,792	65.6%	201,489,297	141,996,648	70.5%	484,962,270	327,927,440	157,034,830	67.6%
June 30, 2014	273,024,740	188,098,614	68.9%	196,047,087	143,189,938	73.0%	469,071,827	331,288,552	137,783,275	70.6%
June 30, 2013	250,722,908	166,418,715	66.4%	179,006,378	125,744,840	70.2%	429,729,286	292,163,555	137,565,731	68.0%
June 30, 2012	243,043,472	153,654,487	63.2%	173,408,473	113,325,989	65.4%	416,451,945	266,980,476	149,471,469	64.1%

06/30/2021 New Amortization Bases

Plan	Reason for Base	Date Est.	Amort. Period	Balance 6/30/21	Balance 6/30/22	Balance 6/30/23
Safety	Assumption Change	6/30/2021	20	\$ 2,601,882	\$ 3,049,671	\$ 3,535,495
Safety	Investment (Gain)/Loss	6/30/2021	20	(31,123,087)	(33,239,457)	(35,499,740)
Safety	Non-Investment (Gain)/Loss	6/30/2021	20	1,299,488	1,387,853	1,482,227
Safety	Risk Mitigation	6/30/2021	1	9,112,740	10,020,806	10,998,695
Safety	Risk Mitigation Offset	6/30/2021	1	(9,642,700)	(10,298,404)	(10,998,695)
Miscellaneous	Fresh Start	6/30/2021	1	9,126,318	5,535,562	1,372,290

CalPERS Investment Returns

History of Investment Returns (2002 - 2021)



Projected Contributions

	Required Contribution	Projected Future Employer Contributions				
		2024-25	2025-26	2026-27	2027-28	
Safety Plan	Normal Cost %	21.6%	21.2%	20.8%	20.3%	19.9%
	UAL Payment \$	3,774,341	\$ 3,950,000	\$ 3,770,000	\$ 4,360,000	\$ 4,950,000
Miscellaneous Plan	Normal Cost %	13.1%	12.7%	12.3%	11.9%	11.6%
	UAL Payment \$	1,418,181	\$ 4,670,000	\$ 1,420,000	\$ 770,000	\$ 1,530,000

City of El Cajon

Summary of Savings
Pre-POB Issuance - 06/30/2019 CalPERS Valuation

FY	06/30/2019 UAL Payments	POB Debt SVC	UAL Actual	POB + UAL Actual	Actual (Savings)	Original Projected Savings	Difference From Original
2022	\$ 16,709,382	\$ 9,118,884	\$ 6,133,529	\$ 15,252,413	\$ (1,456,969)	\$ (451,784)	\$ 1,005,185
2023	18,083,973	9,122,874	8,616,165	17,739,039	(344,934)	(1,514,835)	(1,169,901)
2024	19,004,361	9,121,854				(2,231,470)	
2025	18,204,487	9,120,081				(2,989,972)	
2026	18,202,417	9,118,645				(3,364,110)	
2027	18,757,100	9,122,192				(3,700,394)	
2028	19,269,477	9,119,078				(4,052,685)	
2029	19,795,940	9,117,593				(4,412,949)	
2030	20,336,886	9,117,402				(4,781,785)	
2031	20,892,705	9,118,484				(5,159,487)	
2032	20,028,770	9,120,359				(5,546,812)	
2033	19,841,457	9,122,518				(5,944,555)	
2034	18,492,127	9,119,423				(6,358,550)	
2035	17,968,143	9,122,279				(6,678,479)	
2036	17,101,507	9,118,493				(6,711,246)	
2037	15,535,633	9,121,101				(6,089,283)	
2038	14,712,188	9,117,190				(5,427,897)	
2039	13,831,790	9,120,561				(4,711,229)	
2040	13,182,216	9,120,723				(4,061,492)	
2041	13,767,675	9,117,510				(4,650,167)	
2042	11,684,164	9,120,759				(2,563,404)	
2043	11,293,366	9,119,977				(2,173,388)	
2044	10,783,007					(10,783,015)	
2045	343,795					(344,059)	
2046	-						
	<u>\$ 387,822,566</u>	<u>\$ 200,637,980</u>	<u>\$ 14,749,694</u>	<u>\$ 32,991,452</u>	<u>\$ (1,801,903)</u>	<u>\$ (104,703,047)</u>	<u>\$ (164,716)</u>

