City of Rolling Hills

INCORPORATED JANUARY 24, 1957

2 PORTUGUESE BEND ROAD
ROLLING HILLS, CA 90274
(310) 377-1521

AGENDA
Regular City Council Meeting

CITY COUNCIL
Monday, June 09, 2025

CITY OF ROLLING HILLS
7:00 PM

The meeting agenda is available on the City's website. The City Council meeting will be live-streamed on the City's website. Both the agenda and the live-streamed video can be found here:
https://www.rolling-hills.org/government/agenda/index.php

Members of the public may submit written comments in real-time by emailing the City Clerk's office at cityclerk@cityofrh.net. Your comments will become part of the official meeting record. You must provide your full name, but please do not provide any other personal information that you do not want to be published.

Recordings to City Council meetings can be found here: https://www.rolling-hills.org/government/agenda/index.php

Next Resolution No. 1394 *Next Ordinance No. 388*

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. ANNOUNCEMENTS / PRESENTATIONS / PROCLAMATIONS

5. APPROVE ORDER OF THE AGENDA

This is the appropriate time for the Mayor or Councilmembers to approve the agenda as is or reorder.

6. BLUE FOLDER ITEMS (SUPPLEMENTAL)

Blue folder (supplemental) items are additional back up materials to administrative reports, changes to the posted agenda packet, and/or public comments received after the printing and distribution of the agenda packet for receive and file.

7. PUBLIC COMMENT ON NON-AGENDA ITEMS

*This is the appropriate time for members of the public to make comments regarding items**not** listed on this agenda. Pursuant to the Brown Act, no action will take place on any items not on the agenda.*

8. CONSENT CALENDAR

Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Mayor or any Councilmember may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion. The Mayor will call on anyone wishing to address the City Council on any Consent Calendar item on the agenda, which has not been pulled by Councilmembers for discussion.

8.A. APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL REGULAR MEETING OF JUNE 9, 2025

RECOMMENDATION: Approve.
CL_AGN_250609_CC_AffidavitofPosting.pdf

8.B. APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA
RECOMMENDATION: Approve.

8.C. APPROVE THE FOLLOWING MINUTES OF MAY 28, 2025: CITY COUNCIL REGULAR MEETING
RECOMMENDATION: Approve as presented.
CL_MIN_250528_CC_F.pdf

8.D. PAYMENT OF BILLS
RECOMMENDATION: Approve as presented.
CL_AGN_250609_CC_PaymentOfBills.pdf

8.E. APPROVE EIGHTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH MCGOWAN CONSULTING LLC. FOR SERVICES RELATING TO STORMWATER MANDATE COMPLIANCE
RECOMMENDATION: Approve as presented.
Attachment A - CA_AGR_250609_McGowan_Amend08_F.pdf
Attachment B - Original McGowan agreement.pdf
Attachment C - McGowan 1stAmendment 2018-2020 SIGNED.pdf
Attachment D - McGowan 2ndAmendment 4-17-19.pdf
Attachment E - 3rd Agreement McGowan Consulting LLC Agreement 2020_07_29.pdf
Attachment F - CA_AGR_210629_4thAmendment_E.pdf
Attachment G - CA_AGR_220613_McGowan_Amend05_E.pdf
Attachment H - CA_AGR_230612_McGowan_Amend06_E.pdf
Attachment I - CA_AGR_240624_McGowan_Amend07_F_E.pdf

8.F. APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH JTL CONSULTANTS FOR A THREE-YEAR PERIOD AT A NOT-TO-EXCEED AMOUNT OF $5,000 PER FISCAL YEAR PROVIDING ON-CALL ARBORIST SERVICES TO SUPPORT STAFF IN FIRE FUEL ABATEMENT CODE ENFORCEMENT CASES
RECOMMENDATION: Approve as presented.
CA_AGR_250609_JTL-Consultants_Arborist_3yr_F.pdf

8.G. APPROVE A FIFTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH LSL, LLC TO PROVIDE FINANCIAL AUDIT SERVICES FOR THE THREE FISCAL YEARS STARTING WITH FISCAL YEAR 2024-25 THROUGH FISCAL YEAR 2026-27 FOR AN AMOUNT NOT-TO-EXCEED $114,900.
RECOMMENDATION: Approve as presented.
CA_AGR_250609_LSL_Amendment_05_F.pdf
CA_AGR_160627_LSL_2016-19_E.pdf
CA_AGR_211130_LSL_Amendment_01_PE.pdf
CA_AGR_220912_LSL_ Amendment_02_E.pdf
CA_AGR_230612_LSL_Amendment_03_E.pdf
CA_AGR_240722_LSL_Amendment_04_E.pdf

8.H. ADOPT RESOLUTION NO. 1392 APPROVING THE UPDATED FISCAL YEAR 2025/26 PAY SCHEDULE TO COMPLY WITH CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) STATUTORY AND REGULATORY REQUIREMENTS FOR COMPENSATION EARNABLE AND PUBLICLY AVAILABLE PAY SCHEDULES

RECOMMENDATION: Approve as presented.

Attachment 01 - ResolutionNo1392_FY25-26_SalarySchedule_F.pdf
Attachment 02 - Circular Letter 200-003-2_ Statutory and Regulatory Requirements for Publicly Available Pay Schedules.pdf

8.I. FOR SECOND READING AND ADOPTION: ADOPT BY TITLE ONLY ORDINANCE NO. 386 AMENDING CHAPTER 17.16 OF THE MUNICIPAL CODE REGARDING THE HEIGHT LIMITS OF SINGLE-FAMILY RESIDENTIAL HOMES, STABLES AND BARNS; AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER SECTION 21080.17 OF THE PUBLIC RESOURCES CODE

RECOMMENDATION: Approve as presented.

Attachment 01 - 386_HeightLimit_Ordinance_D.pdf
Attachment 02 - May 28, 2025 City Council Staff Report Agenda Item 11.A Ordinance 386.pdf

8.J. FOR SECOND READING AND ADOPTION: ADOPT BY TITLE ONLY ORDINANCE NO. 387 DESIGNATING FIRE HAZARD SEVERITY ZONES WITHIN THE CITY OF ROLLING HILLS, CALIFORNIA BASED ON MAPS PROVIDED BY THE CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION AND AMENDING TITLE 15 (BUILDINGS AND CONSTRUCTION) OF THE ROLLING HILLS MUNICIPAL CODE, AND FINDING THE ORDINANCE NOT SUBJECT TO CEQA

RECOMMENDATION: Approve as presented

Attachment A - 387_ FireHazardSeverityZoneMap_Ordinance.pdf
Attachment B - PS_FHS_250528_MA_LRA_RollingHills.pdf
Attachment C - PS_FHS_250528_MA_LRA__LosAngelesCoSW.pdf
Attachment D - CL_AGN_250528_CC_Item13A_Ord387_FHSZ.pdf

9. EXCLUDED CONSENT CALENDAR ITEMS

10. COMMISSION ITEMS

11. PUBLIC HEARINGS

11.A. PUBLIC HEARING REGARDING POTENTIAL INCREASE TO REFUSE RATES FOR FISCAL YEAR 2025/26

RECOMMENDATION: 1. Conduct a public hearing to accept written and verbal protests against the increased refuse waste fees, track the number of protests and, if the number of written protests received is not sufficient to constitute a majority, make a finding that there is not a majority protest by property owners.

2. Approve Resolution No. 1394 "A Resolution of the City Council of the City

of Rolling Hills, California, Increasing the Maximum Refuse Services Rate in the City" (Attachment 2)
Attachment 01 - CL_PBN_250416_Prop218_Refuse_Resident_F.pdf
Attachment 02 - ResolutionNo1394_Prop218_MaximumRateForRefuseServices_2025_D.pdf

11.B. CONSIDERATION OF RESOLUTION NO. 1390 OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ADOPTING THE FISCAL YEAR 2025-2026 CITY OF ROLLING HILLS BUDGET INCLUDING THE GENERAL FUND; REFUSE COLLECTION FUND; TRANSIT FUND - MEASURE R; TRANSIT FUND - MEASURE M; TRANSIT FUND - PROPOSITION A; TRANSIT FUND - PROPOSITION C; COPS FUND; MEASURE W FUND; AND RESOLUTION NO. 1391 ESTABLISHING THE ANNUAL FISCAL YEAR 2025-2026 APPROPRIATIONS GANN LIMIT FOR THE CITY OF ROLLING HILLS
RECOMMENDATION: Approve as presented.
Attachment A - CL_AGN_250609_CC_GF_BudgetSummary.pdf
Attachment B - CL_AGN_250609_CC_GF_EstimatedRevenues.pdf
Attachment C - CL_AGN_250609_CC_GF_Expenditures.pdf
Attachment D - CL_AGN_250609_CC_RestrictedFunds.pdf
ResolutionNo1390_FY25-26_AdoptedBudget_F.pdf
ResolutionNo1391_FY25-26_AppropLimit_F.pdf

12. OLD BUSINESS

13. NEW BUSINESS

13.A. ADOPT RESOLUTION NO. 1393 MEMORIALIZING THE 2024 UTILITIES DE-ENERGIZATION DUE TO HISTORICAL LAND MOVEMENT WITHIN ROLLING HILLS AND SUBSEQUENT ACTIONS TAKEN BY THE CITY OF ROLLING HILLS AND UTILITY PARTNERS
RECOMMENDATION: Approve as presented.
ResolutionNo1393_Memorializing2024DeEnergization_LandMvmt_Response_F.pdf

14. MATTERS FROM THE CITY COUNCIL

14.A. CONSIDERATION OF SENDING A LETTER IN OPPOSITION REGARDING SB 79 (WIENER) TO CALIFORNIA STATE ASSEMBLYMEMBER MURATSUCHI (MIRSCH)
RECOMMENDATION: Provide direction to staff.
Attachment 01 - CL_AGN_250609_CC_SB79_OppositionLetter.pdf
Attachment 02 - CL_AGN_250609_CC_SB79_BillText.pdf
Attachment 03 - CL_AGN_250609_CC_SB79_Lemons-Sanchez_SGVT_OpEd.pdf

15. MATTERS FROM STAFF

15.A. RECEIVE AND FILE A VERBAL UPDATE ON THE STATUS OF THE CITY COUNCIL CHAMBER AUDIO/VISUAL SYSTEM MODIFICATIONS
RECOMMENDATION: Receive and file.

16. RECESS TO CLOSED SESSION

16.A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION GOVERNMENT CODE SECTION 54956.9(D)(1) THE CITY FINDS, BASED ON ADVICE FROM LEGAL COUNSEL, THAT DISCUSSION IN OPEN SESSION WILL PREJUDICE THE POSITION OF THE CITY IN THE LITIGATION. (3 CASES) A. NAME OF CASE: CONNIE ANDERSEN, ET AL. V. CALIFORNIA WATER COMPANY, ET AL. (SEAVIEW CASE) CASE NO.: 24STCV20953 B. NAME OF CASE: CITY OF ROLLING HILLS V. SCE CPUC DOCKET NO. C.24-10-008 C. NAME OF CASE: CITY OF ROLLING HILLS V. SOCALGAS CPUC DOCKET NO. C.24-10-009
RECOMMENDATION: None.

16.B. CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION A CLOSED SESSION WILL BE HELD, PURSUANT TO GOVERNMENT CODE SECTION 54956.9(C) AND (D)(4) REGARDING THE DECISION OF WHETHER TO INITIATE LITIGATION (1 CASE)RECOMMENDATION: NONE
RECOMMENDATION: None.

16.C. CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION A CLOSED SESSION WILL BE HELD, PURSUANT TO GOVERNMENT CODE SECTION 54956.9(C) AND (D)(4) REGARDING THE DECISION OF WHETHER TO INITIATE LITIGATION (1 CASE)RECOMMENDATION: NONE
RECOMMENDATION: None.

17. RECONVENE TO OPEN SESSION

18. ADJOURNMENT

In memory of longtime resident Dr. Arvel B. Witte. Next regular meeting: Monday, June 23, 2025 at 7:00 p.m. in the City Council Chamber, Rolling Hills City Hall, 2 Portuguese Bend Road, Rolling Hills, California, 90274.

Notice:

Public Comment is welcome on any item prior to City Council action on the item.

Documents pertaining to an agenda item received after the posting of the agenda are available for review in the City Clerk's office or at the meeting at which the item will be considered.

In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting due to your disability, please contact the City Clerk at (310) 377-1521 at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility and accommodation for your review of this agenda and attendance at this meeting.

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 8.A
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL REGULAR MEETING OF JUNE 9, 2025

DATE: June 09, 2025

BACKGROUND:
None.

DISCUSSION:
None.

FISCAL IMPACT:
None.

RECOMMENDATION:
Approve.

ATTACHMENTS:
CL_AGN_250609_CC_AffidavitofPosting.pdf

Administrative Report

8.A., **File #** 2814 **Meeting Date**: 6/9/2025

To: MAYOR & CITY COUNCIL

From: Christian Horvath, City Clerk

TITLE
APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL ADJOURNED REGULAR MEETING OF JUNE 9, 2025

EXECUTIVE SUMMARY

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF ROLLING HILLS)

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations below.

Legislative Body	City Council
Posting Type	Regular Meeting Agenda
Posting Location	2 Portuguese Bend Road, Rolling Hills, CA 90274 City Hall Window City Website: https://www.rolling-hills.org/government/agenda/index.php https://www.rolling-hills.org/government/city_council/city_council_archive_agendas/index.php
Meeting Date & Time	JUNE 9, 2025 7:00pm Open Session

As City Clerk of the City of Rolling Hills, I declare under penalty of perjury, the document noted above was posted at the date displayed below.

Christian Horvath, City Clerk

Date: June 6, 2025

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 8.B
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA

DATE: June 09, 2025

BACKGROUND:
None.

DISCUSSION:
None.

FISCAL IMPACT:
None.

RECOMMENDATION:
Approve.

ATTACHMENTS:

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 8.C
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: APPROVE THE FOLLOWING MINUTES OF MAY 28, 2025: CITY COUNCIL REGULAR MEETING

DATE: June 09, 2025

BACKGROUND:
None.

DISCUSSION:
None.

FISCAL IMPACT:
None.

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:
CL_MIN_250528_CC_F.pdf

Minutes
Rolling Hills City Council
Monday, May 28, 2025
Regular Meeting 7:00 p.m.

1. CALL TO ORDER

The City Council of the City of Rolling Hills met in person on the above date at 7:04 p.m. Mayor Pieper presiding.

2. ROLL CALL

Councilmembers Present:	Mirsch, Black, Dieringer, Mayor Pieper
Councilmembers Absent:	Wilson
Staff Present:	Karina Bañales, City Manager
	Christian Horvath, City Clerk / Executive Assistant to the City Manager
	Samantha Crew, Management Analyst
	Nicolas Papajohn, City Attorney

3. PLEDGE OF ALLEGIANCE – Mayor Pro Tem Dieringer

4. PRESENTATIONS / PROCLAMATIONS / ANNOUNCEMENTS – NONE

5. APPROVE ORDER OF THE AGENDA

Mayor Pieper moved to revise the order of the agenda with Item 13A preceding Item 11A. Without objection, so ordered.

6. BLUE FOLDER ITEMS (SUPPLEMENTAL)

Motion by Mayor Pro Tem Dieringer, seconded by Councilmember Mirsch to receive and file Blue Folder Item 7A. Motion carried unanimously with the following vote:

AYES:	Mirsch, Black, Dieringer, Mayor Pieper
NOES:	None
ABSENT:	Wilson

7. PUBLIC COMMENT ON NON-AGENDA ITEMS

Public Comment: Alfred Visco

8. CONSENT CALENDAR

8.A. APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL REGULAR MEETING OF MAY 28, 2025

8.B. APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA

8.C. APPROVE THE FOLLOWING MINUTES OF MAY 12, 2025: CITY COUNCIL REGULAR MEETING

8.D. PAYMENT OF BILLS

8.E. PULLED BY COUNCILMEMBER MIRSCH

Councilmember Mirsch pointed out some discrepancies in the data presented and red tag definitions. City Manager Bañales noted she would work with Republic Services to correct or update.

Motion by Mayor Pro Tem Dieringer, seconded by Councilmember Mirsch to approve the Consent Calendar except for Item 8E. Motion carried unanimously with the following vote:

AYES: Mirsch, Black, Dieringer, Mayor Pieper
NOES: None
ABSENT: Wilson

9. EXCLUDED CONSENT CALENDAR ITEMS – NONE

8.E. REPUBLIC SERVICES RECYCLING TONNAGE AND COMPLAINT REPORTS FOR MARCH 2025

Motion by Councilmember Mirsch, seconded by Mayor Pro Tem Dieringer to receive and file. Motion carried unanimously with the following vote:

AYES: Mirsch, Black, Dieringer, Mayor Pieper
NOES: None
ABSENT: Wilson

10. COMMISSION ITEMS – NONE

Mayor Pieper moved to Item 13A

13. NEW BUSINESS

13.A. CONSIDERATION OF ORDINANCE NO. 387 DESIGNATING FIRE HAZARD SEVERITY ZONES WITHIN THE CITY OF ROLLING HILLS, CALIFORNIA BASED ON MAPS PROVIDED BY THE CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION AND AMENDING TITLE 15 (BUILDINGS AND CONSTRUCTION) OF THE ROLLING HILLS MUNICIPAL CODE, AND FINDING THE ORDINANCE NOT SUBJECT TO CEQA

Presentation by Management Analyst Crew
LA County Assistant Fire Chief Brian Kane

Public Comment: Alfred Visco, Melissa McNabb

Motion by Councilmember Black, seconded by Mayor Pieper to approve as presented. Motion carried unanimously with the following vote:

AYES: Mirsch, Black, Dieringer, Mayor Pieper
NOES: None
ABSENT: Wilson

Mayor Pieper moved to Item 11A

11. PUBLIC HEARINGS

11.A. CONSIDERATION OF ORDINANCE 386 AMENDING CHAPTER 17.16 OF THE MUNICIPAL CODE REGARDING THE HEIGHT LIMITS OF SINGLE-FAMILY RESIDENTIAL HOMES,

STABLES AND BARNS; AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER SECTION 21080.17 OF THE PUBLIC RESOURCES CODE

Presentation by City Manager Bañales

Public Comment: Alfred Visco, Judith Haenel, Kristen Raig

Motion by Mayor Pieper, seconded by Councilmember Mirsch to approve as presented. Motion carried with the following vote:

AYES: Mirsch, Dieringer, Mayor Pieper
NOES: Black
ABSENT: Wilson

12. OLD BUSINESS – NONE

13. NEW BUSINESS

13.B. CONSIDERATION OF PROPOSED EMPLOYEE SALARY SCHEDULE AND JOB CLASSIFICATION MODIFICATIONS

Presentation by City Manager Bañales

Motion by Mayor Pro Tem Dieringer, seconded by Councilmember Mirsch to adopt the updated salary schedule and classifications but maintain the existing salary range for the Management Analyst and Administrative Assistant positions; approve replacement of the Planning Director classification with Planning Manager, eliminate the Administrative Clerk/Bookkeeper position, and bring Code Enforcement in-house under the new consolidated classification of Code Compliance Office/Planning Technician and; direct staff to begin recruitment for the revised and consolidated positions. Motion carried with the following vote:

AYES: Mirsch, Dieringer, Mayor Pieper
NOES: Black
ABSENT: Wilson

14. MATTERS FROM THE CITY COUNCIL – NONE

15. MATTERS FROM STAFF

15.A. RECEIVE AND FILE A PUBLIC SAFETY AND EMERGENCY PREPAREDNESS UPDATE

Presentation by Management Analyst Crew

Public Comment: Alfred Visco, Judith Haenel

Motion by Mayor Pro Tem Dieringer, seconded by Councilmember Mirsch to receive and file. Motion carried unanimously with the following vote:

AYES: Mirsch, Black, Dieringer, Mayor Pieper
NOES: None
ABSENT: Wilson

16. RECESS TO CLOSED SESSION – 9:06 P.M.

16.A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION GOVERNMENT CODE SECTION 54956.9(D)(1) THE CITY FINDS, BASED ON ADVICE FROM LEGAL COUNSEL, THAT DISCUSSION IN OPEN SESSION WILL PREJUDICE THE POSITION OF THE CITY IN THE LITIGATION. (3 CASES)
A. NAME OF CASE: CONNIE ANDERSEN, ET AL. V. CALIFORNIA WATER COMPANY, ET AL. (SEAVIEW CASE) CASE NO.: 24STCV20953
B. NAME OF CASE: CITY OF ROLLING HILLS V. SCE CPUC DOCKET NO. C.24-10-008
C. NAME OF CASE: CITY OF ROLLING HILLS V. SOCALGAS CPUC DOCKET NO. C.24-10-009

16.B. CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION GOVERNMENT CODE SECTION 54956.9(D)(1) THE CITY FINDS, BASED ON ADVICE FROM LEGAL COUNSEL, THAT DISCUSSION IN OPEN SESSION WILL PREJUDICE THE POSITION OF THE CITY IN THE LITIGATION. (1 CASE) RECOMMENDATION: NONE

16.C. CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION A CLOSED SESSION WILL BE HELD, PURSUANT TO GOVERNMENT CODE SECTION 54956.9(C) AND (D)(4) REGARDING THE DECISION OF WHETHER TO INITIATE LITIGATION (1 CASE) RECOMMENDATION: NONE

17. RECONVENE TO OPEN SESSION – 9:29 P.M.

18. ADJOURNMENT: 9:29 P.M.

The meeting was adjourned at 9:29 p.m. on May 28, 2025 in memory of Dr. Paul Straub, a longtime resident on Packsaddle East. The next regular meeting of the City Council is scheduled to be held on Monday, June 9, 2025 beginning at 7:00 p.m. in the City Council Chamber at City Hall, 2 Portuguese Bend Road, Rolling Hills, California. It will also be available via City's website link at: https://www.rolling-hills.org/government/agenda/index.php

All written comments submitted are included in the record and available for public review on the City website.

Respectfully submitted,

_____
Christian Horvath, City Clerk

Approved,

_____
Jeff Pieper, Mayor

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 8.D
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: PAYMENT OF BILLS

DATE: June 09, 2025

BACKGROUND:
None.

DISCUSSION:
None.

FISCAL IMPACT:
None.

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:
CL_AGN_250609_CC_PaymentOfBills.pdf

CITY OF ROLLING HILLS
AP25-022, ACH25-022
Check Run 06/04/2025

Check No.	Check Date	Payee	Description	Amount
028943	6/4/2025	Alan Palermo Consulting	May 2025 Prof Serv-ADA Design,Sewer, Eastfield	412.50
028944	6/4/2025	Ampirical Services, Inc.	April 2025 - 20B Engineering DR4382-PJ0177 Eastfield	14,781.53
028945	6/4/2025	Cox Communications	June 2025 Phone Service	93.89
028946	6/4/2025	Environmental Design Associates	Landscape Review - 3 Outrider Rd	250.00
028947	6/4/2025	Executive Suite Services Inc.	April 2025 Janitorial Service	1,150.00
028948	6/4/2025	County of Los Angeles	April 2025 Animal Housing Costs	66.45
028949	6/4/2025	County of Los Angeles	March 2025 Building & Safety Services	21,344.02
028950	6/4/2025	LA County Sheriff's Department	April 2025 Supp. Traffic Enforcement	3,076.29
028951	6/4/2025	Marita Geraghty	Reimburse-Block Captain Event	43.96
028952	6/4/2025	Race Communications	June 2025 Communications Fiber	1,020.00
028953	6/4/2025	Sterling	2024 Annual Maintenance Fee	500.00
028953	6/4/2025	Sterling	2025 Annual Maintenance Fee	500.00
028953	6/4/2025	Sterling	April 2024 Services	71.77
028953	6/4/2025	Sterling	December 2023 Services	61.48
028953	6/4/2025	Sterling	February 2024 Services	63.32
028953	6/4/2025	Sterling	October 2023 Services	61.48
028953	6/4/2025	Sterling	September 2024 Services	143.53
CHECK TOTAL			**$ 1,401.58**	
028954	6/4/2025	Women's Community Club of Rolling	Easter Egg Hunt Event	1,497.00
028955	6/4/2025	Willdan Inc.	April 2025 Bldg Plan Check/Permit Proj	4,735.00
028955	6/4/2025	Willdan Inc.	April 2025 Temp Principal Planner	11,790.00
028955	6/4/2025	Willdan Inc.	Dec 2024 Temp Principal Planner	12,600.00
028955	6/4/2025	Willdan Inc.	January 2025 Temp Principal Planner	16,470.00
028955	6/4/2025	Willdan Inc.	March 2025 Temp Principal Planner	18,450.00
CHECK TOTAL			**$ 64,045.00**	
ACH-854	6/1/2025	Bennett Landscape	June 2025 Landscape Maint Serv	1,020.00
ACH-855	5/13/2025	CalPERS	CalPERS Retirement Payroll Ending 05-13-25	3,081.93

ACH-856	5/27/2025	CalPERS	CalPERS Retirement Payroll Ending 05-27-25	3,137.55
ACH-857	6/1/2025	Delta Dental	June 2025 Dental Coverage	873.47
ACH-858	6/1/2025	Forum Info-Tech. Inc./Levelcloud	June 2025 IT Cloud Hosting	5,516.10
ACH-859	6/1/2025	Nextiva	June 2025 Business Phone	289.28
ACH-860	5/31/2025	Pacific Premier Bank / FNBO	Pacific Prem Cred Card May 2025 Stmt Acct#1746	1,274.98
ACH-861	5/31/2025	Pacific Premier Bank / FNBO	Pacific Prem Cred Card May 2025 Stmt Acct#0306	873.93
ACH-862	5/23/2025	Robert Half	Temp Admin Staff P/E 05-23-25	547.04
ACH-863	5/30/2025	Robert Half	Temp Admin Staff P/E 05-30-25	547.04
ACH-864	6/1/2025	Standard Insurance Company	June 2025 Life Insurance Policy #161783 Div 0001	205.79
ACH-865	5/13/2025	Vantagepoint Transfer Agents -	Deferred Comp Contributions PR Ending 05-13-25	1,091.17
ACH-866	5/27/2025	Vantagepoint Transfer Agents -	Deferred Comp Contributions PR Ending 05-27-25	149.28
ACH-867	6/1/2025	Vision Service Plan - (CA)	June 2025 Vision Coverage	132.19
PR LINK	5/30/2025	PR LINK - Payroll & PR Taxes PR11	Payroll Processing Fee PR#11_05/14/25 - 05/27/25	85.30
PR LINK	5/30/2025	PR LINK - Payroll & PR Taxes PR11	Pay Period PR#11_05/14/25 - 05/27/25	18,993.88

I, Karina Banales, City Manager of Rolling Hills, California certify that the above demands are accurate and there is available in the General Fund a balance of
$ 147,001.15 for the payment of above items.

Karina Banales, City Manager

Agenda Item No.: 8.E
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: SAMANTHA CREW, MANAGEMENT ANALYST

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: APPROVE EIGHTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH MCGOWAN CONSULTING LLC. FOR SERVICES RELATING TO STORMWATER MANDATE COMPLIANCE

DATE: June 09, 2025

BACKGROUND:
Kathleen McGowan, founder and principal of McGowan Consulting LLC (McGowan), is a highly regarded expert in stormwater quality and watershed protection. She has served as a long-standing consultant to the City of Rolling Hills since 2003, bringing more than two decades of experience and in-depth knowledge of the City's unique environmental, hydrologic, and regulatory conditions.

Over the years, Ms. McGowan has played an integral role in helping the City meet the evolving requirements of the Regional Municipal Separate Storm Sewer System (MS4) Permit. Her expertise has been instrumental in ensuring compliance with complex stormwater regulations while supporting the City's broader environmental protection goals.

In addition to permit compliance, Ms. McGowan has actively supported the City's participation in regional watershed initiatives. She worked closely with City staff and regional partners on the cooperative development and implementation of both the Peninsula Watershed Management Program (WMP) and the Coordinated Integrated Monitoring Program (CIMP). A notable achievement includes securing final approval of the Peninsula WMP, which incorporated the City of Rolling Hills as an 85th percentile, 24-hour stormwater runoff retention area eligible for deemed compliance with effluent limitations and receiving water limitations, an advanced and seldom-achieved requirement among Los Angeles County municipalities. This accomplishment reflects a high level of technical rigor and strategic planning.

Ms. McGowan also played a pivotal role in negotiating modifications to MS4 permit provisions, enabling the City to join a shared CIMP with neighboring Peninsula agencies. This collaborative approach significantly reduced monitoring costs while still meeting regulatory obligations.

Through strategic advocacy and technical expertise, McGowan recently played a pivotal role in protecting the City of Rolling Hills from substantial financial penalties issued by the Los Angeles Regional Water Quality Control Board (LA Water Board). In response to settlement offers and proposed mandatory minimum penalties related to monitoring data for Machado Lake from September 2021 to December 2022, McGowan prepared and submitted a detailed contest letter on the City's behalf. The letter successfully demonstrated that the City meets the deemed compliance provisions of the Municipal Separate Storm Sewer System (MS4) Permit by retaining runoff from the 85th percentile, 24-hour storm event and conducting continuous flow monitoring as required under the Peninsula Watershed Management Program. As a result, the LA Water Board issued a favorable determination on May 15, 2025, confirming that the City is not subject to the proposed penalties. McGowan's efforts not only preserved the City's compliance standing but also saved the City approximately $34,725 in avoided fines. For a small City like Rolling Hills, this level of cost savings has a significant fiscal impact, allowing limited resources to remain focused on essential public services.

The proposed agreement is a three-year contract with McGowan Consulting (Attachment A), which makes sense for both operational and fiscal reasons. A multi-year term provides continuity in managing the City's stormwater compliance efforts, reduces administrative overhead associated with annual renewals, and supports more effective long-term planning. The McGowan contract originally began with a three-year term, but following the third amendment, the term fluctuated between one-year and three-year extensions in subsequent years (Attachments B through I). Ms. McGowan's in-depth understanding of the City's regulatory history and resource limitations allows her to deliver highly tailored, cost-conscious solutions. Extending her services over a three-year period ensures stability, preserves institutional knowledge, and positions the City to remain proactive and compliant amid evolving regulatory requirements.

DISCUSSION:

McGowan Consulting LLC has submitted a proposed three-year Professional Services Agreement (PSA) and accompanying scope of services to provide continued stormwater regulatory consulting support to the City. This new agreement will replace and update the existing 2024 one-year PSA and outlines consulting services for Fiscal Years 2025–26, 2026–27, and 2027–28. Under this renewed agreement, McGowan will continue to assist the City in maintaining compliance with the requirements of the Municipal Separate Storm Sewer System (MS4) Permit, ensuring the City remains in good standing with evolving state and regional water quality mandates.

The City's Regional Municipal Separate Storm Sewer System (MS4) Permit includes numerous regulatory obligations, many of which must be documented and reported annually to the Los Angeles Regional Water Quality Control Board (LARWQCB). McGowan's proposal outlines the specific tasks she will undertake to manage the City's MS4 permit compliance, including implementation and reporting duties associated with the City's watershed group participation.

Effectively tracking and responding to the evolving landscape of stormwater regulations requires a deep understanding of federal, state, and regional mandates. McGowan ensures the City remains informed and compliant with current statewide water quality standards, permitting policies, LARWQCB, and State Water Board orders, as well as updates to Total Maximum Daily Loads (TMDLs). Her extensive familiarity with these mandates provides the City with valuable regulatory insight and tailored assistance.

In alignment with MS4 Permit requirements, the City is also responsible for developing and maintaining a Public Information and Participation Program (PIPP). McGowan will assist staff in creating public outreach materials, supporting local environmental events, and tracking these efforts for inclusion in annual MS4 reporting. She will also support training activities related to planning, land development, and construction, helping staff meet educational and procedural standards outlined in the permit.

In addition, McGowan and her team will continue to provide guidance on Low-Impact Development (LID) and Illicit Discharge Detection and Elimination (IDDE) best practices, ensuring staff are equipped with up-to-date resources and training to meet compliance standards.

Beyond MS4 compliance, McGowan also supports the City's administration of Measure W (Safe Clean Water Program) funds. She assists in the preparation of the City's Annual Plan and Expenditure Report, ensuring alignment with the City's Transfer Agreement with the Los Angeles County Flood Control District (LACFCD). Her strategic oversight helps the City manage these funds effectively and in compliance with program requirements.

McGowan actively participates in co-permittee coordination through virtual meetings, technical working group sessions, and regional conference calls. Her over 20 years of continuous service to the City of Rolling Hills and neighboring Peninsula cities provides her with a unique level of institutional knowledge and continuity that is difficult to replicate.

Scope of Work Summary (FY2025–2028)

1. Program Management & Reporting - Coordinate stormwater program activities, prepare required annual reports, and track regulatory developments.
2. Public Outreach Support - Assist with public information efforts and prepare Safe, Clean Water (Measure W) reports and plans.
3. Land Development & Construction - Provide staff training and tracking related to low impact development (LID) and construction site compliance.
4. Public Agency Activities - Support BMP implementation at City facilities and deliver required staff training.
5. Illicit Discharge Detection - Conduct annual training and support updates to procedures for identifying and resolving illicit discharges.
6. Watershed Coordination - Participate in watershed group planning, support monitoring program reviews, and assist with interagency MOUs.
7. WMP Joint Implementation - Support regional watershed progress reporting, adaptive management review, and shared public outreach content.

City staff have consistently found Ms. McGowan to be an exceptionally reliable and effective consultant. She demonstrates a high level of responsiveness and attention to detail in all aspects of her work, ensuring that the City's stormwater program remains both compliant and well-coordinated. Her deep subject matter expertise is complemented by a practical and nuanced understanding of the City's unique context, including its small size, limited staffing, and constrained budget. What sets Ms. McGowan apart is her ability to tailor regulatory strategies that are not only technically sound but also fiscally responsible. She regularly recommends cost-conscious approaches that help the City meet its complex permit obligations without unnecessary expenditures. Her proactive guidance, clarity in communication, and commitment to public agency service have made her a trusted and

valued advisor to City staff.

In light of the City's ongoing regulatory obligations and the proven value of McGowan's services, approval of the proposed three-year agreement represents a sound and strategic investment. It ensures continuity with a consultant who has demonstrated exceptional reliability, technical expertise, and fiscal prudence. Her continued support will help the City navigate complex permit requirements with confidence, maintain compliance, and make efficient use of limited resources.

FISCAL IMPACT:
The total estimated cost for the three-year contract is $223,600. With an additional 10% contingency of $22,360, the total not-to-exceed amount is $245,960. Measure W will cover $75,100 of contract fees over the three-year period (excluding contingency).

Annual projected costs are as follows:
- FY 2025–2026: $71,500
- FY 2026–2027: $74,600
- FY 2027–2028: $77,500

Contingency @ 10%: $22,360
Total Not to Exceed Amount (with contingency): $245,960
Measure W will cover (excluding contingency): $75,100
*Please note that Other Direct Costs are covered under Measure W

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:
Attachment A - CA_AGR_250609_McGowan_Amend08_F.pdf
Attachment B - Original McGowan agreement.pdf
Attachment C - McGowan 1stAmendment 2018-2020 SIGNED.pdf
Attachment D - McGowan 2ndAmendment 4-17-19.pdf
Attachment E - 3rd Agreement McGowan Consulting LLC Agreement 2020_07_29.pdf
Attachment F - CA_AGR_210629_4thAmendment_E.pdf
Attachment G - CA_AGR_220613_McGowan_Amend05_E.pdf
Attachment H - CA_AGR_230612_McGowan_Amend06_E.pdf
Attachment I - CA_AGR_240624_McGowan_Amend07_F_E.pdf

EIGHTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

This Eighth Amendment to Professional Services Agreement ("Eighth Amendment") is entered into by and between the City of Rolling Hills, a municipal corporation ("City") and McGowan Consulting LLC ("Consultant") upon full, written execution by both parties.

RECITALS

A. City and Consultant are parties to that Professional Services Agreement dated July 15, 2015 (the "Agreement") by which City engaged Consultant for environmental consulting services pertaining to the implementation of the Municipal Separate Storm Sewer System Permit (MS4) and Total Maximum Daily Load (TMDL) implementation under the requirements of the Federal Clean Water Act.

B. The Agreement has been amended by a First Amendment to the Agreement dated July 26, 2018 (the "First Amendment"), a Second Amendment to the Agreement dated April 17, 2019 (the "Second Amendment"), a Third Amendment to the Agreement dated July 29, 2020 (the "Third Amendment"), a Fourth Amendment to the Agreement dated June 29, 2021 (the "Fourth Amendment"), a Fifth Amendment to the Agreement dated June 28, 2022 (the "Fifth Amendment"), a Sixth Amendment to the Agreement dated June 13, 2023 (the "Sixth Amendment"), and a Seventh Amendment to the Agreement dated June 24, 2024 (the "Seventh Amendment") by which City continued Consultant's engagement to perform MS4 permit consulting services and amended the scope of services, compensation and term.

C. City and Consultant now desire to further amend the Agreement for an eighth time in order to engage Consultant to perform MS4 permit consulting services for the 2025-2026 through 20272028 fiscal years and to establish a revised scope of work and compensation for such services and extend the term of the Agreement by this Eighth Amendment.

NOW, THEREFORE, in consideration of the foregoing, the Agreement is amended as follows:

A. Section 2 "SCOPE OF WORK" of the Agreement is amended to read as follows:

CONSULTANT shall perform all work necessary to complete in a manner satisfactory to CITY the services set forth in the scope of work attached as Exhibit A, and incorporated herein by this reference during the extension term as provided in this Eighth Amendment.

B. Section 3 "COST" of the Agreement is amended to read as follows:

The CITY agrees to pay CONSULTANT for all the work or any part of the work performed under this Agreement at the rates and in the manner established in the attached Exhibit A.

Total expenditures made under this Agreement shall not exceed the sum of $35,850 for FY 2015-16; $39,976 for FY 2016-17; $39,468 for FY 2017-18; $46,996 for FY 2018-19; $46,992 for FY 2019-20; $70,605 for FY 2020-21; $99,095 for FY 2021-22; $71,500 (inclusive of 10% contingency fee) for FY 2022-23; $75,020 (inclusive of 10% contingency fee) for FY 2023-2024, $75,900 for FY 2024-2025, and $78,700 for FY 2025-26, $82,100 for FY2026-27, $85,300 for FY 2027-28 services in the attached Exhibit A (each FY 2025-26, FY 2026-27 and FY 2027-28 inclusive of a 10% contingency fee). All such fees include automobile mileage, parking fees, routine printing and copying, photography, travel, attendance at meetings and routine miscellaneous costs incurred during the term. No

increase in fees will be allowed during the life of this Agreement, as extended by this Eighth Amendment.

Any increase in contract amount or scope shall be by express written amendment approved by the CITY and CONSULTANT.

C. Section 9 “TERM” of the Agreement is amended to read as follows:

The term of the Agreement is extended for an additional (3) three years until June 30, 2028.

D. Except as above modified, in all other respects the Agreement as previously amended is hereby affirmed and in full force and effect. Capitalized terms herein which are not otherwise defined in this Eighth Amendment shall have the respective meanings ascribed thereto in the Agreement, as previously amended. From and after the effective date of this Eighth Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement as amended by this Eighth Amendment.

ATTEST

CITY OF ROLLING HILLS

_____

CHRISTIAN HORVATH Date
CITY CLERK

_____

KARINA BAÑALES Date
CITY MANAGER

MCGOWAN CONSULTING, LLC

_____

KATHLEEN MCGOWAN Date
CONSULTANT

EXHIBIT A

(See following page)

MCGOWAN CONSULTING, LLC
412 Olive Avenue, #189, Huntington Beach, CA 92648
310-213-4979 Kathleen@McGowan.Consulting

May 28, 2025

Karina Bañales, City Manager
Samantha Crew, Management Analyst
City of Rolling Hills
2 Portuguese Bend Road
Rolling Hills, CA 90274

RE: SCOPE OF SERVICES FOR MS4 PERMIT CONSULTING

Dear Ms. Bañales and Ms. Crew:

McGowan Consulting is pleased to provide the enclosed scope of services and cost estimate to assist the City of Rolling Hills in implementing the requirements of the Regional Municipal Stormwater Permit from fiscal year 2025-2026 through 2027-2028. McGowan Consulting specializes in providing customized stormwater quality and watershed protection support services to municipal clients and has an in-depth understanding of the City's unique character, opportunities and constraints. We are gratified to have assisted the City in successfully contesting alleged water quality violations and associated fines based on demonstration of the City's deemed compliance with water quality limitations retroactive to its inclusion in the Palos Verdes Peninsula Watershed Management Program.

This scope of services is designed to assist the City in implementing its individual requirements under the Regional Municipal Stormwater Permit and in supporting the City in cooperative implementation of the Peninsula Watershed Management Program and Coordinated Integrated Monitoring Program. Given the uncertain and unpredictable nature of these regulatory-driven programs, a ten percent contingency is recommended to be used only when authorized by the City.

Please contact me if you have any questions or require additional information. Thank you for the opportunity to continue to work with you and your colleagues in serving the City of Rolling Hills.

Sincerely,

Kathleen C. McGowan, P.E., Principal
McGowan Consulting, LLC

Attachment: Scope of Services and Cost Estimate

Scope of Services – Stormwater Permit Consulting
City of Rolling Hills
FY2025-2026 through FY2027-2028

This scope of services is designed to assist the City of Rolling Hills (City) with implementation of stormwater programs required by the Regional Municipal NPDES Permit – Order No. R4-2021-0105 – NPDES Permit No. CAS004004 Waste Discharge Requirements and National Pollutant Discharge Elimination System (NPDES) Permit for Municipal Separate Storm Sewer System (MS4) Discharges within the Coastal Watersheds of Los Angeles and Ventura Counties (Regional Permit).

The Regional Permit will expire on September 11, 2026; however, the California Code of Regulations specifies that the terms and conditions of an expired permit are automatically continued pending the issuance of a new permit. Consequently, Permittees must continue to implement the requirements of the Regional Permit until a new permit is adopted. While the process of negotiating new permit terms may begin sometime within the next three years, based on previous experience with LA Water Board permit cycles it is unlikely a new Municipal NPDES Permit will become effective within the term of this scope of services. As such, the level of effort included in this scope of services assumes a continuation of current Regional Permit programs and projects with no significant new effort to implement a new permit.

This scope of services is organized into eight (8) tasks:

Task 1 - Program Management, Reporting & Regulatory Support
Task 2 - Public Information & Participation Program Assistance
Task 3 - Commercial Facilities Control Program Assistance *[not applicable to the city]*
Task 4 - Planning & Land Development and Construction Programs Support
Task 5 - Public Agency Activities Program Support
Task 6 - Illicit Discharge Detection & Elimination Program Support
Task 7 - Watershed Group Planning & Coordination
Task 8 - Watershed Management Program Joint Implementation Activities

Task 1 Program Management, Reporting, and Regulatory Support

Implementation of Regional Permit requirements necessitates effective coordination across a wide range of municipal activities. Task 1 is focused on assisting City staff in stormwater program planning, budgeting, reporting, coordination and regulatory support.

Subtask 1.1 Coordination, Communication and Project Management

This subtask provides for McGowan Consulting to perform project management activities necessary to deliver the scope of services in a timely and cost-efficient manner. These include task management, internal coordination and planning, meetings and regular communication with City staff on action items and pending decisions needed, as well as overall project and budget management. Time is also included

for attendance at occasional City Council meetings and assistance in drafting staff reports on items of importance to the City's stormwater program.

Subtask 1.2 Regional Permit Individual Annual Report

The Regional Permit requires the City to submit an Individual Annual Report to the Los Angeles Regional Water Quality Control Board (LA Water Board) by December 15 covering activities implemented during the preceding fiscal year (July 1-June 30). This report must include but is not limited to detailed reporting of Regional Permit implementation costs, implementation activities, non-stormwater prohibition effectiveness, and Total Maximum Daily Load (TMDL) implementation and compliance. Additionally, the State Water Resources Control Board in January 2025 adopted a new Statewide Water Quality Control Policy for Standardized Cost Reporting in Municipal Stormwater Permits requiring tracking and submittal of the City's fiscal year costs for implementing the Regional Permit via a newly developed statewide MS4 Cost Data Portal.

This subtask covers McGowan Consulting's preparation of the City's Individual Annual Report and attachments following the required format and content prescribed in the Regional Permit. Beginning in 2026 this will include assistance to the City in tracking its Regional Permit implementation costs in accordance with the new statewide cost reporting policy and for reporting these costs utilizing the new statewide MS4 Cost Data Portal.

The following schedule allows sufficient time for McGowan Consulting to prepare the draft report and attachments, for City staff to review and comment, and for final report preparation and submittal by regulatory deadlines. By August 15 following the close of the fiscal year, McGowan Consulting will provide City staff a detailed list of information needed to complete the Individual Annual Report. Assuming receipt of the requested information in electronic format from City staff by September 15, a draft Individual Annual Report will be prepared and provided for City staff review by November 1. Following receipt of comments from City staff, McGowan Consulting will revise and finalize the annual report for City management staff approval and signature prior to the December 15 submittal deadline. A two-week turnaround for consolidated City staff comments on the draft report and a single revision of the annual report are assumed in this schedule. Following submittal of each Individual Annual Report to the LA Water Board, McGowan Consulting will provide City staff a PDF copy of the final Individual Annual Report, including all attachments, along with a link to a digital folder containing supporting files for City staff to download and file internally.

Given the City's approved 'deemed compliance' alternative demonstration of compliance with final water quality-based effluent limitations and receiving water limitations, it is assumed that no Receiving Water Limitations Compliance Report will be necessary for the City during any of the reporting years covered by this scope of services. If as a result of a change in the City's deemed compliance status, such a report becomes necessary in a particular reporting year, McGowan Consulting's effort for preparation of that report would be drawn from the annual contingency.

Subtask 1.2 Annual Deliverables:

- Draft and Final Regional Permit Individual Annual Reports, including link to digital folder containing supporting files for City's records

Subtask 1.3 Permit-wide Coordination and Regulatory Support

This subtask provides for McGowan Consulting to track and review regulatory actions affecting the City's stormwater program such as new or revisions to statewide policies, NPDES permit actions impacting Regional Permit implementation, and Total Maximum Daily Load (TMDL) reconsiderations or issuance of new TMDLs. This subtask also includes time for McGowan Consulting to attend and participate in virtual meetings with other municipal permittee representatives and various stakeholders to share information, resources and address challenges cooperatively. Examples of such meetings include Los Angeles Permit Group meetings, California Stormwater Quality Association meetings, and periodic LA Water Board meetings. This subtask also includes participation in LA Water Board workshops and permit negotiation meetings and/or review and comment on tentative permit documents but assumes that a new permit will not be adopted within the term of this scope of services. Consulting time for attending meetings and performing services in common for multiple clients has been reduced in this task to account for distribution of time (cost-sharing) between clients.

Task 2 Public Information and Participation Program Assistance

Each Permittee is responsible for developing and implementing a Public Information and Participation Program (PIPP) that addresses specific Regional Permit and Peninsula Watershed Management Program (WMP) requirements. Each of the required elements of the PIPP may be met by the City either through a collaborative or individual program approach, including through partnerships with State or National stormwater member agencies as well as by leveraging County-wide outreach and engagement efforts including those implemented through the Safe Clean Water Program. The Palos Verdes Peninsula Watershed Management Group (Peninsula WMG) has committed to joint development of certain elements of the PIPP which are described in Subtask 8.2. McGowan Consulting understands that the City's solid waste franchisee disseminates information to residents on proper handling of wastes such as vehicle waste fluids, household waste materials, construction waste materials, organic waste and animal waste. City staff also disseminate opportunities for participation in pollution prevention activities and events to residents via the City's Blue Newsletter and Environmental Programs website.

Subtask 2.1 PIPP Support

The Regional Permit requires documentation and tracking of information on the City's PIPP activities, including the (1) date of activity; (2) method of dissemination, (3) targeted behavior; (4) targeted pollutant; (5) targeted audience; (6) culturally effective methods; (7) metric(s) for measuring effectiveness of activity, and related information necessary for measuring effectiveness. This subtask provides for tracking the City's PIPP activities via metrics identified in collaboration with City staff. McGowan Consulting will work with City staff to gather and compile the appropriate metrics in a

spreadsheet database to demonstrate the reach and effectiveness of the City's PIPP activities. This data will be incorporated into the appropriate section of the City's Individual Annual Report. This task also provides an allocation of effort for McGowan Consulting to support the City as needed in its efforts to disseminate public outreach materials and encourage community engagement on stormwater and related environmental programs. This support may include reviewing and recommending changes to the Environmental Programs website material and/or recommendations for information to be disseminated to the public via the City's Blue Newsletter.

Subtask 2.1 Annual Deliverables:

- Update of City's individual PIPP activities database and metrics for tracking effectiveness

Subtask 2.2 Safe Clean Water Municipal Program Support

The Safe Clean Water (SCW) Program, also known as Measure W, provides dedicated funding for stormwater activities that improve water quality and assist permittees in compliance with the Regional Permit while also delivering other co-benefits to Los Angeles County communities. The City receives approximately $105,000 annually in Municipal SCW Program funds to use on local projects and programs that achieve SCW Program goals. The City's Municipal SCW Annual Plan and Municipal SCW Annual Expenditure Report must be prepared and submitted via the SCW online reporting tool in accordance with the structure and content required by LACFCD. The tool is mounted on the Los Angeles County SCW Program website (SafeCleanWaterLA.org) where the plans and reports are also posted for public transparency and accountability. The Annual Plan must describe the projects, programs, and other activities the City intends to fund with Municipal SCW Program funds in the upcoming fiscal year. The Annual Expenditure Report must describe how the City expended its Municipal SCW funds during the preceding fiscal year and whether these expenditures aligned with the Annual Plan prepared for that year.

This subtask provides for McGowan Consulting to prepare drafts of the required Municipal SCW Annual Plans and Annual Expenditure Reports, which are due on April 1 and December 31, respectively. To allow time to prepare and submit the appropriate deliverables on time, the following schedules are proposed:

- Municipal SCW Annual Report: After the close of each fiscal year, McGowan Consulting will work with City staff to obtain the information necessary to complete the Annual Expenditure Report.

Assuming McGowan Consulting is in receipt of all needed information by October 15, a draft Annual Expenditure Report will be prepared for City staff review by November 1.

- Municipal SCW Annual Plan: McGowan Consulting will meet with City staff annually in January to consult on anticipated Municipal SCW Program expenditures for the upcoming fiscal year. A draft Municipal SCW Annual Plan will then be prepared for City staff review by March 1.
- Comment/Review: A two-week turnaround for consolidated City staff comments and a single revision of the Annual Plan and Annual Expenditure Report are assumed.

In FY2024-25, the Safe, Clean Water Program requested additional metrics data from municipalities with Safe, Clean Water funded projects to better measure and track project performance with respect to the goals of the Safe, Clean Water Program. It is anticipated that similar additional metrics will be requested for programs as well as projects in upcoming fiscal years. This sub-task includes an allocation of effort starting in FY2025-26 for McGowan Consulting to assist with anticipated increased measures and metrics reporting for the Municipal Safe, Clean Water Program.

This subtask also includes as-needed support to City staff in assembling requested information for the 3-year independent audit of Municipal SCW funds due in March 2027. McGowan Consulting will also assist City staff in preparing a staff report, City Council resolution and submitting necessary documentation required for execution of a new Transfer Agreement with the District prior to expiration of the current Transfer Agreement in June 2028.

It is assumed that the City will be responsible for procuring and directing the independent 3-year financial audit of its SCW program payments as required by the SCW Transfer Agreement. It is also understood that City staff will be responsible for adherence to the SCW Program financial documentation and audit requirements as well as for operating in accordance with best practices and strict accountability for funds, receipts and disbursements as delineated in the SCW Program Municipal Program Transfer Agreement.

Subtask 2.2 Annual Deliverables:

- Draft and Final Municipal SCW Annual Plans
- Draft and Final Municipal SCW Annual Expenditure Reports

Task 4 Planning & Land Development and Development Construction Programs Support

The Planning & Land Development and Construction Programs are applicable to public and private development projects and there are separate and cross-cutting requirements in these programs.

Subtask 4.1 Planning & Land Development Program Training & Tracking

The Planning and Land Development provisions of the Regional Permit require the City to ensure that Priority Development Projects provide for permanent measures to reduce storm water pollutant loads from the developed site by conditioning approval of these projects with Low Impact Development (LID) requirements. Qualifying capital improvement projects are also subject to LID requirements.

This subtask provides for McGowan Consulting to prepare and deliver training for Community Development staff on the Planning & Land Development Program (Low Impact Development or LID) requirements of the Regional Permit. The method of delivery of the training may vary from year-to-year depending on City staff's needs and may include: virtually accessible videos, short online assessments, printed training materials, or synchronous virtual training sessions.

This subtask also provides an allocation of time for McGowan Consulting to submit information on Priority Development Projects into the WRAMPS online tool for tracking and annual reporting purposes. It is assumed that contract Building & Safety staff will provide McGowan Consulting with the LID project attributes and other required project information in the WRAMPS bulk upload spreadsheet format.

Subtask 4.1 Deliverables

- Annual training for Community Development staff on the Planning & Land Development requirements

Subtask 4.2 Construction Program Training

The City is required to implement a construction program in compliance with the Regional MS4 Permit that tracks and verifies that effective BMPs are being implemented on construction sites within its jurisdiction. The City must also verify that construction projects disturbing one acre or more: 1) obtain coverage under the Statewide Construction General Permit (CGP) and 2) submit and receive approval of the project LID Plans from Building & Safety prior to being issued a grading permit. The City must inspect construction sites in accordance with required frequencies to verify that effective construction BMPs are being implemented by the construction contractor.

This subtask provides for McGowan Consulting to prepare and deliver training for Community Development staff on the Construction Program requirements of the Regional Permit. The method of delivery of the training may vary from year-to-year depending on City staff's needs and may include virtually accessible videos, short online assessments, printed training materials, or synchronous virtual training sessions. An allocation of time is also included in this task for McGowan Consulting to track construction sites enrolled in the CGP through the State Board's online SMARTS system on a quarterly basis to identify new sites in the system, track the status of sites, and advise City staff of issues of concern identified by this online review.

The training provided by McGowan Consulting is primarily focused on the Regional MS4 Permit Construction Program requirements and is not equivalent to the two- or three-day training required for practitioners of the CGP. Therefore, it is assumed that the City will utilize contracted State Qualified QSD/QSP practitioners that are trained and knowledgeable in CGP requirements for construction of municipal capital improvement projects disturbing one acre or more.

Subtask 4.2 Annual Deliverables

- Annual training for Community Development staff on the Construction Program requirements of the Regional Permit

Task 5 Public Agency Activities Program Support and Training

The Public Agency Activities program of the Regional Permit requires implementation of BMPs to minimize water quality impacts from the maintenance of municipal facilities including parks, streets, parking lots, storm drain infrastructure, recreational and other municipally owned or operated facilities. The Regional Permit requires that contractors hired by the City to conduct construction, operation and maintenance activities must be contractually required to implement and maintain BMPs to control the discharge of pollutants to the MS4 to the maximum extent practicable when conducting such work; McGowan Consulting has previously provided recommended contract language which can be incorporated into contracts to address this requirement. The City must annually train all employees in targeted positions whose interactions, jobs, and activities affect stormwater quality. This annual training requirement also applies to contractors performing privatized/contracted municipal services such as catch basin cleaning, landscape maintenance or trash collection.

The Regional Permit also requires the City to maintain an electronic inventory of municipal facilities and activities that are potential sources of pollutants and the BMPs being implemented to reduce pollutants in stormwater discharges from these facilities to the maximum extent practicable. The accuracy of the inventory must be verified once during the permit term; since the City's facility inventory in workbook/spreadsheet format was last comprehensively revised and verified in FY2022-23, it will not need to be reverified under this scope of services. Incorporation of the municipal facility inventory into GIS is recommended but not required by the Regional Permit. It is assumed that contract or in-house City GIS staff will be responsible for performing conversion of the facility inventory to GIS if City staff determines this is desirable.

This subtask includes time for McGowan Consulting to assist City staff in maintaining the facility inventory by conducting one (1) facility visit per year to assess significantly revised conditions at a municipal facility identified by City staff and to update the facility inventory based on the facility assessment(s). McGowan Consulting will also provide required annual training for targeted City staff in which contract service providers may also participate. The method for delivery of the training may vary from year-to-year depending on City staff's preferences and may include virtually accessible recorded training presentations accompanied by short online assessments, in-person training, or synchronous virtual training sessions. As-needed, McGowan Consulting will assist City staff in coordinating with contracted service providers to obtain self-certification from them that their staff are annually trained and, if needed will facilitate such training by providing access to virtually accessible recorded trainings. Upon request, McGowan Consulting will also provide review of new or renewing municipal contracts to provide contract-specific recommendations on the appropriate incorporation of Regional Permit requirements as well as the training requirement.

Task 5 Annual Deliverables:

- Annual training for targeted public works staff on the Public Agency Activities Program requirements of the Regional Permit

Task 6 Illicit Discharge Detection and Elimination Program Support

The Regional Permit requires the City to continue to implement its Illicit Discharge Detection and Elimination (IDDE) program to detect and identify the source of suspected illicit discharges and to implement procedures for eliminating confirmed illicit discharges. The City's IDDE procedures manual must be updated once during the Regional Permit term, and this was completed in FY2023-24.

