

**AGENDA
REGULAR MEETING
SIERRA MADRE CITY COUNCIL,
SUCCESSOR AGENCY, AND
PUBLIC FINANCE AUTHORITY**

Tuesday, January 23, 2018 - 6:30 pm

**City Hall Council Chambers
232 W. Sierra Madre Boulevard
Sierra Madre, California 91024**

*Rachelle Arizmendi, Mayor
Denise Delmar, Mayor Pro Tem
John Capoccia, Council Member
Gene Goss, Council Member
John Harabedian, Council Member*

*Vacant, City Clerk
Michael Amerio, City Treasurer*



PUBLIC COMMENT

The Council will listen to the public on any item on the agenda. Under the Brown Act, Council is prohibited from taking action on items not on the agenda, but the matter may be referred to staff or to a subsequent meeting. Each speaker will be limited to three continuous minutes, which may not be delegated. These rules will be enforced but may be changed by appropriate City Council action.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA:

Persons wishing to speak on any item on the agenda will be called at the time the agenda item is brought forward. Persons wishing to speak on closed session items have a choice of doing so either immediately prior to the closed session or at the time for comments on items at the open session.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:

Time shall be devoted to audience participation early on the agenda.

**CALL TO ORDER/ROLL CALL
MEMBERS OF THE CITY COUNCIL**

Mayor Arizmendi, Mayor Pro Tem Delmar, Council Member Capoccia, Council Member Goss, and Council Member Harabedian

**PLEDGE OF ALLEGIANCE AND
INVOCATION/INSPIRATION**

Council Member Gene Goss

APPROVAL OF AGENDA

Vote of the Council to proceed with City business.

APPROVAL OF MEETING MINUTES

Approval of City Council minutes from the regular meetings on December 12, 2017 and January 9, 2018.

MAYOR AND CITY COUNCIL REPORTS

Council Member activities relating to City business.

PUBLIC COMMENT

Regarding items not on the Agenda.

PRESENTATION

Introduction of new Sierra Madre Fire Department Personnel

ACTION ITEMS

1. CONSENT

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| <p>a) ADOPTION OF RESOLUTION 18-04 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS</p> | <p>Recommendation that the City Council approve Resolution 18-04 for approval of payment of City Warrants in aggregate amount of \$226,700.52; Library warrants in the aggregate amount of \$3,498.67, and payroll transfer in the aggregate amount of \$348,081.63 for fiscal year ending June 2018.</p> |
| <p>b) CONSIDERATION OF CANCELLATION OF APRIL 10, 2018 CITY COUNCIL MEETING</p> | <p>Recommendation that the City Council authorize the cancellation of the April 10, 2018 Regular meeting and direct City staff to pay all necessary expenses during that time.</p> |
| <p>c) SECOND READING OF ORDINANCE No. 1395 AMENDING TITLE 15 OF THE SIERRA MADRE MUNICIPAL CODE TO ADD CHAPTER 15.62 ESTABLISHING PROCEDURES FOR EXPEDITED PERMITTING OF ELECTRIC VEHICLE CHARGING STATIONS AND CONSIDERATION OF RESOLUTION NO. 18-03 ADOPTING A REVISED FEE SCHEDULE FOR PLAN CHECK FEE FOR EXPEDITED PERMITTING OF ELECTRIC VEHICLE CHARGING STATIONS</p> | <p>Recommendation that the City Council introduce and approve for second reading by title only and waive further reading Ordinance No. 1395, amending Title 15 of the Sierra Madre Municipal Code: Buildings and Construction Code, to add Chapter 15.62 – Electric Vehicle Charging Stations, and to approve Resolution No. 18-03 establishing a plan check fee based on the recovery of costs of reviewing plans for expedited permitting of electric vehicle charging stations.</p> |
| <p>d) SECOND READING OF ORDINANCE No. 1398 REAUTHORIZING THE CITY’S PUBLIC, EDUCATIONAL, AND GOVERNMENTAL (PEG) ACCESS SUPPORT FEE</p> | <p>Recommendation that the City Council introduce and approve for second reading by title only and waive further reading Ordinance No. 1398, reauthorizing the City’s public, educational, and governmental (PEG) access support fee.</p> |
| <p>e) ATHENS SERVICES 2018 ANNUAL RATE ADJUSTMENT</p> | <p>Recommendation that the City Council approve the January 1, 2018 annual rate adjustment for Athens Services and authorize the City Manager to execute the amended agreement.</p> |
| <p>f) RECOMMENDATION TO APPROVE THE NOTICE OF COMPLETION FOR THE HIGHLAND MEWS DEVELOPMENT PROJECT AT 186 WEST HIGHLAND AVENUE</p> | <p>Recommendation that the City Council approve the Notice of Completion for the project and authorize the developer to file the Notice of Completion with the Los Angeles County Clerk.</p> |

ACTION ITEMS

Regardless of staff recommendation on any agenda item, the City Council will consider such matters, including action to approve, conditionally approve, reject, or continue such item.

PUBLIC HEARING

The appellant and/or applicant will each be provided a total of ten (10) minutes to address their item. A portion of their allotted time may be reserved for rebuttal or a summary conclusion at the close of public comment. All other speakers will be limited to a total of three continuous minutes, which cannot be delegated.

AVAILABILITY OF AGENDA MATERIALS

Materials related to items on this agenda are available for public inspection on the City's website at www.cityofsierramadre.com, and during normal business hours at City Hall, 232 W. Sierra Madre Blvd. and at the Sierra Madre Public Library, 440 W. Sierra Madre Blvd.

LIVE BROADCASTS

Regular City Council meetings are broadcasted live on Cable Channel 3 and rebroadcast on Wednesday and Saturday at 5:30 p.m.

MEETING ASSISTANCE

If you require special assistance to participate in this meeting, please call the City Manager's office at (626) 355-7135 at least 48 hours prior to the meeting.

ADJOURNMENT

The City Council will adjourn to a Regular Meeting at this same place on Tuesday, February 13, 2018.

MINUTES

Agenda - Regular Meeting of the Sierra Madre City Council,
Successor Agency and Public Finance Authority
Tuesday, December 12, 2017 – 6:30 p.m.
City Hall Council Chambers, 232 W. Sierra Madre Blvd., Sierra Madre, CA 91024

CALL TO ORDER/ROLL CALL MEMBERS OF THE CITY COUNCIL:

Present: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar, Council Member John Capoccia, Council Member Gene Goss, and Council Member John Harabedian

Absent: None

Also, Present: Gabe Engeland, City Manager
Teresa Highsmith, City Attorney
Melinda Carrillo, City Clerk
Mike Amerio, City Treasurer
James Carlson, Management Analyst
Mike Goth, Acting Fire Chief
Laura Aguilar, Assistant City Clerk

PLEDGE OF ALLEGIANCE AND INVOCATION/INSPIRATION:

Mayor Rachelle Arizmendi led Pledge of Allegiance. Mayor Arizmendi expressed surprise in the passing of San Francisco Mayor Ed Lee. Mayor Arizmendi offered Mayor Lee's family and the City of San Francisco prayer and thought. Mayor Arizmendi reported the Thomas Fire is in the top five largest wild fires in California. As of Monday evening it was at 231,000 acres burned. She expressed thanks to all firefighters.

REPORT FROM CLOSED SESSION:

City Attorney Highsmith reported that the Council met in closed session with the City Attorney to get a briefing on a matter of potential or anticipated litigation. The Council provided staff and the City Attorney with direction, no action was taken.

APPROVAL OF AGENDA:

Mayor Rachelle Arizmendi noted that the presentation from Director Tom Love from the San Gabriel Valley Municipal Water District was cancelled.

Mayor Pro Tem Denise Delmar moved to approve the agenda with the change.

Council Member John Capoccia seconded the motion for approval.

Ayes: Mayor Rachelle Arizmendi, Mayor Pro tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

The motion to approve the agenda was passed unanimously.

MAYOR AND CITY COUNCIL REPORTS:

- 1) Council Member John Harabedian attended the first LACCE (Los Angeles Community Choice Energy) Board meeting. He is looking into the energy options this may provide locally and will possibly join in as a member to represent.
- 2) Council Member Goss reported he attended the Honors Award Dinner and felt all involved did a fabulous job.
- 3) Mayor Pro Tem Denise Delmar also attended and wanted to let all know that the Honoree's and Award Winners are in the Mountain View News as well but she felt the event was a success.
- 4) Mayor Rachelle Arizmendi commented how great the transition of the Honors Dinner was with changing venues, having limited resources and all of the volunteers as well as City Staff, who were involved in making it a successful dinner. She also spoke about being on the California League of Cities Board and their avocation of safety in small cities.
- 5) Council Member John Capoccia had nothing to report.

Mayor Arizmendi opened public comment on items not on the agenda.

AGENDA ACTION ITEMS; CONSENT CALENDAR:

City Manager Engeland gave the following report under the Consent Calendar:

- a) ADOPTION OF RESOLUTION 17-67 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS
- b) RECOMMENDATION TO APPROVE THE NOTICE OF COMPLETION FOR THE EMERGENCY REPLACEMENT OF 900 FEET OF WATER MAIN IN MANZANITA AVENUE AND SIERRA PLACE

Mayor Arizmendi brought the matter to the City Council for questions and discussion.

Council Member Capoccia commented on item 1B that he appreciated that the main issue came in at less cost than anticipated which means more funding can go to other main issues.

Council Member Gene Goss commented on item 1B that he knows of residents who are ecstatic on the fix of the main and it is greatly appreciated.

Mayor Arizmendi opened for public comment. Seeing no one come forward Mayor Arizmendi closed public comment on the consent calendar.

Council Member John Capoccia made a motion to approve items 1A and 1B on the consent calendar

The motion to approve items 1A and 1B was seconded by Council Member John Harabedian

Ayes: Mayor Rachelle Arizmendi, Mayor Pro tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

The motion to approve consent items 1A and 1B passed unanimously.

ITEMS FOR DISCUSSION:

2. CONSIDERATION OF RESOLUTION 17-68 APPROVING THE 4TH AMENDMENT TO THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS' JOINT POWERS AGREEMENT

Management Analyst James Carlson presented the report.

Mayor Arizmendi brought the matter before the City Council for discussion or questions. Seeing none, Mayor Arizmendi opened the matter for public comment. Seeing no one come forward, Mayor Arizmendi closed public comment on agenda item 2 and brought the matter back to the City Council for discussion.

Council Member John Capoccia had stated that as the COG Representative, he understood that ACE had worked with COG to get all projects done on time and under budget. As ACE is winding down on projects, projects would be given back to local control for project management.

Mayor Rachelle Arizmendi feels that this will provide more objectives that could benefit the City but there are no projects that will directly affect us. Ultimately, the Council's say may not matter but that they will have to go with this joint powering

Council Member John Harabedian is in favor of approval.

Council Member John Capoccia made a motion to approve Resolution 17-68

The motion to approve Resolution 17-68 was seconded by Council Member John Harabedian

Ayes: Mayor Rachelle Arizmendi, Mayor Pro tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

The motion to approve Resolution 17-68 was approved unanimously.

3. CONSIDERATION OF AMENDMENT OF SIERRA MADRE MUNICIPAL CODE SECTION 10.52.030 ON YELLOW AND RED FLAG DAYS

Acting Fire Chief Mike Goth presented the report.

Council Member John Capoccia asked if all three requirements were necessary to declare a Red Flag Days. Acting Fire Chief Goth responded that all three requirements are necessary. Prior to this evening only 4 days would have qualified as Red Flag Days. Council Member Capoccia asked about public education for Red Flag Days.

Council Member John Harabedian asked how notification would go out to residents and where they would park. Fire Chief Goth responded that parking is available on Mountain Trail and Alegria and have SMPD relax enforcement on Mountain Trail and Alegria on Red Flag Days. Residents would be notified via Nixel, social media, e-blast, and a red flag which was done previously so the residents are aware of this method.

Council Member Gene Goss wanted to know if there are regional red flag warnings. Chief Mike Goth responded that it would be regional and not City specific.

Mayor Pro Tem Denise Delmar asked how many residents were contacted during the four days Acting Fire Chief responded that there are currently no enforcement efforts at this time.

Mayor Arizmendi opened the matter for public comment

Natalie Cortez, Skyland Dr. –She is a first responder and has worked some of the recent fires. Ms. Cortez requested Council have some swift and forward thinking to get this into motion to protect these areas of the canyon. Also asked that they survey the area for red curbs and there are not enough in the area.

Barbara Lee Kline feels people are aware enough in Sierra Madre and in the canyon. She thinks residents just need a reminder to be alert.

Mayor Arizmendi asked if anyone else would like to comment on this matter. Seeing no one come forward, Mayor Arizmendi brought the matter back to Council for discussion.

No action was taken. City staff will return to a meeting in January with a draft ordinance for City Council consideration.

4. CONSIDERATION OF RESOLUTION 17-69: A RESOLUTION PRESENTING TO VOTERS AN ADVISORY QUESTION AT THE GENERAL MUNICIPAL ELECTION ON APRIL 10, 201

Assistant City Clerk Laura Aguilar presented the report.

Council Member John Harabedian wanted to know if it is a reasonable solution to return fire suppression to 100% volunteer service if \$2.6 million in General Funds is lost. Hypothetically if the City lost that much revenue would the City be able to fund a fire department?

City Manager Engeland responded that several options were considered but when you add police, fire, library and community services it makes up about 80% of the budget so any cuts will likely come from those departments. With that said, City Manager Engeland has made a note to change the advisory ballot measure language to read 100% volunteer service or outsource.

Council Member Capoccia asked how it is possible to go back to 100% volunteer service? How would you find qualified people to volunteer?

Mayor Arizmendi opened the matter for public comment

Barbara Lee Kline commented that the City should cut services that are not mandated by the City. Looks at cuts in Community Services and also look at selling the back lot at the library. Savings can come elsewhere other than police and fire department.

Mayor Arizmendi asked if anyone else would like to comment on the item. Seeing no one, Mayor Arizmendi closed public comment and brought back to Council for discussion.

Council Member John Harabedian asked what would \$2.6 million be in terms of expenditures? City Manager Engeland responded that it is about a quarter of the City's General Fund.

Mayor Pro Tem Delmar and Council Member Goss would like to amend the presented resolution to remove the words "100% volunteer service."

Council Member Capoccia requested that UUT be spelled out to read Utility Users' Tax.

All Council Members were in favor of educating the public of what the end results are if items or measures are not passed.

Recommendation was made to add the advisory measure with the amended language discussed by Council for the ballot.

Council Member John Harabedian moved to approve Resolution 17-69 as amended, adding an advisory question at the General Municipal Election

The motion to approve was seconded by Mayor Rachelle Arizmendi

Ayes: Mayor Rachelle Arizmendi, Mayor Pro tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

The motion to approve Resolution 17-69 as amended passed unanimously.

Mayor Arizmendi asked the Council if there were any requests for new items for future agendas. No new items were presented.

A motion to adjourn the meeting in honor of San Francisco Mayor Ed Lee was made by Council Member John Harabedian

The motion to adjourn was seconded by Mayor Pro Tem Denise Delmar

Ayes: Mayor Rachelle Arizmendi, Mayor Pro tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

Meeting adjourned at 7:49 pm.

Rachelle Arizmendi, Mayor

Minutes taken and typed by:

Assistant City Clerk Laura Aguilar

MINUTES

Agenda - Regular Meeting of the Sierra Madre City Council,
Successor Agency and Public Finance Authority
Tuesday, January 9, 2018 – 6:30 p.m.
City Hall Council Chambers, 232 W. Sierra Madre Blvd., Sierra Madre, CA 91024

6:30 PM - CALL TO ORDER/ROLL CALL MEMBERS OF THE CITY COUNCIL:

Present: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar (via teleconference) Council Member Gene Goss, Council Member John Capoccia, and Council Member John Harabedian

Absent: None

Also, Present: Gabe Engeland, City Manager
Teresa Highsmith, City Attorney
Marcie Medina, Assistant City Manager
James Carlson, Management Analyst
Mike Goth, Acting Fire Chief
Vincent Gonzalez, Director of Planning and Community Preservation
Laura Aguilar, Assistant City Clerk
Mike Amerio, City Treasurer

PLEDGE OF ALLEGIANCE AND INVOCATION/INSPIRATION:

Council Member John Capoccia led Pledge of Allegiance and reflected on the life of Eunice Banis.

APPROVAL OF AGENDA:

Council Member John Capoccia moved to approve the agenda as presented

Council Member John Harabedian seconded the motion

Ayes: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar, Council Members John Capoccia, Gene Goss and John Harabedian

Noes: None

The motion to approve the agenda as presented was passed unanimously.

APPROVAL OF MINUTES:

Mayor Rachelle Arizmendi moved on to the approval of the minutes from November 14, 2017 and November 28, 2017.

Council Member John Harabedian made a motion to approve the both sets of minutes as presented.

Council Member Gene Goss seconded the motion.

Ayes: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian.

Noes: None
Abstain: None

The motion to approve the November 17, 2018 and November 28, 2017 was passed unanimously.

MAYOR AND CITY COUNCIL REPORTS:

- 1) Council Member Gene Goss offered a happy new year and kudos to the Sierra Madre Rose Float Association for a great float. Also, Council Member Goss attended a Community Services Commission meeting in December.
- 2) Council Member John Harabedian attended a LACCE (Los Angeles Community Choice Energy) meeting and provided an update.
- 3) Council Member John Capoccia had nothing to report.
- 4) Mayor Pro Tem Denise Delmar had nothing to report.
- 5) Mayor Rachelle Arizmendi recognized the Sierra Madre Police Department as it was National Law Enforcement Day. She thanked them for their service. Mayor Arizmendi also noted the Council would recognize the Sierra Madre Rose Float Association in February or possibly March for their hard work and in winning the Fantasy Award noting that this makes it their 12th award in the last 13 years.

Mayor Arizmendi opened for public comment on items not on the agenda

PUBLIC COMMENT ON NON-AGENDA ITEMS:

- Pat Alcorn, Grandview, wanted to thank the City and the Chamber of Commerce for the honor of “Citizen of the Year” at the Honor Dinner last month. She also wanted to give special recognition to Maryann MacGillivray for her wonderful introduction of Pat and De Alcorn at the dinner.

Mayor Arizmendi asked if anyone else would like to come forward on items not on the agenda. Seeing no one come forward, Mayor Arizmendi closed public comment.

PRESENTATION UPDATE TO THE CITY FROM PASADENA EDUCATION FOUNDATION AND PASADENA UNIFIED SCHOOL DISTRICT:

Bart Doyle presented on behalf of the Pasadena Unified School District. He called his report “15 things you might want to know about the Pasadena Unified School District.”

- Mr. Doyle updated the Council on all the CHOICE programs that have been added to the PUSD schools and how they are enriching the lives of local programs from children in the Sierra Madre, Pasadena and Altadena areas
- He spanned across all avenues of education from STEAM to language learning, athletics to the incorporation of different cultures and socio-economic backgrounds and the incorporation of community gardens in 19 schools now.

- Mr. Doyle spoke on the investments that are still being made by the communities into PUSD and he wanted to thank Sierra Madre for their contributions to PUSD.
- Mr. Doyle encouraged parents to know they can apply for the various CHOICE programs within the school district. The date of opening is January 11, 2018 and will close February 2nd, 2018. The most efficient way to enroll is www.pusd.us and it will take you to the enrollment link.

Questions/Comments from Council:

Council Member Capoccia believes Pasadena schools are undervalued and many are not aware of the quality of education offered by PUSD.

PRESENTATION IN RECOGNITION OF RETIRING FIRE CHIEF STEPHEN HEYDORFF

Mayor Rachele Arizmendi to present the award

Each Council Member provided their own message of appreciation to Chief Heydorff

Mayor Rachele presented Chief Heydorff a proclamation on behalf of the City of Sierra Madre in recognition of service to the community of Sierra Madre. Mayor Arizmendi also presented certificates of recognition from Supervisor Kathryn Barger's office and the Office of Assembly member Chris Holden.

Representative Darla Dyson from Senator Anthony Portantino's Office presented Chief Heydorff with a certificate of recognition.

Acting Fire Chief Mike Goth presented Chief Heydorff with his retirement badge

Chief Heydorff spoke about the changes over the years he had to face but appreciated being with the City of Sierra Madre. He appreciated his wife, his daughters, the City Staff and all of the departments.

AGENDA ACTION ITEMS; CONSENT CALENDAR:

City Manager Gabriel Engeland gave the following reports under the Consent Calendar.

- a) ADOPTION OF RESOLUTION 18-01 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS
- b) AMENDED AND RESTATED TRANSPORTATION SERVICES AGREEMENT WITH FIRST TRANSIT, INC.
- c) TREASURER'S REPORT – QUARTER ENDING SEPTEMBER 30, 2017

Mayor asked if any member of the Council had questions on items on the Consent Calendar.

Council Member Capoccia asked to for explanation on item 1B; reducing fares from \$2.00 to \$.50. Management Analyst Carlson provided the response. A cost survey was done of the neighboring cities and most charged \$.50 to \$1.00. The City does not want to out-price newer forms of transportation like Uber or Lyft. The impact on revenue is nominal.

Mayor Arizmendi asked the Council if there were any other questions on the other Consent Calendar items.

Council Member Capoccia asked City Treasurer Amerio if he had any comment on the Treasure Report. City Treasurer Amerio reported that is has taken about one year to get all the funds invested. About \$8 million is laddered into various investments and the interest rates are growing as the ladder grows.

Mayor Arizmendi opened for public comment. Seeing no one, Mayor Arizmendi closed public comment and brought the matter back to the Council.

Council Member John Harabedian moved for approval of the Consent Calendar.
Council Member Gene Goss seconded the motion for approval.

Ayes: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

The motion to approve the Consent Calendar was approved unanimously.

PUBLIC HEARING:

2. FIRST READING OF ORDINANCE No. 1395 AMENDING TITLE 15 TO ADD CHAPTER 15.62 ESTABLISHING PROCEDURES FOR EXPEDITED PERMITTING OF ELECTRIC VEHICLE CHARGING STATIONS AND CONSIDERATION OF RESOLUTION No. 18- 03 ADOPTING A REVISED FEE SCHEDULE FOR PLAN CHECK FEES FOR EXPEDITED PERMITTING OF ELECTRIC VEHICLE CHARGING STATIONS

Vincent Gonzalez, Director of Planning and Community Preservation gave the presentation.

Council Member Gene Goss asked about electricity from an outside source. Director Gonzalez confirmed it would have to be Southern California Edison going into a residence or a commercial building into an outlet, it would not cover solar.

Council Member John Harabedian asked about the existing electrical permit inspection fee. Is there a reason Willdan is getting the equivalent of \$442 per hour to do this inspection? Director Gonzales responded that the split is 30% to the City and 70% goes to Willdan for the application fee.

Council Member John Capoccia asked how many installations there have been in the City. Director Gonzalez responded that as of 2016 there have been less than six.

Mayor Arizmendi opened the Public Hearing and asked for public comment. Seeing no one come forward, Mayor Arizmendi closed the Public Hearing and brought the matter back to Council for discussion.

Council Member John Harabedian moved to approve the first reading of Ordinance 1395 and Resolution 18-03

The motion was seconded by Council Member Gene Goss

Ayes: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar and Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

The motion to approve passed unanimously.

ITEMS FOR DISCUSSION:

3. CONSIDERATION OF ORDINANCE No. 1398 REAUTHORIZING THE CITY'S PUBLIC, EDUCATIONAL, AND GOVERNMENTAL (PEG) ACCESS SUPPORT FEE

Management Analyst James Carlson presented the report.

Council Member John Capoccia asked if the \$25,000 revenue the City receives 2% of the gross revenue? Is it mainly the cable company that pays this?

Management Analyst responded that that is correct. Only Charter/Time Warner/Spectrum is paying this.

Mayor Arizmendi opened for public comment. Seeing no one come forward, Mayor Arizmendi closed public comment and brought the matter back to Council for discussion or a motion.

Council Member Gene Goss asked if using web telecasting is an alternative.

City Manager Engeland confirmed that the meetings are streamed on YouTube and available to anyone with a Smart TV.

Council Member Gene Goss moved to approve Ordinance 1398

Council Member John Capoccia seconded the motion to approve.

Ayes: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar, Council Member John Harabedian and Mayor Rachelle Arizmendi

Noes: None

Abstain: None

The motion to approve Ordinance 1398 reauthorizing the City's Public, Educational, and Governmental Access Support Fee passed unanimously.

4. CONSIDERATION OF URGENCY ORDINANCE 1397U AMENDING THE SIERRA MADRE MUNICIPAL CODE TO INCLUDE RED FLAG FIRE WEATHER DAYS AS "NO PARKING DAYS" IN THE CANYON AREA

Acting Fire Chief Mike Goth gave the presentation.

Mayor Arizmendi asked if the Council had any questions for Acting Chief Goth.

Council Member John Capoccia asked if canyon residents were notified. Acting Chief Goth responded that the ordinance is an urgency ordinance and based on conditions it is necessary to pass the ordinance first then begin education outreach to all affected areas.

Mayor Rachelle Arizmendi asked about outreach. City Manager Engeland responded that outreach will be done door to door.

Mayor Arizmendi opened for public comment

Barbara Lee Kline asked what accommodations will be made for the businesses in the canyon – Mary's Market She feels that canyon residents are being singled out. Asked for additional input from the residents before approving the ordinance.

City Manager Engeland responded that the idea of the red flag warning is not to evacuate the canyon, just to keep the roadways clear so public safety vehicles are not obstructed when responding during red flag conditions.

De Alcorn, Grandview Avenue, suggested using the Sierra Madre Cert Team for community outreach and probably some door to door outreach.

Mayor Arizmendi closed public comment and brought back the matter back to Council for discussion.

Council Member John Harabedian feels this is necessary and something the City should already have in place. We should definitely need to let the residents know right away and recommended a town hall.

Council Member John Capoccia tacked on to advising by adding possibly having town hall meeting at Nature's Friends meeting hall.

Mayor Pro Tem Denise Delmar (via conference call) recommended a town hall and is in support of the ordinance. Recommends working with Mary's Market to get the information out.

Mayor Arizmendi commented on how small the space is up in the canyon and though notification of the residents is pertinent, there is also a need to have this in place.

Mayor Rachelle Arizmendi to approve Ordinance 1397U as an urgency ordinance.

Seconded: Council Member John Harabedian

Ayes: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

The motion to approve Urgency Ordinance 1397U passed unanimously.

5. RESIGNATION OF ELECTED CITY CLERK CARRILLO AND OPTIONS FOR PROVIDING CONTINUATION OF CITY CLERK SERVICES

City Manager Gabe Engeland gave the report.

With the City Clerk resignation effective January 5, 2018, the Council has 60 days to appoint a City Clerk or schedule a special election. During the interim period, staff is making one recommendation tonight. Staff is recommending that the Council appoint the Assistant City Clerk to handle all functions of the City Clerk, including Elections Official, until a new City Clerk is appointed or elected. And, staff is asking for direction from the Council about appointing a City Clerk or holding an election for a City Clerk. If an appointment is desired then it can be advertised similar to how commission appointments are done. If an election is desired, then Council will need to decide if it will be through a Special Election, no sooner than June 5, 2018, the cost of a special election is estimated at about \$55,000, or the general election that will take place in April 2020. An appointed City Clerk would remain until the election in April 2020.

City Attorney Highsmith clarified that the Council is looking to either appoint a resident of Sierra Madre to serve out the unexpired term of the City Clerk until April 2020 or alternatively pay to hold a special election to have someone run for the remainder of the existing term that will end April 2020.

Mayor Arizmendi asked when the City is consolidating with the County for the election. City Attorney Highsmith responded 2022.

Council Member John Harabedian asked if there is anything under the law that states the Council cannot appoint an interim City Clerk? Does the Council have the authority to appoint a City Clerk? City Attorney Highsmith responded that it is Council's choice and at their discretion to decide whether to appoint a resident of Sierra Madre, that is a registered voter, or to hold a special election. Those are the Council's statutory options.

Mayor Pro Tem Delmar asked what the duties of appointed City Clerk would be. Are the duties different for an appointed Clerk versus an elected Clerk? City Attorney Highsmith responded that the appointment is to take over the unexpired term so the duties are exactly the same. The duties, by statute, include keeping an accurate record of City proceedings, that's what we call minutes, keeps a record of City ordinances and resolutions that the Council passes, and is custodian of the City seal. The Council has the authority under the government code and municipal code to assign additional duties to the City Clerk. You have 60 days to make this decision. You do not need to decide tonight, although you can.

Mayor Arizmendi opened the matter for public comment.

Barbara Lee Kline, elected official is an elected official. She feels the City should pay \$55,000 to conduct a special election.

Pat Alcorn, Grandview Avenue, does not believe it is fiscally wise to have a special election. Council can appoint a City Clerk until the election in 2020. The appointee should be someone from the community, not a City employee. Before you appoint someone, you need to define what the duties are and what the expectation are and what is the purpose of a City Clerk?

Mayor Arizmendi asked if anyone else wanted to comment on the item. Seeing no one come forward, Mayor Arizmendi closed public comment and brought the matter back to Council for discussion.

Mayor Pro Tem Delmar agreed with Mrs. Alcorn that the duties should be clear. Mayor Pro Tem Delmar expressed concern with holding a special election because 1) it's a lot of money and 2) we had a difficult time getting candidates to run for City Clerk a couple of years ago. I don't want to call a special election and miss the 60 day appointment period if no one runs for City Clerk.

Council Member Capoccia believes the only thing that makes sense is to solicit applications for a City Clerk similar to how it is done with commissions. Council Member Capoccia's preference is to appoint a City Clerk for the remainder of the term.