City of El Cajon

Summary of Project Savings
06/30/2021 CalPERS Valuation and CalPERS Pension Outlook Tool

FY	06/30/2019 UAL Payments	POB Debt SVC	UAL Actual / Projected	POB + UAL	(Savings)	Original Projected Savings	Difference From Original
2022	\$ 16,709,382	\$ 9,118,884	\$ 6,133,529	\$ 15,252,413	\$ (1,456,969)	\$ (451,784)	\$ 1,005,185
2023	18,083,973	9,122,874	8,616,165	17,739,039	(344,934)	(1,514,835)	(1,169,901)
2024	19,004,361	9,121,854	5,192,522	14,314,376	(4,689,985)	(2,231,470)	2,458,515
2025	18,204,487	9,120,081	5,130,000	14,250,081	(3,954,406)	(2,989,972)	964,434
2026	18,202,417	9,118,645	6,480,000	15,598,645	(2,603,772)	(3,364,110)	(760,338)
2027	18,757,100	9,122,192	7,820,000	16,942,192	(1,814,908)	(3,700,394)	(1,885,486)
2028	19,269,477	9,119,078	9,040,000	18,159,078	(1,110,399)	(4,052,685)	(2,942,286)
2029	19,795,940	9,117,593	9,470,000	18,587,593	(1,208,347)	(4,412,949)	(3,204,602)
2030	20,336,886	9,117,402	9,430,000	18,547,402	(1,789,484)	(4,781,785)	(2,992,301)
2031	20,892,705	9,118,484	9,400,000	18,518,484	(2,374,221)	(5,159,487)	(2,785,266)
2032	20,028,770	9,120,359	9,360,000	18,480,359	(1,548,411)	(5,546,812)	(3,998,401)
2033	19,841,457	9,122,518	9,330,000	18,452,518	(1,388,939)	(5,944,555)	(4,555,616)
2034	18,492,127	9,119,423	9,290,000	18,409,423	(82,704)	(6,358,550)	(6,275,846)
2035	17,968,143	9,122,279	9,250,000	18,372,279	404,136	(6,678,479)	(7,082,615)
2036	17,101,507	9,118,493	9,220,000	18,338,493	1,236,986	(6,711,246)	(7,948,232)
2037	15,535,633	9,121,101	9,180,000	18,301,101	2,765,468	(6,089,283)	(8,854,751)
2038	14,712,188	9,117,190	9,130,000	18,247,190	3,535,002	(5,427,897)	(8,962,899)
2039	13,831,790	9,120,561	9,090,000	18,210,561	4,378,771	(4,711,229)	(9,090,000)
2040	13,182,216	9,120,723	9,040,000	18,160,723	4,978,507	(4,061,492)	(9,039,999)
2041	13,767,675	9,117,510	9,000,000	18,117,510	4,349,835	(4,650,167)	(9,000,002)
2042	11,684,164	9,120,759	8,980,000	18,100,759	6,416,595	(2,563,404)	(8,979,999)
2043	11,293,366	9,119,977	8,950,000	18,069,977	6,776,611	(2,173,388)	(8,949,999)
2044	10,783,007		3,540,000	3,540,000	(7,243,007)	(10,783,015)	(3,540,008)
2045	343,795			-	(343,795)	(344,059)	(264)
2046	-						
	<u>\$ 387,822,566</u>	<u>\$ 200,637,980</u>	<u>\$ 190,072,216</u>	<u>\$ 390,710,196</u>	<u>\$ 2,887,630</u>	<u>\$ (104,703,047)</u>	<u>\$ (107,590,677)</u>

**Summary of Proposed Additional Contributions
(Citywide- Estimated)**

<hr/>			
FY 2022-23			
	General Fund (101)	\$ 5,000,000	
	Gas Tax (211)	140,667	
	Transit (213)	385	
	Recreation Programs (240)	8,728	
	Vehicle Maintenance (601)	71,319	
	Self-Insurance (610)	25,821	
	IT Services (615)	125,453	
	WasteWater (650)	515,829	
		<hr/>	\$ 5,888,202
FY 2023-24			4,500,000
FY 2024-25			3,500,000
FY 2025-26			2,500,000
	Total		<hr/> \$ 16,388,202 <hr/>