This task provides for preparation and delivery of an interactive or virtually accessible annual training for field staff on the identification and reporting of illicit discharges. This task also provides for minor revisions to the IDDE manual as needed to reflect updates to the City's staffing structure and assignment of responsibilities. Additionally, McGowan Consulting will provide as-needed assistance to City staff in addressing illicit discharges or conditionally exempt non-stormwater discharges consistent with permit requirements.

Task 6 Annual Deliverables:

- Training materials prepared for targeted City staff and contractors on the IDDE Program requirements

Task 7 Watershed Group Planning and Coordination

The Coordinated Integrated Watershed Management Program (CIMP) and Watershed Management Program (WMP) are being implemented cooperatively by the Peninsula WMG in accordance with the requirements of the Regional Permit. The CIMP is being implemented by the CIMP Consultant through a separate contracting mechanism under an MOU administered by the City of Rancho Palos Verdes with oversight and input from the Peninsula WMG member agencies; the current CIMP MOU Amendment 2 expires at the end of FY2025-26, therefore a 3rd amendment or new MOU will need to be negotiated and adopted by June 30, 2026 to ensure that required monitoring continues without interruption. The City is also participating in the Harbor Regional Monitoring Coalition MOU to meet its monitoring obligations under the Greater Los Angeles and Long Beach Harbors Toxics TMDL.

Task 7.1 Watershed Group Planning and Coordination

This subtask includes time for meeting preparation and attendance at six (6) annual Peninsula WMG meetings and additional coordination meetings among the Peninsula WMG and/or consulting team members as needed. During FY2025-26 this subtask will include effort for McGowan Consulting to assist the City in negotiating the terms of an amendment to or new Peninsula CIMP MOU for continued joint monitoring efforts. McGowan Consulting time for Peninsula WMG planning and coordination has been reduced based on cost-sharing among three municipal clients. Time for participation in quarterly Harbor

Regional Monitoring Coalition meetings is also included in this task with that effort reduced based on cost-sharing of time between two municipal clients.

Task 7.2 Coordinated Integrated Monitoring Program Review & Support

This subtask allocates time for McGowan Consulting to provide review and comment on the draft and final annual Integrated Monitoring Compliance Reports to be prepared by the CIMP Consultant and the draft and final Harbor Toxics TMDL Coordinated Compliance Monitoring Report. Additionally, this subtask provides time for McGowan Consulting to attend monthly 30-minute coordination calls with the CIMP consulting team to make as-needed implementation and adaptive management decisions. During FY2025-26 this task will also include review and comment on the 5-year water quality monitoring data assessment to be prepared by the CIMP Implementation Consultant in support of the required adaptive management process. McGowan Consulting time for this subtask has been reduced based on the assumption that it will be distributed among three municipal Peninsula clients.

Task 8 Watershed Management Program Joint Implementation

The Peninsula WMG members have undertaken certain WMP implementation tasks in a cooperative manner with effort for carrying out these tasks distributed equitably between the consultant for the City of Rancho Palos Verdes and McGowan Consulting as consultant for Rolling Hills Estates, Palos Verdes Estates and Rolling Hills. County of Los Angeles staff also contribute in-kind efforts. This task provides for McGowan Consulting to perform the City's share of these cooperative WMP implementation tasks.

Subtask 8.1 Watershed Progress Report and Adaptive Management/ROWD Assistance & Review

The Regional Permit requires the submittal of semi-annual Watershed Progress Reports to the LA Water Board which are due on December 15 and June 15. Although the consultant for the City of Rancho Palos Verdes will lead this submittal, it is necessarily a cooperative effort and therefore McGowan Consulting will assist in providing narrative sections for these reports covering our work described in Subtasks 8.2 and 8.3. McGowan Consulting will also update the City's watershed control measure information in WRAMPS for submittal to the Peninsula Watershed Coordinator and provide short narratives in support of the Peninsula Watershed Progress Reports. Additionally, McGowan Consulting will provide technical/regulatory review and comment on the draft and final semi-annual progress reports on the City's behalf prior to submittal to the LA Water Board.

The Regional Permit requires that by March 11, 2026, the WMG must prepare and submit a Report of Waste Discharge (ROWD) to the LA Water Board, including the results of an adaptive management process and evaluation of the effectiveness of implemented control measures in improving water quality since the last revision of the Peninsula WMP. The consultant for City of Rancho Palos Verdes will prepare this required submittal. This task provides an allocation of effort for McGowan Consulting to perform technical/regulatory review and comment on draft narrative work products and final draft ROWD and Adaptive Management Report submittals on the City's behalf. In subsequent reporting years, this task

may also require review and comment on modifications to the Peninsula WMP arising from the Adaptive Management process.

Subtask 8.2 Joint Public Outreach Content Development & Tracking

The Peninsula WMG in collaboration with the Beach Cities WMG develops and disseminates stormwater outreach to the local community via the South Bay Cities Council of Governments (SBCCOG) website. This outreach program has been developed, managed and facilitated by McGowan Consulting, supported by website hosting services subcontracted with the SBCCOG. This outreach program also includes the development of periodic supplemental outreach pieces for dissemination through the participating jurisdictions' websites, e-news and social media channels to extend the reach of the messaging and draw traffic to the website content.

The ongoing scope of this subtask is anticipated to include annual revision and refreshing of webpage content on the SBCCOG website platform. The Regional Permit requires Permittees to track metrics on the effectiveness of their public outreach and participation efforts which will be implemented in part through collection of website metrics from the SBCCOG hosting service. Additionally, the effort in this subtask may include development of one or more targeted public outreach pieces to address topics relevant to the stormwater management program.

McGowan Consulting's level of effort and supporting contract services for this subtask are assumed to be similar to previous years and will be distributed among three Peninsula WMG municipal clients and further offset through combined work for the Beach Cities WMG, including shared subcontracting costs for website hosting and as-needed graphic design.

Subtask 8.3 Adaptive Management

This subtask includes an allocation of time for review and comment on Sepulveda canyon annual flow data deliverables that are critical to maintaining the City's deemed compliance status. In FY2025-26 this will also include review and comment on the Rolling Hills Sepulveda Canyon monitoring technical memorandum three-year review to be prepared by NV5. In future years this task allocates time to assist with any necessary revisions into the Peninsula WMP arising from the WMP adaptive management process, or to assist the City in modifications to the flow monitoring contract with NV5 or an alternate contracting mechanism for that monitoring.

Cost Estimate

McGowan Consulting will carry out the scope of services for an estimated cost of $71,500 in FY2025-2026, $74,600 in FY2026-27, and $77,500 in FY2027-28 based on actual time and materials as broken down by task in the Budget Table. Given the recent increased regulatory uncertainty and enforcement actions taken by the LA Water Board, a ten percent contingency is also recommended for as-needed additional assistance in each year to be used only when authorized by the City Manager which would result in a total contract amount for the three years of $ 245,960. As is our practice and as noted in the

Scope of Services, certain consulting efforts for attending meetings and performing services in common for multiple clients have been reduced in the budget to account for distribution of the effort among several clients. To provide flexibility during this period of regulatory uncertainty and to best meet the needs of the City in addressing the requirements of the Regional MS4 Permit, it is understood and assumed that reallocation of level-of-effort by McGowan Consulting between tasks and subtasks may occur so long as the total contract amount is not exceeded.

Labor rates which include automobile mileage, parking fees, and routine printing & copying are shown for FY2025-2026 in the Rate Schedule. Other direct costs chargeable to the project may include subcontracted graphic design, illustration, and translation services; courier services; and other direct project costs not specifically included in labor rates. Invoices will be submitted based on actual time and expenses expended by McGowan Consulting and will be annotated to show which costs can be recovered via the Municipal Safe Clean Water Program (Measure W) which costs are also denoted by asterisk (*) in the Budget Table.

Budget Table by Fiscal Year Stormwater Permit Consulting Services					
Task	**Description**	**Est. Annual Hours**	**FY25-26 Est. Cost**	**FY26-27 Est. Cost**	**FY27-28 Est. Cost**
1.1	Coordination, Communication & Project Management	60	$ 10,700	$ 11,200	$ 11,600
1.2	Regional Permit Individual Annual Report	60	$ 10,700	$ 11,200	$ 11,600
1.3	Permit-wide Coordination and Regulatory Support	30	$ 5,400	$ 5,600	$ 5,800
2.1	Public Information & Participation Program Support *	12	$ 2,100	$ 2,200	$ 2,300
2.2	SCW Municipal Program Support *	64	$ 10,900	$ 11,400	$ 11,800
4.1	Planning & Land Development Program Training and Tracking	15	$ 2,700	$ 2,800	$ 2,900
4.2	Construction Program Training	12	$ 2,100	$ 2,200	$ 2,300
5	Public Agency Activities Program Support and Training	36	$ 6,400	$ 6,700	$ 7,000
6	IDDE Program Support	18	$ 3,200	$ 3,300	$ 3,500
7.1	Watershed Group Planning & Coordination	20	$ 3,600	$ 3,700	$ 3,900
7.2	CIMP Review and Support	15	$ 2,700	$ 2,800	$ 2,900
8.1	Watershed Progress Report and Adaptive Management/ROWD Assistance and Review *	20	$ 3,700	$ 3,900	$ 4,000
8.2	Joint Public Outreach Content Development & Tracking *	14	$ 2,500	$ 2,600	$ 2,700
8.3	Adaptive Management *	12	$ 2,200	$ 2,300	$ 2,400
		Other Direct Costs	$ 2,600	$ 2,700	$ 2,800
TOTAL ESTIMATED COST			$ 71,500	$ 74,600	$ 77,500
				Contingency @ 10%	*$ 22,360*
				Total Not to Exceed Amount (with contingency)	**$ 245,960**

** Indicates costs planned to be covered by the SCW Municipal Program Fund*

McGowan Consulting, LLC

Labor Rates - Contract Year 2025-26[1]

Professional Staff Rates

Principal	$194 per hour
Sr. Scientist	$164 per hour
Staff Scientist	$80 per hour

Expenses

Labor rates include automobile mileage within greater Los Angeles and Orange County area, parking, routine printing and copying.

Other direct costs chargeable to the project include graphic layout and illustration, webpage design and hosting, translation services, report reproduction and binding, courier services, blueprint services, graphics services, project-specific publications, and any other direct project costs not included in the labor rates.

[1] Labor rates to be adjusted annually based on increases in the Consumer Price Index for the Los Angeles area as calculated by the U.S. Department of Labor Bureau of Labor Statistics

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 1st day of July 2008 at City of Rolling Hills, County of Los Angeles, State of California, by and between the CITY OF ROLLING HILLS, hereinafter called the CITY, and Kathleen McGowan P.E., Environmental Engineer, hereinafter called the CONSULTANT.

1. RECITALS:

A. The CITY retained the CONSULTANT for the past five years to provide services to implement the requirements of the NPDES Permit and TMDL matters.

B. The CITY desires to retain the CONSULTANT for the next three years to continue implementing the requirements and provide administration of the municipal NPDES Permit and TMDL matters.

C. CONSULTANT is well qualified by reason of education and experience to perform such services; and

D. CONSULTANT is willing to render such professional services as hereinafter defined.

Now, therefore, for and in consideration of the mutual covenants and conditions herein contained, CITY hereby engages CONSULTANT and CONSULTANT agrees to perform the services set forth in this Agreement.

2. SCOPE OF WORK

CONSULTANT shall perform all work necessary to complete in a manner satisfactory to CITY the services set forth in the specifications and the scope of work described in the "Proposal for NPDES and TMDL Consulting" (PROPOSAL), attached herein as Exhibit A.

3. COST

The CITY agrees to pay CONSULTANT for all the work or any part of the work performed under this Agreement at the rates and in the manner established in the attached "Cost Breakdown" in the PROPOSAL.

Total annual expenditure made under this contract shall not exceed the sum of $24,875 in year one and adjusted by the Consumer Price Index (Transportation Group)-Los Angeles-Anaheim-Riverside Area as published in July of each year by the U.S. Department of Labor, Bureau of Labor Statistics by no more than 3.5% for a total of $29,907 in year two and $29,392 in year three.

The CITY agrees to pay CONSULTANT for all direct expenses, with no mark-up, consisting of all copying, report reproduction and binding, blueprint services, graphic services, film and film development, mileage, travel expenses, and project-specific publications.

Any increase in contract amount or scope shall be by express written amendment approved by the CITY and CONSULTANT.

The City Manager, at his discretion, may redistribute CONSULTANT'S allocation of hours and corresponding budget among tasks itemized in the PROPOSAL.

4. METHOD OF PAYMENT

CONSULTANT shall be reimbursed monthly in arrears based upon the hourly services provided. CONSULTANT shall submit invoices in duplicate and addressed to the CITY, c/o the Planning Department, 2 Portuguese Bend Road, Rolling Hills, CA 90274.

5. SUBCONTRACTING

CONSULTANT shall not be permitted to subcontract any portion of this contract without the express written consent of the CITY.

6. COMMENCEMENT OF WORK

CONSULTANT shall commence work under this agreement upon execution of this agreement.

7. ACCOUNTING RECORDS

CONSULTANT must maintain accounting records and other evidence pertaining to costs incurred which records and documents shall be kept available at the CONSULTANT's California office during the contract period and thereafter for five years from the date of final payment.

8. OWNERSHIP OF DATA

All data, maps, photographs, and other material collected or prepared under the contract shall become the property of the CITY.

9. TERM OF CONTRACT

This contract shall be valid for three years from execution of this agreement. The City Manager may extend this contract for additional three years

or less. Such extension shall be in writing by the City Manager to the CONSULTANT.

10. TERMINATION

This contract may be terminated at any time for breach and the CITY may terminate unilaterally and without cause upon seven (7) days written notice to the CONSULTANT. All work satisfactorily performed pursuant to the contract and prior to the date of termination may be claimed for reimbursement.

11. ASSIGNABILITY

CONSULTANT shall not assign or transfer interest in this contract without the prior written consent of the CITY.

12. AMENDMENT

It is mutually understood and agreed that no alteration or variation of the terms of this contract, or any subcontract requiring the approval of the CITY, shall be valid unless made in writing, signed by the parties hereto, and approved by all necessary parties.

13. NON-SOLICITATION CLAUSE

The CONSULTANT warrants that he or she has not employed or retained any company or persons, other than a bona fide employee working solely for the CONSULTANT, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warranty, the CITY shall have the right to annul this contract without liability, or, in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

14. INDEMNITY

CONSULTANT agrees to indemnify the CITY, its officers, employees and agents against, and will hold and save each of them harmless from, any and all actions, claims, damages to persons or property, penalties, obligations or liabilities that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of the negligent acts or intentional tortious acts, errors or omissions of CONSULTANT, its agents, employees, subcontractors, or invitees, provided for herein. CONSULTANT will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations or liabilities and will pay all costs and expenses, including attorneys' fees incurred in connection herewith. CONSULTANT will promptly pay any judgment rendered against CITY, its officers, agents or

employees for any such claims, damages, penalties, obligations or liabilities. In the event CITY, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against CONSULTANT for such damages or other claims arising out of or in connection with the sole negligence of CONSULTANT hereunder, CONSULTANT agrees to pay CITY, its officers, agents, or employees, any and all costs and expenses incurred by CITY, its officers, agents or employees in such action or proceeding, including but not limited to reasonable attorney's fees.

15. INSURANCE

A. Without limiting CONSULTANT'S obligations arising under paragraph 14 - Indemnity, CONSULTANT shall not begin work under this Agreement until it obtains policies of insurance required under this section. The insurance shall cover CONSULTANT, its agents, representatives and employees in connection with the performance of work under this Agreement, and shall be maintained throughout the term of this Agreement. Insurance coverage shall be as follows:

i. Automobile Liability Insurance with minimum coverage of $300,000 for property damage, $300,000 for injury to one person/single occurrence, and $300,000 for injury to more than one person/single occurrence.

ii. Public Liability and Property Damage Insurance, insuring CITY its elected and appointed officers, agents, and employees from claims for damages for personal injury, including death, as well as from claims for property damage which may arise from CONSULTANT'S actions under this Agreement, whether or not done by CONSULTANT or anyone directly or indirectly employed by CONSULTANT. Such insurance shall have a combined single limit of not less than $500,000.

iii. Worker's Compensation Insurance for all CONSULTANT'S employees to the extent required by the State of California.

B. Deductibility Limits for policies referred to in subparagraphs A (i) (ii) and (iii) shall not exceed $5,000 per occurrence.

C. Additional Insured. City, its elected and appointed officers, agents, and employees shall be named as additional insured on policies referred to in subparagraphs A (i) and (ii).

D. Primary Insurance. The insurance required in paragraphs A (i) (ii) and (iv) shall be primary and not excess coverage.

E. Evidence of Insurance. Consultant shall furnish CITY, prior to the execution of this Agreement, satisfactory evidence of the insurance required,

issued by an insurer authorized to do business in California, and an endorsement to each such policy of insurance evidencing that each carrier is required to give CITY at least 30 days prior written notice of the cancellation of any policy during the effective period of the Agreement. All required insurance policies are subject to approval of the City Attorney. Failure on the part of CONSULTANT to procure or maintain said insurance in full force and effect shall constitute a material breach of this Agreement or procure or renew such insurance, and pay any premiums therefore at CONSULTANT'S expense.

16. ENFORCEMENT OF AGREEMENT

In the event that legal action is commenced to enforce or declare the rights created under this Agreement, the prevailing party shall be entitled to an award of costs and reasonable attorney's fees in the amount to be determined by the court.

17. CONFLICTS OF INTEREST

No member of the governing body of the CITY and no other officer, employee, or agent of the CITY who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Agreement; and the CONSULTANT further covenants that in the performance of this Agreement, no person having any such interest shall be employed.

18. INDEPENDENT CONSULTANT

The CONSULTANT is and shall at all times remain as to the CITY a wholly independent consultant. Neither the CITY nor any of its agents shall have control over the conduct of the CONSULTANT or any of the CONSULTANT's employees, except as herein set forth. The CONSULTANT shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of the CITY.

19. ENTIRE AGREEMENT OF THE PARTIES

This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of CONSULTANT by CITY and contains all the covenants and agreements between the parties with respect such employment in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement or amendment hereto shall be effective unless executed in writing and signed by both CITY and CONSULTANT.

20. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of California, and all applicable federal statutes and regulations as amended.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF ROLLING HILLS

CITY MANAGER:

ANTON DAHLERBRUCH

DATE: 7/15/08

CONSULTANT

KATHLEEN MCGOWAN, P.E.

DATE:_____

ATTEST:

MARILYN KERN, DEPUTY CITY CLERK

APPROVED AS TO FORM:

MICHAEL JENKINS
CITY ATTORNEY

KATHLEEN MCGOWAN, P.E.
Environmental Engineer

Exhibit A

June 23, 2008

RECEIVED
JUN 23 2008
CITY OF ROLLING HILLS
By

Mr. Anton Dahlerbruch, City Manager
City of Rolling Hills
2 Portuguese Bend Road
Rolling Hills, CA 90274

Ms. Yolanta Schwartz, Planning Director
City of Rolling Hills
2 Portuguese Bend Road
Rolling Hills, CA 90274

RE: PROPOSAL FOR NPDES AND TMDL CONSULTING

Dear Ms. Schwartz and Mr. Dahlerbruch:

I am pleased to provide to you this proposal for assisting the City of Rolling Hills in meeting the requirements of the National Pollutant Discharge Elimination System (NPDES) Permit for *Municipal Storm Water and Urban Runoff Discharges within the County of Los Angeles and the Incorporated Cities Therein, Except the City of Long Beach* (MS4 Permit) and in undertaking compliance with the Total Maximum Daily Loads for Santa Monica Bay Beaches and Machado Lake for the upcoming three fiscal years from July 1, 2008 thruough June 30, 2011.

SCOPE OF WORK

This proposal provides a scope of work that will carry the City through the post-third term MS4 Permit period and into a new permit period which is estimated to begin during the latter half of the 2008-2009 fiscal year. Accordingly, the MS4 Permit efforts in this work plan are focused on maintaining the City's current programs as defined under the expired permit, providing review and comment as needed on proposed drafts of the new permit, and providing training and support for City staff with respect to new permit provisions. It is assumed that implementation of significantly expanded or new requirements under the permit will not begin until FY 09-10 and that those that will impact the City most will be focused on new development and redevelopment issues.

This scope includes assisting the City in coordinating with responsible agencies in Jurisdictional Group 7 to carry out joint compliance monitoring and reporting activities outlined in the Jurisdictional Group 7 Implementation Plan for Santa Monica Bay Beaches Bacteria Total Maximum Daily Load (SMBBB TMDL) in accordance with the Memorandum of Agreement executed by the Jurisdictional Group 7 responsible agencies.

This scope of work also includes coordinating with responsible agencies in the Machado Lake watershed to carry out joint compliance monitoring and reporting activities as required by the Los Angeles Basin Plan Amendments with respect to Machado Lake Trash and Nutrient Total Maximum Daily Loads (TMDLs).

I consult for several municipal clients with similar philosophical approaches to NPDES and TMDL issues so that I may represent multiple client interests without conflict and distribute my level-of-

25 Rollingwood Drive, RHE, CA 90274 Tel 310-373-0330 Fax 310-373-5621 Kathleen.EnvE@Verizon.net

effort across those clients thereby reducing individual costs to each client. Subtasks where I anticipate being able to do so are identified with an asterisk (*).

Task 1 NPDES Program Management

The NPDES Program touches virtually all areas of municipal activities and requires effective management and coordination with City staff and co-Permittees in order to assure that all aspects of the permit are carried out. I will work closely with the City's staff in conducting the following program management subtasks.

Subtask 1.1 Internal Coordination

This task provides an allocation of time for regular communication and briefing of City staff on the status, recent developments and need for action or response with respect to NPDES permit and TMDL implementation and to provide opportunity for City staff to inject policy direction as needed. Time is also allocated for the preparation of bi-annual progress reports for distribution to the City Manager and City Council describing the City's accomplishments with respect to NPDES and TMDL programs and discussing key regulatory issues pending for the City.

Subtask 1.2 NPDES Annual Report and Budget Summary

Immediately following the close of each fiscal year, data and information will be gathered from each of the program areas and compiled to prepare the draft annual report for City staff review. This task will include working with City staff to prepare the annual budget summary for the annual report, revision of the annual report based on City staff review, and uploading the report elements to the County for compilation with other municipal reports to the Regional Board. It is assumed that during FY 08-09 the annual report preparation effort will be similar to that in previous years under the current permit, but that during FY 09-10 and FY 10-11 additional effort will be required in preparing the annual report due to new permit provisions.

Subtask 1.3 Executive Advisory Committee & New Permit Issues*

The Executive Advisory Committee (EAC) was established by the MS4 Permittees to discuss and coordinate response to issues among the Principal Permittee and Co-Permittees across all areas of the Municipal NPDES Permit. The EAC meets monthly. The County of Los Angeles co-chairs this committee and provides administrative staff time for preparation of agendas and meeting minutes which are distributed to all interested municipal representatives. During the upcoming fiscal year the co-permittees will be involved in negotiation of the terms of next MS4 Permit.

This subtask includes time to attend monthly EAC meetings and update City staff on time-sensitive issues that are of particular importance to the City. Negotiation of the next MS4 Permit will involve periodic special meetings/workshops and review of documents—two such meetings are assumed during FY 08-09. An allocation of effort is also provided to review the first draft LA County MS4 Permit and prepare a summary (approximately ten pages) for City staff. This effort including travel time will be shared among three clients.

The first year of implementation of a new permit typically requires an increased level of coordination and occasional workshops among the principal Permittee (LA County) and co-permittees in order to develop and implement new requirements. Accordingly an allocation of two workshops and time for review and analysis of supporting documents are assumed during FY 09-10 along with preparation of at least one extended memorandum (approximately ten pages) for City staff.

Subtask 1.4 SMB-BC Watershed Management Committee*

The Santa Monica Bay-Ballona Creek Watershed Management Committee meets quarterly as required by the NPDES Permit. The scope of this subtask includes representing the City at the quarterly meetings, including travel time, and providing City staff with meeting notes. This effort including travel time will be shared among three clients.

Task 2 Public Information and Participation Program (PIPP)

Each city is required to conduct educational activities within its jurisdiction, participate in Countywide events, and make outreach materials available to the general public and target audiences regarding information on pollutants, sources of concern and related pollutant abatement measures. Support for public information and participation is organized into two subtasks below. It is assumed that costs for printing public education materials or purchasing premiums for distribution to the public will be disbursed by the City through direct purchase orders with vendors.

Subtask 2.1 Public Education Program Implementation*

The permit requires that a representative from each Permittee attend quarterly meetings held by County public affairs staff to discuss and coordinate the County-wide Public Education Program. Time for representing the City at these meetings, including travel time and preparation of meeting notes will be shared among three municipal clients. Also included is an allocation of a modest four hours of time to assist with Countywide Public Ed information dissemination and other support.

Subtask 2.2 Pollutant-specific Targeted Outreach (TMDL Implementation)*

In addition to implementing the Countywide Public Education Program under Subtask 2.1, the NPDES permit also requires targeted outreach focused on watershed-specific TMDL pollutants. Level-of-effort in this subtask is provided to coordinate and staff one half-day community outreach event jointly with one other municipal client (Peninsula Promenade Earth-Day event). This task also includes time to coordinate joint ads and other joint TMDL-related outreach with other Peninsula cites. It is assumed that this effort will be shared with one other client.

During FY 09-10 and FY 10-11 additional allocation of time is included in this task to develop and disseminate additional public education materials for residents related to the Machado Lake nutrient TMDL.

Task 3 Industrial/Commercial Facilities Control Program

The permit requires the implementation of an Industrial/Commercial Facilities control Program to track, inspect and ensure compliance at facilities that are critical sources of pollutants in storm water. The only industrial/commercial facilities located within the City is the Palos Verdes Peninsula Unified School District's maintenance facility, which is subject to the Statewide General Industrial Activities Stormwater Permit. Since the City has no jurisdiction over this facility, no time is allocated for this task. [This task has been left as a placeholder to simplify time charging for multiple clients].

Task 4 Development Planning & Construction Programs

The Development Planning provisions of the NPDES Permit require the City's Planning Division to ensure that development and redevelopment projects provide for permanent measures to reduce storm water pollutant loads from the development site. Because the City is primarily residential, it is in the Development Planning program that the new MS4 Permit is likely to have the most impact on the City. The Development Construction Program of the NDPES Permit tasks the Building & Safety

Division with the related objective of minimizing pollutant loads from development and redevelopment sites during construction.

Subtask 4.1 Planning Staff Training

Annual training of the City Planning staff will focus on new MS4 permit and new Construction General Permit provisions as well as review of ongoing Permit provisions. The format of the training will include Power Point® presentation with handouts as well as round-table discussions to actively engage staff. A single two-hour training session is assumed for planning staff with allowance for adequate preparation time for visual presentation and handouts. Time for preparing training materials and preparing presentations will be partly shared with other municipal clients. It is assumed that since the City utilizes contract Building & Safety services; training of contract staff is excluded from this scope of work.

Subtask 4.2 LID Implementation & BMP Tracking

It is anticipated that the new MS4 Permit will include requirements for Low Impact Development (LID) measures for new development and redevelopment projects. The County of Los Angeles is in the process of developing such a program for County unincorporated areas in advance of the new MS4 Permit and it is assumed that the City will wish to adopt a similar program in order to avail itself of County contract services for implementation. Accordingly an allocation of time is provided to work with City staff to adapt relevant aspects of the County's program for the City while preserving the City's existing development standards which are by design of low impact. This task will include preparation of a briefing for City Council during FY 09-10 describing the City's approach to adapting the County's LID program.

It is also anticipated that the new MS4 Permit will include requirements for tracking, inspection and enforcement of post-construction structural best management practices (BMPs) and LID measures. A GIS or other electronic system will be required for tracking projects conditioned for LID measures, structural BMPs, treatment control BMPs and hydromodification control BMPs. Inspections upon completion of construction and periodically thereafter will be required to verify proper maintenance and operation of these BMPs. At this time it is assumed that the City will avail itself of County contract services through the Building & Safety Division to the extent feasible for tracking, inspection and enforcement and so the scope of work for this subtask provides an allocation of time to assist City staff in coordinating these new programs with the County and for gathering information for annual reporting.

Task 5 Public Agency Activities Program

The Public Agency Activities program focuses primarily on public works and parks and recreation services requiring implementation of Best Management Practices (BMPs) to minimize water quality impacts. Since the City of Rolling Hills does not own any part of the storm drain system, all streets within the City are private, and the City currently is not subject to the WDRs for Sewage Collection Systems, many of these requirements do not directly apply to the City. Public Works projects are subject to the same development planning (SUSMP) requirements under the MS4 Permit as private projects, and Public Works construction projects that disturb one or more acres of land area are required to obtain coverage under the Statewide NPDES General Construction Activities Stormwater Permit. This task provides an allocation of time to support City staff as needed on public agency activity compliance issues. It assumes that no separate training session will be required since City staff is trained under Task 4.

Task 6 Illicit Connection & Illicit Discharge Elimination

The City has already concluded required screening for illicit connections under the permit. Accordingly, ongoing activities in this program area will consist of implementation of the Illicit Connections/Illicit Discharge (IC/ID) Elimination Program and occasional updates of the program documentation.

Subtask 6.1 Regulatory /Technical Support for IC/ID

This subtask allocates time to provide regulatory advice in support of code enforcement/inspection activities in response to discovery of illicit connections or illicit discharges and to coordinate submittal of illicit discharge data for County trend analysis.

Subtask 6.2 Onsite Wastewater Treatment Systems (septic systems)*

State Board staff was expected to issue state-wide final draft regulations for public comment in 2007; however this has been delayed with no indication when this will occur. In the event the State Board does issue draft regulations for public comment, at City staff direction I will review one version of draft regulations and develop written summary of issues for City staff in memorandum. This effort assumes cost-sharing with one other client.

Task 7 TMDL Implementation

The City is subject to Total Maximum Daily Loads applied to the Santa Monica Bay, Machado Lake and the LA Harbor because portions of the City drain to each of these water bodies. TMDLs have been issued for Santa Monica Bay and for Machado Lake. TMDLs for LA Harbor are still in development and it is unclear when they will be issued, so no level of effort has been included in this scope of work for LA Harbor TMDL support.

There are approximately six short sections of storm drain lines in the City, which are owned and the responsibility of Los Angeles County. These storm drains primarily consist of culverts crossing under private roads that discharge storm water into private canyons, so the County-owned storm drains are not a contiguous, continuous system. The City maintains that Los Angeles County is responsible for maintaining these storm drain sections. Furthermore it is my understanding that there are no other municipal storm drains in the City, but rather stormwater is conveyed through the City via natural drainage courses/canyons that are privately owned. Storm water run-off is designed to drain into the many valleys and canyons that are in the City, and to percolate into the ground and not drain to the streets. It is also assumed that there are no City-owned drainage outlets; stormwater carried through the natural drainage system typically exits the City via culverts that are owned by others (County of Los Angeles or other municipalities). Nevertheless, it has been the Los Angeles Regional Water Quality Control Board's position in issuing TMDLs that because of land use authority, cities are responsible for pollutants contributed to receiving water bodies even if conveyed via storm drain systems owned by others. Accordingly this task presumes that the City is required to carry out monitoring and implementation activities for TMDLs issued for receiving waters to which land area in the City is tributary.

Subtask 7.1 Machado Lake Trash TMDL

As required in the Machado Lake Trash TMDL, the City must prepare a Trash Monitoring and Reporting Plan to establish its baseline trash generation rate and, if necessary based on the results of implementing the Trash Monitoring and Reporting Plan (TMRP), propose a minimum frequency of assessment and collection program in conjunction with Best Management Practices (BMPs). The objective of the monitoring plan is to establish a methodology to quantitatively document the rate of

trash deposition during dry and wet weather to provide a basis for determining whether and to what extent the City needs to implement additional best management practices for compliance with the Machado Lake Trash TMDL. The first annual TMRP report based on the first year of monitoring will be due on March 6, 2010; this report must also include any proposed revisions to the minimum frequency of assessment and collection program and BMPs (MFAC/BMP).

Since the City will contract separately for the development of the trash Monitoring and Reporting Plan and for conducting the monitoring, those efforts are specifically excluded from this subtask. It is also assumed that the effort of summarizing and reporting the data results from the monitoring program will be conducted by the entity that conducts the trash monitoring.

This subtask provides twelve (12) hours of time during FY08-09 to assist the City in review and comment on the Trash Monitoring and Reporting Plan to be developed and implemented by others and in supporting the City in negotiation with Regional Board staff on the scope of monitoring to be conducted.

An allocation of twelve (12) hours of time is provided during FY 09-10 to review and comment on data results and the first annual TMRP report describing the results of the first season of implementation of trash monitoring by others. This time also includes making recommendations for revising the MFAC/BMP program based on the monitoring results.

An allocation of twelve (12) hours of time is provided during FY 10-11 to review and comment on data results and the second annual TMRP report describing the results of the first season of implementation of trash monitoring, and to prepare the section of the report recommending revisions, if any, to the MFAC/BMP program based on the results.

It is assumed that there will be combined coordination meetings for the Machado Lake Trash TMDL and Nutrient TMDL, therefore level-of-effort for representing the City at responsible agencies' coordination meetings is included in Task 7.2.

Subtask 7.2 Machado Lake Nutrient TMDL

The Nutrient TMDL for Machado Lake was adopted on May 1st 2008 and will receive final approval from USEPA and the State in the November 2008-January 2009 timeframe whereupon it will be come effective. Responsible agencies have one year after the effective date of the TMDL to submit a monitoring and reporting plan for approval by the Regional Board and must begin monitoring within 60 days of plan approval. An Implementation Plan must be submitted two years from the effective date. It is reasonable to expect that the nutrient monitoring and reporting program which will involve water quality monitoring will be coordinated among responsible agencies, i.e., joint contracting for monitoring may be an option for the nutrient TMDL in which case a coordinated monitoring plan with a memorandum of understanding may be needed.

The City will need to make a choice among three methods for compliance determination with the nutrient TMDL: to work jointly with other agencies to achieve the necessary reductions to meet the in-lake waste load allocations *at the point that storm drains discharge to the lake*; to demonstrate compliance with waste load allocations by demonstrating reduction of total nitrogen and phosphorous on an *annual mass basis measured at the outlets from the City*; or to demonstrate compliance with waste load allocations by demonstrating reduction of total nitrogen and phosphorous on *monthly average concentrations measured at the outlets from the City*. This subtask includes level-of-effort to assist the City in evaluating available information to make this

choice (some of which will partly depend on similar choices being made by other cities); however this effort excludes development and implementation of studies required to demonstrate this compliance.

It is recommended that preparation of a City-specific Nutrient monitoring plan be deferred to the early part of FY 2009-2010 once it becomes clearer to what extent coordination among responsible agencies will occur for nutrient compliance monitoring, i.e., joint contracting for monitoring may be an option for the nutrient TMDL in which case a coordinated monitoring plan with a memorandum of understanding may be needed. Preparation of a City-specific nutrient monitoring plan is excluded from the current scope of work as it is assumed that if needed it will be developed and implemented by others, as for the Trash TMDL. Similarly, it is anticipated that development of a joint implementation plan will be developed utilizing an outside consulting firm through a memorandum of agreement and cost-sharing mechanism so that level-of-effort for developing a City-specific Nutrient TMDL Implementation Plan is not included in this scope of work.

I will represent the City at responsible agencies' monthly coordination meetings for Machado Lake TMDLs. An allocation of time is included to participate, review and comment on work product of the committee and to disseminate and discuss issues with City staff. It is assumed that coordination meetings for the Machado Lake Trash TMDL and Nutrient TMDL will be combined and that the full level-of-effort is included in this Task 7.2. This coordination effort will be shared among two clients.

Subtask 7.3 Santa Monica Bay Beaches Bacteria TMDL

This subtask provides an allocation of time to support activities necessary to assist the City in carrying out its responsibilities under the Santa Monica Bay Beaches Bacteria (SMBBB) TMDL. The responsibility for leading this effort falls to the City of Rancho Palos Verdes as the lead agency assisted by its consultant. Whenever Regional Board staff direct or the Jurisdictional Group deems necessary based on the monitoring results, the Jurisdictional Group may conduct an investigation into the cause of exceedances in accordance with the provisions of the Memorandum of Agreement established by the Jurisdictional Group 7 agencies. The City of Rolling Hills' responsibility is to provide comment during this process and to participate financially in this effort through the cost sharing provisions of the MOA. The Implementation Plan for Jurisdictional Group 7, of which the City is a responsible agency, involves review of data reports generated by the Coordinated Shoreline Monitoring Program to confirm continued compliance with the anti-degradation provisions of the TMDL.

The City of Rolling Hills has been responding to a Notice of Violation from the Los Angeles Regional Water Quality Control Board regarding exceedances of the summer dry weather. The City's response has demonstrated that it is not tributary to the site in question and should not be considered responsible for the exceedances at the monitoring site. An allocation of twelve (12) hours time is provided within this subtask to support City staff in continued response to related Regional Board inquiries with respect to Notice of Violation (NOV) and Order issued on March 4, 2008. It is not possible to anticipate at this time the level of effort that could be required in the event that the Regional Board elevates enforcement action and in such an event additional allocation of time may be needed. Additionally, this scope does not include preparing a response to unpredicted future NOVs for a site to which the City is tributary and a potentially responsible agency.

This task includes effort to review monthly data reports from Sanitation Districts to stay abreast of the compliance status of Jurisdictional Group 7 (J7) and to participate in meetings with other J7 agencies to coordinate TMDL compliance; it is assumed that J7 will meet quarterly. This latter effort will be shared with one other municipal client in J7.

COST PROPOSAL

I will conduct the work effort described in the above Scope of Work for an amount not to exceed **$24,875 including labor and expenses in FY 08-09**, $29,907 in FY 09-10, and $29,392 in FY 10-11 as described in the attached Cost Breakdown table. Work during FY 2008-09 will be billed based on actual time expended at my FY 2008-09 rates for municipal work with direct expenses billed at cost without markup. Work during FY 2009-10 and FY 2010 will be billed based on rates escalated annually over FY 2008-09 in accordance with increases in the consumer price index for the Los Angeles area. For purposes of cost estimation an escalation of 3.5% has been assumed. My invoices are detailed and provide full and complete justification for level-of-effort expended. I am confident that the City will continue to find my services to be of the highest caliber and an outstanding value for services rendered.

It is the nature of regulatory-driven programs to be subject to variation due to changes in regulatory requirements and emerging issues; the March 4, 2008 Notices of Violation and Order from the Regional Board are a case in point. So despite the care taken in preparing the Scope of Work and Cost Proposal, issues may arise during the course of the upcoming years that were not anticipated and could require a change in level-of-effort. I will closely monitor and inform the City of changing requirements and emerging issues as part of regular communication with City staff, and will notify the City in advance if I anticipate that such changes could necessitate a concomitant adjustment in the scope of services. With your advance approval, out of scope work requested by the City will be billed on a time and materials basis in accordance with the enclosed Rate Schedule.

Please don't hesitate to contact me if you have any questions or require additional clarification. It is a privilege to work with you and the staff at the City of Rolling Hills and I look forward to continuing our outstanding work together.

Yours truly,

Kathleen C. McGowan, P.E.

Attachments:

Cost Breakdown Table
Current Rate Sheet

To accept this proposal, please retain one copy of this proposal for your records and return one signed copy to Kathleen McGowan, P.E., 25 Rollingwood Drive, Rolling Hills Estates, CA 90274.

_____	_____	_____
SIGNATURE	TITLE	DATE

_____ PRINT NAME

Cost Breakdown

Description		FY 08/09		FY 09/10		FY 10/11
Task 1 NPDES Program Management	**Hours**	**Cost**	**Hours**	**Cost**	**Hours**	**Cost**
1.1 Internal Coordination	18	$2,070	18	$2,142	18	$2,214
1.2 NPDES Annual Report & Budget Summary	24	$2,760	36	$4,284	30	$3,690
1.3 Executive Advisory Committee & General Permittee Meetings*	24	$2,760	24	$2,856	18	$2,214
1.4 SMB-BC Watershed Management Committee*	8	$920	8	$952	8	$984
Total Task 1:	**74**	**$8,510**	**86**	**$10,234**	**74**	**$9,102**
Task 2 Public Information and Participation Program (PIPP)	**Hours**	**Cost**	**Hours**	**Cost**	**Hours**	**Cost**
2.1 Public Education Program Implementation*	8	$920	8	$952	8	$984
2.2 Pollutant-Specific Targeted Outreach*	18	$2,070	24	$2,856	24	$2,952
Total Task 2	**26**	**$2,990**	**32**	**$3,808**	**32**	**$3,936**
Task 3 Industrial/Commercial Facilities Control Program	**Hours**	**Cost**	**Hours**	**Cost**	**Hours**	**Cost**
3.1 Update Inventory of Industrial/Commercial Facilities .	0	$0	0	$0	0	$0
Total Task 3	**0**	**$0**	**0**	**$0**	**0**	**$0**
Task 4 Development Planning & Construction Programs	**Hours**	**Cost**	**Hours**	**Cost**	**Hours**	**Cost**
4.1 Annual Training*	8	$920	8	$952	8	$984
4.2 LID Implementation & BMP Tracking	4	$460	18	$2,142	18	$2,214
Total Task 4	**12**	**$1,380**	**26**	**$3,094**	**26**	**$3,198**
Task 5 Public Agency Activities Program	**Hours**	**Cost**	**Hours**	**Cost**	**Hours**	**Cost**
5.1 Public Works/Maintenance Compliance Support	4	$460	4	$476	4	$492
Total Task 5	**4**	**$460**	**4**	**$476**	**4**	**$492**

Cost Breakdown

Description		FY 08/09		FY 09/10		FY 10/11
Task 6 – Illicit Connection & Illicit Discharge Elimination	**Hours**	**Cost**	**Hours**	**Cost**	**Hours**	**Cost**
6.1 Regulatory/Technical Support for IC/ID	4	$460	4	$476	4	$492
6.2 OWTS WDRs*	12	$1,380	12	$1,428	12	$1,476
Total Task 6	**16**	**$1,840**	**16**	**$1,904**	**16**	**$1,968**

Task 7 – TMDL Implementation	**Hours**	**Cost**	**Hours**	**Cost**	**Hours**	**Cost**
7.1 Machado Lake Trash	12	$1,380	12	$1,428	12	$1,476
7.2 Machado Lake Nutrient*	42	$4,830	42	$4,998	42	$5,166
7.3 SMBBB TMDL*	24	$2,760	26	$3,094	26	$3,198
Total Task 7	**78**	**$8,970**	**80**	**$9,520**	**80**	**$9,840**

Tasks 1 through 7 NPDES & TMDL Program Costs	**Hours**	**Cost**	**Hours**	**Cost**	**Hours**	**Cost**
Subtotal Labor	**210**	**$24,150**	**244**	**$29,036**	**232**	**$28,536**
Direct Expenses @3% of Labor		$725		$871		$856
TOTAL NPDES and TMDL Consulting Services		**$24,875**		**$29,907**		**$29,392**

* = Cost savings for shared costs

Corrected

Standard Rates for Kathleen McGowan, P.E.

FY 2008-2009[1]

Kathleen McGowan--Professional Labor[*]

Municipal Contracts ongoing	**$115 per hour**
Short-term consulting	**$130 per hour**

Support Services

Graphic artist	**$60 per hour**
Technical Editor/Writer	**$60 per hour**
Intern	**$20 per hour**

Expenses

Direct costs include: copying, report reproduction and binding, blueprint services, graphics services, film and film development, mileage, travel expenses, project-specific publications, and any other direct project costs not included in the labor rates.

[1] Labor rates to be adjusted annually based on increases in the Consumer Price Index for the Los Angeles area as calculated by the U.S. Department of Labor Bureau of Labor Statistics

[*] Labor charges include telephone, fax, computer, ink-jet printing, and labor overhead

FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

This First Amendment to Professional Services Agreement is entered into by and between the City of Rolling Hills, a municipal corporation ("City") and McGowan Consulting LLC, ("Consultant") as of July 16, 2018.

RECITALS

A. City and Consultant are parties to that Professional Services Agreement dated July 15, 2015 (the "Agreement") by which City engaged Consultant for environmental consulting services pertaining to the implementation of the Municipal Separate Storm Sewer System Permit (MS4) and Total Maximum Daily Load (TMDL) implementation under the requirements of the Federal Clean Water Act.

B. City and Consultant now desire to amend the Agreement in order to extend the agreement and compensation to Consultant to extend the services for two years per the attached Scope of Work and compensation schedule.

NOW, THEREFORE, in consideration of the foregoing, the Agreement is amended as follows:

A. Section 1. "SCOPE OF WORK" of the Agreement is amended as follows:

Consultant shall perform all work necessary to complete in a manner satisfactory to CITY the services set forth in the scope of work attached as Exhibit A, except for the Optional Task 7.3.

B. Section 3. COST

The CITY agrees to pay CONSULTANT for all the work or any part of the work performed under this Agreement at the rates and in the manner established in the attached Exhibit A, Cost Breakdown for City of Rolling Hills sheet, except for the Optional Task 7.3:

Total expenditure made under this contract shall not exceed the sum of $35,850 for FY 2015-16; $39,976 for FY 2016-17, $39,468 for FY 2017-18, $43,996 for FY 2018-19, beginning on July 16, 2018 and $45,992 for FY 2019-20. This fee includes all expenses, consisting of all incidental blueprinting, photography, travel, attendance at meetings and miscellaneous costs, estimated to be accrued during that period. It also includes any escalation or inflation factors anticipated. No increase in fees will be allowed during the life of the contract.

Any increase in contract amount or scope shall be by express written amendment approved by the City Manager and CONSULTANT.

C. Section 9. TERM OF CONTRACT

The term of this agreement is extended to June 30, 2020.

Except as above modified, in all other respects the Agreement is hereby reaffirmed in full force and effect.

CITY OF ROLLING HILLS

Yolanta Schwartz 6-26-18

YOLANTA SCHWARTZ Date
Interim City Manager

ATTEST:

Yvette Hall

Yvette Hall, City Clerk Date

CONSULTANT
MCGOWAN CONSULTING, LLC.

7/2/18

Date

Exhibit A

McGowan Consulting, LLC
412 Olive Avenue, #189, Huntington Beach, CA 92648
310-213-4979 Kathleen@McGowan.Consulting

May 30, 2018

Yolanta Schwartz, Interim City Manager
City of Rolling Hills
2 Portuguese Bend Road
Rolling Hills, CA 90274

RE: PROPOSAL FOR MS4 PERMIT CONSULTING SERVICES FOR FY1819 & FY1920

Dear Ms. Schwartz:

McGowan Consulting is pleased to provide this proposal to assist the City of Rolling Hills (City) in implementing the requirements of the Municipal Stormwater Permit (LA MS4 Permit)[1] during fiscal years 2018-2019 (FY1819) and 2019-2020 (FY1920). As you know, we specialize in providing customized, expert stormwater quality and watershed protection consulting services to small municipal clients.

This proposal provides a scope of services designed to: assist the City in implementing its individual requirements under the LA MS4 Permit, represent the City's interests at watershed and Co-Permittee meetings, and pursue opportunities to cooperate in external regional water quality improvement projects in order to address the City's total maximum daily load (TMDL) requirements under the LA MS4 Permit.

We have developed this proposal based on the regulatory requirements of the current 4th term LA MS4 Permit, the Peninsula Coordinated Integrated Monitoring Program (Peninsula CIMP), and our understanding of the City's particular needs. Regional Water Quality Control Board (Regional Board) staff have stated that they anticipate the adoption of a new MS4 Permit this calendar year, therefore, it is assumed that the 5th term MS4 Permit will be adopted during FY1819. The level of effort in certain subtasks reflects support for the permit negotiation process during FY1819. According to statements made by Regional Board staff, the 5th term permit is expected to be a regional permit covering urbanized areas of Los Angeles and Ventura Counties, but will have similar provisions as the 4th term LA MS4 permit. Accordingly, this proposal does not include any significant increase in level of effort for implementation of the MS4 Permit programs during FY1920 following adoption of the 5th term MS4 Permit. This proposal assumes that the City will not be participating in the Peninsula Enhanced Watershed Management Program (Peninsula EWMP) during FY1819 as previously determined by the City Council and that the City will continue to comply with the LA MS4 Permit through implementation of the minimum control measures and approved source control and institutional measures identified in implementation plans for the various TMDLs to which it is subject. If following adoption of the 5th term MS4 Permit, the City determines to join the Peninsula EWMP, an optional Task 7.3 is provided to address the City's additional joint responsibilities for implementing the Peninsula EWMP, including contributing to its share of the effort for preparation of the Watershed Annual Report and preparation of an adaptive management revision to the EWMP to include the City's participation in external regional projects and the EWMP as a whole.

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[1] Order No. R4-2012-0175 NPDES Permit No. CAS004001 Waste Discharge Requirements for Municipal Separate Storm Sewer System (MS4) Discharges within the Coastal Watersheds of Los Angeles County, except those Discharges Originating from the City of Long Beach.

Scope of Services

As authorized by the Federal Clean Water Act and the California Porter-Cologne Act, the LA MS4 Permit identifies conditions, requirements and programs that municipalities must implement to protect regional water resources from adverse impacts associated with pollutants in stormwater and urban runoff. Although the 4th term LA MS4 Permit expired in December 2017, the City is obligated to continue to comply with the permit requirements, including the elements of the approved Peninsula CIMP, until a new 5th term MS4 Permit is issued.

This scope of services is organized into tasks according to the following Permit program areas:

Task 1 - Program Management and Coordination;
Task 2 - Public Information and Participation Program;
Task 3 - Commercial Facilities Control Program (not applicable),
Task 4 - Planning & Land Development and Construction Programs;
Task 5 - Public Agency Activities Program;
Task 6 - Illicit Connection & Illicit Discharge Elimination Program;
Task 7 - Watershed Planning and Implementation

Task 1 Program Management and Coordination

The LA MS4 Permit affects a wide range of municipal activities and requires effective management and coordination of LA MS4 Permit compliance implementation activities across municipal functions. Task 1 is focused on stormwater program management, planning and coordination, and annual reporting.

Subtask 1.1 Coordination and Communication

This subtask provides an allocation of time for internal project management and coordination, regular communication via email and telephone with City staff, and periodic meetings with City staff on the status of work progress, regulatory and watershed developments, need for action or response, and to obtain direction from City staff as needed. In addition, this subtask includes time during FY1819 to track the progress of the County's Safe, Clean Water stormwater funding measure and time during FY1920 to assist with implementation of the funding measure, assuming voters approve it. This subtask also provides an allocation of time for McGowan Consulting to work with City staff to prepare updates and obtain direction from City Council on issues such as LA MS4 Permit negotiations, adoption of the LA County Local Area Management Program for septic systems, and external regional projects and/or alternative strategies for attainment of TMDLs.

Subtask 1.1 Deliverables:

- Two (2) staff reports or stormwater program updates to City Council in each fiscal year
- One (1) in person briefing at a City Council meeting in each fiscal year

Subtask 1.2 Annual Reporting

The City is required to submit an annual report to the Regional Board by December 15th each year covering the preceding reporting period that aligns with the City's fiscal year (July 1st-June 30th). This subtask covers McGowan Consulting's preparation of the individual annual report for the City based on information already in-hand and information to be provided by City staff and contract staff covering activities implemented during the reporting year. By September 15th, McGowan Consulting will prepare a first draft annual report given the information already in hand and provide City staff a list of information needed to complete the annual report. Information requested may include but is not limited to:

- Budgetary information for stormwater expenditures in each category
- Copies of City newsletters with stormwater related information
- Low impact development (LID) project information for private and public development and redevelopment projects completed within the reporting year
- Stormwater-related construction inspections and plan check (including SWPPP and/or ESCP review)
- Illicit discharge incident tracking

The County of Los Angeles has developed the GIS-based Watershed Reporting Adaptive Management and Planning System (WRAMPS) which includes a Project Module to assist Permittees and watershed groups in compiling and analyzing the LID project data necessary for completing the annual report. WRAMPS produces effectiveness assessment metrics necessary for annual reporting cumulatively from one annual reporting year to the next. It is assumed that the City's contract building & safety staff will provide LID project information to McGowan Consulting in the Excel® spreadsheet template format provided by WRAMPS or the LID Project form developed by McGowan Consulting.

Given timely receipt of the requested annual report information from City staff in the necessary electronic formats no later than October 15th, a second draft individual annual report for City staff review will be delivered in electronic format by November 10th. A two-week turnaround for City staff review with a consolidated set of City staff comments, and a single revision of the annual report are assumed. Following receipt of comments from City staff, the Individual Annual Report will be revised, and the final annual report prepared in the form of electronic PDF files. McGowan Consulting will deliver the City's Individual Annual Report in the preferred electronic format to Regional Board staff. An electronic copy of the individual annual report will be provided for the City's records.

Level of effort for annual report preparation is assumed to be similar to that expended in FY1718 since, based on previous experience with the 4th term LA MS4 Permit adoption, any modifications to the annual report format and content associated with the 5th term MS4 permit will not likely be applicable until the annual report that is due in December 2020.

Subtask 1.2 Deliverables:

- First draft, second draft and final Individual Annual Report for FY1718 reporting year
- First draft, second draft and final Individual Annual Report for FY1819 reporting year

Subtask 1.3 Permit-wide Planning and Coordination

This subtask includes time to participate in LA MS4 Permit Co-Permittee meetings and coordination conference calls to share information, resources and address Co-Permittee and Watershed Group challenges cooperatively amongst the 84 co-permittees of the LA MS4 Permit. An allocation of time is provided for attendance at bi-monthly LA Permit Group Meetings. Additionally, it is anticipated that the 5th term MS4 Permit will be negotiated and adopted during FY1819 and attendance at three (3) Regional Board special meetings or workshops regarding the 5th term MS4 Permit is assumed. An allocation of time is also included to review and comment on the anticipated draft 5th term MS4 Permit. McGowan Consulting anticipates that much of the work in this subtask such as attending meetings and reviewing and analyzing the draft permit will be performed in common for multiple clients and, as such, the effort in this subtask is reduced based on distribution of time among clients.

Task 2 Public Information and Participation Program

Each Co-Permittee is responsible for developing and implementing a Public Information and Participation Program (PIPP) that addresses specific MS4 Permit requirements and meets the general objectives of:

- Increasing the knowledge of target audiences about the adverse impacts of stormwater pollution on receiving waters and the potential solutions to mitigate these impacts;
- Changing the waste disposal and stormwater pollutant generating behavior of target audiences; and
- Involving and engaging a diversity of socio-economic groups and ethnic communities in mitigating the impacts of stormwater pollution.

Each of the required elements of this program may be met by the City either through a County-wide, watershed group, or individual program approach. The County has formally stated that it will continue implementing the following County-wide efforts on behalf of the Permittees: maintaining the countywide hotline (888-Clean-LA) and website (888cleanLA.com) for public reporting, broadcasting public service announcements and conducting regional advertising campaigns, developing and facilitating dissemination of stormwater pollution prevention materials, and implementing a K-12 outreach program. The Peninsula WMG has committed to joint coordination and development of some of the required elements of the program.

The City is individually responsible for certain elements of the program that are not appropriate for joint implementation, such as maintaining a stormwater website or providing links on its website to stormwater websites that include educational materials and opportunities for the public to participate in stormwater pollution prevention and clean-up activities. This task provides an allocation of effort to work collaboratively with the Peninsula WMG to develop and implement joint elements of the PIPP program (to the extent applicable in Rolling Hills) and, during FY1920, to review the City's website and make recommendations for changes to content and links as appropriate. This task also includes effort for staffing a stormwater booth at a ½ day community event in partnership with the City of Rolling Hills Estates.

It is assumed that costs for printing public education materials for distribution to the City's residents will be procured directly by the City through direct purchase orders with vendors or through a joint agreement among the Peninsula WMG and are excluded from this Scope of Services. It is assumed that the City's solid waste franchise contract addresses the LA MS4 Permit requirement to distribute information to residents on proper handling of wastes such as: vehicle waste fluids, household waste materials, construction waste materials, green waste and animal waste.

Subtask 3 Deliverables:

- Staffing for ½ day community outreach event, once in each fiscal year
- Recommendations for content changes or additions to the City's website and outreach materials during FY1920

Task 3 Commercial Facilities Control Program

The permit requires the implementation of an Industrial/Commercial Facilities control Program to track, inspect and ensure compliance at facilities that are critical sources of pollutants in storm water. The sole industrial/commercial facility located within the City is the Palos Verdes Peninsula Unified School District's maintenance facility, which is subject to the Statewide General Industrial Activities Stormwater Permit. McGowan Consulting understands that the City has no jurisdiction over this state facility;

accordingly, no time is allocated for this task. [This task has been left as a placeholder with no budget to simplify time charging by task numbers for multiple clients].

Task 4 Support for Planning & Land Development and Development Construction Programs

The Planning and Land Development provisions of the LA MS4 Permit require the City to ensure that private development and redevelopment projects provide for permanent measures to reduce storm water pollutant loads from the development site by conditioning approval of these projects with low impact development (LID) requirements. The City is also responsible for requiring that its qualifying capital improvement projects incorporate LID requirements, including the green streets provisions. The Development Construction provisions of the LA MS4 Permit require the City to ensure that development and redevelopment projects including its own capital improvement projects implement measures to reduce storm water pollutant loads from the development site during construction.