Council Member Harabedian agrees with Council Member Capoccia and would like to appoint the Assistant City Clerk Election Official and assuming Clerk duties until the Council makes an appointment. Council Member Harabedian believes it would be fiscally unwise to hold a special election.

Council Member Gene Goss agrees with Council Members Capoccia and Harabedian.

Mayor Arizmendi thanks Pat Alcorn for volunteering to assist in the elections.

Mayor Arizmendi moved to appoint the Assistant City Clerk as Elections Official for the April 2018 election.

The motion was seconded by Council Member Capoccia

Ayes: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

NEW ITEMS PLACED FOR FUTURE AGENDA:

Mayor Arizmendi asked the members of the City Council if there are any new items for future agendas.

Council Member John Capoccia would like to have an update on Kersting Court upgrade. He would also like an update on Arts in Public Places.

Mayor Arizmendi asked for a motion to approve.

Council Member John Harabedian made a motion to adjourn

The motion to adjourn was seconded by Council Member John Capoccia

Ayes: Mayor Rachelle Arizmendi, Mayor Pro Tem Denise Delmar, Council Members John Capoccia, Gene Goss, and John Harabedian

Noes: None

Abstain: None

The motion to adjourn was passed unanimously.

CITY COUNCIL MEETING ADJOURNED AT 8:14pm.

Rachelle Arizmendi, Mayor

Minutes taken and typed by:

Laura Aguilar, Assistant City Clerk

RESOLUTION NUMBER 18-04

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE
APPROVING CERTAIN DEMANDS**

WHEREAS, the following demands have been reviewed and approved by the Finance Director; and,

WHEREAS, the Finance Director has verified that appropriated funds are available for payment thereof; and,

WHEREAS, the register of audited demands has been submitted to the City Council for approval; and

WHEREAS, City Warrants are the payment of bills, invoices and contractual obligations incurred by the City of Sierra Madre during the period enumerated therein, based on the approved fiscal year budget and existing budgetary authority, Municipal Code authority, or prior policy direction by the City Council; and

WHEREAS, Payroll Transfer is the transfer of funds to cover the payroll costs for all City employees for the period enumerated therein.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Sierra Madre does hereby approve payment of City Warrants in the aggregate amount of \$226,700.52 Sierra Madre Library Warrants in aggregate amount of \$3,498.67 and Payroll Transfer in the aggregate amount of \$348,081.63 the fiscal year ending June 30, 2018.

APPROVED AND ADOPTED this 23th day of January, 2018.

Mayor, City of Sierra Madre, California

I hereby certify that the foregoing Resolution Number 18-04 was adopted by the City Council of the City of Sierra Madre at a regular meeting held on the 23th day of January, 2018.

AYES:

NOES:

ABSTAIN:

**City of Sierra Madre
Department of Finance
Warrant Register Recap
City Council Meeting of January 23, 2018**

CITY OF SIERRA MADRE AND SIERRA MADRE LIBRARY

City of Sierra Madre Warrants	\$226,700.52
Sierra Madre Library Warrants	\$3,498.67
Payroll #1 Transfer.....	\$348,081.63

Warrant Register 01/23/18**Attachment 1A**

Fiscal Year	Description	Amount	Page #
FY1718	Manual Warrants	12,621.17	1-4
FY1718	General Warrants- Utility Bills	54,022.71	5-6
FY1718	General Warrants	160,056.64	7-11
	Total	226,700.52	

Fiscal Year	Description	Amount	
FY1718	Library Warrants	3,498.67	12
	Total	3,498.67	

Date: 1/11/18	Payroll #1 Electronic Tansfers From: City of Sierra Madre-General Acct. To: City of Sierra Madre-Payroll Acct.	348,081.63	
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Packet: APPKT03810 - CC011118
Vendor Set: 01 - Vendor Set 01

Check Date: 01/11/2018

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
Fund: 10000 - GENERAL FUND							
<u>0823</u>	BANK OF AMERICA						
APBWEST	Check			<u>INV021861</u>	GE- HOLIDAY EVENT	10000.11000.53999	628.00
				<u>INV021801</u>	DC- COFFEE WITH A COP	10000.50000.52999	131.40
				<u>INV021797</u>	DC- HOLIDAY EVENT	10000.50000.52999	65.74
				<u>CM0000345</u>	DC- RETURN ITEMS	10000.50000.52999	-14.34
				<u>INV021800</u>	DC- PRINTING	10000.50000.53102	193.09
				<u>INV021799</u>	DC- SOFTWARE SUPPLIES	10000.50000.53103	153.00
				<u>INV021795</u>	DC- EQUIPMENT	10000.50000.53300	39.94
				<u>CM0000346</u>	DC- EQUIPMENT RETURNED	10000.50000.53300	-33.22
				<u>INV021796</u>	DC- SUPPLIES	10000.50000.53300	167.85
				<u>INV021798</u>	DC- HOLIDAY EVENT	10000.50000.53306	52.88
				<u>INV021811</u>	PG- TRAINING SUPPLIES	10000.61000.52205	146.41
				<u>INV021810</u>	PG- EDUC CODE 2018	10000.61000.53402	53.11
				<u>INV021863</u>	RS- SUPPLIES	10000.70000.53999	78.76
					Fund 10000 Total:		1,662.62
Fund: 29005 - LIBRARY GRANTS							
<u>0823</u>	BANK OF AMERICA						
APBWEST	Check			<u>INV021859</u>	JS- ADULT STEM PROGRAM	29005.90000.53999	56.00
				<u>INV021860</u>	JS- ADULT STEM PROGRAM	29005.90000.53999	273.74
					Fund 29005 Total:		329.74
Fund: 37006 - SENIOR CENTER							
<u>0378</u>	SMART & FINAL						
APBWEST	Check			<u>3056650038524</u>	HOLIDAY EVENT FOR SENIORS	37006.72000.53999	135.85
					Fund 37006 Total:		135.85
Fund: 39006 - FRIENDS OF THE LIBRARY DONATION FUND							
<u>0823</u>	BANK OF AMERICA						
APBWEST	Check			<u>INV021854</u>	JS- YOUTH PROGRAM SUPPLIES	39006.90000.53999	22.12
				<u>INV021855</u>	JS- YOUTH PROGRAM SUPPLIES	39006.90000.53999	22.02
				<u>INV021856</u>	JS- YOUTH PROGRAM SUPPLIES	39006.90000.53999	8.98
				<u>INV021857</u>	JS- YOUTH PROGRAM SUPPLIES	39006.90000.53999	31.91
				<u>INV021858</u>	JS- YOUTH PROGRAM SUPPLIES	39006.90000.53999	84.36
<u>0378</u>	SMART & FINAL						
APBWEST	Check			<u>3056650055588</u>	GINGERBREAD LIB ACTIVITY	39006.90000.53999	278.68
					Fund 39006 Total:		448.07
Fund: 60001 - INT SVC FND - FACILITIES MGT							
<u>0823</u>	BANK OF AMERICA						
APBWEST	Check			<u>INV021793</u>	CC- US & STATE FLAGS	60001.83200.53200	354.80
					Fund 60001 Total:		354.80
Fund: 60003 - INT SVC FND - TECHNOLOGY							
<u>0823</u>	BANK OF AMERICA						
APBWEST	Check			<u>6817819</u>	GE- PROFESSIONAL SERVICES	60003.30000.52100	583.44
				<u>CM0000347</u>	MM- CR ON A PURCHASE	60003.30000.53103	-122.60
				<u>INV021804</u>	MM- COMPUTER SUPPLIES	60003.30000.53103	613.00
				<u>INV021808</u>	MM- GFOA CONFERENCE	60003.30000.53402	1,521.00
				<u>INV021809</u>	MM- GFOA CONFERENCE	60003.30000.53402	1,521.00
					Fund 60003 Total:		4,115.84
Fund: 71000 - WATER ENTERPRISE FUND							
<u>0823</u>	BANK OF AMERICA						
APBWEST	Check			<u>INV021789</u>	JR- WATER TREATMENT PUMP	71000.81100.53209	178.33
				<u>INV021794</u>	CC- MEETING REFRESHMENTS	71000.81100.53402	10.50
				<u>INV021790</u>	JR- MEMBERSHIP	71000.81100.53409	26.00

Page 2

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
Bank Code	Payment Type				
APBWEST	Check	<u>INV021792</u>	JR- WATER SAMPLES /MANZANITA SIERRA PLAC	71000.81100.56010	1,080.00
Fund 71000 Total:					1,294.83
Fund: 72000 - SEWER					
<u>0823</u> BANK OF AMERICA					
APBWEST	Check	<u>INV021791</u>	JR- TOOLS	72000.81200.53205	168.56
Fund 72000 Total:					168.56
Fund: 77003 - SPECIAL EVENTS					
<u>0823</u> BANK OF AMERICA					
APBWEST	Check	<u>INV021864</u>	RS- SENIOR EXCURSION	77003.79003.52999	450.00
		<u>INV021865</u>	RS- SENIOR EXCURSION	77003.79003.52999	350.00
Fund 77003 Total:					800.00
Report Total:					9,310.31



Page 3

Packet: APPKT03814 - MTVIEW011618
Vendor Set: 01 - Vendor Set 01

Check Date: 01/16/2018

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
Fund: 10000 - GENERAL FUND					
1497	MOUNTAIN VIEWS NEWS				
APBWEST	Check	<u>CM140484</u>	Public Hearing Notice Publications	10000.12000.52206	884.95
				Fund 10000 Total:	884.95
				Report Total:	884.95



Page 4

Packet: APPKT03823 - RET012318
Vendor Set: 01 - Vendor Set 01

Check Date: 01/17/2018

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
Fund: 60007 - INT SVC FND - PERSONNEL AND RISK MGMT					
<u>1428</u>	DAN GINTER				
APBWEST	Check	<u>INV021873</u>	RETIREE HEALTH INSURANCE	60007.70100.51302	404.32
<u>1044</u>	JESSE TORIBIO				
APBWEST	Check	<u>INV021875</u>	RETIREE HEALTH INSURANCE	60007.70100.51302	202.16
<u>1156</u>	JOHN FORD				
APBWEST	Check	<u>INV021877</u>	RETIREE HEALTH INSURANCE	60007.70100.51302	283.02
<u>VEN01660</u>	LISA VOLPE				
APBWEST	Check	<u>INV021876</u>	RETIREE HEALTH INSURANCE	60007.70100.51302	323.45
<u>1113</u>	RUBEN ENRIQUEZ				
APBWEST	Check	<u>INV021874</u>	RETIREE HEALTH INSURANCE- JAN & FEB 18	60007.70100.51302	808.64
<u>2016</u>	STEVE POCK				
APBWEST	Check	<u>INV021878</u>	RETIREE HEALTH INSURANCE	60007.70100.51302	404.32
Fund 60007 Total:					2,425.91
Report Total:					2,425.91



Page 5

Packet: APPKT03821 - UB01718
Vendor Set: 01 - Vendor Set 01

Check Date: 01/16/2018

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
Fund: 32008 - PARKING ASSMNT DIST							
<u>0384</u>	SOUTHERN CALIF. EDISON CO.	APBWEST	Check	<u>2037520756-011018</u>	ELEC CHGS 12/7/17-1/8/18	32008.83000.55003	521.96
Fund 32008 Total:							521.96
Fund: 38005 - GAS TAX FUND							
<u>0384</u>	SOUTHERN CALIF. EDISON CO.	APBWEST	Check	<u>2037520756-011018</u>	ELEC CHGS 12/7/17-1/8/18	38005.83500.55003	50.96
Fund 38005 Total:							50.96
Fund: 60000 - INT SVC FND - FLEET							
<u>0216</u>	THE GAS COMPANY	APBWEST	Check	<u>11826147883-010518</u>	NATURAL GAS 12/1/17-1/1/18	60000.83100.55001	319.28
Fund 60000 Total:							319.28
Fund: 60001 - INT SVC FND - FACILITIES MGT							
<u>0384</u>	SOUTHERN CALIF. EDISON CO.	APBWEST	Check	<u>2037520756-011018</u>	ELEC CHGS 12/7/17-1/8/18	60001.83200.55003	5,485.87
Fund 60001 Total:							5,485.87
Fund: 60003 - INT SVC FND - TECHNOLOGY							
<u>VEN02792</u>	FRONTIER CALIFORNIA INC	APBWEST	Check	<u>62635514140920175</u>	PH CHGS 1/1-1/31/18	60003.30000.55005	553.96
				<u>20918837570307075</u>	PH CHGS 1/4-2/3/18	60003.30000.55005	1,901.74
Fund 60003 Total:							2,455.70
Fund: 71000 - WATER ENTERPRISE FUND							
<u>VEN02792</u>	FRONTIER CALIFORNIA INC	APBWEST	Check	<u>20918837570307075</u>	PH CHGS 1/4-2/3/18	71000.81100.55005	52.66
<u>0384</u>	SOUTHERN CALIF. EDISON CO.	APBWEST	Check	<u>2037520756-011018</u>	ELEC CHGS 12/7/17-1/8/18	71000.81100.55003	32,764.81
Fund 71000 Total:							32,817.47
Report Total:							41,651.24



Page 6

Packet: APPKT03805 - UB010918
Vendor Set: 01 - Vendor Set 01

Check Date: 01/09/2018

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
Fund: 10000 - GENERAL FUND							
<u>VEN02792</u>	FRONTIER CALIFORNIA INC						
APBWEST	Check			<u>31000157630511995</u>	LA CNTY SHRFF PH CHGS 12/28/17-1/27/18	10000.50000.55005	139.83
				<u>20915157430511995</u>	LA CNTY SHRFF PH CHGS 12/28/17-1/27/18	10000.50000.55005	241.58
<u>1439</u>	TIME WARNER CABLE						
APBWEST	Check			<u>8448208990027056-1</u>	PD CABLE SVCS NOV 17-JAN 18	10000.50000.52200	1,641.20
Fund 10000 Total:							2,022.61
Fund: 32005 - LIGHTING DISTRICT #1 - OAKWOOD/VISTA							
<u>0384</u>	SOUTHERN CALIF. EDISON CO.						
APBWEST	Check			<u>2011946423-010618</u>	ELEC CHGS 12/1/17-1/1/18	32005.83500.55003	137.98
Fund 32005 Total:							137.98
Fund: 32006 - LIGHTING DISTRICT - ZONE A							
<u>0384</u>	SOUTHERN CALIF. EDISON CO.						
APBWEST	Check			<u>2011946423-010618</u>	ELEC CHGS 12/1/17-1/1/18	32006.83000.55003	239.36
Fund 32006 Total:							239.36
Fund: 32007 - LIGHTING DISTRICT - ZONE B							
<u>0384</u>	SOUTHERN CALIF. EDISON CO.						
APBWEST	Check			<u>2011946423-010618</u>	ELEC CHGS 12/1/17-1/1/18	32007.83000.55003	1,015.30
Fund 32007 Total:							1,015.30
Fund: 38005 - GAS TAX FUND							
<u>0384</u>	SOUTHERN CALIF. EDISON CO.						
APBWEST	Check			<u>2011946423-010618</u>	ELEC CHGS 12/1/17-1/1/18	38005.83500.55003	4,065.43
Fund 38005 Total:							4,065.43
Fund: 60001 - INT SVC FND - FACILITIES MGT							
<u>0384</u>	SOUTHERN CALIF. EDISON CO.						
APBWEST	Check			<u>2011946423-010618</u>	ELEC CHGS 12/1/17-1/1/18	60001.83200.55003	161.40
				<u>2036613305-010418</u>	ELEC CHGS 12/4/17-1/3/18	60001.83200.55003	970.24
<u>0216</u>	THE GAS COMPANY						
APBWEST	Check			<u>16651877009-010918</u>	GAS CHGS 12/5-1/6/18	60001.83200.55004	64.33
				<u>19591871009-010918</u>	GAS CHGS 12/5-1/6/18	60001.83200.55004	43.97
				<u>16861877005-010918</u>	GAS CHGS 12/5-1/6/18	60001.83200.55004	131.00
Fund 60001 Total:							1,370.94
Fund: 60003 - INT SVC FND - TECHNOLOGY							
<u>VEN02792</u>	FRONTIER CALIFORNIA INC						
APBWEST	Check			<u>20918837570307075</u>	PH CHGS 12/4/17-1/31/18	60003.30000.55005	1,868.26
				<u>31016998450619065</u>	PH CHGS 12/16/17-1/15/18	60003.30000.55005	87.98
<u>1749</u>	PACIFIC TELEMANAGEMENT SERVICE						
APBWEST	Check			<u>958821</u>	PAY PHONE 1/1-1/31/18	60003.30000.55005	82.64
<u>0942</u>	TELEPACIFIC COMMUNICATIONS						
APBWEST	Check			<u>984873300-122317</u>	PH SVCS 12/23/17-1/22/18	60003.30000.55005	422.97
<u>0642</u>	VERIZON WIRELESS - LA						
APBWEST	Check			<u>9798815113-122517</u>	CELL PH CHGS 1/25/18	60003.30000.55005	1,006.75
Fund 60003 Total:							3,468.60
Fund: 71000 - WATER ENTERPRISE FUND							
<u>VEN02792</u>	FRONTIER CALIFORNIA INC						
APBWEST	Check			<u>20918837570307075</u>	PH CHGS 12/4/17-1/31/18	71000.81100.55005	51.25
Fund 71000 Total:							51.25
Report Total:							12,371.47



Packet: APPKT03820 - GEN012318
Vendor Set: 01 - Vendor Set 01

Check Date: 01/16/2018

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
Fund: 10000 - GENERAL FUND							
<u>0109</u>	AIRGAS USA	APBWEST	Check	<u>9949829423</u>	FY 2017-18 MEDICAL OXYGEN	10000.64000.53300	454.20
<u>0433</u>	ALLSTAR FIRE EQUIPMENT, INC.	APBWEST	Check	<u>203615</u>	FY 2017-18 SUPPRESSION EQUIPMENT	10000.61000.53300	297.22
<u>1552</u>	ARNOLD'S FRONTIER HARDWARE	APBWEST	Check	<u>082843</u>	FY 2017-18 HARDWARE SUPPLIES	10000.61000.53204	17.51
				<u>082935</u>	FY 2017-18 HARDWARE SUPPLIES	10000.61000.53204	34.45
				<u>083071</u>	FY 2017-18 HARDWARE SUPPLIES	10000.61000.53204	15.17
				<u>082825</u>	FY 2017-18 HARDWARE SUPPLIES	10000.61000.53204	0.22
				<u>083182</u>	FY 2017-18 HARDWARE SUPPLIES	10000.61000.53204	10.94
				<u>083073</u>	FY 2017-18 HARDWARE SUPPLIES	10000.61000.53204	10.94
<u>1582</u>	ASCAP	APBWEST	Check	<u>500612666-122017</u>	ANNUAL LICENSE	10000.70000.53999	348.00
<u>1200</u>	BLUE DIAMOND MATERIALS	APBWEST	Check	<u>1105191</u>	ASPHALT	10000.83500.53206	46.97
				<u>1109076</u>	ASPHALT	10000.83500.53206	20.37
				<u>1108915</u>	ASPHALT	10000.83500.53206	33.42
<u>VEN01970</u>	CA FIRE PREVENTION INSTITUTE	APBWEST	Check	<u>18-193</u>	FIRE PREVENTION WORKSHOP	10000.61000.53402	330.00
<u>VEN02208</u>	CALIFORNIA BUILDING STANDARDS COMMISSION	APBWEST	Check	<u>INV021813</u>	QUARTERLY BASRF FEES OCT- DEC 17	10000.00000.23207	116.90
<u>0795</u>	CITY OF GLENDALE	APBWEST	Check	<u>17-1186</u>	ASSAULT KIT AND SWABS	10000.50000.53304	1,795.00
<u>0185</u>	D. F. POLYGRAPH	APBWEST	Check	<u>2017/5</u>	PROFESSIONAL SERVICES	10000.50000.52100	150.00
<u>0190</u>	DECCO AWARDS INC	APBWEST	Check	<u>17-11019</u>	Tile Plaques	10000.11000.53999	114.98
				<u>17-11007</u>	Tile Plaques	10000.11000.53999	651.53
				<u>17-11008</u>	Tile Plaques	10000.11000.53999	545.53
<u>1681</u>	DEPT OF CONSERVATION	APBWEST	Check	<u>INV021812</u>	QUARTERLY FEES OCT - DEC 17	10000.00000.23206	156.46
<u>0713</u>	DEPT OF JUSTICE	APBWEST	Check	<u>278239</u>	blanket po - fingerprinting	10000.50000.52200	66.00
<u>VEN01935</u>	DIVISION OF THE STATE ARCHITECT	APBWEST	Check	<u>INV021788</u>	DISABILITY & EDUCATION FEE / OCT- DEC 17	10000.00000.23400	82.20
<u>VEN01781</u>	EMERGENCY REPORTING	APBWEST	Check	<u>2017 8455</u>	ANNUAL SUBSCRIPTION	10000.61000.53409	960.00
						10000.64000.53409	960.00
<u>1745</u>	FOOTHILL FIRE CHIEFS ASSOC.	APBWEST	Check	<u>INV021787</u>	ANNUAL DUES	10000.61000.53409	150.00
<u>VEN02874</u>	HOWARD R. ROMERO	APBWEST	Check	<u>01-18</u>	FY 2017-18 MEDICAL DIRECTOR SERVICES	10000.64000.52200	2,000.00
<u>1650</u>	LAAFCA	APBWEST	Check	<u>INV021786</u>	ANNUAL DUES	10000.61000.53409	1,000.00
<u>0515</u>	LANDSCAPE WAREHOUSE	APBWEST	Check	<u>2546069</u>	FY 17-18 IRRIGATION SUPPLIES	10000.83300.53001	188.45
				<u>2545703</u>	FY 17-18 IRRIGATION SUPPLIES	10000.83300.53001	26.94
<u>0640</u>	LIFE-ASSIST INC.	APBWEST	Check	<u>833407</u>	FY 2017-18 EMS SUPPLIES	10000.64000.53300	419.32
<u>0884</u>	MOBILE MINI, INC.	APBWEST	Check	<u>9003513549</u>	Blanket PO - rental storage for case # 17 -0380	10000.50000.53300	114.38
<u>0786</u>	OFFICE DEPOT, INC	APBWEST	Check	<u>993842398001</u>	blanket po - office supplies	10000.50000.53100	25.15

Vendor Set: 01 - Vendor Set 01

Page 8

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
		APBWEST	Check	<u>993944195001</u>	blanket po - office supplies	10000.50000.53100	100.51
				<u>993843104001</u>	blanket po - office supplies	10000.50000.53100	83.50
<u>0323</u>	PASADENA HUMANE SOCIETY						
		APBWEST	Check	<u>JAN2018CitySM</u>	blanket po - animal control	10000.50000.52004	2,411.72
<u>VEN01608</u>	PHOENIX GROUP INFORMATION SYSTEMS						
		APBWEST	Check	<u>112017200</u>	blanket po - parking citation svcs	10000.50000.52200	1,196.25
<u>VEN02909</u>	POLICE EXECUTIVE RESEARCH FORUM						
		APBWEST	Check	<u>4826</u>	PERF MEMBER DUES 2018	10000.50000.53409	200.00
<u>VEN01174</u>	SAFEGUARD						
		APBWEST	Check	<u>032594184</u>	CITATIONS	10000.50000.52100	899.17
<u>0381</u>	SOUTHEAST CONSTRUCTION PRODUCT						
		APBWEST	Check	<u>1313508-1</u>	FY 17-18 CONSTRUCTION MATERIAL	10000.83500.53206	97.29
				<u>1313318-1</u>	FY 17-18 CONSTRUCTION MATERIAL	10000.83500.53206	29.95
				<u>1312958-1</u>	FY 17-18 CONSTRUCTION MATERIAL	10000.83500.53206	59.62
				<u>1311124-1</u>	FY 17-18 CONSTRUCTION MATERIAL	10000.83500.53206	49.60
				<u>1315166-1</u>	FY 17-18 CONSTRUCTION MATERIAL	10000.83500.53206	5.91
<u>VEN02444</u>	SUPERIOR COURT OF CA, CO OF L. A.						
		APBWEST	Check	<u>740A-NOV 2017</u>	blanket po	10000.50000.52200	2,292.00
<u>0404</u>	TOM'S UNIFORMS						
		APBWEST	Check	<u>9747</u>	blanket po - uniform supplies	10000.50000.53303	13.76
Fund 10000 Total:							18,581.53
Fund:	37004 - LOCAL TRANSPORTATION/PROP A						
<u>1717</u>	LACMTA						
		APBWEST	Check	<u>101420</u>	Senior Disable Tap Card	37004.70000.52001	356.00
Fund 37004 Total:							356.00
Fund:	37006 - SENIOR CENTER						
<u>VEN01969</u>	INLAND EMPIRE STAGES						
		APBWEST	Check	<u>51030</u>	TRANSPORTATION FOR SR. EXCURSION	37006.72000.52200	893.75
<u>VEN03030</u>	KATHERINE ANN BOYCE						
		APBWEST	Check	<u>304</u>	SENIOR MTHLY ACTIVITY	37006.72000.52200	80.00
<u>1717</u>	LACMTA						
		APBWEST	Check	<u>101420</u>	Senior Disable Tap Card	37006.72000.53999	96.00
Fund 37006 Total:							1,069.75
Fund:	38004 - ENVIRONMENTAL FUND						
<u>0271</u>	LAWN MOWER CORNER						
		APBWEST	Check	<u>8706</u>	EQUIP MAINTENANCE	38004.83300.52302	19.77
				<u>8651</u>	EQUIP MAINTENANCE	38004.83300.52302	10.46
				<u>8725</u>	EQUIP MAINTENANCE	38004.83300.52302	55.80
<u>0574</u>	WEST COAST ARBORISTS, INC.						
		APBWEST	Check	<u>132635</u>	FY 17-18 ANNUAL TREE MAINTENANCE	38004.83300.52200	3,000.00
Fund 38004 Total:							3,086.03
Fund:	38006 - BIKEWAY/SIDEWALK FUND						
<u>1032</u>	PUENTE READY MIX, INC.						
		APBWEST	Check	<u>87643</u>	FY 17-18 SIDEWALK MAINTENANCE	38006.83600.53211	214.62
Fund 38006 Total:							214.62
Fund:	39002 - LIBRARY - GIFT AND MEMORIAL						
<u>VEN03059</u>	DANIELLE CARPENTER						
		APBWEST	Check	<u>INV021869</u>	CONF MILEAGE REIMBURSEMENT	39002.90000.53402	44.94
<u>VEN03060</u>	SHAZIA WILSON						
		APBWEST	Check	<u>INV021870</u>	CONF REIMBURSEMENT	39002.90000.53402	412.89
Fund 39002 Total:							457.83
Fund:	50003 - REDEVELOPMENT OBLIGATION RETIREMENT FND						
<u>VEN01670</u>	ROGERS, ANDERSON, MALODY & SCOTT, LLP						
		APBWEST	Check	<u>56284A</u>	PROF SVCS FOR SUCCESSOR AGENCY	50003.30000.52100	2,500.00
Fund 50003 Total:							2,500.00
Fund:	60000 - INT SVC FND - FLEET						
<u>1487</u>	BOB WONDRIES FORD						
		APBWEST	Check	<u>1137056</u>	FY 17-18 FLEET MAINTENANCE	60000.83100.53208	33.70
				<u>1136261</u>	FY 17-18 FLEET MAINTENANCE	60000.83100.53208	13.97

Page 9

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount
<u>0207</u>	ERNIE'S AUTO PARTS				
APBWEST	Check	<u>14IN309092</u>	FY 17-18 VEHICLE MAINTENACE	60000.83100.53208	34.49
<u>0899</u>	GOLDENWEST LUBRICANTS, INC.				
APBWEST	Check	<u>000348430</u>	FY 17-18 OIL AND TRANS FLUID	60000.83100.53208	712.34
<u>0937</u>	INTERSTATE BATTERY SYSTEM OF				
APBWEST	Check	<u>50137894</u>	FY 17-18 CAR BATTERIES	60000.83100.53208	52.27
<u>0296</u>	MERRIMAC ENERGY GROUP				
APBWEST	Check	<u>2180031</u>	FUEL - UNLEADED AND RED DYED DIESEL	60000.83100.55001	20,062.90
<u>1608</u>	MUNICIPAL MAINTENANCE EQUIP IN				
APBWEST	Check	<u>0124394-IN</u>	SEWER TRUCK MAINTENANCE	60000.83100.53208	2,642.78
<u>1390</u>	VALLEY POWER SYSTEMS				
APBWEST	Check	<u>127545</u>	FY 17-18 FD ENGINE REPAIR	60000.83100.52200	22,052.86
Fund 60000 Total:					45,605.31