Appendix B: CDBG / HOME Adjustments

CDBG

Project Number	Project Name	Increase/(Decrease)
C1103	CDBG - HOME DELIVERED MEALS	\$12,500.00
C1107	CDBG-CV - HOME START SCATTER-SITE	\$264,807.00
C1115	CDBG - FAIR HOUSING SERVICES	(\$25,000.00)
C1116	CDBG - ADMINISTRATION	(\$125,467.00)
C1125	CDBG-CV - ADMINISTRATION	\$22,000.00
C1126	CDBG-CV - OUTREACH SUPPORT SERVICES	\$155,000.00
C1128	CDBG - HOUSING SERVICES	\$25,000.00
TBD	CDBG - COVID RELATED PROJECTS	\$185,000.00
CUNAL	CDBG - UNALLOCATED AMOUNTS	(\$493,553.69)

HOME

Project Number	Project Name	Increase/(Decrease)
H1120	HOME ADMINISTRATION	(\$579,972.09)
TBD	CHDO SET ASIDE	\$190,358.85
TBD	REHAB POOL OF FUNDS	\$2,703,328.10
TBD	SINGLE FAMILY REHAB PROGRAM	\$646.25
TBD	HOME-ARP	\$2,189,272.00
HUNAL	HOME - UNALLOCATED AMOUNTS	(\$2,236,146.11)



City Council
Agenda Report

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Ellena Holmes, Management Assistant
SUBJECT: Urban Roots Gardening Initiative Recap

RECOMMENDATION:

That the City Council receives the report on the Urban Roots Gardening Initiative Program and provides feedback.

BACKGROUND:

At its September 13, 2022 meeting, the City Council directed staff to develop a gardening assistance program for households in the City of El Cajon. With the cost of food increasing in recent times, this project was developed to support El Cajon residents in growing their own fruit, vegetables, and herbs at home.

Staff analyzed several ways in which to administer the program, from having pre-selected items available for pickup at the Public Works Yard, for a reimbursement program. After considering the pros and cons of various options, staff developed a "menu" of categorized items, such as fruit trees, soil, tools, seeds & plants, and garden beds. The "menu" allowed residents to select gardening items to meet their specific needs, whether growing fruit trees in their backyards, or small window gardens in their apartments.

Single household residents were limited to \$300 in items. Apartment complex owners with at least three tenants participating were limited to \$1,000 in items. The program total cost limit was \$20,000 and the total amount spent was \$19,024.40.

The program launched on March 7, 2023 with a flyer in the My El Cajon newsletter, social media posts, and webpage on the City's website. The City received hundreds of requests for information through the El Cajon app. Within six days, the program reached capacity with over 100 applications received; of those who applied, the first 74 eligible applicants were selected.

After verifying that each applicant was a resident and had submitted a tree maintenance/media rights agreement form, items were purchased from The Home Depot in preparation for the pickup event scheduled on March 25, 2023. The "We Are One" committee provided assistance in sorting each resident's items into carts, in preparation for pickup. Garden bed orders were available for pickup at the Public Works Yard on April 8, 2023.

A review of the program revealed some insights into what went well and areas that needed improvement. Overall, staff is pleased with the over 95% pickup rate. The marketing for the program helped spread the word so that applicants from all areas of El Cajon were able to participate. The wide variety of items that were picked up demonstrate that residents were able to select the items that were specific to their individual needs. Staff acknowledges that working closely with The Home Depot in the development and implementation phases would have been more effective in streamlining the program.

Staff thanks The Home Depot for their collaboration in making this program possible. Their participation in organizing the items and helpfulness during the pickup event is appreciated.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

This agenda item is only reporting on a community event and is therefore not subject to the California Environmental Quality Act.

FISCAL IMPACT:

Sufficient funding for program expenditures of \$19,024.40 was available in the Fiscal Year 2022-23 Public Works Parks Operations Annual Budget (101530).