Subtask 4.1 Support for Planning & Land Development and Construction Programs

This task provides an allocation of 24 hours of effort during FY1819 to complete the guidelines for design of residential equestrian/stable facilities begun during FY1718 in order to fulfill an additional implementation activity identified in the Machado Lake Nutrient TMDL Implementation Plan. This may require a meeting with the City's Planning Commission to obtain input, and then revision and finalization of the guidelines based on input from the Planning Commission and direction from City staff.

A revision of Chapter 8.32 Stormwater Management and Pollution Control of the City's municipal code may be needed during FY1920, after the issuance of the 5th term MS4 Permit. An allocation of 24 hours of effort is provided for McGowan Consulting to assist City staff in preparing a revision of Chapter 8.32 to address minor changes arising from the 5th term MS4 Permit. It is assumed that this revision will not be a wholesale repeal and replacement of Chapter 8.32, but rather that the chapter will remain substantially intact with minor redline changes to be made at select locations.

An annual allocation of eight (8) hours is also included in this task for McGowan Consulting to track reporting by construction sites disturbing 1 acre or more via the State Board's online SMARTS system on a quarterly basis to confirm that required reports have been submitted. This quarterly tracking will allow McGowan Consulting to alert City staff of potential deficiencies and the need for closer follow up at large construction sites.

It is assumed that the City is utilizing Building and Safety inspectors trained in MS4 Permit inspection procedures to carry out inspections of construction sites at frequencies consistent with the LA MS4 Permit requirements. The small site construction brochure developed jointly by the Peninsula WMG is targeted at small construction sites and can be used by contract building & safety staff and City planning staff to educate and enforce these requirements. Additionally, for construction sites disturbing 1 acre or greater, it is assumed that the City is utilizing Building and Safety inspectors trained in the State Board's CGP Qualified SWPPP Practitioner Program for stormwater inspections and plan reviews. Construction inspectors and construction plan reviewers may attend training on the construction provisions of the MS4 Permit that is being coordinated jointly through the Peninsula WMG, so it is assumed that no training for the construction program is necessary by McGowan Consulting in this scope of services.

Subtask 4.2 Regulatory Transition into LA County LAMP

McGowan Consulting understands that most properties in the City are served by onsite wastewater treatment systems (OWTS), or septic systems. In 2013 the State Water Resources Control Board issued an OWTS Policy that provides for a waiver of Waste Discharge Requirements (WDRs) for individual property owners if a local agency adopts a Local Agency Management Program (LAMP) consistent with the OWTS Policy. Los Angeles County Department of Public Health (LACDPH) has developed the Los Angeles County LAMP as approved by the Regional Board in May 2018. After the Los Angeles County Board of Supervisors formally adopts the Los Angeles County LAMP and accompanying ordinance, a number of steps are necessary in order to put the LAMP into effect within the City so that any new and replacement OWTS in the City can continue to be permitted by LACDPH. This process will require that the City and LACDPH enter into a 5-year MOU designating the LACDPH as the Qualified Local Agency to regulate OWTS within the City. The City must also adopt the Los Angeles County LAMP Ordinance, adopt the Los Angeles County Professional Guide on Conventional and Non-Conventional OWTS Requirements and Procedures, adopt any necessary revisions to the Los Angeles County Plumbing Code, and pass a Resolution authorizing LACDPH to enforce its code within the City.

This task provides an allocation of effort for McGowan Consulting to assist City staff in coordinating and carrying out the process to put the Los Angeles County LAMP into effect within the City. It is assumed that this effort will likely include attending an organizational meeting with LACDPH staff and representatives of other municipalities to discuss the process, preparing a staff report and resolution for City Council, and related coordination efforts. Once the LAMP is effective, an allocation of effort during FY1920 is included to assist City staff in providing additional information necessary for LACDPH to implement the program on the City's behalf. McGowan Consulting anticipates that time for meeting attendance and staff report preparation will be distributed between several clients.

It is assumed that the Los Angeles County LAMP Ordinance and any necessary revisions to the Los Angeles County Plumbing Code will be adopted by reference so that significant modifications to the City's own code will not be necessary and such effort is excluded from this scope. It is also assumed that LACDPH will prepare annual reports on the City's behalf for the LAMP program, and no effort by McGowan Consulting is necessary in preparing the LAMP annual report for the City.

Task 5 Public Agency Activities Program

The Public Agency Activities program focuses on municipal facilities and activities requiring implementation of Best Management Practices (BMPs) to minimize water quality impacts. Since the City of Rolling Hills does not own any part of the storm drain system, all streets within the City are private, and the City currently is not subject to the WDRs for Sewage Collection Systems, many of these requirements do not apply to the City. During FY1516, McGowan Consulting assisted the City in preparing an inventory of its municipal facilities and a list of potential opportunities for stormwater retrofits at these facilities consistent with the LA MS4 Permit requirements. McGowan Consulting has also developed a self-inspection checklist for City staff to utilize to identify, implement and/or document that effective source control BMPs are implemented at municipal facilities and as part of routine maintenance activities. The City must annually train employees whose interactions, jobs, and activities affect stormwater quality. This training requirement also applies to contractors performing privatized/contracted municipal services such as landscape maintenance or trash collection.

This task allocates effort to provide informal training to City management staff in implementing the stormwater program.

Required annual training of contract service providers whose interactions, jobs, and activities affect stormwater quality is being coordinated jointly through the Peninsula Watershed Group. It is assumed that City staff will arrange for contract service personnel to attend the training coordinated jointly through the Peninsula Watershed Group, and that no training for this program will be necessary by McGowan Consulting.

Task 6 Illicit Discharge Elimination Program

The City's Illicit Discharge Elimination (IDE) program includes procedures for conducting investigations to identify the source of suspected illicit discharges and procedures for eliminating the discharge. The City's IDE procedures manual was updated in 2014 for consistency with the 2012 LA MS4 Permit requirements. Field staff, including contracted staff who as part of their normal job responsibilities may come into contact with or observe illicit discharges or illicit connections, must be trained on the City's IDE procedures at least twice during the term of the MS4 Permit, and for new employees, within 180 days of being hired. Since IDE procedures training was held twice for City/contract staff during the 4th term LA MS4 Permit, this requirement will be addressed following the adoption of the 5th term MS4 Permit in FY1920. Based on the understanding that the 5th term MS4 Permit will be substantially similar to the 4th term LA MS4 Permit, it is assumed that only minor revisions to the City's IDE procedures manual will be necessary.

This task provides for McGowan Consulting to prepare for and deliver a training session for City staff and key contract staff during FY1920. An allocation of six (6) hours of time is also provided for McGowan Consulting to prepare minor revisions to the City's IDE manual.

Subtask 6 Deliverable:

- One (1) training session on IDE program for field staff and code enforcement staff during FY1920
- One (1) revision of the City's IDE manual during FY1920

Task 7 Watershed Planning

The Peninsula CIMP and EWMP are being implemented cooperatively by the Peninsula WMG. The Peninsula CIMP is being carried out through an MOU administered by the City of Rancho Palos Verdes through a separate contracting mechanism. The Peninsula EWMP is being implemented cooperatively by the Peninsula WMG through a combination of joint and individual activities—although the City is not currently participating in the Peninsula EWMP, it is possible that with the adoption of the 5th term MS4 Permit and completion of preliminary design of a key external regional project, the City Council may determine that it is in the City's best interest to join the Peninsula EWMP. In the event this occurs, an additional optional task is provided to address the City's additional joint responsibilities for implementing the Peninsula EWMP, including contributing to its share of effort for preparation of the Watershed Annual Report and preparation of an adaptive management revision to the EWMP to include the City's participation in external regional projects and the EWMP as a whole.

Task 7.1 Watershed Group Planning/Meetings

The Peninsula WMG meets monthly to coordinate compliance monitoring and implementation activities for both the Peninsula CIMP and EWMP. This task includes time to prepare for and participate in the

meetings on the City's behalf and to provide review and comment on the group's joint work products. The effort shown in this task assumes McGowan Consulting's time is distributed between three municipal clients.

Task 7.2 TMDL Support

Since the City is not currently participating in the Peninsula EWMP, it must continue to implement approved TMDL Implementation Plans to attain waste load allocations in stormwater discharges for pollutants of concern.

During FY1617, McGowan Consulting prepared a draft Implementation Plan for Machado Lake Pesticides & PCBs, Greater Los Angeles Harbor Waters Toxic Pollutants, and Santa Monica Bay DDT & PCBs Total Maximum Daily Loads (Toxics TMDL Implementation Plan) to satisfy the implementation planning requirements for both the Machado Lake Pesticides & PCBs and the Dominguez Channel and Greater Los Angeles and Long Beach Harbor Waters Toxic Pollutants TMDLs established by the Regional Board, and also to support attainment of water quality objectives for the Santa Monica Bay DDT and PCBs TMDL issued by U. S. EPA. To date the City has not received comments from Regional Board staff on the draft Toxics TMDL Implementation Plan submitted in July 2017. In the event that comments are received, this task includes an allocation of effort to revise the City's draft Toxics TMDL Implementation Plan in response to Regional Board staff comments, assuming that only minor revisions will be required and that the overall source control and institutional measures approach will be accepted by Regional Board staff (a similar approach was accepted by the Regional Board for the Machado Lake Nutrient TMDL).

This subtask also provides an allocation of effort for McGowan Consulting to continue to contribute, on the City's behalf, to the Peninsula WMG's ongoing effort to pursue external regional projects with potential capacity to capture the 85th percentile/24-hour stormwater runoff volume from the Machado Lake watershed areas of the Peninsula. According to the LA MS4 Permit provisions, such project(s), if constructed, would deem the City in compliance with the Machado Lake TMDLs if the City is participating in an approved EWMP. McGowan Consulting effort in this subtask may include review and comment on externally provided engineering studies, feasibility analyses, grant proposals, and agreements to implement external regional projects located in other jurisdictions. The effort may also include support for reconsideration of the Machado Lake TMDLs by the Regional Board which will require coordination with outside agencies and as-needed technical/regulatory support on behalf of the Peninsula WMG agencies.

The overall level-of-effort allocated for this subtask is assumed to be similar to that expended in FY1718.

Task 7.3 Watershed Annual Report and EWMP Revision (optional)

Following adoption of the 5th term MS4 Permit, the City Council may determine that it is in the City's best interest to join the Peninsula EWMP in order to avail the City of the option to be deemed in compliance with final TMDL objectives through implementation of one or more regional projects that capture and retain all stormwater runoff up to and including the volume equivalent to the 85th percentile/24-hour storm event. In such an event and at City staff's direction, McGowan Consulting will carry out this optional task to address the City's additional joint responsibilities for implementing the Peninsula EWMP, including contributing the City's share of effort for preparation of the Watershed Annual Report and supporting the consultant for Rancho Palos Verdes in preparing an adaptive revision of the Peninsula EWMP to include the City.

The Peninsula WMG has agreed to undertake certain EWMP implementation tasks in a cooperative manner with responsibility for carrying out identified tasks distributed equitably between the consultant for the City of Rancho Palos Verdes, and McGowan Consulting as consultant for the City of Rolling Hills Estates, Palos Verdes Estates (and also for Rolling Hills if the City Council determines to join the Peninsula EWMP). McGowan Consulting is responsible for preparing the joint Watershed Annual Report by December 15th covering the previous reporting year which aligns with the agencies' fiscal year. In preparing the Watershed Annual Report, McGowan Consulting will rely on information provided by each agency in the Peninsula WMG as well as key elements of the report to be provided by the consultant for Rancho Palos Verdes including:

- Excel spreadsheets containing monitoring data organized according to the required fields
- Narrative discussion of investigation of outfalls with significant non-stormwater discharges
- Integrated Monitoring Compliance Report
- Supporting Data and Information

It is assumed that the consultant for Rancho Palos Verdes will provide Excel spreadsheets containing monitoring data organized according to the required fields for the reporting period by October 1st. It is also assumed that each individual Peninsula WMG agency will upload its individual new development and redevelopment LID projects through the online WRAMPs tool no later than October 15th to enable McGowan Consulting to download and compile the information necessary to prepare the Watershed Annual Report.

Given timely receipt of the necessary annual report information from the individual Peninsula WMG agencies and the CIMP Implementation Consultant, McGowan Consulting will deliver a draft Watershed Annual Report for review by the Peninsula WMG in electronic format by November 10th. The Watershed Annual Report will follow the template provided by Regional Board staff. A three-week turnaround for Peninsula WMG review, and a single revision of the watershed annual report to incorporate compiled comments from the Peninsula WMG agencies are also assumed.

The MS4 Permit Part VI.C.8.a. Adaptive Management Process and the Regional Board Executive Officer's letter dated April 19, 2016 approving the Peninsula EWMP requires that the group submit an adaptive management evaluation every two years in parallel with the Watershed Annual Report. The adaptive management evaluation is to include an analysis of progress in achieving water quality objectives, milestones and re-evaluation of water quality priorities based on data generated by the CIMP, and other information and data that informs the effectiveness of the EWMP. The adaptive management evaluation will identify any modifications to the EWMP and provide rationale for the changes (such as the inclusion of the City of Rolling Hills).

This subtask provides an allocation effort during FY1920 for McGowan Consulting to assist the consultant for Rancho Palos Verdes in conducting the Peninsula WMG's Adaptive Management Evaluation due by December 15th, 2020, and revising the Peninsula EWMP to include the City of Rolling Hills. It is assumed that the consultant for Rancho Palos Verdes will have the lead role in this effort and will be responsible for producing the Adaptive Management Evaluation Report and revised Peninsula EWMP. Effort to conduct any necessary reasonable assurance analysis modeling to incorporate the City into the Peninsula EWMP is excluded from this scope of services.

Subtask 7.3 Deliverables:

- Draft and Final Watershed Annual Report for FY1819 reporting year

COST PROPOSAL

McGowan Consulting will conduct the work effort described in the above Scope of Services for an amount not to exceed **$43,996 in FY18-19 and $57,992 in FY19-20 (including optional task 7.3)** as detailed in the attached Budget Table and Rate Schedule. In order to provide a measure of flexibility to best meet the needs of the City, it is understood that reallocation of labor hours and budget between tasks and subtasks may occur as long as the total contract amount is not exceeded. When possible, consulting time for attending meetings and performing tasks in common for clients will be distributed between two or more clients, thereby reducing individual costs to each client; tasks and subtasks where labor effort has been reduced due to an assumption of work performed in common for more than one client are identified with an asterisk (*) in the budget table. Invoices will be submitted based on actual effort expended in accordance with the attached rate schedule for FY1819, with an increase in rates for FY1920 based on the increase in Consumer Price Index for the Los Angeles area.

McGowan Consulting will inform City staff of changing requirements and emerging issues as part of regular communication. It is the nature of regulatory-driven programs to be subject to uncertainty and unpredictable events such as changes in regulatory requirements with the issuance of the 5th term MS4 Permit, new/emerging regulatory issues, enforcement action, or significant additional support required by City staff that was unanticipated. If such unpredictable event(s) or needs arise, we are prepared to assist the City and, if necessary and at City staff's direction, we will submit a request for an authorization for scope change to provide the City with additional consulting services to respond to meet the need.

Please do not hesitate to contact me if you have any questions or require additional information or scope clarification. Thank you for the opportunity to continue to work with you and your colleagues and to serve the City of Rolling Hills.

Sincerely,

Kathleen C. McGowan, P.E., Principal
McGowan Consulting LLC

Attachments:

Two-Year Budget Table
Rate Schedule

Two-Year Budget for MS4 Permit Consulting for City of Rolling Hills

	FY18-19		FY19-20	
	Labor Hours	Budget	Labor Hours	Budget
Task 1 Program Management and Coordination				
1.1 - Coordination and Communication	48	$ 7,008	48	$ 7,200
1.2 - Annual Reporting	50	$ 7,300	50	$ 7,500
1.3 - Permit-wide Planning and Coordination *	28	$ 4,088	20	$ 3,000
Subtotal Task 1	126	$ 18,396	118	$ 17,700
Task 2 Public Information & Participation Program				
PIPP Program Development & Implementation*	20	$ 2,600	26	$ 3,484
Subtotal Task 2	20	$ 2,600	26	$ 3,484
Task 3 Industrial/Commercial Facilities Control Program		$ -		$ -
Not Applicable	0	$ -	0	$ -
Task 4 Planning & Land Development and Construction Programs				
4.1 - Planning & Land Development and Construction Support	32	$ 4,480	32	$ 4,608
4.2 - OWTS (Septic) Incorporation into County LAMP*	32	$ 4,672	12	$ 1,800
Subtotal Task 4	64	$ 9,152	44	$ 6,408
Task 5 Public Agency Activities Program				
Training of Management Staff	8	$ 1,168	8	$ 1,200
Subtotal Task 5	8	$ 1,168	8	$ 1,200
Task 6 Illicit Discharge Elimination				
Training of Field Staff and minor revision of IDE Manual*	0	$ -	18	$ 2,700
Subtotal Task 6	0	$ -	18	$ 2,700
Task 7 Watershed Planning and Implementation *				
7.1 - Watershed Group Planning/Meetings*	40	$ 5,840	50	$ 7,500
7.2 - TMDL Support*	40	$ 5,840	40	$ 6,000
7.3 - Watershed Annual Report and EWMP Revision (optional)*		$ -	80	$ 12,000
Subtotal Task 7	80	$ 11,680	170	$ 25,500
Subtotal Labor Tasks 1-7	**298**	**$42,996**	**384**	**$56,992**
Subcontracted expense for contracted graphic design and website content updates and hosting*	-	$ 1,000	-	$ 1,000
TOTAL ESTIMATED COST FOR EACH YEAR *without Optional Task 7.3*		**$ 43,996**		**$ 45,992**
TOTAL ESTIMATED COST FOR FY1920 *with Optional Task 7.3*:				**$ 57,992**

** indicates tasks where there are some labor/cost savings due to cost sharing between clients*

McGowan Consulting, LLC

Labor Rates

Contract Year 2018-19[1]

Professional/Staff Rates

Principal	**$158 per hour**
Sr. Scientist	**$131 per hour**
Staff Scientist	**$58 per hour**

Expenses

Labor rates include: automobile mileage within greater Los Angeles and Orange County area, parking, routine printing and copying

Other direct costs chargeable to the project include: graphic layout and illustration, webpage design and hosting, translation services, report reproduction and binding, courier services, blueprint services, graphics services, project-specific publications, and any other direct project costs not included in the labor rates.

[1] Labor rates to be adjusted annually based on increases in the Consumer Price Index for the Los Angeles area as calculated by the U.S. Department of Labor Bureau of Labor Statistics

RECEIVED
APR 17 2019
City of Rolling Hills
By

MCGOWAN CONSULTING LLC

TRANSMITTAL SHEET

TO:	FROM:
Elaine Jeng, City Manager	Kathleen McGowan
COMPANY:	DATE:
City of Rolling Hills	April 15, 2019

RE:

Two (2) original copies of signed
Amendment 2 to PSA

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY

☐ FOR YOUR RECORDS ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Elaine,
Please find enclosed two (2) original signed copies of the Second Amendment to our Professional Services Agreement to be executed by the City.
Many thanks,
Kathleen

412 OLIVE AVENUE, #189, HUNTINGTON BEACH, CA 92648

SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

This Second Amendment to Professional Services Agreement is entered into by and between the City of Rolling Hills, a municipal corporation ("City") and McGowan Consulting LLC, ("Consultant") upon full, written execution by both parties.

RECITALS

A. City and Consultant are parties to that Professional Services Agreement dated July 15, 2015 (the "Agreement") by which City engaged Consultant for environmental consulting services pertaining to the implementation of the Municipal Separate Storm Sewer System Permit (MS4) and Total Maximum Daily Load (TMDL) implementation under the requirements of the Federal Clean Water Act.

B. City and Consultant are parties to the Agreement that was amended by the First Amendment to the Agreement dated July 26, 2018 (the "First Amendment") by which City engaged Consultant to perform MS4 permit consulting services for an additional two year period from FY 2018-19 to FY 2019-20 under a new compensation schedule per a new scope of work, which was attached as Exhibit A to the First Amendment.

C. City and Consultant now desire to amend the Agreement for a second time in order to increase the do not exceed amount of the Agreement and to expand the scope of the Agreement to require Consultant to prepare a revised Trash and Monitoring and Reporting Plan (TMRP) for both the Machado Lake Trash and the Santa Monica Bay Debris TMDL monitoring requirements and a cover letter to submit to the Los Angeles Regional Water Quality Control Board justifying a reduction in monitoring frequency to once every five years (the "Second Amendment").

D. City and Consultant agree to replace Exhibit A that was attached to the Agreement by the First Amendment with Exhibit A that is attached to the Second Amendment, and to increase the do not exceed amount of the Agreement by $3,000 in FY2018-19 and $1,000 in FY2019-20 to account for the expanded scope of work.

NOW, THEREFORE, in consideration of the foregoing, the Agreement is amended as follows:

A. Section 1 "SCOPE OF WORK" of the Agreement is amended to read as follows:

CONSULTANT shall perform all work necessary to complete in a manner satisfactory to CITY the services set forth in the scope of work attached as Exhibit A, except for the Optional Task 7.3 in Part 1 of the scope of work.

B. Section 3. "COST" of the Agreement is amended to read as follows:

The CITY agrees to pay CONSULTANT for all the work or any part of the work performed under this Agreement at the rates and in the manner established in the attached Exhibit A, except for the Optional Task 7.3 in Part 1 of the scope of work:

Total expenditure made under this contract shall not exceed the sum of $35,850 for FY 2015-16; $39,976 for FY 2016-17, $39,468 for FY 2017-18, $46,996 for FY 2018-19, beginning on July 16, 2018 and $46,992 for FY 2019-20. This fee includes all expenses, consisting of all incidental blueprinting, photography, travel, attendance at meetings and miscellaneous costs, estimated to be accrued during that

period. It also includes any escalation or inflation factors anticipated. No increase in fees will be allowed during the life of the contract.

Any increase in contract amount or scope shall be by express written amendment approved by the City Manager and CONSULTANT.

Except as above modified, in all other respects the Agreement is hereby affirmed in full force and effect.

ATTEST

4/19/2019

City Clerk Date

CITY OF ROLLING HILLS

4/19/2019

ELAINE JENG Date

MCGOWAN CONSULTING, LLC

4/15/19

KATHLEEN MCGOWAN Date

MCGOWAN CONSULTING LLC

RECEIVED
JUL 30 2020
City of Rolling Hills
By

TRANSMITTAL

TO:	FROM:
Elaine Jeng Meredith Elguira	Kathleen McGowan 310-213-4979 Kathleen@McGowan.Consulting
CITY:	**DATE:**
Rolling Hills	July 29, 2020

RE:

3rd Amendment to PSA

FOR REVIEW

NOTES/COMMENTS:

Enclosed are two copies signed of the Third Amendment to our PSA.

Please let me know if you have any questions or require further information.

Thank you very much,

412 OLIVE AVENUE, #189, HUNTINGTON BEACH, CA 92648

THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

This Third Amendment to Professional Services Agreement is entered into by and between the City of Rolling Hills, a municipal corporation ("City") and McGowan Consulting LLC, ("Consultant") as of July 29, 2020.

RECITALS

A. City and Consultant are parties to that Professional Services Agreement dated July 15, 2015 (the "Agreement") by which City engaged Consultant for environmental consulting services pertaining to the implementation of the Municipal Separate Storm Sewer System Permit (MS4) and Total Maximum Daily Load (TMDL) implementation under the requirements of the Federal Clean Water Act.

B. City and Consultant now desire to amend the Agreement in order to extend the agreement and compensation to Consultant to extend the services for one year per the attached Scope of Work and compensation schedule, see Exhibit A to the Third Amendment.

C. City and Consultant agree to replace Exhibit A that was attached to the Agreement by the Second Amendment with Exhibit A that is attached to the Third Amendment and to increase the do not exceed amount of the Agreement by $70,605 (Total Cost Includes Optional Subtask 7.3 of $6,200) in FY 2020-21 to account for the proposed scope of work.

NOW, THEREFORE, in consideration of the foregoing, the Agreement is amended as follows:

A. Section 1. "SCOPE OF WORK" of the Agreement is amended as follows:

Consultant shall perform all work necessary to complete in a manner satisfactory to CITY the services set forth in the scope of work attached as Exhibit A.

B. Section 3. "COST" of the Agreement is amended as follows:

The CITY agrees to pay CONSULTANT for all the work or any part of the work performed under this Agreement at the rates and in the manner established in the attached Exhibit A, Budget Table (MS4 Permit Consulting Services FY2021) for City of Rolling Hills.

Total expenditure made under this contract shall not exceed the sum of $35,850 for FY 2015-16; $39,976 for FY 2016-17, $39,468 for FY 2017-18, $46,996 for FY 2018-19, beginning on July 16, 2018 as amended by the Second Amended Agreement, $46,992 for FY 2019-20 as amended by the Second Amended Agreement, and $70,605 (Total Cost Includes Optional Subtask 7.3 of $6,200) for FY 2020-21. Labor rates include: automobile mileage within greater Los Angeles and Orange County area, parking, routine printing and copying. Other direct costs chargeable to the project include: graphic layout and illustration, webpage design and hosting, translation services, report reproduction and binding, courier services, blueprint services, graphics services, project-specific publications, and any other direct project costs not included in the labor rates. It also includes any escalation or inflation factors anticipated. No increase in fees will be allowed during the life of the contract.

Any increase in contract amount or scope shall be by express written amendment approved by the City Manager and CONSULTANT.

C. Section 9. TERM OF CONTRACT

The term of this agreement is extended to June 30, 2021.

Except as above modified, in all other respects the Agreement is hereby reaffirmed in full force and effect.

CITY OF ROLLING HILLS

7/30/2020

ELAINE JENG, P.E. Date
City Manager

ATTEST:

7/30/2020

City Clerk Date

CONSULTANT
MCGOWAN CONSULTING, LLC.

7/29/20

Date

EXHIBIT A

MCGOWAN CONSULTING, LLC
412 Olive Avenue, #189, Huntington Beach, CA 92648
310-213-4979 Kathleen@McGowan.Consulting

May 11, 2020

Elaine Jeng, City Manager
Meredith Elguira, Director Planning and Community Services
City of Rolling Hills
2 Portuguese Bend Road
Rolling Hills, CA 90274

RE: PROPOSAL FOR MS4 PERMIT CONSULTING SERVICES FOR FY2021

Dear Ms. Jeng and Ms. Elguira:

McGowan Consulting is pleased to provide this proposal to assist the City of Rolling Hills (City) in implementing the requirements of the Municipal Stormwater Permit (MS4 Permit)[1] during fiscal year 2020-21 (FY2021). We specialize in providing top-notch, customized stormwater quality and watershed protection consulting services to small municipal clients. Our staff are experts in resolving municipal stormwater regulatory and water quality challenges and we have an in-depth understanding of the City's stormwater quality needs and constraints.

This proposal provides a scope of services designed to assist the City in implementing its individual requirements under the current 4th term MS4 Permit, to represent the City's interests during development of the 5th term MS4 Permit, to assist the City in addressing its total maximum daily load (TMDL) waste load allocations under the MS4 Permit, and to document eligible expenditures under the Safe, Clean Water Program. Although the 4th term MS4 Permit has expired, the City is obligated to continue to comply with the requirements of that permit, as well as commitments made in the Peninsula Coordinated Integrated Monitoring Program (Peninsula CIMP), until a new 5th term MS4 Permit is issued. Regional Water Quality Control Board – Los Angeles (Regional Board) staff have stated that they anticipate the adoption of a new region-wide MS4 Permit late in calendar year 2020.

Scope of Services

We have developed this proposal based on the regulatory requirements of the current 4th term MS4 Permit, the Peninsula CIMP, and our understanding of the City's interest in investigating and negotiating an alternative compliance approach for TMDLs. Regional Water Quality Control Board (Regional Board) staff have stated that they anticipate the adoption of a new regional MS4 Permit this calendar year, therefore it is assumed that the 5th term MS4 Permit will be adopted during FY2021. Estimated level of effort for preparing to implement new permit requirements are based on the requirements outlined in the December 2019 unofficial working draft of the 5th term MS4 Permit circulated by Regional Board staff and that the City will continue to comply with

1 Order No. R4-2012-0175 NPDES Permit No. CAS004001 Waste Discharge Requirements for Municipal Separate Storm Sewer System (MS4) Discharges within the Coastal Watersheds of Los Angeles County, except those Discharges Originating from the City of Long Beach.

the MS4 Permit through implementation of the minimum control measures and approved source control and institutional measures identified in implementation plans for the various TMDLs to which it is subject while investigating alternative compliance approaches.

This scope of services is organized into tasks according to the following Permit program areas:

Task 1 - Program Management and Coordination;
Task 2 - Public Information and Participation Program;
Task 3 - Commercial Facilities Control Program (not applicable);
Task 4 - Planning & Land Development and Construction Programs;
Task 5 - Public Agency Activities Program;
Task 6 - Illicit Connection & Illicit Discharge Elimination Program;
Task 7 - Watershed Planning and TMDL Implementation

Task 1 Program Management, Reporting and Coordination

The MS4 Permit affects a wide range of municipal activities and requires effective management and coordination of MS4 Permit activities across municipal functions. Task 1 is focused on providing assistance to the City in stormwater program management and coordination and annual reporting.

Subtask 1.1 Project Management, Coordination and Communication

This subtask provides an allocation of time for internal project management and coordination, regular communication via email, and periodic meetings or calls with City staff on the status of work progress, regulatory and watershed developments, need for action or response, and to obtain direction from City staff. This subtask also provides an allocation of time for McGowan Consulting to work with City staff to prepare written updates for City Council on issues such as MS4 Permit negotiations and alternative compliance strategies for attainment of TMDLs. Level of effort in this subtask is assumed based on level of effort expended during FY1920.

Subtask 1.2 Annual Reporting

The City is required to submit an annual report to the Regional Board by December 15th each year covering the preceding reporting period that aligns with the City's fiscal year (July 1st-June 30th). This subtask covers McGowan Consulting's preparation of the individual annual report for the City based on information already in-hand and information to be provided by City and contract staff covering activities implemented during the reporting year. By September 15th, McGowan Consulting will provide City staff a list of information needed to complete the annual report. Information requested may include but is not limited to:

- Budgetary information for stormwater expenditures in each category
- Copies of City newsletters with stormwater related information
- Low impact development (LID) project information for private and public development and redevelopment projects completed within the reporting year
- Stormwater construction inspections (including SWPPP/ESCP review)
- Illicit discharge incident tracking

It is assumed that the City's contract building & safety staff will provide LID project information to McGowan Consulting in the Excel® spreadsheet template format provided by the online LA County Watershed Reporting Adaptive Management and Planning System (WRAMPS).

Given timely receipt of the requested annual report information from City staff in the necessary electronic formats no later than October 15th, a complete draft individual annual report for City staff review will be delivered in electronic format by November 10th. A two-week turnaround for City staff review with a consolidated set of City staff comments, and a single revision of the annual report are assumed. Following receipt of consolidated comments from City staff, the Individual Annual Report will be revised, and the final annual report prepared in the form of electronic PDF files. McGowan Consulting will deliver the City's Individual Annual Report in the preferred electronic format to Regional Board staff. An electronic copy of the individual annual report will be provided for the City's records.

Level of effort for annual report preparation is assumed to be similar to that expended in FY1920 since any modifications to the annual report format and content associated with the 5th term MS4 permit will not likely be applicable until the annual report that is due in December 2021.

Subtask 1.2 Deliverables:

- Information request for Individual Annual Report
- Draft and final Individual Annual Report for FY1920 reporting year

Subsubtask 1.3 Permit-wide Planning and Coordination

This subsubtask includes time to participate in MS4 Permit Co-Permittee meetings and coordination conference calls and Permit negotiation meetings. An allocation of time is provided for attendance at six (6) bi-monthly LA Permit Group Meetings. An allocation of time is also included to review and comment on the official draft 5th Term MS4 Permit and to attend Regional Board meetings either in person or by remote video broadcast when significant items that may affect the City are being considered. This subtask also allocates time to track and respond to other regulatory actions by the Regional Board and State Water Resources Control Board (State Board) such as: new or revisions to statewide water quality standards applicable to the MS4 permit, statewide permitting policies, precedential State Board orders, Total Maximum Daily Load (TMDL) reconsiderations or issuance of new TMDLs. The work in this subtask such as attending meetings, reviewing and analyzing the draft permit and other regulatory actions will be performed in common for multiple McGowan Consulting clients and as such the effort assumed in this subtask is reduced based on cost-sharing.

Task 2 Public Information and Participation Program

Each Co-Permittee is responsible for developing and implementing a Public Information and Participation Program (PIPP) that addresses specific MS4 Permit requirements. Each of the required elements of the PIPP may be met either through a County-wide, watershed group, or individual program approach. It is assumed that the Los Angeles County Department of Public Works will continue to implement the following efforts on behalf of all Permittees: maintaining the countywide hotline (888-Clean-LA) and website (888cleanLA.com) for public reporting,

broadcasting public service announcements and conducting regional advertising campaigns, developing stormwater pollution prevention materials, and implementing a K-12 outreach program. The Peninsula WMG has committed to joint development of certain other elements of the PIPP in which the City is participating.

Subtask 2.1 PIPP Implementation

The City is individually responsible for elements of the program not addressed through joint or region-wide outreach including: maintaining a stormwater website or providing links on its website to stormwater websites that include educational materials and opportunities for the public to participate in stormwater pollution prevention and clean-up activities. This subtask includes effort to review the City's website and provide recommended content to meet MS4 Permit objectives in the form of narrative text with links to other websites as appropriate. This subtask also includes effort for staffing a stormwater booth at a ½ day community event in partnership with the City of Rolling Hills Estates in order to meet the MS4 Permit requirement to organize events that educate and involve the community in storm water and non-storm water pollution prevention and clean-up.

Subtask 2.1 Deliverables:

- Recommendations for revisions to the City's website content
- Staffing for ½ day community outreach event

Subtask 2.2 Safe Clean Water Municipal Program

The Safe Clean Water (SCW) Program provides dedicated funding to increase local water supply, improve water quality and protect public health with a key goal of supporting municipalities in meeting MS4 Permit water quality objectives. Beginning in FY2021, the City will receive its first 40% municipal return of the revenues generated by the Safe Clean Water (SCW) parcel tax within 45 days of executing a transfer agreement with the Los Angeles County Flood Control District (LACFCD). It is anticipated that the City will receive approximately $110,000 annually in Municipal Program Funds and must spend at least seventy percent (70%) of these funds on eligible expenses related to new projects or programs implemented on or after November 6, 2018. Up to thirty percent (30%) of the City's Municipal Program Funds may be used to pay for eligible costs and expenses incurred after November 6, 2018 related to maintenance of effort on programs initiated prior to November 6, 2018. The City has a five-year window to expend each traunch and will be required to prepare two SCW expenditure plans during FY2021 forecasting how the Municipal Program Funds will be spent on eligible stormwater program activities in conformance with the SCW Municipal Program requirements outlined in the draft Municipal Transfer Agreement. The first SCW expenditure plan for FY2021 must be submitted within 45 days of executing the Municipal Program Transfer Agreement and the second SCW expenditure plan for FY2122 is due by April 1, 2021. In addition, the City is required to annually make available to the public informational materials containing up-to-date information on the City's actual and budgeted use of the SCW Municipal Program Funds. Transparency and public accountability are integral to the SCW Program, and outreach is required for all aspects of the SCW Program.

This subtask includes assistance to City staff in preparing the City's first two annual SCW expenditure plans for FY2021 and FY2122. The LACFCD staff intend to provide templates for the expenditure plans, however as of the date of this proposal these templates have not yet been provided therefore the extent of effort for this subtask is uncertain. Given this uncertainty, an allocation of twenty (20) hours is provided for McGowan Consulting to prepare the City's draft FY2021 and FY2122 SCW expenditure plans, assuming ten hours per plan to hold a conference call with City staff, prepare of a list of additional information required, and prepare the draft expenditure plan utilizing the LACFCD template.

Following the release of the template by LACFCD, we will hold a call with City staff to identify anticipated eligible expenditures to be included in the plan for FY2021. Within one week of the call we will provide a list of information items necessary to prepare the draft FY2021 SCW expenditure plan. Within four weeks of receipt of the information, McGowan Consulting will prepare a draft FY2021 SCW expenditure plan for City staff.

Prior to initiating the preparation of the FY2122 SCW expenditure plan, McGowan Consulting will hold a second conference call with City staff in early January 2021 to identify anticipated eligible SCW expenditures for FY2122. Within one week of the meeting, we will provide to City staff a list of additional information items necessary to prepare the draft FY2122 SCW expenditure plan. Given receipt of the requested information from City Staff by February 1st, McGowan Consulting will prepare a draft FY2122 SCW expenditure plan for City staff by March 1st.

This and certain other subtasks in this scope of work have been segregated to facilitate inclusion in the seventy percent (70%) of eligible expenses related to new projects or programs implemented under the SCW Municipal Program. It is assumed that City staff will finalize the annual SCW expenditure plans for submittal to the LACFCD by the relevant deadlines. It is also assumed that City staff will be responsible for preparing informational material for public dissemination.

Subtask 2.2 Deliverables:

- Draft SCW expenditure plan describing SCW Municipal Program budget and planned expenditures for FY2021
- Draft SCW expenditure plan describing SCW Municipal Program budget and planned expenditures for FY2122

Subtask 2.3 Develop and Update Joint Outreach Content

The Peninsula WMG has committed to joint coordination and development of elements of the PIPP program in order to address certain MS4 Permit outreach requirements. This subtask provides for McGowan Consulting to develop joint public outreach materials utilizing contract services for graphic design and also includes management of website content and hosting through contracted services with the Environmental Services Center staff of the South Bay Cities Council of Governments. McGowan Consulting's effort under this subtask is shared between the Peninsula and Beach Cities WMGs and the attached budget table reflects the City's share of this effort. In FY2021, this work is anticipated to include: finalization of the South Bay Rainwater

Harvesting Guide, development of revised webpage content and layout for the existing Environmentally Friendly Landscaping, Gardening and Pest Control webpages, and development of new South Bay Rainwater Harvesting webpage content/layout. The website content prepared for the City will include a link to these webpages.

This subtask also includes an allocation of effort for McGowan Consulting to develop content for a webpage to be added to the City's website to address environmentally-friendly horse keeping best management practices. The draft narrative will include links to additional external content for more detailed information and recommendations. One revision to address comments from City staff is assumed. Allocation of time for preparing this website content has been reduced to account for shared effort with the City of Rolling Hills Estates. It is assumed that City staff will arrange for layout and posting of the new content to the City's website.

Subtask 2.3 Deliverables:

- Final South Bay Rainwater Harvesting Guide
- Draft and final narrative webpage content on environmentally friendly horse keeping

Task 3 Commercial Facilities Control Program

The permit requires the implementation of an Industrial/Commercial Facilities control Program to track, inspect and ensure compliance at facilities that are critical sources of pollutants in storm water. The sole industrial/commercial facility located within the City is the Palos Verdes Peninsula Unified School District's maintenance facility, which is subject to the Statewide General Industrial Activities Stormwater Permit. McGowan Consulting understands that the City has no jurisdiction over this state facility; accordingly, no time is allocated for this task. [This task has been left as a placeholder with no budget to simplify time charging by task number for multiple clients].

Task 4 Planning & Land Development and Development Construction Programs

The Planning and Land Development provisions of the LA MS4 Permit require the City to ensure that private development and redevelopment projects provide for permanent measures to reduce storm water pollutant loads from the development site by conditioning approval of these projects with low impact development (LID) requirements. The Development Construction provisions of the LA MS4 Permit require the City to ensure that development and redevelopment projects, including its own capital improvement projects, implement measures to reduce storm water pollutant loads from the development site during construction.

Subtask 4.1 Planning & Land Development and Construction Programs

This subtask allocates time for training of City Planning staff and contract Building & Safety staff on the Planning and Land Development requirements of the 5th Term MS4 Permit following its adoption. This training will also cover the updated hydromodification control requirements developed in Subtask 4.2. An allocation of effort is also included in this subtask for quarterly tracking of construction sites disturbing 1 acre or more via the State Board's online SMARTS

system to identify potential deficiencies and the need for closer follow up at large construction sites.

It is assumed that the City is utilizing Building and Safety inspectors trained in MS4 Permit inspection procedures to carry out inspections of construction sites at frequencies consistent with MS4 Permit requirements. The small site construction brochure previously developed jointly by the Peninsula and Beach Cities WMGs is targeted at small construction sites and can be used by contract Building & Safety staff and City Planning staff to educate and enforce these requirements. Additionally, for construction sites disturbing 1 acre or greater, it is assumed that the City is utilizing Building and Safety inspectors trained in the State Board's CGP Qualified SWPPP Practitioner Program for stormwater inspections and plan reviews. Construction inspectors and construction plan reviewers may attend training on the construction provisions of the MS4 Permit that is being coordinated jointly through the Peninsula WMG, thus it is assumed that no training for the construction program is necessary by McGowan Consulting in this scope of services.

Subtask 4.1 Deliverables:

- One training session for Planning, Building & Safety, and Engineering staff on the 5th Term MS4 Permit provisions

Subtask 4.2 Hydromodification Control Development & Code Revision

McGowan Consulting understands that the City intends to strengthen the hydromodification control provisions in RHMC Chapter 8.32 Stormwater Management and Pollution Control applicable to new and redevelopment projects in order to increase protections for downstream property owners and habitat in natural drainage courses. We previously prepared a memorandum outlining options for increasing the stringency of these provisions within the current regulatory framework of the MS4 Permit and the Los Angeles County code 12.84.445 Hydromodification.

This subtask allocates effort for McGowan Consulting to prepare a slide presentation, propose redline changes to RHMC 8.32.095.B.5(b) and prepare a draft staff report in order to support the consensus-building and decision-making process for modifying the City's hydromodification control provisions. It is assumed that the first deliverable will consist of a slide presentation with 10-15 slides to assist City staff in presenting and discussing the options and facilitating the formation of a consensus approach. Based on direction from City Staff, McGowan Consulting will translate the consensus approach into a draft set of redline changes to RHMC 8.32.095.B.5(b) for review and comment by City staff and the City Attorney. One round of revisions to incorporate combined City staff and City Attorney comments is assumed.

Revisions to other sections of RHMC Chapter 8.32 Stormwater Management and Pollution Control will be required following the issuance of the 5th term MS4 Permit to incorporate minor changes to LID requirements and other new permit requirements. If the City's adoption of updated hydromodification control provisions occurs after adoption of the 5th term Permit by the

Regional Board, the effort in this subtask may also be used to address these additional code changes in parallel with the hydromodification provisions.

It is assumed that City staff will conduct meetings and facilitate discussions with the City Council and Planning Commission and that no attendance by McGowan Consulting staff is needed at these meetings.

Subtask 4.2 Deliverables:

- Presentation with 10-15 slides covering options for hydromodification controls
- First draft redline changes to RHMC 8.32 for review and comment by City staff and City Attorney
- Final draft redline changes to RHMC 8.32
- Draft staff report to present final draft redline changes to RHMC 8.32

Task 5 Public Agency Activities Program

The Public Agency Activities program focuses on municipal facilities and activities, requiring implementation of Best Management Practices (BMPs) to minimize water quality impacts. Since the City does not own any part of the storm drain system, all streets within the City are private, and the City does not currently own or operate 1 or more miles of sewer lines, many of these requirements do not apply. The City has adopted the Los Angeles County Department of Public Health (LACDPH) Local Area Management Plan (LAMP) for managing onsite wastewater treatment systems on residential properties. While municipal solid waste and landscape maintenance contractors as well as Rolling Hills Community Association staff are responsible for the maintenance of City-owned facilities, the City is ultimately responsible for ensuring that these contracted service providers and municipal facilities implement appropriate BMPs in accordance with the MS4 Permit

This task allocates eight (8) hours of time to assist City staff as needed in addressing issues that may arise during the year related to contracted services that have the potential to impact stormwater quality.

McGowan Consulting previously assisted the City in preparing a required inventory of its municipal facilities and a self-inspection checklist for City staff to utilize to identify, implement and/or document that effective source control BMPs are implemented at municipal facilities and as part of routine maintenance activities. Based on review of the Working Proposal of the 5th term MS4 Permit, it is assumed that updates to the City's municipal facilities inventory will not be required until FY2122 and such updates are excluded from this task. The City must continue to annually train employees whose interactions, jobs, and activities affect stormwater quality. This required annual training of City staff and contract service providers is being coordinated jointly through the Peninsula WMG, and it is assumed that City staff will arrange for their attendance. As such, there is no scope included in this task for training under this program by McGowan Consulting.

Task 6 Illicit Discharge Elimination Program

The City's Illicit Discharge Elimination (IDE) program includes procedures for conducting investigations to identify the source of suspected illicit discharges and procedures for eliminating the discharge. The City's IDE procedures manual was updated in 2014 for consistency with the 4th Term MS4 Permit requirements. City and contracted field staff who may observe or receive reports of illicit discharges as part of their normal job responsibilities must be trained on the City's IDE procedures at least twice during the term of the MS4 Permit, and for new employees, within 180 days of being hired. Since IDE procedures training was held twice for City/contract staff during the 4th term MS4 Permit, this requirement has been completed under the current permit. Newly hired City staff can be trained on the IDE program as part of the annual training being held jointly for Peninsula WMG members mentioned in Task 5.

This task provides an allocation of eight (8) hours for as-needed support to City staff in implementing the IDE program and consulting with City staff in responding to and reporting on discovery and resolution of illicit discharges.

Task 7 Watershed Planning and TMDL Implementation

The Peninsula Coordinated Integrated Monitoring Program (CIMP) is being implemented cooperatively by the Peninsula WMG through an MOU and contract services administered by the City of Rancho Palos Verdes. The Peninsula WMG meets monthly to coordinate compliance monitoring, reporting and implementation activities for both the Peninsula CIMP and TMDLs. The City is also participating in the Harbor Regional Monitoring Coalition MOU to meet its monitoring obligations under the Greater Los Angeles and Long Beach Harbors Toxics TMDL. The Harbor Regional Monitoring Coalition (Harbor RMC) meets quarterly to coordinate TMDL compliance monitoring and reporting in the harbors.

The City has submitted a joint request for time schedule order (TSO) with the Peninsula WMG for both the Machado Lake Nutrient and the Pesticides and PCBs TMDLs to obtain additional time to investigate and implement projects needed to attain the TMDL targets. The Rolling Hills Country Club/Chandler Ranch Regional Project completed in 2018 through private redevelopment in Rolling Hills Estates addresses 140 acres of the City of Rolling Hills' tributary area to Machado Lake by capturing and infiltrating well in excess of the 85th percentile/24-hour stormwater runoff volume from the tributary area to the project. In addition, the City participated in funding the preliminary design of a regional project in the City of Torrance with the potential to address the remaining tributary area of the City to Machado Lake, either alone, or in combination with a third regional project at Harbor City Park in Los Angeles. The South Santa Monica Bay Watershed Area Steering Committee is currently considering programming SCW Regional Program funds to support the final design of the Torrance Airport Project as well as a feasibility study for the Harbor City Park project during FY2021.

Since the City is not currently participating in a Watershed Management Program, it must implement approved TMDL Implementation Plans to attain waste load allocations in stormwater discharges for pollutants of concern. The City is currently implementing the approved Machado Lake Nutrient Implementation Plan. Previously, McGowan Consulting prepared a combined

Implementation Plan for Machado Lake Pesticides & PCBs, Greater Los Angeles Harbor Waters Toxic Pollutants, and Santa Monica Bay DDT & PCBs Total Maximum Daily Loads (Toxics TMDL Implementation Plan) which the City submitted to Regional Board staff for review to satisfy the implementation planning requirements for these TMDLs. To date, the City has received neither approval nor comments from Regional Board staff on the combined Toxics TMDL Implementation Plan submitted in July 2017.

Task 7.1 Watershed Group Planning

This subtask allocates effort to represent the City's interests in ongoing Peninsula CIMP implementation activities and adaptive management decisionmaking based on review of ongoing monitoring results and participation in monthly Peninsula WMG meetings. This subtask also includes effort to review results of ongoing Harbor Toxics TMDL monitoring activities and to represent the City's interests at quarterly Harbor RMC coordination meetings. This subtask assumes McGowan Consulting's time for this ongoing review and representation is distributed among three municipal clients for the Peninsula WMG and two municipal clients for the Harbor RMC and as such allocates forty (40) hours of effort which is similar to that expended during FY1920.

Task 7.2 TMDL Support

During FY2021 the Peninsula WMG will be establishing a new MOU for implementing the Peninsula CIMP with a scope of work that will include updating the CIMP to conform to the requirements of the 5th Term MS4 Permit. This subtask allocates time for McGowan Consulting to review and comment on the new Peninsula CIMP MOU and technical scope of work for preparing the CIMP update, as well as to perform a comparative review of the technical and cost proposals received from potential CIMP Implementation contractors. The work to update the CIMP will not be completed until FY2122 and therefore review of that work product is excluded from the scope.

This subtask also provides time for McGowan Consulting to track and provide input on the City's behalf on the conceptual development and design of regional projects external to the City with potential capacity to capture either the TMDL-compliance volume or the 85th percentile/24-hour stormwater runoff volume from the Machado Lake watershed areas of the City.

The City's revised Trash Monitoring and Reporting Plan (TMRP) proposing to reduce the frequency of monitoring to once every five years has been unofficially approved by Regional Board staff via email; a formal letter approving the revised TMRP is anticipated to be forthcoming and as such, no further effort by McGowan Consulting in revising the TMRP is assumed. It is assumed that there will be no activity related to negotiation of Time Schedule Orders or reconsideration of TMDLs during FY2021 and that resolution of these issues will be addressed in the 5th Term MS4 Permit.

Task 7.3 Alternative Compliance Approach (optional)

Based on the City's recent interest in investigating an alternative compliance approach for Machado Lake and Greater Los Angeles Harbor TMDLs utilizing stormwater capture projects to

be sited within the City, this optional subtask is intended to assist City staff in defining and exploring such alternative compliance approaches. Effort in this subtask may include: assisting City staff in managing the collection and review of baseline flow and water quality monitoring data to support an alternative compliance approach, developing a concept for and engaging in discussions with Regional Board staff in establishing an alternative regulatory compliance approach, and other as-needed activities to support the City Council's objectives related to an alternative TMDL compliance approach. Since this will be an evolving process and specific scope is uncertain, an allocation of forty (40) hours of effort is included in this subtask.

This allocation is not sufficient for development of an individual Watershed Management Plan for the City which could be a condition of Regional Board staff's acceptance of this approach. It is also assumed that the City will contract separately for feasibility study and/or design of any proposed stormwater capture projects.

Cost Proposal

McGowan Consulting will conduct the work effort described in the above Scope of Services for an amount not to exceed **$64,405 for all tasks exclusive of Subtask 7.3,** and, if approved, an additional cost not to exceed **$6,200 for optional Subtask 7.3** as detailed in the attached Budget Table and Rate Schedule. In order to provide a measure of flexibility to best meet the needs of the City, it is understood that reallocation of labor hours and budget between tasks and subtasks may occur as long as the total contract amount is not exceeded. When possible, consulting time for performing work in common for clients will be distributed between two or more clients, thereby reducing individual costs to each client; tasks and subtasks where labor effort has been reduced due to an assumption of work performed in common for more than one client are identified with an asterisk (*) in the budget table. Subtasks which may be identified as an eligible expnense under the seventy 70% of SCW Municipal Program funds related to new projects or programs implemented on or after November 6, 2018 are identified with a "+" in the budget table. Invoices will be submitted based on actual effort expended in accordance with the attached rate schedule for FY2021.

McGowan Consulting will inform City staff of changing requirements and emerging issues as part of regular communication. It is the nature of regulatory-driven programs to be subject to uncertainty and unpredictable events such as changes in regulatory requirements with the issuance of the 5th term MS4 Permit, enforcement action, or significant additional support required by City staff that was unanticipated. If such unpredictable event(s) or need for additional support arise, we are prepared to assist the City and, if necessary and at City staff's direction, we will submit a request for an authorization for scope change to provide the City with additional consulting services to respond to the need.

Please do not hesitate to contact me if you have any questions or require additional information or scope clarification. Thank you for the opportunity to continue to work with you and your colleagues and to serve the City of Rolling Hills.

Sincerely,

Kathleen McGowan, P.E., ENV SP
Principal

Attachments:

Budget Table
Rate Schedule - FY2021

Budget Table MS4 Permit Consulting Services FY2021			
Task	**Description**	**Labor Hours**	**Estimated Cost**
1.1	Project Management, Coordination and Communication	60	$ 9,300
1.2	Annual Reporting	50	$ 7,750
1.3	Permit-wide Planning and Coordination *	36	$ 5,580
2.1	Public Information & Participation Program Implementation	18	$ 2,790
2.2	Safe Clean Water Municipal Program * +	20	$ 3,100
2.3	Develop and Update Joint Outreach Content * +	35	$ 5,425
4.1	Planning & Land Development and Construction Program	30	$ 4,650
4.2	Hydromodification Control Development & Code Revision +	56	$ 8,680
5	Public Agency Activities Program	8	$ 1,240
6	Illicit Discharge Elimination Program	8	$ 1,240
7.1	Watershed Group Planning	40	$ 6,200
7.2	TMDL Support +	40	$ 6,200
7.3	*Alternative Compliance Approach (optional) +*	*40*	*$ 6,200*
Other Direct Costs - Includes subcontracted website hosting by SBCCOG and graphic design and layout for outreach materials* +			$2,250
		Total Cost excluding Subtask 7.3	$ 64,405
		Total Cost including Optional Subtask 7.3	$ 70,605
** estimate assumes cost savings due to work performed in common for more than one client* *+ related to new projects or programs implemented on or after November 6, 2018 per SCW Program*			

McGowan Consulting, LLC

Labor Rates

Contract Year 2020-21[1]

Professional/Staff Rates

Principal	**$162 per hour**
Sr. Scientist	**$134 per hour**
Staff Scientist	**$58 per hour**

Expenses

Labor rates include: automobile mileage within greater Los Angeles and Orange County area, parking, routine printing and copying

Other direct costs chargeable to the project include: graphic layout and illustration, webpage design and hosting, translation services, report reproduction and binding, courier services, blueprint services, graphics services, project-specific publications, and any other direct project costs not included in the labor rates.

[1] Due to Covid-19 emergency and pending financial impacts, labor rates have been held flat and have not been increased from 2019-20 rates as they would normally be to reflect increases in the Consumer Price Index for the Los Angeles area as calculated by the U.S. Department of Labor Bureau of Labor Statistics

FOURTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

This Fourth Amendment to Professional Services Agreement is entered into by and between the City of Rolling Hills, a municipal corporation ("City") and McGowan Consulting LLC ("Consultant") upon full, written execution by both parties.

RECITALS

A. City and Consultant are parties to that Professional Services Agreement dated July 15, 2015 (the "Agreement") by which City engaged Consultant for environmental consulting services pertaining to the implementation of the Municipal Separate Storm Sewer System Permit (MS4) and Total Maximum Daily Load (TMDL) implementation under the requirements of the Federal Clean Water Act.

B. The Agreement has been amended by a First Amendment to the Agreement dated July 26, 2018 (the "First Amendment"), a Second Amendment to the Agreement dated April 17, 2019 (the "Second Amendment") and a Third Amendment to Agreement dated July 29, 2020 (the "Third Amendment") by which City extended Consultant's engagement to perform MS4 permit consulting services.

C. City and Consultant now desire to further amend the Agreement for a fourth time in order to engage Consultant to perform MS4 permit consulting services for the 2021-2022 fiscal year and to establish compensation for such services.

NOW, THEREFORE, in consideration of the foregoing, the Agreement is amended as follows:

A. Section 1 "SCOPE OF WORK" of the Agreement is amended to read as follows:

CONSULTANT shall perform all work necessary to complete in a manner satisfactory to CITY the services set forth in the scope of work attached as Exhibit A, and incorporated herein by this reference, including Optional Task 7.3 in Part 1 of the scope of work.

B. Section 3 "COST" of the Agreement is amended to read as follows:

The CITY agrees to pay CONSULTANT for all the work or any part of the work performed under this Agreement at the rates and in the manner established in the Budget Table in the attached Exhibit A. Total expenditures under this Fourth Amendment shall not exceed the sum of $99,095.00 (inclusive of Subtask 7.3) for FY 2021-22. This fee includes automobile mileage, parking fees, routine printing and copying, photography, travel, attendance at meetings and routine miscellaneous costs incurred during the term. No increase in fees will be allowed during the life of this Fourth Amendment.

Any increase in contract amount or scope shall be by express written amendment approved by the City Manager and CONSULTANT.

Except as above modified, in all other respects the Agreement as previously amended is hereby affirmed and in full force and effect.