Fund: 60001 - INT SVC FND - FACILITIES MGT

<u>VEN02961</u>	ARAMARK UNIFORM & CAREER APPAREL GROUP INC				
APBWEST	Check	<u>533028644</u>	FY 17-18 JANITORIAL SUPPLIES	60001.83200.53200	249.58
		<u>533011382</u>	FY 17-18 JANITORIAL SUPPLIES	60001.83200.53200	249.58
		<u>532994013</u>	FY 17-18 JANITORIAL SUPPLIES	60001.83200.53200	249.58
		<u>533028643</u>	FY 17-18 UNIFORM CLEANING	60001.83200.53303	64.35
		<u>532994012</u>	FY 17-18 UNIFORM CLEANING	60001.83200.53303	60.48
		<u>533011381</u>	FY 17-18 UNIFORM CLEANING	60001.83200.53303	64.35
<u>0714</u>	CINTAS CORPORATION #693				
APBWEST	Check	<u>693815231</u>	UNIFORM	60001.83200.53303	126.28
		<u>693823316</u>	UNIFORM	60001.83200.53303	126.28
		<u>693821304</u>	UNIFORM	60001.83200.53303	126.28
<u>0791</u>	CITY ELECTRIC SUPPLY				
APBWEST	Check	<u>PDA/003721</u>	CUSTOMER SERVICE AREA REMODEL	60001.83200.56010	248.67
		<u>PDA/003761</u>	CUSTOMER SERVICE AREA REMODEL	60001.83200.56010	220.77
		<u>PDA/003655</u>	CUSTOMER SERVICE AREA REMODEL	60001.83200.56010	286.19
<u>1639</u>	GMS ELEVATOR SERVICES INC				
APBWEST	Check	<u>00090323</u>	FY 17-18 ELEVATOR MAINTENANCE	60001.83200.52200	175.00
		<u>00090181</u>	FACILITY MAINTENANCE	60001.83200.56010	2,294.00
<u>1278</u>	MICHAEL E POWERS & ASSOC INC.				
APBWEST	Check	<u>5030</u>	CITY HALL CUSTOMER SERVICE COUNTER PROJE	60001.83200.56010	1,129.38
		<u>5032</u>	CITY HALL CUSTOMER SERVICE COUNTER PROJE	60001.83200.56010	12,391.29
<u>1372</u>	ORKIN COMMERCIAL SERVICES				
APBWEST	Check	<u>164736844</u>	FY 17-18 PEST CONTROL	60001.83200.52200	250.00
		<u>164736991</u>	FY 17-18 PEST CONTROL	60001.83200.52200	158.52
		<u>165471790</u>	FY 17-18 PEST CONTROL	60001.83200.52200	158.52
		<u>164737144</u>	FY 17-18 PEST CONTROL	60001.83200.52200	200.38
		<u>164735989</u>	FY 17-18 PEST CONTROL	60001.83200.52200	70.00
<u>1485</u>	RED SUPPLY INC				
APBWEST	Check	<u>54631</u>	FY 17-18 PLUMBING HEATING SUPPLIES	60001.83200.53200	273.75
		<u>54630</u>	FY 17-18 PLUMBING HEATING SUPPLIES	60001.83200.53200	13.45
Fund 60001 Total:					19,186.68

Fund: 60002 - INT SVC FND - ADMINISTRATION

<u>0814</u>	HDL, COREN & CONE				
APBWEST	Check	<u>0024825-IN</u>	PROF SVCS- DATA SALES	60002.30000.52100	350.00
<u>0786</u>	OFFICE DEPOT, INC				
APBWEST	Check	<u>994624467001</u>	Office Supplies	60002.30000.53100	47.50
		<u>972957868001</u>	Office Supplies	60002.30000.53100	247.70
		<u>986978776001</u>	Office Supplies	60002.30000.53100	418.54
		<u>977008599001</u>	Office Supplies	60002.30000.53100	5.45
		<u>977008598001</u>	Office Supplies	60002.30000.53100	5.45
		<u>996500213001</u>	Office Supplies	60002.30000.53100	897.86
		<u>986979119001</u>	Office Supplies	60002.30000.53100	35.53
		<u>979232927001</u>	Office Supplies	60002.30000.53100	68.76
		<u>994624431003</u>	Office Supplies	60002.30000.53100	19.26
		<u>982630293001</u>	Office Supplies	60002.30000.53100	49.17
		<u>982630196001</u>	Office Supplies	60002.30000.53100	211.92

Page 10

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
		APBWEST	Check	<u>977008477001</u>	Office Supplies	60002.30000.53100	181.06
				<u>969524661001</u>	Office Supplies	60002.30000.53100	328.39
				<u>979232787001</u>	Office Supplies	60002.30000.53100	144.31
<u>VEN01670</u>	ROGERS, ANDERSON, MALODY & SCOTT, LLP						
		APBWEST	Check	<u>56284</u>	FY 17-18 AUDIT SERVICES	60002.30000.52100	20,000.00
<u>1820</u>	TARGET MAILING SERVICES INC						
		APBWEST	Check	<u>35955</u>	PKG LICENSE RENEWAL	60002.30000.53101	1,514.67
						Fund 60002 Total:	24,525.57
Fund:	60003 - INT SVC FND - TECHNOLOGY						
<u>VEN01031</u>	MAILFINANCE						
		APBWEST	Check	<u>N6892071</u>	FY 17-18 POSTAGE MACHINE LEASE PYMNT	60003.30000.53210	1,616.47
<u>VEN02951</u>	YOHTEK CORP						
		APBWEST	Check	<u>2020</u>	Auvik Network Monitor Software	60003.30000.52200	550.00
						Fund 60003 Total:	2,166.47
Fund:	60007 - INT SVC FND - PERSONNEL AND RISK MGMT						
<u>1359</u>	HIRERIGHT, LLC						
		APBWEST	Check	<u>H0122662</u>	BACKGROUND SCREENING SERVICES	60007.70101.52100	15.75
<u>0913</u>	IRWINDALE INDUSTRIAL CLINIC						
		APBWEST	Check	<u>2130-765897</u>	PHYSICAL EXAM	60007.70101.52100	785.00
				<u>2130-753179</u>	PHYSICALS	60007.70101.52100	485.00
				<u>2130-768014</u>	PHYSICALS	60007.70101.52106	770.00
<u>0277</u>	LIEBERT CASSIDY WHITMORE						
		APBWEST	Check	<u>1451560</u>	Professional Services	60007.70100.52201	4,426.00
<u>VEN02863</u>	THE COUNSELING TEAM INTERNATIONAL						
		APBWEST	Check	<u>41536</u>	PSYCHOLOGICAL SCREENING	60007.70101.52100	600.00
						Fund 60007 Total:	7,081.75
Fund:	71000 - WATER ENTERPRISE FUND						
<u>0109</u>	AIRGAS USA						
		APBWEST	Check	<u>9950549021</u>	FY 17-18 WELDING GAS	71000.81100.53200	51.74
<u>0859</u>	AQUA METRIC						
		APBWEST	Check	<u>0067988-IN</u>	WATER METER PARTS	71000.81100.56011	2,245.50
<u>0139</u>	BISHOP COMPANY						
		APBWEST	Check	<u>431241</u>	SMALL TOOLS	71000.81100.53205	270.23
<u>1200</u>	BLUE DIAMOND MATERIALS						
		APBWEST	Check	<u>1109076</u>	ASPHALT	71000.81100.53206	81.47
				<u>1105191</u>	ASPHALT	71000.81100.53206	187.89
				<u>1108915</u>	ASPHALT	71000.81100.53206	133.68
<u>0171</u>	CLINICAL LABORATORY OF SAN BERNARDINO, INC.						
		APBWEST	Check	<u>960324</u>	FY 17-18 WATER TREATMENT TESTING MONTHI	71000.81100.52200	1,934.00
<u>VEN02309</u>	DANGELO CO INC						
		APBWEST	Check	<u>S1325741.001</u>	MAINT SUPPLIES	71000.81100.53200	283.75
<u>VEN02703</u>	Heritage Housing Partners						
		APBWEST	Check	<u>INV021871</u>	REFUND FOR METER INSTALLATION	71000.00000.47999	512.39
<u>VEN01500</u>	INLAND WATER WORKS SUPPLY CO.						
		APBWEST	Check	<u>S1007388.001</u>	FY 17-18 DISTRIBUTION SYSTEM REPAIR SUPPLII	71000.81100.53200	996.45
				<u>S1006943.002</u>	FY 17-18 DISTRIBUTION SYSTEM REPAIR SUPPLII	71000.81100.53200	2,374.75
				<u>S1006392.001</u>	FY 17-18 DISTRIBUTION SYSTEM REPAIR SUPPLII	71000.81100.53200	260.61
				<u>S1007395.001</u>	FY 17-18 DISTRIBUTION SYSTEM REPAIR SUPPLII	71000.81100.53200	246.38
				<u>S1007438.001</u>	FY 17-18 DISTRIBUTION SYSTEM REPAIR SUPPLII	71000.81100.53200	38.33
<u>0291</u>	MATT-CHLOR, INC.						
		APBWEST	Check	<u>19482</u>	WATER TREATMENT SENSOR	71000.81100.56011	345.44
<u>VEN01080</u>	PACIFIC COAST TOOL & SUPPLY						
		APBWEST	Check	<u>0177428-00</u>	SMALL TOOLS	71000.81100.53205	347.79
<u>VEN01913</u>	RAFTELIS FINANCIAL CONSULTANTS, INC						
		APBWEST	Check	<u>SRCA1708-04</u>	WATER RATE STUDY	71000.81100.52100	5,062.50
<u>1294</u>	SAN GABRIEL VALLEY WATER ASSOCIATION						
		APBWEST	Check	<u>INV021872-JAN 18</u>	2018 MEMBERSHIP DUES	71000.81100.53409	100.00
<u>1588</u>	SWRCB ACCOUNTING OFFICE						
		APBWEST	Check	<u>LW-1014702</u>	WATER SYS FEES 7/1/17-6/30/18	71000.81100.52001	15,481.50
<u>1820</u>	TARGET MAILING SERVICES INC						

Page 11

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
		APBWEST	Check	<u>35913</u>	FY 17-18 MAILING SERVICES/ WATER BILLING	71000.32000.53101	1,177.47
<u>1799</u>	TYLER TECHNOLOGIES INC						
		APBWEST	Check	<u>025-211218</u>	FY 17-18 MON UB ONLINE & WEBSITE COMP	71000.32000.52200	997.00
				<u>025-210112</u>	FY 17-18 MON UB ONLINE & WEBSITE COMP	71000.32000.52200	180.00
<u>0410</u>	UNDERGROUND SERVICE ALERT						
		APBWEST	Check	<u>1220170667</u>	FY 17-18 DIG ALERT SERVICES	71000.81100.52200	117.25
<u>1243</u>	USA BLUEBOOK						
		APBWEST	Check	<u>445332</u>	WATER TREATMENT SUPPLIES	71000.81100.53209	219.42
				<u>437274</u>	WATER TREATMENT SUPPLIES	71000.81100.53209	357.33
<u>0426</u>	WESTERN WATER WORKS						
		APBWEST	Check	<u>476107-00</u>	FY 17-18 DISTRIBUTION SYSTEM REPAIR	71000.81100.53200	518.76
						Fund 71000 Total:	34,521.63
Fund:	72000 - SEWER						
<u>0139</u>	BISHOP COMPANY						
		APBWEST	Check	<u>431241</u>	SMALL TOOLS	72000.81200.53205	270.22
<u>1799</u>	TYLER TECHNOLOGIES INC						
		APBWEST	Check	<u>025-211218</u>	FY 17-18 MON UB ONLINE & WEBSITE COMP	72000.32000.52200	249.25
				<u>025-210112</u>	FY 17-18 MON UB ONLINE & WEBSITE COMP	72000.32000.52200	45.00
						Fund 72000 Total:	564.47
Fund:	77004 - SERVICES MOVIE/OES DETAILS						
<u>VEN03069</u>	TS GAME PRODUCTIONS, LLC						
		APBWEST	Check	<u>INV021866</u>	REFUND ON SECURITY DEPOSIT	77004.00000.23001	139.00
						Fund 77004 Total:	139.00
						Report Total:	160,056.64



Page 12

Packet: APPKT03819 - LIB012318
Vendor Set: 01 - Vendor Set 01

Check Date: 01/16/2018

Vendor Number	Vendor Name	Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
Fund: 10000 - GENERAL FUND							
<u>VEN02711</u>	AMERICAS PRINTER						
APBWEST	Check			<u>1125071</u>	Various Printing for Library	10000.90000.53102	140.24
<u>0132</u>	BAKER & TAYLOR, INC.						
APBWEST	Check			<u>4012077785</u>	Books & Reference, Processing Fees & Media	10000.90000.52200	36.53
				<u>4012095224</u>	Books & Reference, Processing Fees & Media	10000.90000.52200	15.84
				<u>4012077784</u>	Books & Reference, Processing Fees & Media	10000.90000.53406	821.22
<u>0786</u>	OFFICE DEPOT, INC						
APBWEST	Check			<u>986145558001</u>	Office Supplies	10000.90000.53100	50.55
				<u>987196752001</u>	Office Supplies	10000.90000.53100	32.82
				<u>986145646001</u>	Office Supplies	10000.90000.53100	3.93
<u>VEN01620</u>	TANGRAM						
APBWEST	Check			<u>564862</u>	Tangram - Table for Microfiche	10000.90000.53999	589.92
<u>0427</u>	WORLD BOOK SCHOOL AND LIBRARY						
APBWEST	Check			<u>0001566113</u>	2018 World Book Encyclopedia Set	10000.90000.53406	1,093.91
						Fund 10000 Total:	2,784.96
Fund: 39002 - LIBRARY - GIFT AND MEMORIAL							
<u>0132</u>	BAKER & TAYLOR, INC.						
APBWEST	Check			<u>4012062769</u>	Gift & Memorial - Books and Reference	39002.90000.53406	64.60
						Fund 39002 Total:	64.60
Fund: 39006 - FRIENDS OF THE LIBRARY DONATION FUND							
<u>0132</u>	BAKER & TAYLOR, INC.						
APBWEST	Check			<u>T69887701</u>	Books & Reference, Processing Fees & Media	39006.90000.53406	7.37
				<u>T72751700</u>	Books & Reference, Processing Fees & Media	39006.90000.53406	139.53
				<u>T69887700</u>	Books & Reference, Processing Fees & Media	39006.90000.53406	49.21
<u>1368</u>	SWANK MOTION PICTURES INC						
APBWEST	Check			<u>2442865</u>	2018 - Movie Licensing	39006.90000.53999	453.00
						Fund 39006 Total:	649.11
						Report Total:	3,498.67



*Rachelle Arizmendi, Mayor
Denise Delmar, Mayor Pro Tem
John Capoccia, Council Member
Gene Goss, Council Member
John Harabedian, Council Member*

*Vacant, City Clerk
Michael Amerio, City Treasurer*

City of Sierra Madre Agenda Report

TO: Honorable Mayor and Members of the City Council

FROM: Laura M. Aguilar, Assistant City Clerk *LM*

REVIEWED BY: Gabe Engeland, City Manager *GE*

DATE: January 23, 2018

SUBJECT: Consideration of Cancellation of April 10, 2018 City Council Meeting

SUMMARY

The next general municipal election is April 10, 2018. It is recommended that the City Council approve the cancellation of the April 10, 2018 City Council meeting and direct staff to pay all necessary expenses during that time.

ANALYSIS

Sierra Madre Municipal Code section 2.04.010 requires that meetings of the City Council shall be held at 6:30 pm on the second and fourth Tuesdays of each calendar month unless and until the City Council establishes another regular meeting time by resolution. This year, the general municipal election falls on the same date as the April 10th City Council meeting. Because the Council Chambers is used to conduct election related activities on Election Day, it is recommended that the regular City Council meeting be cancelled. Currently only one item is scheduled for the April 10th Council meeting; the warrant register.

ALTERNATIVES

The City Council has the following options:

1. Approve the cancellation of the April 10, 2018 meeting, and direct staff to pay all necessary expenses during that time.
2. Conduct the Council meeting on another date.

STAFF RECOMMENDATION

It is recommended that the City Council approve the cancellation of the regular City Council meeting of April 10, 2018 and direct staff to pay all necessary expenses during that time.

FINANCIAL REVIEW

There is no financial impact with this item.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of the report are available at the City Hall public counter, on the City's website at www.cityofsierramadre.com and the Sierra Madre Public Library.



City of Sierra Madre Agenda Report

Rachelle Arizmendi, Mayor
Denise Delmar, Mayor Pro Tem
John Capoccia, Council Member
Gene Goss, Council Member
John Harabedian, Council Member

Vacant, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor Arizmendi and Members of the City Council

FROM: Vincent Gonzalez, Planning & Community Preservation Director

REVIEWED BY: Gabe Engeland, City Manager 

DATE: January 23, 2018

SUBJECT: SECOND READING OF ORDINANCE NO. 1395 AMENDING TITLE 15 TO ADD CHAPTER 15.62 ESTABLISHING PROCEDURES FOR EXPEDITED PERMITTING OF ELECTRIC VEHICLE CHARGING STATIONS AND CONSIDERATION OF RESOLUTION NO. 18-03 ADOPTING A REVISED FEE SCHEDULE FOR PLAN CHECK FEE FOR EXPEDITED PERMITTING OF ELECTRIC VEHICLE CHARGING STATIONS.

SUMMARY

At a public hearing held on January 9, 2018, the City Council (Council) introduced for first reading recommending adoption of Ordinance No. 1395 regarding the recently adopted state Assembly Bill (AB) 1236 requiring cities to develop a streamlined process to expedite the approval of permits to install electric vehicle charging stations. The ordinance is codified under Title 15, Chapter 15.62 – Electric Vehicle Charging Stations. The City Council also recommended approval of Resolution 18-03 establishing a plan check fee for the expedited permitting of electric vehicle charging stations.

STAFF RECOMMENDATION

Staff recommends that the City Council, introduce and approve for second reading by title only and waive further reading Ordinance No. 1395, amending Title 15 of the Buildings and Construction Code to add Chapter 15.62 – Electric Vehicle Charging Stations, and to approve Resolution No. 18-03 establishing a plan check fee based on the recovery of costs of reviewing plans for expedited permitting of electric vehicle charging stations.

ALTERNATIVES

1. Introduce and approve for second reading by title only and waive further reading, Ordinance 1395 amending Title 15 of the Buildings and Construction Code establishing Chapter 15.62 – Electric Vehicle Charging Stations and approve Resolution No. 18-03 establishing a plan check fee.
2. The City Council can adopt Ordinance 1395 recommending approval with modifications and approve Resolution No. 18-03 establishing a plan check fee.
3. The City Council can continue the matter and provide direction to staff.

FINANCIAL REVIEW / SOURCE OF FUNDING

Staff time was incurred in the preparation of the report and draft ordinance, however, adopting the ordinance may increase electric vehicle charging station permit applications potentially increasing electrical permit revenues. Staff time enforcing the ordinance will be recovered through the existing electrical permit fee and establishment of a plan check fee for the review of electrical charging stations by the building official.

BACKGROUND

In 2015, the State of California adopted Assembly Bill 1236 (codified as Government Code Section 65850.7) requiring local jurisdictions with a population less than 200,000 residents to adopt an ordinance to create an expedited, streamlined permitting process for electric vehicle charging stations on or before September 30, 2017. An electric vehicle charging station is any level of electric vehicle supply equipment station which delivers electricity from a source outside an electric vehicle into a plug-in electric vehicle.

AB 1236 encourages installation of electric vehicle charging stations by establishing permit processing requirements for jurisdictions; the law implements consistent statewide standards for timely and cost-effective installation of electric vehicle charging stations. The bill also requires that cities adopt a checklist of requirements to qualify a permit application for a charging station to be eligible for expedited review, as well as establishing a process for electronic submittal of permit applications.

In developing the ordinance and checklist, cities may refer to the guidelines contained in the “Zero-Emission Vehicles in California: Community Readiness Guidebook” of the Governor’s Office of Planning and Research, including the “Plug-In Electric Vehicle Infrastructure Permitting Checklist”; the ordinance and checklist attached herein were drafted in accordance with these guidelines. The checklist requires the permit applicant to check the features of the existing electrical service such as rating in amperes, system voltage, connected or calculated load, spare capacity in amperes, voltage and ampere rating of the electric vehicle supply equipment, circuit rating of the electric vehicle

supply equipment, location of the electric vehicle supply equipment, if ventilation is/ or not required, and clearances of the charging equipment to comply with all applicable building and fire safety laws. The checklist also assists the applicant in confirming that the location of the electric vehicle supply equipment will comply with any vehicle clearance requirements in the city's Zoning Ordinance.

Regarding the expedited permit approval process, AB 1236 establishes the following requirements:

- A city must administratively approve an application for the installation of electric vehicle charging stations, which are “any level of electric vehicle supply equipment station that is designed and built in compliance with Article 625 of the Electrical Code and delivers electricity from a source outside an electric vehicle into a plug-in electric vehicle.”
- A city must limit application review to the building official's review of whether the proposed installation meets all health and safety requirements of local, state, and federal law.
- A city must limit requirements of local law to those standards and regulations “necessary to ensure that the electric vehicle charging station will not have a specific, adverse impact upon the public health or safety.
- If the city official makes a finding, based on substantial evidence, that the electric vehicle charging station could have a specific, adverse impact on public health or safety, the city may require the applicant to apply for a use permit. A “specific, adverse impact” means “a significant, quantifiable, direct, and unavoidable impact” based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.
- A city “may not deny an applicant's request for a use permit to install an electric vehicle charging station unless it makes written findings based upon substantial evidence in the record that the proposed installation would have a specific, adverse impact upon the public health or safety, and there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact. These findings must also show why “potential feasible alternatives of preventing the adverse impact” were rejected.
- An applicant may appeal the decision requiring a use permit or the denial of a use permit to the planning commission.
- Any conditions imposed on an application to install an electric vehicle charging station shall be designed to mitigate the specific, adverse impact upon the public health or safety at the lowest cost possible.

- Electric vehicle charging stations must meet health and safety standards and requirements imposed by state and local permitting authorities and the safety and performance standards established by the California Electrical Code, the Society of Automotive Engineers, the National Electrical Manufacturers Association, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

COST RECOVERY ANALYSIS

At the January 9, 2017 public hearing, the City Council discussed establishing a plan check fee based on the fully burdened cost to conduct an expedited plan check review by the City Building Official and administrative intake services by City staff. The total fee for these services is \$128 as detailed below. The City Council indicated that the fee covers the cost to pay for consultant services.

SCHEDULE OF FEES						
Personnel	Service Provided	Fully Burdened Hourly Rate	Processing Time	Current Fee	Proposed Fee FY 17-18	Unit
Building and Safety						
Building Official	Plan Check	\$216	30 minutes	0	\$108	each
Administrative Fee						
Cashier	Intake	\$124	10 minutes	0	\$20	each

In addition to the plan check fee, a customer is also required to pay for an electrical permit and building inspection services. This is an existing fee and is separate from the plan check fee noted above. The table below is provided for information purposes only.

Building and Safety						
Building Inspector	Electrical Permit/ Inspection	Permit Revenue	30 minutes	\$221	\$221	each

ENVIRONMENTAL (CEQA)

The adoption of this Ordinance will not have a significant effect on the environment. This Ordinance is therefore exempt from California Environmental Quality Act (CEQA) review pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations. City Council further finds that in accordance with CEQA Guidelines section 15268, 15308, and 15378, the adoption of this amendment to the Municipal Code is exempt from CEQA provisions because such actions are administrative in nature.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Notice of the hearing was published consistent with the requirements of Government Code Section 65090 and 65091 including publication of a notice of public hearing in the local adjudicated newspaper. Notice of the hearing was also published on the City's website at www.cityofsierramadre.com. Copies of this report are available at the City Hall public counter, on the City of Sierra Madre website, and the Sierra Madre Public Library.

Attachments:

- Attachment A: City Council Ordinance No. 1395
- Attachment B: City Council Resolution No. 18-03
- Attachment C: Checklist
- Attachment D: State Assembly Bill 1236

ATTACHMENT A

ORDINANCE NO. 1395

AN ORDINANCE OF THE CITY OF SIERRA MADRE, CALIFORNIA ADDING CHAPTER 15.62 (ELECTRIC VEHICLE CHARGING STATIONS) TO TITLE 15 (BUILDINGS AND CONSTRUCTION)

WHEREAS, the State of California adopted Assembly Bill (AB) 1236, which requires local governments to adopt an ordinance that creates an expedited and streamlined permitting process for electric vehicle charging stations; and,

WHEREAS, the City seeks to adopt an ordinance that complies with AB 1236 (Chapter 598, Statutes 2015, Cal. Gov't Code § 65850.7) while protecting public health and safety.

NOW THEREFORE, the City Council of the City of Sierra Madre hereby ordains as follows:

Section 1. Amend Title 15 of the Sierra Madre Municipal Code, adding Chapter 15.62 – Electric Vehicle Charging Stations, to read as follows:

Chapter 15.62 ELECTRIC VEHICLE CHARGING STATIONS

Sections:

15.62.005 Short Title.

15.62.010 Purpose and Intent.

15.62.020 Definitions.

15.62.030 Applicability.

15.62.040 Electric Vehicle Charging Station Requirements.

15.62.050 Application Requirements.

15.62.060 Permit Compliance Review.

15.62.070 Fees.

15.62.005 Short Title.

This Ordinance shall be known as the “Electric Vehicle Charging Station Ordinance”.

15.62.010 Purpose and Intent. The purpose of the City of Sierra Madre Electric Vehicle Charging Station requirement is:

To adopt an ordinance in compliance with Assembly Bill 1236 (Chapter 598, Statutes 2015, Cal. Gov't Code § 65850.7) while protecting public health and safety.

15.62.020 Definitions.

“Director” means the Planning Director or her or his designee;

“Electric vehicle charging station(s)” or “charging stations(s)” means any level of electric vehicle supply equipment station that is designed and built in compliance with Article 625 of the California Electrical Code, as it reads on the effective date of this Chapter or as it may be amended and/or renumbered thereafter, and delivers electricity from a source outside an electric vehicle into a plug-in electric vehicle.

“Electronic Submittal” means the utilization of one or more of the following:

1. Email;
2. The internet; and/or
3. Facsimile.

“Specific, Adverse Impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

15.62.030 Applicability.

- A. This Chapter applies to the permitting of all electric vehicle charging stations in the city.
- B. All electric vehicle charging stations shall require a permit issued in accordance with this Chapter. It shall be unlawful for any person to install, operate, or maintain an electric vehicle charging station without such a permit.
- C. Electric vehicle charging stations legally established or permitted prior to the effective date of this Chapter are not subject to the requirements of this Chapter unless physical modifications or alterations are undertaken that materially change the size, type, capacity, or components of a charging station. Routine operation and maintenance or like-kind replacements shall not require a permit.

15.62.040 Electric Vehicle Charging Station Requirements.

- A. All electric vehicle charging stations shall meet applicable federal, state, and city health and safety standards and requirements.
- B. All electric vehicle charging stations shall meet all applicable safety and performance standards established by the California Electrical Code, the Society of Automotive Engineers, the National Electrical Manufacturers Association, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

15.62.050 Application Requirements.

- A. The Director shall adopt a checklist of all requirements with which the electric vehicle charging stations shall comply to be eligible for expedited review.
- B. Every application to the Director for the installation, alteration and replacement of an electric vehicle charging station shall be in the form provided by the Director, in writing, and contain the information set forth in the checklist and such other information as the Director may reasonably require to carry out the purpose of this

Chapter. The permit application, checklist, and required permitting documentation shall be available on the city's website.

- C. The applicant may submit the permit application and associated documentation by personal, mailed, or electronic submittal. The Director shall adopt requirements for the submittal of the permit application, associated application documentation, and fees. Personal, mailed, or electronic submittal of the permit application, associated application documentation, and fees shall conform to the requirements adopted by the Director. In the case of electronic submittal, the electronic signature of the applicant on all forms, applications and other documentation may be used in lieu of a wet signature. In connection with each permit application, an applicant shall:
 - 1. Verify to the Director's reasonable satisfaction through the use of standard engineering evaluation techniques that the support structure for the electric vehicle charging station is stable and adequate to transfer all wind, seismic, and dead and live loads associated with the system to the ground; and
 - 2. At the applicant's cost, verify to the Director's reasonable satisfaction using standard electrical inspection techniques that the existing electrical system including existing line, load, ground and bonding wiring as well as main panel and subpanel sizes are adequately sized, based on the existing electrical system's current use, to carry all new electrical loads.
- D. If the Director determines an application for an electric vehicle charging station satisfies the requirements of this Chapter, the Director will deem the application complete. If the Director receives an incomplete application, the Director will issue a written correction notice to the applicant detailing all deficiencies in the application and any additional information required to be eligible for expedited permit issuance. After the Director determines an application for an electric vehicle charging station is complete, the application will be processed in accordance with this Chapter.
- E. An application for an electric vehicle charging station that is not accompanied by the applicable fees shall be considered incomplete.

15.62.060 Permit Compliance Review.

- A. The Director shall adopt an administrative, nondiscretionary review process to expedite approval of permit applications for electric vehicle charging stations.
- B. Where an application meets local, State, and Federal health and safety requirements, the requirements of the checklist, and there are no specific, adverse impacts upon public health or safety — the building official shall complete the nondiscretionary permit approval process.
- C. The building official may require an applicant to apply for an electric vehicle charging station use permit if the building official finds, based on the initial application submittal, that the electric vehicle charging station could have a specific, adverse impact upon the public health or safety. The building official's decision may be appealed to the planning commission in accordance with Chapter 17.60.
- D. If an electric vehicle charging station use permit is required, the building official may only deny an application for the electric vehicle charging station use permit if the

building official makes written findings based upon substantial evidence in the record that the proposed installation would have a specific, adverse impact upon public health or safety and there is no feasible method to satisfactorily mitigate or avoid the adverse impact. The findings shall include the basis for the rejection of the potential feasible alternative for preventing the adverse impact. The building official's decision may be appealed to the planning commission in accordance with Chapter 17.60.

- E. If the building official issues an electric vehicle charging station use permit, the permit may include conditions designed to mitigate the specific, adverse impact upon health and safety at the lowest possible cost. A feasible method to satisfactorily mitigate or avoid the specific, adverse impact includes, but is not limited to, any cost-effective method, condition, or mitigation imposed by the city on another similarly situated application in a prior successful application for a permit.

15.62.070 Fees.

The city council shall establish by resolution the fees charged for applications and permits under this Chapter.