Prepared By: Ellena Holmes

Reviewed By: Frank Carson, Director of Parks & Recreation

Approved By: Graham Mitchell, City Manager



City Council
Agenda Report

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Mayor Wells
SUBJECT: Council Activity Report

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body. This City Administrative Activity is not a project and therefore not subject to CEQA.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

April 24, 2023 - Interview with KUSI
April 25, 2023 - Interview with Channel 10
April 26, 2023 - South Bay Republican Women's Association
April 27, 2023 - American General Contractors Meeting
April 29, 2023 - Republican Women of Navajo
April 29, 2023 - Weighorst Museum Birthday Celebration
May 1, 2023 - Interview with KUSI
May 2, 2023 - Meeting with Turkmenistan Officials
May 9, 2023 - City Council Meeting

I am available to answer questions.

Submitted By: Bill Wells, Mayor



City Council Agenda Report

Agenda Item 17.

DATE: May 9, 2023

TO: Honorable Mayor and City Councilmembers

FROM: Deputy Mayor Goble

SUBJECT: DEPUTY MAYOR STEVE GOBLE

MTS (Metropolitan Transit System Board); East County Advanced Water Purification Joint Powers Authority Board; Chamber of Commerce – Government Affairs Committee; SANDAG – Board of Directors – Alternate; SANDAG Public Safety Committee – Alternate.

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body. This City Administrative Activity is not a project and therefore not subject to CEQA.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- April 24, 2023 - Interview with NBC Nightly News
- April 25, 2023 - Interview with KUSI
- April 26, 2023 - Town Hall on Homelessness
- April 27, 2023 - ALDI Grand Opening
- April 27, 2023 - MTS Budget Committee Meeting
- April 28, 2023 - Youth Venture Grand Opening
- April 30, 2023 - Express Jewelry & Watch Repairs Anniversary
- April 30, 2023 - Emails with CEO of MTS re: bus weights
- April 30, 2023 - Emails with GM of ECAWP re: weight on buried pipes
- May 1, 2023 - Briefing by County on Crisis Stabilization Unit in El Cajon
- May 1, 2023 - Phone Call with City Manager re: new Spec Op License Ordinance
- May 2, 2023 - East County Chamber Government Affairs Committee Meeting
- May 4, 2023 - Town Hall on Homelessness
- May 5, 2023 - Chamber First Friday Breakfast
- May 5, 2023 - Tour of AWP Construction Progress
- May 8, 2023 - Attend SANDAG Military Working Group Meeting

May 9, 2023 - City Council Meeting

I am available to answer questions.

Submitted By: Steve Goble, Deputy Mayor



City Council
Agenda Report

Agenda Item 18.

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Councilmember Kendrick
SUBJECT: COUNCILMEMBER GARY KENDRICK
METRO Commission/Wastewater JPA; Heartland Communications;
Heartland Fire Training JPA.

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body. This City Administrative Activity is not a project and therefore not subject to CEQA.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

April 26, 2023 - Town Hall on Homelessness
May 1, 2023 - East County Crisis Stabilization Unit Meeting
May 4, 2023 - Metro Wastewater JPA
May 4, 2023 - Town Hall on Homelessness
May 9, 2023 - City Council Meeting

I am available to answer questions.

Submitted By: Gary Kendrick, Councilmember



City Council
Agenda Report

Agenda Item 19.

DATE: May 9, 2023

TO: Honorable Mayor and City Councilmembers

FROM: Councilmember Metschel

SUBJECT: COUNCILMEMBER MICHELLE METSCHEL

Harry Griffen Park Joint Steering Committee; METRO
Commission/Wastewater JPA – Alternate; Heartland Communications –
Alternate; Heartland Fire Training JPA – Alternate.

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body. This City Administrative Activity is not a project and therefore not subject to CEQA.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

April 26, 2023 - #3 Town Hall on Homelessness
April 27, 2023 - ALDI Grand Opening at Parkway Plaza
April 27, 2023 - Spoke with Resident Bonnie D. regarding housing
April 28, 2023 - Youth Venture Grand Opening at Parkway Plaza
April 29, 2023 - Home Start Fundraising Gala
May 1, 2023 - Follow up with Bonnie D. on housing
May 2, 2023 - Zoom meeting with Assemblymember Chris Ward
May 4, 2023 - #4 Town Hall on Homelessness
May 6, 2023 - TEDx Kids Event
May 8, 2023 - A.M. Ortega Training Opening at ECTLC
May 9, 2023 - City Council Meeting

I am available to answer questions.