ATTEST

Janely Sandoval 06/29/2021
Janely Sandoval, City Clerk Date

CITY OF ROLLING HILLS

ELAINE JENG Date

MCGOWAN CONSULTING, LLC

Kathleen McGowan June 29, 2021
KATHLEEN MCGOWAN Date

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EXHIBIT A

Scope of Services – MS4 Permit Consulting FY2021-22

As authorized by the Federal Clean Water Act and the California Porter-Cologne Act, the Municipal Separate Storm Sewer System Permit (MS4 Permit) identifies conditions, requirements and programs that municipalities must implement to protect regional water resources from adverse impacts associated with pollutants carried in stormwater runoff via the MS4. Although the 4th Term MS4 Permit[1] has expired, the City is obligated to continue to comply with the requirements of that permit, including commitments made in the Palos Verdes Peninsula Coordinated Integrated Monitoring Program (CIMP), until the new Regional MS4 Permit becomes effective (estimated to be in September 2021). Permittees must implement the requirements of the Regional MS4 Permit as of the effective date which is typically 45 days following adoption. Therefore this scope of services assumes that the City will begin implementing the Regional MS4 Permit in fiscal year year 2021-2022 (FY2021-22). The assumed effort to assist the City in preparing for and initiating implementation of the Regional MS4 Permit has been based on the requirements described in the Tentative Regional MS4 Permit issued by Regional Board staff in August 2020 and does not reflect any major differences that may arise between the Tentative Regional MS4 Permit and the final adopted Regional MS4 Permit. While the City may submit a notice of intent (NOI) to join the Palos Verdes Peninsula Enhanced Watershed Management Program (Peninsula EWMP) during FY2021-22, the City would not be required to implement the provisions of the Peninsula EWMP until the updated EWMP is approved by the Los Angeles Regional Water Quality Control Board (Regional Board), which would likely be during FY2022-23.

This scope of services is organized into tasks based on the MS4 Permit program areas.

- Task 1 - Program Management, Coordination and Individual Reporting
- Task 2 - Public Information and Participation Program
- Task 3 - Commercial Facilities Control Program [*not applicable to the City*]
- Task 4 - Planning & Land Development and Construction Programs
- Task 5 - Public Agency Activities Program
- Task 6 - Illicit Discharge Detection and Elimination Program
- Task 7 - Watershed Planning and CIMP and TMDL Implementation

Task 1 Program Management, Coordination and Individual Reporting

The MS4 Permit affects a wide range of municipal activities and requires management and coordination of pollution prevention and implementation activities across municipal functions and among co-permittees. Task 1 is focused on stormwater program management and coordination and annual reporting.

Subtask 1.1 Coordination, Communication and Program Management

This subtask provides for time to support City staff in managing and coordinating stormwater program planning and implementation throughout the year. This effort includes regular communication via email

[1] Order No. R4-2012-0175 as amended by Order WQ 2015-0075, NPDES Permit No. CAS004001 Waste Discharge Requirements for Municipal Separate Storm Sewer System (MS4) Discharges within the Coastal Watersheds of Los Angeles County, except those Discharges Originating from the City of Long Beach.

and telephone with City staff, periodic meetings with City staff on the status of work progress and to obtain direction from City staff as needed, and internal project management.

Subtask 1.2 MS4 Permit Individual Annual Report

The MS4 Permit requires the City to submit an Individual Annual Report to the Regional Board by December 15th for the preceding reporting period (July 1st-June 30th). This subtask covers McGowan Consulting's preparation of the City's Individual Annual Report based on information in-hand and information to be provided by City staff covering activities implemented during the reporting year. The Tentative Regional Permit specifies that Permittees shall continue annual reporting with format and content similar to the previous permit, therefore a level of effort for this subtask similar to that expended in FY2020-21 is assumed. Within six (6) weeks following the close of the FY2020-21 reporting year, McGowan Consulting will provide City staff a list of information needed to complete the annual report. Information requested may include but is not limited to:

- Budgetary information on stormwater expenditures in each required category for FY2020-21 and projected budget for FY2021-22;
- Low impact development (LID) project information for private and public development and redevelopment projects planned or completed within the reporting year provided in the County of Los Angeles Watershed Reporting Adaptive Management and Planning System (WRAMPS) spreadsheet format or LID project information form;
- Records from contract Building & Safety storm-water related construction inspection and plan check review (including SWPPP/ESCP review and approval);
- Public works capital improvement projects related to stormwater; and
- Illicit connection and discharge incident results and records, including enforcement actions taken.

Given receipt of the requested Individual Annual Report information from City staff as well as monitoring results from the CIMP and Harbor Toxics TMDL in the necessary electronic formats by October 1st, McGowan Consulting will prepare a draft Individual Annual Report for City staff review by November 1st. Following receipt of comments from City staff on the draft report, we will revise and finalize the Individual Annual Report in the form of electronic PDF files for inclusion and submittal to the Regional Board with the Watershed Annual Report. A two-week turnaround for City staff review with a consolidated set of comments, and a single revision of the annual report are assumed. The Individual Annual Report and its supporting files will be provided in electronic format for the City's records.

Subtask 1.2 Deliverables:

- Information request for Individual Annual Report
- Draft and final Individual Annual Report and supporting files

Subtask 1.3 Permit-wide Planning and Coordination

This subtask includes time to participate in MS4 Permit Co-Permittee meetings to share information and address Co-Permittee and Watershed Group challenges cooperatively. An allocation of time is provided for attendance at six (6) bi-monthly LA Permit Group Meetings. Time is also allocated to participate in Regional Board meetings and workshops—Regional Board staff anticipates a multi-day permit adoption hearing throughout July 2021 for the new Regional Permit. This subtask also allocates time to track and

respond to regulatory actions by the Regional Board and State Water Resources Control Board (State Board). The work in this subtask such as reviewing and analyzing the final draft Regional MS4 permit, attending hearings and meetings, and tracking other regulatory actions will be performed in common for McGowan Consulting clients with similar interests and characteristics, and as such the effort assumed in this subtask is reduced based on cost-sharing among multiple municipal clients.

Task 2 Public Information and Participation Program

Each Co-Permittee is responsible for developing and implementing a Public Information and Participation Program (PIPP) that addresses specific MS4 Permit requirements. Each of the required elements of the PIPP may be met by the City either through a County-wide, watershed group, or individual program approach.

Subtask 2.1 PIPP Implementation

The City is individually responsible for certain elements of the PIPP that are not appropriate for joint implementation, such as providing information links on its website to stormwater websites that include educational materials and opportunities for the public to participate in stormwater pollution prevention and clean-up activities.

This subtask provides an allocation of effort for McGowan Consulting to work with City staff in updating the City's website content and developing metrics for measuring effectiveness of the PIPP objectives under the Regional MS4 Permit. This subtask also includes an allocation of time to assist City staff in disseminating information to residents through its website and Blue Newsletter to educate and involve them in storm water and non-storm water pollution prevention, outdoor water conservation and sustainable gardening.

It is assumed that the Los Angeles County Department of Public Works will continue to implement the following efforts on behalf of the Permittees: maintaining the countywide hotline (888-Clean-LA) and website (888cleanLA.com) for public reporting, broadcasting public service announcements and conducting regional advertising campaigns, maintaining the waterforla.com and safecleanwaterla.org websites with regional water resouces information and opportunities for the public to engage in water resources planning, and implementing a County-wide K-12 outreach program. The Peninsula Watershed Management Group (Peninsula WMG) has committed to joint development of certain other elements of the PIPP which are addressed in Subtask 2.3. It is assumed that the City's solid waste franchisee will continue to disseminate information to residents on proper handling of wastes such as: vehicle waste fluids, household waste materials, construction waste materials, green waste and animal waste.

Subtask 2.1 Deliverable:

- Memo with recommendations for updating the City's website content and proposing metrics for tracking effectiveness of the City's individual PIPP

Subtask 2.2 Safe Clean Water Municipal Program

The Safe Clean Water (SCW) Program provides dedicated funding to increase local water supply, improve water quality and protect public health with a key goal of supporting municipalities in meeting MS4 Permit water quality objectives. Note that the cost for several tasks (including the optional task) in this

scope of services are planned to be covered by these funds as denoted by a "+" in the Budget Table and as provided in the City's SCW Annual Plan for FY2021-22. Transparency and public accountability are integral to the SCW Program.

The City receives its 40% municipal return of the revenues generated by the SCW parcel tax in August each year and by the preceding April 1 must prepare and submit an annual plan forecasting how the Municipal Program Funds will be spent on eligible expenditures in the upcoming fiscal year. The City has a five-year window to expend each traunch of funds it receives and must also submit an annual Progress/Expenditure Report to the LA County Flood Control District (LACFCD) within six months of the close of the each fiscal year. The first Progress/Expenditure Report covering the City's SCW expenditures through June 2021 will be due in December 2021 and is expected to include the following information:

- A summary of the expenditures and Water Quality, Water Supply, and Community Investment Benefits realized through the City's use of SCW Municipal Program Funds;
- The amount of SCW Municipal Program funds expended;
- A description of work accomplished during the reporting period;
- The milestones achieved or deliverables completed during the reporting period;
- The work anticipated to be accomplished during the next reporting period;
- Photo documentation as appropriate;
- A description of the City's stakeholder-engagement activities during the reporting period, including documentation as appropriate

The LACFCD will review the City's Progress/Expenditure Report to make a preliminary determination of whether and to what extent the City's expenditures achieved SCW Program Goals, and will then forward its preliminary determination to the Regional Oversight Committee who will also review the City's Annual Program/Expenditure Report and develop recommendations as appropriate for the LA County Board of Supervisors and the City.

This subtask provides an allocation of effort for McGowan Consulting to prepare the first Progress/Expenditure Report for the City due in December 2021 covering SCW Municipal expenditures through June 2021 and to prepare the City's Annual Plan for FY2022-23 due by April 1, 2022 with direction, information and review by City staff. The LACFCD staff intend to provide municipalities guidance in preparing the SCW Progress/Expenditure Report and use of the online reporting tool, however this guidance and reporting tool access has not yet been provided thus the level of effort for this subtask is uncertain.

It is assumed that City staff will be responsible for adherence to the SCW Program financial documentation and audit requirements, compliance with revenue transfer agreement requirements, operation in accordance with best practices and strict accountability for funds, receipts and disbursements as delineated in the SCW Municipal Program Transfer Agreement.

Subtask 2.2 Deliverables:

- Draft and final Progress/Expenditure Report documenting actual expenditures of the City's SCW Municipal funds through June 2021.
- Draft and final Annual Plan describing SCW Municipal Program budget and planned expenditures for FY2022-23 fiscal year

Task 2.3 Develop and Update Joint Outreach Content

The Peninsula WMG, jointly with the Beach Cities WMG, has been developing and posting stormwater outreach website content via the South Bay Cities Council of Governments (SBCCOG) Environmental Services Center program pages to meet MS4 Permit requirements. This outreach program has been managed and facilitated by McGowan Consulting through contracted services with the Environmental Services Center staff of the South Bay Cities Council of Governments and through contracted services for graphic design to create content and enhance the messaging and reach of the website content.

During FY2021-22 McGowan Consulting will begin working with the WMGs and SBCCOG to develop metrics for measuring effectiveness of the the joint outreach program to meet the new objectives required by the Regional MS4 Permit. Additionally, in FY2021-22 the scope of this subtask is anticipated to include development of revised webpage content and layout for the existing Environmentally Friendly Landscaping, Gardening and Pest Control webpages as a result of SBCCOG's planned change to a new website platform and layout. We also anticipate the development of new South Bay Rainwater Harvesting webpage content to accompany the South Bay Homeowner's Guide to Rainwater Harvesting which was completed in FY2020-21.

It is assumed that McGowan Consulting's level of effort and supporting contract services for this subtask will be similar to that in FY2020-21 and will be offset through combined work for the Beach Cities WMG including shared contracting costs for graphic design and website hosting. An allocation is included in the cost estimate for the City's share of contracted costs for website hosting and graphic design to support this outreach.

Task 4 Planning & Land Development and Development Construction Programs

The Planning and Land Development provisions of the MS4 Permit require the City to ensure that private development and redevelopment projects provide for permanent measures to reduce storm water pollutant loads from the development site by conditioning approval of these projects with low impact development (LID) requirements. The City is also responsible for requiring that its qualifying capital improvement projects incorporate LID requirements and/or the City's Green Street Policy as applicable. Furthermore, the Development Construction provisions of the MS4 Permit require the City to ensure that development and redevelopment projects including its own capital improvement projects implement measures to reduce storm water pollutant loads from the development site during construction.

Subtask 4.1 Planning & Land Development and Construction Programs Support

Minor revisions to the Rolling Hills Muncipal Code (RHMC) Chapter 8.32, Stormwater Management and Pollution Control, are anticipated following the issuance of the Regional MS4 Permit to align RHMC with

changes to MS4 Permit requirements. Additionally, as discussed in Subtask 4.2, the City is contemplating strengthening the hydromodifications control provisions in RHMC 8.32.095.B.5(b). This subtask includes time for McGowan Consulting to prepare a draft set of changes to RHMC 8.32 to incorporate proposed changes to the hydromodification provisions as well as the minor changes to align with the adopted Regional MS4 Permit. One revision based on consolidated comments received from the Director of Community Development and City Attorney is assumed.

This subtask also allocates time for conducting a training session for City staff on the Planning & Land Development and Construction Program requirements following adoption of the Regional MS4 Permit. For the Development Construction Program, this subtask includes time for McGowan Consulting to track and review reporting via the State Board's online SMARTS system by construction sites disturbing 1 acre or more within the City.

It is assumed that the City is utilizing contract Building and Safety inspectors trained in MS4 Permit inspection procedures to carry out inspections of construction sites at frequencies consistent with MS4 Permit requirements. The small site construction brochure previously developed jointly by the Peninsula and Beach Cities WMGs is targeted at small construction sites and can be used by contract Building & Safety staff and City staff to educate and enforce these requirements. Additionally, for construction sites disturbing 1 acre or greater, it is assumed that the City is utilizing Building and Safety inspectors trained in the State Board's Construction General Permit Qualified SWPPP Practitioner Program for stormwater inspections and plan reviews.

Subtask 4.1 Deliverables:

- Draft and final changes to the City's stormwater chapter of the municipal code
- Training for City Planning and Management staff on the Regional MS4 Permit Planning and Land Development provisions

Subtask 4.2 Hydromodification Control Provisions

McGowan Consulting understands that the City intends to strengthen the hydromodification control provisions in RHMC 8.32.095.B.5(b) applicable to new and redevelopment projects in order to increase protections for downstream property owners and habitat in natural drainage courses. We previously prepared a memorandum outlining options for increasing the stringency of these provisions within the current regulatory framework of the MS4 Permit and the Los Angeles County code 12.84.445 Hydromodification.

This subtask allocates effort for McGowan Consulting to support the City's consensus-building and decision-making process for modifying the hydromodification control provisions. Under this subtask, McGowan Consulting will prepare a slide presentation to assist City staff in presenting and discussing the options with the City Council and facilitating the formation of a consensus approach.

It is assumed that City staff will conduct follow up meetings and facilitate discussions with the City Council and Planning Commission as needed to arrive at a final consensus approach to be translated as appropriate into RHMC 8.32.095.B.5(b) as discussed in Subtask 4.1.

Subtask 4.2 Deliverable:

- Presentation on hydromodification controls

Task 5 Public Agency Activities Program

The Public Agency Activities program focuses on municipal facilities and activities, requiring implementation of Best Management Practices (BMPs) to minimize water quality impacts. The City is responsible for ensuring that municipal facilities and municipal contract service providers incorporate and implement appropriate BMPs in accordance with the MS4 Permit. This includes municipal solid waste and landscape maintenance contractors as well as Rolling Hills Community Association staff with responsibility for the maintenance of City-owned and/or operated facilities.

An interactive training for management staff will be developed and delivered to familiarize staff with the modified requirements of the Regional MS4 Permit and to plan for implementation of these provisions. An allocation of time is also included for assisting management staff in implementing the new provisions.

It is assumed that municipal contract service providers whose interactions, jobs, and activities affect stormwater quality will self-certify that their staff have been provided annual MS4 Permit training, or participate in the training provided for management staff.

Task 5 Deliverable:

- Interactive training presentation for senior management staff

Task 6 Support for Illicit Discharge Elimination

During FY2021-22 this task provides an allocation of time as needed to support City staff in implementing the Illicit Discharge Detection and Elimination (IDDE) program to identify the source of reported or suspected illicit discharges as they may arise, and in taking measures to eliminate confirmed illicit discharges as needed.

Although the City's IDDE procedures manual must be updated once per permit term, it is assumed that such an update will be made during FY2022-23 in the year following adoption of the Regional MS4 Permit and is excluded from this scope of services. It is assumed that training on the requirements of the IDDE program will be included in the trainings discussed in Task 5.

Task 7 Watershed Group Planning and CIMP and TMDL Implementation

The Peninsula Coordinated Integrated Monitoring Program (CIMP) is being implemented cooperatively by the Peninsula WMG through an MOU and contract services administered by the City of Rancho Palos Verdes. The Peninsula WMG meets monthly to coordinate compliance monitoring, reporting, and implementation activities for both the Peninsula CIMP and TMDLs. A new CIMP contractor will be assuming responsibility for monitoring during reporting year 2021-22 while the outgoing CIMP contractor will retain responsibility for completing the Integrated Monitoring Compliance Report covering reporting year 2020-21. Additionally, work may begin on updating and adaptively modifying the CIMP plan.

The City is also participating in the Harbor Regional Monitoring Coalition MOU to meet its monitoring obligations under the Greater Los Angeles and Long Beach Harbors Toxics TMDL. The Harbor Regional Monitoring Coalition (Harbor RMC) meets quarterly to coordinate TMDL compliance monitoring and reporting in the harbors.

Task 7.1 Watershed Group Planning

This subtask includes representation of the City at twelve (12) Peninsula WMG meetings, including effort for preparation and meeting attendance with McGowan Consulting time assumed to be distributed between three (3) Peninusula municipal clients. This subtask also includes effort to review results of ongoing Harbor Toxics TMDL monitoring activities and to represent the City's interests at quarterly monitoring coordination meetings with McGowan Consulting's time assumed to be distributed between two (2) municipal clients.

A level of effort similar to that expended during previous fiscal years is assumed for this subtask.

Task 7.2 Alternative Compliance Approach for TMDLs

Given the historical low impact character of development standards in the City and the new Sepulveda Canyon monitoring data documenting the retentive capacity of the natural canyons that serve to convey stormwater, McGowan Consulting understands that the City intends to demonstrate compliance with TMDLs by documenting through City-specific stormwater flow and water quality monitoring that water quality targets established in applicable TMDLs are being met by the City. This subtask allocates time for McGowan Consulting to assist the City in assessing monitoring data, coordinating with Regional Board staff, and building the case to demonstrate compliance with TMDLs.

First, McGowan Consulting will draft a letter to Regional Board staff stating the City's intent to withdraw from the previously submitted joint requests for time schedule orders for the Machado Lake Nutrients and Pesticides & PCBs TMDLs submitted by the Peninsula WMG. Second, upon adoption of the Regional MS4 Permit, we will draft a letter to Regional Board staff requesting that the City receive an extension of time to submit a notice of intent to join the Peninsula Enhanced Watershed Management Program (EWMP). This request will be based on the justification that an additional year of City-specific water quality and flow monitoring is necessary to determine whether compliance can be demonstrated by meeting numeric water quality limitations in the City's runoff or whether joining the Peninsula EWMP in order to avail itself of deemed compliance with TMDLs based on retention of runoff from the 85th % 24-hr rainfall event is the appropriate action for the City. This subtask also provides an allocation of time to coordinate with the City's monitoring contractor during the second year of Sepulveda Canyon monitoring and to review and comment on a technical memorandum to be prepared by the City's monitoring contractor evaluating the hydrologic retention capacity of City's natural canyon system.

This subtask also provides an allocation of time for communication with Regional Board staff on the timing of submittal of the notice of intent and possible revision of the Peninsula EWMP to incorporate the City. Based on Regional Board staff's response and/or the results of the second year of monitoring data, and if directed by City staff, McGowan Consulting will prepare a letter notifying the Regional Board of the City's intent to join the Peninsula EWMP (Notice of Intent). This subtask also provides an allocation

of time for McGowan Consulting to prepare updates for City Council as directed by City staff on these matters.

Subask 7.2 Deliverables:

- Draft letter to Regional Board withdrawing City's prior requests for time schedule orders for Machado Lake Nutrient TMDL and Machado Lake Pesticides & PCBs TMDL
- Draft letter to Regional Board requesting an extension of time to submit a notice of intent to join the Peninsula EWMP
- Draft letter notifying Regional Board of City's intent to join the Peninsula EWMP (Notice of Intent)

Optional Subtask 7.3 Revision of Peninsula EWMP to Include City

Preliminary results from the City's Sepulveda Canyon monitoring study initiated during FY 2020-21 indicates that this natural canyon drainage system effectively retains at least the 85th %, 24-hour storm runoff volume, and, based on the results of the second year of monitoring and the technical memorandum to be prepared by the City's monitoring contractor, this retention performance may be extrapolated to the City as a whole. The MS4 Permit provides deemed compliance with TMDLs if a Permittee retains all non-stormwater and all stormwater up to and including the volume equivalent to the 85th percentile, 24-hour event for the drainage area tributary to the applicable receiving water provided a Permittee is implementing all actions and schedules in an approved EWMP. In order to avail itself of this deemed compliance approach the City would need to join the Peninsula EWMP, and to do so the Peninsula EWMP would need to be revised to include the City. This revision would not require an update to the Reasonable Assurance Analysis (RAA) since 85th %, 24-hr storm runoff volume capture areas are excluded from the RAA modeling requirement.

If directed by City staff, i.e., at the City's option, this subtask allocates effort for McGowan Consulting to revise relevant sections of the Peninsula EWMP document to include the City as an 85th %, 24-hour stormwater capture area within the Peninsula EWMP area. This will require revision of multiple sections, tables and figures throughout this lengthy document. The techncila memorandum prepared by the City's Sepulveda Canyon monitoring contractor will be added as an appendix to the Peninsula EWMP for documentation of the City's 85%, 24-hr runoff retention. It is assumed that the Peninsula WMG will provide McGowan Consulting the Microsoft Word® version of the Peninsula EWMP for our use in peforming this subtask. A draft version of the Peninsula EWMP revised to incorporate the City will be provided in Microsoft Word® with changes tracked for City staff and Peninsula WMG members' review. One round of revisions to incorporate combined comments from City staff and Peninsula WMG members is assumed.

Subtask 7.3 Deliverables:

- Draft revision of Peninsula EWMP with changes tracked
- Final revision of Peninsula EWMP and with changes tracked

Cost Estimate

McGowan Consulting will conduct the work effort described in the foregoing Scope of Services for an amount not to exceed **$75,545 for all tasks exclusive of Subtask 7.3,** and for an additional cost not to exceed **$23,550 for optional Subtask 7.3** as detailed in the attached Budget Table and Rate Schedule. In order to provide a measure of flexibility to best meet the needs of the City and given the nature of regulatory uncertainty at this time, it is understood that reallocation of level of effort between tasks and subtasks may occur so long as the total contract amount is not exceeded. When possible, consulting time for attending meetings and performing tasks in common for clients will be distributed between two or more clients, thereby reducing individual costs to each client. Tasks and subtasks where labor effort has been reduced due to an assumption of work performed in common for more than one client are identified with an asterisk (*) in the budget table. Invoices will be submitted based on actual effort expended in accordance with the Rate Schedule for FY2021-22. Labor rates shown in the Rate Schedule include automobile mileage, parking fees, and routine printing and copying. Other direct costs chargeable to the project may include: subcontracted webpage hosting, graphic design, illustration and translation services; report reproduction and binding; courier services; and other direct project costs not specifically included in labor rates.

McGowan Consulting will inform City staff of changing requirements and emerging issues as part of regular communication. It is the nature of regulatory-driven programs to be subject to uncertainty and unpredictable events such as changes in regulatory requirements with the issuance of the Regional MS4 Permit, new/emerging regulatory issues, enforcement action, or significant additional support needed by City staff that was unanticipated. If such unpredictable event(s) or needs arise, we are prepared to assist the City and, if necessary and at City staff's direction, we will submit a request for an authorization for scope change to provide the City with additional consulting services to meet the need.

Budget Table MS4 Permit Consulting Services FY2021-22			
Task	**Description**	**Labor Hours**	**Estimated Cost**
1.1	Coordination, Communication and Project Management	52	$ 8,320
1.2	MS4 Permit Individual Annual Report	50	$ 8,000
1.3	Permit-wide Planning and Coordination *	35	$ 5,495
2.1	Public Information & Participation Program Implementation	30	$ 4,530
2.2	Safe Clean Water Municipal Program * +	50	$ 7,950
2.3	Develop and Update Joint Outreach Content *	20	$ 3,020
4.1	Planning & Land Development and Construction Support	54	$ 8,640
4.2	Hydromodification Control Provisions +	30	$ 4,800
5	Public Agency Activities Program	36	$ 5,544
6	Support for Illicit Discharge Elimination	8	$ 1,232
7.1	Watershed Group Planning *	45	$ 7,065
7.2	Alternative Compliance Approach for TMDLs	57	$ 8,949
Other Direct Costs - Includes subcontracted website hosting by SBCCOG and graphic design and layout for outreach materials *			$ 2,000
Total Estimated Costs *(excluding optional subtask 7.3)*			**$ 75,545**
7.3	*(Optional) Revise Peninsula EWMP to Include City +*	*150*	*$ 23,550*

* *estimate assumes cost savings due to work performed in common for more than one client*
\+ *indicates costs to be covered by the SCW Municipal Program Funds*

McGowan Consulting, LLC

Labor Rates

Contract Year 2021-22[2]

Professional/Staff Rates

Principal	**$168 per hour**
Sr. Scientist	**$139 per hour**
Staff Scientist	**$60 per hour**

Expenses

Labor rates include: automobile mileage within greater Los Angeles and Orange County area, parking, routine printing and copying

Other direct costs chargeable to the project include: graphic layout and illustration, webpage design and hosting, translation services, report reproduction and binding, courier services, blueprint services, graphics services, project-specific publications, and any other direct project costs not included in the labor rates.

[2] Labor rates to be adjusted annually based on increases in the Consumer Price Index for the Los Angeles area as calculated by the U.S. Department of Labor Bureau of Labor Statistics

FIFTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

This Fifth Amendment to Professional Services Agreement is entered into by and between the City of Rolling Hills, a municipal corporation ("City") and McGowan Consulting LLC ("Consultant") upon full, written execution by both parties.

RECITALS

A. City and Consultant are parties to that Professional Services Agreement dated July 15, 2015 (the "Agreement") by which City engaged Consultant for environmental consulting services pertaining to the implementation of the Municipal Separate Storm Sewer System Permit (MS4) and Total Maximum Daily Load (TMDL) implementation under the requirements of the Federal Clean Water Act.

B. The Agreement has been amended by a First Amendment to the Agreement dated July 26, 2018 (the "First Amendment"), a Second Amendment to the Agreement dated April 17, 2019 (the "Second Amendment"), a Third Amendment to the Agreement dated July 29, 2020 (the "Third Amendment"), and a Fourth Amendment to the Agreement dated June 29, 2021 (the "Fourth Amendment") by which City continued Consultant's engagement to perform MS4 permit consulting services.

C. City and Consultant now desire to further amend the Agreement for a fifth time in order to engage Consultant to perform MS4 permit consulting services for the 2022-2023 fiscal year and to establish compensation for such services (the "Fifth Amendment").

NOW, THEREFORE, in consideration of the foregoing, the Agreement is amended as follows:

A. Section 2 "SCOPE OF WORK" of the Agreement is amended to read as follows:

CONSULTANT shall perform all work necessary to complete in a manner satisfactory to CITY the services set forth in the scope of work attached as Exhibit A, and incorporated herein by this reference.

B. Section 3 "COST" of the Agreement is amended to read as follows:

The CITY agrees to pay CONSULTANT for all the work or any part of the work performed under this Agreement at the rates and in the manner established in the attached Exhibit A.

Total expenditures made under this Agreement shall not exceed the sum of $35,850 for FY 2015-16; $39,976 for FY 2016-17; $39,468 for FY 2017-18; $46,996 for FY 2018-19; $46,992 for FY 2019-20; $70,605 for FY 2020-21; $99,095 for FY 2021-22; and $71,500 (inclusive of 10% contingency fee) for FY 2022-23 services in the attached Exhibit A. All such fees include automobile mileage, parking fees, routine printing and copying, photography, travel, attendance at meetings and routine miscellaneous costs incurred during the term. No increase in fees will be allowed during the life of this Fifth Amendment.

Any increase in contract amount or scope shall be by express written amendment approved by the City and CONSULTANT.

C. Section 9 "TERM" of the Agreement is amended to read as follows:

The term of the Agreement is extended until June 30, 2023.

D. Except as above modified, in all other respects the Agreement as previously amended is hereby affirmed and in full force and effect.

ATTEST

Christian Horvath, City Clerk Date

CITY OF ROLLING HILLS

ELAINE JENG Date

MCGOWAN CONSULTING, LLC

6/28/22

KATHLEEN MCGOWAN Date

EXHIBIT A

(See following page)

EXHIBIT A

Scope of Services – Stormwater Permit Consulting
City of Rolling Hills FY2022-23

This scope of services is designed to assist the City of Rolling Hills with implementation of required programs in the Regional Phase I MS4 NPDES Permit – Order No. R4-2021-0105 – NPDES Permit No. CAS004004 Waste Discharge Requirements and National Pollutant Discharge Elimination System (NPDES) Permit for Municipal Separate Storm Sewer System (MS4) Discharges within the Coastal Watersheds of Los Angeles and Ventura Counties (Regional Permit). The City has notified the Los Angeles Regional Water Quality Control Board (LA Water Board) of its intent to to participate in the Palos Verdes Peninsula Watershed Management Program and has submitted a required addendum to the Watershed Management Program and responded to LA Water Board comments. This proposal has been prepared with the assumption that the City's participation as an 85th%, 24-hour stormwater runoff retention area will be approved and become effective for reporting year 2022-2023 (FY2022-23).

This scope of services is organized into tasks based on the Regional Permit program areas.

Task 1 - Program Management, Individual Reporting and Regulatory Support
Task 2 - Public Information and Participation Program
Task 3 - Commercial Facilities Control Program [*not applicable to the City*]
Task 4 - Planning & Land Development and Construction Programs
Task 5 - Public Agency Activities Program
Task 6 - Illicit Discharge Detection and Elimination Program
Task 7 - Watershed Planning and CIMP and TMDL Implementation

Task 1 Program Management, Individual Reporting and Regulatory Support

The Regional Permit affects a wide range of municipal activities and requires management and coordination of pollution prevention and implementation activities across municipal functions and among co-permittees. Task 1 is focused on stormwater program planning, coordination and reporting.

Subtask 1.1 Coordination, Communication and Project Management

This subtask provides an allocation of time for McGowan Consulting to conduct stormwater program planning, coordination, and regular communication with City staff on action items and pending decisions needed, regulatory and watershed developments, and for internal coordination and project management. Time is also included in this subtask for periodic meetings or calls with City staff on the status of work progress. This effort will include working with City staff to create and maintain a required list of applicable staff positions and contractors who should receive stormwater annual training specific to their responsibilities and in tracking that new staff in these targeted positions are trained within 180 days of starting employment. This task also allocates time for assisting City staff in preparing staff reports to City Council to update them on progress of key stormwater program implementation topics, and attending City Council meetings when needed.

Subtask 1.2 Regional Permit Individual Annual Report

The Regional Permit requires the City to submit an Individual Annual Report to the Los Angeles Regional Water Quality Control Board (LA Water Board) by December 15th summarizing its stormwater management program activities during the preceding fiscal year (July 1st-June 30th). The Regional Permit

introduced a new reporting format with more detailed categorization and reporting of costs and tracking of measurable achievements; FY2022-23 will be the first time using the new format which is being deployed via the Los Angeles County-wide Watershed Reporting Adaptive Management & Planning System (WRAMPS) online reporting tool (https://wramps2.org/app/). Additionally, as part of the City's contribution to the new Palos Verdes Peninsula Watershed Management Group (Peninsula WMG) progress reporting requirements, the City will need to update its progress on meeting Watershed Management Program (WMP) measures in WRAMPS on a semi-annual basis.

This subtask covers McGowan Consulting's preparation of the City's Individual Annual Report following the required format and content prescribed in the Regional Permit covering activities implemented and costs incurred by stormwater program and type during the reporting year. The City's Individual Annual Report also supports the preparation of the Semi-Annual Watershed Report which is also due on December 15. BMcGowan Consulting will provide City staff a detailed list of information needed to complete the Individual Annual Report. Given receipt of the requested Individual Annual Report information in electronic format from City staff by September 15, a draft Individual Annual Report will be prepared using the updated WRAMPS online reporting tool for City staff review by November 1. A two-week turnaround for City staff review with a consolidated set of comments, and a single revision of the annual report are assumed to meet the December 15th submittal deadline. Following submittal of the report, an electronic copy of the Individual Annual Report and its supporting files will be provided for the City's records. Time is also allocated in this subtask to upload the City's semi-annual progress reporting information into WRAMPS for submittal to the watershed lead.

It is assumed that the City will continue to contract separately for monitoring of trash consistent with its approved Trash Monitoring and Reporting Program and that information will be provided to McGowan Consulting in spreadsheet format required by the Regional Permit for inclusion in its Individual Annual Report.

Subtask 1.2 Deliverables:

- Draft and final Regional Permit Individual Annual Report

Subtask 1.3 Permit-wide Coordination and Regulatory Suppport

This subtask includes time to participate in virtual Co-Permittee meetings and conference calls to share information, resources and address challenges cooperatively amongst the Co-Permittees of the Regional Permit and for coordination with other Permittees on implementation strategies for new Regional Permit provisions, such as participation in LA Permit Group meetings, the County of Los Angeles's WRAMPS workshops and Technical Working Group meetings. This subtask also allocates time for McGowan Consulting to track and review regulatory actions affecting the City's stormwater program such as new or revisions to statewide water quality standards applicable to MS4 permits, statewide permitting policies, precedential State and Regional Water Board orders, and issuance or reconsideration of Total Maximum Daily Loads (TMDLs). McGowan Consulting's effort for this subtask has been reduced based on the assumption that actual time will be be distributed among several municipal clients.

Task 2 Public Information and Participation Program

Each Permittee is responsible for developing and implementing a Public Information and Participation Program (PIPP) that addresses specific Regional Permit and Peninsula WMP requirements. Each of the required elements of the PIPP may be met by the City either through a County-wide, watershed group, individual program approach, and/or through partnerships with State or National stormwater member agencies, or a combination of approaches. The Palos Verdes Peninsula Watershed Management Group (Peninsula WMG) has committed to joint development of certain elements of the PIPP which are addressed in Subtask 8.2. The City's solid waste franchisee disseminates information to residents and businesses on proper handling of wastes such as: vehicle waste fluids, household waste materials, construction waste materials, organic waste and animal waste. City staff disseminate opportunities for participation in pollution prevention activities and events to residents and businesses via e-news and Blue Newsletter. Accordingly, the City's PIPP obligations will be met through a combination of individual City activities, outreach material developed in collaboration with the other members of the Peninsula WMG, promotion of local environmental events and workshops hosted by other organizations, as well as County-wide outreach and engagement efforts including those implemented through the Safe Clean Water Program. The Regional Permit requires documentation and tracking of information on the City's PIPP activities, including the (1) date of activity; (2) method of dissemination, (3) targeted behavior; (4) targeted pollutant; (5) targeted audience; (6) culturally effective methods; (7) metric(s) for measuring effectiveness of activity, and related information necessary for measuring effectiveness.

Subtask 2.1 PIPP Implementation

This subtask includes an allocation of time to track the City's PIPP activities via metrics identified in collaboration with City staff in a spreadsheet database to be updated annually. This scope of work includes a meeting with City staff at the beginning of the fiscal year to discuss the anticipated PIPP activities and associated metrics to be tracked during the year and to gather information on the metrics tracked during the preceding year. McGowan Consulting will update the spreadsheet database following this meeting and will work with City staff to track the metrics throughout the year for compilation in the City's next Individual Annual Report.

This task also provides an allocation of effort for McGowan Consulting to support the City as needed in its efforts to disseminate public outreach materials and encourage community engagement on stormwater and related environmental programs. This support may include reviewing and recommending changes to the Environmental Programs website material and/or recommendations for information to be disseminated to the public via the City's Blue Newsletter.

It is assumed that City staff will be responsible for making as-needed recommended updates to its website content.

Subtask 2.1 Deliverables:

- Annual update of City's individual PIPP activities database and metrics for tracking effectiveness

Subtask 2.2 Safe Clean Water Municipal Program

The Safe Clean Water (SCW) Program, also known as Measure W, provides dedicated funding to increase local water supply, improve water quality and protect public health with a key goal of supporting

municipalities in implementing new efforts to meet Regional Permit water quality objectives. The City receives approximately $100,000 annually in Municipal Program Funds and accordingly has annual planning and reporting responsibilities for the expenditure of these funds as outlined in the City's Municipal Transfer Agreement with Los Angeles County Flood Control District (LACFCD). The Municipal SCW Annual Plan and the Municipal SCW Annual Progress/Expenditure Report must be prepared and submitted via the SCW online reporting tool following the structure and detailed content required by the tool. The tool is mounted on the Los Angeles County Safe Clean Water Program website (SafeCleanWaterLA.org) where the plans and reports are also posted for public transparency and accountability.

This subtask provides for McGowan Consulting to assist the City by preparing the Municipal SCW Annual Progress/Expenditure Report for FY2021-22 and the Municipal SCW Annual Plan for FY2023-24 using the SCW online reporting tool based on a similar level of effort experienced preparing these plans and reports for the City during FY2021-22. Authorized City staff must approve and submit the final Municipal SCW Annual Progress/Expenditure Report and Annual Plan to the LACFCD via the SCW reporting tool.

Municipal SCW Annual Progress/Expenditure Report (due in December): McGowan Consulting will prepare a list of information necessary to prepare the draft Municipal SCW Annual Progress/Expenditure Report covering the preceding fiscal year (FY2021-22). Within six weeks of receiving the requested information, McGowan Consulting will prepare the draft Municipal SCW Annual Progress/Expenditure Report for City staff review. A consolidated set of comments from City staff, and a single revision of the report to incorporate City staff comments are assumed.

Municipal SCW Annual Plan (due by April 1): McGowan Consulting will meet with City staff in January to identify anticipated Municipal SCW Program expenditures for the upcoming fiscal year (FY2023-24) and then will provide a list of additional information items necessary to prepare the Municipal SCW Annual Plan. Given receipt of the requested information from City Staff by February 1st, McGowan Consulting will prepare a draft Municipal SCW Annual Plan for City staff review by March 1st. A two-week turnaround for City staff review, with a consolidated set of City staff comments, and a single revision of the annual plan are assumed.

It is assumed that City staff will be responsible for adherence to the SCW Program financial documentation and audit requirements, compliance with revenue transfer agreement requirements, operation in accordance with best practices and strict accountability for funds, receipts and disbursements as delineated in the SCW Program Municipal Program Transfer Agreement.

Subtask 2.2 Deliverables:

- Draft and Final Municipal SCW Annual Plan
- Draft and Final Municipal SCW Annual Progress/Expenditure Report

Task 4 Planning & Land Development and Development Construction Programs

The Planning & Land Development and Construction Programs are both applicable to public and private development projects and there are separate and cross-cutting requirements in these programs.

Subtask 4.1 Planning & Land Development Program Training & Tracking

The Planning and Land Development provisions of the Regional Permit require the City to ensure that Priority Development Projects provide for permanent measures to reduce storm water pollutant loads from the development site by conditioning approval of these projects with Low Impact Development (LID) requirements. Qualifying capital improvement projects are also subject to LID requirements.

This subtask provides for preparation and delivery of a virtually accessible training on the Planning & Land Development Program requirements of the Regional Permit consistent with the City's implementation policies and procedures. This subtask also provides an allocation of time for entering Priority Development Projects subjected to LID into the WRAMPS online tool for tracking and annual reporting.

Subtask 4.1 Deliverables:

- Virtual training session for Community Development, Management and contract staff on the Planning & Land Development requirements

Subtask 4.2 Construction Program Training

The City is required to implement a Construction Program to track and ensure appropriate BMPs are being implemented on construction sites within its jurisdiction. The City must also ensure that developers of construction sites larger than one acre are obtaining coverage under the Statewide Construction General Permit (CGP), have an approved LID Plan in place prior to the City's issuance of a grading or building permit, and that these sites are inspected for effective stormwater BMPs at frequencies consistent with the Regional Permit requirements.

This subtask provides for preparation and delivery of a virtually accessible training on the Construction Program requirements of the Regional Permit. This training will be distinct from the Planning & Land Development training module to provide flexibility for targeted City and contract staff to access the training at their convenience as appropriate to their job responsibilities. This task also includes time to track and review reporting via the State Board's online SMARTS system by construction sites disturbing one acre or more within the City.

It is assumed that the City will utilize contracted or in-house practitioners that are trained and knowledgeable in CGP requirements for any municipal capital improvement projects one acre and larger consistent with the State Water Board Qualified QSD/QSP program since the training provided by McGowan Consulting is primarily focused on the Regional Permit Construction Program requirements and is not equivalent to the two- or three-day training required for practitioners of the CGP.

Subtask 4.2 Deliverables

- Virtual training session for Community Development, Management and contract staff on the Regional Permit Construction Program requirements

Subtask 4.3 Expanded LID Support

McGowan Consulting understands the City intends to establish a program of expanded low impact development for new and redevelopment projects through effective site design requirements. Broader

application of effective site design practices to development projects will distribute stormwater detention and retention across more properties in the City thereby increasing overall stormwater capture in the City and supporting the City's 85%, 24-hour stormwater retention compliance approach. Effective site design preserves and/or creates natural landscape features that promote percolation of stormwater on-site, minimizes impermeable surfaces that create runoff, and uses permeable paving for exterior paved surfaces where feasible. Effective site design practices are no more complex than what is normally undertaken by architects and landscape designers for a typical new or redevelopment project and therefore can be applied to most new and redevelopment projects during planning and design, regardless of whether they trigger the numeric performance requirements of Priority Development Projects as defined in the Regional Permit.

This subtask provides an allocation of time for McGowan Consulting to assist City staff in developing guidelines and outreach materials for implementation of the program.

Task 5 Public Agency Activities Program

The Public Agency Activities program focuses on public works maintenance and capital improvement activities. The Regional Permit requires implementation of BMPs to minimize water quality impacts from the maintenance of public facilities, including parks, streets, storm drain infrastructure, recreational and other municipally owned or operated facilities.

The City is required to maintain an updated electronic inventory or database of all public facilities that are potential sources of pollutants in stormwater runoff; incorporation of facility information into GIS is recommended but not required by the Regional Permit. The inventory must also identify potential for stormwater pollutant generation activities at each facility and the BMPs that are implemented to address them. The City's facility inventory was previously developed in spreadsheet format in 2016, and the Regional Permit newly requires the addition of Permittee-maintained roads and catch basins to the inventory. McGowan Consulting will meet with management staff to verify the accuracy of the City's public facility inventory and to identify significant modifications or other changes that have occurred since 2016 that require reassessment of specific facilities and/or revision of the inventory. This subtask includes time for McGowan Consulting to conduct site visits/assessments at up to three (3) municipal facilities selected by City staff to assess significantly revised conditions for purposes of updating the facility inventory. It is assumed that City staff will contract separately for conversion of some or all of the facility inventory to GIS if City staff determines it is appropriate.

The City must annually train all employees in targeted positions whose interactions, jobs, 6ctiveities affect stormwater quality. This training requirement also applies to contractors performing privatized/contracted municipal services such as solid waste collection or landscape maintenance. This subtask provides for McGowan Consulting to prepare and provide virtually accessible training for targeted City staff and contracted service providers. The training will provide an overview of the permit requirements for context and then focus most of the training on municipal operation and maintenance activities with the potential to impact stormwater quality.

The Regional Permit further specifies that contractors hired by the City to conduct public works activities that may affect stormwater quality be contractually required to implement and maintain BMPs for the

work they are conducting. This subtask includes an allocation of time for McGowan Consulting to prepare template language for insertion in public works contracts.

Task 5 Deliverables:

- Up to three (3) public facility site visits/assessments with recommendationed revisions to the facility inventory
- Virtual training session for targeted public works staff and contractors
- Template language for insertion in public works contracts

Task 6 Illicit Discharge Detection and Elimination Program Training

The Regional Permit requires the City to continue to implement its Illicit Discharge Detection and Elimination (IDDE) program to detect and identify the source of suspected illicit discharges and to implement procedures for eliminating confirmed illicit discharges. This task provides for preparation and delivery of an interactive or virtually accessible required annual training for field staff on the identification and reporting of illicit discharges.

Although the City's IDDE procedures manual must be updated once during the five-year Regional Permit term, it is assumed that such an effort will be deferred to a later year within the permit term in favor of updating the Public Facility Inventory in FY2022-23 as described in Task 5 a to allow balancing of the City's annual stormwater costs.

Task 6 Deliverable:

- Virtual training session on the IDDE program with anonymous online quiz to assess effectiveness of the training

Task 7 Watershed Group Planning and Coordination

The Coordinated Integrated Watershed Management Program (CIMP) and Watershed Management Program (WMP) are being implemented cooperatively by the Peninsula WMG in accordance with the requirements of the Regional Permit. The City has been participating in CIMP implementation through a separate contracting mechanism under an MOU administered by the City of Rancho Palos Verdes in coordination with the Peninsula WMG member agencies. The WMP was revised in 2021 to newly include the City of Rolling Hills as an 85th %, 24-hr stormwater runoff retention area and to update the WMP based on monitoring data collected and stormwater capture projects implemented over the past five years. The Peninsula WMG is currently responding to comments from the LA Water Board on the revised WMP and making further revisions as necessary. The City is also participating in the Harbor Regional Monitoring Coalition MOU to meet its monitoring obligations under the Greater Los Angeles and Long Beach Harbors Toxics TMDL. The Harbor Regional Monitoring Coalition (Harbor RMC) meets quarterly to coordinate TMDL compliance monitoring and reporting in the harbors.

Task 7.1 Watershed Group Planning & Coordination

The Peninsula WMG meets monthly to plan and coordinate compliance monitoring and implementation activities for both the CIMP and WMP and TMDL regulatory issues. This subtask includes McGowan Consulting time for meeting preparation and attendance at twelve (12) Peninsula WMG meetings, with time for this effort distributed among three Peninsula municipal clients. Additional time is included for

periodic coordination meetings among the Peninsula WMG consulting team members. Time for participation in quarterly Harbor RMC meetings is also included with that effort distributed between two Peninusula municipal clients.

Task 7.2 CIMP Review & Support

During FY2022-23 the Peninsula CIMP must be revised to align with the Regional Permit monitoring and reporting requirements and to make adaptive management changes planned for the benefit of the Peninsula WMG agencies. This subtask allocates time for McGowan Consulting to provide review and comment on the draft and final revisions of the CIMP prior to submittal to the LA Water Board for review. This subtask also allocates time for McGowan Consulting to provide review and comment on the draft and final annual Integrated Monitoring Compliance Report to be prepared by the CIMP Consultant. Lastly, this task provides time for McGowan Consulting to review results of sampling events and attend monthly 30-minute coordination calls with the Peninusula WMG and CIMP consulting teams to make as-needed implementation and adaptive management decisions. McGowan Consulting time for this subtask has been reduced based on the assumption that it will be be distributed among three municipal clients.

Task 8 WMP Joint Implementation Activities

The Peninsula WMG members have been undertaking certain WMP implementation tasks in a cooperative manner with effort for carrying out these tasks distributed equitably between the consultant for the City of Rancho Palos Verdes and McGowan Consulting as consultant for the City of Rolling Hills Estates, Palos Verdes Estates and Rolling Hills. This task provides for McGowan Consulting to perform the City's share of the following cooperative WMP implementation subtasks.

Subtask 8.1 Semi-Annual Watershed Progress Report Assistance & Review

The Regional Permit newly requires the submittal of semi-annual Watershed Progress Reports to the LA Water Board which are due on December 15 and June 15. Although the consultant for the City of Rancho Palos Verdes will lead this submittal, this is necessarily a cooperative effort and as such, McGowan Consulting will provide assistance in compiling key elements of these reports and will also provide review and comment on the draft and final semi-annual progress reports.

Subtask 8.2 Joint Public Outreach Content Development & Metrics

The Peninsula WMG in collaboration with the Beach Cities WMG has been developing and disseminating stormwater outreach website content to the local community via the South Bay Cities Council of Governments (SBCCOG) website. This outreach program has been managed and facilitated by McGowan Consulting, supported by website hosting services subcontracted with the SBCCOG. This outreach program also includes the development of periodic supplemental outreach pieces for dissemination through the participating jurisdictions' e-news and social media channels to extend the reach of the messaging and draw traffic to the website content.

The ongoing scope of this subtask is anticipated to include annual revision and refreshing of webpage content on the SBCCOG website platform. The Regional Permit newly requires Permittees to track metrics on the effectiveness of their public outreach and participation efforts which will be implemented in part through collection of website metrics from the SBCCOG hosting service. Additionally, the effort in this subtask may include development of one or more targeted public outreach pieces to address topics relevant to the stormwater management program with support by subcontracted graphic design

services as needed. McGowan Consulting's level of effort and supporting contract services for this subtask are assumed to be similar to those in previous years and will continue to be offset through combined work for the Beach Cities WMG including shared subcontracting costs for website hosting and as-needed graphic design.

Cost Estimate

McGowan Consulting will deliver the services described in the foregoing Scope of Services for an estimated cost of **$65,000** based on time and materials as detailed in the following Budget Table and FY2022-23 Rate Schedule. To provide flexibility to best meet the needs of the City in addressing the requirements of the Regional Permit, it is understood that reallocation of level-of-effort between tasks and subtasks may occur so long as the total contract amount is not exceeded. Given the nature of regulatory-driven programs which are subject to changing requirements and unpredictable developments, an additional ten percent contingency in the amount of $6,500 is also recommended to be used only when authorized by the City to support additional assistance that is unplanned.

Labor rates for FY2022-23 are shown in the Rate Schedule and include automobile mileage, parking fees, and routine printing and copying. Invoices will be submitted based on actual time expended by each McGowan Consulting staff member in accordance with the rate schedule. Other direct costs chargeable to the project may include subcontracted website hosting, graphic design, illustration, and translation services; and other direct project costs not specifically included in labor rates.

Fiscal Year 2022-2023 Budget Table Stormwater Consulting Services			
Task	**Description**	**Labor Hours**	**Estimated Cost**
1.1	Coordination, Communication and Program Management	50	$ 8,500
1.2	Regional Permit Individual Annual Report	50	$ 8,400
1.3	Permit-wide Coordination and Regulatory Support	18	$ 2,900
2.1	Public Information & Participation Program Implementation	24	$ 3,600
2.2	Safe Clean Water Municipal Program +	50	$ 8,400
4.1	Planning & Land Development Program Training & Tracking	22	$ 3,600
4.2	Construction Program Training	20	$ 3,300
4.3	Expanded LID Support +	32	$ 5,300
5	Public Agency Activities Program	40	$ 6,600
6	Illicit Discharge Detection and Elimination Training	12	$ 1,800
7.1	Watershed Group Planning & Coordination	24	$ 4,000
7.2	CIMP Review and Support	15	$ 2,500
8.1	Semi-annual Watershed Progress Report Assistance & Review	12	$ 2,000
8.2	Joint Public Outreach Content Development & Metrics	14	$2,100
Other Direct Costs - Includes subcontracted website hosting by SBCCOG and graphic design services for outreach materials			$ 2,000
		Total Estimated Costs	**$ 65,000**
		Contingency @ 10%	$ 6,500
+ indicates costs planned to be covered by the SCW Municipal Program Funds			

McGowan Consulting, LLC
Labor Rates - Contract Year 2022-23[1]

Professional Staff Rates

Principal	$175 per hour
Sr. Scientist	$145 per hour
Staff Scientist	$63 per hour

Expenses

Labor rates include automobile mileage within greater Los Angeles and Orange County area, parking, routine printing and copying

Other direct costs chargeable to the project include: graphic layout and illustration, webpage design and hosting, translation services, report reproduction and binding, courier services, blueprint services, graphics services, project-specific publications, and any other direct project costs not included in the labor rates.

[1] Labor rates to be adjusted annually based on increases in the Consumer Price Index for the Los Angeles area as calculated by the U.S. Department of Labor Bureau of Labor Statistics

SIXTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

This Fifth Amendment to Professional Services Agreement is entered into by and between the City of Rolling Hills, a municipal corporation ("City") and McGowan Consulting LLC ("Consultant") upon full, written execution by both parties.

RECITALS

A. City and Consultant are parties to that Professional Services Agreement dated July 15, 2015 (the "Agreement") by which City engaged Consultant for environmental consulting services pertaining to the implementation of the Municipal Separate Storm Sewer System Permit (MS4) and Total Maximum Daily Load (TMDL) implementation under the requirements of the Federal Clean Water Act.

B. The Agreement has been amended by a First Amendment to the Agreement dated July 26, 2018 (the "First Amendment"), a Second Amendment to the Agreement dated April 17, 2019 (the "Second Amendment"), a Third Amendment to the Agreement dated July 29, 2020 (the "Third Amendment"), a Fourth Amendment to the Agreement dated June 29, 2021 (the "Fourth Amendment"), and a Fifth Amendment to the Agreement dated June 28, 2022 (the "Fifth Amendment") by which City continued Consultant's engagement to perform MS4 permit consulting services.

C. City and Consultant now desire to further amend the Agreement for a sixth time in order to engage Consultant to perform MS4 permit consulting services for the 2023-2024 fiscal year and to establish compensation for such services (the "Sixth Amendment").

NOW, THEREFORE, in consideration of the foregoing, the Agreement is amended as follows:

A. Section 2 "SCOPE OF WORK" of the Agreement is amended to read as follows:

CONSULTANT shall perform all work necessary to complete in a manner satisfactory to CITY the services set forth in the scope of work attached as Exhibit A, and incorporated herein by this reference.

B. Section 3 "COST" of the Agreement is amended to read as follows:

The CITY agrees to pay CONSULTANT for all the work or any part of the work performed under this Agreement at the rates and in the manner established in the attached Exhibit A.

Total expenditures made under this Agreement shall not exceed the sum of $35,850 for FY 2015-16; $39,976 for FY 2016-17; $39,468 for FY 2017-18; $46,996 for FY 2018-19; $46,992 for FY 2019-20; $70,605 for FY 2020-21; $99,095 for FY 2021-22; $71,500 (inclusive of 10% contingency fee) for FY 2022-23; and $75,020 (inclusive of 10% contingency fee) for FY 2023-2024 services in the attached Exhibit A. All such fees include automobile mileage, parking fees, routine printing and copying, photography, travel, attendance at meetings and routine miscellaneous costs incurred during the term. No increase in fees will be allowed during the life of this Fifth Amendment.

Any increase in contract amount or scope shall be by express written amendment approved by the City and CONSULTANT.

C. Section 9 "TERM" of the Agreement is amended to read as follows:

The term of the Agreement is extended until June 30, 2024.

D. Except as above modified, in all other respects the Agreement as previously amended is hereby affirmed and in full force and effect.

ATTEST

6/13/23

Christian Horvath, City Clerk Date

CITY OF ROLLING HILLS

6/13/2023

ELAINE JENG Date

MCGOWAN CONSULTING, LLC

6/13/23

KATHLEEN MCGOWAN Date

EXHIBIT A

(See following page)

Scope of Services – Stormwater Permit Consulting
City of Rolling Hills FY2023-24

This scope of services is designed to assist the City of Rolling Hills (City) with implementation of required programs in the Regional Phase I MS4 NPDES Permit – Order No. R4-2021-0105 – NPDES Permit No. CAS004004 Waste Discharge Requirements and National Pollutant Discharge Elimination System (NPDES) Permit for Municipal Separate Storm Sewer System (MS4) Discharges within the Coastal Watersheds of Los Angeles and Ventura Counties (Regional Permit). The City is participating in the Palos Verdes Peninsula Watershed Management Group (Peninsula WMG) and this scope of services also includes the City's in-kind contribution of effort for implementation and reporting by the Peninsula WMG as required by the Regional Permit.

This scope of services is organized into tasks based on the Regional Permit program areas.

Task 1 - Program Management, Individual Reporting and Regulatory Support
Task 2 - Public Information and Participation Program
Task 3 - Commercial Facilities Control Program [*not applicable to the City*]
Task 4 - Planning & Land Development and Construction Programs
Task 5 - Public Agency Activities Program
Task 6 - Illicit Discharge Detection and Elimination Program
Task 7 - Watershed Group Planning and Coordination
Task 8 - Watershed Management Program Joint Implementation Activities

Task 1 Program Management, Individual Reporting and Regulatory Support

The Regional Permit affects a wide range of municipal activities and requires management and coordination of pollution prevention and implementation activities across municipal functions and among co-permittees. Task 1 is focused on stormwater program planning, coordination and reporting.

Subtask 1.1 Coordination, Communication and Program Management

This subtask provides an allocation of time for McGowan Consulting to conduct stormwater program planning, coordination, and regular communication with City staff on action items and pending decisions needed, regulatory and watershed developments, and for internal coordination and project management. Time is also included in this subtask for periodic meetings or calls with City staff on the status of work progress. This effort will include working with City staff to maintain a required list of applicable staff positions and contractors who should receive stormwater annual training specific to their responsibilities and in tracking that staff in these targeted positions are trained annually or within 180 days of starting employment. This task may also include time for assisting City staff in preparing staff reports to City Council to update them on progress of key stormwater program implementation topics.

Subtask 1.2 Regional Permit Individual Annual Report

The Regional Permit requires the City to submit an Individual Annual Report to the Los Angeles Regional Water Quality Control Board (LA Water Board) by December 15th summarizing its stormwater management program activities during the preceding fiscal year (July 1st-June 30th), including a detailed categorization and reporting of costs and tracking of measurable achievements.