Section 2. CEQA. The City Council has considered all of the evidence in the record, including the staff reports, the testimony received during the meeting on the matter held by the City Council, and hereby determines that the adoption of this Ordinance will not have a significant effect on the environment. This Ordinance is therefore exempt from California Environmental Quality Act (CEQA) review pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations. City Council further finds that in accordance with CEQA Guidelines section 15268, 15308, and 15378, the adoption of this amendment to the Municipal Code is exempt from CEQA provisions because such actions are administrative in nature.

Section 3. Severability. Continuation of Provisions. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance. The City Council of the City of Sierra Madre hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases hereof be declared invalid or unenforceable. To the extent the provisions of the Sierra Madre Municipal Code as amended by this Ordinance are substantially the same as the provisions of that Code as they read immediately prior to the adoption of this Ordinance, then those provisions shall be construed as continuations of the earlier provisions and not as new enactments.

Section 4. Inconsistencies. Any provision of the Sierra Madre Municipal Code or appendices thereto inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to the extent necessary to implement the provisions of this Ordinance.

Section 5. Effective Date. This Ordinance shall take effect thirty days after final adoption.

Section 6. Certification. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published according to law.

PASSED, APPROVED AND ADOPTED, this 23rd day of January, 2018.

Rachelle Arizmendi, Mayor

I, Melinda Carrillo, City Clerk of the City of Sierra Madre, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Sierra Madre held on the 9th day of January 2018, and was adopted at its regular meeting of January 23, 2018 by the following vote:

AYES:

NOES

ABSTAIN:

ABSENT:

ATTEST:

Melinda Carrillo, City Clerk

ATTACHMENT B

RESOLUTION 18-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE ADOPTING A REVISED SCHEDULE OF FEES FOR CITY PLAN CHECK FEES FOR EXPEDITED PERMITTING OF ELECTRIC VEHICLE CHARGING STATIONS FOR FISCAL YEAR 2017-2018.

THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES HEREBY RESOLVE:

WHEREAS, the City of Sierra Madre has conducted an analysis of its services, the costs reasonably borne of providing those services, the beneficiaries of those services, and the revenues produced by those paying fees and charges for special services; and

WHEREAS, the City wishes to comply with both the letter and the spirit of Article XIII-B of the California Constitution and limit the growth of taxes; and

WHEREAS, the City desires to establish a policy of recovering the full costs reasonably borne of providing special services of a voluntary and limited nature, such that general taxes are not diverted from general services of a broad nature and thereby utilized to subsidize unfairly and inequitably such special services; and

WHEREAS, heretofore, the City Council adopted Ordinance No. 1058 on the 14th day of November, 1989 (SMMC Section 3.20.040 – Fees and charges schedule) establishing its policy as to the recovery of costs and more particularly the percentage of costs reasonably borne to be recovered from users of City services and directing staff as to the methodology for implementing said Ordinance; and

WHEREAS, notice of public hearing has been provided per Government Code Section 66016, oral and written presentations made and received, and the required public hearing held; and

WHEREAS, a schedule of fees and charges to be paid by those requesting such special services need be adopted so that the City might carry into effect its policies; and

WHEREAS, it is the intention of the City Council to develop a revised schedule of fees and charges based on the City's budgeted and projected costs reasonably borne; and

WHEREAS, pursuant to California Government Code Section 66016 a general explanation of the hereinafter contained schedule of fees and charges has been noticed as required; and

WHEREAS, the proposed fees are in accordance with Article XIII-B of

the Constitution of the State of California; and

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. Fee Schedule. The accompanying schedule of fees and charges are hereby incorporated into this resolution;

SECTION 2. Fee Schedule Adopted. The Accompanying schedule of fees and charges is hereby adopted and such fees and charges are to be applied by the various special services when provided by the City or its designated contractors. The City Council finds that each fee is calculated to return the City's cost in connection therewith and no more.

SECTION 3. Separate Fee for Each Process. All fees set by this Resolution are for each identified process; additional fees shall be required for each additional process or service that is requested or required. Where fees are indicated on a per-unit of measurement basis the fee is for each identified unit or portion thereof within the indicated ranges of such units.

SECTION 4. Interpretations. This Resolution can be interpreted by several different department heads in consultation with the City Manager and, should there be a conflict between two fees, then the lower in dollar amount of the two shall be applied.

SECTION 5. Intentions. It is the intention of the City Council to review the fees and charges as determined and set out herein, based on the City's annual budget and all the City's costs reasonably borne as established at that time and, as and if warranted, to revise such fees and charges based thereon.

SECTION 6. If any portion of this Resolution is declared invalid or unconstitutional then it is the intention of the City Council to have passed the entire Resolution and all its component parts, and all other sections of this Resolution shall remain in full force and effect.

SECTION 7. Repealer. All Resolutions and other actions of the City Council in conflict with the contents of this Resolution are hereby repealed.

SECTION 8. Effective Date. This Resolution shall go into full force and effect when adopted, but shall be subject to the terms and conditions of the Sierra Madre Municipal Code.

SECTION 9. Certification. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 23rd day of January 2018.

ORIGINAL SIGNED

Rachelle Arizmendi, Mayor,
City of Sierra Madre, California

I, _____, City Clerk of the City of Sierra Madre, hereby certify that the foregoing Resolution 18-03 was introduced for first reading on January 9, 2018 and approved and adopted by said Council at its regular meeting held on the 23rd day of January, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ORIGINAL SIGNED

Melinda Carrillo, City Clerk,
City of Sierra Madre, California

EXHIBIT A

SCHEDULE OF FEES	Unit	Current Fee	Proposed Fee FY 17-18
Administrative Fees			
Electric Vehicle Charging Station Plan Check Fee	Per hour	0	\$128
Electrical Permit Fee	each	\$221	\$221



City of Sierra Madre

*Planning & Community Preservation Department
232 W. Sierra Madre Boulevard, Sierra Madre, CA 91024
phone 626.355.7138 fax 626.355.2251*

RESIDENTIAL AND NON-RESIDENTIAL CHECKLIST FOR PERMITTING ELECTRIC VEHICLES AND ELECTRIC VEHICLE SERVICE EQUIPMENT (EVSE)

Please complete the following information related to permitting and installation of Electric Vehicle Service Equipment (EVSE) as a supplement to the application for a building permit. This checklist contains the technical aspects of EVSE installations and is intended to help expedite permitting and use for electric vehicle charging.

Upon this checklist being deemed complete, a permit shall be issued to the applicant. However, if it is determined that the installation might have a specific adverse impact on public health or safety, additional verification will be required before a permit can be issued.

This checklist substantially follows the “*Plug-In Electric Vehicle Infrastructure Permitting Checklist*” contained in the *Governor’s Office of Planning and Research “Zero Emission Vehicles in California: Community Readiness Guidebook”* and is purposed to augment the guidebook’s checklist. https://www.opr.ca.gov/docs/ZEV_Guidebook.pdf



**PLANNING AND COMMUNITY PRESERVATION DEPARTMENT
CHECK LIST FOR PERMITTING ELECTRIC VEHICLE SERVICE
EQUIPMENT (EVSE)**

Job Address:		Permit No.
<input type="checkbox"/> Single-Family	<input type="checkbox"/> Multi-Family (Apartment)	<input type="checkbox"/> Multi-Family (Condominium)
<input type="checkbox"/> Commercial (Single Business)	<input type="checkbox"/> Commercial (Multi-Businesses)	
<input type="checkbox"/> Mixed-Use	<input type="checkbox"/> Public Right-of-Way	
Location and Number of EVSE to be Installed:		
Garage _____ Parking Level(s) _____ Parking Lot _____ Street Curb _____		
Description of Work:		
Applicant Name:		
Applicant Phone & email:		
Contractor Name:		License Number & Type:
Contractor Phone & email:		
Owner Name:		
Owner Phone & email:		

EVSE Charging Level: <input type="checkbox"/> Level 1 (120V) <input type="checkbox"/> Level 2 (240V) <input type="checkbox"/> Level 3 (480V)	
Maximum Rating (Nameplate) of EV Service Equipment = _____ kW	
Voltage EVSE = _____ V	Manufacturer of EVSE:
Mounting of EVSE: <input type="checkbox"/> Wall Mount <input type="checkbox"/> Pole Pedestal Mount <input type="checkbox"/> Other _____	

System Voltage:

- 120/240V, 1 ϕ , 3W 120/208V, 3 ϕ , 4W 120/240V, 3 ϕ , 4W
 277/480V, 3 ϕ , 4W Other _____

Rating of Existing Main Electrical Service Equipment = _____ Amperes

Rating of Panel Supplying EVSE (if not directly from Main Service) = _____
Amps

Rating of Circuit for EVSE: _____ Amps / _____ Poles

AIC Rating of EVSE Circuit Breaker (if not Single Family, 400A) = _____
A.I.C.

(or verify with Inspector in field)

Specify Either Connected, Calculated or Documented Demand Load of Existing Panel:

• Connected Load of Existing Panel Supplying EVSE = _____ Amps

• Calculated Load of Existing Panel Supplying EVSE = _____ Amps

• Demand Load of Existing Panel or Service Supplying EVSE = _____
Amps
(Provide Demand Load Reading from Electric Utility)

Total Load (Existing plus EVSE Load) = _____ Amps

For Single Family Dwellings, if Existing Load is not known by any of the above methods, then the Calculated Load may be estimated using the "Single-Family Residential Permitting Application Example" in the Governor's Office of Planning and Research "Zero Emission Vehicles in California: Community Readiness Guidebook" <https://www.opr.ca.gov>

EVSE Rating _____ Amps x 1.25 = _____ Amps = Minimum

Ampacity of EVSE Conductor = # _____ AWG

For Single-Family: Size of Existing Service Conductors = # _____ AWG or kcmil

- or - : Size of Existing Feeder Conductor
Supplying EVSE Panel = # _____ AWG or kcmil

(or Verify with Inspector in field)

I hereby acknowledge that the information presented is a true and correct representation of existing conditions at the job site and that any causes for concern as to life-safety verifications may require further substantiation of information.

Signature of Permit Applicant: _____ Date: _____

ASSEMBLY BILL NO. 1236

CHAPTER 598

An act to add Section 65850.7 to the Government Code, relating to local ordinances.

[Approved by Governor October 08, 2015. Filed with Secretary of State
October 08, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1236, Chiu. Local ordinances: electric vehicle charging stations.

The Planning and Zoning Law, among other things, requires the legislative body of each county and city to adopt a general plan for the physical development of the county or city and authorizes the adoption and administration of zoning laws, ordinances, rules, and regulations by counties and cities. Existing law, the Electric Vehicle Charging Stations Open Access Act, prohibits the charging of a subscription fee on persons desiring to use an electric vehicle charging station, as defined, and prohibits a requirement for persons to obtain membership in any club, association, or organization as a condition of using the station, except as specified.

The bill would require a city, county, or city and county to approve an application for the installation of electric vehicle charging stations, as defined, through the issuance of specified permits unless the city or county makes specified written findings based upon substantial evidence in the record that the proposed installation would have a specific, adverse impact upon the public health or safety, and there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact. The bill would provide for appeal of that decision to the planning commission, as specified. The bill would provide that the implementation of consistent statewide standards to achieve the timely and cost-effective installation of electric vehicle charging stations is a matter of statewide concern. The bill would require electric vehicle charging stations to meet specified standards. The bill would require a city, county, or city and county with a population of 200,000 or more residents to adopt an ordinance, by September 30, 2016, that creates an expedited and streamlined permitting process for electric vehicle charging stations, as specified. The bill would require a city, county, or city and county with a population of less than 200,000 residents to adopt this ordinance by September 30, 2017. The bill would authorize the city, county, or city and county, in developing the ordinance, to refer to guidelines contained in a specified guidebook. The bill would also authorize the adoption of an ordinance that modifies the checklists and standards found in the guidebook due to unique conditions. By increasing the duties of local officials, this bill would create a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

DIGEST KEY

Vote: MAJORITY Appropriation: NO Fiscal Committee: YES Local Program: YES

BILL TEXT

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1.

Section 65850.7 is added to the Government Code, to read:

65850.7.

(a) The Legislature finds and declares all of the following:

(1) The implementation of consistent statewide standards to achieve the timely and cost-effective installation of electric vehicle charging stations is not a municipal affair, as that term is used in Section 5 of Article XI of the California Constitution, but is instead a matter of statewide concern.

(2) It is the intent of the Legislature that local agencies not adopt ordinances that create unreasonable barriers to the installation of electric vehicle charging stations and not unreasonably restrict the ability of homeowners and agricultural and business concerns to install electric vehicle charging stations.

(3) It is the policy of the state to promote and encourage the use of electric vehicle charging stations and to limit obstacles to their use.

(4) It is the intent of the Legislature that local agencies comply not only with the language of this section, but also the legislative intent to encourage the installation of electric vehicle charging stations by removing obstacles to, and minimizing costs of, permitting for charging stations so long as the action does not supersede the building official's authority to identify and address higher priority life-safety situations.

(b) A city, county, or city and county shall administratively approve an application to install electric vehicle charging stations through the issuance of a building permit or similar nondiscretionary permit. Review of the application to install an electric vehicle charging station shall be limited to the building official's review of whether it meets all health and safety requirements of local, state, and federal law. The requirements of local law shall be limited to those standards and regulations necessary to ensure that the electric vehicle charging station will not have a specific, adverse impact upon the public health or safety. However, if the building official of the city, county, or city and county makes a finding, based on substantial evidence, that the electric vehicle charging station could have a specific, adverse impact upon the public health or safety, the city, county, or city and county may require the applicant to apply for a use permit.

(c) A city, county, or city and county may not deny an application for a use permit to install an electric vehicle charging station unless it makes written findings based upon substantial evidence in the record that the proposed installation would have a specific, adverse impact upon the public health or safety, and there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact. The findings shall include the basis for the rejection of potential feasible alternatives of preventing the adverse impact.

(d) The decision of the building official pursuant to subdivisions (b) and (c) may be appealed to the planning commission of the city, county, or city and county.

(e) Any conditions imposed on an application to install an electric vehicle charging station shall be designed to mitigate the specific, adverse impact upon the public health or safety at the lowest cost possible.

(f) (1) An electric vehicle charging station shall meet applicable health and safety standards and requirements imposed by state and local permitting authorities.

(2) An electric vehicle charging station shall meet all applicable safety and performance standards established by the California Electrical Code, the Society of Automotive Engineers, the National Electrical Manufacturers Association, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

(g) (1) On or before September 30, 2016, every city, county, or city and county with a population of 200,000 or more residents, and, on or before September 30, 2017, every city, county, or city and county with a population of less than 200,000 residents, shall, in consultation with the local fire department or district and the utility director, if the city, county, or city and county operates a utility, adopt an ordinance, consistent with the goals and intent of this section, that creates an expedited, streamlined permitting process for electric vehicle charging stations. In developing an expedited permitting process, the city, county, or city and county shall adopt a checklist of all requirements with which electric vehicle charging stations shall comply to be eligible for expedited review. An application that satisfies the information requirements in the checklist, as determined by the city, county, or city and county, shall be deemed complete. Upon confirmation by the city, county, or city and county of the application and supporting documents being complete and meeting the requirements of the checklist, and consistent with the ordinance, a city, county, or city and county shall, consistent with subdivision (b), approve the application and issue all required permits or authorizations. However, the city, county, or city and county may establish a process to prioritize competing applications for expedited permits. Upon receipt of an incomplete application, a city, county, or city and county shall issue a written correction notice detailing all deficiencies in the application and any additional information required to be eligible for expedited permit issuance. An application submitted to a city, county, or city and county that owns and operates an electric utility shall demonstrate compliance with the utility's interconnection policies prior to approval.

(2) The checklist and required permitting documentation shall be published on a publicly accessible Internet Web site, if the city, county, or city and county has an Internet Web site, and the city, county, or city and county shall allow for electronic submittal of a permit application and associated documentation, and shall authorize the electronic signature

on all forms, applications, and other documentation in lieu of a wet signature by an applicant. In developing the ordinance, the city, county, or city and county may refer to the recommendations contained in the most current version of the "Plug-In Electric Vehicle Infrastructure Permitting Checklist" of the "Zero-Emission Vehicles in California: Community Readiness Guidebook" published by the Office of Planning and Research. A city, county, or city and county may adopt an ordinance that modifies the checklists and standards found in the guidebook due to unique climactic, geological, seismological, or topographical conditions. If a city, county, or city and county determines that it is unable to authorize the acceptance of an electronic signature on all forms, applications, and other documents in lieu of a wet signature by an applicant, the city, county, or city and county shall state, in the ordinance required under this subdivision, the reasons for its inability to accept electronic signatures and acceptance of an electronic signature shall not be required.

(h) A city, county, or city and county shall not condition approval for any electric vehicle charging station permit on the approval of an electric vehicle charging station by an association, as that term is defined in Section 4080 of the Civil Code.

(i) The following definitions shall apply to this section:

(1) "A feasible method to satisfactorily mitigate or avoid the specific, adverse impact" includes, but is not limited to, any cost-effective method, condition, or mitigation imposed by a city, county, or city and county on another similarly situated application in a prior successful application for a permit.

(2) "Electronic submittal" means the utilization of one or more of the following:

(A) Email.

(B) The Internet.

(C) Facsimile.

(3) "Electric vehicle charging station" or "charging station" means any level of electric vehicle supply equipment station that is designed and built in compliance with Article 625 of the California Electrical Code, as it reads on the effective date of this section, and delivers electricity from a source outside an electric vehicle into a plug-in electric vehicle.

(4) "Specific, adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

SEC. 2.

No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.



City of Sierra Madre Agenda Report

Rachelle Arizmendi, Mayor
Denise Delmar, Mayor Pro-Tem
John Capoccia, Council Member
Gene Goss, Council Member
John Harabedian, Council Member

Vacant, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor Arizmendi and Members of the City Council

FROM: James Carlson, Management Analyst *JC*

REVIEWED BY: Gabriel Engeland, City Manager *GE*

DATE: January 23, 2018

SUBJECT: **ORDINANCE 1398 REAUTHORIZING THE CITY'S PUBLIC, EDUCATIONAL, AND GOVERNMENTAL (PEG) ACCESS SUPPORT FEE – SECOND READING**

SUMMARY

The Digital Infrastructure and Video Competition Act ("DIVCA") authorizes the California Public Utilities Commission to grant State video franchises with a term of 10 years, and authorizes local jurisdictions to take certain actions, including to establish a fee by ordinance to be paid by holders of State video franchises operation in the jurisdiction to support public, educational, and government ("PEG") access. The provision of DIVCA authorizing localities to establish a PEG fee also includes language indicating that an ordinance establishing such a fee shall expire, and may be renewed, upon the expiration of a State video franchise. The statute is ambiguous and it is unclear to many California cities if it would require the reauthorization of the PEG fees.

As the 10 year State video franchises issued pursuant to DIVCA have recently begun to expire and be renewed, to the extent any action is required of the City of Sierra Madre under DIVCA, it is prudent and in the best interests of the City to reauthorize the attached Ordinance 1398 to ensure that State video franchise holders continue paying PEG fees. The attached ordinance provides for automatic reauthorizations of the PEG fees.

STAFF RECOMMENDATION

Staff recommends that the City Council introduce Ordinance 1398 for second reading, reauthorizing fees paid to the City by State video franchise holders for public, educational, and government access purposes.

ALTERNATIVES

1. The City Council may introduce Ordinance 1398 second reading, reauthorizing fees paid to the City by State video franchise holders for public, educational, and government access purposes.
2. The City Council may direct staff to provide additional information and return consideration to a future meeting.

FINANCIAL REVIEW

The City receives approximately \$25,000 in PEG fees per year. The funds are relatively restricted, and are used to partially fund the Community Cable channel and its operations.

ANALYSIS

There are differing opinions on whether the reauthorization is necessary at this time. Staff has been in contact with the Cities of Arcadia and Glendale who have taken the reauthorization to their respective elected officials as a measure of caution. Staff has also consulted with the City Attorney who also feels it is a safe measure to take.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachments (1)

Attachment A: Ordinance 1398 Reauthorizing the City's Public, Educational, and Governmental (PEG) Access Support Fee

ORDINANCE NO. 1398

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF SIERRA MADRE, CALIFORNIA, REAUTHORIZING
THE CITY'S PUBLIC, EDUCATIONAL, AND
GOVERNMENTAL (PEG) ACCESS SUPPORT FEE.**

WHEREAS, Section 5870(n) of the Public Utilities Code, which was enacted as part of the Digital Infrastructure and Video Competition Act of 2006, authorized the City adopt an ordinance establishing a fee on state-franchised video service providers to support public, educational, and governmental access channel facilities; and

WHEREAS, under DIVCA, the City may continue to collect a franchise fee from State Franchise holders equal to five percent (5%) of their gross revenue, and the City also may collect a fee from State Franchise holders equal to two percent (2%) of their gross revenues provided the City imposes such a fee to support PEG access channel facilities by ordinance; and

WHEREAS, Section 5870(n) of the Public Utilities Code states that such an ordinance shall expire, and may be reauthorized, upon the expiration of a state franchise.

WHEREAS, a final Implementation Plan will be submitted for review and adoption by the Board of Directors of the LACCE Authority as soon after the formation fo the Authority is reasonably practicable; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby reauthorizes the fee on state-franchised video service providers to support public, educational, and governmental channel facilities and which fee shall remain unchanged and in full effect as to all state-franchised video service providers.

PASSED, APPROVED, AND ADOPTED ON this 23rd day of January, 2018.

Rachelle Arizmendi, Mayor

I HEREBY CERTIFY the foregoing ordinance was introduced at a regular meeting of the City Council of the City of Sierra Madre held on the 9th day of January, 2018, and was adopted at its regular meeting on the 23rd day of January, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Laura Aguilar, Assistant City Clerk



City of Sierra Madre Agenda Report

*Rachelle Arizmendi, Mayor
Denise Delmar, Mayor Pro-Tem
John Capoccia, Council Member
Gene Goss, Council Member
John Harabedian, Council Member*

*Vacant, City Clerk
Michael Amerio City Treasurer*

TO: Honorable Mayor Arizmendi and Members of the City Council

FROM: James Carlson, Management Analyst *JC*

REVIEWED BY: Gabriel Engeland, City Manager *GE*

DATE: January 23, 2018

SUBJECT: **ATHENS SERVICES 2018 ANNUAL RATE ADJUSTMENT
REQUEST**

SUMMARY

Staff is in receipt of a letter dated December 28, 2017 from Athens Services (**Attachment A**) requesting to adjust rates for 2018. Since the amended and restated contract extension of 2010, Athens Services rate adjustment requests have been reviewed and approved administratively by the City Manager. However, the 2018 request is more complex than previous years as it includes an "Extraordinary Rate Adjustment" component and per Athens Contract (Section 25(a)), the City Council must determine whether to grant the requested adjustment. "The Extraordinary Rate Adjustment" component of this request is a 0.65% increase due to the State's Minimum Wage and Sick Pay Laws. A representative from Athens Services will be available at the City Council meeting to provide additional information and answer questions that the City Council may have.

STAFF RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to approve the Athens Services January 1, 2018 Annual Rate Adjustment as requested in the December 28, 2017 letter.

ALTERNATIVES

1. The City Council may authorize the City Manager to approve the Athens Services January 1, 2018 Annual Rate Adjustment as requested in the December 28, 2017 letter.
2. The City Council may direct staff and/or Athens Services to provide additional information and return consideration to a future meeting.

FINANCIAL REVIEW

Typical Sierra Madre customers will see a 5.5% increase in their bills if this request is granted. A standard residential account (1 64 gallon black can, 1 64 gallon blue can, and 1 96 gallon green can) would see their monthly rate go from \$28.41 to \$29.98. A typical multi-unit or commercial account (one 3-yard bin picked up weekly) would see their monthly rate go from \$166.87 to \$176.02. Both of these examples also include the recently approved Environmental Fee.

In July of 2017, staff reached out to various communities to survey comparative waste hauler rates. The table below represents the July survey with Sierra Madre's new rate as requested by Athens Services for 2018. Staff would like to note, however, that it is likely that these communities will also be raising rates due to Consumer Price Index adjustments, landfill fee adjustments, and the effects of the State's new minimum wage laws similar to what Athens Services is requesting to do.

Monrovia	\$23.98
West Covina	\$25.24
Glendora	\$28.76
Sierra Madre	\$29.98
Temple City	\$33.51
Los Angeles	\$36.32
San Marino (w/scout service)	\$42.05

ANALYSIS

As described in the Athens Services letter (**Attachment A**), there are three components of their Annual Rate Adjustment.

Each year, Athens applies the October Consumer Price Index (CPI) percentage change. This is a relatively standard adjustment, it is incorporated into the contract, and would generally be reviewed and approved administratively. The 2018 Annual Rate Adjustment request is based on the 3.1% change in CPI as presented in the letter.

The second component of the rate adjustment includes the percentage change of the Scholl Canyon Landfill gate fee. Again, this is a relatively standard adjustment and also incorporated into the contract to be reviewed administratively. However, this fee has not been adjusted since 2012 as gate fees have remained unchanged. This year's 9.46% increase is being incorporated into the Rate Adjustment request.

Finally, Athens Services is requesting a 0.65% additional increase due to State mandated Minimum Wage and Sick Pay laws. Per our contract, this request qualifies as an "Extraordinary Rate Adjustment" and requires City Council consideration. This is the first occasion in which Athens Services has included this component of the Rate Adjustment request, and they have provided a third-party audit with the letter for its justification.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachments (1)

Attachment A: December 28, 2017 Letter titled "January 1, 2018 Annual Rate Adjustment".



December 28, 2017

Gabriel Engeland
City Manager
City of Sierra Madre
232 W. Sierra Madre Blvd.
Sierra Madre, CA 91024

14048 Valley Blvd.
P.O. Box 60009
City of Industry, CA 91716-0009
Fax (626) 330-4686
(626) 336-3636

Re: January 1, 2018 Annual Rate Adjustment

According to our agreement with the City of Sierra Madre and pursuant to Section 25 of this agreement, please accept this letter and attached Schedule of Rates as Athens Services' request to adjust rates effective January 1, 2018.

Pursuant to Section 25(a), the service component is to be adjusted based on the percentage change in the Consumer Price Index (CPI) from October 2016 (251.098) to October 2017 (258.883) of 3.10%. Please see attached CPI schedule.

Pursuant to Section 25(b), the disposal component is to be adjusted based on the percentage change in the Scholl Canyon Landfill (SC) gate fee from January 2017 (\$49.18) to January 2018 (\$53.83) of 9.46%. Please note that the SC gate fee has not increased for five years, since January 1, 2012. As a result, the disposal component of the rates has not changed for five years as well, resulting in rate stability. Please see the attached Sanitation Districts Tipping Fee Schedule with the most recent SC gate rate.

In addition, per our recent letter dated August 29, 2017 regarding State and Local Law Changes, specifically related to the mandated laws, we respectfully ask you to consider our extraordinary rate adjustment request of 0.65%. We have attached the "Schedule of Financial Impact of Minimum Wage and Sick Pay Law Changes" which was prepared by an outside Accounting firm, who audited our numbers with respect to our request.

As the rates are adjusted annually and effective every January 1st, please review and handle the approval and processing of this request to make the rates effective January 1, 2018. As in prior rate adjustment periods, and with the timing of this request, we are able to implement this rate adjustment after January 1, 2018, while adding a retro adjustment effective to January 1, 2018. Please feel free to contact me at (626) 855-7230 so that we can discuss any questions and the details of this process.