Submitted By: Michelle Metschel, Councilmember



City Council
Agenda Report

Agenda Item 20.

DATE: May 9, 2023

TO: Honorable Mayor and City Councilmembers

FROM: Councilmember Ortiz

SUBJECT: COUNCILMEMBER PHIL ORTIZ

League of California Cities, San Diego Division; East County Economic Development Council; MTS (Metropolitan Transit System Board) – Alternate; East County Advanced Water Purification Joint Powers Authority Board – Alternate; Chamber of Commerce – Government Affairs Committee – Alternate.

RECOMMENDATION:

That the City Council accepts and files the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body. This City Administrative Activity is not a project and therefore not subject to CEQA.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

April 26, 2023 - Town Hall on Homelessness
April 28, 2023 - Youth Venture Ribbon Cutting
May 2, 2023 - KUSI Interview
May 4, 2023 - Town Hall on Homelessness
May 9, 2023 - City Council Meeting

I am available to answer questions.

Submitted By: Phil Ortiz, Councilmember



City Council
Agenda Report

Agenda Item 21.

DATE: May 9, 2023
TO: Honorable Mayor and City Councilmembers
FROM: Angela Cortez, City Clerk
SUBJECT: Amendments to ECMC Title 5 Addressing Service Providers Operating in the City of El Cajon

RECOMMENDATION:

That Mayor Wells requests the City Clerk to recite the title.

An Ordinance Repealing Section 5.16.030 of Chapter 5.16 of the El Cajon Municipal Code; Adding a New Section 5.16.030 to Chapter 5.16 of the El Cajon Municipal Code; and Adding a New Chapter 5.22 to Title 5 of the El Cajon Municipal Code.

This project is exempt pursuant to CEQA Guidelines Subsection 15061(b)(3), the "Common Sense," rule which states that CEQA applies only to projects which have the potential to cause a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The proposed amendments are designed to ensure a safe living and business environment, inform the City of the number of service providers operating in El Cajon, and prevent nuisance activities throughout the City.

Attachments

Ord 5135

ORDINANCE NO. 5135

AN ORDINANCE REPEALING SECTION 5.16.030 OF
CHAPTER 5.16 OF THE EL CAJON MUNICIPAL CODE;
ADDING A NEW SECTION 5.16.030 TO CHAPTER 5.16
OF THE EL CAJON MUNICIPAL CODE; AND ADDING
A NEW CHAPTER 5.22 TO TITLE 5 OF THE
EL CAJON MUNICIPAL CODE

The City Council of the City of El Cajon does ordain as follows:

SECTION 1: Section 5.16.030 of Chapter 5.16 of the El Cajon Municipal Code is hereby repealed in its entirety.

SECTION 2: A new section 5.16.030 of Chapter 5.16 of the El Cajon Municipal Code is hereby added to read as follows:

5.16.030 Applicability.

The following businesses and activities shall be licensed according to the procedure specified in this chapter:

- A. Businesses and activities not involving the exercise of First Amendment rights, including the following:
 - 1. Escort services;
 - 2. Junkyards;
 - 3. Massage parlors;
 - 4. Pawnbrokers¹;
 - 5. Poolrooms;
 - 6. Private patrol services;
 - 7. Secondhand stores and kiosks¹;
 - 8. Swap meet operation;
 - 9. Vehicles for hire;
 - 10. Alcohol and tobacco-free public dances;
 - 11. Towing service for city police towing purposes;
 - 12. Closing-out sales;
 - 13. Ambulances;
 - 14. Penny arcades and other games of skill or amusement; and
 - 15. Card rooms as provided for in Chapter 5.28.

- B. Businesses and activities that may involve the exercise of First Amendment rights, including the following:
 - 1. Cabarets;
 - 2. Public dances;
 - 3. Sound trucks;
 - 4. Fortune-telling and related occupations; and

5. Service providers.

¹ Pawnbrokers and secondhand dealers are subject to Chapter 5.48.