This subtask covers McGowan Consulting's preparation of the City's Individual Annual Report following the required format and content prescribed in the Regional Permit, including activities implemented and costs incurred by stormwater program and type during the reporting year. McGowan Consulting will provide City staff a detailed list of information needed to complete the Individual Annual Report. Given receipt of the requested Individual Annual Report information in electronic format from City staff by September 15, a draft Individual Annual Report will be prepared using the updated WRAMPS online reporting tool for City staff review by November 1. A two-week turnaround for City staff review with a consolidated set of comments, and a single revision of the annual report are assumed to meet the December 15th submittal deadline. Following submittal of the report, an electronic copy of the Individual Annual Report and its supporting files will be provided for the City's records.

It is assumed that the City will continue to contract separately for monitoring of trash consistent with its approved Trash Monitoring and Reporting Program and that information will be provided to McGowan Consulting in the spreadsheet format required by the Regional Permit for inclusion in its Individual Annual Report.

Subtask 1.2 Deliverables:

- Draft and final Regional Permit Individual Annual Report

Subtask 1.3 Permit-wide Coordination and Regulatory Suppport

This subtask includes time to participate in virtual Co-Permittee meetings and conference calls to share information, resources and address challenges cooperatively amongst the Co-Permittees of the Regional Permit and for coordination with other Permittees on implementation strategies for new Regional Permit provisions, such as participation in LA Permit Group meetings, the County of Los Angeles's WRAMPS workshops and Technical Working Group meetings. This subtask also allocates time for McGowan Consulting to participate in committees and attend workshops to track and review regulatory activities affecting the City's stormwater program such as new or revisions to statewide water quality standards applicable to MS4 permits, statewide permitting policies, precedential State and Regional Water Board orders, and issuance or reconsideration of Total Maximum Daily Loads (TMDLs). McGowan Consulting time for this subtask assumes cost-sharing among three municipal clients.

Task 2 Public Information and Participation Program

Each Permittee is responsible for developing and implementing a Public Information and Participation Program (PIPP) that addresses specific Regional Permit and Peninsula WMP requirements. Each of the required elements of the PIPP may be met by the City either through a County-wide, watershed group, individual program approach, and/or through partnerships with State or National stormwater member agencies, or a combination of approaches. The Peninsula WMG has committed to joint development of certain elements of the PIPP which are addressed in Subtask 8.2. The City's solid waste franchisee disseminates information to residents and businesses on proper handling of wastes such as: vehicle waste fluids, household waste materials, construction waste materials, organic waste and animal waste. City staff disseminate opportunities for participation in pollution prevention activities and events to residents and businesses via the City's Blue Newsletter. Accordingly, the City's PIPP obligations will be met through a combination of individual City activities, outreach material developed in collaboration with the other members of the Peninsula WMG, promotion of local environmental events and

workshops hosted by other organizations, as well as statewide and regional outreach and engagement efforts including those developed by the California Stormwater Quality Association (CASQA) and those implemented through the Safe Clean Water Program. The Regional Permit requires documentation and tracking of information on the City's PIPP activities, including the (1) date of activity; (2) method of dissemination, (3) targeted behavior; (4) targeted pollutant; (5) targeted audience; (6) culturally effective methods; (7) metric(s) for measuring effectiveness of activity, and related information necessary for measuring effectiveness.

Subtask 2.1 PIPP Implementation

This subtask includes an allocation of time to track the City's PIPP activities via metrics identified in collaboration with City staff in a spreadsheet database. McGowan Consulting will work with City staff to track the metrics throughout the year for compilation in the City's next Individual Annual Report. This task also provides an allocation of effort for McGowan Consulting to support the City as needed in its efforts to disseminate public outreach materials and encourage community engagement on stormwater and related environmental programs. This support may include reviewing and recommending changes to the City's Environmental Programs website material and/or recommendations for information to be disseminated to the public via the City's Blue Newsletter.

It is assumed that City staff will be responsible for making as-needed recommended updates to its website content and disseminating information via its Blue Newsletter.

Subtask 2.1 Deliverables:

- Annual update of City's individual PIPP activities database and metrics for tracking effectiveness

Subtask 2.2 Safe Clean Water Municipal Program

The Safe Clean Water (SCW) Program, also known as Measure W, provides dedicated funding to increase local water supply, improve water quality and protect public health with a key goal of supporting municipalities in meeting water quality objectives required by the Regional Permit. The City receives approximately $100,000 annually in Municipal Program Funds and has annual planning and reporting responsibilities for the expenditure of these funds as outlined in the City's Municipal Transfer Agreement with Los Angeles County Flood Control District (LACFCD). The City's Municipal SCW Annual Plan and Municipal SCW Annual Report on expenditures must be prepared and submitted via the SCW online reporting tool in accordance with the structure and content required by the tool. The tool is mounted on the Los Angeles County SCW Program website (SafeCleanWaterLA.org) where the plans and reports are also posted for public transparency and accountability. The City's first 3-year independent audit of its expenditures will be due on March 31, 2024 and will also be posted to that website.

This subtask provides for McGowan Consulting to assist the City by preparing the Municipal SCW Annual Report of its expenditures for FY2022-23 and the Municipal SCW Annual Plan for FY2024-25 based on a similar level of effort experienced preparing these plans and reports for the City during previous years. Authorized City staff must approve and submit the final Municipal SCW Annual Report and Annual Plan to the LACFCD via the SCW reporting tool.

Municipal SCW Annual Report (due in December): McGowan Consulting will prepare a draft expenditure spreadsheet and list of information necessary to prepare the draft Municipal SCW Annual Report covering expenditures during the preceding fiscal year (FY2022-23). Within six weeks of receiving the requested information, McGowan Consulting will prepare the draft Municipal SCW Annual Report via the SCW online tool for City staff review. A consolidated set of comments from City staff, and a single revision of the report to incorporate City staff comments are assumed.

Municipal SCW Annual Plan (due by April 1): McGowan Consulting will prepare a draft annual plan spreadsheet for discussion with City staff in January 2024 to identify anticipated Municipal SCW Program expenditures for the upcoming fiscal year (FY2024-25) and will then provide a list of additional information items necessary to prepare the Municipal SCW Annual Plan. Given receipt of the requested information from City Staff by February 1, McGowan Consulting will prepare a revised spreadsheet and draft Municipal SCW Annual Plan narrative via the SCW online tool for City staff review by March 1. A two-week turnaround for City staff review, with a consolidated set of City staff comments, and a single revision of the annual plan are assumed.

It is assumed that City staff will be responsible for adherence to the SCW Program financial documentation and will contract separately for the independent 3-year audit as specified in the SCW Municipal Program Transfer Agreement.

Subtask 2.2 Deliverables:

- Draft and Final Municipal SCW Annual Plan
- Draft and Final Municipal SCW Annual Report

Task 4 Planning & Land Development and Development Construction Programs

The Planning & Land Development and Construction Programs are both applicable to public and private development projects and there are separate and cross-cutting requirements in these programs. In addition, targeted staff positions whose duties include carrying out the Planning and Land Development and Construction programs, must be annually trained on the permit requirements and their roles and responsibilities.

Subtask 4.1 Planning & Land Development Program Training & Tracking

The Planning and Land Development provisions of the Regional Permit require the City to ensure that Priority Development Projects provide for permanent measures to reduce storm water pollutant loads from the development site by conditioning approval of these projects with Low Impact Development (LID) requirements. Qualifying capital improvement projects are also subject to LID requirements.

This subtask provides for preparation and delivery of a training for Community Development staff on the Planning & Land Development Program requirements of the Regional Permit. This subtask also provides an allocation of time for entering Priority Development Projects subject to LID into the WRAMPS online tool for tracking and annual reporting.

It is assumed that contracted Building & Safety service providers will be responsible for training their staff and will self-certify that training.

Subtask 4.1 Deliverables:

- Training session for Community Development staff on the Planning & Land Development requirements

Subtask 4.2 Construction Program Support

The City is required to implement a Construction Program to track and ensure appropriate BMPs are being implemented on construction sites within its jurisdiction. The City must also ensure that developers of construction sites larger than one acre are obtaining coverage under the Statewide Construction General Permit (CGP), have an approved LID Plan in place prior to the City's issuance of a grading or building permit, and that these sites are inspected for effective stormwater BMPs at frequencies consistent with the Regional Permit requirements.

This task includes time to track and review via the State Board's online SMARTS system the status, documentation and reporting by construction sites disturbing one acre or more within the City. This subtask also provides for preparation and delivery of a virtually accessible training for Community Development and Public Works staff on the Construction Program requirements of the Regional Permit. This training will be distinct from the Planning & Land Development training to provide flexibility for targeted staff to access the training at their convenience as appropriate to their job responsibilities. McGowan Consulting time for this effort assumes cost-sharing among three municipal clients.

It is assumed that the City will utilize contracted or in-house practitioners that are trained and knowledgeable in CGP requirements for any municipal capital improvement projects one acre and larger consistent with the State Water Board Qualified QSD/QSP program since the training provided by McGowan Consulting is primarily focused on the Regional Permit Construction Program requirements and is not equivalent to the two- or three-day training required for practitioners of the CGP. It is also assumed that contracted Building & Safety service providers will be responsible for training their staff and will self-certify that training.

Subtask 4.2 Deliverables

- Virtual training for Community Development and Public Works staff on the Regional Permit Construction Program requirements

Subtask 4.3 Expanded LID Support

Effective site design preserves and/or creates natural landscape features that promote percolation of stormwater on-site, minimizes impermeable surfaces that create runoff, and uses permeable paving for exterior paved surfaces where feasible. Broader application of effective site design practices will distribute stormwater detention and retention capacity across more properties in the City, thereby increasing overall stormwater capture and supporting the City's 85%, 24-hour stormwater retention compliance approach.

This subtask includes an allocation of time for McGowan Consulting to assist staff in carrying out the City's expanded LID program for effective site design on new and redevelopment projects.

Task 5 Public Agency Activities Program

The Public Agency Activities program focuses on public works maintenance and capital improvement activities. The Regional Permit requires implementation of BMPs to minimize water quality impacts from the maintenance of public facilities, including parks, streets, storm drain infrastructure, recreational and other municipally owned or operated facilities. The City must annually train all employees in targeted positions whose interactions, jobs and activities affect stormwater quality. This training requirement also applies to contractors performing privatized/contracted municipal services such as solid waste collection or landscape maintenance.

This subtask provides for McGowan Consulting to provide virtually accessible training for targeted City staff and contracted service providers. The training will include an overview of the stormwater program for context and then focus most of the training on municipal operation and maintenance activities with the potential to impact stormwater quality. McGowan Consulting time for preparation of this training module assumes cost-sharing among three municipal clients.

McGowan Consulting will also assist City staff in obtaining the requisite self-certification from contractors by preparing template letters with links to the virtually accessible training for City staff to finalize and send to contractors.

Task 5 Deliverables:

- Virtual training for targeted public works staff and contractors
- Template letters for obtaining self-certification from contractors

Task 6 Illicit Discharge Detection and Elimination Program Training

The Regional Permit requires the City to continue to implement its Illicit Discharge Detection and Elimination (IDDE) program to detect and identify the source of suspected illicit discharges and to implement procedures for eliminating confirmed illicit discharges. In addition, the City's IDDE Procedures Manual must be updated once during the five-year Regional Permit term.

This task provides for preparation and delivery of an interactive or virtually accessible annual training for field staff on identification and reporting of illicit discharges. McGowan Consulting time for preparation of this training module assumes cost-sharing among three municipal clients. This subtask also includes an allocation of effort for McGowan Consulting to work with City staff to review and update the IDDE Procedures Manual. McGowan Consulting will meet with City staff to discuss the City's IDDE response procedures and progressive enforcement policy, and will use the information gathered during this meeting to update the IDDE Procedures Manual and provide a draft for City staff review. It is assumed City staff will provide one set of consolidated comments and a single revision of the draft manual will be made. Once finalized, the final IDDE Procedures Manual, including all appendices, will be delivered to the City in PDF format.

Task 6 Deliverable:

- Virtual training on the IDDE program
- Update of IDDE Procedures Manual

Task 7 Watershed Group Planning and Coordination

The Coordinated Integrated Watershed Management Program (CIMP) and Watershed Management Program (WMP) are being implemented cooperatively by the Peninsula WMG in accordance with the requirements of the Regional Permit. The City has been participating in CIMP implementation through a separate contracting mechanism under an MOU administered by the City of Rancho Palos Verdes in coordination with the Peninsula WMG member agencies. The WMP was revised in 2021 to newly include the City of Rolling Hills as an 85th %, 24-hr stormwater runoff retention area. The City is also participating in the Harbor Regional Monitoring Coalition MOU to meet its monitoring obligations under the Greater Los Angeles and Long Beach Harbors Toxics TMDL. The Harbor Regional Monitoring Coalition (Harbor RMC) meets quarterly to coordinate TMDL compliance monitoring and reporting in the harbors.

Task 7.1 Watershed Group Planning & Coordination

The Peninsula WMG meets monthly to plan and coordinate compliance monitoring and implementation activities for both the CIMP and WMP and TMDL regulatory issues. This subtask includes McGowan Consulting time for meeting preparation and attendance at twelve (12) monthly Peninsula WMG meetings, with time for this effort distributed among three Peninsula WMG municipal clients. Additional time is included for periodic coordination meetings among the Peninsula WMG consulting team members. Time for participation in quarterly Harbor RMC meetings is also included with that effort distributed between two Peninusula WMG municipal clients.

Task 7.2 CIMP Implementation and Reporting Support

This subtask allocates time for McGowan Consulting to provide review and comment on the draft and final Annual Monitoring Report which is prepared by the CIMP Consultant and submitted as part of the Peninsula WMG's Semi-annual Progress Report due December 15. This sub-task also provides time for McGowan Consulting to review results of sampling events and attend monthly 30-minute coordination calls with the Peninusula WMG and CIMP consulting teams to make as-needed implementation and adaptive management decisions. McGowan Consulting time for this subtask assumes cost-sharing among three municipal clients.

Task 8 WMP Joint Implementation Activities

The Peninsula WMG members have been undertaking certain WMP implementation tasks in a cooperative manner with effort for carrying out these tasks distributed equitably between the consultant for the City of Rancho Palos Verdes and McGowan Consulting as consultant for the Cities of Rolling Hills Estates, Palos Verdes Estates and Rolling Hills. This task provides for McGowan Consulting to perform the City's share of the following cooperative WMP implementation subtasks.

Subtask 8.1 Semi-Annual Watershed Progress Report Assistance & Review

The Regional Permit newly requires the submittal of Semi-annual Watershed Progress Reports to the LA Water Board which are due on December 15 and June 15. Although the consultant for the City of Rancho Palos Verdes will lead this submittal, this is necessarily a cooperative effort and as such, McGowan Consulting will provide assistance in compiling key elements of these reports and will also provide review and comment on the draft and final Semi-annual Progress Reports. Additionally, as part of the City's contribution to the Peninsula WMG progress reporting requirements, McGowan Consulting will provide assistance to the City in updating its progress on meeting Watershed Management Program (WMP) measures in WRAMPS on a semi-annual basis.

Subtask 8.2 Joint Public Outreach Content Development & Metrics

The Peninsula WMG in collaboration with the Beach Cities WMG has been developing and disseminating stormwater outreach through website content disseminated via the South Bay Cities Council of Governments (SBCCOG) website. This outreach program has been managed and facilitated by McGowan Consulting, supported by website hosting services subcontracted with the SBCCOG. This outreach program also includes the development of periodic supplemental outreach pieces for dissemination through the participating jurisdictions' e-news and social media channels to extend the reach of the messaging and draw traffic to the website content. The Regional Permit newly requires Permittees to track metrics on the effectiveness of their public outreach and participation efforts which will be implemented in part through collection of website metrics from the SBCCOG hosting service.

The ongoing scope of this subtask includes annual revision and refreshing of webpage content on the SBCCOG website platform and collection of effectiveness metrics through tracking of website visits, e-news and social media outreach. Additionally, the effort in this subtask may include development or updating of one or more targeted public outreach pieces to address topics relevant to the stormwater management program with support by subcontracted graphic design services as needed and/or customization of statewide or regional outreach efforts such as the CASQA Rain Ready CA outreach campaign for the Peninsula WMG. McGowan Consulting's level of effort and supporting contract services for this subtask are assumed to be similar to those in previous years and will continue to be offset through combined work for the Beach Cities WMG including shared subcontracting costs for website hosting and as-needed graphic design.

Cost Estimate

McGowan Consulting will deliver the services described in the foregoing Scope of Services for an estimated cost of **$68,200** based on time and materials as detailed in the following Budget Table and FY2023-24 Rate Schedule. To provide flexibility to best meet the needs of the City in addressing the requirements of the Regional Permit, it is understood that reallocation of level-of-effort between tasks and subtasks may occur so long as the total contract amount is not exceeded. Given the nature of regulatory-driven programs which are subject to changing requirements and unpredictable developments, an additional ten percent contingency in the amount of $6,820 is also provided to be used only when authorized by the City to support additional assistance that is unplanned.

Labor rates for FY2023-24 are shown in the Rate Schedule and include automobile mileage, parking fees, and routine printing and copying. Invoices will be submitted based on actual time expended by each McGowan Consulting staff member in accordance with the rate schedule. Other direct costs chargeable to the project may include subcontracted website hosting, graphic design, illustration, and translation services; and other direct project costs not specifically included in labor rates.

Fiscal Year 2023-2024 Budget Table Stormwater Consulting Services			
Task	**Description**	**Labor Hours**	**Estimated Cost**
1.1	Coordination, Communication and Program Management	55	$ 9,500
1.2	Regional Permit Individual Annual Report	55	$ 9,500
1.3	Permit-wide Coordination and Regulatory Support	16	$ 2,700
2.1	Public Information & Participation Program Implementation +	24	$ 3,900
2.2	Safe Clean Water Municipal Program +	50	$ 8,600
4.1	Planning & Land Development Program Training & Tracking	16	$ 2,800
4.2	Construction Program Support	15	$ 2,600
4.3	Expanded LID Support +	28	$ 5,000
5	Public Agency Activities Program	16	$ 2,700
6	Illicit Discharge Detection and Elimination Program Support	44	$ 7,500
7.1	Watershed Group Planning & Coordination	28	$ 4,800
7.2	CIMP Implementation and Reporting Support	14	$ 2,400
8.1	Semi-annual Watershed Progress Report Assist. & Review +	16	$ 2,700
8.2	Joint Public Outreach Content Development & Metrics +	12	$2,000
Other Direct Costs - Includes subcontracted website hosting by SBCCOG and graphic design services for outreach materials +			$ 1,500
		Total Estimated Costs	**$ 68,200**
		Contingency @ 10%	$ 6,820
+ indicates costs planned to be covered by the SCW Municipal Program Fund			

McGowan Consulting, LLC
Labor Rates - Contract Year 2023-24[1]

Professional Staff Rates

Principal	$183 per hour
Sr. Scientist	$152 per hour
Staff Scientist	$66 per hour

Expenses

Labor rates include automobile mileage within greater Los Angeles and Orange County area, parking, routine printing and copying

Other direct costs chargeable to the project include: graphic layout and illustration, webpage design and hosting, translation services, report reproduction and binding, courier services, blueprint services, graphics services, project-specific publications, and any other direct project costs not included in the labor rates.

[1] Labor rates to be adjusted annually based on increases in the Consumer Price Index for the Los Angeles area as calculated by the U.S. Department of Labor Bureau of Labor Statistics

SEVENTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

This Seventh Amendment to Professional Services Agreement is entered into by and between the City of Rolling Hills, a municipal corporation ("City") and McGowan Consulting LLC ("Consultant") upon full, written execution by both parties.

RECITALS

A. City and Consultant are parties to that Professional Services Agreement dated July 15, 2015 (the "Agreement") by which City engaged Consultant for environmental consulting services pertaining to the implementation of the Municipal Separate Storm Sewer System Permit (MS4) and Total Maximum Daily Load (TMDL) implementation under the requirements of the Federal Clean Water Act.

B. The Agreement has been amended by a First Amendment to the Agreement dated July 26, 2018 (the "First Amendment"), a Second Amendment to the Agreement dated April 17, 2019 (the "Second Amendment"), a Third Amendment to the Agreement dated July 29, 2020 (the "Third Amendment"), a Fourth Amendment to the Agreement dated June 29, 2021 (the "Fourth Amendment"), a Fifth Amendment to the Agreement dated June 28, 2022 (the "Fifth Amendment"), and a Sixth Amendment to the Agreement dated June 13, 2023 (the "Sixth Amendment") by which City continued Consultant's engagement to perform MS4 permit consulting services.

C. City and Consultant now desire to further amend the Agreement for a seventh time in order to engage Consultant to perform MS4 permit consulting services for the 2024-2025 fiscal year and to establish compensation for such services (the "Seventh Amendment").

NOW, THEREFORE, in consideration of the foregoing, the Agreement is amended as follows:

A. Section 2 "SCOPE OF WORK" of the Agreement is amended to read as follows:

CONSULTANT shall perform all work necessary to complete in a manner satisfactory to CITY the services set forth in the scope of work attached as Exhibit A, and incorporated herein by this reference.

B. Section 3 "COST" of the Agreement is amended to read as follows:

The CITY agrees to pay CONSULTANT for all the work or any part of the work performed under this Agreement at the rates and in the manner established in the attached Exhibit A.

Total expenditures made under this Agreement shall not exceed the sum of $35,850 for FY 2015-16; $39,976 for FY 2016-17; $39,468 for FY 2017-18; $46,996 for FY 2018-19; $46,992 for FY 2019-20; $70,605 for FY 2020-21; $99,095 for FY 2021-22; $71,500 (inclusive of 10% contingency fee) for FY 2022-23; $75,020 (inclusive of 10% contingency fee) for FY 2023-2024, and $75,900 (inclusive of 10% contingency fee) for FY 2024-2025 services in the attached Exhibit A. All such fees include automobile mileage, parking fees, routine printing and copying, photography, travel, attendance at meetings and routine miscellaneous costs incurred during the term. No increase in fees will be allowed during the life of this Seventh Amendment.

Any increase in contract amount or scope shall be by express written amendment approved by the City and CONSULTANT.

C. Section 9 "TERM" of the Agreement is amended to read as follows:

The term of the Agreement is extended until June 30, 2025.

D. Except as above modified, in all other respects the Agreement as previously amended is hereby affirmed and in full force and effect.

ATTEST

6/24/24

CHRISTIAN HORVATH Date
CITY CLERK

CITY OF ROLLING HILLS

6/24/24

KARINA BAÑALES Date
CITY MANAGER

MCGOWAN CONSULTING, LLC

6/27/24

KATHLEEN MCGOWAN Date
CONSULTANT

EXHIBIT A

(See following page)

Scope of Services – Stormwater Permit Consulting
City of Rolling Hills FY2024-25

This scope of services is designed to assist the City of Rolling Hills (City) with implementation of stormwater programs required by the Los Angeles Regional Phase I MS4 Permit[1] (Regional MS4 Permit). The City is participating in the Palos Verdes Peninsula Watershed Management Group (Peninsula WMG) and this scope of services includes the City's in-kind contribution of effort for implementation of watershed activities and reporting by the Peninsula WMG as required by the Regional MS4 Permit.

This scope of services is organized into tasks based on Regional MS4 Permit program areas and watershed group implementation and reporting activities.

Task 1 - Program Management, Individual Reporting and Regulatory Support
Task 2 - Public Information and Participation Program
Task 3 - Commercial Facilities Control Program [*not applicable to the City*]
Task 4 - Planning & Land Development and Construction Programs
Task 5 - Public Agency Activities Program
Task 6 - Illicit Discharge Detection and Elimination Program
Task 7 - Watershed Group Planning and Coordination
Task 8 - Watershed Management Program Joint Implementation Activities

Task 1 Program Management, Individual Reporting and Regulatory Support

The Regional MS4 Permit affects a wide range of municipal activities and requires management and coordination of pollution prevention and implementation efforts across municipal functions and among co-permittees. Task 1 is focused on stormwater program planning and coordination reporting, and regulatory support.

Subtask 1.1 Coordination, Communication and Project Management

This subtask provides an allocation of time for McGowan Consulting to conduct stormwater program planning, coordination, and regular communication with City staff on action items and pending decisions needed, regulatory and watershed developments, and for internal coordination and project management. Time is also included in this subtask for periodic meetings with City staff. This task may also include time for assisting City staff in preparing staff reports to City Council on key stormwater program implementation items.

Subtask 1.2 Regional MS4 Permit Individual Annual Report

The Regional MS4 Permit requires the City to submit an Individual Annual Report to the Los Angeles Regional Water Quality Control Board (LA Water Board) by December 15th summarizing its stormwater

[1] Order No. R4-2021-0105, NPDES Permit No. CAS004004 Waste Discharge Requirements and National Pollutant Discharge Elimination System (NPDES) Permit for Municipal Separate Storm Sewer System (MS4) Discharges within the Coastal Watersheds of Los Angeles and Ventura Counties

management program activities during the preceding fiscal year (July 1st-June 30th), including a detailed categorization and reporting of costs and tracking of measurable achievements.

This subtask covers McGowan Consulting's preparation of the City's Individual Annual Report following the required format and content prescribed in the Regional MS4 Permit. McGowan Consulting will provide City staff a detailed list of information needed to complete the Individual Annual Report early in the reporting year. Given receipt of the requested Individual Annual Report information in electronic format from City staff by September 15, a draft Individual Annual Report will be prepared for City staff review by November 1. A two-week turnaround for City staff review with a consolidated set of comments, and a single revision of the annual report are assumed to meet the December 15th submittal deadline. A final electronic copy of the Individual Annual Report and its supporting files will be provided for the City's records.

It is assumed that the City will continue to contract separately for monitoring of trash consistent with its approved Trash Monitoring and Reporting Program and that information will be provided to McGowan Consulting in the spreadsheet format required by the Regional MS4 Permit for inclusion in its Individual Annual Report.

Subtask 1.2 Deliverables:

- Draft and final Regional MS4 Permit Individual Annual Report

Subtask 1.3 Permit-wide Coordination and Regulatory Suppport

This subtask includes time to participate in virtual meetings and conference calls to address challenges cooperatively amongst the Co-Permittees of the Regional MS4 Permit, and to coordinate with other Permittees on implementation strategies for Regional MS4 Permit provisions, including participation in LA Permit Group and the Ad Hoc Subcommittee meetings. McGowan Consulting will track and review regulatory activities affecting the City's stormwater program such as updates to statewide water quality standards applicable to MS4 permits, statewide permitting policies, State and Regional Water Board orders, and new or reconsideration of Total Maximum Daily Loads (TMDLs). McGowan Consulting time for the afore described effort in this subtask assumes cost-sharing among mutiple municipal clients. This subtask also provides an allocation of time for City-specific regulatory assistance such as for ongoing response to notices of violation issued by the LA Water Board in January 2024 for past-due pollutant limitations in discharges to Machado Lake and verifying deemed compliance based on retention of the 85%, 24-hour rainfall runoff event.

Task 2 Public Information and Participation Program

Each Permittee is responsible for developing and implementing a Public Information and Participation Program (PIPP) to meet specific Regional MS4 Permit and Peninsula WMP requirements. Each of the required elements of the PIPP may be met by the City either through a County-wide, watershed group, individual program approach, and/or through partnerships with State or National stormwater member agencies, or a combination of approaches. McGowan Consulting understands that the City's solid waste

franchisee disseminates information to residents and businesses on proper handling of wastes such as: vehicle waste fluids, household waste materials, construction waste materials, organic waste and animal waste. Additionally, City staff disseminate opportunities for participation in pollution prevention activities and events to residents and businesses via the City's Blue Newsletter. The Peninsula WMG has committed to joint development of certain elements of the PIPP which are addressed in Subtask 8.2. Accordingly, the City's PIPP obligations will be met through a combination of individual City activities, outreach material developed in collaboration with the other members of the Peninsula WMG, promotion of local environmental events and workshops hosted by other organizations, as well as through the Safe Clean Water Program.

Subtask 2.1 PIPP Implementation

The Regional MS4 Permit requires documentation and tracking of information on the City's PIPP activities, including the (1) date of activity; (2) method of dissemination, (3) targeted behavior; (4) targeted pollutant; (5) targeted audience; (6) culturally effective methods; (7) metric(s) for measuring effectiveness of activity, and related information necessary for measuring effectiveness. McGowan Consulting will work with City staff to track and compile the necessary metrics for incorporation in the City's Individual Annual Report. This task also provides an allocation of effort for McGowan Consulting to support the City as needed in its efforts to disseminate public outreach materials and encourage community engagement on stormwater and related environmental programs. This support may include reviewing and recommending changes to the Environmental Programs website material and/or recommendations for information to be disseminated to the public via the City's Blue Newsletter.

It is assumed that City staff will be responsible for making as-needed recommended updates to its website content and disseminating information via the Blue Newsletter.

Subtask 2.1 Deliverables:

- Annual compilation of City's PIPP activity metrics in a spreadsheet database

Subtask 2.2 Safe Clean Water Municipal Program

The Safe Clean Water (SCW) Program, also known as Measure W, provides dedicated funding to increase local water supply, improve water quality and protect public health with a key goal of supporting municipalities in implementing new efforts to meet Regional MS4 Permit water quality objectives. The City receives approximately $100,000 annually in Municipal Program Funds and accordingly has annual planning and reporting responsibilities for the expenditure of these funds as outlined in the City's Municipal Transfer Agreement with Los Angeles County Flood Control District (LACFCD). The Municipal SCW Annual Plan and the Municipal SCW Annual Expenditure Report must be prepared and submitted via the SCW online reporting tool following the structure and detailed content required by the LACFCD. The tool is mounted on the Los Angeles County Safe Clean Water Program website (SafeCleanWaterLA.org) where the plans and reports are also posted for public transparency and accountability.

This subtask provides for McGowan Consulting to assist the City by preparing the Municipal SCW Annual Expenditure Report for FY2023-24 and the Municipal SCW Annual Plan for FY2025-26 using the SCW online reporting tool. A similar level of effort experienced preparing these plans and reports for the City during previous years is assumed.

Municipal SCW Annual Expenditure Report (due in December): McGowan Consulting will prepare and submit to City staff a draft expenditure spreadsheet and list of information necessary to prepare the draft Municipal SCW Annual Expenditure Report covering the preceding fiscal year. After receiving the requested information from City staff, McGowan Consulting will revise the expenditures spreadsheet and prepare the draft Municipal SCW Annual Expenditure Report via the SCW online tool for City staff review. A consolidated set of comments from City staff, and a single revision of the report to incorporate City staff comments are assumed.

Municipal SCW Annual Plan (due by April 1): McGowan Consulting will prepare a draft budgetary spreadsheet for discussion with City staff in January to identify anticipated Municipal SCW Program expenditures for the upcoming fiscal year and will then provide a list of additional information items necessary to prepare the Municipal SCW Annual Plan. Given receipt of the requested information from City Staff by February 1, McGowan Consulting will prepare a draft Municipal SCW Annual Plan narrative via the SCW online tool for City staff review . A two-week turnaround for City staff review, with a consolidated set of City staff comments, and a single revision of the annual plan are assumed.

It is assumed that City staff will be responsible for adherence to the SCW Program financial documentation and audit requirements, compliance with revenue transfer agreement requirements, operation in accordance with best practices and strict accountability for funds, receipts and disbursements as delineated in the SCW Municipal Program Transfer Agreement. It is also assumed that Authorized City staff will submit the final Municipal SCW Annual Expenditure Report and Annual Plan to the LACFCD via the SCW reporting tool by their respective deadlines.

Subtask 2.2 Deliverables:

- Draft and Final Municipal SCW Annual Plan
- Draft and Final Municipal SCW Annual Expenditure Report

Task 4 Planning & Land Development and Construction Programs

The Planning & Land Development and Construction Programs are both applicable to public and private development projects and there are both separate and cross-cutting requirements in these programs. In addition, targeted staff positions whose duties include carrying out the Planning and Land Development and Construction programs, must be annually trained on the permit requirements and their roles and responsibilities.

Subtask 4.1 Planning & Land Development Program Training & Tracking

The Planning and Land Development provisions of the Regional MS4 Permit require the City to ensure that Priority Development Projects provide for permanent measures to reduce storm water pollutant loads from the development site by conditioning approval of these projects with Low Impact Development (LID) requirements. Qualifying capital improvement projects are also subject to LID requirements.

This subtask provides for preparation and delivery of a remotely accessible training for Community Development staff on the Planning & Land Development Program requirements of the Regional MS4 Permit consistent with the City's implementation policies and procedures.

Subtask 4.1 Deliverables:

- Remote training for Community Development staff on the Planning & Land Development requirements

Subtask 4.2 Construction Program Support

The City is required to implement a Construction Program to track and ensure appropriate best management practices (BMPs) to protect stormwater quality are being implemented on construction sites within its jurisdiction. The City must also ensure that developers of construction sites larger than one acre are obtaining coverage under the Statewide Construction General Permit (CGP), have an approved LID Plan in place prior to the City's issuance of a grading or building permit, and that these sites are inspected for effective stormwater BMPs at frequencies consistent with the Regional MS4 Permit requirements.

This task includes time to track and review the status, documentation, and reporting by construction sites disturbing one acre or more within the City via the State Board's online SMARTS system. This subtask also provides for preparation and delivery of a remotely accessible training for Community Development and Public Works staff on the Construction Program requirements of the Regional MS4 Permit. This training will be distinct from the Planning & Land Development training module to provide flexibility for targeted staff to access the training at their convenience as appropriate to their job responsibilities. McGowan Consulting time for this effort assumes cost-sharing among three municipal clients.

It is assumed that the City will utilize contracted or in-house practitioners that are trained and knowledgeable in CGP requirements for any municipal capital improvement projects one acre and larger consistent with the State Water Board Qualified QSD/QSP program since the training provided by McGowan Consulting is primarily focused on the Regional MS4 Permit Construction Program requirements and is not equivalent to the two- or three-day training required for practitioners of the CGP.

Subtask 4.2 Deliverables

- Remote training for Community Development and Public Works staff on the Regional MS4 Permit Construction Program requirements

Task 5 Public Agency Activities Program Support

The Regional MS4 Permit requires implementation of BMPs to minimize water quality impacts from the operation and maintenance of municipal facilities and infrastructure, including parks, recreational facilities, parking lots, storm drains and sanitary sewer infrastructure. The City is required to maintain an updated electronic inventory or GIS database of all municipally owned or operated facilities and associated maintenance activities that are potential sources of pollutants to the MS4. During FY2022-23, McGowan Consulting worked with City staff to complete an updated spreadsheet-based municipal facility inventory. The City must also annually train all employees in targeted positions whose interactions, jobs and activities affect stormwater quality. This training requirement also applies to contractors performing privatized/contracted municipal services such as catch basin cleaning, solid waste collection or landscape maintenance.

This task provides for McGowan Consulting to prepare and provide training for targeted City staff. The training will provide an overview of the permit requirements for context and then focus most of the training on municipal operation and maintenance activities applicable in the City. An allocation of time is also included in this subtask for as-needed assistance to City staff to insert requirements for implementation of stormwater BMPs in public works contracts or for keeping the municipal facility inventory current.

Task 5 Deliverables:

- Annual training for targeted public works staff

Task 6 Illicit Discharge Detection & Elimination Program Training and Assistance

The Regional MS4 Permit requires the City to implement its Illicit Discharge Detection and Elimination (IDDE) program to detect and identify the source of suspected illicit discharges and to implement procedures for eliminating confirmed illicit discharges. The City's IDDE Procedures Manual must be updated once during the five-year Regional MS4 Permit term and this was completed in FY2023-24.

This task provides for preparation and delivery of a virtually accessible annual training for field staff on the identification and reporting of illicit discharges. McGowan Consulting time for preparation of this training module assumes cost-sharing among three municipal clients. An allocation of effort is also included for as-needed assistance in implementing the IDDE program.

Task 6 Deliverable:

- Virtual training session on the IDDE program

Task 7 Watershed Group Planning and Coordination

The Coordinated Integrated Watershed Management Program (CIMP) and Watershed Management Program (WMP) are being implemented cooperatively by the Peninsula WMG in accordance with the requirements of the Regional MS4 Permit. The CIMP is being implemented through a separate contracting mechanism under an MOU administered by the City of Rancho Palos Verdes with oversight and direction from the Peninsula WMG member agencies. The WMP was revised in 2021 to newly include the City of Rolling Hills as an 85th %, 24-hr stormwater runoff retention area and to incorporate monitoring data collected and stormwater capture projects implemented as of June 2020. The City is also participating in the Harbor Regional Monitoring Coalition (RMC) MOU administered by the Gateway Water Management Authority to meet receiving water monitoring requirements under the Greater Los Angeles and Long Beach Harbors Toxics TMDL.

Task 7.1 Watershed Group Planning & Coordination

The Peninsula WMG meets semi-monthly and additionally as needed to plan and coordinate compliance monitoring and implementation activities for both the CIMP and WMP as well as joint response to regulatory actions. This subtask includes McGowan Consulting time for meeting preparation and attendance at Peninsula WMG meetings and additional review and coordination among the Peninsula WMG consulting team. Effort in this subtask is assumed to be similar to that experienced in the prior fiscal year, with ongoing increased effort necessary to coordinate response to LA Water Board regulatory and enforcement action on the Machado Lake pollutant discharge limitations. Our time for this effort is assumed to be distributed among three Peninsula WMG municipal clients. Time for participation in quarterly Harbor RMC meetings is also included and that effort will be cost-shared between two Peninusula WMG municipal clients.

Task 7.2 CIMP Implementation and Reporting Support

This subtask provides time for McGowan Consulting to provide review and comment on the draft and final Peninsula WMG Annual Monitoring Report which is prepared by the CIMP consultant and submitted as part of the Peninsula WMG's Semi-annual Watershed Progress Report due on December 15, and to provide review and comment on the Greater Harbor Toxics annual monitoring report. This sub-task also allocates time for McGowan Consulting to review/assess monitoring data and to attend monthly progress/coordination calls on CIMP implementation. McGowan Consulting time for these efforts assumes cost-sharing among two or three municipal clients.

In addition, time is allocated in this subtask to review and comment on the Rolling Hills Sepulveda Canyon monitoring technical memorandum to be provided by NV5 covering the prior two monitoring years.

Task 8 WMP Joint Implementation Activities

The Peninsula WMG members have been undertaking certain WMP implementation tasks in a cooperative manner with effort for carrying out these tasks distributed equitably between the

consultant for the City of Rancho Palos Verdes and McGowan Consulting as consultant for the Cities of Rolling Hills Estates, Palos Verdes Estates and Rolling Hills. This task provides for McGowan Consulting to perform the City's share of the following cooperative WMP implementation subtasks.

Subtask 8.1 Watershed Progress Reports Assistance & Review

The Regional MS4 Permit newly requires the submittal of semi-annual Watershed Progress Reports to the LA Water Board which are due on December 15 and June 15. Although the consultant for the City of Rancho Palos Verdes will lead preparation of these submittals, this is necessarily a cooperative effort and as such, McGowan Consulting will provide assistance in compiling key elements of these reports and will also provide review and comment on the draft and final Watershed Progress Reports. Additionally, as part of the City's contribution to the Peninsula WMG progress reporting requirements, McGowan Consulting will provide assistance to the City in updating its progress on meeting Watershed Management Program (WMP) stormwater control measures in WRAMPS.

Subtask 8.2 Joint Public Outreach Content Development & Metrics

The Peninsula WMG in collaboration with the Beach Cities WMG disseminates customized outreach on targeted at pollutants of concern in local watersheds. This outreach program is managed and facilitated by McGowan Consulting, supported by website hosting services subcontracted with the South Bay Cities Council of Governments (SBCCOG) via their website. The Regional MS4 Permit requires Permittees to track metrics on the effectiveness of their public outreach and participation efforts which will be implemented in part through collection of website metrics from the SBCCOG hosting service.

The ongoing scope of this subtask includes annual revision or refreshing of webpage content on the SBCCOG website platform and collection of effectiveness metrics through tracking of website visits, e-news and social media outreach. Additionally, the effort in this subtask may include development or updating of one or more targeted public outreach pieces or customization of statewide or regional outreach materials to address topics relevant to the stormwater management program. McGowan Consulting's level of effort and supporting contract services for this subtask are assumed to be similar to those in previous years and will continue to be offset through combined work for the Beach Cities WMG including shared subcontracting costs for website hosting and graphic design services.

Subtask 8.3 Adaptive Management

During the second half of FY2024-25, a new Memorandum of Understanding (MOU) will need to be developed and proposals requested to obtain professional services to revise the Palos Verdes Peninsula Watershed Management Program (WMP) and prepare the 5-year Report of Waste Discharge (ROWD) which are both due to the LA Water Board by March 11, 2026. McGowan Consulting will provide review and comment on the draft MOU, scope of work, and proposals received for the required services. It is assumed that the consultant for Rancho Palos Verdes will prepare the draft MOU and request for proposals.

Cost Estimate

McGowan Consulting will deliver the services described in the foregoing Scope of Services for an estimated cost of **$69,000** based on time and materials as detailed in the following Budget Table and FY2024-25 Rate Schedule. To provide flexibility during this period of regulatory uncertainty and to best meet the needs of the City in addressing the requirements of the Regional MS4 Permit, it is understood that reallocation of level-of-effort between tasks and subtasks may occur so long as the total contract amount is not exceeded.

Labor rates for FY2024-25 are shown in the Rate Schedule and include automobile mileage, parking fees, and routine printing and copying. Invoices will be submitted based on actual time expended by each McGowan Consulting staff member in accordance with the rate schedule. Other direct costs chargeable to the project may include subcontracted website hosting, graphic design, illustration, and translation services; and other direct project costs not specifically included in labor rates.

Fiscal Year 2024-2025 Budget Table Stormwater Consulting Services			
Task	**Description**	**Labor Hours**	**Estimated Cost**
1.1	Coordination, Communication and Project Management and Regulatory Support	50	$ 8,800
1.2	Regional MS4 Permit Individual Annual Report	50	$ 8,800
1.3	Permit-wide Coordination and Regulatory Support	40	$ 7,200
2.1	Public Information & Participation Program Implementation +	8	$ 1,300
2.2	Safe Clean Water Municipal Program +	50	$ 9,000
4.1	Planning & Land Development Program Training and Tracking	15	$ 2,600
4.2	Construction Program Support	10	$ 1,700
5	Public Agency Activities Program Support	20	$ 3,500
6	Illicit Discharge Detection & Elimination Program Training and Assistance	20	$ 3,400
7.1	Watershed Group Planning and Coordination	40	$ 7,000
7.2	CIMP Implementation and Reporting Support	35	$ 6,100
8.1	Watershed Progress Reports Assistance and Review +	14	$ 2,500
8.2	Joint Public Outreach Content Development & Metrics +	14	$2,400
8.3	Adaptive Management +	14	$2,500
Other Direct Costs - Includes subcontracted website hosting by SBCCOG and graphic design services for outreach materials +			$ 2,200
		Total Estimated Costs	**$ 69,000**
+ indicates costs planned to be covered by the SCW Municipal Program Fund			

McGowan Consulting, LLC
Labor Rates - Contract Year 2024-25[2]

Professional Staff Rates

Principal	$189 per hour
Sr. Scientist	$158 per hour
Staff Scientist	$69 per hour

Expenses

Labor rates include automobile mileage within greater Los Angeles and Orange County area, parking, routine printing and copying

Other direct costs chargeable to the project include: graphic layout and illustration, webpage design and hosting, translation services, report reproduction and binding, courier services, blueprint services, graphics services, project-specific publications, and any other direct project costs not included in the labor rates.

[2] Labor rates are adjusted annually based on increases in the Consumer Price Index for the Los Angeles area as calculated by the U.S. Department of Labor Bureau of Labor Statistics

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 8.F
Mtg. Date: 06/09/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH JTL CONSULTANTS FOR A THREE-YEAR PERIOD AT A NOT-TO-EXCEED AMOUNT OF $5,000 PER FISCAL YEAR PROVIDING ON-CALL ARBORIST SERVICES TO SUPPORT STAFF IN FIRE FUEL ABATEMENT CODE ENFORCEMENT CASES**

DATE: **June 09, 2025**

BACKGROUND:

In 2018, the City Council implemented a city-wide proactive dead vegetation enforcement program. In February 2019, the City Council amended its Fire Fuel Abatement Ordinance (Chapter 8.30 of the RHMC) to include dead trees and shrubs, dead or alive tumbleweeds, dead palm fronds, and other plants as a public nuisance. The City hired a part-time code enforcement officer to implement the proactive enforcement program. There are times when residents dispute the staff's determination that a plant is dead, claiming it is dormant or seasonal. The staff's expertise is not in the condition of plants, and thus, an arborist is needed to determine the health of the vegetation in question.

On June 5, 2019, staff released a Request for Proposal (RFP) for arborist services. The scope of work included assisting city staff on an as-needed basis to identify whether vegetation observed in the field during routine inspection is dead, regardless of the season. The arborist would also provide recommendations on how to most effectively remove the vegetation without posing an environmental risk (including, but not limited to, erosion) and on suitable replacement vegetation.

On June 20, 2019, two proposals were received from Warriner Associates (WA) and JTL Consultants (JTL). Proposals were to be selected based on qualifications, licensing, experience, references, and cost.

On July 22, 2019, the City Council reviewed proposals from the two available arborists on an

as-needed basis. The responsibility included helping staff identify dead vegetation and consulting on other landscaping matters. The arborists were expected to be on call no more than ten times a year, for an amount not to exceed $6,000. The City Council approved both contracts. Both agreements executed in 2019 expired.

A third arborist, Gregory MacDonald, was consulted in 2021 for a trees and views case involving properties at 59 and 61 Eastfield Drive. Mr. MacDonald was paid $480 for his services. In 2024, staff reached out to Mr. MacDonald to see if he was still interested in providing services, but did not receive a response.

In 2024, staff reached out to WA and JTL to gauge their interest in continuing to provide services. WA indicated they were no longer in the area and unable to serve. JTL was interested, and a one-year agreement was executed in June 2024.

DISCUSSION:
JTL remains on the City's Preferred Vendors list in case an arborist is needed and will be responsible for assisting in determining whether certain vegetation and trees are dead, recommending effective removal, and recommending replacement. The rate is $200 per hour, representing the total cost for all labor, equipment, supplies, expenses, materials, and travel incurred by the consultant subject to a do not exceed the amount of $5,000 per fiscal year. The contract is valid for three years from execution unless extended in writing by both parties. Either party may terminate the agreement at any time, with or without cause, upon 30 days written notice to the other party.

It's worth noting that the City has rarely utilized arborist services since 2019, and there has been no use since spring 2022. Code enforcement has considered their involvement on several occasions, but the issues were typically resolved before services were required. In many cases, residents would accept the determination of a tree's condition and remove it themselves. The table below provides a breakdown of the City's previous arborist costs.

ARBORIST COST SINCE 2019

ARBORIST	AMOUNT	COMMENTS
JTL Consultants	$0	No payments since 2019
Warriner Associates	$4,000	20 hrs.; 2 invoices in 2019; 2 in 2020; 3 in 2021; 1 in 2022
Gregory MacDonald	$480	Trees & Views case in 2021
SIX-YEAR TOTAL	**$4,800**	

FISCAL IMPACT:
For FY 2025-26, 2026-27, and 2027-28, the proposed budget is and will be $5,000.

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:
CA_AGR_250609_JTL-Consultants_Arborist_3yr_F.pdf

CITY OF ROLLING HILLS
AGREEMENT FOR ARBORIST SERVICES

THIS AGREEMENT FOR ARBORIST SERVICES ("Agreement") is made and entered into as of July 1, 2025, by and between the CITY OF ROLLING HILLS, a municipal corporation ("City") and JTL CONSULTANTS, LLC. ("Consultant").

R E C I T A L S

A. City desires to retain Consultant to provide on-call consulting services to inspect trees, shrubs, palm fronds, or other plants (herein after referred to as "vegetation") identified by City staff and located in the City of Rolling Hills, evaluate whether such vegetation is dead regardless of the season, prepare a report with Consultant's determination and recommendation, and attend City Council meetings to discuss the report and findings; and

B. Consultant is well qualified by reason of education, certified by the American Society of Consulting Arborists and International Society of Arboriculture, and experience to perform such services; and

C. Consultant is willing to render such services on the terms and conditions as hereinafter defined.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements set forth below, City and Consultant agree as follows:

1. Services. Consultant shall perform all work necessary to complete in a manner reasonably satisfactory to City the services set forth in the scope of work attached hereto as Exhibit A and incorporated herein by reference (hereinafter referred to as "Services").

2. Payment**.** City shall pay Consultant on an hourly basis at the rate of $200.00 per hour, representing total cost for all labor, equipment, supplies, expenses, materials, and travel incurred by Consultant subject to a "do not exceed amount" of $5,000.00 per fiscal year during the Term of Agreement. Any services and compensation not provided for in this Agreement may be authorized by City in writing and in advance. Consultant shall submit invoices at the conclusion of each inspection project and City will make payment of all uncontested amounts for all work performed to City's reasonable satisfaction within thirty (30) days of receipt of an invoice.

3. Term and Termination. This contract shall be valid for three (3) years from execution of this Agreement (the "Term"), unless extended in writing by both parties. Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party in compliance with Section 13 of this Agreement. In such event, City shall compensate Consultant for all work City reasonably determines to be satisfactorily completed up to the date of termination.

4. Insurance. Without limiting Consultant's obligations arising under Section 5 - Indemnity, Consultant shall not begin work under this Agreement until it obtains policies of insurance required under this Section. The insurance shall cover Consultant, its agents, representatives, and employees in connection with the performance of work under this Agreement, and shall be maintained throughout the Term of this Agreement. Insurance coverage shall be as follows:

A. General Liability Insurance insuring City of Rolling Hills, its elected and appointed officers, agents, and employees from claims for damages for personal injury, including death, as well as from claims for property damage which may arise from Consultant's actions under this Agreement, whether or not done by Consultant or anyone directly or indirectly employed by Consultant. Such insurance shall have a combined single limit of not less than $1,000,000.

B. Automobile Liability Insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement in an amount of not less than $1,000,000 combined single limit for each occurrence. If Consultant or Consultant's employees will use personal automobiles in any way on this project, Consultant shall obtain evidence of personal automobile liability coverage for each such person.

C. Worker's Compensation Insurance for all Consultant's employees to the extent required by the State of California. If the Consultant has no employees for the purposes of this Agreement, the Consultant shall sign the "Certificate of Exemption from Workers' Compensation Insurance."

D. Professional Liability Coverage for professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors, or omissions which may arise from the Consultant's operations under this Agreement, whether such operations are by the Consultant or by its employees, subcontractors, or subconsultants. The amount of this insurance shall not be less than one million dollars ($1,000,000) on a claims-made annual aggregate basis, or a combined single-limit-per-occurrence basis. When coverage is provided on a "claims made basis," Consultant will continue to renew the insurance for a period of three (3) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover Consultant for all claims made by City arising out of any errors or omissions of Consultant, or its officers, employees, or agents during the time this Agreement was in effect.

E. Deductibility Limits for policies referred to in subparagraphs A and B shall not exceed $5,000 per occurrence.

F. Additional Insured. City of Rolling Hills, its elected and appointed officers, agents, and employees shall be named as additional insureds on policies referred to in subparagraphs A and B.

G. Primary Insurance. The insurance required in paragraphs A and B shall be primary and not excess coverage.

H. Evidence of Insurance. Consultant shall furnish City, prior to the execution of this Agreement satisfactory evidence of the insurance required issued by an insurer authorized to do business in California, and an endorsement to each such policy of insurance evidencing that each carrier is required to give City at least 30 days prior written notice of the cancellation of any policy during the effective period of the Agreement. All required insurance policies are subject to approval of the City Attorney. Failure on the part of Consultant to procure or maintain said insurance in full force and effect shall constitute a material breach of this Agreement or procure or renew such insurance, and pay any premiums therefore at Consultant's expense.

5. Indemnity. Consultant shall indemnify, defend with counsel approved by City, and hold harmless City, its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorney's fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with Consultant's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, regardless of City's passive negligence, but excepting such loss or damage which is caused by the sole active negligence or willful misconduct of the City. Should City in its sole discretion find Consultant's legal counsel unacceptable, then Consultant shall reimburse the City its costs of defense, including without limitation reasonable attorney's fees, expert fees and all other costs and fees of litigation. The Consultant shall promptly pay any final judgment rendered against the City (and its officers, officials, employees and volunteers) covered by this indemnity obligation. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

6. Quality of Work Performed. All work shall be performed to the highest professional standards.

7. Personnel. Consultant shall not subcontract the Services set forth in this Agreement, unless first obtaining written authorization from the City.

8. Compliance with All Laws. Consultant shall comply with all City, State, and Federal laws in the performance of its Services.

9. Assignment. This Agreement is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights or obligations of either party without the prior written consent of the other shall be void and of no force and effect.

10. Attorney's Fees. In any action brought to declare the rights granted herein or to enforce any of the terms of this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

11. Non-discrimination. Consultant shall not discriminate in the hiring of employees or subconsultants on any basis prohibited by law.

12. Independent Contractor. Consultant is and shall at all times remain as to City, a wholly independent contractor. Neither City nor any of its agents shall have control of the conduct of Consultant or any of the Consultant's employees, except as herein set

forth. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of the City. Consultant shall be solely responsible for all contributions, payments, or withholdings normally made on behalf of an employee including but not limited to, state and federal income taxes, federal social security contributions, California State disability insurance taxes, and unemployment insurance contributions. City shall issue Consultant a Form 1099 in connection with the compensation paid hereunder, and Consultant shall pay all required taxes on amounts paid hereunder.

13. Notices. All notices and communications shall be sent to the parties at the following addresses:

CITY: City Manager
City of Rolling Hills
2 Portuguese Bend Road
Rolling Hills, California 90274

CONSULTANT: JTL Consultants, LLC
952 Buena Vista Street
Duarte, CA 91010.

14. Conflict of Interest. Consultant affirms and warrants that Consultant has no financial, contractual, or other interest or obligation that conflicts with or is harmful to the performance of Consultant's obligations under this Agreement. Consultant shall not during the term of this Agreement knowingly obtain such an interest or incur such an obligation.

15. Authorized Signature. Consultant affirms that the signatures, titles, and seals set forth hereinafter in execution of this Agreement represents all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein.

16. Entire Agreement; Modification. This Agreement supersedes any and all other agreements, either oral or written, between the parties and contains all of the covenants and agreements between the parties. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements, or promise not contained in this Agreement shall not be valid or binding. Any modification of this Agreement will be effective only if made in advance, in writing, and signed by both parties. The parties acknowledge and agree that their respective obligations under the Agreement have been fully discharged.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on the date and year first above written.

CITY OF ROLLING HILLS

CITY MANAGER

_____

DATE:_____

CONSULTANT

_____

DATE:_____

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
NICOLAS PAPAJOHN, CITY ATTORNEY

EXHIBIT A

SCOPE OF WORK

EXHIBIT A

SCOPE OF WORK

The majority of the City of Rolling Hills is located in a Very High Fire Hazard Severity Zone, as re-designated by Cal Fire in 2025. In order to minimize wildfires in the City, the City Council adopted a Fire Fuel Abatement Ordinance (Municipal Code Chapter 8.30), requiring that "every person who owns or is in possession of any property, place, or area within the boundaries of the City shall, at his or her own expense, maintain the property, place or area free from any dead or alive tumbleweed or dead tree, shrub, palm frond or other plant." At this time, this ordinance is not applicable to slopes greater than 2:1 in gradient. The City's ordinance requires that the trees, shrubs, palm fronds, or other plants ("vegetation") must be entirely dead and not in a condition of dying in order to make the determination.

Consultant shall be available to City staff, on an on-call, as needed basis, to assist City staff in identifying if vegetation observed in the field during routine inspections is dead, regardless of the season. Consultant shall evaluate the vegetation and, if dead, recommend how to most effectively remove the vegetation, without causing an environmental risk (including but not limited to erosion) and appropriate replacement vegetation, and prepare a report to the City with Consultant's determination and recommendation. Consultant shall also attend City Council meetings on an as-needed basis as an expert resource upon two weeks' notice of the City Council meeting.

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 8.G
Mtg. Date: 06/09/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **ROBERT SAMARIO, FINANCE DIRECTOR**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **APPROVE A FIFTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH LSL, LLC TO PROVIDE FINANCIAL AUDIT SERVICES FOR THE THREE FISCAL YEARS STARTING WITH FISCAL YEAR 2024-25 THROUGH FISCAL YEAR 2026-27 FOR AN AMOUNT NOT-TO-EXCEED $114,900.**

DATE: **June 09, 2025**

BACKGROUND:
The City recently issued a Request for Proposals (RFP) for audit services, given that the City has had the same audit firm, LSL CPAs, for nine years. As a result of the RFP process, the City received two proposals from qualified firms. However, the proposed fees were markedly higher than what the City has been paying.

Consequently, the City reached out to LSL CPAs to solicit a proposal for an additional three years. Their proposed fees were essentially the same as in previous years and well below the fees proposed by the two other firms. Based on the fact that the City's finances are tight, the Council directed staff to extend the contract with LSL for an additional three years.

DISCUSSION:
The proposed fees by LSL CPAs for the three fiscal years ending June 30, 2027 total $114,900. However, this includes $5,750 per year for a "Single Audit" in any year the City receives more than $750,000 in federal funds. Although this is highly unlikely, the contract includes it just in case. Excluding the fees for the Single Audit, the fees for the three years total $97,650.