Sincerely,

Christian Warner
Sr. Director of Government Affairs

Enclosure

Cc: Chris Cimino, Director of Public Works, City of Sierra Madre
James Carlson, Management Analyst, City of Sierra Madre
Gary Clifford, Executive Vice President, Athens Services

**City of Sierra Madre
Exhibit A
Schedule of Rates
Effective January 1, 2018**

Service	New Service Component	New Disposal Component	New Net Rate	15.00% Franchise Fee *	10.00% User Utility Tax	Environmental Fee	New Gross Total
<i>Residential</i>							
35/64/96	14.54	4.89	19.44	2.92	1.94	1.55	26.84
64/64/96	15.55	7.19	22.74	3.41	2.27	1.55	29.98
96/64/96	17.85	9.73	27.58	4.14	2.76	1.55	36.02
Extra 35 Waste	3.68	0.67	4.34	0.65	0.43	-	5.43
Extra 64 Waste	4.50	1.37	5.87	0.88	0.59	-	7.34
Extra 96 Waste	5.30	2.16	7.46	1.12	0.75	-	9.33
Extra 64 Recycle	1.75	-	1.75	0.26	0.18	-	2.19
Extra 96 Green	2.54	0.30	2.84	0.43	0.28	-	3.55
Bear Barrel	5.00	-	5.00	0.75	0.50	-	6.25
Bear Barrel Unhook Sys	5.42	-	5.42	0.81	0.54	-	6.77
Barrel Exchange	20.80	-	20.80	3.12	2.08	-	26.00
Bulky Collection	34.69	-	34.69	5.20	3.47	-	43.37
Extra Pick-up	27.75	-	27.75	4.16	2.78	-	34.69
Replace Barrel	69.37	-	69.37	10.41	6.94	-	86.71
Sharps Collection - 1.5 Quart	55.32	-	55.32	8.30	5.53	-	69.15
Sharps Collection - 1 Gallon	71.60	-	71.60	10.74	7.16	-	89.50
Scout Service	59.94	-	59.94	8.99	5.99	-	74.92
<i>Units Bins</i>							
3 Yard 1X	92.58	40.82	133.40	20.01	13.34	9.28	176.02
3 Yard 2X	135.33	81.62	216.95	32.54	21.69	9.28	280.47
3 Yard 3X	198.41	122.47	320.88	48.13	32.09	9.28	410.38
3 Yard 4X	220.87	163.29	384.15	57.62	38.42	9.28	489.47
3 Yard 5X	252.03	204.10	456.13	68.42	45.61	9.28	579.44
2 Yard 1X	87.07	27.22	114.29	17.14	11.43	9.28	152.15
2 Yard 2X	141.09	54.42	195.51	29.33	19.55	9.28	253.67
2 Yard 3X	195.05	81.62	276.67	41.50	27.67	9.28	355.11
2 Yard 4X	249.04	108.86	357.90	53.68	35.79	9.28	456.65
2 Yard 5X	289.71	136.07	425.79	63.87	42.58	9.28	541.51
<i>Commercial Bins</i>							
3 Yard 1X	91.97	40.82	132.78	19.92	13.28	9.28	175.26
3 Yard 2X	134.70	81.62	216.32	32.45	21.63	9.28	279.68
3 Yard 3X	197.80	122.47	320.27	48.04	32.03	9.28	409.62
3 Yard 4X	220.26	163.29	383.54	57.53	38.35	9.28	488.71
3 Yard 5X	251.44	204.10	455.54	68.33	45.55	9.28	578.70
2 Yard 1X	86.46	27.22	113.68	17.05	11.37	9.28	151.38
2 Yard 2X	140.45	54.42	194.87	29.23	19.49	9.28	252.87
2 Yard 3X	194.45	81.62	276.07	41.41	27.61	9.28	354.36
2 Yard 4X	248.43	108.86	357.30	53.59	35.73	9.28	455.90
2 Yard 5X	289.10	136.07	425.17	63.78	42.52	9.28	540.75
2 Yard Extra Dump	26.12	6.26	32.38	4.86	3.24	-	40.48
3 Yard Extra Dump	39.17	8.41	48.58	7.29	4.86	-	60.73
Commercial Cans	17.24	9.73	26.97	4.05	2.70	1.55	35.26
Roll-off	230.90	282.07	512.97	76.95	51.30	17.01	658.22
Street Sweeping Compensation	8,077.74	-	8,077.74	-	-	-	8,077.74

* Franchise Fees are calculated at 15% of New Net Rate

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CPI-All Urban Consumers (Current Series)

Series Id: CUURA421SA0
 Not Seasonally Adjusted
 Series Title: All items in Los Angeles-Riverside-Orange County, CA, all urban consumers, not seasonally adjusted
 Area: Los Angeles-Riverside-Orange County, CA
 Item: All items
 Base Period: 1992=84=100

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2007	212.584	214.760	216.500	217.845	218.596	217.273	217.454	217.330	217.697	218.696	219.943	219.373	217.338	216.260	218.416
2008	220.918	221.431	223.606	224.625	226.651	229.039	229.686	228.484	227.449	226.159	222.229	219.620	225.008	224.377	225.638
2009	220.719	221.439	221.376	221.693	222.672	223.906	224.010	224.507	225.226	225.264	224.317	223.643	223.219	221.943	224.495
2010	224.610	224.620	225.483	225.916	226.438	225.877	225.991	226.373	226.048	226.794	225.941	226.639	225.894	225.491	226.298
2011	228.652	229.729	232.241	233.319	233.567	232.328	231.903	231.833	233.022	233.049	232.731	231.567	231.928	231.606	232.251
2012	233.441	234.537	236.941	236.856	237.832	236.025	235.776	237.222	238.104	240.111	237.675	236.042	236.648	235.807	237.488
2013	238.015	239.753	239.995	239.043	239.346	239.223	238.920	239.219	239.611	239.940	238.677	238.742	239.207	239.229	239.185
2014	239.857	241.059	242.491	242.437	243.362	243.528	243.727	243.556	243.623	243.341	241.753	240.475	242.434	242.122	242.746
2015	239.724	241.297	243.738	243.569	246.093	246.489	247.066	246.328	246.431	245.812	245.711	245.357	244.632	243.313	245.951
2016	247.155	247.113	247.873	248.368	249.554	249.789	249.784	249.700	250.145	251.098	250.185	250.189	249.246	248.309	250.184
2017	252.373	253.815	254.525	254.971	255.674	255.275	256.023	256.739	257.890	256.883				254.439	

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Tipping Fees for Solid Waste and Recyclables



Payment at the scales must be in cash, credit card (MC, American Express, & Discover only), debit card, or by pre-arranged credit. No checks are accepted.

RATES
December 1, 2017

LANDFILLS

Cafabajas Landfill, Agoura ⁽¹⁾⁽²⁾

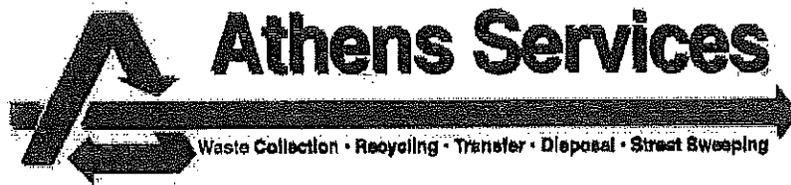
Municipal Solid and Inert Waste	\$52.32 per ton
Hard-to-Handle Bulky Items	\$62.32 per ton
Tires (Minimum Charge - \$95.00 per load)	\$95.00 per ton
Special Handling	\$62.32 per ton
Minimum Charge (Municipal Solid and Inert Waste)	\$45.50 per load
Minimum Charge (Hard to Handle)	\$55.50 per load
Pull-Offs	\$44.75 each
Segregated Uncontaminated Green Waste (1-ton Minimum Charge)	\$36.98 per ton
Clean, segregated asphalt (Minimum Charge - \$50 per load)	\$20.00 per ton
Additional Fees: Uncovered Loads Capable of Producing Litter and Non-Manifested Tire Loads Surcharge (\$4.40 Minimum)	\$4.40 per ton

Scholl Canyon Landfill, Glendale ⁽³⁾⁽⁸⁾

→ Municipal Solid and Inert Waste	\$53.83 per ton	←
Hard-to-Handle Bulky Items	\$63.83 per ton	
Tires	\$95.00 per ton	
Special Handling	\$66.99 per ton	
Minimum Charge (Municipal Solid and Inert Waste)	\$48.44 per load	
Minimum Charge (Hard-to-Handle)	\$58.44 per load	
Pull-Offs	\$44.75 each	
Segregated Uncontaminated Green Waste (1-ton Minimum Charge)	\$37.04 per ton	
Clean Dirt (Minimum Charge - \$45.00 per load)	\$9.00 per ton	
Clean, segregated asphalt (Minimum Charge - \$30.00 per load)	\$8.50 per ton	
Additional Fees: Uncovered Loads Capable of Producing Litter and Non-Manifested Tire Loads Surcharge (\$5.00 Minimum)	\$5.00 per ton	
Grindings - Asphalt	No Charge	

Please Note:

- All rates excluding pull-offs, green waste, asphalt and clean dirt include the following fees:
 - *California Integrated Solid Waste Management Fee: \$1.40 per ton
 - *L. A. County Solid Waste Management Fee: \$1.50 per ton
 - *L. A. County Department of Health Services Regulation Service Fee: \$0.36 per ton
- All rates and surcharges include the L.A. County Business License Tax: 10% of gross receipts, excluding state and local fees and taxes.
- All rates and surcharges (except for Clean Dirt) include the City of Glendale - Scholl Canyon Landfill Assessment: 25% of gross receipts; vehicles owned and operated by the City of Glendale are exempt.
- Rate effective as noted and subject to change pursuant to SERRF Joint Powers Agreement.
- Rates effective as noted and subject to change pursuant to CREF Operating Agreement.
- High Energy Waste consists of dry scrap wood, textile waste, unrecyclable paper and cardboard and additional unrecyclable materials.
- USDA Regulated Waste is the destruction of regulated foreign waste in accordance with the regulation of the United States Department of Agriculture ("USDA") and the terms of the Facility USDA compliance agreement.
- In order to be considered recyclable MRP, the individual pieces of plastic must meet the Districts' specifications. As a general guidance, the individual pieces of plastic must be a minimum of 0.5 pounds, must not exceed the maximum capacity of the baler to bale the MRP, must not exceed eight feet in length, 100 pounds in weight or be greater than 0.75 inches thick. The individual pieces of plastic cannot be film plastic or be comprised of PVC. This specification for MRP may be changed from time to time by the Districts' Chief Engineer and General Manager depending upon market conditions.



Arakelian Enterprises, Inc.

Schedule of Financial Impact of Minimum Wage and Sick Pay Law Change (Reviewed)

City of Sierra Madre

Fiscal Years 2016 – 2020

Contents

Independent accountant's report	1
Schedule of financial impact of minimum wage and sick pay law change	2
Note to the schedule of financial impact of minimum wage and sick pay law change	3

Arakelian Enterprises, Inc.

**Schedule of Financial Impact of Minimum Wage and Sick Pay Law Change
Fiscal Years 2016 – 2020
City of Sierra Madre**

See Independent Accountant's Report

I. Minimum Wage Labor Component of MRF Gate Rate

\$ 10.29 Minimum Wage Labor Cost per Ton

II. Minimum Wage % Increase

\$ 8.00 Minimum Wage Prior to 7/1/14
 1.00 7/1/14 Increase to \$9.00
 1.00 1/1/16 Increase to \$10.00
 0.50 7/1/16 Increase to \$10.50
\$ 10.50 Minimum Wage as of 7/1/16

31.25% Increase (\$10.50 - \$8.00) / \$8.00

III. Sick Pay % Increase

3 Sick Days per Year
 8 Hours per Day
\$ 8.00 Minimum Wage Rate
\$ 192.00 Annual Impact

2,080 Annual Hours Worked

1.15% Increase (\$192 / 2,080) / \$8.00

IV. Minimum Wage Labor Component Impact per Ton

32.40% Combined % Increase (31.25% + 1.15%)
\$ 10.29 Minimum Wage Employee Cost per Ton
\$ 3.33 Per Ton Impact

V. Sierra Madre 7/1/16 Rate Adjustment %

161 Sierra Madre Processed Tons into MRF
3.33 Per Ton Impact
\$ 538 Sierra Madre Tonnage Impact (161 x \$3.33)
\$ 131,000 Sierra Madre Revenue
 0.41% Sierra Madre Adjustment to Rates (\$538 / \$131,000)

VI. Future Rate Adjustment %

Period	Minimum Wage	% Increase	Current Labor Component	Increase per Ton	Rate Adj. To City
7/1/2017	\$ 12.00	14.29%	\$ 13.62	\$ 1.95	0.24%
7/1/2018	13.25	10.42%	15.57	1.62	0.20%
7/1/2019	14.25	7.55%	17.19	1.30	0.16%
7/1/2020	15.00	5.26%	18.48	0.97	0.12%

0.41% = JULY 2016
 + 0.24% = JULY 2017
 = 0.65% = COMBINED

Arakelian Enterprises, Inc.

**Note to the Schedule of Financial Impact of Minimum Wage and Sick Pay Law Change
Fiscal Years 2016 – 2020
City of Sierra Madre**

See Independent Accountant's Report

Note 1. Summary of Significant Accounting Policies

The Schedule of Financial Impact of Minimum Wage and Sick Pay Law Change for fiscal years 2016 – 2020 was prepared based on September 30, 2015 year-to-date minimum wage labor costs per ton at the Arakelian Enterprises, Inc. (the Company) Materials Recovery Facility (MRF), historical average monthly tonnage processed from April 2014 to March 2015, and historical average monthly revenue billings to the affected city from 2014 to 2015. The historical financial data utilized to prepare the Schedule such as labor costs and monthly revenue billings was derived from the Company's accrual-basis financial results.

The following are explanatory notes for certain information noted in the Schedule.

Part I: The \$10.29 is based on the MRF Gate Rate (per ton) charged by the Company as of July 1, 2015. The amount represents the pro rata portion of the MRF Gate Rate that is attributed to the MRF minimum wage labor.

Part II: The minimum wage increases noted in Part II are based on the actual approved minimum wage law changes in Los Angeles County and the City of Los Angeles.

Part III: The sick pay days noted in Part III are based on California's new Paid Sick Leave law (Assembly Bill 1522, operative January 1, 2015, and as amended in AB 304 effective July 13, 2015). The "Annual Hours Worked" amount of 2,080 is based on a standard 40-hour work week and a 52-week work year.

Part V: The city's "Processed Tons into MRF" of 161 is based on the average monthly tons processed during fiscal year 2014. The city's average monthly revenue billings of \$131,000 are based on actual average monthly revenue billings in 2014 and January 2015.

Part VI:

- The column titled "Minimum Wage" represents the future minimum wage rate per hour for Los Angeles County.
- The column titled "% Increase" represents the increase in the minimum wage rate from the immediate preceding rate.
- The column titled "Current Labor Component" represents the prior period's projected minimum wage labor cost per ton (e.g., as of July 1, 2017, the actual MRF Gate Fee per ton of \$10.29 from Part I plus the proposed Part IV "Per Ton Impact" increase of \$3.33, equals the \$13.62 "Current Labor Component" of Part VI).
- The column titled "Increase per Ton" is the product of the "% Increase" column and the "Current Labor Component" column.
- The column titled "Rate Adj. to City" is based on the Part V average monthly processed tons in the MRF for this city for 2014 multiplied by the Part VI projected "Increase per Ton." The result is then divided by the projected monthly revenues for the period. Projected monthly revenues are derived from the Part V monthly average revenues plus the city's "Tonnage Impact" (in dollars) at Part V.



City of Sierra Madre Agenda Report

*Rachelle Arizmendi, Mayor
Denise Delmar, Mayor Pro Tem
John Capoccia, Council Member
Gene Goss, Council Member
John Harabedian, Council Member*

*Vacant, City Clerk
Michael Amerio City Treasurer*

TO: Honorable Mayor and Members of the City Council

FROM: Vincent Gonzalez, Director of Planning & Community Preservation 

REVIEWED BY: Gabriel Engeland, City Manager 

DATE: January 23, 2018

SUBJECT: **RECOMMENDATION TO APPROVE THE NOTICE OF COMPLETION FOR THE HIGHLAND MEWS DEVELOPMENT PROJECT AT 186 WEST HIGHLAND AVENUE.**

SUMMARY

Construction has been completed on the adaptive reuse of the Highland Mews Project developed for the sale of three condominium units to Moderate-Income First-Time Homebuyers at 186 W. Highland Avenue. Staff recommends that the City Council approve the Notice of Completion for the project. Approval of the Notice of Completion shall be issued as long as the Developer has constructed, developed, and sold the units in accordance with the Disposition and Development Agreement and the approved plans.

STAFF RECOMMENDATION

Staff recommends that the City Council approve the Notice of Completion for the project and authorizes the developer to file the Notice with the Los Angeles County Clerk.

FINANCIAL REVIEW

Direct cost to the City and Agency included the transfer of ownership of the property estimated at \$230,000, and the waiver of Development Impact Fees totaling \$66,105. All other application and permit fees applied to the project.

ANALYSIS

On July 14, 2015 the City Council approved a Disposition and Development Agreement (DDA) with HHP-Highland, LLC for the adaptive reuse of the former First Church of

Christ Scientist building for the construction of three moderate-income condominium units. As required by the DDA, and in particular the Scope of Development and the Covenants, Conditions, and Restrictions (CC&Rs), the Agency shall furnish the Developer with a Certificate of Completion upon written request by the Developer, thereby authorizing the developer to enter into any purchase and sale agreements for purchase of the Units by Moderate Income First-Time Homebuyers.

Prior to the initial sale and occupancy of any Unit, the Developer shall also prepare and submit to the City staff for approval of CC&Rs with respect to the Property. The CC&Rs provide for, among other things, the creation of a home owner's association ("HOA") for the property with bylaws reasonably satisfactory to the Agency and the City, which HOA will be charged with providing sufficient funding and reserves for the continued maintenance of the property. The CC&Rs were included and approved as part of the approval of the DDA.

The adaptive reuse and construction effort for the project was completed on November 1, 2017. The work has been closely monitored and inspected by building inspection staff throughout the duration of the project and has met all workmanship and building quality standards.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachments:

- A. Certificate of Completion
- B. Written Request by HHP-Highland, LLC
- C. Summary Memo of Selection Process
- D. Covenants, Conditions, and Restrictions

RECORDING REQUESTED BY THE
CITY OF SIERRA MADRE/ CITY OF
SIERRA MADRE HOUSING
SUCCESSOR AGENCY, AND WHEN
RECORDED MAIL TO:

City of Sierra Madre
Planning & Community Department
232 W. Sierra Madre Blvd.
Sierra Madre, CA 91024

FREE RECORDING REQUESTED
(Gov't Code Section 6103)

(Space Above For Recorder's Use)

CERTIFICATE OF COMPLETION

THIS CERTIFICATE OF COMPLETION (this "Certificate") is made this _____ day of _____, 2017 by the City of Sierra Madre/City of Sierra Madre Housing Successor Agency (Agency) in favor of HHP-Highland, LLC (Developer) with reference to the following matters:

A. The Agency and Developer entered into that certain Disposition, Development and Agreement dated as of August 6, 2015 (the "DDA"). All capitalized terms not defined herein shall have the meanings assigned to them in the DDA.

B. Pursuant to the DDA, the Developer agreed to construct certain improvements (defined therein as the "Scope of Development") on that certain real property (the "Site") described in Article 3 Section 3.1 Attachment No. 5, attached hereto and incorporated herein by reference. The DDA also provides that the Agency shall furnish the Developer with a recordable Certificate of Completion upon satisfactory completion of all of the Improvements in accordance with the DDA, described in Section 3.12 "Certificate of Completion."

C. The Agency has determined that the construction of the Improvements on the Site (or the parties thereof described on Exhibit "A") has been satisfactorily performed in accordance with the DDA.

NOW, THEREFORE, the Agency certifies as follows:

1. The construction of the Improvements on the Site has been satisfactorily performed and completed in accordance with the DDA.

2. This Certificate shall not constitute evidence of compliance with or satisfaction of any obligation of the Participant to any holder of a mortgage or deed of trust or any insurer of a mortgage or deed of trust securing money loaned to finance the Improvements or any part thereof.

3. This Certificate is not a Notice of Completion as referred to in California Civil Code Section 8182.

4. This Certificate is not a certificate of occupancy.

5. Except as stated herein, nothing contained in this instrument shall modify in any way any other provisions of the DDA or any other provisions of the documents incorporated herein.

IN WITNESS WHEREOF, the Agency has executed this Certificate as of the day and year first above written.

CITY OF SIERRA MADRE / CITY
OF SIERRA MADRE HOUSING
SUCCESSOR AGENCY

By: _____

Print Name: _____

Title: _____

ATTEST:

Teresa L. Highsmith
City of Sierra Madre City Attorney

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)
County of Los Angeles)

On _____, before me, (insert name and title of the officer)

Notary Public, personally appeared _____, 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.

Signature _____

(Seal)

EXHIBIT "1"

LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THE NORTH 100 FEE OF LOTS 13, 14, AND 15 OF MRS. C.B. JONES SUBDIVISION, IN THE CITY OF SIERRA MADRE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER RECORDED IN BOOK 13, PAGE 89, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ASSESSOR'S PARCEL NUMBER: 5767-021-900

HHP-HIGHLAND, LLC

January 23, 2018

City of Sierra Madre/ City of Sierra Madre Housing Successor Agency
Attn: Gabriel Engeland, City Manager
Vincent Gonzalez, Director of Planning & Community Preservation
232 W. Sierra Madre Blvd.
Sierra Madre, CA 91024

RE: Certificate Of Completion under Disposition and Development Agreement

Mr. Engeland and Mr. Gonzalez:

HHP-Highland, LLC ("HHP") is seeking a Certificate of Completion from the City of Sierra Madre / City of Sierra Madre Housing Successor Agency ("Agency").

Under the Disposition and Development Agreement ("Agreement") dated August 6, 2015, entered into between HHP and Agency, all items required per Section 3.12 have been completed, submitted, and approved as necessary in compliance with the Agreement.

HHP requests that Agency furnish HHP with a Certificate of Completion duly executed by the Agency, and in such form as to permit it to be recorded in the Recorder's Office of Los Angeles County.

Sincerely,



Charles E. Loveman, Jr.
Manager
HHP-Highland, LLC

ATTACHMENT C

SUMMARY MEMO OF SELECTION AND SALES PROCESS

With this Memorandum, HHP-Highland, LLC (“HHP”) presents a summary of the applicant selection and sales process for the Highland Mews Project (“Project”) located at 186 W. Highland Ave in Sierra Madre, CA.

The Highland Mews application launched on July 21, 2017, with applications made available for download on HHP’s website. The deadline to postmark application packages, which included a completed application form and all required supporting documentation, was September 1, 2017.

HHP launched an extensive marketing outreach effort before the launch of the application, and these outreach efforts continued through the open application window. Marketing efforts included on-site signage, off-site signage, print advertising, and email announcements to more than 4,000 prospective applicants signed up to HHP’s Interest List. Additionally, HHP hosted multiple application training workshops to educate and inform potential applicants of the program, the eligibility requirements, and the process. These workshops were held in various locations in Sierra Madre.

HHP received a total of 30 applications for Highland Mews. As applications were received, they were screened for program eligibility by HHP staff. After reviewing all applications for program eligibility, HHP found 16 of the 30 applicants to be program eligible. On September 27, 2017, the 16 program-eligible households received program eligibility letters with instructions to reach out to HHP’s preferred lender and get started on their mortgage loan pre-approvals.

Of the 16 households that HHP found to be program eligible, five households were not able to secure loan pre-approvals from the lender, one household selected to withdraw from consideration, and ten households were successful in securing mortgage loan pre-approvals.

Under such circumstances, when there are more program-eligible, loan pre-approved applicants than there are homes, HHP uses a predetermined scoring sheet to score all households and offer unit selection in order of that score. The scoring sheet for Highland Mews was circulated to and approved by the City Council and City staff prior to the application window.

Accordingly, HHP scored all program-eligible, loan-qualified applicants per the scoring criteria on the scoring sheet. HHP then offered unit selection to the highest scoring households in order of their scores. The highest scoring household both lived and worked in the City of Sierra Madre, and the second and third highest scoring households lived but did not work in the City of Sierra Madre.

On October 7, 2017, HHP staff met with the three finalist households to tour the property. The finalists were each given a separate appointment and opportunity to tour the homes, and were asked to rank the homes in the order of their preference.

On October 8, 2017, HHP tendered Purchase and Sale Agreements to the three finalists. The buyers were provided the contract and given time to review it before setting up a time to review, ask questions, and sign with HHP staff.

HHP staff met with the three buyers to review and sign the purchase agreements on October 10 and 11, which began the escrow period. Typical escrow periods are about 45 to 60 days. During this time, the lender began to prepare for final loan approval, and the three buyer files were prepared and sent to the County of Los Angeles Community Development Commission for their review. Units B and C closed escrow on December 11, 2017, and Unit A closed escrow on December 15, 2017. HHP staff met with the new homeowners to complete key handover and closing walkthrough and orientation.

RECORDING AND RETURN
REQUESTED BY:

HHP-Highland, LLC
608 North Fair Oaks Avenue, #126
Pasadena, CA 91103



✓

APN: 5767-021-040

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND
CONDOMINIUM PLAN FOR
HIGHLAND MEWS

If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in Government Code §12955(p), or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Government Code §12956.2. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

This project has been designated as a historic property and is governed and protected by any and all applicable city, state and federal laws and regulations regarding same, including but not limited to the Mills Act (California Government Code, Article 12, §§ 50280-50290).

2/8

TABLE OF CONTENTS

CC&R RECITALS 4

CC&R ARTICLE 1. DEFINITIONS 4

CC&R ARTICLE 2. USAGE RIGHTS AND RESTRICTIONS 6

2.1 EXCLUSIVE USE COMMON AREAS AND EASEMENTS 6

 A. Assignment Of Exclusive Use Common Areas 6

 B. Owner's Easements 6

 C. Association's Easements 6

 D. Use of Easements 6

2.2 USE 7

2.3 AFFORDABILITY 7

2.4 NUISANCE 7

2.5 ANIMALS 7

2.6 PARKING AND USE OF MOTOR VEHICLES 7

2.7 STORAGE 8

2.8 GARBAGE DISPOSAL 8

2.9 WINDOW COVERINGS 8

2.10 SIGNS 8

2.11 RENTAL USE 8

2.12 ALTERATION OF THE PROPERTY 9

 A. Alterations Of Units 9

 B. Alterations Of Common Area 9

 C. Procedure For Alteration Approval 9

 D. Responsibility, Compliance and Inspection 10

2.13 HISTORIC PROPERTY 10

2.14 SEVERANCE AND SUBDIVISION OF CONDOMINIUMS 10

CC&R ARTICLE 3. EXPENSES, ASSESSMENTS AND REPORTING 11

3.1 ALLOCATION OF EXPENSES 11

3.2 ANNUAL BUDGET 11

 A. Creation of Operating Budget 11

 B. Revision of Operating Budget 11

 C. Approval of Operating Budget 11

3.3 MAINTENANCE RESERVES 12

3.4 REGULAR ANNUAL ASSESSMENTS 12

3.5 SPECIAL ASSESSMENTS 12

 B. Discretionary Special Assessments 12

3.6 PERSONAL REIMBURSEMENT ASSESSMENTS 12

3.7 OBLIGATION TO PAY ASSESSMENTS 13

3.8 DELINQUENT ASSESSMENTS 13

3.9 USE OF REGULAR AND SPECIAL ASSESSMENTS 13

3.10 ACCOUNT ADMINISTRATION 13

 A. Operating Account 13

 B. Maintenance Reserves Account 14

3.11 FINANCIAL REVIEW 14

3.12 ANNUAL REPORTING 14

3.13 REVIEW OF FINANCIAL STATEMENTS 14

3.14 ACCESS TO ASSOCIATION RECORDS 14

CC&R ARTICLE 4. MAINTENANCE AND INSURANCE 14

4.1 INDIVIDUAL MAINTENANCE 14

 A. Units 14

 B. Exclusive Use Common Area 14

 C. Failure To Maintain 14

 D. Building Permit and Contractor Requirements 15

E. Timing of Work Completion15

4.2 ASSOCIATION MAINTENANCE15

4.3 CONSEQUENTIAL DAMAGE AND LOSS.....15

 A. Damage Due To Conduct15

 B. Damage Due To Malfunction.....15

4.4 INSURANCE COVERAGE16

 A. Association Insurance16

 D. FNMA, FHLMC and VA Insurance Requirements17

 E. Inability To Obtain Insurance.....17

 F. Claims Against Association Insurance.....17

 G. Casualty Insurance Proceeds17

 H. Other Insurance Requirements.....18

4.5 CATASTROPHIC DAMAGE18

CC&R ARTICLE 5. OTHER ASSOCIATION POWERS AND DUTIES.....19

5.1 GENERAL POWERS OF ASSOCIATION.....19

5.2 MANAGER19

5.3 ENFORCEMENT19

5.4 LEGAL ACTIONS.....19

5.5 MECHANICS LIENS.....19

5.6 UTILITY SERVICE.....19

CC&R ARTICLE 6. ASSOCIATION DECISIONMAKING.....20

6.1 AUTHORITY OF BOARD.....20

6.2 ACTIONS REQUIRING OWNER APPROVAL20

CC&R ARTICLE 7. MORTGAGE PROTECTION20

7.1 SUBORDINATION20

7.2 FORMER OWNER IN POSSESSION FOLLOWING FORECLOSURE21

7.3 MORTGAGEE PRIORITY IN DISTRIBUTION OF PROCEEDS21

7.4 MORTGAGEE APPROVAL REQUIREMENTS.....21

7.5 MORTGAGEE RIGHTS.....21

CC&R ARTICLE 8. GENERAL PROVISIONS OF DECLARATION22

8.1 AMENDMENT OF DECLARATION22

8.2 CERTIFICATION OF APPROVAL AND RECORDATION22

8.3 MANNER OF PROVIDING NOTICES, DOCUMENTS AND REPORTS22

 A. Association Notice22

 B. General Notice22

 C. Individual Notice22

8.4 DISPUTE RESOLUTION23

 A. Inapplicability to Assessment Disputes and Collections23

 B. Internal Procedure23

 C. Mediation.....23

 D. Arbitration.....23

 E. Other Exempt Disputes.....23

8.5 OWNER'S ACCOUNTABILITY.....23

8.6 INDEMNIFICATION24

8.7 NOTICE OF TRANSFER.....24

 A. Disclosures Required for Transfers.....24

 B. Notice of Transfers.....24

8.8 CONDEMNATION.....24

8.9 DISTRIBUTIONS.....24

8.10 ADDITIONAL GENERAL PROVISIONS.....24

CC&R ARTICLE 9. CONSTRUCTION DEFECT CLAIMS25

9.1 CONSTRUCTION DEFECT CLAIM25

A. Association Property25

B. Dwelling Units25

C. Pre-Litigation Dispute Resolution.....25

9.2 NOTICE TO MEMBERS OF LEGAL PROCEEDINGS AGAINST DEVELOPER25

9.3 DECLARANT RIGHT TO APPEAR25

9.4 DESIGNATION OF AGENT FOR NOTICE26

9.5 CLAIMS NOT RESOLVED BY PRE-LITIGATION PROCEDURES26

 A. Binding Arbitration26

 B. Rules Applicable to All Cases26

 C. Arbitration Expenses26

 D. Appointment of Arbitrator26

 E. Venue26

 F. Prompt Commencement26

 G. Fair and Reasonable Procedures26

 H. Prompt Conclusion and Ruling26

 I. Available Remedies26

9.6 ARBITRATION OF DISPUTES27

CC&R RECITALS

THIS DECLARATION is made by the undersigned (collectively "Declarant").