SECTION 3. A new Chapter 5.22 is hereby added to Title 5 of the El Cajon Municipal Code to read as follows:

Chapter 5.22 SERVICE PROVIDERS.

5.22.010 Purpose.

The purpose of this chapter is to provide for the orderly regulation of service providers in order to adequately protect and promote the health, safety and general welfare of the community.

5.22.020 Definitions.

The following definitions apply to this chapter:

Words or terms not otherwise defined in section 5.04.020 shall have the meanings as set forth below.

"Bridge housing" means any transitional, emergency, or temporary housing and serves as a bridge before placement into permanent housing.

"Domestic violence services" means assisting individuals to access emergency, transitional, and long-term housing, crisis hotlines, medical and legal advocacy, and other services to survivors of domestic violence, dating violence, sexual violence, and stalking.

"Housing navigation" means assisting individuals in need of housing, including but not limited to help with housing search; identification of an individual's housing barriers; guidance and advocacy to overcome those barriers; information and referral to community resources to address concerns related to housing (employment and training, mainstream benefits, etc.), developing a housing plan, and assistance in filling out housing applications.

"Housing placement" means the placement of individuals into bridge or permanent housing solution.

"Other support services" means supportive actions that connect homeless individuals with diversion, treatment for substance abuse, mental health, or healthcare services.

"Outreach services" means efforts to help identify, screen and refer individuals that are experiencing homelessness or who are at-risk of

homelessness to critical services, emergency shelter, temporary or permanent housing solutions.

"Participant" or "individual" means a person receiving outreach services, housing navigation, domestic violence services, rapid rehousing, housing placement, or other support services from a service provider.

"Rapid rehousing" means providing immediate rental assistance and services to individuals experiencing literal homelessness.

"Service provider" means an agency or organization that provides outreach services, housing navigation, domestic violence services, rapid rehousing, housing placement, housing retention and other support services for individuals experiencing homelessness or who are at-risk of homelessness.

"Service provider personnel" means a person or individual working or volunteering on behalf of a service provider.

"Static-99R" means a revised sexual risk offender tool that is the commonly used empirical-actuarial risk scale for male sexual offenders (both parolees and probationers) and likelihood of sexual recidivism; is recognized by the State of California, which has mandated the use of Static-99R when judges sentence sex offenders; and rates sex offenders by scores associated with each sex offender, on a scale ranging from -3 to 1 (low) to 6 to 12 (high).

5.22.030 License Required.

- A. It shall be unlawful for any person to act as a service provider without first obtaining and maintaining a valid special operation license pursuant to this chapter.
- B. No person shall engage in or carry on as a service provider in the city without first having applied for and secured a license pursuant to Chapter 5.16, paid license taxes as specified in Chapters 5.04 and 5.08, and complied with all regulations pertaining to such business provided in this code and all applicable state or federal regulations.
- C. Nothing in this chapter shall be construed to grant any person obtaining and maintaining a special operation license any status or right other than the right to act as a service provider in the city.

5.22.040 Application.

Application for a special operation license shall be submitted in the name of each service provider proposing to conduct outreach services as defined in section 5.22.020 and shall be signed by an authorized agent thereof. It is the responsibility of each service provider to be informed of the laws

affecting the issuance of a special operation license. A license that is issued in error or on the basis of false or misleading information supplied by a service provider may be revoked pursuant to section 5.16.090 of this title. All applications shall be submitted on a form supplied by the department and shall contain the following information:

- A. The name, address, and contact information of the service provider, including local contact information.
- B. The name of agencies, organizations, or governments for which the service provider is under contract to provide services.
- C. A copy of any contract or agreement with the agency, organization or government, including the scope of work and services being provided.
- D. The name(s) and address(es) of all emergency shelter, bridge, temporary, and permanent housing locations where individuals will be placed *provided, however*, that the location of emergency shelters, bridge, temporary, and permanent housing in which victims of domestic violence are being served shall be listed on a separate sheet, submitted to the city along with the application in a sealed envelope marked "Confidential – DV Housing," to be opened only at the direction of the city manager, and only for the purpose of investigations to consider approval of the application or (if approved) enforce compliance with this chapter.
- E. A discharge/transportation plan for all participants of service provider programs.