FISCAL IMPACT:
The proposed fiscal year 2025-26 budget has sufficient funds to cover the cost of the audit.

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:

CA_AGR_250609_LSL_Amendment_05_F.pdf
CA_AGR_160627_LSL_2016-19_E.pdf
CA_AGR_211130_LSL_Amendment_01_PE.pdf
CA_AGR_220912_LSL_ Amendment_02_E.pdf
CA_AGR_230612_LSL_Amendment_03_E.pdf
CA_AGR_240722_LSL_Amendment_04_E.pdf

FIFTH AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT

THIS FIFTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT ("Fifth Amendment") is made and entered into this 9th day of June, 2025, by and between the CITY OF ROLLING HILLS, a California municipal corporation (hereinafter the "CITY"), and LANCE, SOLL & LUNGHARD, LLP CERTIFIED PUBLIC ACCOUNTANTS (hereinafter the "CONTRACTOR"). CITY and CONTRACTOR are sometimes referred to in this Fifth Amendment individually as a "Party" and collectively as the "Parties."

RECITALS

A. CITY and CONTRACTOR have entered into that certain Professional Services Agreement for Professional Independent Audit services dated on June 27, 2016 (the "Agreement").

B. The Parties first amended the Agreement for CONTRACTOR to provide Professional Independent Audit services for an additional year to cover the 2021 fiscal year ("First Amendment").

C. The Parties executed a second amendment to the Agreement for Contractor to provide Professional Independent Audit services for an additional year to cover the 2022 fiscal year ("Second Amendment").

D. The Parties executed a third amendment to the Agreement for Contractor to provide Professional Independent Audit services for an additional year to cover the 2023 fiscal year ("Third Amendment").

E. The Parties executed a fourth amendment to the Agreement for Contractor to provide Professional Independent Audit services for an additional year to cover the 2024 fiscal year ("Fourth Amendment").

F. The Parties now desire to amend the Agreement again in order to extend the term so that CONTRACTOR can provide Professional Independent Audit services to the City to cover the fiscal years 2024-25 through 2026-27 ("Fifth Amendment").

Now, therefore, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONTRACTOR agree the following terms, as set forth in this Fourth Amendment.

1. CONTRACTOR shall provide the Professional Independent Audit services for fiscal years 2024-25-through 2026-27 as outlined and for the price stated in Exhibit A to this Fifth Amendment.

2. Except as amended by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment or this Fifth Amendment, all provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the date and year first written above.

CITY OF ROLLING HILLS

_____
Karina Banales, City Manager

LANCE, SOLL & LUNGHARD, LLP.

_____
Brandon Young CPA, Partner

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
Nicolas Papajohn
CITY ATTORNEY

Exhibit A

All-Inclusive Maximum Price by Report			
Report	**2024-25**	**2025-26**	**2026-27**
City's Financial Audit	$30,000	$30,000	$30,000
GANN Limit AUP	$700	$700	$700
State Controller's Report	$1,850	$1,850	$1,850
Single Audit (If Needed)**	$5,750	$5,750	$5,750
Total for Fiscal Year (Not-to-Exceed)	**$38,300**	**$38,300**	**$38,300**

**Price includes 1 major program. Each additional program is $4,500.*

Auditor's Standard Billing Rates

Auditor's Standard Billing Rates	2024-25	2025-26	2026-27
Partner	$390	$390	$390
Director	$320	$330	$330
Senior Manager	$290	$290	$290
Manager	$250	$250	$250
Supervisor	$210	$210	$210
Senior Accountant	$190	$190	$190
Experienced Staff	$160	$160	$160
Staff Accountant	$140	$140	$140
Clerical	$120	$120	$120

MANNER OF PAYMENT

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's proposal. Interim billings shall cover a period of not less than a calendar month. The final ten percent (10%) of the total all-inclusive maximum price will be paid upon delivery of the firm's final reports.

City of Rolling Hills INCORPORATED JANUARY 24, 1957

NO. 2 PORTUGUESE BEND ROAD
ROLLING HILLS, CALIF. 90274
(310) 377-1521
FAX: (310) 377-7288

June 28, 2016

Mr. Bryan Gruber
Lance, Soll & Lunghard, LLP
Certified Public Accountants
203 N. Brea Blvd., Suite 203
Brea, CA 92821

Dear Mr. Gruber,

At its meeting of June 27, 2016, the Rolling Hills City Council approved a three year agreement between the City and LSL for professional independent audit services beginning with the FY 2015-16 audit.

Enclosed please find a fully executed copy of the agreement for your records.

Please give us a call if you have any questions or if you need any additional information.

Sincerely,

Heidi Luce

Heidi Luce
City Clerk

HL
06-28-16LSL_Agreement-ltr.docx

Enclosure

CITY OF ROLLING HILLS

AGREEMENT FOR SERVICES

This Agreement is made on this 27th day of June 2016, at Rolling Hills, California, by and between the City of Rolling Hills, a municipal corporation, 2 Portuguese Bend Road, Rolling Hills, California 90274 (hereinafter referred to as the "CITY") and Lance, Soll & Lunghard, LLP Certified Public Accountants, 203 North Brea Blvd., Suite 203, Brea, CA 92821 (hereinafter referred to as the "CONTRACTOR").

RECITALS

A. The CITY proposes to contract for professional services as outlined below;

B. The CONTRACTOR is willing to perform such services and has the necessary qualifications by reason of experience, preparation, and organization to provide such services;

C. NOW, THEREFORE, the CITY and the CONTRACTOR, mutually agree as follows:

1. **SERVICES.** The CONTRACTOR shall perform those services set forth in "Exhibit A," which is attached hereto and incorporated herein by reference.

2. **TERM OF AGREEMENT.** The term of this contract shall commence upon execution by both parties and shall expire in 2019 upon completion of the 2017/18 annual audit unless extended in writing in advance by both parties. The CITY reserves the right to extend the term of this contract for two (2) additional one-year terms subject to the satisfactory negotiation of terms, including a price acceptable to both the CITY and the CONTRACTOR.

3. **TIME OF PERFORMANCE.** The services of the CONTRACTOR are to commence upon receipt of a notice to proceed from the CITY and shall continue until all authorized work is completed to the CITY's satisfaction, in accordance with the schedule incorporated in "Exhibit A," unless extended in writing by the CITY.

4. **PAYMENT FOR SERVICES.** The CONTRACTOR shall be compensated in an amount as described in "Exhibit B" pursuant to this Agreement as described in "Exhibit A." Compensation shall under no circumstances be increased except by written amendment of this Agreement. The CONTRACTOR shall be paid within thirty (30) days of presentation of an invoice to the CITY for services performed to the CITY's satisfaction. The CONTRACTOR shall submit invoices monthly describing the services performed, the date services were performed, a description of reimbursable costs, and any other information requested by the CITY.

5. **CONTRACT ADMINISTRATION.**

   5.1. **The CITY's Representative.** Unless otherwise designated in writing, Bryan Gruber shall serve as the CITY's representative for the

administration of the project. All activities performed by the CONTRACTOR shall be coordinated with this person.

5.2. **Manager-in-Charge.** For the CONTRACTOR, Bryan Gruber shall be in charge of the project on all matters relating to this Agreement and any agreement or approval made by her/him shall be binding on the CONTRACTOR. The Manager-in-Charge shall not be replaced without the written consent of the CITY.

5.3. **Responsibilities of the CITY.** The CITY shall provide all relevant documentation in its possession to the CONTRACTOR upon request in order to minimize duplication of efforts. The CITY's staff shall work with the CONTRACTOR as necessary to facilitate performance of the services.

5.4. **Personnel.** The CONTRACTOR represents that it has or will secure at its own expense all personnel required to perform the services under this Agreement. All of the services required under this Agreement will be performed by the CONTRACTOR or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. The CONTRACTOR reserves the right to determine the assignment of its own employees to the performance of the CONTRACTOR's services under this Agreement, but the CITY reserves the right, for good cause, to require the CONTRACTOR to exclude any employee from performing services on the CITY's premises.

6. TERMINATION.

6.1. **Termination for Convenience.** Either party may terminate this Agreement without cause and in its sole discretion at any time by giving the other party thirty (30) days' written notice of such termination. In the event of such termination, the CONTRACTOR shall cease services as of the date of termination and shall be compensated for services performed to the CITY's satisfaction up to the date of termination.

6.2. **Termination for Cause.** All terms, provisions, and specifications of this Agreement are material and binding, and failure to perform any material portion of the work described herein shall be considered a breach of this Agreement. Should the Agreement be breached in any manner, the CITY may, at its option, terminate the Agreement not less than five (5) days after written notification is received by the CONTRACTOR to remedy the violation within the stated time or within any other time period agreed to by the parties. In the event of such termination, the CONTRACTOR shall be responsible for any additional costs incurred by the CITY in securing the services from another contractor.

7. **INDEMNIFICATION.** The CONTRACTOR shall indemnify, defend, and hold harmless the CITY, and its officers, employees, and agents ("CITY indemnitees"), from and against any and all causes of action, claims, liabilities, obligations, judgments, or damages, including reasonable attorneys' fees and costs of litigation ("claims"), arising from the CONTRACTOR's negligent or wrongful acts, errors, or omissions in the performance of the services under this Agreement. In the event the CITY indemnitees are made a party to any action, lawsuit, or other adversarial proceeding alleging negligent or wrongful conduct on the part of the CONTRACTOR:

7.1. The CONTRACTOR shall provide a defense to the CITY indemnitees or at the CITY's option reimburse the CITY indemnitees their costs of defense, including reasonable attorneys' fees, incurred in defense of such claims; and

7.2. The CONTRACTOR shall promptly pay any final judgment or portion thereof rendered against the CITY indemnitees with respect to claims determined by a trier of fact to have been the result of the CONTRACTOR's negligent or wrongful performance.

8. **INSURANCE REQUIREMENTS.**

8.1. The CONTRACTOR, at the CONTRACTOR's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies:

8.1.1. **Workers' Compensation Coverage**. The CONTRACTOR shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for its employees in accordance with the laws of the State of California in the amount of not less than one million dollars ($1,000,000). In addition, the CONTRACTOR shall require any and every subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the CITY at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against the CITY, its officers, agents, employees, and volunteers for losses arising from work performed by the CONTRACTOR for City.

This provision shall not apply if the CONTRACTOR has no employees performing work under this Agreement. If the CONTRACTOR has no employees for the purposes of this Agreement, the CONTRACTOR shall sign the "Certificate of Exemption from Workers' Compensation Insurance" which is

attached hereto and incorporated herein by reference as "Exhibit C."

8.1.2. **General Liability Coverage**. The CONTRACTOR shall maintain commercial general liability insurance in an amount of not less than two million dollars ($2,000,000) per occurrence for bodily injury, personal injury, and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

8.1.3. **Automobile Liability Coverage**. The CONTRACTOR shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the CONTRACTOR arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired, and non-owned vehicles, in an amount of not less than one million dollars ($1,000,000) combined single limit for each occurrence. If CONTRACTOR or CONTRACTOR's employees will use personal autos in any way on this project, CONTRACTOR shall obtain evidence of personal auto liability coverage for each such person.

8.1.4. **Professional Liability Coverage**. The CONTRACTOR shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors, or omissions which may arise from the CONTRACTOR's operations under this Agreement, whether such operations be by the CONTRACTOR or by its employees, subcontractors, or subconsultants. The amount of this insurance shall not be less than one million dollars ($1,000,000) on a claims-made annual aggregate basis, or a combined single-limit-per-occurrence basis.

8.1.5. **Self Insured Retention/Deductibles**. All policies required by this Agreement to name the CITY as additional insured shall allow CITY, to satisfy the self-insured retention ("SIR") and/or deductible of the policy in lieu of the CONTRACTOR (as the named insured) should CONTRACTOR fail to pay the SIR or deductible requirements. The amount of the SIR or deductible shall be subject to the approval of the City Attorney and the City Manager. CONTRACTOR understands and agrees that satisfaction of this requirement is an express condition precedent to the effectiveness of this Agreement. Failure by CONTRACTOR as primary insured to pay its SIR or deductible constitutes a material breach of this Agreement. Should CITY

pay the SIR or deductible on CONTRACTOR'S behalf upon the CONTRACTOR'S failure or refusal to do so in order to secure defense and indemnification as an additional insured under the policy, CITY may include such amounts as damages in any action against CONTRACTOR for breach of this Agreement in addition to any other damages incurred by CITY due to the breach.

8.2. **Endorsements**. Each general liability and automobile liability insurance policy shall be issued by insurers possessing a Best's rating of no less than A-:VII. Each general liability insurance policy shall be endorsed with the specific language of Section 8.2.1 below. CONTRACTOR also agrees to require all contractors, and subcontractors to do likewise.

8.2.1. "The CITY, its elected or appointed officers, officials, employees, agents, and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the CONTRACTOR, including materials, parts, or equipment furnished in connection with such work or operations."

8.2.2. This policy shall be considered primary insurance as respects the CITY, its elected or appointed officers, officials, employees, agents, and volunteers. Any insurance maintained by the CITY, including any self-insured retention the CITY may have, shall be considered excess insurance only and shall not contribute with this policy.

8.2.3. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

8.2.4. CONTRACTOR acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amounts of coverage required. Any insurance proceeds available to the CITY in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to the CITY.

8.2.5. The insurer waives all rights of subrogation against the CITY, its elected or appointed officers, officials, employees, or agents regardless of the applicability of any insurance proceeds, and agrees to require all subcontractors to do likewise.

8.2.6. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents, or volunteers.

8.2.7. The insurance provided by this policy shall not be suspended, voided or reduced in coverage or in limits except after thirty (30) days' written notice has been submitted to the CITY and approved of in writing, except in the case of cancellation, for which ten (10) days' written notice shall be provided.

8.2.8. Contractor agrees to provide immediate notice to City of any claim or loss against Contractor arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

8.3. **Deductibles and Self-Insured Retentions**. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the CITY's option, the CONTRACTOR shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

8.4. **Certificates of Insurance**. The CONTRACTOR shall provide certificates of insurance with original endorsements to the CITY as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the CITY on or before commencement of performance of this Agreement. Current certification of insurance shall be kept on file with the CITY at all times during the term of this Agreement. The CONTRACTOR shall provide written evidence of current automobile coverage to comply with the automobile insurance requirement.

8.5. **Failure to Procure Insurance**. Failure on the part of the CONTRACTOR to procure or maintain required insurance shall constitute a material breach of contract under which the CITY may terminate this Agreement pursuant to Section 6.2 above.

9. **ASSIGNMENT AND SUBCONTRACTING.** The parties recognize that a substantial inducement to the CITY for entering into this Agreement is the professional reputation, experience, and competence of the CONTRACTOR. Assignments of any or all rights, duties, or obligations of the CONTRACTOR under this Agreement will be permitted only with the express consent of the CITY. The CONTRACTOR shall not subcontract any portion of the work to be performed under this Agreement without the written authorization of the CITY. If the CITY consents to such subcontract, the CONTRACTOR shall be fully responsible to the CITY for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between the CITY

and subcontractor nor shall it create any obligation on the part of the CITY to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.

10. **COMPLIANCE WITH LAWS, CODES, ORDINANCES, AND REGULATIONS.** The CONTRACTOR shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances, and regulations.

10.1. **Taxes**. The CONTRACTOR agrees to pay all required taxes on amounts paid to the CONTRACTOR under this Agreement, and to indemnify and hold the CITY harmless from any and all taxes, assessments, penalties, and interest asserted against the CITY by reason of the independent contractor relationship created by this Agreement. In the event that the CITY is audited by any Federal or State agency regarding the independent contractor status of the CONTRACTOR and the audit in any way fails to sustain the validity of a wholly independent contractor relationship between the CITY and the CONTRACTOR, then the CONTRACTOR agrees to reimburse the CITY for all costs, including accounting and attorneys' fees, arising out of such audit and any appeals relating thereto.

10.2. **Workers' Compensation Law**. The CONTRACTOR shall fully comply with the workers' compensation law regarding the CONTRACTOR and the CONTRACTOR's employees. The CONTRACTOR further agrees to indemnify and hold the CITY harmless from any failure of the CONTRACTOR to comply with applicable workers' compensation laws. The CITY shall have the right to offset against the amount of any compensation due to the CONTRACTOR under this Agreement any amount due to the CITY from the CONTRACTOR as a result of the CONTRACTOR's failure to promptly pay to the CITY any reimbursement or indemnification arising under this Section.

10.3 **Licenses.** The CONTRACTOR represents and warrants to the CITY that it has all licenses, permits, qualifications, insurance, and approvals of whatsoever nature which are legally required of the CONTRACTOR to practice its profession. The CONTRACTOR represents and warrants to the CITY that the CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance, and approvals which are legally required of the CONTRACTOR to practice its profession. The CONTRACTOR shall maintain a City of West Hollywood business license, if required under CITY ordinance.

11. **CONFLICT OF INTEREST.** The CONTRACTOR confirms that it has no financial, contractual, or other interest or obligation that conflicts with or is harmful to performance of its obligations under this Agreement. The

CONTRACTOR shall not during the term of this Agreement knowingly obtain such an interest or incur such an obligation, nor shall it employ or subcontract with any person for performance of this Agreement who has such incompatible interest or obligation.

12. **NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY.** The CONTRACTOR represents and agrees that it does not and will not discriminate against any employee or applicant for employment because of race, religion, color, medical condition, sex, sexual orientation and/or gender identity, national origin, political affiliation or opinion, or pregnancy or pregnancy-related condition.

13. **RECORDS AND AUDITS.** The CONTRACTOR shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to this Agreement and such other records as may be deemed necessary by the CITY or any authorized representative as described in "Exhibit A." All records shall be made available at the request of the CITY, with reasonable notice, during regular business hours.

14. **OWNERSHIP OF DOCUMENTS.** It is understood and agreed that the CITY shall own all documents and other work product of the CONTRACTOR, except the CONTRACTOR's notes and work papers, which pertain to the work performed under this Agreement. The CITY shall have the sole right to use such materials in its discretion and without further compensation to the CONTRACTOR, but any re-use of such documents by the CITY on any other project without prior written consent of the CONTRACTOR shall be at the sole risk of the CITY. The CONTRACTOR shall at its sole expense provide all such documents to the CITY upon request.

15. **INDEPENDENT CONTRACTOR.** The CONTRACTOR is and shall at all times remain as to the CITY a wholly independent CONTRACTOR. Neither the CITY nor any of its agents shall have control over the conduct of the CONTRACTOR or any of the CONTRACTOR's employees or agents, except as herein set forth. The CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of the CITY. The CONTRACTOR shall have no power to incur any debt, obligation, or liability on behalf of the CITY or otherwise act on behalf of the CITY as an agent.

16. **NOTICE.** All Notices permitted or required under this Agreement shall be in writing, and shall be deemed made when delivered to the applicable party's representative as provided in this Agreement. Additionally, such notices may be given to the respective parties at the following addresses, or at such other addresses as the parties may provide in writing for this purpose.

    Such notices shall be deemed made when personally delivered or when

mailed forty-eight (48) hours after deposit in the U.S. mail, first-class postage prepaid, and addressed to the party at its applicable address.

CITY OF ROLLING HILLS
2 Portuguese Bend Road
Rolling Hills, CA 90274

Attention: Finance Director

CONTRACTOR: Lance, Soll & Lunghard, LLP
Certified Public Accountants,
203 N. Brea Blvd., Suite 203
Brea, CA 92821

Attention: Bryan Gruber

17. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of California.

18. **ENTIRE AGREEMENT; MODIFICATION.** This Agreement supersedes any and all other agreements, either oral or written, between the parties, and contains all of the covenants and agreements between the parties. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein. Any agreement, statement, or promise not contained in the Agreement, and any modification to the Agreement, will be effective only if signed by both parties.

19. **WAIVER.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this agreement. Payment of any invoice by the CITY shall not constitute a waiver of the CITY's right to obtain correction or replacement of any defective or noncompliant work product.

20. **EXECUTION.** This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

21. **AUTHORITY TO ENTER AGREEMENT.** The CONTRACTOR has all requisite power and authority to conduct its business and to execute, deliver, and perform this Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

IN WITNESS WHEREOF, the parties have executed this Agreement the 27th day of June, 2016.

CONTRACTOR: Lance, Soll & Lunghard, LLP

Bryan Gruber, CPA, Partner

CITY OF ROLLING HILLS:

Terry Shea, Finance Director

Raymond R. Cruz, City Manager

ATTEST:

Heidi Luce, City Clerk

Exhibit A

REQUEST FOR PROPOSAL & TECHNICAL PROPOSAL

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CITY OF ROLLING HILLS, CA

REQUEST FOR PROPOSAL FOR PROFESSIONAL INDEPENDENT AUDIT SERVICES

Fiscal Years 2015-16 through 2017-18
(With the option for each of the two subsequent fiscal years)

MAY 5, 2016

Please Submit Proposals to

Terry Shea
Director of Finance
City of Rolling Hills
finance@cityofrh.net

Deadline for Submittal of Proposals:

BEFORE
5 p.m. Tuesday, May 31, 2016

CITY OF ROLLING HILLS
REQUEST FOR PROPOSAL

1. INTRODUCTION

A. General Information

The City of Rolling Hills is requesting proposals from qualified certified public accountant firms to audit its financial statements for the three fiscal years beginning with the fiscal year ending June 30, 2016, with the option of auditing its financial statements for each of the two (2) subsequent fiscal years. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in *Government Auditing Standards* (1994) issued by the Comptroller General of the United States, and the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments, and Non-Profit Organizations.*

There is no expressed or implied obligation for the City of Rolling Hills to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Sec. 6250 et seq.), unless exempt.

To be considered, one (1) electronic copy (PDF) of a proposal must be received by Terry Shea, Director of Finance, City of Rolling Hills, finance@cityofrh.net by 5:00PM Tuesday May 31, 2016. The City of Rolling Hills reserves the right to reject any or all proposals submitted.

During the evaluation process, the City of Rolling Hills reserves the right, where it may serve the City of Rolling Hills's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the City of Rolling Hills, firms submitting proposals will be requested to make oral presentations as part of the evaluation process.

The City of Rolling Hills reserves the right to retain all proposals submitted and to use any idea(s) in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Rolling Hills and the firm selected.

It is anticipated the selection of a firm will be completed by June 14, 2016. Following notification of the selected firm, a recommendation and proposed contract will be prepared for review and approval by the City Council at its **June 20, 2016** meeting. The City reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items.

B. Term of Engagement

It is the intent of the City to contract for the services presented herein for a term of three (3) years. The City of Rolling Hills reserves the right to extend the term of this contract for two (2) additional one-year terms subject to the satisfactory negotiation of terms, including a price acceptable to both the City and the selected firm.

The proposal package shall present all-inclusive audit fees for each year of the contract term.

2. NATURE OF SERVICES REQUIRED

A. Scope of Work to be Performed

The City of Rolling Hills desires the Annual Financial Report for the City of Rolling Hills to be prepared by the independent auditor and be fully compliant for GASB 34 for the fiscal year ended June 30, 2016 and each of the subsequent years, June 30, 2017 and 2018 of the audit firm's contract with the City. In prior years the City submitted its CAFR to the Government Finance Officers Association (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting program, but will no longer be preparing a CAFR for submission.

The selected independent auditor will be required to perform the following tasks.

1. The audit firm will perform an audit of all funds of the City of Rolling Hills. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States. **The City's Annual Financial Report will be prepared and processed by the audit firm.** The Annual Financial Report will be in full compliance with GASB 34 and 45. The audit firm will render their auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the City.

2. The audit firm will prepare the Annual State Controller's Report.

3. The audit firm shall perform agreed-upon auditing procedures pertaining to the City's GANN Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.

4. The audit firm shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letters shall be addressed to the City Manager.

B. Auditing Standards to be Followed

To meet the requirements of this Request for Proposal, the audit shall be performed in accordance with:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accounts;

2. The standards applicable to financial audits contained in Government Auditing Standards (2011 Revision), issued by the Comptroller General of the United States;

2. NATURE OF SERVICES REQUIRED (continued)

C. Working Paper Retention

All working papers and reports must be retained at the auditor's expense for a minimum of seven (7) years, unless the firm is notified in writing by the City of Rolling Hills of the need to extend the retention period. The auditor will be required to make working papers available to the City of Rolling Hills or any government agencies included in the audit of federal grants. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

D. Irregularities and Illegal Acts

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties: City Manager; City Attorney; and the Director of Finance.

3. DESCRIPTION OF THE GOVERNMENT

A. Background Information

The City of Rolling Hills is located within the Palos Verdes Peninsula portion of Los Angeles County, and services an area of 3 square miles with a population of 1,860. The City's fiscal year begins on July 1 and ends on June 30.

The City of Rolling Hills was incorporated in 1957 as a general law city which operates under a council/manager form of government. The city government provides a full range of municipal services either directly or through contracts. These include sheriff and animal control (which are contracted for with Los Angeles County), planning, building, solid waste, general administrative services. The City is a private gated community with no public roads and property in the City for recreational use is under an exclusive lease to the Rolling Hills Community Association.

The City of Rolling Hills's operating budget for FY 2015-16 is approximately $2.7 million for all funds combined.

B. Fund Structure

The City of Rolling Hills uses the following fund types and account groups in its financial reporting:

Fund Type/Account Group	*Number of Individual City Funds*
General Fund	1
Special Revenue Funds	6
Capital Projects Funds	2
Enterprise Funds	1
Internal Service Funds	1
Agency Funds	1

3. DESCRIPTION OF THE GOVERNMENT (continued)

C. Component Units

The City is defined, for financial reporting purposes, in conformity with the Governmental Accepting Standards Board's *Codification Governmental Accounting and Financial Reporting Standards,* Section 2100. Using these criteria, component units are included in the City's financial statements.

There are no Component Units.

D. Finance Operations

The Finance Department is headed by the Director of Finance and is contracted out to Rogers, Anderson, Malody & Scott, LLP a CPA firm. The department is responsible for budgeting, financial reporting, financial audits, payroll, accounts payable, accounts receivable, and treasury functions. The department is also responsible for purchasing, and the data processing functions.

E. Computer Systems

The City of Rolling Hills contracts out their Information Technology Department. The Finance System is Fund Balance software and the City uses an outside provider for payroll. Microsoft Office Professional 2010 is the standard office suite. Outlook 2010 is the standard e-mail and calendar program. Windows10 is used for the finance staff's computers.

F. Availability of Prior Year Reports and Work Papers

Lance, Soll & Lunghard, LLP conducted the City's most recent audit. The work papers of the previous audits are the property of the previous auditor and can be reviewed by the successful Proposer. The following financial statements were prepared and audited by Lance, Soll & Lunghard, LLP.

1. City of Rolling Hills Comprehensive Annual Financial Report;

In addition, interested proposers who wish to review prior year audit reports can go to the City of Rolling Hills website at www.rolling-hills.org. The City of Rolling Hills will use its best efforts to make prior audit reports available to proposers to aid their response to this request for proposal.

4. TIME REQUIREMENTS

A. Proposal Calendar

Request for Proposal Issued	May 5, 2016
Due Date for Proposals (due by 5:00 p.m.)	May 31, 2016
Oral Interviews	June 8, 2016 at 5:00PM
Contract Awarded by City Council	June 20, 2016

B. Date Audit May Commence

The City of Rolling Hills will have all records ready for audit and all management personnel available to meet with the firm's audit personnel the first week of October of each year of the audit. In prior years the audit firm performed the audit during November and December and did interim and yearend at the same dates.

5. ASSISTANCE TO BE PROVIDED TO THE AUDITORS AND REPORT PREPARATION

A. Finance Department and Clerical Assistance

The Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. Terry Shea, Director of Finance and Michelle Gomez, accountant, will be responsible for acting as liaisons between the audit firm and the accounting personnel.

B. Work Area, Telephones, and Office Equipment

The City will provide the auditor with reasonable work space, desk and chairs. The auditor will also be provided with access to a telephone line, photocopying facilities and a FAX machine.

6. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries concerning the Request for Proposal and the subject of the Request for Proposal must be made to:

   Terry Shea
   Director of Finance
   2 Portuguese Bend Road
   Rolling Hills, CA 90274
   (310) 377-1521
   finance@cityofrh.net

CONTACT WITH PERSONNEL OF THE CITY OTHER THAN THE ABOVE REGARDING THIS REQUEST FOR PROPOSAL MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.

2. Submission of Proposal: One (1) electronic copy (PDF) of the proposal shall be received in the office of the Finance Department of the City of Rolling Hills **by 5:00 p.m. on May 31, 2016** for a proposal to be considered. The Proposal should address the items listed in sections C and D below.

   The Proposal should be addressed as follows:

   City of Rolling Hills
   Terry Shea
   Director of Finance
   2 Portuguese Bend Road
   Rolling Hills, CA 90274

B. Format for Technical Proposal

1. Title Page showing the request for proposal's subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.

2. Table of Contents identifying the materials submitted by section and page number.

6. PROPOSAL REQUIREMENTS (continued)

3. Signed Transmittal Letter briefly stating the Proposer's understanding of the work to be done, the commitment to perform the work within the time period, and the name(s) of the person(s) authorized to represent the Proposer, title, address, and telephone number.

C. Contents of Technical Proposal

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the City in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than the form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to the engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The Technical Proposal should address all the points outlined in the request for proposal (excluding any cost information which should only be included in the Sealed Dollar Cost Bid). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects must be included. They represent the criteria against which the proposal will be evaluated.

1. License to Practice in California

An affirmative statement should be included verifying the firm and all assigned key professional staff are properly licensed to practice in California.

2. Independence

The firm should provide an affirmative statement that it is independent of the City of Rolling Hills as defined by auditing standards generally accepted in the United States of America and the General Accounting Office's *Governmental Auditing Standards*.

3. Firm's Qualifications and Experience

To qualify, the firm must have extensive experience in audits of local governments as well as experience with preparation of Comprehensive Annual Financial Statements in GASB 34 format. The Proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis. Staff consistency is an important consideration.

The Proposer should provide the range of activities performed by the local office (e.g., audit, accounting, tax service and/or management consulting services).

The Proposer should provide a list of all current municipal clients.

The Proposer is also required to submit a copy of a report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements (required by Government Audit Standards (2011).

6. PROPOSAL REQUIREMENTS (continued)

The Proposer shall also provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with State regulatory bodies or professional organizations.

4. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Include resumes, indicating whether each such person is registered or licensed to practice as a certified public accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff assigned to the engagement. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City. However, in either case, the City retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the Proposer provided that replacements have substantially the same or better qualifications or experience.

5. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum – 5) performed in the last three (3) years that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

6. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposals. In developing the work plan, reference should be made to such sources of information as the City of Rolling Hills's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

6. PROPOSAL REQUIREMENTS (continued)

Proposers will be required to provide the following information on their audit approach:

a. Proposed segmentation of the engagement;

b. Level of staff and number of hours to be assigned to each proposed segment of the engagement;

c. Sample size and the extent to which statistical sampling is to be used in the engagement;

d. Extent of use of EDP software in the engagement;

e. Type and extent of analytical procedures to be used in the engagement;

f. Approach to be taken to gain and document an understanding of the City's internal controls structure;

g. Approach to be taken in determining laws and regulations that will be subject to audit test work; and

h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

7. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City.

NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL

D. Contents of Cost Proposal

1. Total All-inclusive Maximum Price

The cost proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The City will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

The cost proposal should be submitted in the format provided in Attachment A, "AUDIT WORK COST PROPOSAL FORM" and Attachment B, "ESTIMATE OF COST."

2. Manner of Payment

Progress payment will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's proposal. Interim billings shall cover a period of not less than a calendar month.

7. EVALUATION PROCEDURES

A. *Review of Proposals*

City staff, consisting at a minimum, of the following, will evaluate submitted proposals:

Terry Shea, Director of Finance
Ray Cruz, City Manager
Michelle Gomez, Accountant

Evaluation Criteria

Proposals will be evaluated using three (3) sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. Although price is a very important consideration for the City, the City will consider all criteria during the evaluation process and may or may not select the lowest priced proposal. The following represent the principal selection criteria, which will be considered during the evaluation process.

1. Mandatory Elements

a. The audit firm is independent and licensed to practice in California.

b. The firm has no conflict of interest with regard to any other work performed by the firm for the City.

c. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.

d. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.

e. The firm's past experience and performance on comparable government engagements.

f. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.

g. Adequacy of proposed staffing plan for various segments of the engagement.

h. Thoroughness of approach to conducting the audit of the City and demonstration of understanding of the objectives and scope of the audit.

i. Commitment to timeliness in the conduct of the audit.

j. Maximum fees to conduct the audit.

ATTACHMENT A
AUDIT WORK COST PROPOSAL FORM

Service	2015-16	2016-17	2017-18	2018-19	2019-20
City Audit and Related Reports					
GANN Limit Review Report					
State Controller's Report preparation					
Total (not to exceed)					

APPENDIX B
ESTIMATE OF COST

Name of Firm: _____

Address: _____

_____

_____

Contact Name: _____

Contact Phone #: _____ Fax#: _____

Contact Email: _____

1. **Auditor's Standard Billing Rates**

POSITION	2015/16	2016/17	2017/18
Partner			
Manager			
Senior Accountant			
Staff Accountant			
Clerical			

CITY OF ROLLING HILLS

PROPOSAL TO PROVIDE
PROFESSIONAL INDEPENDENT AUDITING SERVICES

Focused
on YOU

PROPOSAL FOR
PROFESSIONAL INDEPENDENT AUDITING SERVICES

Prepared by:
Lance, Soll & Lunghard, LLP
Certified Public Accountants
203 North Brea Blvd, Suite 203
Brea, CA 92821
(714) 672-0022

Contact Person:

Bryan S. Gruber, CPA, Partner
Bryan.gruber@lslcpas.com

May 31, 2016

CITY OF ROLLING HILLS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

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CITY OF ROLLING HILLS

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

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May 31, 2016

Mr. Terry Shea
Director of Finance
City of Rolling Hills
2 Portuguese Bend Road
Rolling Hills, CA 90274

Lance, Soll & Lunghard, LLP (LSL) is pleased to respond to your Request for Proposals for Professional Auditing Services. As a leader in the field of governmental accounting and auditing, we appreciate this opportunity given to us to present our professional qualifications. Because of our extensive public sector experience, our dedication to excellence and determination to retain the brightest and most talented professionals, we are certain that **LSL** is the most qualified accounting firm to provide professional auditing services to the City of Rolling Hills.

The annual services that will be provided to the City of Rolling Hills, for the fiscal years ending June 30, 2016 through June 30, 2018 would be as follows:

1. Perform an audit of the City of Rolling Hills. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. We will prepare the City's Financial Statements. The financial statements will be in full compliance with GASB 34 and will include both Government-Wide Financial Statements and Fund Financial Statements. We will apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the City.

2. Prepare the City's annual state controller's report.

3. Perform agreed-upon auditing procedures pertaining to the City's GANN Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.

4. Issue the Communication with Those Charged with Governance letter in accordance with SAS 114.

5. Provide a management recommendation letter addressed to the City Council of the City of Rolling Hills to communicate any material weaknesses or "reportable" conditions, if any such conditions are found. If no material weaknesses or reportable conditions are found, we agree to issue any communications related to other matters directly to the City Manager. Upon identification or indication of irregularities or illegal acts, we will make an immediate written report to the City Manager and the City Council.

Mr. Terry Shea
Director of Finance
City of Rolling Hills

6. LSL will be available for consultation throughout the year as a financial resource for the City of Rolling Hills. We will provide assistance including all applicable schedules in the implementation of any new applicable GASB pronouncements.

The sections that follow describe the benefits your organization would receive from Lance, Soll & Lunghard, LLP. **We are committed to provide the services discussed above in accordance with the timetable specified in your request for proposal.** This proposal is a firm and irrevocable offer for the fiscal years ending June 30, 2016 through June 30, 2018 for one hundred twenty (120) days. For purposes of this proposal, Bryan S. Gruber, Partner is authorized to make representations for our firm. I can be reached at the address above or by phone at (714) 672-0022, by Fax at (714) 672-0331 or through email at bryan.gruber@lslcpas.com .

Very truly yours,

Bryan S. Gruber, Partner
LANCE, SOLL & LUNGHARD, LLP

Lance, Soll & Lunghard, LLP (LSL) is a regional public accounting firm that has met the auditing needs of governmental entities throughout California for 87 years. This experience has led to the development of efficient procedures that provide numerous client benefits. Our clients have grown to understand that an audit from Lance, Soll & Lunghard, LLP provides them with a wealth of knowledge, confidence and value added services. For this and many other reasons, Lance, Soll & Lunghard, LLP has consistently been named one of the "Top Accounting Firms" in Orange County by the Orange County Business Journal.

We adhere to *Governmental Auditing Standards* issued by the United States Governmental Accountability Office of the Comptroller General of the United States, also known as the "yellow book" 2011 Revision. These standards, known as the generally accepted government auditing standards (GAGAS), provide a framework for conducting high quality audits with competence, integrity, objectivity, and independence. In addition, guidance from the AICPA on financial and compliance reporting, Statement of Auditing Standards 122-125 ("clarifying standards") implemented in 2012, provide and support our approach and methodology of risk-based auditing.

LICENSE TO PRACTICE IN CALIFORNIA

Lance, Soll & Lunghard, LLP is a public accounting firm licensed by the State of California, Department of Consumer Affairs, as a Public Accounting Partnership. All of our partners and managers are Certified Public Accountants licensed by the State of California. As a firm, we are members of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants. All key staff to be assigned to this engagement is or will be licensed by the State of California to practice as Certified Public Accountants.

INDEPENDENCE

We meet the independence requirements as defined by Auditing Standards Generally Accepted in the United States of America and the U.S. General Accounting Office's *Government Auditing Standards* (December 2011 revision). We are a partnership consisting of ten partners who do not own any other business organization that has in the past, or will in the future, be providing services, supplies, materials or equipment to the City of Rolling Hills. During the past five years, we have had no professional relationships with the City of Rolling Hills.

Lance, Soll & Lunghard, LLP will provide written notice of any professional relationship entered into during the period of the proposed agreement.

FIRM QUALIFICATIONS AND EXPERIENCE

As discussed earlier, Lance, Soll & Lunghard, LLP is a public accounting firm that has met the auditing needs of governmental entities throughout California for 87 years. This experience has led to the development of efficient procedures that provide numerous client benefits. Our clients have grown to understand that an audit from Lance, Soll & Lunghard, LLP provides them with a wealth of knowledge, confidence and value added services.

SIZE OF THE FIRM AND SIZE OF THE FIRM GOVERNMENTAL AUDIT STAFF

Our firm has approximately 65 employees including ten partners and professional staff of approximately fifty. Governmental staff consists of four partners, one senior manager, three managers, three supervisors, five seniors and fourteen staff auditors. The personnel assigned to this engagement will be as follows:

Bryan S. Gruber, CPA	Engagement Partner (field partner)
Deborah A. Harper, CPA	Concurring Partner (quality control)
Maria-Luisa Valdez, CPA	Audit Manager (field manager)
Joselyn Esparza	Audit Senior

1 to 2 additional staff

All personnel assigned to the City of Rolling Hills will work on a full-time basis.

LOCATIONS OF OFFICES

We have three offices in California which provide services to the western region of the United States. Our headquarters are located in Orange County in the City of Brea, California. We also have two other offices in Temecula Valley and Silicon Valley. The audit for the City of Rolling Hills will be staffed from our Orange County office.

FIRM QUALIFICATION AND EXPERIENCE (Continued)

NUMBER AND NATURE OF THE PROFESSIONAL STAFF

The professional staff employed on this engagement will include a partner, a concurring partner, an audit manager, an audit senior, and one staff auditors. The audit senior will be supervising the audit and will be present at all times during the audit fieldwork. Our focused effort is to obtain and retain quality staff in order to maintain staff consistency and provide quality audit services with minimal disruption to our audit client.

COMPLETE LISTING OF CURRENT GOVERNMENTAL AUDIT CLIENTS

A complete listing of current governmental audit clients, along with phone numbers of contact personnel and references as to services provided, is contained in **Appendix A** to this proposal. We welcome you contacting any or all of these to get their opinion on the services we provide.

EXTERNAL QUALITY CONTROL REVIEW

AICPA Governmental Audit Quality Center Member

We are members of the American Institute of Certified Public Accountant's Private Companies Practice Section, which has the requirement for peer review along with Generally Accepted Government Auditing Standards. We have participated in the peer review program since its inception and have undergone several peer reviews. The first review was conducted by Arthur Young & Company (now Ernst & Young) and the most recent by R.H. Johnston Accountancy Inc. Overall, they confirmed what we already knew, that our approach and procedures are in compliance with technical and professional pronouncements. All of these peer reviews covered governmental engagements. Our most recent peer review, conducted by R.H. Johnston Accountancy Inc., is included in **Appendix B** to this proposal.

DESK REVIEWS OF AUDITS

All of our Single Audit reports are desk reviewed either by the Federal cognizant agency or the State Controller's Office acting as the oversight agency. We have never had a report rejected by any of these agencies. In fact, we are highly regarded and recognized by the staff of the State controller's Office as a firm that always submits top quality reports.

DISCIPLINARY ACTION

There have been no disciplinary actions against our organization since its inception.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

The most critical component in the successful completion of an audit is the personnel assigned to carry out the responsibilities. We have assembled a **LSL Team** composed of individuals with the optimum mix of talents. The individuals assigned have experience in performing the tasks for which they are responsible, as well as familiarity with City accounting operations. In addition, each has developed extensive skills in a variety of other complementary subjects through their work with clients in other government areas. Thus, the experience gained on previous assignments can be applied and tailored to the unique needs of your organization.

LSL is a regional public accounting firm licensed to practice in the State of California. The partners and manager assigned to the audit of the City of Rolling Hills have a current and valid CPA license to practice in the State of California. The partners at **LSL** are routinely an integral part of the audit process and will be overseeing and supervising staff personnel in the field.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE (Continued)

For the City of Rolling Hills, the personnel assigned to the engagement would be as follows:

Bryan S. Gruber, CPA	Engagement Partner (field partner)
Deborah A. Harper, CPA	Concurring Partner (quality control)
Maria Luisa Valdez, CPA	Audit Manager
Jocelyn Esparza	Audit Senior

Additional Professional Staff of one on the LSL team.

Resume of the key personnel assigned are included in **Appendix C** and list the governmental auditing experience, relevant continuing professional education for the past three years, and memberships in professional organizations relevant to the performance of the audit of the City of Rolling Hills.

As the firm's quality control policy, and in compliance with the continuing education requirements promulgated by the AICPA, General Accounting Office and the California Society of CPAs, all our staff auditors (certified and non-certified) meet the requirement of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two year period. For our educational programs, we utilize in-house seminars, California Society of CPAs courses, AICPA Government Audit Quality Center courses, and Government Finance Officers Association courses. Our formal education program was reviewed by independent firms during our peer review process and no exceptions were noted.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE (Continued)

As noted previously, the firm's policy of assigning audit in-charge to an engagement requires that the in-charge have at least three years of municipal auditing experience. He or she must have demonstrated a high degree of understanding of municipal accounting and auditing, as well as of the firm's overall client philosophy. Any changes in personnel at the in-charge level or above will be approved by the City of Rolling Hills. LSL's philosophy is to provide **quality audit services with minimal disruption to City staff.** Our focused efforts to obtain and retain quality staff have further enabled us to provide this to our clients.

We prepare the financial statements and footnote disclosures for most of our public sector clients that have received the GFOA award. All of our governmental partners, managers and seniors have been closely involved in the preparation of these reports.

SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

Similar engagements performed would be as follows:

City of Hidden Hills – Audit and preparation of a financial statement in accordance with GASB 34. These services have been performed for the last three years. Last audit completed was June 30, 2015. Engagement Partner is Mr. Bryan Gruber. Contact person: Ms. Randee Weinberger, Finance Manager (818) 888-9281.

City of Duarte - Audit and preparation of a financial statement in accordance with GASB 34. These services have been performed for the last three years. Last audit completed was June 30, 2015. Engagement Partner is Mr. Bryan Gruber. Contact person: Ms. Kristen Petersen, Assistant City Manager (626)357-7931.

City of San Dimas - Audit and preparation of a financial statement in accordance with GASB 34. These services have been performed for the last three years. Last audit completed was June 30, 2015. Engagement Partner is Mr. Bryan Gruber. Contact person: Mr. Michael O'brien , Administrative Services Manager (909) 394-6225.

City of Solana Beach – Audit and preparation of a Comprehensive Annual Financial Report (CAFR) in accordance with GASB 34, which received the GFOA Award. These services have been provided to the City for the last three years. Last completed audit performed was for June 30, 2015. Engagement partner is Mr. Bryan Gruber. Contact person: Ms. Marie Berkuti, Finance Manager (858) 720-2463.

SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES (Continued)

A complete listing of our current governmental audit clients, along with phone numbers of contact personnel and references as to services provided, is included in **Appendix A** to this proposal. We welcome you contacting any or all of these to get their opinion on the services we provide.

SPECIFIC AUDIT APPROACH

We utilize a governmental audit program which we will tailor to the City of Rolling Hills's operations. The tailoring is necessary to accommodate specific client circumstances and to recognize differences in organizational structure. Our audit programs are organized by financial statement category. This approach takes full advantage of our accumulated experience. The primary benefit is that the risk of omitting important procedures is substantially reduced. We believe that this approach tends to be the most effective and efficient for an entity such as the City of Rolling Hills. The audit procedures are listed in the most logical sequence which improves efficiency. The savings in effort and time gained by using our audit program can free an auditor's attention for unusual or difficult situations that may arise. The audit programs are designed to increase audit efficiency by linking financial statement assertions, audit objectives, and procedures that are basic to most governmental audit engagements.

SAMPLE SIZE AND EXTENT OF STATISTICAL SAMPLING

Our approach may be to utilize statistical sampling in the areas of receipts, disbursements, utility billing and payroll. Here we develop a statistical conclusion based upon an initial computer selected random sample which is based on the population and other risk factors identified. If errors are noted in the sample, the sample size will be expanded. We believe that a random selection can be efficient, while providing each item in the population an equal chance of being selected. Additionally, we may select a stratified sample of all transactions over a specified dollar limit for review. This allows us to cover all high dollar value transactions not otherwise selected in the random sample. Our samples are selected randomly utilizing IDEA data analysis software.

EXTENT OF USE OF ELECTRONIC DATA PROCESSING SOFTWARE

LSL performs paperless audits utilizing CaseWare Auditing Software and IDEA Software (for Data Extraction). We extensively use notebook computers in the field, with spreadsheet software, for financial statement preparation and analytical procedures. Our traditional approach is to "audit around" the computer, which means that we verify output by agreeing it, through our audit tests, with corresponding source input transactions. We do not use audit software that runs through the City's computer system. Like other aspects of the internal control structure, computer controls and processes are documented in our memoranda and questionnaires. We will consider whether specialized skills are needed to consider the effect of computer processing on the audit, to understand the internal control structure policies and procedures or to design and perform audit procedures. We will consider the complexity of the computer system and assess whether we can identify the types of misstatements that might occur.

SPECIFIC AUDIT APPROACH (Continued)

TYPE AND EXTENT OF ANALYTICAL PROCEDURES

We use analytical procedures as an overall review of the financial information in the preliminary and final stages of the audit. These procedures are designed to assist us in planning our audit and in assessing the propriety of the conclusions reached and in the evaluation of the overall financial statement presentation. The procedures to be utilized consist of determining expectations for percentage increases and decreases between significant revenue, expenditure and balance sheet accounts, reading the financial statements and related notes, and we focus on overall relationships within the financial statements. Once determined, these are reviewed to determine if the changes appear reasonable or require further analysis. For all significant differences, explanations are obtained as to why the situation occurred and additional substantive procedures may be applied and related evidence gathered to resolve concerns and questions.

APPROACH IN UNDERSTANDING AND DOCUMENTING THE INTERNAL CONTROL STRUCTURE

To gain an understanding of the City's internal control structure, we will perform procedures as required by the new Auditing Standards, primarily SAS 104-111. This will include documenting the major transaction classes, the purpose of funds, the structure of the City and to quantify materiality. We will review and make recommendations on the internal control structure, which consists of Control Environment, Accounting System and Control Procedures. We will review internal controls in the area of cash; investments; revenues and receivables; expenditures and accounts payable; payroll; inventories; property and equipment, debt and debt service; insurance and claims.

In addition, during the performance of the Single Audit, we will review areas of internal controls over federal grants, including both general and specific requirements, claims for advances and reimbursements, and amounts claimed or used for matching.

Based on the result of our review, we will issue a formal internal control report (SAS 115 Letter) that will identify any significant deficiencies and/or material weaknesses noted. This report is required by the *Government Auditing Standards* issued by the Comptroller General of the United States, as well as the Single Audit Act. In addition, we will also issue a separate communication letter directly to the governing board. This letter will communicate any significant deficiencies or material weaknesses we identify in the internal control system and other matters that we feel should be communicated to the governing board. All internal control issues will initially be discussed with the Finance Department at the exit meeting upon completion of the audit field work.

APPROACH IN DRAWING AUDIT SAMPLES FOR PURPOSE OF TESTS OF COMPLIANCE

For the purpose of tests of compliances, we use audit sampling that involve inspection of documents and reports indicating performance of the policy or procedures and, in many cases, re-performance of the application of the policy or procedures. These sampling procedures test the operating effectiveness of an internal control structure policy or procedures by determining how the policy or procedure was applied, the consistency with which it was applied during the audit period, and by whom it was applied. To achieve this goal, we draw samples in the area of disbursements, receipts, utility billing and payroll. Each document selected will be tested for various attributes that are designed to verify compliance with different aspects of internal controls. Additionally, each sample item will be tested for coding to the proper accounts and posting to the general ledger.

IDENTIFICATION OF POTENTIAL AUDIT PROBLEMS

We do not anticipate any significant potential audit problems. However, our approach to resolving audit problems, once they have been identified, is to draw upon our internal resources to get the job done. Most of our clients have us prepare the financial statements and assist them in handling complicated accounting matters. Therefore, we have the resources to handle most problems encountered.

LSL LISTING OF CURRENT GOVERNMENT AUDIT CLIENTS

	Client	Contact Person	Service Code	Year	Telephone
	Agoura Hills	Ms. M. Brodsly, Finance Manager	F	1	818-597-7300
*	Azusa	Mr. S. Paragas, Finance Director	F ,S	18	626-812-5291
	Banning	Ms. M. Green, Accounting Manager	F, S	16	951-922-3118
	Bell	Ms. Shally Lin, Interim Finance Director	F	3	323-588-6211
	Big Bear Lake	Ms. K. Ent, Director of Admin. Services	F, S	17	909-866-5831
*	Brea	Mr. L. Squire, Financial Services Manager	F, S	3	714-990-7683
	Burbank	Ms. Cindy L Giraldo, Financial Services Dir	I	4	818-238-5487
	Canyon Lake	Mr. T. Shea, Finance Director	F	19	909-244-2955
*	Cathedral City	Mr. K Biersack, Fiscal Officer	F,S	5	760-770-0378
*	Chino Hills	Ms. J. Lancaster, Finance Director	F, S	17	909-364-2600
*	Chula Vista	Mr. P. Davis, Assistance Fiance Director	F,S	2	619-691-5250
*	Claremont	Mr. A. Pirrie, Acting Finance Director	F, S	10	909-399-5460
	Coachella Valley Association of Governments	Mr. G. Leong, Director of Administrtive Services	F	1	760-346-1127
*	Coachella Valley Water District	Ms. Kay Godbey, Finance Director	F, S	2	760-398-2661
*	Corona	Ms. Kerry Eden, Finance Director	F, S	4	951-736-2315
	Coronado	Ms. L. Suelter, Finance Director	F, S	8	619-522-7300
*	Cucamonga Valley Water District	Mr. Chad Brantley, Finance Officer	F,S	3	909-483-7453
*	Diamond Bar	Ms. Dianna Honeywell, Finance Director	F, S	4	909-839-7051
	Dixon	Ms. J. Michaels-Aguilar, Finance Director	F,S	1	707-678-7000 x108
*	Downey	Ms. M. Lee, Finance Manager	F,S	2	562-904-7262
	Duarte	Ms. K. Petersen, Finance Director	F	8	626-357-7931
*	Emeryville	Ms. M. Oberg, Finance Director	F, S	11	510-596-4352
*	Escondido	Ms. J. Ryan, Asst Finance Director	F, S	5	760-839-4338
*	Fullerton	Ms. J. James, Director of Admin. Services	F, S	3	714-738-6522
*	Glendora	Ms. E. Stoddard, Accounting Manager	F, S	11	626-914-8238
	Grand Terrace	Ms. C. Fortune, Finance Director	F	2	909-824-6621
	Greater Los Angeles Vector Control	Mr. K Bayless, District Manager	F	5	562-758-6501
	Hidden Hills	Ms. C. Paglia, City Clerk	F	29	818-888-9281
	Imperial Beach	Mr. M. McGrane, Finance Director	F	11	619-628-1361
*	Indian Wells	Mr. K. McCarthy, Finance Director	F, S	3	760-346-2489
*	Irvine	Ms. D. Mullally, Manager of Fiscal Services	F, S	4	949-724-6037
*	Irwindale	Ms. E. Carreon, Finance Director	F	19	626-430-2221
*	La Mirada	Ms. M. Pasqual, Finance Manager	F, S	11	562-943-0131
*	La Quinta	Ms. R. Conrad, Finance Director	F, S	8	760-777-7150
*	Laguna Niguel	Mr. S. Erlandson, Finance Director	F, S	4	949-362-4358
	Lawndale	Mr. K. Louie, Director of Finance/City Treasurer	F	1	310-973-3246
*	Los Alamitos	Mr. J. Al-Imam, Administrative Director/Treasurer	F	1	562-431-3538 x222
*	Malibu	Ms. R. Feldman, Finance Director	F	11	310-456-2489
*	Manhattan Beach	Mr. B. Moe, Finance Director	F	12	310-802-5553
*	Monrovia	Mr. M. Alvarado, Director of Admin. Services	F, S	14	626-932-5510
	Monterey Regional Water Pollution Control Agency	Ms. T. Hannah, Chief Financial Officer	F	1	831-645-4623
*	Oceanside	Ms. T. Ferro, Finance Director	F, S	2	760-435-3839
*	Ontario	Ms. D. Nunes, Director of Fiscal Services	F, S	18	909-395-2352
*	Orange	Mr. W. Kolbow, Finance Director	F, S	4	714-744-2235
	Orange County Fire Authority	Mr. Jim Ruane, Finance Manager	F,S	4	714-573-6304
	Orange County Sanitation District	Mr. L. Tyler, Director of Finance	I	3	714-593-7550
*	Orange County Water District	Mr. R. Fick, Chief Financial Officer	F, S	3	714-378-3271
*	Palm Springs	Mr. G. Kiehl, Finance Director	F, S	5	760-323-8229
*	Palos Verdes Estates	Mr. R. Morrealle, Finance Director	F	4	310-378-0383
*	Pasadena	Mr. R. Ridley, Controller	F, S	1	626-744-7497
*	Pomona	Ms. P. Chamberlain, Finance Director	F, S	3	909-620-2355
*	Rancho Cucamonga	Ms. T. Layne, Finance Officer	F, S	37	909-989-1851
*	Redlands	Ms. T. Kundig, Director of Finance	F,S	5	909-798-7543
	Rolling Hills	Mr. T. Shea, Finance Director	F	6	310-377-1521
	San Carlos	Ms. R. Mendenhall, Acting Admin Svcs Dir	F,S	4	650-802-4221
*	San Diego County Water Authority	Ms. L. Wade, Controller	I	9	858-522-6600
	San Dimas	Ms. B. Bishop, Finance Director	F, S	54	909-394-6200
	San Marino	Ms. L. Bailey, Finance Director	F	22	626-300-0700
*	Santa Barbara	Mr. B. Samario, Finance Director	F,S	4	805-897-1978
*	Santa Cruz	Mr. M. Pimentel, Director of Finance	F, S	3	831-420-5050
*	Santa Fe Springs	Mr. J Gomez, Director of Finance and Adninistrative Services	F,S	2	562-868-0511
*	Seal Beach	Ms. V. Beatley, Finance Director	F, S	4	562-431-2527
	Six Basins	Mr. L. Stahlhoefer, Controller	F	3	949-420-3030
	Solona Beach	Ms. M. Berkuti, Finance Manager	F	5	858-720-2463

LSL LISTING OF CURRENT GOVERNMENT AUDIT CLIENTS

	Client	Contact Person	Service Code	Year	Telephone
*	South Gate	Ms. J. Acosta, Finance Director	FS	6	323-563-9524
*	South Pasadena	Mr. D. Batt, Acting Finance Director	F	12	626-403-7250
*	Thousand Oaks	Mr. J. Adams, Finance Director	F, S	7	805-449-2235
*	Three Valleys Water District	Mr. R. Hansen, General Manager	F	7	909-626-4631
*	Vista	Mr. D. Nielsen, Finance Manager	F	6	760-639-6170 x1023
*	Walnut	Ms. Marie Santos, Finance Manager	F	43	909-595-7543
*	Wildomar	Mr. G. Nordquist, Finance Director	F	6	951-677-7751

Service Codes:

F - Financial Audit
S - Single Audit
I - Internal Audit
* - Paticipated in the GFOA Award Programs and has received or anticipates receiving outstanding awards

R.H. JOHNSTON ACCOUNTANCY INC.
A Professional Corporation
21300 Victory Boulevard, Suite 750
Woodland Hills, California 91367
(818) 346-9800
Fax (818) 346-0609

System Review Report

November 13, 2013

To the Partners of Lance, Soll & Lunghard, LLP
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP (the firm) in effect for the year ended May 31, 2013. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, and an audit of employee benefit plan.