- A. Declarant is the Owner of a tract of land located in the City of Sierra Madre, County of Los Angeles, State of California, commonly known as 186 West Highland Avenue (the "Property"), and more particularly described as Parcel 1 of a parcel map entitled "Parcel Map No. 73420 for Condominium Purposes" recorded on November 1, 2016, in Book 388 at Pages 96 to 97, of the Official Records of the County of Los Angeles, California (the "Parcel Map").
- B. Declarant intends by this Declaration to establish a condominium project pursuant to Civil Code §§4000 et seq., (the Davis-Stirling Common Interest Development Act), and to impose upon the Property mutually beneficial restrictions under a general plan of improvement for the benefit of the condominiums and their owners.
- C. Declarant establishes by this Declaration a plan for the individual ownership of real property estates, consisting of a separate interest in space, referred to as a Unit, and an undivided interest in common in a portion of real property referred to as the Common Area.
- D. Declarant declares that the Property shall be held, conveyed, leased and improved subject to the following covenants, conditions, restrictions and easements, all of which are for the purpose of enhancing and protecting the value and attractiveness of the Property. All of the covenants, conditions, restrictions and easements constitute equitable servitudes and covenants which shall run with the land and be binding upon Declarant and Declarant's successors and assigns, and all parties having or acquiring any right, title or interest in or to any part of the Property.

CC&R ARTICLE 1. DEFINITIONS

The following initially capitalized nouns have the meanings set forth below whenever used in the Governing Documents:

"Annual Budget Report" means the annual financial report required by Civil Code §5300.

"Annual Policy Statement" means annual statement explaining various Association policies and procedures required by Civil Code §5310.

"Assessment" means the proportionate costs of operating, Maintaining and managing the Property assessed against each Unit. There are three types of assessments: Regular Annual Assessments, Special Assessments and Personal Reimbursement Assessments. The characteristics of each are described in CC&R Article 3. All such Assessments shall be collectively referred to as "Assessments."

"Association" means the HIGHLAND MEWS HOMEOWNERS ASSOCIATION, an unincorporated association.

"Association Notice" means a notice to the Association given as described in Section 8.3.

"Board" means the Board of Directors of the Association, which shall consist of one (1) person appointed by the Owner of each Unit.

"Common Area" means the entire Property except for the Units.

"Condominium" means a Unit and an undivided interest in the Common Area together with all associated rights and responsibilities.

"Condominium Plan" means the plan showing the physical boundaries of the Property and the individual ownership interests which is attached to this Declaration as Exhibit "B". The approximate location and physical boundaries of Units, Exclusive Use Common Areas and Common Area are shown on the Condominium Plan. The actual, as-built dimensions of the structures, either as originally constructed, or as reconstructed in accordance with the Governing Documents, shall be presumed the true boundaries and take priority over any legal description in a document, regardless of minor encroachments resulting from constructions, settlement, lateral movement or other causes.

"Emergency" means a condition within the Property that immediately endangers the integrity of the Property, or the safety or health of the Occupants, guests or public. **"Emergency Situation"** is defined in Civil Code §5610.

"Exclusive Use Common Area" means those portions of Common Area reserved for the exclusive use of one or more, but fewer than all, Owners on the Condominium Plan and in this Declaration.

"General Notice" means a notice to all Owners given as described in Section 8.3.

"Governing Documents" means this Declaration including its exhibits, the parcel map described in the Recitals, the Bylaws, and any Rules. There are no Articles of Incorporation (because the Association is not incorporated) and no Articles of Association.

"Governmental Regulations" means all applicable laws, ordinances, resolutions, procedures, orders, standards, conditions, approvals, rules and regulations of any governmental entity with authority over the Property.

"Individual Notice" means a notice to one or more Owner given as described in Section 8.3.

"Maintain" and "Maintenance" shall mean, respectively, "maintain, repair and replace" or "maintenance, repair and replacement", except where the context clearly intends just the term "maintain" or "maintenance" to apply.

"Maintenance Reserves" means funds collected for repair and replacement of the major components of the Property that the Association is obligated to Maintain.

"Majority Owner Approval" means the approval of a majority of the Owner votes represented and voting at a duly held Owner Meeting, or through a properly-conducted written ballot procedure, at which a quorum is represented, provided that in all cases Majority Owner Approval shall require at least two (2) affirmative votes.

"Mortgage" means the conveyance of any interest in a Condominium to secure the performance of an obligation. "Mortgage" is synonymous with "deed of trust" for the purposes of the Governing Documents.

"Mortgagee" means a person or entity who holds the beneficial interest in a Mortgage. "Mortgagee" is synonymous with "beneficiary" under a deed of trust.

"Occupant" means a person who sleeps in a Unit during more than fourteen (14) days within any thirty (30)-day period.

"Owner" means the record owner of a Condominium, which may consist of more than one person or entity, or a contract buyer under an installment land contract with equitable title. "Owner" shall not include those who hold an interest in a Condominium merely as security for the performance of an obligation.

"Percentage Interest" means the interest in the Common Area conveyed with each Unit as shown on the Condominium Plan. Except as specifically provided in the Condominium Plan or this Declaration, each Owner is equally entitled to use of all Common Area regardless of his/her Percentage Interest.

7

“Property” means the entirety of the common interest development described in the Recitals to this Declaration.

“Rules” means the rules adopted by the Board or the Association pursuant to this Declaration.

“Unit” means the areas designated “Element A” on the Condominium Plan. Except as otherwise provided on the Condominium Plan, each Unit consists of the area bounded by the interior unfinished surfaces of its perimeter walls, bearing walls, floors, fireplaces, ceilings, windows and interior portions of window frames and trim, doors (including windows in doors) and interior portions of door frames and trim, and includes both the portions of the building so described and the airspace so encompassed. A Unit includes (i) the wallboard, plaster and paint on all interior surfaces located or exposed within the Unit, (ii) all interior and exterior elements of skylights, (iii) window sashes or other elements that directly contact the glass portion of the window, (iv) door and window hardware and all mechanical elements of doors and windows, (v) plumbing, heating, air conditioning and electrical fixtures and appliances located or exposed within the Unit, and (vi) water heaters, furnaces and air conditioners serving only the Unit. A Unit does not include any portion of the frames of windows or exterior doors that is not exposed within a unit interior, or any structural component of walls, ceilings, and floors.

“Utilities” means services or systems related to electricity, water, sewer, HVAC, communications, scavenger, recycling, elevator, and fire detection and suppression, and all incidental pipes, conduits, ducts, wiring, equipment and enclosures.

CC&R ARTICLE 2. USAGE RIGHTS AND RESTRICTIONS

2.1 EXCLUSIVE USE COMMON AREAS AND EASEMENTS.

- A. **Assignment Of Exclusive Use Common Areas.** On the Condominium Plan, the areas designated “Element D” are deck areas; an easement for the exclusive use of each such area is granted as an Exclusive Use Common Area appurtenant to a particular Unit as shown on the Condominium Plan. For example, the indication “Unit A Element D” indicates that a deck is an Exclusive Use Common Area appurtenant to Unit A. On the Condominium Plan, the areas designated “Element P” are parking areas, and the areas designated “Element S” are storage areas; an easement for the exclusive use of certain of these areas is hereby granted as an Exclusive Use Common Area appurtenant to a particular Unit as follows:

<u>UNIT</u>	<u>STORAGE/PARKING</u>
A	S1/ P1, P2
B	S3/ P3, P4
C	S2/ P5, P6

Those “Element P” areas not listed in the above shall be deemed guest parking areas to be used as described in Subsection 2.6B.

- B. **Owner’s Easements.** The following are reserved for the benefit of each Owner and Unit: (i) a non-exclusive easement throughout the Common Area for ingress, egress and support; (ii) a non-exclusive easement for construction, operation, and Maintenance, at reasonable locations within Common Area, of all pipes, conduits, ducts, wiring, equipment and enclosures related to electricity, gas, water, sewer, HVAC, communications, (including cable, television and telephone), and fire detection and suppression; (iii) a non-exclusive easement for operation, Maintenance of existing Utilities within the other Owners’ Condominiums provided the activities do not unreasonably interfere with use and enjoyment of such Condominiums; (iv) a non-exclusive easement for access throughout the Property for the Maintenance of elements of the Owner’s Condominium; and (v) an easement throughout the Property for minor encroachments resulting from construction, repair, shifting, settlement or movement upon any portion of the Property.
- C. **Association’s Easements.** The Association shall have an easement for access throughout the Property, including the Units, to perform its duties under the Governing Documents.
- D. **Use of Easements.** Whenever the Association or an Owner temporarily enters another Owner’s Unit or Exclusive Use Common Area based upon easement rights described in this Declaration, the entry shall be made with as little inconvenience as possible to the Occupants, following seventy-two (72) hours prior Notice; however, no Notice is required for entry in the case of an Emergency. Any damage caused by the entry shall be promptly repaired at the expense of the Association or the Owner, whichever of them authorized the entry.

2.2 USE. The Property shall be solely for residential use except that an Occupant may engage in a professional or administrative occupation within the Property if, (i) there is no external evidence of business activity, (ii) it conforms to all applicable Governmental Regulations, and (iii) it is merely incidental to the use of the Unit as a residence. At no time shall any garage, outbuilding, tent, shack, shed, trailer, camper, motorhome, boat or structure of any kind within the Property be used as a dwelling.

2.3 AFFORDABILITY. All Units are intended to be restricted to housing affordable to "Moderate Income Households", as defined in each Owner's Sales Contract and Mortgage. No Owner shall lease, rent, sell, or otherwise dispose of his/her Unit without the prior written consent from each Mortgagee of such Unit.

2.4 NUISANCE. No person shall use any part of the Property in a way that unreasonably interferes with the quiet enjoyment of an Occupant, or which is noxious, illegal, seriously annoying or offensive to a person of reasonable and normal sensitivity. There shall be no exterior fires except in barbecue receptacles designed for that purpose. No activity may be carried on that adversely affects insurance coverage or rates on the Property. No one shall do or permit anything to be done which is in violation of a Governmental Regulation or which will or may significantly diminish the attractiveness, desirability or value of another Unit or the Property as a whole.

2.5 ANIMALS. Only the following animals are permitted to be kept in a Unit: domestic dogs and cats, fish, and provided they are inside cages: birds, rodents and reptiles. The Occupants of a particular Unit may collectively keep not more than two (2) non-caged four-legged pets. Permitted animals shall not be kept, bred, or raised for commercial purposes. All Occupants who keep pets on the Property (i) shall keep such pet under reasonable control at all times, (ii) shall keep any dog on a hand-held leash when outside a Unit, (iii) shall immediately clean up after such pet, (iv) shall be liable for any damage to persons or property proximately caused by such pet, and (v) shall indemnify and hold harmless the Association and all Owners against any and all loss, cost or liability, including attorneys fees, arising out of claims related to such pet.

2.6 PARKING AND USE OF MOTOR VEHICLES.

- A.** No trailer, motor home, recreational vehicle, camper, boat, or related accessory shall be parked, kept or permitted to remain within the Property. No unreasonably noisy vehicles and no vehicles (including, without limitation, scooters, motorcycles or other motorized devices) emitting foul smelling or offensive exhaust fumes shall be operated within the Property. No inoperable or abandoned vehicle shall be parked, kept or permitted to remain upon any area within the Property. Repair of a motor vehicle is not permitted anywhere on the Property.
- B.** Subject to the limitations in the preceding Subsection, an Owner may park or store motor vehicles within his/her exclusive use parking area provided that every part of such vehicles is contained entirely within the boundaries of such parking area. Exclusive use parking areas may not be used for living, recreational or business purposes. Each Owner shall keep his/her exclusive use parking area neat and clean and shall remove any oil, grease or other waste. Space "P7" on the Condominium Plan shall be deemed the "Guest Parking Space", available for use only by invitees of Occupants, and only for vehicles which are owned, rented or leased by individuals who are not Occupants. No vehicle shall be permitted to use a Guest Parking Space for more than seventy two (72) hours in any seven (7)-day period. Further restrictions may be imposed on the use of Guest Parking Spaces by the Board in its sole discretion.
- C.** Strict compliance with the provisions of Subsections A and B shall be required at all times; "temporary" or "very short term" violations shall be deemed no different from long-term parking or storage. Any motor vehicle not in compliance shall be deemed "Improperly Parked". The fact that a motor vehicle has been allowed to be Improperly Parked previously shall not diminish or otherwise affect the application of the provisions of this Section, or impose additional duties or responsibilities on the Association or on any Owner with regard to the removal of such item. Each Owner shall be responsible for violations of this Section by his/her invitees, each Occupant of such Owner's Condominium, and each invitee of any such Occupant. Any Owner may remove any motor vehicle that is Improperly Parked on the Property at the vehicle owner's expense provided such removal complies with all aspects of Governmental Regulations. Each Owner shall be deemed to have the authority of the Association to do so. Neither the Association nor the removing Owner shall be liable for any damages or loss suffered by the vehicle owner as a consequence of removal unless such damage or loss resulted from negligence of the Association or the removing Owner.
- D.** Each Owner shall indemnify, defend and hold harmless the Association, and every other Owner, and Occupant, against any and all loss, cost or liability including attorney's fees, arising out of claims related to the ownership, maintenance or use of motor vehicles on the Property by such Owner's invitees, the Occupants of such Owner's Unit, and the invitees of any such Occupant.

2.7 STORAGE..

- A. Within a storage area assigned as Exclusive Use Common Area, the Owner assigned the area may store any non-hazardous material provided it is organized in a manner which does not create a fire hazard or significantly diminish the value or desirability of the Property. Within a deck assigned as Exclusive Use Common Area, the Owner assigned the area may place or store outdoor furniture, barbecues, plants, and other typical outdoor furnishings provided the amount or condition of such items does not significantly diminish the value or desirability of the Property.
- B. Except as provided in the preceding Subsection, no one may store any item in Exclusive Use Common Area, or in other Common Area, without prior written approval of the Association. Without limiting the generality of the preceding sentence, it is expressly provided that spaces designated "Element S" on the Condominium Plan that have not been assigned to a particular Unit under Subsection 2.1A shall not be used by any Owner or Occupant for any purpose without prior written approval of the Association. Any item stored in violation of the preceding sentence may be removed without prior Notice or hearing of any kind, and disposed of, and the reasonable cost of such removal and disposal shall be levied by the Association against the Owner who stored such items as a Personal Reimbursement Assessment. Neither the Association, nor any Owner, nor anyone acting on behalf of the Association or any Owner, shall have any liability as a result of exercising the rights provided under this Section. The fact that items have been allowed to be improperly stored in a particular location for an extended period shall not diminish or otherwise affect the application of the provisions of this Section, or impose additional duties or responsibilities on the Association or on any Owner with regard to the removal of such items.

2.8 GARBAGE DISPOSAL.. Each Occupant is responsible for regularly removing his/her refuse from his/her Unit and Exclusive Use Common Area. An Occupant may store his/her refuse within proper containers located in his/her parking or storage area temporarily (i.e. between pickups), but only provided it is maintained in such a manner that it does not create odors in the surrounding area. Any Hazardous Materials within the Property shall be disposed of in compliance with Applicable Laws. Owners are encouraged to consult with the Governmental Agencies and the refuse hauler in the area of the Property concerning the proper disposal of any Hazardous Material. Toxic chemicals or hydrocarbon compounds such as gasoline, motor oil, anti-freeze, solvents, paints, paint thinners, wood preservatives and other such fluids shall not be discharged into any public street or any storm drain or storm-water conveyance system within the Property. Use and disposal of pesticides, fungicides, herbicides, insecticides, fertilizers and other such chemical treatments shall meet Federal, State, County and City requirements as prescribed in their respective containers. Each Owner shall indemnify, defend and hold harmless the Association, any other Owner and any other Owner's tenants and invitees, from all damages, losses, and liabilities, including remedial costs and attorney fees, incurred in connection with hazardous materials kept or released on the Property.

2.9 WINDOW COVERINGS.. Unless otherwise approved by the Association, all window coverings visible from the street or Common Area shall be of a material and type commonly used for window coverings (i.e. drapes, curtains, shutters, or blinds).

2.10 SIGNS.. Notwithstanding anything to the contrary in this Declaration, except as specifically provided in this Section, no one may place any sign, banner or similar item on any part of the Property (including within a Unit) in a manner that would allow it to be seen from the exterior. The following signs are permitted on or from portions of the Property designated by the Association: (i) non-commercial signs, posters, flags or banners which the Association is required by law to permit, and (ii) "For Sale" or "For Rent" signs that do not exceed nine (9) square feet in size.

2.11 RENTAL USE.. Subject to the terms of an Owners mortgage, grant deed, Sales Contract, and/or any document recorded against the title of a Unit, any of which may restrict an Owner's right to lease or rent his Unit is also subject to the following:

- (a) No Owner may lease such Owner's Condominium for hotel, motel or transient purposes. Any lease which is either for a period of fewer than thirty (30) days or pursuant to which the lessor provides any services normally associated with a hotel shall be deemed to be for transient or hotel purposes.
- (b) A lessee shall have no obligation to the Association to pay assessments imposed by the Association nor shall any lessee have any voting rights in the Association.
- (c) Any rental or lease must be under the terms of a written lease. A condition of the lease shall be that the tenant or lessee shall not have the right to sub-lease all or any portion of the Unit. A further condition shall be that tenant/lessee will fully comply with the Association's Governing Documents. It is the responsibility of the Owner

to provide tenant/lessee with the governing documents and any later adopted versions of these documents. Owner shall provide the Association with a copy of the written lease, which has been signed by each and every adult tenant/lessee, prior to allowing tenant or lessee to assume occupancy of the Unit.

(d) Any rental or lease agreement shall provide that the lease is subject to the Governing Documents and shall provide that any failure to comply with any provisions of the Governing Documents, shall be a default under the terms of the rental or lease agreement. The Owner shall be fully responsible to ensure that his tenants/lessees comply with all Association Governing Documents, including CC&Rs, Bylaws and adopted Rules and Regulations. Owners shall be strictly liable for any damage caused by their tenants/lessees and their family, employees, agents, guests or invitees to the Common Area and for any violation of the governing documents. As per policy established by the governing documents, Owner shall be specially assessed for any damage and fined for any violation.

2.12 ALTERATION OF THE PROPERTY..

A. Alterations Of Units.. An Owner may make alterations within the interior boundaries of his/her Unit that do not alter the exterior appearance of the Property, or impair the structural integrity, mechanical systems, value or desirability of the Property, without approval of the Association or of any other Owner. All other alterations require prior, written Association approval. All improvements shall be made by a licensed contractor with permits from the City of Sierra Madre, as required.

B. Alterations Of Common Area.. Except as specifically provided in this Subsection, no one may alter Common Area, or Exclusive Use Common Area, without prior, written Association approval. The following alterations are permitted without approval:

- (1) An Owner may alter his/her assigned storage area (if any) provided the alteration will not impair the structural integrity or mechanical systems of the Property, diminish the utility of any other area of the Property, or change the usage of the space from storage to something else (such as a habitation, workshop, office, parking area, recreation room, etc.).
- (2) An Owner may not alter his/her assigned deck, balcony (including stair landing), yard or patio without approval of the Board and the City of Sierra Madre's Building and Safety Department.

C. Procedure For Alteration Approval..

- (1) An Owner wishing to make alterations requiring Association approval shall submit "Plans and Specifications" to the Association. "Plans and Specifications," as used in this Article, shall include the following: (i) A description of the proposed alteration, including, as appropriate, its shape, height, width, elevation, materials, color, location and such further information as may be necessary to allow the Association to evaluate it fully; (ii) Upon request of the Association, a certificate by an architect or engineer licensed by the State of California stating that the alteration will not impair the structural integrity of any part of the Property, and will not interfere with any Utility; and (iii) Upon request of the Association, a set of construction drawings prepared by an architect and/or engineer licensed by the State of California. The Association may require as much detail in the Plans and Specifications as it deems appropriate, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and samples of exterior material and colors. The Association may postpone review of any application until receipt of all required information and materials. Upon submittal of all required information and documentation, the Association shall give the Owner a written, dated receipt. The date of the receipt shall be the commencement date for computing the time within which the Association must approve or disapprove the application. The Association may charge a reasonable fee for reviewing an application.
- (2) The Association shall act upon each alteration approval application within forty-five (45) days after receipt of all materials required or requested by the Association or, failing that, at the first Board Meeting thereafter before any other business is undertaken at such Meeting. As soon as reasonably possible thereafter, the Association shall provide Individual Notice to the applicant of its decision. If a proposed change is disapproved, the written decision shall include both an explanation of why the proposed change is disapproved and a description of the procedure for reconsideration by the Board.
- (3) The Association decision must be made in good faith and may not be unreasonable, arbitrary, or capricious. The Association shall approve an alteration only if it makes an affirmative finding that the alteration (i) will not impair the structural integrity of any part of the Property, (ii) will not interfere with any Utility, (iii) is consistent with the Governing Documents and all Governmental Regulations, (iv) will not detract from the appearance,

11

harmony, attractiveness and enjoyability of the Property, and (v) will not impose an unreasonable Maintenance burden on the Association. The approval or disapproval of an alteration shall not be deemed a waiver of the Association's subsequent right to approve or disapprove a similar alteration or any other matter.

D. Responsibility, Compliance and Inspection. The following provisions shall apply regardless of whether Association approval is required or obtained.

- (1) Unless otherwise approved by the Board in a written resolution, when the alteration work requires a building permit, the Owner shall: (i) obtain all required permits and approvals; (ii) hire a contractor with a currently-valid contractor's license, and who will maintain a liability insurance policy, with policy limits of at least two million dollars (\$2,000,000) per incident, naming all Owners as insureds, covering damage to persons and property (including the personal property of all Occupants) that occurs as a result of the work either during or after performance; (iii) provide Notice with a copy of such permits and approvals to the other Owner at least ten (10) calendar days before commencing the work; and (iv) obtain final governmental inspection and sign-off.
- (2) All alteration work must be diligently and consistently pursued through completion, and must be completed within a reasonable time. Alterations that have been approved by the Association must be commenced within one (1) year from the date of the approval, or the approval given shall be deemed revoked unless the Board extends the time for commencement. Any request for an extension shall be in writing.
- (3) Any Owner, following reasonable advance written notice, may inspect any work performed on the Property to ensure it is done in accordance with the Governing Documents. If, as a result of an inspection, an Owner finds a violation of the Governing Documents, he/she may provide Individual Notice to the violating Owner of the violation, at the same time providing a copy of such Notice to each Board member. The Notice shall specify the particulars of non-compliance and shall require the Owner to remedy it. If the Owner fails to remedy the non-compliance in accordance with the provisions of the notice, then, after the expiration of thirty (30) days from the date of the notice, the Board shall provide Individual Notice to the Owner of a hearing to consider the Owner's continuing non-compliance. At the hearing, if the Board finds that there is no valid reason for the continuing non-compliance, the Board shall require the Owner to remedy it within a period of not more than forty-five (45) days from the date of the Board's ruling. At any time within such period, or within any extension of such period as the Board, in its discretion, may grant, the Board may choose not to wait for the Owner to act, and instead the Board may act to remedy the non-compliance, and assess any associated costs against the Owner as a Personal Reimbursement Assessment. The Association may also cause a notice of nonresponsibility for mechanics' liens to be recorded and posted as specified in Civil Code §8444.

2.13 HISTORIC PROPERTY. Notwithstanding anything to the contrary in this Declaration, in order to preserve the historic characteristic of the Property and to maintain its status as a "Historic Property", maintenance, repair, restoration, replacement, modification or alteration of Units or Common Area by Owners or Declarant must conform to any and all applicable City, State and Federal laws and regulations regarding same, including but not limited to the Mills Act (California Government Code, Article 12, §§50280-50290) as well as any Historic Property Agreement relating to the Property, and any approvals required thereunder.

2.14 SEVERANCE AND SUBDIVISION OF CONDOMINIUMS. There shall be no further spatial subdivision of a Condominium into different interests than provided in this Declaration. No Owner shall transfer an ownership interest in a Condominium that does not include all associated rights, title and interests described in the Governing Documents. Any transfer in violation of this Section is void.

2.15 RESERVATION FOR ADJACENT DEVELOPMENT. If Declarant or an affiliate of Declarant (a "HHP Adjacent Owner") obtains title to certain real property adjacent to the Property, commonly known as the undeveloped easterly 47' portion of parcels 5767-021-021 and/or 5767-021-022 located to the south of the Development ("Adjacent Property"), as evidenced by the recording of a grant deed transferring such Adjacent Property to a HHP Adjacent Owner, the following provisions will apply:

A. Adjacent Property Easements. Reservations for the benefit of the HHP Adjacent Owner, its successors and assigns, and the Adjacent Property will automatically become effective without need for the approval, consent or vote of the Association, the Board or any Owner (collectively, the "Adjacent Property Easements"): (i) a non-exclusive easement through the Property for ingress, egress and support to the Adjacent Property; (ii) a non-exclusive easement for construction, operation, and Maintenance for the Adjacent Property, at reasonable locations within Property, of all pipes, conduits, ducts, wiring, equipment and enclosures related to electricity, gas, water, sewer, HVAC, communications, (including cable,

television and telephone), and fire detection and suppression for the Adjacent Property; (iii) a non-exclusive easement for installation, operation and Maintenance of Utilities within the Adjacent Property provided the activities do not unreasonably interfere with use and enjoyment of Owners' Condominiums; and (iv) a non-exclusive easement for access throughout the Property for the Maintenance of elements of the improvements to be located on the Adjacent Property.

B. Modification to Condominium Plan. In order to effectuate the purposes of the Adjacent Property Easements, the Condominium Plan may be modified by the Declarant without the need for the approval, consent or vote of the Associate, the Board or any Owner, so long as the costs associated with modifying the Condominium Plan are paid for by the HHP Adjacent Owner.

C. Cost Sharing Agreement. In connection with the use of the Adjacent Property Easements, the Association and HHP Adjacent Owner (or its related home owners association) will enter into a maintenance cost sharing agreement on terms mutually acceptable to the Association and the HHP Adjacent Owner whereby the Maintenance costs of the Property encumbered by the Adjacent Property Easements will be apportioned proportionately between the Owners of the Property and the owners of the Adjacent Property based on the total number of parking spaces on the Property and the Adjacent Property. By way of example only, if the Property contained 7 parking spaces and the Adjacent Property contained 3 parking spaces, Maintenance costs of the Property encumbered by the Adjacent Property Easements would be allocated 70% to the Property and 30% to the Adjacent Property. Such agreement will be in form and content acceptable to HHP Adjacent Owner and will be recorded in the Official Records of County of Los Angeles.

CC&R ARTICLE 3. EXPENSES, ASSESSMENTS AND REPORTING

3.1 ALLOCATION OF EXPENSES. All Regular Annual Assessments, and all Special Assessments, shall be divided equally among the three (3) Owners.

3.2 ANNUAL BUDGET.

- A. Creation of Operating Budget.** Thirty (30) to ninety (90) days before the conclusion of each fiscal year, the Treasurer shall prepare, and provide in a Notice to each Owner, a proposed Association operating budget for the next fiscal year showing estimated revenue and expenses on an accrual basis, and including the amount of Maintenance Reserves scheduled to be collected during the upcoming fiscal year based on the most recent Maintenance Reserves funding plan prepared under Section 3.3. The Treasurer's proposed operating budget shall automatically become the Association's operating budget for the next fiscal year unless either: (i) the Board adopts an alternative operating budget that satisfies all requirements imposed by California law, including those relating to collection of Maintenance Reserves, at least forty-five (45) days before the conclusion of the fiscal year; or (ii) the Treasurer's proposed operating budget would cause a large enough increase in Regular Annual Assessments that an Owner vote would be required under Section 6.2, in which case the then-current operating budget shall be deemed to be re-adopted for the new fiscal year pending a decision by the Owners.
- B. Revision of Operating Budget.** When there is a demonstrable increase or decrease in the cost of an item included in the operating budget during the course of a fiscal year, the Treasurer shall prepare, and provide in a Notice to each Owner, a proposed revised Association operating budget that satisfies the requirements imposed by the preceding Subsection. The Notice shall include verifiable documentation showing the cost increase or decrease. The Treasurer's proposed revised operating budget shall automatically become the Association's operating budget effective sixty (60) days after the Notice unless either: (i) the Board adopts an alternative operating budget that satisfies all requirements imposed by California law, including those relating to collection of Maintenance Reserves, prior to such effective date, in which case the revised operating budget adopted by the Association shall become effective thirty (30) days after it is adopted; or (ii) the Treasurer's proposed revised operating budget would cause a large enough increase in Regular Annual Assessments that an Owner vote would be required under Section 6.2, in which case the then-current operating budget shall remain in effect pending a decision by the Owners.
- C. Approval of Operating Budget.** By virtue of acquiring a Condominium subject to this Declaration, each Owner agrees that the Treasurer's proposed operating budget, and the resulting Regular Annual Assessments to be imposed on each Owner pursuant to Section 3.4, shall be deemed approved by him/her each year, without additional vote, except where overruled by Board or Owner vote. The intention of an Owner or director to challenge the validity of an operating budget or revision proposed by the Treasurer for any reason, either through

Board vote or through other means, shall not provide a legitimate basis for not paying any installment of a Regular Annual Assessment based upon the budget to be challenged Assessment; rather, if the due date of an installment arrives before the Treasurer's decision is overruled, the installment is payable in full and on time, and the failure to pay shall have exactly the same legal consequences as the failure to pay any other Regular Annual Assessment installment under this Declaration and applicable law. If the operating budget and resulting Regular Annual Assessment is retroactively modified as a result of Association vote or legal process, the Association shall refund any overpayment.