5.22.050 Application Fee.

- A. The intent and purpose of this section is to impose a regulatory fee upon all service providers pursuant to this chapter. This fee shall provide for the enforcement and regulation of the operational conditions, performance standards and other applicable regulations set forth in this chapter.
- B. The annual regulatory fee shall be established by resolution of the city council. The fee shall be calculated so as to recover the total cost of both administration and enforcement of the operational conditions, performance standards and other applicable regulations set forth under this chapter, including, for example, administering the program, ensuring compliance with regulations, but shall not exceed the cost of the total program. All fees shall be used to fund the program. Fees are nonrefundable except as may be required by law.

5.22.060 Operational Standards.

All service provider activities shall conform to all of the following operational standards:

- A. That activities do not result in adverse effects to the health, peace or safety of persons residing or working in the surrounding area.
- B. That activities do not jeopardize or endanger the public health or safety of persons residing or working in the surrounding area.
- C. That service provider placement activities include a criminal background check completed for each participant placed within the city.
- D. That not less than 48 hours prior to placing any participant who is a registered sex offender with a Static-99R score of 4 or greater (i.e., Moderate-High to High) the service provider will notify the El Cajon Police Department of the proposed placement by calling (619) 579-3311 and identifying where the participant will be housed or accommodated, but shall not identify the participant, or his Static-99R score, unless otherwise allowed by law.
- E. That service provider personnel shall accompany participants to any placement location.
- F. That service providers will have a discharge and transportation plan that, among other things, does not discharge or allow the discharge of participants into homelessness. This plan must be submitted as part of the special operation license application and be approved by the city as part of the review and approval process of the license.

5.22.070 Operational Reporting

Each service provider operating within the city shall report monthly on the effectiveness of their efforts by providing the following information:

- A. Number of individual participants served (individual participant is a person).
- B. The address of each shelter, temporary housing, bridge housing, or permanent housing location used to place a participant, including the date of entry.
- C. The location where the participant was most recently homeless prior to being placed in El Cajon.
- D. Number of new, existing, and discharged participants.

- E. Number of participants discharged or transported to another service provider.
- F. The average daily rate paid for the housing of each participant.

5.22.080 Violation.

Any person violating any of the provisions of this chapter, or knowingly or intentionally misrepresenting to any officer or employee of this city any material fact in procuring the license provided for in this chapter, are subject to the provisions of the general penalty clause as set forth in section 1.24.010 of this code.

5.22.090 Public Nuisance

Any service provider which is established or maintained in violation of this chapter is deemed to be a public nuisance and may be abated in accordance with Chapter 1.16 of this code.

SECTION 4. The City Council of the City of El Cajon intends this ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this ordinance shall be construed in light of that intent. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is held invalid or unconstitutional for any reason by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portion.

SECTION 5. This ordinance shall go into effect thirty (30) days following its passage and adoption.

04/25/23 CC Agenda – 1st Reading
05/09/23 CC Agenda – 2nd Reading

Ord – Amend ECMC 5.16.030 & Add ECMC Chapter 5.22 042723



City Council
Agenda Report

DATE: May 9, 2023
TO: City Clerk
FROM: City Attorney/General Legal Counsel
SUBJECT: Closed Session - Conference with Labor Negotiators pursuant to Government Code section 54957.6:

Agency Designated Representatives:

Graham Mitchell, City Manager
Vince DiMaggio, Assistant City Manager
Clay Schoen, Director of Finance
Marisol Thorn, Director of Human Resources

Employee Organization:

El Cajon Mid-Management and Professional Employees Group

RECOMMENDATION:

That the following Closed Session be scheduled for the Joint City Council / Housing Authority / Successor Agency to the El Cajon Redevelopment Agency meeting on Tuesday, May 9, 2023, at 3:00 p.m.

CONFERENCE WITH LABOR NEGOTIATORS – pursuant to Government Code section 54957.6:

Agency Designated Representatives:

Graham Mitchell, City Manager
Vince DiMaggio, Assistant City Manager
Clay Schoen, Director of Finance
Marisol Thorn, Director of Human Resources

Employee Organization:

El Cajon Mid-Management and Professional Employees Group

Morgan L. Foley
City Attorney/General Legal Counsel
MLF:hms