In our opinion, the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP in effect for the year ended May 31, 2013, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies)* or *fail*. Lance, Soll & Lunghard, LLP has received a peer review rating of *pass*.

R.H. Johnston Accountancy Inc.

BRYAN S. GRUBER, CPA
PARTNER

Education: Bachelor of Arts Degree in Business Administration with an emphasis in Accounting – California State University, Fullerton 2004

License: Certified Public Accountant – California 2008

Continuing Education: Total hours were 132 in last three years of which 74 were in governmental accounting and auditing subjects. Mr. Gruber has met the Governmental Auditing Standards requirement for governmental CPE.

Memberships: California Society of Certified Public Accountants
American Institute of Certified Public Accountants
Government Finance Officers Association
California Society of Municipal Finance Officers
Association of Local Government Auditors

Experience: Over twelve years of experience in governmental audits including CAFR audits and Single Audits. He has also made numerous presentations to City Councils, Boards of Directors and Audit Committees. He has been involved in the following governmental engagements:

Mr. Gruber has also been involved in the following engagements:

Orange County Water District	San Diego County Water
Monterey Water Pollution Control	City of Oceanside
City of Palm Springs	City of Solana Beach
Six Basins Watermaster	City of Santa Cruz
Three Valleys Municipal Water	City of Vista
City of Burbank	City of San Carlos

- This work entailed the preparation of the Comprehensive Annual Financial Report for those entities involved in the award program for the Government Finance Officers Association of the United States and Canada.

Bryan S. Gruber, CPA, Partner (Continued)

- Review the audit of these entities and provide technical assistance throughout the year to provide the most up to date information with current GASB pronouncement.
- Present the overall audit results to audit committees or other Board Members.

Achievements: Mr. Gruber has been involved with teaching current audit and accounting related material at Lance, Soll & Lunghard, LLP's in house training seminars.

He has made numerous presentations at local chapter meetings for CSMFO on current accounting and auditing material.

He also currently serves as a technical reviewer for the Government Finance Officers Association (GFOA).

Serves as firm IT Specialist for his involvement in IT related controls, data mining and analysis, and auditing software.

DEBORAH A. HARPER, CPA
CONCURRING PARTNER

Education: Bachelor of Arts Degree in Business Administration with an emphasis in Accounting - California State University, Fullerton 2000

License: Certified Public Accountant – California 2005

Continuing Education: Total hours were 264 in last three years of which 206 were in governmental accounting and auditing subjects. Ms. Harper has met the Governmental Auditing Standards requirement for governmental CPE.

Memberships: California Society of Certified Public Accountants – Member since 2000
American Institute of Certified Public Accountants - Member Since 2005
California Society of Municipal Finance Officers – Associate Member since 2005
Government Finance Officers Association – Associate Member since 2005
Governmental Accounting and Auditing Committee – Member since 2011
AICPA Government Audit Quality Center – Member since 2011

Experience: Fifteen years of experience in governmental audits. During her time with the firm, Ms. Harper has performed all phases of our government audits and made numerous presentations to Boards of Directors and Audit Committees. She has been involved on the following similar engagements:

City of Orange
City of Brea
City of Chino Hills
City of Irvine
City of Corona
City of Laguna Niguel
City of Monrovia
City of Aliso Viejo
City of Seal Beach
Cucamonga Valley Water District
City of Claremont
City of Placentia
City of Pasadena
City of Glendora
City of Fullerton
City of Diamond Bar
City of Banning
City of Thousand Oaks
Coachella Valley Water District
San Diego County Water Authority

Deborah A. Harper, CPA, Partner (Continued)

- This work entailed the preparation of the Comprehensive Annual Financial Report for those entities involved in the award programs of the California Society of Municipal Finance Officers and the Government Finance Officers Association of the United States and Canada.
- Review the audit of these entities and provide technical assistance throughout the year to provide the most up to date information with current GASB pronouncement.
- Present the overall audit results to audit committees or other Board Members.
- Provide training, resources, and support to financial officers.

Achievements: Ms. Harper has developed and conducts various Lance, Soll & Lunghard, LLP governmental training courses for new associates and members of the firm.

Ms. Harper was accepted as a 2015 and 2016 executive committee member of the AICPA Government Audit Quality Center, which is a national division for governments. As an executive board member, Ms. Harper will participate in the development, review, and first hand discussion for updates of new standards and guidance published in the AICPA Audit Guides provided to audit firms all across the country.

MARIA-LUISA VALDEZ, CPA
AUDIT MANAGER

Education: Bachelor of Science Degree in Accountancy, Minor in Applied Mathematics – Loyola Marymount University, Los Angeles

License: Certified Public Accountant – California 2009

Continuing Education: Total hours were 160 in last four years of which 100 were in governmental accounting and Yellow Book auditing subjects. Ms. Valdez has met the Governmental Auditing Standards requirement for governmental CPE.

Memberships: California Society of Certified Public Accountants
American Institute of Certified Public Accountants

Experience: Over nine years of experience in governmental audits. Ms. Valdez has established herself as an outstanding asset and resource at LSL. She has demonstrated her talent in the area of municipal accounting and auditing. During her time with the firm, Ms. Valdez has performed all phases of our municipal audits, including CAFR audits, redevelopment agency audits and Single Audits. She has been involved in the following municipal engagements:

City of Whittier
Ms. Valdez served as the audit lead for the City of Whittier. As the audit lead, it has been Ms. Valdez's responsibility to supervise all areas of the financial audit, which includes both the basic financial statements (CAFR) and Single Audit.

City of Malibu
Ms. Valdez serves as the Audit Manager for the City of Malibu in the current year. As the Audit Manager, it has been Ms. Valdez's responsibility to oversee the fieldwork for all areas of the Financial Audit and the Single Audit in accordance with A-133. The City of Malibu receives the GFOA Award for Excellence in Financial Reporting each year.

LSL

Maria-Luisa Valdez, CPA, Audit Manager (Continued)

Ms. Valdez has also served the following engagements:

County of San Bernardino	City of La Habra
County of San Diego	County of Ventura
County of Los Angeles	City of Oceanside
City of Agoura Hills	City of Barstow
City of San Buenaventura	City of Garden Grove
City of Santa Ana	City of Compton
California Prison Authority	First 5 Los Angeles
Ventura County Air Pollution Control District	City of Vernon
California State University System	City of Whittier
Henry Mayo Newhall Memorial Hospital	City of Covina
California State Auditor – Bureau of State Audits	City of Rialto

JOCELYN ESPARZA
AUDITOR IN-CHARGE

Education: Bachelor of Arts Degree in Business Administration, Concentrations in Accounting & Information Systems – California State University, Fullerton, 2013

License: Certified Public Accountant – In Process

Continuing Education: Total hours were 125 in last three years of which 74 were in governmental accounting and auditing subjects. Ms. Esparza has met the Governmental Auditing Standards requirement for governmental CPE.

Experience: Ms. Esparza has progressed in an outstanding manner. During her time with the firm, Ms. Esparza has performed all phases of our government audits, including water districts, other special districts, CAFR audits, successor agency audits and Single Audits. She has been involved in the following municipal engagements:

City of Irvine
City of Irwindale
City of Cathedral City
City of Diamond Bar
City of Azusa
City of Moreno Valley
City of Pomona
City of Fullerton
City of Duarte
City of Thousand Oaks
City of Chino Hills
City of South Pasadena

Exhibit B

PAYMENT FOR SERVICES

All fees shall be based on an hourly rate specified below with a not-to-exceed maximum as indicated:

(a) The maximum fee for these services shall be as follows:

For the fiscal years 2015/2016, 2016/2017 and 2017/2018 (payable in installments upon presentation of interim and final reports):

Service	2015/16	2016/17	2017/18
City Audit and Related Reports	**$15,200**	**$15,200**	**$15,200**
GANN Limit Review Report	**$540**	**$540**	**$540**
Single Audit and Related Reports	**Included**	**Included**	**Included**
State Controller Report Preparation	**$1,040**	**$1,040**	**$1,040**
Total for Fiscal Year (not-to-exceed)	**$16,780**	**$16,780**	**$16,780**

(b) The fees due there under shall be paid in installments during each fiscal year as work is done, with the remaining balance due upon submission of the final reports.

(c) Hourly Rates: The hourly rates to be used will as follows:

Position	2015/16	2016/17	2017/18
Partner	$235	$235	$235
Manager	$140	$140	$140
Senior Accountant	$115	$115	$115
Staff Accountant	$100	$100	$100
Clerical	Included	Included	Included

Should extra work be required that are considered beyond the scope of the financial audit, it is agreed that such extended service shall be billed at the above rates.

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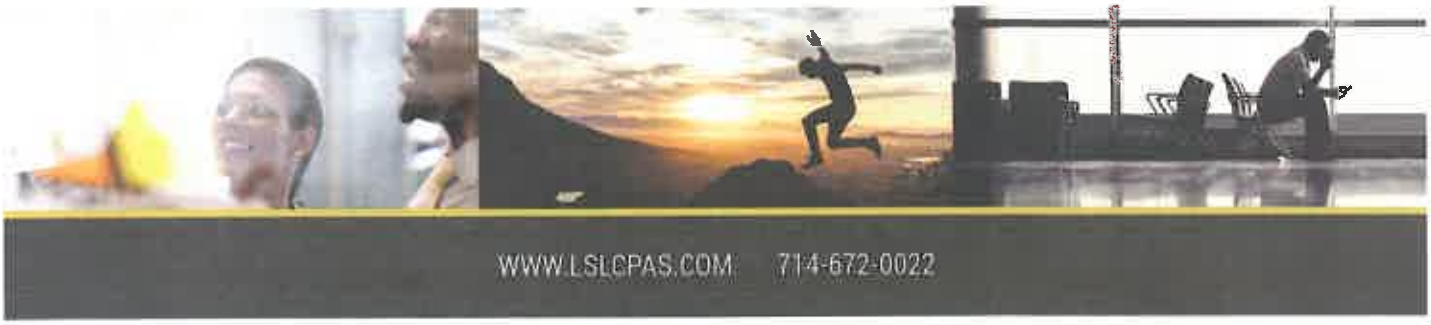
COST PROPOSAL

CITY OF ROLLING HILLS

PROPOSAL TO PROVIDE
PROFESSIONAL INDEPENDENT AUDITING SERVICES

COST PROPOSAL

Focused
on YOU



ATTACHMENT A
AUDIT WORK COST PROPOSAL FORM

Service	2015-16	2016-17	2017-18	2018-19	2019-20
City Audit and Related Reports	$15,200	$15,200	$15,200	$15,500	$15,500
GANN Limit Review Report	540	540	540	550	550
State Controller's Report preparation	1,040	1,040	1,040	1,070	1,070
Total (not to exceed)	$16,780	$16,780	$16,780	$17,120	$17,120

APPENDIX B
ESTIMATE OF COST

Name of Firm: LSL CPAs

Address: 203 N. Brea Blvd. Suite 203
Brea, CA 92821

Contact Name: Bryan Gruber

Contact Phone #: 714-672-0022 Fax#: 714-672-0331

Contact Email: bryan.gruber@lslcpas.com

1. **Auditor's Standard Billing Rates**

POSITION	2015/16	2016/17	2017/18
Partner	$235	$235	$235
Manager	$140	$140	$140
Senior Accountant	$115	$115	$115
Staff Accountant	$100	$100	$100
Clerical	included	included	included

Exhibit C

Certificate of Exemption from Workers' Compensation Insurance

TO: City of Rolling Hills

SUBJECT: Sole Proprietor/Partnership/Closely Held Corporation with No Employees

Please let this memorandum notify the City of Rolling Hills that I am a

- ☐ sole proprietor
- ☐ partnership
- ☐ closely held corporation

and do not have any employees whose employment requires me to carry workers' compensation insurance. Therefore, I do not carry worker's compensation insurance coverage.

Contractor Signature _____

Printed Name of Contractor _____

Date _____

CITY OF ROLLING HILLS

AGREEMENT FOR SERVICES

This First Amendment to the Agreement for Services is made on this 30th day of November 2021, at Rolling Hills, California, by and between the City of Rolling Hills, a municipal corporation, 2 Portuguese Bend Road, Rolling Hills, California 90274 (hereinafter referred to as the "CITY") and Lance, Soll & Lunghard, 203 North Brea Blvd., Suite 203, Brea, CA (hereinafter referred to as the "CONTRACTOR").

RECITALS

A. On June 27, 2016, the CITY and CONTRACTOR entered into an agreement for auditing services with a term expiring in 2019 upon completion of the 2017/18 fiscal year audit and with the option for two, one-year extensions (the "Agreement"). The Parties exercised both extensions;

B. The CITY desires to amend the Agreement to engage CONTRACTOR for another year of auditing services (the "First Amendment");

C. The CONTRACTOR is willing to perform such services and has the necessary qualifications by reason of experience, preparation, and organization to provide such services;

D. NOW, THEREFORE, the CITY and the CONTRACTOR, mutually agree as follows:

1. CITY and CONTRACTOR agree to replace Exhibit A that was attached to the Agreement, with Exhibit A, which is attached to this First Amendment and incorporated herein by reference.

2. Paragraph 2 (TERM OF AGREEMENT) is amended to read as follows:

   2. TERM OF AGREEMENT. The term of this Agreement shall expire in 2022 upon completion of the 2020/21 annual audit.

3. Paragraph 4 (PAYMENT FOR SERVICES) is amended to read as follows:

   4. PAYMENT FOR SERVICES. The CITY shall pay CONTRACTOR for its services rendered pursuant to this Agreement in accordance with the fee schedule set forth below in this paragraph. Compensation shall under no circumstances be increased except by written amendment of this Agreement. The CONTRACTOR shall be paid within thirty (30) days of presentation of an invoice to the CITY for services performed to the CITY'S satisfaction. The CONTRACTOR shall submit invoices monthly describing the services performed, the date services were performed, a description of reimbursable costs, and any other information requested by the CITY.

CITY OF ROLLING HILLS

AGREEMENT FOR SERVICES

A. Services for fiscal year 2020/21
   1. City Audit and Related Reports: $15,965
   2. GANN Limit Review Report: $556
   3. Single Audit Related Reports: Included
   4. State Controller Report Preparation: $1,102
   5. Total for Fiscal Year: $17,623

B. Hourly Rates for fiscal year 2020/21:
   1. Partner: $235
   2. Manager: $140
   3. Senior Accountant: $115
   4. Staff Accountant: $100
   5. Clerical: Included

4. All terms and conditions of the Agreement not amended by this First Amendment remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment on the date and year first above written.

CONTRACTOR: Lance, Soll & Lunghard

Bryon S. Gruber, Partner

CITY OF ROLLING HILLS:

Elaine Jeng, City Manager

ATTEST:

Christian Horvath, City Clerk

SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT

THIS SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT ("Second Amendment") is made and entered into this 12th day of September, 2022, by and between the CITY OF ROLLING HILLS, a California municipal corporation (hereinafter the "CITY"), and LANCE, SOLL & LUNGHARD, LLP CERTIFIED PUBLIC ACCOUNTANTS .(hereinafter the "CONTRACTOR"). CITY and CONTRACTOR are sometimes referred to in this First Amendment individually as a "Party" and collectively as the "Parties."

RECITALS

A. CITY and CONTRACTOR have entered into that certain Professional Services Agreement for Professional Independent Audit services dated on June 27, 2016 (the "Agreement").

B. The Parties first amended the Agreement for CONTRACTOR to provide Professional Independent Audit services for an additional year to cover the 2021 fiscal year ("Firs Amendment").

C. The Parties now desire to amend the Agreement again in order to extend the term so that CONTRACTOR can provide Professional Independent Audit services to the City to cover the 2022 fiscal year ("Second Amendment").

Now, therefore, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONTRACTOR agree the following terms, as set forth in this Second Amendment.

1. CONTRACTOR shall provide the Professional Independent Audit services for the 2022 fiscal year as outlined and for the price stated in Exhibit A to this Second Amendment.

2. Except as amended by the First Amendment or this Second Amendment, all provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the date and year first written above.

CITY OF ROLLING HILLS	**LANCE, SOLL & LUNGHARD, LLP.**
ELAINE JENG, City Manager	Brandon Young, CPA, Partner

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

on behalf of

MICHAEL JENKINS
CITY ATTORNEY

LSL

July 15, 2022

Robert Samario
Finance Director
City of Rolling Hills, CA

Dear Mr. Samario,

As you are aware, our contract with the City of Rolling Hills for auditing services will expire with the fiscal year ending June 30, 2022. Over the years, we have provided the City with auditing and accounting services which included:

- Performed a financial audit and assisted in report preparation of the Annual Financial Report of the City of Rolling Hills.
- Performed an AUP on the City Appropriations Limit
- Prepare the City's State Controller's report.
- Performed the Single Audit in accordance with Uniform Guidance as it pertains to federal award programs

We have made it an absolute priority to provide the City with the best service available and we would like to continue to provide this level of service. Since LSL specializes in the audits of local government and has an extensive government services staff, we provide for staff rotation on your engagement so that the City will always receive a fresh look at its system and records. This coupled with the knowledge base we have gained from working with the City over the years, provides for optimal audit services.

We would like to propose a one-year extension to our original agreement to provide continuous and undisrupted auditing services to the City. As a part of our services, LSL CPAs will continue to provide extensive Governmental Accounting Standards Board (GASB) assistance to the City throughout the year.

Please see the attached Appendix A for our proposed fees for the next year. The services to be performed, fee structure and billing methods would remain unchanged from our original agreement.

LSL CPAs looks forward to continuing to provide quality services to the City of Rolling Hills. Please sign below to acknowledge your acceptance of this agreement and return to my attention. Should you or any other representative of the City have additional questions regarding this agreement, please do not hesitate to contact Brandon Young, Partner at (916) 562-1579.

Very truly yours,

Lance, Soll & Lunghard, LLP

Signature

City of Rolling Hills

LSL CPAs – Quote for Audit Services

Appendix A

FEES	2021–2022
City Audit	$18,000
GANN Limit AUP	600
State Controller's Report	1,500
Single Audit (if required)**	4,500
Total	**$24,600**

THIRD AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT

THIS SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT ("Second Amendment") is made and entered into this 12th day of September, 2023, by and between the CITY OF ROLLING HILLS, a California municipal corporation (hereinafter the "CITY"), and LANCE, SOLL & LUNGHARD, LLP CERTIFIED PUBLIC ACCOUNTANTS .(hereinafter the "CONTRACTOR"). CITY and CONTRACTOR are sometimes referred to in this First Amendment individually as a "Party" and collectively as the "Parties."

RECITALS

A. CITY and CONTRACTOR have entered into that certain Professional Services Agreement for Professional Independent Audit services dated on June 27, 2016 (the "Agreement").

B. The Parties first amended the Agreement for CONTRACTOR to provide Professional Independent Audit services for an additional year to cover the 2021 fiscal year ("First Amendment").

B. The Parties executed a second amendment to the Agreement for Contractor to provide Professional Independent Audit services for an additional year to cover the 2022 fiscal year ("Second Amendment").

C. The Parties now desire to amend the Agreement again in order to extend the term so that CONTRACTOR can provide Professional Independent Audit services to the City to cover the 2023 fiscal year ("Third Amendment").

Now, therefore, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONTRACTOR agree the following terms, as set forth in this Second Amendment.

1. CONTRACTOR shall provide the Professional Independent Audit services for the 2023 fiscal year as outlined and for the price stated in Exhibit A to this Third Amendment.

2. Except as amended by the First Amendment, Second Amendment, or this Third Amendment, all provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the date and year first written above.

CITY OF ROLLING HILLS **LANCE, SOLL & LUNGHARD, LLP.**

ELAINE JENG, City Manager

Brandon Young CPA, Partner

6/12/2022

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

PATRICK DONEGAN
CITY ATTORNEY

FOURTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS FOURTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT ("Second Amendment") is made and entered into this 22nd day of July, 2024, by and between the CITY OF ROLLING HILLS, a California municipal corporation (hereinafter the "CITY"), and LANCE, SOLL & LUNGHARD, LLP CERTIFIED PUBLIC ACCOUNTANTS (hereinafter the "CONTRACTOR"). CITY and CONTRACTOR are sometimes referred to in this Fourth Amendment individually as a "Party" and collectively as the "Parties."

RECITALS

A. CITY and CONTRACTOR have entered into that certain Professional Services Agreement for Professional Independent Audit services dated on June 27, 2016 (the "Agreement").

B. The Parties first amended the Agreement for CONTRACTOR to provide Professional Independent Audit services for an additional year to cover the 2021 fiscal year ("First Amendment").

C. The Parties executed a second amendment to the Agreement for Contractor to provide Professional Independent Audit services for an additional year to cover the 2022 fiscal year ("Second Amendment").

D. The Parties executed a third amendment to the Agreement for Contractor to provide Professional Independent Audit services for an additional year to cover the 2023 fiscal year ("Third Amendment").

E. The Parties now desire to amend the Agreement again in order to extend the term so that CONTRACTOR can provide Professional Independent Audit services to the City to cover the 2024 fiscal year ("Fourth Amendment").

Now, therefore, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONTRACTOR agree the following terms, as set forth in this Fourth Amendment.

1. CONTRACTOR shall provide the Professional Independent Audit services for the 2024 fiscal year as outlined and for the price stated in Exhibit A to this Fourth Amendment.

2. Except as amended by the First Amendment, Second Amendment, Third Amendment, or this Fourth Amendment, all provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the date and year first written above.

CITY OF ROLLING HILLS

Karina Banales, City Manager

LANCE, SOLL & LUNGHARD, LLP.

Brandon Young CPA, Partner

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

PATRICK DONEGAN
CITY ATTORNEY

Exhibit A

LSL

June 14, 2024

Robert Samario
Finance Director
City of Rolling Hills

Dear Mr. Samario,

As you are aware, our contract with the City of Rolling Hills ("City") for auditing services will expire with the fiscal year ending June 30, 2023. Over the years, we have provided the City with auditing and accounting services which included:

- Performing a financial audit of the basic financial statements of the City.
- Preparing state controller's report for the City.
- Preparing the GANN Limit Agreed-Upon-Procedures report.

We have made it an absolute priority to provide the City with the best service available and we would like to continue to provide this level of service to the City. Since LSL specializes in the audits of local government and has an extensive government services staff, we provide for staff rotation on your engagement so that the City will always receive a fresh look at its system and records. This coupled with the knowledge base we have gained from working with the City over the years, provides for optimal audit services.

We would like to propose a one-year extension to our original agreement to provide continuous and undisrupted auditing services to the City.. As a part of our services, LSL CPAs will continue to provide extensive Governmental Accounting Standards Board (GASB) assistance to the City throughout the year.

Please see the schedule below for our proposed fees for the next year. The services to be performed would remain unchanged from our original agreement.

All-Inclusive Maximum Price by Report	
Report	**2023-24**
City's Financial Audit	$24,550
State Controller's Report	$1,750
GANN Limit AUP	$650
Single Audit (if applicable)*	$5,000
Out-of-Pocket Expenses	*Included*
SUBTOTAL FOR FISCAL YEAR	**$31,950**

**Price includes 1 major program. Each additional program is $4,000.*

Again, LSL CPAs looks forward to continuing to provide quality services to the City of Rolling Hills. Please sign below to acknowledge your acceptance of this agreement and return to my attention. Should you or any other representative of the City have additional questions regarding this agreement, please do not hesitate to contact Brandon Young, Partner at (916) 562-1579.

Very truly yours,

Lance, Soll & Lunghard, LLP

Signature

7/16/2024

Date

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 8.H
Mtg. Date: 06/09/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **KARINA BAÑALES, CITY MANAGER**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **ADOPT RESOLUTION NO. 1392 APPROVING THE UPDATED FISCAL YEAR 2025/26 PAY SCHEDULE TO COMPLY WITH CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) STATUTORY AND REGULATORY REQUIREMENTS FOR COMPENSATION EARNABLE AND PUBLICLY AVAILABLE PAY SCHEDULES**

DATE: **June 09, 2025**

BACKGROUND:
The California Public Employees' Retirement System (CalPERS) requires that the City Council regularly adopt a master salary schedule listing pay rates/ranges for all city-established positions, including the City Manager position. CalPERS Circular Letter 200-00320 (Attachment 2) mandates that public agencies maintain and publish comprehensive salary schedules for all positions. This requirement is essential for maintaining the integrity of the pension system, ensuring fair and equitable compensation, and fostering public trust in the management of public funds.

This evening, staff recommends that the City Council adopt the attached resolution (Attachment 1), which establishes the City's Fiscal Year 2025-2026 (FY25-26) Salary and Hourly Compensation Schedule for the City's classifications.

DISCUSSION:

The City of Rolling Hills has not previously adopted a master salary schedule by resolution to formally reflect current pay ranges. To address this, the attached resolution establishes the City's Salary and Hourly Compensation Schedule for all employees in City service.

Exhibit A of Resolution No. 1392 includes a salary schedule table that outlines full-time classifications, authorized positions, and the corresponding minimum and maximum monthly salary ranges. It is important to note that the salary schedule presented this evening was previously reviewed and approved by the City Council at its regular meeting on May 28, 2025.

Conclusion:
Staff recommends that the City Council adopt the attached resolution to formalize the employee salary schedule and ensure compliance with CalPERS Circular Letter 200-003-20. The resolution also requires the regular updating and public posting of the salary schedule.

FISCAL IMPACT:
The fiscal impact is included in the FY25-26 Budget.

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:
Attachment 01 - ResolutionNo1392_FY25-26_SalarySchedule_F.pdf
Attachment 02 - Circular Letter 200-003-2_ Statutory and Regulatory Requirements for Publicly Available Pay Schedules.pdf

RESOLUTION NO. 1392

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS, CALIFORNIA APPROVING THE UPDATED FISCAL YEAR 2025/26 PAY SCHEDULE TO COMPLY WITH CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) STATUTORY AND REGULATORY REQUIREMENTS FOR COMPENSATION EARNABLE AND PUBLICLY AVAILABLE PAY SCHEDULES

THE CITY COUNCIL OF THE CITY OF ROLLING HILLS, CALIFORNIA DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

WHEREAS, all employers must comply with the compensation earnable and publicly available pay schedules provisions contained within California Government Code (GC) section 20636(d) and California Code of Regulations (CCR), Title 2, Section 570.5; and

WHEREAS, it is necessary for the City Council to review and duly approve and adopt in accordance with requirements of applicable public meetings laws a publicly available pay schedule; and

WHEREAS, attached to this resolution and incorporated by reference is the City's comprehensive pay schedule which will be made publicly available on the City's external website and provided upon request; and

WHEREAS, the City reviews and may revise employee compensation and salary schedule ranges; and

WHEREAS, the City benefits from a highly qualified, municipal workforce; and

WHEREAS, to assist in retaining such a workforce, it is critical that the City's compensation levels are competitive in the marketplace; and

WHEREAS, the City should adjust salaries to reflect changes in the region's cost of living; and

WHEREAS, the salaries are scheduled to take effect the beginning of the pay period that includes July 1, 2025;

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Rolling Hills hereby:

1. Adopts the fiscal year 2025/26 pay schedule in Exhibit A, reflecting these pay adjustments effective the first pay period following the adoption of this resolution

PASSED, APPROVED and ADOPTED this 9th day of June 2025.

_____
Jeff Pieper
Mayor

ATTEST:

_____
Christian Horvath
City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF ROLLING HILLS)

The foregoing Resolution No. 1392 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS, CALIFORNIA APPROVING THE UPDATED FISCAL YEAR 2025/26 PAY SCHEDULE TO COMPLY WITH CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) STATUTORY AND REGULATORY REQUIREMENTS FOR COMPENSATION EARNABLE AND PUBLICLY AVAILABLE PAY SCHEDULES

was approved and adopted at a regular meeting of the City Council on the 9th day of June, 2025, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
CHRISTIAN HORVATH
CITY CLERK

Exhibit “A”

City of Rolling Hills

Salary Schedule Effective 7/1/2025 through 6/30/2026

Adopted by ResolutionNo. 1392

Full-Time Classification	Authorized Positions	Monthly Minimum	Monthly Maximum
City Manager	1	$16,656	
Planning Manager	1	$ 7,457	$ 11,147
Assistant to the City Manager / City Clerk	1	$ 7,624	$ 9,497
Management Analyst	1	$ 6,449	$ 8,341
Assistant Planner	1	$ 5,028	$ 6,417
Code Compliance Officer / Planning Technician	1	$ 4,551	$ 6,085
Administrative Assistant	1	$ 4,373	$ 5,795

California Public Employees' Retirement System
P.O. Box 942715 | Sacramento, CA 94229-2715
888 CalPERS (or **888**-225-7377) | TTY: (877) 249-7442
www.calpers.ca.gov

Payroll

Circular Letter

January 8, 2020
Circular Letter: 200-003-20
Distribution: IV, VI, X, XII, XVI

To: **All CalPERS Contracted Agencies (Public Agency, Schools, and State)**
Subject: **Statutory and Regulatory Requirements for Publicly Available Pay Schedules**

Purpose

The purpose of this Circular Letter is to inform all CalPERS Contracted Agencies of the requirements for providing CalPERS with a Publicly Available Pay Schedule in compliance with the Public Employees' Retirement Law (PERL), Public Employees' Pension Reform Act of 2013 (PEPRA), and Title 2 of the California Code of Regulations (CCR).

Purpose of Publicly Available Pay Schedules

Under the PERL and PEPRA, compensation earnable and pensionable compensation are determined in accordance with amounts identified on publicly available pay schedules.

Compensation Earnable

Under Government (Gov.) Code sections 20636 and 20636.1, compensation earnable means the pay rate and special compensation of the member, as further defined by those statutes.

Pay rate for contracting agency and school members is deemed the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules. Pay rate for contracting agency and school members who are not in a group or class is deemed the monthly rate of pay or base pay of the member, paid in cash and pursuant to publicly available pay schedules, for services rendered on a full-time basis during normal working hours, subject to specified limitations.

Pay rate for state members is deemed the average monthly remuneration paid in cash out of funds paid by the employer to similarly situated members of the same group or class of employment, in payment for the member's services or for time during which the member is excused from work, as further specified by subdivision (g) of Gov. Code 20636, pursuant to publicly available pay schedules.

Pensionable Compensation

Pursuant to Gov. Code section 7522.34, pensionable compensation of a new member of any public retirement system means the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules, subject to specified limitations.

Requirements of Publicly Available Pay Schedules

Subdivision (a) of CCR section 570.5 defines the requirements for a publicly available pay schedule used to determine pay rates.

Pay rates shall be limited to the amount listed on a pay schedule that must meet all the following eight (8) requirements:

1. Be duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws
2. Identify the position title for every employee position
3. Show the pay rate as a single amount or multiple amounts within a range for each identified position
4. Indicate the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually
5. Be posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's website
6. Indicate an effective date and date of any revisions
7. Is retained by the employer and available for public inspection for not less than five years
8. Does not reference another document in lieu of disclosing the pay rate

Here is an example of a compliant pay schedule, to the extent it has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meeting laws, it is posted on the employer's website, and it is retained by the employer and available for public inspection for not less than five years:

City of CalPERS Salary Schedule for Fiscal Year 17-18 Effective as of 07/01/2017						
Classification	**Rate Type**	**Step 1**	**Step 2**	**Step 3**	**Step 4**	**Step 5**
City Manager	Monthly	$10,500	$11,000	$11,500	$12,000	$12,500
City Counsel	Monthly	$10,000	$10,500	$11,000	$11,500	$12,000
City Clerk	Monthly	$5,500	$6,000	$6,500	$7,000	$7,500
Call Center Representative	Monthly	$5,000	$5,500	$6,000	$6,500	$7,000
Analyst	Monthly	$5,000	$5,500	$6,000	$6,500	$7,000
Assistant	Monthly	$4,500	$5,000	$5,500	$6,000	$6,500
Revised as of 09/01/2017 and adopted by the Board as of 09/15/2017						

Special Compensation

Pursuant to CCR section 571 for classic members, and CCR section 571.1 for new members under PEPRA, special compensation items are defined under an exclusive list. Each special compensation item shall be reported separately from pay rate, in accordance with the criteria described in those regulations. Therefore, a publicly available pay schedule in which the special compensation items are reflected in the pay rates does not comply with CCR section 570.5.

Absence of Publicly Available Pay Schedule

If an employer fails to meet the requirements of subdivision (a) of CCR section 570.5, under subdivision (b), the board may determine in its sole discretion an amount that will be considered as pay rate, taking into consideration all information it deems relevant including, but not limited to, the following:

- Documents approved by the employer's governing body in accordance with requirements of public meeting laws and maintained by the employer
- Last pay rate listed on a pay schedule that conforms to the requirements of subdivision (a) with the same employer for the position at issue
- Last pay rate for the member that is listed on a pay schedule that conforms with the requirements of subdivision (a) with the same employer for a different position
- Last pay rate for the member in a position that was held by the member and that is listed on a pay schedule that conforms to the requirements of subdivision (a) of a former CalPERS employer.

Importance of Publicly Available Pay Schedule

Publicly available pay schedules are required by CalPERS and are a critical component to verify all members' pay rates when calculating members' retirement benefits. Maintaining a compliant publicly available pay schedule will support transparency and expedite CalPERS' review process.

Failure to provide CalPERS with a compliant publicly available pay schedule may result in a retirement benefit being delayed.

Questions

It is the employer's responsibility to comply with all terms and conditions set forth in the employer's contract with CalPERS and to ensure all reportable information is compliant with the PERL, PEPRA, and the CCR.

If you have any questions or concerns, contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888**-225-7377), or email MOU_Review@calpers.ca.gov.

Renee Ostrander, Chief
Employer Account Management Division

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 8.I
Mtg. Date: 06/09/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **KARINA BAÑALES, CITY MANAGER**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **FOR SECOND READING AND ADOPTION: ADOPT BY TITLE ONLY ORDINANCE NO. 386 AMENDING CHAPTER 17.16 OF THE MUNICIPAL CODE REGARDING THE HEIGHT LIMITS OF SINGLE-FAMILY RESIDENTIAL HOMES, STABLES AND BARNS; AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER SECTION 21080.17 OF THE PUBLIC RESOURCES CODE**

DATE: **June 09, 2025**

BACKGROUND:

Over the past several months, the Planning Commission has conducted a thorough review of the City's building height regulations for residential structures, barns, and stables to ensure alignment with Rolling Hills' rural character and development goals. Following a series of public meetings and valuable community input, the Commission recommended establishing maximum ridge heights of 18 feet for single-family residences and 20 feet for barns and stables. Based on these recommendations, the Commission proposed that the City Council consider Ordinance No. 386 to formally establish these height limits.

DISCUSSION:

On May 28, the City Council received a presentation from staff outlining the Planning Commission's recommendations on height limits for homes, stables, and barns (Attachment 2). Following the presentation, Ordinance No. 386 was introduced (Attachment 1). This Ordinance amends Chapter 17.16, Sections 17.16.060 and 17.16.080 of the Rolling Hills Municipal Code to establish height limits for single-family residences, stables, and barns. Specifically, it states:

Section 17.16.060 (Lot area and dimensions) of Title 17 of the Rolling Hills Municipal Code is hereby amended, with additions in underline and deletions in strikethrough, as follows:

Development Standard	Zone District
	RA-S-1 & RA-S-2
4. Height Limited	One story, no greater than 18' (mezzanines and lofts are not permitted) except for stables and barns which shall be no greater than 20'

Section 17.16.080 (Height limitation) of Title 17 of the Rolling Hills Municipal Code is hereby amended, with additions in underline and deletions in strikethrough, as follows:

17.16.080 - Height limitation.

A. General Limitation. A building or structure shall have no more than one story, meaning that there shall be no story on top of another, except as specified in subsection (B) below. The maximum height permitted from finished floor to the peak of the structure shall be no greater than eighteen (18) feet except that the maximum height permitted for stables and barns shall be no greater than twenty (20) feet measured from the finished floor to the highest peak of the structure, exclusive of accessory architectural features as determined by the City. The maximum height permitted from finished floor of any structure to finished grade is five feet. The difference between the finished grade and the finished floor level across any elevation shall average no more than two and one-half feet, with maximum difference of five feet.

B. Exceptions:
   1. A one-story primary residence is permitted over a basement. For the purpose of this section primary residence includes a garage attached to the main residence by a solid wall.
   2. Stables may have a loft, subject to the requirements of Chapter 17.18 of this title.
   3. A storage area, as defined in Section 17.12.190 "S" may be located above or below a story.

This evening, Ordinance No. 386 (Attachment 1) is presented for second reading and adoption. If adopted, the Ordinance will take effect on July 9, 2025.

FISCAL IMPACT:
None.

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:
Attachment 01 - 386_HeightLimit_Ordinance_D.pdf
Attachment 02 - May 28, 2025 City Council Staff Report Agenda Item 11.A Ordinance 386.pdf

ORDINANCE NO. 386

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS AMENDING CHAPTER 17.16 OF TITLE 17 OF THE ROLLING HILLS MUNICIPAL CODE TO AMEND THE RESIDENTIAL HEIGHT LIMIT, AND FINDING THE ORDINANCE TO BE CATEGORICALLY EXEMPT FROM CEQA.

WHEREAS, the City of Rolling Hills, California ("City") is a municipal corporation, duly organized under the California Constitution and laws of the State of California; and

WHEREAS, the City is a semi-rural hillside community, characterized by predominantly single-story California ranch-style homes, large parcels with open space, and an abundance of equestrian facilities; and

WHEREAS, one of the unique features of the City is the uniformity of homes throughout the years, which are typically limited to one story in height; and

WHEREAS, in recent years, many homes have been constructed to maximize the building area on the lot, including increased height and a greater amount of grading to prepare many of the steeper properties for a structure; and

WHEREAS, these trends have significantly altered the community's character and affect surrounding properties, creating a high level of concern among residents related to development and design compatibility issues; and

WHEREAS, the City Council desires to preserve and enhance the community's character, particularly as it relates to residential building height; and

WHEREAS, pursuant to the authority granted to the City by Article XI, Section 7 of the California Constitution, the City has the police power to regulate the use of land and property within the City in a manner designed to promote public convenience and general prosperity, as well as public health, safety, and welfare; and

WHEREAS, the City Council desires to amend the Rolling Hills Municipal Code to impose height limits on residential developments in the City; and

WHEREAS, on April 15, 2025, the Planning Commission conducted a duly noticed public hearing to consider the Ordinance, wherein it considered the staff report, supporting documents, public testimony, and all appropriate information submitted with the Ordinance; and

WHEREAS, on May 28, 2025, the City Council conducted a duly noticed public hearing to consider the Ordinance, wherein it considered the staff report and supporting documents, Planning Commission's recommendation, public testimony, and all appropriate information submitted with the Ordinance; and

WHEREAS, all legal prerequisites to the adoption of the Ordinance have occurred.

THE CITY COUNCIL OF THE CITY OF ROLLING HILLS DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

Section 1. Incorporation of Recitals. The recitals above are incorporated by reference and adopted as findings by the City Council.

Section 2. CEQA. The City Council finds that this Ordinance is determined to be categorically exempt from CEQA under Section 15061(b)(3) of the State CEQA Guidelines, which applies to projects where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The proposed Ordinance does not involve physical changes to the environment but rather regulates the height of residential developments. Since it does not result in any direct or indirect physical changes to the environment, there is no possibility that it could have a significant environmental impact.

Section 3. General Plan. The City Council finds that this Ordinance is consistent with the goals and policies of the Rolling Hills General Plan. The proposed Ordinance is consistent with Housing Element Goal 2 "*Maintain and enhance the quality of residential neighborhoods in Rolling Hills*," in support of the following policies:

> **Policy 2.1**: Encourage and assist in the maintenance and improvement of existing homes to maintain optimum standards of housing quality and design.
>
> **Policy 2.3**: Require compatible design to minimize the impact of residential redevelopment on existing residences.

By imposing a height limit on residential development in the City, this Ordinance will ensure future development is compatible with the surrounding neighborhood and environment.

Section 4. The Development Standard table in Section 17.16.060 of Title 17 of the Rolling Hills Municipal Code is hereby amended, with additions in underline and deletions in ~~strikethrough~~, as follows:

Development Standard	**Zone District**	
	RA-S-1	RA-S-2
4. Height Limitation	One story, no greater than 18' (mezzanines and lofts are not permitted) except for stables and barns which shall be no greater than 20'	

Section 5. Section 17.16.080 of Title 17 of the Rolling Hills Municipal Code is hereby amended, with additions in underline and deletions in ~~strikethrough~~, as follows:

17.16.080 - Height limitation.

A. General Limitation. A building or structure shall have no more than one story, meaning that there shall be no story on top of another, except as specified in subsection (B) below.

The maximum height permitted from finished floor to the highest peak of the structure shall be no greater than eighteen (18) feet except that the maximum height permitted for stables and barns shall be no greater than twenty (20) feet measured from the finished floor to the highest peak of the structure, exclusive of accessory architectural features as determined by the City. The maximum height permitted from finished floor of any structure to finished grade is five feet. The difference between the finished grade and the finished floor level across any elevation shall average no more than two and one-half feet, with maximum difference of five feet.

B. Exceptions:

1. A one-story primary residence is permitted over a basement. For the purpose of this section primary residence includes a garage attached to the main residence by a solid wall.
2. Stables may have a loft, subject to the requirements of Chapter 17.18 of this title.
3. A storage area, as defined in Section 17.12.190 "S" may be located above or below a story.

Section 6. The City Council's actions are made upon review of the Planning Commission's recommendation, the Staff Report, all oral and written comments, and the documentary evidence presented on the Ordinance..

Section 7. Effective Date. This Ordinance takes effect 30 days following its adoption.

Section 8. Severability. If any provision of this Ordinance or its application to any person or circumstance is held to be invalid, such invalidity has no effect on the other provisions or application of the Ordinance that can be given effect without the invalid provision or application, and to this extent, the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any portion thereof.

Section 10. Custodian of Records: The documents and materials associated with this Resolution that constitute the record of proceedings on which these findings are based are located at Rolling Hills City Hall, 2 Portuguese Bend Road, Rolling Hills, California 90274. The Director of Planning and Community Services is the custodian of records for the record of proceedings.

PASSED, APPROVED AND ADOPTED THIS __th DAY OF _____ 2025.

_____
JEFF PIEPER, MAYOR

ATTEST:

_____
CHRISTIAN HORVATH, CITY CLERK

Any action challenging the final decision of the City made as a result of the public hearing on this application must be filed within the time limits set forth in Section 17.54.070 of the Rolling Hills Municipal Code and Civil Procedure Section 1094.6.

Agenda Item No.: 11.A
Mtg. Date: 05/28/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **KARINA BAÑALES, CITY MANAGER**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **CONSIDERATION OF ORDINANCE 386 AMENDING CHAPTER 17.16 OF THE MUNICIPAL CODE REGARDING THE HEIGHT LIMITS OF SINGLE-FAMILY RESIDENTIAL HOMES, STABLES AND BARNS; AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER SECTION 21080.17 OF THE PUBLIC RESOURCES CODE**

DATE: **May 28, 2025**

BACKGROUND:
Over the past several months, the Planning Commission has been reviewing the City's regulations related to building height limitations for residential structures, barns, and stables. The intent of this review was to clarify standards and ensure consistency with the City's rural character and development goals.

On October 15, 2024, the Planning Commission directed staff to prepare a report on the City's regulations related to building height limitations. At that time, the Rolling Hills Municipal Code (RHMC) did not specify numeric height limits for these structures. However, the RHMC did state that "a building or structure shall have no more than one story, meaning that there shall be no story on top of another" (Attachment 3). The staff report from this meeting is included as Attachment 9.

At its March 18, 2025 meeting, the Planning Commission reviewed staff's report on existing development patterns and relevant RHMC provisions. Following discussion, the Commission directed staff to prepare a code amendment establishing maximum ridge heights of 18 feet for single-family residences and 20 feet for barns and stables. The staff report from this meeting is included as Attachment 10.

On April 15, 2025, the Planning Commission reviewed and approved the draft ordinance (Attachment 1) and voted 4-0 (with Commissioner Kirkpatrick absent) to adopt Resolution No. 2025-04 (Attachment 2), recommending that the City Council adopt an ordinance amending Chapter 17.16 of Title 17 of the Rolling Hills Municipal Code to codify these height limits. The staff report from this meeting is included as Attachment 11.

This evening, staff is requesting City Council consideration of Ordinance No. 386 (Attachment 1), which proposes clear regulations regarding maximum allowable structure heights. This ordinance is intended to preserve the scenic beauty, natural landscape, and residential character of the community. As the City continues to grow, the proposed height limits would help ensure that new development remains consistent with the community's established aesthetic values and overall harmony.

DISCUSSION:

In recent years, there has been a trend toward increased structure heights and overall massing. At both the October 15, 2024 and March 18, 2025 Planning Commission meetings, staff presented relevant sections of the Rolling Hills Municipal Code (RHMC) addressing height regulations. This allowed the Commissioners to consider these provisions and develop a recommendation for City Council review. To further support the Commission's efforts, staff conducted research on building heights within the City. The data, compiled from approved plans between 2017 and 2024, includes both residences and stables. Heights ranged from 11 to 25 feet, with some newer structures exceeding 25 feet (Attachment 4). Notably, in 2023 and 2024, there has been a trend toward taller stables, many of which fall within the 20 to 25-foot range.

The following sections from the RHMC were reviewed and considered as part of this effort:

<u>Basements</u> - *RHMC Chapter 17.12 – Definitions*
Basements are located below ground and are often not visible. Homes may include multiple basement levels. Basement walls—except those within light wells—may not exceed 5 feet in height and must maintain an average height of no more than 2.5 feet at any point immediately adjacent to the exterior of the basement (Attachment 5).

<u>Stables & Lofts</u>
Stables are considered a valuable asset to each property and contribute significantly to the City's rural, equestrian character. Based on staff research, the RHMC does not establish a specific height limit for stables. Over the past five years, stables have been trending taller. While the average height of buildings in Rolling Hills is approximately 17 feet, the tallest stable recorded was 25 feet. Many stables also include lofts, as defined in RHMC Section 17.18.060. These lofts, which may resemble second stories, must have a plate height that does not exceed 7 feet. They are intended for hay and equipment storage or use as a tack room and may not contain sleeping quarters (Attachment 6).

<u>Aviaries (Bird Homes)</u>
Aviaries larger than 200 square feet may not have a roof peak height that exceeds 16 feet (Attachment 7).

<u>Storage Areas</u>
RHMC Section 17.12.190 defines a storage area as "a space within a building or structure, including attics, used for storing items." Storage areas may be located above or below a story but are not intended to be livable spaces. As such, they cannot include exterior doors, window openings, heating, or air conditioning. The height of a storage area may not exceed 6 feet at any point. Attics may have ceilings that follow the angle of the roofline, which can exceed 6 feet at the peak; however, staff reviews plans to ensure that staircases are not shown leading

to attic storage areas (Attachment 5).

Accessory Dwelling Units (ADUs) – *RHMC Chapter 17.28.050*
For detached ADUs on lots with an existing or proposed single-family or multifamily dwelling, the maximum height is limited to 16 feet. This height is measured from the existing legal grade or the level of the lowest floor—whichever is lower—to the structure's peak. If the ADU is attached to the primary dwelling, it may not exceed 25 feet in height or the height limitation imposed by the underlying zone, whichever is lower (Attachment 8).

Based on the information presented, the Planning Commission discussed building heights for residential structures, barns, and stables. At the conclusion of these discussions, the Commissioners agreed that a maximum residential building height of 18 feet was reasonable. For barns and stables, the Commissioners shared the heights of stables on their own properties and used a practical approach to estimate the necessary height to accommodate stall areas and tack room or loft space. This resulted in a consensus that a 20-foot height was appropriate for barns and stables.

Below is language that the City Council is considering this evening:

Municipal Ordinance No. 386
The amendment to the Rolling Hills Municipal Zoning Code Chapter 17.16, Sections 17.16.060 & 17.16.080 are as follows:

Section 17.16.060 (Lot area and dimensions) of Title 17 of the Rolling Hills Municipal Code is hereby amended, with additions in underline and deletions in strikethrough, as follows:

Development Standard	Zone District
	RA-S-1 & RA-S-2
4. Height Limited	One story, no greater than 18' (mezzanines and lofts are not permitted) except for stables and barns which shall be no greater than 20'

Section 17.16.080 (Height limitation) of Title 17 of the Rolling Hills Municipal Code is hereby amended, with additions in underline and deletions in strikethrough, as follows:

17.16.080 - Height limitation.

A. General Limitation. A building or structure shall have no more than one story, meaning that there shall be no story on top of another, except as specified in subsection (B) below. The maximum height permitted from finished floor to the peak of the structure shall be no greater than eighteen (18) feet except that the maximum height permitted for stables and barns shall be no greater than twenty (20) feet measured from the finished floor to the highest peak of the structure, exclusive of accessory architectural features as determined by the City. The maximum height permitted from finished floor of any structure to finished grade is five feet. The difference between the finished grade and the finished floor level across any elevation shall average no more than two and one-half feet, with maximum difference of five feet.
B. Exceptions:
    1. A one-story primary residence is permitted over a basement. For the purpose of this section primary residence includes a garage attached to the main residence by

a solid wall.
2. Stables may have a loft, subject to the requirements of Chapter 17.18 of this title.
3. A storage area, as defined in Section 17.12.190 "S" may be located above or below a story.

Notice of Public Hearing
This item was publicly noticed in the *Daily Breeze* on May 1, 2025 (Attachment 11).

Public Comment
As of the date of this report, no public comments have been received.

FISCAL IMPACT:
None.

RECOMMENDATION:
Open the public hearing, receive public testimony, close the public hearing, and by motion: Find that the adoption of the proposed ordinance is statutorily exempt from review under the California Environmental Quality Act ("CEQA") under Public Resources Code section 21080.17; and introduce for first reading by title only Ordinance No. 386 regarding the height limits of single-family residential homes, stables and barns.

ATTACHMENTS:
Attachment 01 - 386_HeightLimit_Ordinance_D.pdf
Attachment 02 - 2025-04_PC_Resolution_ResidentialHeightLimit_F_E.pdf
Attachment 03 - PL_SUB_BH_BuildingHeightsReport_Chart.pdf
Attachment 04 - PL_SUB_BH_STAFF REPORT OF HEIGHTS.pdf
Attachment 05 - PL_SUB_BH_RHMC_Chapter_17.12_Code_Definitions_Basements.pdf
Attachment 06 - PL_SUB_BH_RHMC_Section_17.18.060_Stable.pdf
Attachment 07 - PL_SUB_BH_RHMC_Section_17.18.070_Aviaries.pdf
Attachment 08 - PL_SUB_BH_RHMC_Chapter17.28_Section17.28.050_GeneralADUandJADURequirements.p
Attachment 09 - CL_AGN_241015_PC_Item12A_SR.pdf
Attachment 10 - CL_AGN_250318_PC_Item12A_SR.pdf
Attachment 11 - CL_AGN_250415_PC_Item10C_SR.pdf
Attachment 12 - CL_PBN_250528_CC_HeightLimitOrdinance_Affidavit.pdf

Agenda Item No.: 8.J
Mtg. Date: 06/09/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **SAMANTHA CREW, MANAGEMENT ANALYST**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **FOR SECOND READING AND ADOPTION: ADOPT BY TITLE ONLY ORDINANCE NO. 387 DESIGNATING FIRE HAZARD SEVERITY ZONES WITHIN THE CITY OF ROLLING HILLS, CALIFORNIA BASED ON MAPS PROVIDED BY THE CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION AND AMENDING TITLE 15 (BUILDINGS AND CONSTRUCTION) OF THE ROLLING HILLS MUNICIPAL CODE, AND FINDING THE ORDINANCE NOT SUBJECT TO CEQA**

DATE: **June 09, 2025**

BACKGROUND:
Ordinance No. 387 (Attachment A) is being presented for its second reading and adoption by the City Council. This ordinance would formally adopt the updated Fire Hazard Severity Zone (FHSZ) map released by the California Department of Forestry and Fire Protection (CAL FIRE) for the City of Rolling Hills. The adoption of this ordinance is a required step in implementing state wildfire resilience measures at the local level and aligns the City's planning efforts with the most current data and legislative mandates.

In accordance with California state law, the California Department of Forestry and Fire Protection (CAL FIRE) is responsible for identifying and mapping areas throughout the state that are at risk of wildfires, known as FHSZ. On March 24, 2025, the Director of CAL FIRE released an updated FHSZ map for the City of Rolling Hills (Attachment B and County map Attachment C). The revised map reflects the most current climate data, fire history, topography, and wildfire behavior modeling, and classify areas into Moderate, High, or Very High fire hazard zones.

<u>Legislation: Assembly Bills (AB) and Senate Bills (SB)</u>
Over the past four decades, major wildfire events and evolving legislation have significantly shaped California's fire hazard planning framework. Following the 1980 Panorama Fire in San Bernardino, which burned 28,800 acres, destroyed 325 structures, and resulted in four fatalities. Public Resources Code Section 4201 was enacted in 1982, directing CAL FIRE to develop FHSZ. This led to the release of the first FHSZ maps in 1985.

The 1991 Tunnel Fire in the Oakland Hills, which burned 1,600 acres, destroyed 2,900 structures, and claimed 25 lives, prompted further legislative action. In response, the "Bates Bill" (AB 337, Government Code Section 51175) was passed, requiring CAL FIRE to identify Very High FHSZs within Local Responsibility Areas (LRAs) and recommend appropriate actions to local jurisdictions. CAL FIRE later finalized its statewide FHSZ model in 2007 to include Very High zones within LRAs.

More recent catastrophic wildfires, such as the Tubbs Fire in 2017 and the Camp Fire in 2018, highlighted the increasing urgency for comprehensive hazard identification. As a result, AB 642 and SB 63 were enacted, expanding CAL FIRE's responsibilities to include the mapping of Moderate and High FHSZs in LRAs. Building on these efforts, AB 211 (2022) now requires local jurisdictions to adopt FHSZ designations by ordinance, ensuring a consistent and enforceable approach to wildfire resilience planning across the state.

On May 28, 2025, the City Council voted to approve the FHSZ map developed by CAL FIRE, as presented and released on March 24, 2025. In accordance with state requirements, the City made the proposed map available for public review and comment within the mandated 30-day period, allowing residents the opportunity to provide input and ask questions regarding the updated designations.

This item is now being brought back to the City Council for a second reading, which is required as part of the standard legislative process for adopting ordinances. The second reading serves to formally finalize the adoption of the updated FHSZ map, ensuring consistency with statutory procedures and supporting the City's continued efforts to align with state-mandated wildfire planning measures. Adopting the updated map fulfills a legal requirement and reinforces the City's broader commitment to protecting lives, property, and natural resources from the increasing threat of wildfire.

DISCUSSION:
California's FHSZ maps, developed by CAL FIRE, are science-based tools that identify areas with varying wildfire hazard levels, Moderate, High, or Very High. Unlike risk maps, which factor in structure vulnerability and mitigation efforts, FHSZ maps focus solely on hazard: the likelihood and expected behavior of wildfire over a 30-50 year period based on terrain, vegetation, weather, and fire history.

These maps do not account for recent fires, defensible space, or fire-resistant construction, which are key elements of risk models used by insurers. Instead, FHSZ maps serve long-term planning purposes, such as informing land use, building codes, and emergency preparedness. While FHSZ maps do not predict structure loss, they highlight areas more likely to experience severe fire behavior, including ember spread, one of the leading causes of home ignition. These maps are vital for helping communities understand wildfire exposure and strengthen resilience through informed, proactive planning.

<u>Reducing State-Designated Fire FHSZs</u>
Under California Government Code Sections 51177–51179, cities cannot reduce FHSZ designations provided by CAL FIRE. Local agencies must adopt the maps as issued and may only increase hazard levels with defensible evidence.

<u>Expanding State-Designated FHSZs</u>
Expanding the designated zones beyond the state-defined boundaries poses significant

challenges for a small city like Rolling Hills. Doing so would require extensive, defensible evidence, including technical wildfire risk assessments and scientific modeling, which demands specialized expertise, time, and financial investment. Hiring consultants to complete such work can be cost-prohibitive and may still face legal challenges from property owners concerned about potential impacts on property values or land use.

ADDITIONAL INFORMATION
It is important to note that Section 15.04.040, Subsection 4 of the Rolling Hills Municipal Code (RHMC) currently defines a “fire zone” as follows:

"Fire zone" means the fire zone adopted by an ordinance creating and establishing fire zones or where no such fire zones have been adopted by the City of Rolling Hills, shall mean very high fire hazard severity zone (VHFHSZ).

The current language in the Municipal Code presumes that, without an officially adopted fire zone map or ordinance, the entire City is designated as a Very High Fire Hazard Severity Zone (FHSZ) by default. However, this is not consistent with CAL FIRE’s 2025 FHSZ maps, which show that portions of the City fall outside the Very High classification. As the City Council previously approved the first reading of Ordinance No. 387, this evening’s meeting includes the second reading and adoption, which will update the definition in Section 15.04.040, Subsection 4 of the RHMC to reflect the officially adopted FHSZ designations.