3.3 MAINTENANCE RESERVES. The Association shall regularly undertake a Maintenance Reserves Study and prepare a Maintenance Reserves Funding Plan, and a schedule of Assessments required to fund the Maintenance Reserves, all in accordance with Civil Code §§5550 and 5560. The Association shall keep Maintenance Reserves in a deposit account (the "Maintenance Reserve Account") that is segregated from those accounts holding its other funds. Withdrawal from the Maintenance Reserve Account shall require the signatures of either two (2) Directors or one (1) Director and one (1) Officer. The Association shall not expend Maintenance Reserves, or borrow such funds, except in compliance with Civil Code §§5510, 5515 and 5520.

3.4 REGULAR ANNUAL ASSESSMENTS. The Association shall levy "Regular Annual Assessments" against all Owners in the exact amount required to satisfy the funding Association's requirements under the operating budget established pursuant to Section 3.2. Except when an Owner vote is required under Section 6.2 due to an unusually large increase in the Regular Annual Assessments, the amount of the Regular Annual Assessments shall not require Association approval (apart from operating budget approval process described in Section 3.2). Regular Annual Assessments shall be assessed against each Owner on the first day of the first month of the fiscal year, and shall be due and payable in equal monthly installments on the first day of each month of the fiscal year unless the Association adopts some other basis for collection. The Treasurer, acting on behalf of the Association, shall provide Notice to each Owner of (i) the amount of the Regular Annual Assessment for the upcoming year at the same time he/she distributes the Annual Budget Report (as described in Section 3.12), and (ii) any change in the Regular Annual Assessments not less than thirty (30) calendar days before the due date of such changed Assessment.

3.5 SPECIAL ASSESSMENTS. A Special Assessment is an Assessment to defray (i) the cost to Maintain portions of the Property which the Association is obligated to Maintain, (ii) extraordinary expenses of the Association that were not anticipated in the operating budget, or (iii) any other purpose permitted by law. There are two kinds of Special Assessments: Mandatory and Discretionary.

A. Mandatory Special Assessments. A Mandatory Special Assessment is an assessment for expenses that the Association is obligated to pay, such as Association insurance premiums, property taxes paid under Subsection 3.1, charges for utility services paid by the Association, management expenses, the anticipated costs of Association Maintenance, or replenishment of the minimum balance in the Operating Account.

(1) Except when an Owner vote is required under Section 6.2, the Treasurer may impose a Mandatory Special Assessment at any time, without Association approval, by providing a Notice to all Owners, at least thirty (30) days before the due date of the Special Assessment. The Notice shall show the amount due, the due date and shall include verifiable supporting documentation establishing the need for the Mandatory Special Assessment.

(2) An Owner or director may challenge the need for a Mandatory Special Assessment by convening a Board or Owner Meeting where the Board or Owners may overrule the Treasurer's decision to impose the Special Assessment. Each Owner shall continue to be responsible for paying the Assessment until the Treasurer's decision is overruled, and the failure to pay shall have exactly the same legal consequences as the failure to pay any other Assessment under this Declaration and applicable law. If the Special Assessment is retroactively modified as a result of Association vote or legal process, the Association shall refund any overpayment.

B. Discretionary Special Assessments. Discretionary Special Assessments are those Special Assessments that do not fall within the definition of Mandatory Special Assessments, such as those levied for alterations approved by the Association. The Treasurer or any Owner may propose a Discretionary Special Assessment at a Board or Owner Meeting. Notice of the meeting shall include an agenda item describing the proposed Assessment. If the Discretionary Special Assessment is approved, the Treasurer shall prepare a Notice for each Owner stating the amount and due date, which shall be at least thirty (30) calendar days from the date of the Notice.

3.6 PERSONAL REIMBURSEMENT ASSESSMENTS. A Personal Reimbursement Assessment may be levied against any Owner to enforce the Owner's obligations and responsibilities under the Governing Documents as described in Subsection 5.3.

3.7 OBLIGATION TO PAY ASSESSMENTS. Each Owner agrees to pay the Regular Annual Assessment, any Special Assessment and any Personal Reimbursement Assessment assessed against him/her, established in accordance with this Declaration and without deduction or offset for any claim an Owner may have against the Association. Each Assessment, together with any late charge, interest, collection costs and reasonable attorneys' fees shall be the personal obligation of the Owner of the Condominium at the time the Assessment was due. **An Owner is permitted to pay any amount owed to the Association under protest to the extent allowed by applicable law.**

3.8 DELINQUENT ASSESSMENTS.

- A. Delinquency Timing and Charges.** Assessments are due and payable on their due dates without deduction or offset for any claim an Owner may have against the Association. Each Assessment, together with authorized charges, is the joint and several personal obligation of all Owners of the Condominium against which it is levied. No Owner may exempt him/herself from liability for payment of Assessments. An Owner is permitted to pay any amount owed to the Association under protest to the extent allowed by applicable law. An Assessment becomes delinquent if payment is not received by the Association within fifteen (15) days after its due date. The Association may impose a late charge in the maximum amount permitted by applicable law on delinquent payments as compensation for additional administrative costs, charge, recover reasonable costs incurred in collecting delinquent Assessments including reasonable attorney fees, and charge interest on delinquent payments, late charges, collection costs, and attorney fees, at the maximum amount permitted by applicable law, beginning thirty (30) days after the due date and continuing until the date payment is received.
- B. Repeated Delinquency.** If a Regular Annual Assessment installment is not paid within fifteen (15) days of the due date more than three (3) times during a fiscal year, the Association may declare the entire remaining unpaid balance of the Regular Annual Assessment for that fiscal year immediately due and payable in full by providing Individual Notice to the Owner.
- C. Assessment Liens.** A delinquent Assessment, regardless of type, plus any late charges, interest, costs of collection or related charges, shall become a lien on the delinquent Owner's Condominium beginning on the date the Association records a notice of delinquent Assessment with the County Recorder. The Association shall comply with all requirements of applicable law, including those described in Civil Code §§5660, 5670, 5673, 5675 and 5685, when recording such a notice. Such a lien may be enforced in any manner permitted by law.
- D. Non-judicial Foreclosure.** Provided it complies with all requirements of applicable law, including Civil Code §§5705, 5710, 5715 and 5720, the Association may undertake a nonjudicial foreclosure in accordance with Civil Code §§2924, 2924(b) and 2924(c) to enforce a lien for delinquent Regular Annual Assessments and Special Assessments, and a lien for delinquent Personal Reimbursement Assessments levied against an Owner to reimburse the Association for Maintenance costs for which such Owner is responsible. A penalty, fine, charge or other financial obligation, including costs and expenses of collection, levied by the Association against an Owner as a Personal Reimbursement Assessment for a violation of the Governing Documents, may be made a lien against the Condominium of such Owner, but may not be enforced by nonjudicial foreclosure except as allowed by law.
- E. Payment of Delinquent Assessments.** Payment toward a delinquent Assessment shall be credited first to satisfying the Assessment, and then to late charges, collection costs, attorney fees and interest. Upon payment of delinquent sums, the Association shall promptly record a notice acknowledging satisfaction and releasing the lien. The lien shall not be affected by the sale or transfer (other than through foreclosure) of the affected Owner's Condominium.
- F. Homestead Waiver.** Each Owner waives the benefit of statutory debtor protection, including homestead and exemption rights, to the full extent permitted by California and Federal law with respect to enforcement of Assessment liens.

3.9 USE OF REGULAR AND SPECIAL ASSESSMENTS. Revenue raised by Assessments must be used to Maintain, preserve and enhance the Property, or to promote the health, safety and general welfare of the Owners.

3.10 ACCOUNT ADMINISTRATION.

- A. Operating Account.** The "Operating Account" shall be the initial depository for all Association funds and the source of payment for all Association expenses, and shall be maintained at a federally insured banking institution. A minimum balance of one thousand dollars (\$1,000) shall be maintained in the Operating Account at all times, and

15

any shortfall in the minimum balance shall be recouped by Special Assessment. The Treasurer may make "Mandatory Disbursements" from the Operating Account without Association approval. Mandatory Disbursements shall be defined as payments for: (i) the minimum expense necessary to end an Emergency; (ii) any expense included as a specific line item in the operating budget adopted under Section 3.2; (iii) any expenses for which a Special Assessment has been made; and (iv) the costs of Association Maintenance required by this Declaration, provided the President has complied with each of the requirements imposed by the Bylaws. Any disbursement which is not defined as a Mandatory Disbursement must be approved in accordance with the Governing Documents. An Owner shall not be entitled to withdraw any funds from the Operating Account in connection with a transfer of his/her Condominium.

- B. Maintenance Reserves Account.** The "Maintenance Reserves Account" shall be the segregated depository for Maintenance Reserves, and shall be maintained at a federally insured banking institution. A minimum balance of one thousand dollars (\$1,000) shall be maintained in the Maintenance Reserves Account at all times, and any shortfall in the minimum balance shall be recouped by Special Assessment. Although withdrawal from the Maintenance Reserve Account shall require the signatures of two (2) directors, use of funds in the Maintenance Reserve Account to pay the costs of Association Maintenance required by this Declaration is mandatory, and it shall be a violation for any Owner or group of Owners to act in any manner, including refuse to sign a check, that would effectively prevent, or interfere with, such use. The Association shall not expend Maintenance Reserves, or borrow such funds, except in compliance with Civil Code §§5510, 5515 and 5520.

3.11 FINANCIAL REVIEW. On a quarterly basis, the Association shall reconcile each of its accounts, and compare the current year's actual Maintenance Reserves revenues and expenses to the budget, as required by Civil Code §5500.

3.12 ANNUAL REPORTING. Each year, the Association shall provide an Individual Notice to all Owners that includes an Annual Budget Report in compliance with Civil Code §5300, and an Annual Policy Statement in compliance with Civil Code §5310. In lieu of providing either or both of these, the Association may provide a summary satisfying the requirements of Civil Code §5320; however, the Association shall always provide the full reports to any Owner who has so requested in an Association Notice.

3.13 REVIEW OF FINANCIAL STATEMENTS. When required by Civil Code §5305, the Association shall provide a review of its financial statements prepared in accordance with that Section as an Individual Notice to all Owners.

3.14 ACCESS TO ASSOCIATION RECORDS. The Association shall at all time maintain all "Association Records" required under Civil Code §5300. The Association Records shall be available for inspection by an Owner or his/her representative as provided in, and subject to the restrictions and requirements of, Civil Code §§5205, 5210, 5215, and 5225. The Association may charge fees and expenses to the maximum extent permitted by applicable law.

CC&R ARTICLE 4. MAINTENANCE AND INSURANCE

4.1 INDIVIDUAL MAINTENANCE.

- A. Units.** Each Owner shall Maintain all elements of his/her Unit in a condition that does not significantly diminish the value or desirability of other Condominiums or the Property as a whole.
- B. Exclusive Use Common Area.** Each Owner shall Maintain, in a condition that does not significantly diminish the value or desirability of other Condominiums and the Property as a whole, the following elements of any storage area assigned to him/her as Exclusive Use Common Area: (i) any finished wall, floor, or ceiling surfaces which serve only such assigned area, (ii) window sashes or other elements that directly contact the glass portion of the window, (iii) door and window hardware and all mechanical elements of doors and windows, and (iv) portions of the electrical, plumbing, HVAC, and other systems serving only the assigned area.
- C. Failure To Maintain.** If an Owner fails to satisfy his/her Maintenance requirements in a manner which the Association deems necessary or appropriate to preserve the value and desirability of the Property, the Association may provide a Notice to the Owner of the work required and request the Owner to complete the work within thirty (30) days from the Effective Date of the Notice. If the Owner fails to complete the work within that period, the Association has the right, but not the obligation to do the Maintenance work, and assess any associated expense as a Personal Reimbursement Assessment. The failure of the Association to do the work shall not shift to it the responsibility for any loss or damage resulting from the Owner's failure to fulfill his/her obligations.

D. Building Permit and Contractor Requirements. Unless otherwise approved by the Board in a written resolution, when the Maintenance work requires a building permit, the Owner shall: (i) obtain all required permits and approvals; (ii) hire a contractor with a currently-valid contractor's license, and who will maintain a liability insurance policy, with policy limits of at least two million dollars (\$2,000,000) per incident, naming all Owners as insureds, covering damage to persons and property (including the personal property of all Occupants) that occurs as a result of the work either during or after performance; (iii) provide Notice with a copy of such permits and approvals to the other Owners at least ten (10) calendar days before commencing the work; and (iv) obtain final governmental inspection and sign-off.

E. Timing of Work Completion. All work performed by or on behalf of an Owner must be diligently and consistently pursued through completion, and must be completed within a reasonable time.

4.2 ASSOCIATION MAINTENANCE. The Association shall Maintain in good condition all Common Area, including all Exclusive Use Common Area, except those elements required to be Maintained by an Owner under Section 4.1B. Without limiting the generality of the preceding sentence, it is expressly provided that the Association shall Maintain all elements of all decks and parking areas, regardless of whether or not they are Exclusive Use Common Areas.

4.3 CONSEQUENTIAL DAMAGE AND LOSS. The following provisions shall supersede the general rules described in Sections 4.1 and 4.2.

A. Damage Due To Conduct.

(1) **Owner Responsibility.** Each Owner is responsible for the costs of Maintenance of all areas of the Property necessitated by the acts or omissions of him/herself, his/her guests, invitees (including independent contractors and employees), any Occupants or user of his/her Condominium, and of the guests and invitees of such Occupants and users. The Association shall perform the work, and shall assess the cost as a Personal Reimbursement Assessment.

(2) **Association Responsibility.** The Association is responsible for the costs of Maintenance of all areas of the Property necessitated by the conduct and behavior of its invitees (including independent contractors and employees).

B. Damage Due To Malfunction.

(1) **Covered Loss/Point of Origin.** In instances where the damage is not the result of conduct as described in Section 4.3A, the Association shall determine:

(a) Whether the loss would be covered by a typical policy of fire and casualty insurance required to be maintained either by the Association, or by an Owner, under the insurance provisions of this Declaration (a "Covered Loss"); and

(b) Whether it is the Association, or a particular Owner, that is responsible for Maintenance of the specific element that is the "Point of Origin". The Point of Origin is the element of the Property that malfunctioned first and began the chain of events that led to the loss or damage.

(2) **Covered Loss/Association Policy.** If the loss is a Covered Loss under a policy the Association is required by this Declaration to carry, the Association shall submit a claim for such loss. To the extent the restoration cost exceeds policy limits or is within a policy deductible, or if coverage is denied despite reasonable efforts by the Association, such unreimbursed cost shall be allocated based on Point of Origin as provided in Subsection (4) below. However, if there is no coverage as a result of the failure of the Association to maintain coverage required by this Declaration, the Association shall pay the entire cost.

(3) **Covered Loss/Owner Policy.** If the loss is a Covered Loss under a policy an Owner is required by this Declaration to carry, the Owner shall submit a claim for such loss. Since each Owner determines the policy limits and deductibles associated with the fire and casualty coverage he/she obtains, each Owner shall be responsible for all cost exceeding policy limits or within a policy deductible. If coverage is denied despite reasonable efforts by the Owner, the cost shall be allocated based on Point of Origin as provided in Subsection (4) below. If there is no coverage as a result of the failure of the Owner to maintain coverage required by this Declaration, such Owner shall pay the entire cost.

17

(4) **Non-Covered Loss/Denial of Coverage.** If the loss is not a Covered Loss (as defined above), or where the preceding Subsections provide that the restoration cost shall be allocated based on Point of Origin, the following provisions shall apply:

- (a) If the Association is responsible for the element at the Point of Origin, it shall be responsible for the cost. For example, if the Association is responsible for Maintaining exterior painting and siding, and water intrudes into the building from the side, damaging the interior of a Unit, the Association would be responsible for the cost of all restoration to, or within, the Unit.
- (b) If an Owner is responsible for Maintaining the element at the Point of Origin, he/she shall be responsible for the cost. For example, if an Owner is responsible to Maintain a plumbing pipe, and the pipe bursts resulting in damage to the Common Area and to another Unit, the Owner would be responsible for the cost of all restoration to, or within, the Common Area and the other Unit. In such an instance, the Association shall perform the work in the Common Area and the other Unit, and shall assess the cost as a Reimbursement Assessment.

4.4 INSURANCE COVERAGE..

A. Association Insurance..

- (1) **General Liability.** The Association shall maintain commercial general liability insurance insuring the Association, its officers and directors, its manager, and the Owners, against any liability incident to ownership or use of the Common Area, but excluding the liability of an Owner incident to personal bodily injury and property damage occurring within that Owner's Unit or in any other Unit or upon the Common Area resulting from the negligence of that Owner, with limits of liability to be set by the Board but in no event less than those described in Civil Code §5805. Such liability insurance policy shall: (i) insure against bodily injury, death, or property damage occurring in, on or about any portion of the Common Area; (ii) and include water damage liability, liability for property of others, and such other risks as are customarily covered in condominium projects; (iii) contain a waiver of subrogation as to claims against the Association, its Board, the Owners and members of any Owner's family who reside with such Owner, except in cases of arson or fraud; (iv) contain a waiver of the defense of invalidity on account of the conduct of any Owner over which the Board has "no control;" (v) provide that it shall not be cancelled or substantially modified without at least thirty (30) days' written notice to all the insureds and Mortgagees; (vi) provide that in no event shall the insurance be brought into contribution with insurance purchased individually by Owners or their Mortgagees, and exclude policies obtained by the individual Owners from consideration under any "no other insurance" clause; and (vii) contain a provision requiring the insurer to defend any suit against any insured, even if the allegations are fraudulent, but authorizing the insurer to make such investigation and settlement of any claim or suit within the policy limit as it deems expedient.
- (2) **Director's and Officer's Liability.** The Association shall maintain directors' and officers' liability insurance with limits of liability to be set by the Board but in no event less than those set forth in Civil Code §5800, and containing a cross-liability endorsement and waiver of subrogation as to the Association, the officers, and the directors, and the agents of any of them. To the extent obtainable, coverage for prior acts shall be included.
- (3) **Fidelity Bond.** The Association shall maintain a standard fidelity bond covering dishonest acts on the part of its officers and directors, manager, and any employees or volunteers who are responsible to handle funds of the Association. Such bond shall name the Association as obligee, shall be written in an amount that shall be determined by the Board, and shall contain a waiver of any defense based on the exclusion of persons serving without compensation.
- (4) **Property Damage.** The Association shall maintain an all-risk blanket policy of property insurance covering: (i) the building structure, including any additions or extensions; (ii) and all utility fixtures and equipment (for example, water heaters and furnaces, and all systems, such as hook-ups, ducts, wiring, and pipes, servicing such fixtures and equipment) that are not visible within the interior of a Unit; (iii) all furnishings, equipment and personal property owned by the Association or owned in common by all of the Owners; (iv) all Common Area, excluding all fixtures, furnishings, decorations, and personal property within any Exclusive Use Common Area; and (v) all elements of each Unit excluding improvements or betterments made by an Owner after original close of escrow. The Policy limits shall be equal to one hundred percent (100%) of the full insurable replacement costs including required building code upgrades, exclusive of land, foundation, excavations, and other items normally excluded from coverage. The policy may contain a reasonable deductible and the amount

19

of the deductible shall be added to the face amount of the policy in determining whether the insurance equals the replacement cost. To the extent available, the blanket policy shall: (i) contain a multi-peril coverage endorsement, and coverage for such other risks as are commonly covered with respect to properties similar to the Property in construction, location and use; (ii) provide coverage for costs of demolition in the event of total or partial destruction and a decision not to rebuild, and maintenance fees receivable coverage in case of damage to a Unit by a covered peril where the Board is unable, after reasonable effort, to collect assessments from the Owner of the affected Unit; (iii) contain an agreed amount endorsement or its equivalent, a guaranteed replacement cost or replacement cost endorsement, an inflation guard endorsement, and an increased cost of construction endorsement; (iv) contain a determinable cash adjustment clause or a similar clause to permit cash settlement covering full value of the improvements in case of partial destruction and a decision not to rebuild; (v) name the Association as the first-named insured and the Owners as insured with policy benefits payable to the Association as trustee for each Owner; (vi) contain a standard Mortgagee clause; and (vii) provide a waiver of subrogation as to any and all claims against the Association, its officers and directors, the manager, and the Owners, and a waiver of all defenses based upon acts of the insureds or the existence of co-insurance.

- B. FNMA, FHLMC and VA Insurance Requirements.** When FNMA, FHLMC or VA is the Mortgagee, an insurer or guarantor of a Mortgage, or an Owner of a Condominium within the Property, a policy required under this Declaration must satisfy the minimum requirements imposed for this type of Property by FNMA, FHLMC or VA with respect to amount, term coverage, deductible, named insureds, loss payees, standard mortgage clauses, notices of change and cancellation, and insurance company rating. However, to the extent that coverage is not available upon reasonable terms and at reasonable cost, or has been modified or waived in writing by FNMA, FHLMC or VA, it need not be obtained.
- C. Inability To Obtain Insurance.** In the event any Association insurance policy is for any reason not available, then the Association shall obtain such other or substitute policy or endorsement as may be available which provides, as nearly as possible, the coverage described above. The Association, and its directors and officers, shall have no liability to any Owner or Mortgagee if, after good faith effort, it is unable to obtain or maintain insurance because the insurance is no longer available.
- D. Claims Against Association Insurance.** A decision not to submit a particular claim to an Association insurance carrier must be approved by any Owner who will be forced to pay additional costs as a result of the decision. The Board is appointed attorney-in-fact by each Owner to file all claims and to negotiate and agree on the value and extent of any loss under any Association insurance policy, and is granted full right and authority to compromise and settle any claims or enforce any claim by legal action or otherwise and to execute releases in favor of any insured.
- E. Casualty Insurance Proceeds.**
- (1) When a particular Owner is responsible for Maintaining an item under this Declaration (as opposed to where he/she is responsible only to pay the cost of Maintenance), and the Association receives insurance proceeds for repair or replacement of the item, the proceeds shall be distributed to such Owner, subject to the limitations in Subsection (2) below.
 - (2) When Subsection (1) entitles one or more Owners to receive proceeds from Association insurance, but such proceeds must be allocated between Owners or between the Association and one or more Owners, the Association shall use information provided by the insurance carrier relating to how the amount of proceeds was calculated, to the extent such information is available. When such information is not available, or when such information is incomplete, the proceeds shall be allocated in proportion to the cost of Maintenance of the damaged or lost items. Under no circumstances shall the proceeds be allocated based upon Percentage Interest.
 - (3) If Association insurance proceeds allocated to a particular Owner are insufficient to pay the Maintenance costs for which such Owner is responsible, the Owner shall pay the additional amounts. Similarly, where an Owner is responsible for the Maintenance cost (as opposed to where he/she is responsible to Maintain the item), and the Association insurance proceeds allocated to such Maintenance do not cover the full cost, the Owner shall pay the additional amounts.

19

F. Other Insurance Requirements.

- (1) If the Association has employees, it shall maintain workers' compensation insurance as required by law.
- (2) The Association's insurance shall be written by an insurance company qualified to do business in California with a rating of at least an "A" by Best's Insurance Reports or equivalent.
- (3) All policies of insurance shall be reviewed at least annually and adjusted, if necessary, to provide such coverage and protection as the Association may deem prudent or as reasonably required by any lender.
- (4) The Association shall provide Notice to all Owners as soon as reasonably practical if any of its insurance policies: (i) lapses or is canceled and is not immediately renewed, restored or replaced; (ii) will undergo significant change such as a reduction in coverage or limits, or an increase in the deductible; or (iii) is subject to a notice of nonrenewal and replacement coverage will not be in effect at the time the existing coverage will lapse.
- (5) Within five (5) days of a Notice so requesting, each Owner shall provide to the Association written evidence that he/she is in compliance with the insurance requirements of this Declaration, including those relating to any contractor hired by him/her, and any tenant using in such Owner's Unit. However, the right of the Board to request evidence of insurance that an Owner is obligated to carry pursuant to this Declaration shall not be deemed to impose a duty on the Board or the Association to request such evidence of insurance or impose on the Association any liability to any person arising or claimed to arise out of any action or inaction by the Board, the Association or anyone acting on the Association's or the Board's behalf with respect to verifying any Owner's compliance with the Owner's obligation to carry insurance.

4.5 CATASTROPHIC DAMAGE. As used in this Section, "Catastrophic Damage" means sudden and unexpected physical damage to portions of the Property which the Association is obligated to Maintain for which the cost will exceed fifty percent (50%) of the full replacement cost of all portions of the Property which the Association is obligated to Maintain.

- A. Determining Extent Of Damage.** Immediately after the occurrence of Catastrophic Damage, the Association shall obtain two (2) or more written bids from separate licensed contractors to restore the damaged elements to substantially the same condition as existed before the damage occurred. Bids shall include at a minimum a detailed scope of work, fixed or not-to-exceed contract price, completion date and provision for adequate insurance coverage by the contractor.
- B. Determining Availability Of Repair Funds.** After obtaining repair bids, the Association shall promptly determine the amount of funds available from insurance, Maintenance Reserves, loans, and any other source. In making this determination, the Association shall consider as available any insurance proceeds payable to any Owner for repair or replacement of any of the damaged elements.
- C. Decision To Rebuild.** Provided that restoring the damaged areas of the Property would not necessitate a Special Assessment of more than one hundred thousand dollars (\$100,000) on any Unit, the Association shall perform the work, and any difference between the total funds available and the actual cost shall be imposed as a Special Assessment. Any Owner who receives insurance proceeds for repair or replacement of any of the damaged elements that the Association is required to restore shall provide such proceeds to the Association in addition to his/her portion of the Special Assessment. If restoration would necessitate a Special Assessment of more than one hundred thousand dollars (\$100,000) on any Unit, the Association shall not restore unless seventy five percent (75%) of all Units vote to do so. If the Association does not restore, it shall sell the entire Property in its then existing condition on the best available terms. Each Owner hereby grants the Association an irrevocable power of attorney to represent the Owner in any negotiations or agreements related to sale or other liquidation following Catastrophic Damage. The sale proceeds together with any insurance proceeds, net of any expenses associated with necessary stabilization of the Property and fees associated with disposition of the Property, shall then be distributed as provided in this Declaration. The Association shall then be dissolved and the entire common interest development terminated as provided by law. If the Association fails to sell the Property within a reasonable period of time, it may bring an action for judicial partition.
- D. Repair Work.** All individuals or entities performing work for the Association shall (i) hold all licenses legally required for such work and (ii) enter into a written contract with the Association which satisfies all of the requirements for bids specified in Subsection A. Payment and performance bonds shall be required in contracts

20

exceeding one hundred thousand dollars (\$100,000). The Association shall ensure that all work is diligently pursued to completion in accordance with best construction practices prevailing in the locale at the time the work is done.

- E. **Emergency Repair.** If the Association or its representative reasonably believes there is an imminent threat of harm to a person, animal or property, the Association may make repairs or take any other necessary action without first complying with the provisions of this Section.
- F. **Certification Of Intention.** If the Association decides, by affirmative act or failure to act, to sell the Property rather than restore Catastrophic Damage, it shall promptly provide Individual Notice to all Owners of the decision and record a certificate reciting that fact with the County Recorder.
- G. **Revision Of Documents.** If the Association decides, by affirmative act or failure to act, not to restore Catastrophic Damage, the Association shall have the power and authority to execute and record, on behalf of itself and the individual Owners, all necessary documents to show the altered status of the Property, including but not limited to a revised Condominium Plan.

CC&R ARTICLE 5. OTHER ASSOCIATION POWERS AND DUTIES

5.1 GENERAL POWERS OF ASSOCIATION. The Association shall have the power to do any lawful thing required or permitted to be done under the Governing Documents and necessary, appropriate or incidental to the exercise of the express powers or duties of the Association for the peace, health, comfort, safety and general welfare of the Owners, subject only to the limitations on those powers set forth in the Governing Documents. The duties and powers of the Association shall include, but are not limited to, those specifically enumerated in this Declaration. The activities of the Association shall be conducted, and all powers exercised, by and under the direction of the Board.

5.2 MANAGER. The Association may employ, or retain as independent contractor, a manager to perform all or any part of the Association's delegable duties. Any management contract shall be in writing and provide for the right of termination without a termination fee by either party with immediate notice if for cause, or with contract-specified advance notice if without cause. The Association shall not delegate the following powers: (i) to borrow money; (ii) to use Association property as security for a debt; (iii) to levy Assessments; (iv) to begin litigation; (v) to make capital expenditures in excess of budgeted amounts; (vi) to impose discipline for violation of the Governing Documents; or (vii) to hold disciplinary hearings.

5.3 ENFORCEMENT. The Association shall exercise prudent business judgment in determining whether, when and how to enforce the Governing Documents. The Board shall be permitted to create and change Rules, including those imposing fines and penalties, provided it complies with the requirements of Civil Code §§4340, 4350, 4355, and 4360. The Board shall comply with the requirements of Civil Code §5850 when it levies a Personal Reimbursement Assessment and/or imposes monetary penalties on any Owner, and with the requirements of Civil Code §5855 when it imposes discipline of any kind on an Owner. The Association may not impair an Owner's right to use and enjoy his/her Condominium as part of any disciplinary action. Each Owner shall have a right of action against another Owner or the Association for failure to comply with the Governing Documents or with a decision of the Association. A failure by the Association to enforce any provision of the Governing Documents on one or more occasions shall not be deemed a waiver or estoppel of the Association's right to enforce a similar or other violation of the Governing Documents.

5.4 LEGAL ACTIONS. The Association may institute, defend, settle or intervene in litigation, mediation, arbitration or administrative proceedings in any matter relating to the Property including but not limited to (i) enforcement of the Governing Documents, (ii) damage to the Common Area, (iii) damage to other parts of the Property which the Association is obligated to Maintain, or (iv) damage to Units or Exclusive Use Common Areas which arises out of, or is integrally related to, damage to the Common Areas or other parts of the Property which the Association is obligated to Maintain. The Association shall not be required to conduct inspections, maintain inspection records, exhaust any applicable casualty insurance coverage, or provide an opportunity to cure prior to initiating a civil action.

5.5 MECHANICS LIENS. When a mechanics lien against the Common Area arises from work for which an Owner has contracted, the Association may discharge it and charge any associated cost to the responsible Owner as a Personal Reimbursement Assessment. When a mechanics lien against the Common Area arises from work for which the Association has contracted and there is no dispute with the entity that filed the lien, the Association shall promptly discharge the lien. When a mechanics lien against a Unit arises from work for which the Association has contracted and the Unit Owner so requests, the Association shall promptly discharge it.

5.6 UTILITY SERVICE. The Association shall obtain Utility service for the Common Area. In addition, when a particular Utility cannot reasonably be obtained by a Unit independently, the Association shall obtain it and, to the extent

possible, allocate any associated cost according to usage.

CC&R ARTICLE 6. ASSOCIATION DECISIONMAKING

6.1 AUTHORITY OF BOARD. In general, all of the activities of the Association shall be conducted, and all powers exercised, by and under the direction of the Board. Whenever the Governing Documents state that the "Association" may or must make a decision, including the enactment, alteration, or repeal of any Rule, the decision is to be made by a vote of the Board rather than by the vote of the Owners. The only exception to these general rules is when the Governing Documents specifically state that a particular decision or action requires the approval of Owners.

6.2 ACTIONS REQUIRING OWNER APPROVAL.

- A. Notwithstanding anything to the contrary in Sections 3.2 and 3.5, except in an Emergency Situation as defined in Civil Code §5610, Majority Owner Approval shall be required for: (i) an increase in the Regular Annual Assessments for a particular fiscal year that would become effective before compliance with the Annual Budget Report requirements (described in Section 3.12) for that fiscal year; (ii) a Regular Annual Assessment increase of more than twenty percent (20%); and (iii) a Special Assessment which, when added to all other Special Assessments levied during the same fiscal year, exceeds five percent (5%) of the budgeted gross expenses for that fiscal year.
- B. The following actions require Majority Owner Approval and the affirmative vote of each Owner both directly and detrimentally affected by the action: (i) changing the method of allocating Assessments, voting rights, or responsibility for Maintenance; and (ii) altering, or redefining the boundaries of a Unit or Exclusive Use Common Area.
- C. The following acts require an affirmative vote on behalf of all Owners entitled to vote:
- (1) Approval of any Special Assessment, other than a Mandatory Special Assessment under Subsection 3.5A, if the amount, when added to all other non-Mandatory Special Assessments made within the preceding three (3) month period is more than one thousand five hundred dollars (\$1,500);
 - (2) Approval of a disbursement which does not fall within any of the following categories: (i) it is a Mandatory Disbursement under Subsection 3.10A; (ii) it is required to respond to an Emergency; or (iii) the amount, when added to all other disbursements made within the preceding three (3) month period for items not falling within category (i) or (ii) would be less than one thousand five hundred dollars (\$1,500);
 - (3) Except as otherwise provided in this Declaration, abandon the Property or terminate Association activities prior to the expiration of the term provided in the Governing Documents;
 - (4) Use the proceeds from an insurance claim or from a settlement or judgment of a legal dispute for any purpose other than to restore the loss or damage for which the recovery was obtained;
 - (5) Alter or amend the provisions of this Declaration regarding assessment liens, assessment lien priority, insurance, leasing of Units, Catastrophic Damage, or condemnation;
 - (6) Except as specifically provided in this Declaration, alter, reconfigure or redefine the boundaries of a Unit, Exclusive Use Common Area, or Common Area, or approve a substantial alteration to the exterior appearance of the Property; and
 - (7) Impose any restriction on the free alienation or transferability of a Condominium.
 - (8) Any decision to proceed with Arbitration or Litigation or any legal matters.

CC&R ARTICLE 7. MORTGAGE PROTECTION

7.1 SUBORDINATION. Any lien created or claimed under this Declaration is subject and subordinate to the rights of any previously recorded Mortgage secured by the same Property made in good faith and for value; and no such lien shall in any way defeat, invalidate, or impair the obligation or priority of such Mortgage unless the Mortgagee expressly subordinates its interest, in writing, to such lien. On foreclosure of a previously recorded Mortgage, the foreclosure-purchaser shall take title free of any Assessment liens and shall be obligated to pay only assessments or other charges levied

or assessed by the Association that became due or payable on or after the date the foreclosure-purchaser acquired title. The subsequently levied assessments or other charges may include previously unpaid assessments, provided all Owners including the foreclosure-purchaser and his successors and assigns are required to pay their proportionate share.

7.2 FORMER OWNER IN POSSESSION FOLLOWING FORECLOSURE. A former Owner who loses title by foreclosure but remains in possession shall be bound by the Governing Documents as long as he/she remains in possession, but shall have no obligation to pay Assessments accruing after the date title is transferred.

7.3 MORTGAGEE PRIORITY IN DISTRIBUTION OF PROCEEDS. Each Mortgagee shall have priority over the rights of the Owner of the mortgaged property in case of a distribution to the respective Owner of insurance proceeds or condemnation awards for losses to or a taking of such Owner's interest in the Property. Any provision to the contrary in the Governing Documents is to such extent void. All applicable fire and all physical loss or extended coverage insurance policies shall contain loss payable clauses acceptable to the affected Mortgagees, naming such Mortgagees as their interests may appear.

7.4 MORTGAGEE APPROVAL REQUIREMENTS. The prior written consent (or deemed consent as provided below) of Mortgagees holding mortgages on at least fifty-one percent (51%) of all separate interests encumbered by Mortgages shall be required to take any of the following actions:

- A. Except as otherwise provide in this Declaration for cases of Catastrophic Damage, to use hazard insurance proceeds for a purpose other than Maintenance, to abandon the Property, or to terminate the Association;
- B. Change the method of determining the obligations, assessments, dues, or other charges that may be levied against an Owner, or to change the pro rata interest or obligations of any Owner for purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or for determining the pro rata share of ownership of each Owner in the Common Area;
- C. Abandon, partition, subdivide, encumber, sell or transfer the Common Area (but the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Association or the Owners shall not be deemed to be a transfer within the meaning of this clause);
- D. Fail to maintain fire and extended coverage insurance on insurable property owned by the Association, including any Common Area improvements, in an amount not less than one hundred percent (100%) of the insurable value based on current replacement cost; and
- E. Amend any provision of the Governing Documents that are for the express benefit of Mortgagees.

Any Mortgagee that does not respond within sixty (60) days to a written consent request shall be deemed to have consented, provided that the written consent request was delivered to the Mortgagee by certified or registered mail, with a "return receipt" requested. If the Association amends or replaces a Governing Document without obtaining Mortgagee approval, the changed or new Governing Document shall be binding upon every individual or entity except: (i) an individual or entity that is a Mortgagee at the time the amendment or replacement document takes effect and that did not consent to the amendment/replacement either explicitly or through failure to respond (a "Non-Consenting Mortgagee"); or (ii) a person or entity that acquires an interest in the Property from a Non-Consenting Mortgagee following a foreclosure or deed in lieu of foreclosure or a successor in interest to such a person or entity.

7.5 MORTGAGEE RIGHTS. Each Mortgagee shall be entitled to written notice of the following:

- A. The right to furnish information to any Owner concerning the status of any Mortgage;
- B. The right to obtain the same information as an Owner from the Association upon written request and payment of required fees;
- C. The right to appear at Owner meetings to draw attention to violations of the Governing Documents that have not been corrected or that have been made the subject of remedial proceedings or Assessments; and
- D. The right to receive notice of the following from the Association:
 - (1) The occurrence of loss, casualty, condemnation or eminent domain that affects either a material portion of the Property or the Condominium secured by the Mortgagee;

- 23
- (2) Any 60-day delinquency in the payment of Assessments by, or Association commencement of judicial or nonjudicial foreclosure proceedings to enforce payment of delinquent obligations owed under the Governing Documents against, the Owner of its encumbered property;
 - (3) Any lapse, cancellation or material modification of any Association insurance policy; and
 - (4) Any proposed action that requires the consent of a specified percentage of Mortgagees.

Failure of a Mortgagee to receive the notice required by this Section shall not be construed to benefit an Owner or to impede the Association in enforcing the Governing Documents.

CC&R ARTICLE 8. GENERAL PROVISIONS OF DECLARATION

8.1 AMENDMENT OF DECLARATION. This Declaration may be amended with the affirmative vote of a majority of the Owner votes entitled to be cast, provided that the amendment would not effectively circumvent more specific voting requirements within the document. Notwithstanding the preceding sentence, however, the Declaration may be amended by the Board, without an Owner vote, if such action is specifically permitted by applicable law and the Board complies with all Owner notification requirements imposed by such law. In addition, notwithstanding anything to the contrary in this Section, the Board may, without Association vote, as the attorney-in-fact for each Owner, record an amendment or appropriate instrument to add or modify provisions to the Governing Documents to bring them into compliance with FNMA, FHLMC, VA, or HUD guidelines. HHP Adjacent Owner is intended as a third party beneficiary to Section 2.15 of this Declaration. Accordingly, notwithstanding the foregoing, the provisions of Section 2.15 of this Declaration may not be modified or amended without the prior written consent of the HHP Adjacent Owner.

8.2 CERTIFICATION OF APPROVAL AND RECORDATION. An amendment of this Declaration shall become effective when an authorized officer of the Association has executed and recorded with the County Recorder both (i) the amendment and (ii) a notarized certificate stating that the required number of Units have approved the amendment. The Association shall distribute a copy of the amendment to each Owner as soon as it becomes effective.

8.3 MANNER OF PROVIDING NOTICES, DOCUMENTS AND REPORTS.

- A. Association Notice.** The term "Association Notice" shall include any notice to be given to the Association, including those notifications required by the Governing Documents. Each Association Notice shall be incorporated in a writing given to the person specified to receive Association Notice in the most recent Annual Policy Statement or, if no such person has been designated, to the Association president or secretary. The Association hereby consents to Association Notice being given to such person by email at the email address last provided by the Association in an Annual Policy Statement or other General Notice. Association Notice may also be given by first class mail, postage prepaid, to the postal address last provided by the Association in an Annual Policy Statement or other General Notice. Association Notice shall be deemed delivered on the date it is transmitted by email or on the date it is deposited in the U.S. mail. Association Notice given in any manner other than by properly addressed email or first class mail shall not be deemed valid.
- B. General Notice.** When the Governing Documents provide for a "General Notice" to be given, it shall be in writing, and may be distributed to all Owners in the same manner as an Individual Notice. Alternatively, a General Notice may be given: (i) by inclusion in a billing statement, newsletter, or other document that is delivered to all Owners in a manner approved for an Individual Notice; or (ii) posted in a prominent location that has been designated for the posting of General Notices in an Annual Policy Statement, and is accessible to all Owners. Notwithstanding anything to the contrary in this Subsection, if an Owner has requested, in an Association Notice, that he/she receive all General Notices in the same manner as Individual Notices, that Owner shall thereafter receive all General Notices in such manner.
- C. Individual Notice.** When the Governing Documents provide for an "Individual Notice" to be given, it shall be in a writing transmitted in the following manner. When Co-Owners own a Unit, a transmittal to any of them shall be deemed a transmittal to all of them.
 - (1) Email Method.** Each Owner hereby consents to receive Individual Notice by email at the email address he/she most recently provided to any officer, director, manager, or other representative of the Association. Any Owner who wishes to change the email address used by the Association for delivery of Individual Notice may do so at any time by providing an Association Notice. Similarly, any Owner may revoke his/her consent to receive Individual Notice by email at any time by providing Association Notice of such revocation, after

24

which Individual Notice shall be given to such Owner only as provided in Subsection (2). Individual Notice by email shall be deemed delivered on the date it is transmitted.

- (2) **Postal Method.** Individual Notice may also be transmitted by first-class mail postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service carrier, addressed to the recipient at the address last shown on the books of the Association. Individual Notice sent via any method described in this Subsection shall be deemed delivered on the date it is deposited with the U.S. Postal Service or express service carrier.

8.4 DISPUTE RESOLUTION.

- A. **Inapplicability to Assessment Disputes and Collections.** None of the provisions below shall apply to any dispute or procedure (of any kind) relating to an attempt to collect a Regular Annual Assessment, Special Assessment, or Personal Reimbursement Assessment, provided that the Association has complied with all other requirements imposed in the Governing Documents.
- B. **Internal Procedure.** In any dispute between the Association and an Owner that is not subject to either the procedures in this Declaration for approval of alterations or the requirements of Civil Code §5855, the parties shall participate in the internal dispute resolution procedure described in Civil Code §5915.
- C. **Mediation.** Mediation is an informal and voluntary attempt to resolve a dispute with the help of a neutral individual who has no decision-making authority. Any dispute related to the Association or to the Property that is not resolved through a meet and confer procedure, shall be submitted to mediation. Any Owner desiring mediation shall provide a "Notice of Mediation" to all Owners which shall include (i) the name and address of the mediator, and (ii) a date and time for mediation, which date must be at least ten (10) calendar days before the date set for the mediation. Each Owner shall attend and participate in the mediation. If any Owner is unable to attend the mediation at the proposed date, time and place, he/she may arrange an alternative acceptable to all other Owners provided the alternative date is within seven (7) days of the original proposed date. The costs of mediation shall be shared equally by all Owners and shall be paid at the time of the mediation. Any Owner may petition a court of competent jurisdiction for an order compelling appearance at mediation, and the court shall award all expenses, including reasonable attorney fees, incurred by an Owner so petitioning unless it finds that the Owner against whom the petition is filed acted with substantial justification or that other circumstances make the imposition of such expenses unjust.
- D. **Arbitration.** Arbitration is a voluntary or mandatory method of resolving a dispute by delegating decision-making authority to a neutral individual or panel. Except as otherwise provided in this Declaration or required by law, any dispute relating to the Governing Documents that has not been resolved through the meet and confer or mediation procedures described in this Declaration shall be resolved through mandatory binding arbitration by the Judicial Arbitration and Mediation Service ("JAMS") or another private arbitration service or individual acceptable to all parties. Any party affected by a dispute may initiate arbitration by written demand. All parties shall pursue arbitration to a conclusion as quickly as possible and conclude every case within six (6) months from the date of the initial written demand for arbitration. Arbitrators shall have discretion to allow the parties reasonable and necessary discovery in accordance with Code of Civil Procedure §1283.05, but shall exercise that discretion mindful of the need to promptly and inexpensively resolve the dispute. If a party subject to the Governing Documents refuses to proceed with or unduly delays the arbitration process, any other party may petition a court for an order compelling arbitration or other related act, and shall recover all related expenses, including attorney fees, unless the court finds that the party against whom the petition is filed acted with substantial justification or that other circumstances make the recovery of such expenses unjust. An arbitration award may be entered as a court judgment and enforced accordingly.
- E. **Other Exempt Disputes.** The following matters are not subject to the mandatory binding arbitration provisions of this Declaration; however, litigation relating to these matters may be subject to the alternative dispute resolution requirements of Civil Code §5930, as applicable: (i) an attempt to recover possession of real property through an unlawful detainer; (ii) a Partition pursuant to Civil Code §4610; (iii) a claim for bodily injury or wrongful death; and (iv) recordation of a notice of pending action, or an order of attachment, receivership, injunction or other provisional remedy which may provide interim protection during the pendency of an arbitration proceeding.

8.5 **OWNER'S ACCOUNTABILITY.** Each Owner is responsible to the Association for the conduct and behavior of the following persons: his/her guests, invitees (including independent contractors and employees), any Occupants or users of his/her Condominium, (including tenants and roommates), and all guests and invitees of such Occupants and users. The

consequence of such responsibility is that if a non-Owner violates this Declaration, the responsible Owner is deemed to have committed the violation and is subject to the same procedures and consequences applicable as if he/she actually committed the violation. No one other than the responsible Owner shall be required to seek compliance by, attempt to work things out with, or otherwise interact with, the violating non-Owner.

8.6 INDEMNIFICATION. Absent gross negligence, intentional misconduct or fraud, the Association shall indemnify its directors, officers and committee members to the fullest extent permitted by law against all liability and expenses, including reasonable attorney fees, arising out of a claim based upon a wrongful act or omission in the scope of their duties on behalf of the Association. The Association shall approve or disapprove the indemnity, and may advance expenses, in accordance with Corporations Code §7237.

8.7 NOTICE OF TRANSFER.

- A. **Disclosures Required for Transfers.** Within ten (10) days of receipt of an Association Notice with regard to the proposed sale or transfer of a Condominium, the Association shall provide the Owner with the documents listed in Civil Code §4525. The Owner shall provide such documents to any prospective purchaser as soon as practicable before the transfer of title or the acceptance of a purchase contract.
- B. **Notice of Transfers.** An Owner who transfers any ownership interest in a Condominium, whether by sale, lease, gift, exchange or otherwise, shall promptly provide Association Notice of the name and address of the transferee, the type of transfer, the date of transfer and any other information about the transfer that the Association may reasonably request.

8.8 CONDEMNATION. Each Owner hereby grants the Association an irrevocable power of attorney to represent the Owner in any condemnation or eminent domain negotiation or proceeding, whether or not a civil action has been started. The proceeds from a taking of two or more Condominiums or of the Common Area by eminent domain shall be distributed as provided in Section 8.9 of this Declaration.

8.9 DISTRIBUTIONS. All net proceeds from insurance, liquidation, or condemnation relating to two or more Condominiums or the Common Area shall be paid to the Association for the benefit of the Owners and their mortgagees. To the extent proceeds from insurance or condemnation have been allocated among affected Units and Common Area by the paying entity, the Association shall distribute such funds in accordance with that allocation. Otherwise, the Association shall distribute these funds to the affected Owners based upon the relative value of the affected Owners' Condominiums. Relative value shall be determined through an appraisal process as follows:

- A. The Association shall retain three (3) appraisers meeting the following requirements: (i) having at least two (2) years experience appraising real estate similar to the Property in the area where the Property is located, (ii) holding a valid real estate sales, brokerage or appraisal license, (iii) having no prior business or personal relationship with any Owner, and (iv) agreeing in writing to complete his/her appraisal within fourteen (14) calendar days of retention.
- B. The Association shall instruct each appraiser to determine the fair market value of each Condominium involved in the relative valuation. The appraisers shall base their valuations on the physical conditions which existed on the date immediately preceding the destruction or other event triggering the need for valuation.
- C. Upon receiving the valuations of all appraisers, the Association shall disregard the lowest and highest appraisal for each Condominium. The Association shall then use the remaining appraisal for each Condominium to determine the relative values.

If any Owner owes money to the Association at the date of the disbursement, the amount owed shall be subtracted from the amount to be disbursed to that Owner.

8.10 ADDITIONAL GENERAL PROVISIONS. This Declaration shall continue for a term of fifty (50) years from the date it is recorded unless superseded or terminated sooner. The term shall be automatically extended for successive periods of ten (10) years, unless the Association is terminated, and it records with the County Recorder a notice of termination prior to the commencement of the next period. Any uncertainty or ambiguity in the Governing Documents shall be resolved by reference to the following rules of interpretation: (i) the provisions of the Governing Documents shall be liberally interpreted to facilitate the operation of a common interest development and liberally interpreted to preserve and protect the general plan established for mutual and common benefit of all Owners, and (ii) a more specific provision shall prevail over a more general one. In the event of an inconsistency between this Declaration and the Condominium Plan, or between this Declaration and the Bylaws, this Declaration shall control. Both this Declaration and the Bylaws shall control over an inconsistent provision in the Rules. Each provision of the Governing Documents is independent and severable, and

may be enforced even though another provision may be unenforceable. Each Owner grants an irrevocable power of attorney to the Association to carry out the provisions of this Declaration. References to particular statutes of the State of California shall include any amendment of the statute. If a particular statute is repealed, reference to the statute shall include another statute which thereafter governs the same subject. The party who prevails in an arbitration, civil action or other proceeding to enforce or interpret the Governing Documents shall be entitled to recover all costs and expenses, including reasonable attorney's fees, but the arbitrator, judge or other decision maker shall have final discretion to allocate such costs and expenses between the parties in a manner that will accomplish substantial justice.

CC&R ARTICLE 9. CONSTRUCTION DEFECT CLAIMS

9.1 CONSTRUCTION DEFECT CLAIMS.

- A. Association Property. In any construction defect claim related to alleged defects in the original construction of Improvements in the Association Property, alleged defects in the Separate Interests that the Association is obligated to maintain or repair, or alleged defects in the Separate Interests that arise out of, or are integrally related to, defects in the Association Property or Separate Interests that the Association is obligated to maintain or repair, the Association shall comply with the pre-filing dispute resolution requirements set forth in Section 6000 before filing a complaint against Declarant or Declarant Parties for alleged defects in the design or construction of the Project. Civil Code Sections 6000, 6100, and 6150 shall apply to any such dispute or action, as applicable, so long as these Code Sections are in effect. In selecting a "Dispute Resolution Facilitator," as defined in subsection (f)(1) of Section 6000, Declarant will seek to submit the matter to Judicial Arbitration and Mediation Services ("JAMS"), or to any other entity offering dispute resolution services agreed to by the parties.
- B. Dwelling Units. Should the Association or any Owner initiate a construction defect claim related to the original construction of individual dwelling units or the structures within which such units are located, Civil Code Sections 895 through 945.5 ("Builder's Right-to-Repair Law") shall be applicable to such claim.
- C. Pre-Litigation Dispute Resolution. Should the Association or any Owner commence a claim under the Builder's Right-to-Repair Law, the Association and/or any Owner, as applicable, shall comply with the pre-litigation procedures as described in Civil Code Sections 910 through 938 ("Statutory Pre-Litigation Procedures"). In the event a subsequent or simultaneous claim is commenced under Section 6000, then, to the extent that the Statutory Pre-Litigation Procedures have been complied with and are substantially similar to the pre-filing dispute resolution requirements set forth in Section 6000, the parties are excused from performing the substantially similar requirements under Section 6000.

9.2 NOTICE TO MEMBERS OF LEGAL PROCEEDINGS AGAINST DEVELOPER. The Board shall provide the Members with a written notice not later than thirty (30) days prior to the filing of any claim or civil action, including arbitration, by the Association against the Declarant or Declarant Parties for alleged damage to (i) the Association Property; (ii) all or portions of the Units that the Association is obligated to maintain or repair, or (iii) the Units that arises out of, or is integrally related to, damage to the Association Property or all or portions of the Units that the Association is obligated to maintain or repair. This notice shall specify all of the following: (a) that a meeting will take place to discuss problems that may lead to the filing of a civil action, (b) the options, including civil actions, that are available to address the problems, and (c) the time and place of the meeting. Notwithstanding the foregoing, if the Association has reason to believe that the applicable statute of limitations will expire before the Association is able to give the notice, hold the meeting and file the civil action, the Association may file the civil action first and then give the notice within thirty (30) days after the filing of the action. The only Members entitled to vote at such meeting shall be the Owners other than Declarant. A vote at such meeting of a majority of the entire voting power of all Members, other than Declarant, to take action to initiate a claim or civil action shall be deemed to be the decision of the Association, and the Board shall thereafter implement such decision by initiating and pursuing appropriate action in the name of the Association. Declarant, as well as any Owner, shall have standing to challenge any failure to comply with this section. Notwithstanding the foregoing, any Association claim for construction defects shall be subject to Section 17.1 above.

9.3 DECLARANT RIGHT TO REPAIR. Declarant hereby adopts the Statutory Pre-Litigation Procedures (as defined in Section 17.1(c), above) with respect to the claim by an Owner or the Association of construction defects. It is Declarant's intention to adopt all of the construction defect resolution procedures described in the Right to Repair Law. Any mediation procedures allowed pursuant to the Statutory Pre-Litigation Procedures shall be conducted by a panelist from and under the auspices of JAMS in the County.

27

9.4 DESIGNATION OF AGENT FOR NOTICE. The construction defect resolution provisions referred to in Section 17.3 above require that Declarant as the "builder" designate an agent to whom claims and requests for information regarding construction defect claims may be mailed. The name and address for such agent is or will be on file with the Secretary of State and will be provided to the Owners. Declarant may change the name and address of its agent by giving written notice to the Association and filing a notice of such change with the Secretary of State.

9.5 CLAIMS NOT RESOLVED BY PRE-LITIGATION PROCEDURES. In the event the pre-filing dispute resolution requirements set forth in Section 6000 or the Statutory Pre-Litigation Procedures in the Builder's Right-to-Repair Law, as applicable, do not fully resolve any construction defect claims, the following procedures will be applicable to claims by Owners and/or the Association:

- A. Binding Arbitration. Any controversy or claim between or among Declarant, as the builder of the Project, and any Owner or the Association, relating to the design or construction of the Project ("Dispute") shall be submitted to binding arbitration before JAMS, in accordance with Title 9 of the U.S. Code (Federal Arbitration Act). The arbitration will be conducted in the County, and the arbitrator shall apply California substantive law in rendering a final decision. The arbitrator shall apply the California Rules of Evidence. The arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the arbitrator, which shall be final and non-appealable. Judgment upon the decision rendered by the arbitrator may be entered in any court having proper jurisdiction or applications may be made to such court for judicial acceptance of the award and an order of enforcement. If a party refuses to arbitrate, the other party may seek a court order compelling the arbitration pursuant to the Federal Arbitration Act. Alternatively, an Owner or the Association or Declarant, as applicable, may elect to resolve such Disputes through a small claims court proceeding, in which case the party filing the small claims action will have waived the right to any relief in excess of the jurisdiction of the small claims court.
- B. Rules Applicable to All Cases. The arbitration will be conducted by JAMS in accordance with the JAMS Comprehensive Arbitration Rules & Procedures ("JAMS Rules") then applicable to the claims presented, as supplemented by this Declaration. The following supplemental rules shall apply to all arbitration proceedings and shall govern in the event of a conflict between the rules set forth below and the JAMS Rules.
- C. Arbitration Expenses. All fees charged by JAMS and the arbitrator shall be shared equally by claimant and Declarant. Attorneys' Fees and Costs. Each party shall bear its own attorneys' fees and costs (including expert witness costs) in the arbitration. The parties agree and understand that this provision overrules any potential claim for investigative costs under the finding of *Stearman v. Centex Homes* (2000) 78 Cal.App.4th 611, or any other case law.
- D. Appointment of Arbitrator. The arbitrator to preside over the Dispute shall be selected in accordance with the JAMS Rules, but no later than sixty (60) days from initiation of the claim or dispute resolution process or hearing unless otherwise agreed to by the parties. The person(s) appointed, selected, designated or assigned to preside may be challenged for bias. The parties may agree to appoint an arbitrator who is not listed on the JAMS panel.
- E. Venue. The venue of the arbitration proceedings shall be in the County where the Project is located unless the parties agree to some other location.
- F. Prompt Commencement. The arbitration proceedings shall be commenced in a prompt and timely manner. The proceedings shall be deemed promptly and timely commenced if commenced in accordance with the JAMS Rules, or if the JAMS Rules do not specify a date by which the proceeding or hearing must commence, then to a date agreed upon by the parties, and if they cannot agree, to a date determined by the arbitrator appointed to preside over the Dispute.
- G. Fair and Reasonable Procedures. The arbitration proceedings shall be conducted in accordance with rules and procedures that are reasonable and fair to the parties.
- H. Prompt Conclusion and Ruling. The arbitration proceedings shall be concluded in a prompt and timely manner, including the issuance of any decision or ruling following the proceeding or hearing.
- I. Available Remedies. The arbitrator presiding in the arbitration proceedings is authorized to provide all recognized remedies available in law or equity for any cause of action that is the basis of the proceeding or hearing and award compensatory damages, but shall not have the power to award punitive damages.

9.6 **ARBITRATION OF DISPUTES.** DECLARANT, BY EXECUTING THIS DECLARATION, AND EACH OWNER AND THE ASSOCIATION, BY ACCEPTING A DEED TO ANY PORTION OF THE COVERED PROPERTY, SHALL BE DEEMED TO HAVE AGREED TO HAVE ANY DISPUTE DECIDED BY NEUTRAL BINDING ARBITRATION IN ACCORDANCE WITH THIS ARTICLE, AND DECLARANT, THE ASSOCIATION AND EACH OWNER ARE GIVING UP ANY RIGHTS DECLARANT, THE ASSOCIATION AND EACH OWNER MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. DECLARANT, THE ASSOCIATION AND EACH OWNER ARE GIVING UP JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THIS ARTICLE. IF DECLARANT, THE ASSOCIATION OR ANY OWNER REFUSES TO SUBMIT TO ARBITRATION AFTER AGREEMENT TO THIS PROVISION, DECLARANT, THE ASSOCIATION OR SUCH OWNER MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE AND/OR THE FEDERAL ARBITRATION ACT.

THE UNDERSIGNED HEREBY STATES THAT: (I) IT IS THE ONLY OWNER OF THE REAL PROPERTY DESCRIBED IN THIS DECLARATION, AND (II) IT CONSENTS TO THE RECORDING OF THIS DECLARATION AND THE CONDOMINIUM PLAN ATTACHED AS EXHIBIT B TO THIS DECLARATION.

HHP-HIGHLAND, LLC, a California limited liability company,

By its sole member HERITAGE HOUSING PARTNERS, a California nonprofit public benefit corporation,

Charles E. Loveman Jr.
By: Charles E. Loveman Jr.
Its: Executive Director

10/19/17
DATE

NOTARY ACKNOWLEDGEMENT ON FOLLOWING PAGE(S)

OFFICIAL CALIFORNIA NOTARIAL CERTIFICATE
ACKNOWLEDGEMENT

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

County of Los Angeles

On October 17, 2017 before me, Anush A. Bayburtyan, a Notary Public, personally appeared Charles E. Loveman, Jr., 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.

(Seal)

Signature 