At the May 28, 2025 City Council meeting, it is important to note that Assistant Fire Chief Kane affirmed his commitment to continuing brush clearance inspections for properties located outside the officially designated High Fire Hazard Severity Zones. He emphasized that this approach reflects the Fire Department’s broader commitment to community-wide fire safety and risk reduction. By maintaining inspections citywide, regardless of zone classification, the department reinforces its proactive stance on vegetation management and its dedication to protecting all residents and properties within the City.

CONCLUSION
The updated FHSZ maps are a critical resource in advancing local wildfire preparedness. The maps support informed decision-making around land use, development regulations, and emergency planning. Adoption of the maps reflects the City’s ongoing commitment to public safety, community resilience, and the responsible management of its unique rural environment.

Accordingly, staff requests that the City Council:
Open the public hearing;
Take public testimony;
Deliberate on matters concerning the adoption of the updated FHSZ maps; and
Introduce, for second reading, Ordinance No. 387.

FISCAL IMPACT:
No direct fiscal impact.

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:

Attachment A - 387_ FireHazardSeverityZoneMap_Ordinance.pdf
Attachment B - PS_FHS_250528_MA_LRA_RollingHills.pdf
Attachment C - PS_FHS_250528_MA_LRA__LosAngelesCoSW.pdf
Attachment D - CL_AGN_250528_CC_Item13A_Ord387_FHSZ.pdf

ORDINANCE NO. 387

AN ORDINANCE OF THE CITY OF ROLLING HILLS DESIGNATING FIRE HAZARD SEVERITY ZONES WITHIN THE CITY OF ROLLING HILLS, CALIFORNIA BASED ON MAPS PROVIDED BY THE CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION AND AMENDING TITLE 15 (BUILDINGS AND CONSTRUCTION) OF THE ROLLING HILLS MUNICIPAL CODE, AND FINDING THE ORDINANCE NOT SUBJECT TO CEQA

WHEREAS, Government Code Section 51178 requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones ("FHSZs") based on consistent statewide criteria and severity of fire hazard that is expected to prevail in those areas; and

WHEREAS, on March 24, 2025, the California Department of Forestry and Fire Protection published a new *Local Responsibility Area Fire Hazard Severity Zone* Map for the City of Rolling Hills ("City"); and

WHEREAS, the City Council desires to designate by ordinance the FHSZs in its jurisdiction recommended by the State Fire Marshal pursuant to Government Code Section 51178; and

WHEREAS, based on the entire record before the City Council and all written and oral evidence presented, the City Council finds the proposed Ordinance complies with the California Environmental Quality Act for the reasons set forth in this Ordinance; and

WHEREAS, any and all other legal prerequisites relating to the adoption of this Ordinance have occurred.

THE CITY COUNCIL OF THE CITY OF ROLLING HILLS DOES ORDAIN AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The City Council hereby finds that the foregoing recitals are true and correct and are incorporated herein as substantive findings of this Ordinance.

SECTION 2. CEQA. The City Council finds that the proposed actions are not a project subject to the California Environmental Quality Act ("CEQA"). (State CEQA Guidelines, § 15060(c)(3).) Section 15378 of the State CEQA Guidelines provides that organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment do not qualify as a project subject to CEQA. Here, the proposed actions constitute an organization or administrative activity that will not result in direct or indirect physical changes in the environment because it involves the designation of FHSZs in the Local Responsibility Areas as recommended by the Office of the State Fire Marshal and amendments to the City's Municipal Code regarding the same.

Accordingly, the proposed actions are not a project subject to CEQA.

Even if the proposed actions do qualify as a project subject to CEQA, they would be exempt from CEQA because it can be seen with certainty that there is no possibility that the proposed actions in question may have a significant effect on the environment for the same reasons referenced above. (State CEQA Guidelines, § 15061(b)(3).)

SECTION 3. Designation of Fire Hazard Severity Zones. The City Council hereby designates the Fire Hazard Severity Zones as recommended by the California Department of Forestry and Fire Protection pursuant to Government Code Section 51178. The map, approved by the City, is attached hereto as Attachment "A" entitled "City of Rolling Hills Fire Hazard Severity Zones" dated March 24, 2025, and hereby incorporated by reference. The official map is also located electronically on the following website: https://calfire.app.box.com/file/1810971784473.

SECTION 4. Amendment. The definition of "fire zone" set forth in Section 15.04.040 (Definitions.) of the Rolling Hills Municipal Code is hereby amended in its entirety to read as follows. Except as otherwise expressly provided in this Section 4, all other remaining provisions of Section 15.04.040 shall remain unchanged and continue in full force and effect:

15.04.040 - Definitions.
"Fire zone" means the applicable fire hazard severity zone as designated by the City of Rolling Hills by ordinance.

SECTION 5. Amendment. Section 15.20.025 (Very high fire hazard severity zone (VHFHSZ).) of Title 15 of the Rolling Hills Municipal Code is hereby amended in its entirety to read as follows:

15.20.025 - Fire Hazard Severity Zones.
The Local Responsibility Area Fire Hazard Severity Zones map for the City of Rolling Hills dated March 24, 2025, as identified by the State Fire Marshal, is hereby adopted by the City of Rolling Hills and incorporated herein for all purposes. This map is available for inspection in the City Clerk's office at the Rolling Hills City Hall.

SECTION 6. Submittal to State and Posting. The City Clerk shall submit a copy of this Ordinance to the State Board of Forestry and Fire Protection within thirty (30) days of adoption and take any necessary and proper actions to post all notices required under Government Code Section 51179.

SECTION 7. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance for any reason is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection,

subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 8. Custodian of Records. The documents and materials that constitute the record of proceedings on which these findings are based are located at City Hall for the City of Rolling Hills, located at Rolling Hills City Hall, 2 Portuguese Bend Road, Rolling Hills, California 90274. The City Clerk is the custodian of the record of proceedings.

SECTION 9. Effective Date. This Ordinance takes effect thirty (30) days following its adoption.

SECTION 10. City Clerk's Certification. The City Clerk shall certify to the adoption of this Ordinance and cause the same to be posted at the duly designated posting places within the City and published once within fifteen (15) days after passage and adoption as required by law; or, in the alternative, the City Clerk may cause to be published a summary of this Ordinance and post a certified copy of the text of this Ordinance in the Office of the City Clerk five (5) days prior to the date of adoption of this Ordinance, and, within fifteen (15) days after adoption, the City Clerk shall cause to be published the aforementioned summary and shall post a certified copy of this Ordinance, together with the vote for and against the same, in the Office of the City Clerk.

PASSED, APPROVED AND ADOPTED THIS __th DAY OF _____ 2025.

_____
JEFF PIEPER, MAYOR

ATTEST:

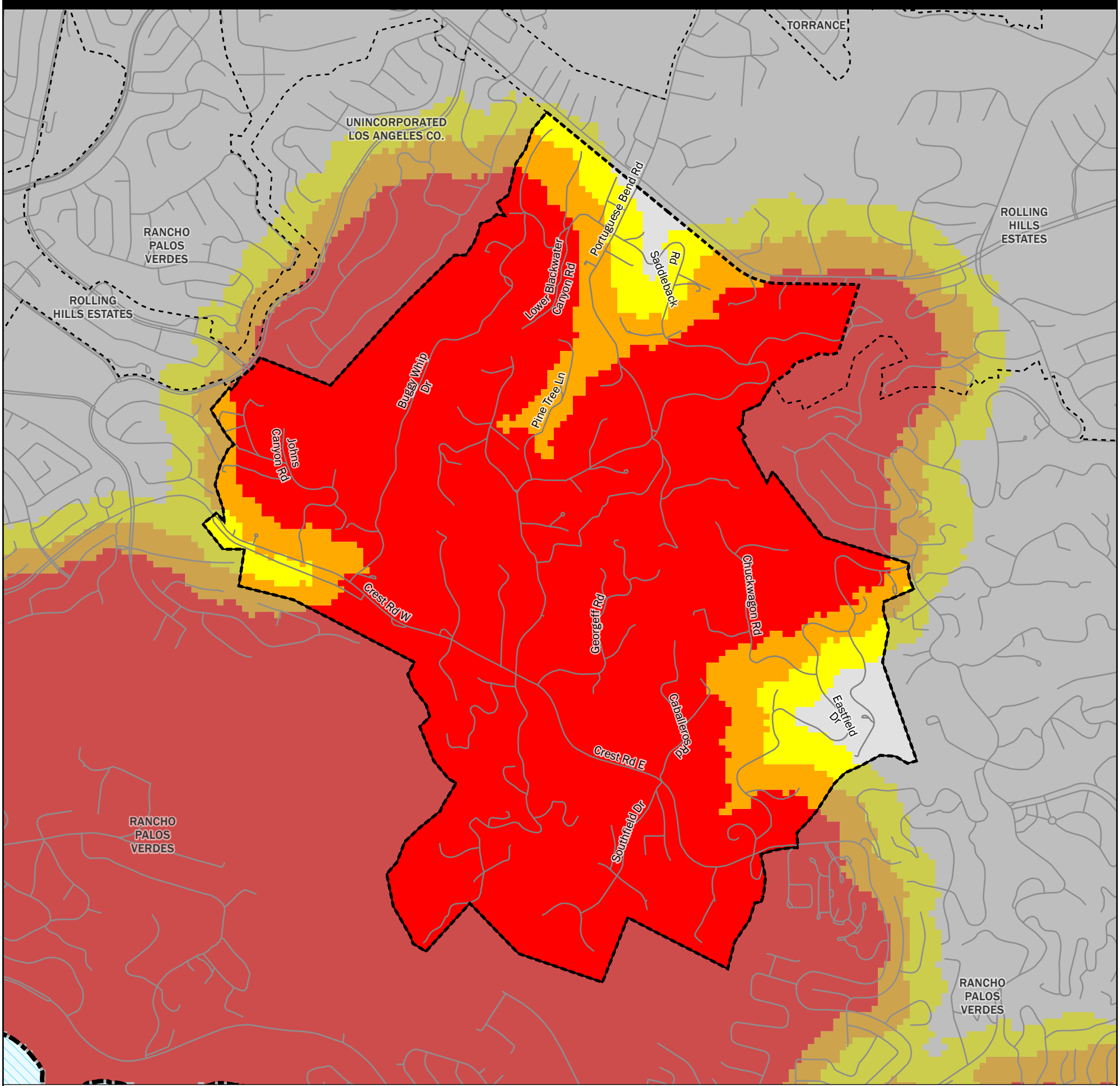
_____
CHRISTIAN HORVATH, CITY CLERK

CITY OF ROLLING HILLS – LOS ANGELES COUNTY

Local Responsibility Area Fire Hazard Severity Zones

As Identified by the State Fire Marshal

March 24, 2025



Fire Hazard Severity Zones (FHSZ) in Local Responsibility Area (LRA), as Identified by the State Fire Marshal

Very High | High | Moderate

Mi 0 0.2 0.4 0.6 0.8 1

Km 0 0.2 0.4 0.6 0.8 1 1.2 1.4 1.6

Projection: NAD 83 California Teale Albers
Scale: 1:20,000 at 11" x 17"

Incorporated City

Unzoned LRA

Government Code section 51178 requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Moderate, high, and very high fire hazard severity zones shall be based on fuel loading, slope, fire weather, and other relevant factors including areas where winds have been identified by the Office of the State Fire Marshal as a major cause of wildfire spread.

The State of California and the Department of Forestry and Fire Protection make no representations or warranties regarding the accuracy of data or maps. Neither the State nor the Department shall be liable under any circumstances for any direct, special, incidental, or consequential damages with respect to any claim by any user or third party on account of, or arising from, the use of data or maps.

Gavin Newsom, Governor, State of California

Wade Crowfoot, Secretary for Natural Resources, CA Natural Resources Agency

Joe Tyler, Director/Fire Chief, CA Department of Forestry and Fire Protection

Daniel Berlant, State Fire Marshal, CA Department of Forestry and Fire Protection

Data Sources:

CAL FIRE Fire Hazard Severity Zones (FHSZSRA23_3, FHSZLRA_25_1)

CAL FIRE State Responsibility Areas (SRA25_1)

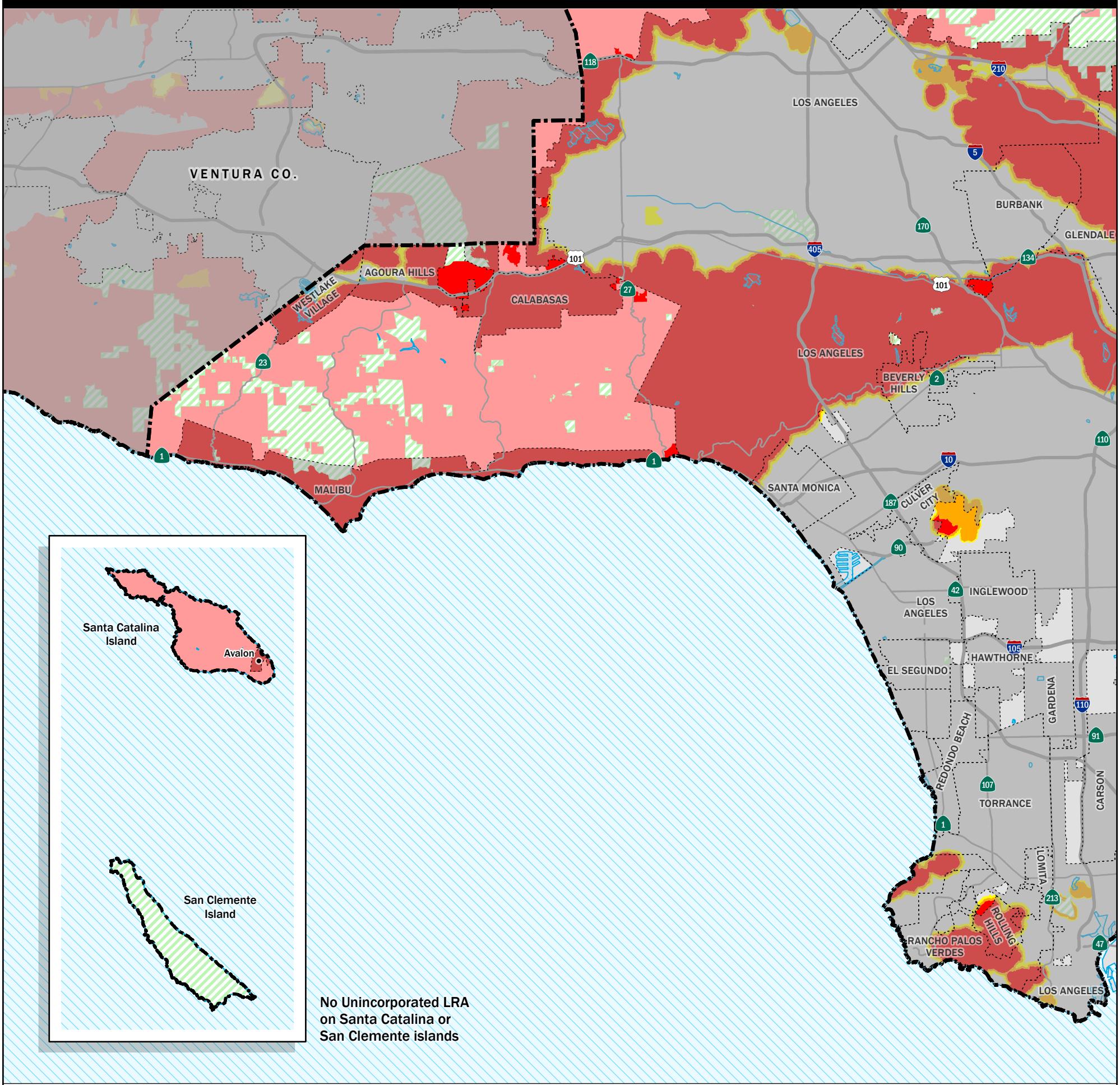
City and County boundaries as of 10/22/24 (CA Board of Equalization)

SOUTHWESTERN LOS ANGELES COUNTY – UNINCORPORATED LRA

Local Responsibility Area Fire Hazard Severity Zones

As Identified by the State Fire Marshal

March 24, 2025



Fire Hazard Severity Zones (FHSZ) in Local Responsibility Area (LRA), as Identified by the State Fire Marshal

Very High | High | Moderate

Fire Hazard Severity Zones in State Responsibility Area (SRA), Effective April 1, 2024

Very High | High | Moderate

Mi 0 5 10

Km 0 5 10 15 20

Projection: NAD 83 California Teale Albers
Scale: 1:277,000 at 11" x 17"

Incorporated City | Waterbody | Unzoned LRA | Federal Responsibility Area (FRA)

Government Code section 51178 requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Moderate, high, and very high fire hazard severity zones shall be based on fuel loading, slope, fire weather, and other relevant factors including areas where winds have been identified by the Office of the State Fire Marshal as a major cause of wildfire spread.

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CAL FIRE State Responsibility Areas (SRA25_1)

City and County boundaries as of 10/22/24 (CA Board of Equalization)

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 13.A
Mtg. Date: 05/28/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **SAMANTHA CREW, MANAGEMENT ANALYST**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **CONSIDERATION OF ORDINANCE NO. 387 DESIGNATING FIRE HAZARD SEVERITY ZONES WITHIN THE CITY OF ROLLING HILLS, CALIFORNIA BASED ON MAPS PROVIDED BY THE CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION AND AMENDING TITLE 15 (BUILDINGS AND CONSTRUCTION) OF THE ROLLING HILLS MUNICIPAL CODE, AND FINDING THE ORDINANCE NOT SUBJECT TO CEQA**

DATE: **May 28, 2025**

BACKGROUND:

Pursuant to California state law, the California Department of Forestry and Fire Protection (CAL FIRE) is required to identify and map areas across the state that are at risk of wildfires, designated as "Fire Hazard Severity Zones" (FHSZ). On March 24, 2025, the Director of CAL FIRE released an updated FHSZ map for the City of Rolling Hills (Attachment A and County Map Attachment B). The revised maps incorporate the latest climate data, fire history, topography, and wildfire behavior modeling to classify areas as Moderate, High, or Very High fire hazard zones.

Legislation: Assembly Bills (AB) and Senate Bills (SB)

Wildfire events and evolving legislation have shaped California's approach to fire hazard planning over the past four decades. In 1980, the Panorama Fire in San Bernardino burned 28,800 acres, destroyed 325 structures, and caused four fatalities. Two years later, Public Resources Code Section 4201 mandated that CAL FIRE develop FHSZ, leading to the creation of the first FHSZ maps in 1985. In 1991, the devastating Tunnel Fire in Oakland Hills burned 1,600 acres, destroyed 2,900 structures, and claimed 25 lives. This tragedy prompted the passage of the "Bates Bill" (AB 337, Government Code Section 51175), which directed CAL FIRE to identify Very High FHSZs within Local Responsibility Areas (LRAs) and make recommendations to local jurisdictions, which are then required to take appropriate action (Attachment C - LRA Legislation & FAQ). In 2007, CAL FIRE finalized its statewide FHSZ model to include Very High zones in LRAs. The Tubbs Fire in 2017 and the Camp Fire in

2018, two of the most destructive wildfires in state history, further underscored the need for proactive planning. In response, AB 642 and SB 63 were enacted to require CAL FIRE to identify not just Very High, but also Moderate and High FHSZs in LRAs. Building on this, AB 211 (2022) requires local agencies to formally adopt these designations by ordinance, ensuring consistent implementation of wildfire resilience measures statewide.

1991 - AB 337

Known as the "Bates Bill," was enacted in response to the 1991 Oakland Hills Fire. It requires CAL FIRE to identify Very High Fire Hazard Severity Zones (VHFHSZ) within LRAs. Once identified, CAL FIRE must provide recommendations to local jurisdictions, which is then required to take appropriate action. The bill is codified in Government Code Section 51175 and aims to strengthen local planning and mitigation efforts in high-risk wildfire areas.

2021 - AB 642

Enhances wildfire resilience by requiring CAL FIRE to map Moderate and High FHSZ in LRAs, expand use of prescribed and cultural burns, and establish a Cultural Burning Liaison. It also calls for updated fire-safe building standards and tribal burn boss training programs.

2021 - SB 63

Strengthens wildfire prevention by expanding hazard mapping to include Moderate and High zones, requiring defensible space beyond property lines, and authorizing local partners to conduct home hardening assessments. It also prioritizes funding for roadside vegetation management and public education.

2022 - AB 211

Requires local agencies to adopt CAL FIRE's Moderate and High FHSZ designations within 120 days and extends CEQA exemptions for wildfire resilience projects. Also allocates funding for drought and ecosystem recovery efforts.

The release of the updated FHSZ map for the City of Rolling Hills marks a critical step in aligning with California's evolving wildfire mitigation framework. Grounded in decades of legislation, scientific advancement, and lessons from past wildfire events (Attachment D), this map serves as a key planning tool to support fire resilience at the local level. As the City considers adoption of the updated map, it reflects not only a legal obligation but a broader commitment to protecting lives, property, and natural resources from the growing threat of wildfire.

Los Angeles County Fire Presentation and Action Items

This evening, the City Council will receive a presentation from Assistant Fire Chief Brian Kane of the Los Angeles County Fire Department (LACoFD) on the updated 2025 Fire Hazard Severity Zone maps. Following the presentation, staff will request that the City Council:

- Open the public hearing;
- Take public testimony;
- Deliberate on matters concerning the adoption of the updated Fire Hazard Severity Zone

maps; and
- Introduce, for first reading, Ordinance No. 387.

DISCUSSION:

California's Fire Hazard Severity Zone (FHSZ) maps are essential planning tools used to identify areas with varying levels of wildfire hazard. Developed by CAL FIRE, these maps provide a long-term, science-based assessment of how likely an area is to experience wildfire and how intense that fire could be under extreme conditions. While often confused with risk maps, FHSZ maps serve a different purpose: they evaluate hazard, the likelihood, and expected behavior of wildfire, rather than risk, which considers the vulnerability of specific structures and the presence of mitigation measures. Understanding this distinction is critical for land-use planning, building code development, and public safety efforts.

The following explains the methodology, purpose, and limitations of FHSZ mapping, as well as recent updates aimed at improving accuracy across both State and Local Responsibility Areas.

Methodology, Purpose, and Limitations

FHSZ maps are created using a science-based and field-tested model that evaluates the hazard of an area burning, not the risk of fire damage. "Hazard" refers to the physical conditions that influence wildfire likelihood and behavior over a 30- to 50-year period, such as terrain, natural vegetation, fire history, typical weather patterns, flame length, and ember generation. The model incorporates two key components: (1) the probability of an area burning and (2) the expected fire behavior under extreme fuel and weather conditions. These maps function similarly to flood zone maps, identifying areas based on the probability of wildfire occurrence rather than predicting specific outcomes or property loss.

Importantly, hazard maps do not account for recent wildfire activity, defensible space, ignition-resistant construction, or fuel reduction efforts. These are instead considered under the concept of risk. "Risk" reflects the potential damage a fire could cause under current conditions, incorporating mitigation measures such as fuel reduction, defensible space, and fire-resistant building features. Insurance companies rely on risk models, not hazard models, because they factor in short-term, site-specific variables that affect a structure's susceptibility to damage. Unlike hazard models, risk models can change frequently based on evolving conditions. Insurance Commissioner Ricardo Lara recently stated, "The CAL FIRE hazard maps are not used for insurance rates or underwriting decisions, but they will empower communities with more accurate information about the very real hazards we face." (Attachment E).

Outside of wildland areas, hazard models also evaluate potential threats to buildings by considering urban vegetation, terrain, weather, proximity to wildlands, and nearby fire behavior. However, they do not directly predict structure loss, as detailed ignition vulnerability data (e.g., roof type or vent openings) is not included. One critical component of the model is ember spread, since embers are a major cause of wildfire ignition. Embers can travel long distances in high winds and ignite structures by entering attics, vents, or landing on decks and roofs.

State Responsibility Areas (SRAs) and Local Responsibility Areas (LRAs)

FHSZ maps are currently being updated to incorporate the latest fire science, localized climate data, and improved wildfire behavior modeling. These updates aim to provide a more accurate reflection of current wildfire hazard conditions throughout California, both in State Responsibility Areas (SRAs) and Local Responsibility Areas (LRAs).

SRAs are lands where the state holds financial responsibility for wildland fire protection. In contrast, LRAs include incorporated cities, urban regions, agricultural lands, and other areas where fire protection is managed by local agencies. CAL FIRE applies an adapted version of the SRA hazard model to LRAs, taking into account both ember exposure from adjacent wildlands and flammable vegetation within the urban environment.

Under California Government Code Sections 51177-51179, local agencies receiving FHSZ maps for LRAs from the Office of the State Fire Marshal (OSFM) are required to follow a three-step process: (1) within 30 days, make the maps available for public review and comment (Attachment F - Public Notice); (2) within 120 days, adopt the maps by local ordinance (Attachment G - Ordinance); and (3) within 30 days of adoption, submit the ordinance and related documents to the Board of Forestry and Fire Protection. Local agencies may only increase, not decrease, the hazard designations provided by OSFM.

As wildfire threats continue to evolve with changing climate conditions and expanding development in fire-prone areas, the importance of accurate, science-based hazard mapping cannot be overstated. California's updated FHSZ maps provide a critical foundation for informed decision-making in land use, building regulations, and emergency preparedness. By distinguishing between long-term hazard and short-term risk, these maps support more targeted mitigation strategies and better coordination among state and local agencies. Ultimately, the updated FHSZ maps serve as a proactive tool to help communities understand their wildfire exposure, strengthen their resilience, and reduce the potential impacts of future wildfires.

ADDITIONAL INFORMATION

It is important to note that currently, Section 15.04.040, Subsection 4 of the Rolling Hills Municipal Code (RHMC) defines a 'fire zone' as follows:

"Fire zone" means the fire zone adopted by an ordinance creating and establishing fire zones or where no such fire zones have been adopted by the City of Rolling Hills, shall mean very high fire hazard severity zone (VHFHSZ).

The current language in the Municipal Code assumes that, in the absence of a formally adopted fire zone map or ordinance, the entire City is classified as a Very High Fire Hazard Severity Zone (FHSZ) by default. However, this assumption may not be accurate, as Cal Fire's 2025 FHSZ maps indicate that not all areas of the City fall within a Very High FHSZ. Therefore, should the City Council desire to proceed with this process, staff will place Ordinance No. 387 on the June 9 City Council meeting for its first reading, thus updating the definition found in Section 15.04.040, Subsection 4 of the RHMC.

CONCLUSION

For the City of Rolling Hills, where wildfire risk is a persistent concern due to the community's rural character and natural landscape, the updated FHSZ maps are a vital tool in advancing local wildfire preparedness. These maps not only reflect the most current science and modeling but also help the City make informed decisions about land use, development standards, and resource allocation. The adoption and use of these updated maps reaffirm the City's commitment to public safety, community resilience, and responsible stewardship of its unique environment.

FISCAL IMPACT:
No direct fiscal impact.

RECOMMENDATION:
Staff recommends that the City Council:

- Open the public hearing;
- Take public testimony;
- Deliberate on matters concerning the adoption of the updated Fire Hazard Severity Zone maps; and
- Introduce for first reading, Ordinance No. 387

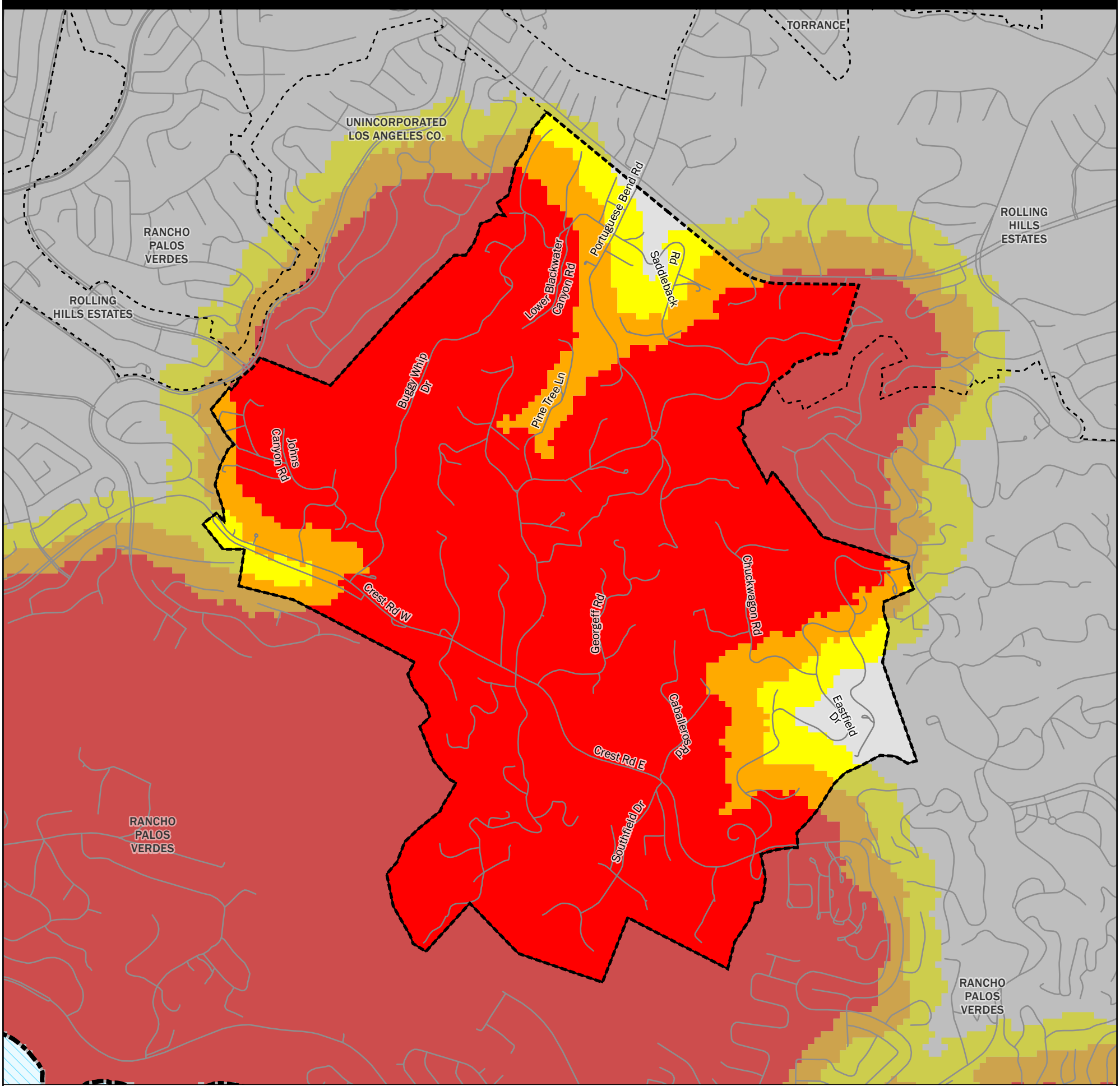
ATTACHMENTS:
Attachment A - PS_FHS_250528_MA_LRA_RollingHills.pdf
Attachment B - PS_FHS_250528_MA_LRA__LosAngelesCoSW.pdf
Attachment C - PS_FHS_250528_MA_LRA_LegislationFactsheet.pdf
Attachment D - PS_FHS_250528_MA_Events&LegislativeTimeline.pdf
Attachment E - PS_FHS_250528_MA_FHSZ-InsuranceConsumerAlert.pdf
Attachment F - PS_FHS_250528_MA_PublicNotice_FireHazardSeverityZones.pdf
Attachment G - 387_ FireHazardSeverityZoneMap_Ordinance.pdf
Attachment H - PS_FHS_250528_MA_LACoFD_LRA.pdf

CITY OF ROLLING HILLS – LOS ANGELES COUNTY

Local Responsibility Area Fire Hazard Severity Zones

As Identified by the State Fire Marshal

March 24, 2025



Fire Hazard Severity Zones (FHSZ) in Local Responsibility Area (LRA), as Identified by the State Fire Marshal

Very High | High | Moderate

Mi 0 0.2 0.4 0.6 0.8 1

Km 0 0.2 0.4 0.6 0.8 1 1.2 1.4 1.6

Projection: NAD 83 California Teale Albers
Scale: 1:20,000 at 11" x 17"

Incorporated City

Unzoned LRA

Government Code section 51178 requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Moderate, high, and very high fire hazard severity zones shall be based on fuel loading, slope, fire weather, and other relevant factors including areas where winds have been identified by the Office of the State Fire Marshal as a major cause of wildfire spread.

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Wade Crowfoot, Secretary for Natural Resources, CA Natural Resources Agency

Joe Tyler, Director/Fire Chief, CA Department of Forestry and Fire Protection

Daniel Berlant, State Fire Marshal, CA Department of Forestry and Fire Protection

Data Sources:

CAL FIRE Fire Hazard Severity Zones (FHSZSRA23_3, FHSZLRA_25_1)

CAL FIRE State Responsibility Areas (SRA25_1)

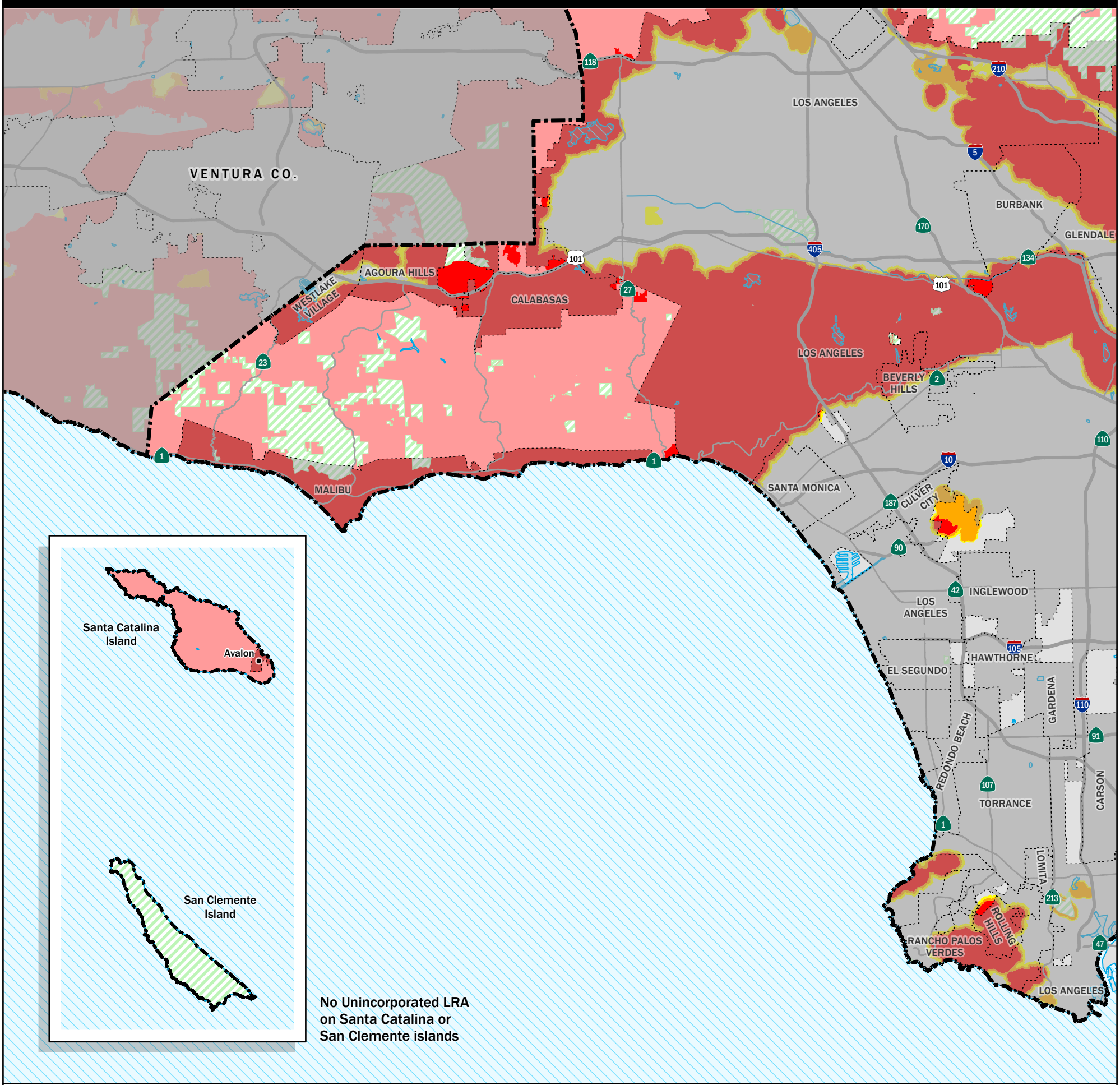
City and County boundaries as of 10/22/24 (CA Board of Equalization)

SOUTHWESTERN LOS ANGELES COUNTY – UNINCORPORATED LRA

Local Responsibility Area Fire Hazard Severity Zones

As Identified by the State Fire Marshal

March 24, 2025



Fire Hazard Severity Zones (FHSZ) in Local Responsibility Area (LRA), as Identified by the State Fire Marshal

Very High | High | Moderate

Fire Hazard Severity Zones in State Responsibility Area (SRA), Effective April 1, 2024

Very High | High | Moderate

Mi 0 5 10

Km 0 5 10 15 20

Projection: NAD 83 California Teale Albers
Scale: 1:277,000 at 11" x 17"

Incorporated City | Waterbody | Unzoned LRA | Federal Responsibility Area (FRA)

Government Code section 51178 requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Moderate, high, and very high fire hazard severity zones shall be based on fuel loading, slope, fire weather, and other relevant factors including areas where winds have been identified by the Office of the State Fire Marshal as a major cause of wildfire spread.

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CAL FIRE State Responsibility Areas (SRA25_1)

City and County boundaries as of 10/22/24 (CA Board of Equalization)

Fire Hazard Severity Zones
Local Responsibility Area

Fire Hazard Severity Zones

What is a Fire Hazard Severity Zone?
The State Fire Marshal shall identify areas in the State as Moderate, High, and Very High Hazard Severity Zones based on consistent statewide criteria and the severity of fire hazard that is expected to prevail in those areas. – CA GOV 51178

When did Fire Hazard Severity Zones begin in Local Responsibility Area?
Assembly Bill 337 (Bates 1992), prompted by the devastating Oakland Hills fire of 1991, calls for CAL FIRE to evaluate fire hazard severity in local responsibility area and to make a recommendation to the local jurisdiction where Very High FHSZ exist. – CA GOV 51175

What do Fire Hazard Severity Zones measure?
The maps evaluate "Hazard", not "Risk". Hazard is based on physical conditions that create expected fire behavior over a 50-year period without considering short-term modifications. Risk is the potential damage a fire can do to the area under existing conditions, including fuel reduction projects, defensible space, and ignition resistant building construction. - osfm.fire.ca.gov/fhsz

Will the new Fire Hazard Severity Zone maps affect my insurance?
Insurance companies use risk models, which differ from hazard models, because they consider the susceptibility of a structure to damage from fire and other short-term factors that are not included in hazard modeling. Insurance risk models incorporate additional factors that change more frequently than those that CAL FIRE includes in its hazard mapping, which is built to remain steady.
– California Department of Insurance

What are the requirements within Fire Hazard Severity Zones?

- Materials and Construction Methods for Exterior Wildfire Exposure – CBC Chapter 7A
- Natural hazard real estate disclosure at the time of sale – CA CIV 1102.19 (AB 38 2019)
- 100-foot defensible space clearance requirements – CA GOV 51182
- Property development standards such as road widths, water supply, and signage – CA PRC 4290
- Consideration during future development of Cities and Counties General Plan – CA GOV 65302

1980

Panorama Fire burns 28,800 acres, destroying 325 structures and resulting in 4 fatalities in San Bernardino.

1991

Tunnel Fire burns 1,600 acres, destroying 2,900 structures and resulting in 25 fatalities in the Oakland Hills.

1982 PRC 4201 mandates that CAL FIRE develop Fire Hazard Severity Zones.

1985 Fire Hazard Severity Zone maps are created.

1992 The "Bates Bill" calls for CAL FIRE to identify Very High Fire Hazard Severity Zones in LRA.

Frequently Asked Questions

Is there an easy way to determine the Fire Hazard Severity Zone of my property?
You can search by address to find your current designation on the website: osfm.fire.ca.gov/fhsz

Why are Fire Hazard Severity Zones being updated?
The hazard maps are being updated to more accurately reflect the zones in California that are susceptible to wildfire. The process will incorporate new science in local climate data and improved fire assessment modeling in determining hazard ratings. – PRC 4125 and GC 51178

What are the key elements of the Fire Hazard Severity Zone Model?
The model has two key elements: probability of an area burning and expected fire behavior under extreme fuel and weather conditions. The factors considered in determining fire hazard within wildland areas is fire history, flame length, terrain, local weather, and potential fuel over a 50-year period. Outside of wildlands, the model considers factors that might lead to buildings being threatened, including terrain, weather, urban vegetation cover, blowing embers, proximity to wildland, fire history, and fire hazard in nearby wildlands. This is not a structure loss model, as key information regarding structure ignition is not included. – osfm.fire.ca.gov/fhsz

Why does the model place an emphasis on the spread of embers?
Embers spread wildfire because they can travel long distances in the wind and ignite vegetation, roofs, attics (by getting into vents), and decks. – osfm.fire.ca.gov/fhsz

What is the difference between SRA and LRA?
State Responsibility Area (SRA) is a legal term defining the area where the State has financial responsibility for wildland fire protection and prevention. – CA PRC 4102
Local Responsibility Area (LRA) includes incorporated cities, urban regions, agriculture lands, and portions of the desert where the local government is responsible for wildfire protection. – CA PRC 4125

How are Fire Hazard Severity Zones determined in Local Responsibility Areas?
CAL FIRE uses an extension of the state responsibility area Fire Hazard Severity Zone model as the basis for evaluating fire hazard in Local Responsibility Area. The Local Responsibility Area hazard rating reflects flame and ember intrusion from adjacent wildlands and from flammable vegetation in the urban area.
– PRC 4202 and GC 51178

2017

Tubbs Fire burns 36,810 acres, destroying 5,643 structures and resulting in 22 fatalities in Santa Rosa.

2018

Camp Fire burns 153,336 acres, destroying 18,804 structures and resulting in 85 fatalities in Paradise.

CAL FIRE finalizes the Statewide FHSZ Model to include Very High FHSZ in LRA.

2007

AB 642 and SB 63 require CAL FIRE to identify Moderate and High FHSZ in LRA.

2021

AB 211 requires local agency to designate by ordinance Moderate and High FHSZ in LRA.

2022

FHSZ Frequently Asked Questions

General

What is a Fire Hazard Severity Zone or FHSZ?

Public Resource Code 4202; The State Fire Marshal shall classify lands within State Responsibility Areas into Fire Hazard Severity Zones. Each zone shall embrace relatively homogeneous lands and shall be based on fuel loading, slope, fire weather, and other relevant factors present, including areas where winds have been identified by the department as a major cause of wildfire spread. Government Code 51178; The State Fire Marshal shall identify areas in the state as Moderate, High, and Very High Fire Hazard Severity Zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Moderate, High, and Very High Fire Hazard Severity Zones shall be based on fuel loading, slope, fire weather, and other relevant factors including areas where winds have been identified by the Office of the State Fire Marshal as a major cause of wildfire spread.

Will the new Fire Hazard Severity Zones affect my ability to get or maintain insurance?

Insurance companies use risk models, which differ from hazard models, because they consider the susceptibility of a structure to damage from fire and other short-term factors that are not included in hazard modeling. It is unlikely that insurance risk models would utilize CAL FIRE Fire Hazard Severity Zones as a factor, but much of the same data that is used in the Fire Hazard Severity Zone model are likely included in the insurance companies' risk models. However, insurance risk models incorporate many additional factors and that change more frequently than those that CAL FIRE includes in its hazard mapping, which is built to remain steady for the next 10+ years.

What do Fire Hazard Severity Zones measure?

The Fire Hazard Severity Zone map reflects "hazard," not "risk". The map is like flood zone maps, where lands are described in terms of the probability level of a particular area being inundated by floodwaters, and not specifically prescriptive of impacts.

"Hazard" is based on the physical conditions that create a likelihood and expected fire behavior over a 30 to 50-year period without considering mitigation measures such as home hardening, recent wildfire, or fuel reduction efforts.

"Risk" is the potential damage a fire can do to the area under existing conditions, accounting for any modifications such as fuel reduction projects, defensible space, and ignition resistant building construction.

FHSZ Frequently Asked Questions

General

What are the key elements of the Fire Hazard Severity Zone model?

The fire hazard severity model for wildland fire has two key elements: probability of an area burning and expected fire behavior under extreme fuel and weather conditions. The zones reflect areas that have similar burn probabilities and fire behavior characteristics. The factors considered in determining fire hazard within wildland areas are fire history, flame length, terrain, local weather, and potential fuel over a 50-year period. Outside of wildlands, the model considers factors that might lead to buildings being threatened, including terrain, weather, urban vegetation cover, blowing embers, proximity to wildland, fire history, and fire hazard in nearby wildlands. FHSZs are not a structure loss model, as key information regarding structure ignition (such as roof type, etc.) is not included.

Where do Fire Hazard Severity Zones apply?

Fire Hazard Severity Zones are found in areas where the state has financial responsibility for wildfire protection and prevention, called the State Responsibility Area. More than 31 million acres are in this area. Under Senate Bill 63 (Stern, 2021) Government Code 51178 was amended to also identify the Moderate and High Fire Hazard Severity Zones with the Very High in Local Responsibility Area (LRA).

What are the uses of Fire Hazard Severity Zones?

The zones are used for several purposes including to designate areas where California's defensible space standards and wildland urban interface building codes are required. They can be a factor in real estate disclosure, and local governments may consider them in their general plan.

When were the maps last updated?

In 2007, CAL FIRE updated the FHSZs for the entire State Responsibility Area (SRA). Between 2008-2011 the department worked with local governments to make recommendations of the Very High Fire Hazard Severity Zones within Local Responsibility Area (LRA).

Why are fire hazard severity maps being updated?

The hazard maps are being updated to more accurately reflect the zones in California that are susceptible to wildfire. The hazard mapping process will incorporate new science in local climate data and improved fire assessment modeling in determining hazard ratings.

FHSZ Frequently Asked Questions

General

How do the Fire Hazard Severity Zone Maps differ from California Public Utilities Commission (CPUC) High Fire Threat District Maps?

The California Public Utilities Commission (CPUC) sponsored map, known as "CPUC High Fire Threat District Map" (HFTD), includes similar factors as those in the FHSZ maps, however the CPUC HFTD Map is designed specifically for identifying areas where there is an increased risk for utility associated wildfires. As such, the CPUC map includes fire hazards associated with historical powerline-caused wildfires, current fuel conditions, and scores areas based on where fires start, as opposed to where potential fires may cause impacts.

How are Fire Hazard Severity Zones determined?

CAL FIRE used the best available science and data to develop, and field test a model that served as the basis of zone assignments. The model evaluated the probability of the area burning and potential fire behavior in the area. Many factors were included such as fire history, vegetation, flame length, blowing embers, proximity to wildland, terrain, and weather.

What new data will be included in the new model, and how does this differ from the previous model?

A 2 km grid of climate data covering the years 2003-2018 is being used in the update. The previous model used stock weather inputs across the state to calculate wildland fire intensity scores. The updated model will adjust fire intensity scores based on the most extreme fire weather at a given location, considering temperature, humidity, and wind speed. In addition, ember transport is being modeled based on local distributions of observed wind speed and direction values instead of using a generic buffer distance for urban areas adjacent to wildlands.

Why is my property in a different zone than the adjacent area, which looks similar?

In wildland areas, zone edges are a result of the way zones are delineated. Specifically, zones represent areas of similar slope and fuel potential. Zone boundaries divide zones based on geographic and vegetation features that align with fire hazard potential; although, at a local scale, it may appear that the immediate area is similar on both sides of the edge. The class value within a zone is based on the average hazard score across the whole zone, so areas that are in the same zone but not immediately adjacent to a local area can have an influence on the final zone classification. Classification outside of wildland areas is based on the fire hazard of the adjacent wildland and the probability of flames and embers threatening buildings.

FHSZ Frequently Asked Questions

General

Why does the model place an emphasis on the spread of embers?

Embers spread wildfire because they can travel long distances in the wind and ignite vegetation, roofs, attics (by getting into vents), and decks.

Why do waterbodies have a Fire Hazard Severity Zone Classification?

All areas in State Responsibility Area, including water bodies, require a Fire Hazard Severity Zone designation. The 2007 FHSZ maps zoned all water as Moderate by default. In the 2023 FHSZ model we added a buffer of FHSZ from the surrounding wildland into water bodies to account for potential threat of embers to buildings on docks and house boats, as well as variation in reservoir height that occurs with drought.

How does CAL FIRE assist Local Governments in Fire Hazard Severity Zones?

CAL FIRE's Land Use Planning Program is a specialized unit that provides support to local governments by providing fire safety expertise on the State's wildland urban interface building codes, wildfire safety codes, as well as helping in the development of the safety elements in general plans.

How can I search the Fire Hazard Severity Zone of a property?

You can search by address to find your current designation on the web at: osfm.fire.ca.gov/FHSZ

State Responsibility Area

What is State Responsibility Area or SRA?

SRA is a legal term defining the area where the state has financial responsibility for wildland fire protection and prevention. Incorporated cities and federal ownership are not included. Within the SRA, CAL FIRE is responsible for fire prevention and suppression. There are more than 31 million acres in SRA, with an estimated 1.7 million people and 800,000 existing homes.

How is State Responsibility Area determined?

The Board of Forestry and Fire Protection (Board) classifies land as State Responsibility Area. The legal definition of SRA is found in the Public Resources Code Section 4125. The Board has developed detailed procedures to classify lands as State Responsibility Area. Lands are removed from SRA when they become incorporated by a city, change in ownership to the federal government, become more densely populated, or are converted to intensive agriculture that minimizes the risk of wildfire. While some lands are removed from SRA automatically, the Board typically reviews changes every five years.

What Fire Hazard Severity Zones are in State Responsibility Area?

All of the State Responsibility Area is in a Fire Hazard Severity Zone. Lands are either ranked as Moderate, High or Very High Fire Hazard Severity Zones.

What are the wildland urban interface (WUI) building codes in State Responsibility Area?

The WUI building codes (California Building Code (CBC) Chapter 7A) reduce the risk of embers fanned by wind-blown wildfires from igniting buildings. The codes for roofing, siding, decking, windows, and vents apply throughout all State Responsibility Area regardless of the fire hazard severity ranking. Ember-resistant building materials can be found at: https://osfm.fire.ca.gov/divisions/fire-engineering-and-investigations/building-materials-listing/

State Responsibility Area

What is the difference between the various Fire Hazard Severity Zones?

Classification of a wildland zone as Moderate, High or Very High Fire Hazard is based on the average hazard across the area included in the zone, which have a minimum size of 200 acres. In wildlands, hazard is a function of modeled flame length under the worst conditions and annual burn probability. Both these factors generally increase with increasing hazard level, but there may be instances where one value is Very High and the other is low, pushing the overall hazard into a more intermediate ranking. On average, both modeled flame length and burn probability increase by roughly 40-60% between hazard classes.

Is the GIS data for Fire Hazard Severity Zones available for download?

The data inputs used to develop the Fire Hazard Severity Zones are identified in the Initial Statement of Reasons (ISOR) Title 19 Development (ca.gov). CAL FIRE has developed an additional data package which consists of sequential modeling steps, including any data inputs that were not already publicly available and referenced in the ISOR. The data package encompasses 34 spatial datasets and 8 tables, provided in raster, polygon, and table format. These datasets are formatted for Esri ArcGIS software, except for four tables provided in Excel. Ten of the datasets are updated versions used to produce an edited SRA FHSZ map following the public comment period that ended April 4, 2023. Upon formal adoption of the FHSZ map, the final SRA FHSZ geospatial data file will become available. The data package is available on the FHSZ website Fire Hazard Severity Zones (ca.gov) under the science and methods banner.

Local Responsibility Area

What is Local Responsibility Area or LRA?

Local Responsibility Areas (LRA) are incorporated cities, urban regions, agriculture lands, and portions of the desert where the local government is responsible for wildfire protection. This is typically provided by city fire departments, fire protection districts, counties, and by CAL FIRE under contract.

When did Fire Hazard Severity Zones begin in Local Responsibility Area?

Assembly Bill 337 (Bates, 1992) prompted by the devastating Oakland Hills Fire of 1991, calls for CAL FIRE to evaluate fire hazard severity in Local Responsibility Area and to make a recommendation to the local jurisdiction where Very High FHSZ exist. Government Code 51175 then provides direction for the local jurisdiction to take appropriate action.

How are Fire Hazard Severity Zones determined in Local Responsibility Areas?

CAL FIRE uses an extension of the State Responsibility Area Fire Hazard Severity Zone model as the basis for evaluating fire hazard in Local Responsibility Area. The Local Responsibility Area hazard rating reflects flame and ember intrusion from adjacent wildlands and from flammable vegetation in the urban area.

What are the requirements for landowners in Fire Hazard Severity Zones in Local Responsibility Areas?

California's WUI building codes (CBC Chapter 7A) apply to the design and construction of new buildings located in High and Very High FHSZs in Local Responsibility Areas. Local ordinances may require ignition resistant construction for remodel projects. Check with your local building department to determine which ignition resistant building codes apply to your project. In addition, Government Code Section 51182 calls for defensible space clearance and other wildland fire safety practices for buildings. Owners are also required to make a natural hazard disclosure as part of a real estate transfer. For information regarding home hardening and defensible space clearance, visit www.readyforwildfire.org.

Does the designation of Very High Fire Hazard Severity Zones in the Local Responsibility Area trigger the 100-foot clearance requirement?

Yes, per Government Code 51182 unless a local government has passed a more stringent requirement, the 100-foot defensible space clearance applies. For information regarding home hardening and defensible space clearance, visit www.readyforwildfire.org.

Local Responsibility Area

What is the process for developing Fire Hazard Severity Zones in the Local Responsibility Area?

CAL FIRE uses the same modeling data that is used to map the State Responsibility Area. The map, along with a model ordinance, are then sent to the governing body for adoption.

How are the new Fire Hazard Severity Zones impacting development?

Many of the changes expanding Fire Hazard Severity Zones in Local Responsibility Areas have been supported by the building industry. CAL FIRE works closely with the building industry when setting various building codes and defensible space requirements, so we are working together to not affect development itself but to make sure development matches the hazards of that area.

When will the Local Responsibility Area Map be released?

The Local Responsibility Area map process will happen after the State Responsibility Area process has been completed, which is estimated to occur in winter of 2025.

Why haven't Moderate and High Fire Hazard Severity Zone classes been classified before in the Local Responsibility Area?

New legislation, Senate Bill 63 (Stern, 2021), now requires the adoption of all three Fire Hazard Severity Zone classes in the Local Responsibility Area. Previously only Very High Fire Hazard Severity Zones were required for adoption in Local Responsibility Areas.

Why is my property in a different zone than the adjacent area, which looks similar?

In non-wildland areas, zone edges occur based on distance to the wildland edge. Because hazard in these areas is largely determined by incoming embers from adjacent wildland, urban areas that are similar in vegetation type and housing density may have a change in FHSZ class as the distance to the wildland edge increases. Areas immediately adjacent to wildland receive the same FHSZ score as that wildland where fire originates, and the model then produces lower scores as the distance to wildland edge increases.

LRA Legislation Factsheet

Assembly Bill No.337

An act to add Chapter 6.8 (commencing with Section 51175) to Part 1 of Division 1 of Title 5 of the Government Code, and to amend Section 13108.5 of the Health and Safety Code, relating to fire protection.

[Enrolled, January 28, 1991]

AB 337, Bates. Very high fire hazard severity zones.

(1) Under existing law, the State Board of Forestry is required to classify all lands within the state, in accordance with prescribed criteria, for the purpose of determining areas in which the financial responsibility of preventing and suppressing fires is primarily the responsibility of the state.

This bill would declare that the prevention of fires is not a municipal affair but is instead, a matter of statewide concern, and would make a finding and declaration of the Legislature that its provisions apply to all local agencies, including, but not limited to, charter cities, charter counties, and charter cities and counties. The bill would prohibit that finding from limiting the authority of a local agency, as defined, from imposing more restrictive fire and panic safety requirements, as otherwise authorized by law.

The bill would state that it is not the intent of the Legislature to limit or restrict the authority of a local agency to impose more restrictive fire and panic safety requirements, as otherwise authorized by law.

This bill would require the Director of Forestry and Fire Protection to identify areas in the state as very high fire hazard severity zones within all counties pursuant to a prescribed schedule. The bill would require local agencies, as defined, to designate, by ordinance, very high fire hazard severity zones in their jurisdiction after receiving recommendations from the director, except as prescribed. The bill would authorize local agencies to include or exclude areas following certain findings and would require changes made by local agencies to be final and not rebuttable by the director. By requiring local agencies to designate very high fire hazard severity zones within their jurisdictions, this bill would impose a state-mandated local program. The bill would require the State Fire Marshal to prepare and adopt a model ordinance that provides for the establishment of any high fire hazard security zones.

Assembly Bill No.337 (Continued)

(2) Under existing law, any person who owns, leases, controls, operates, or maintains any building or structure in, upon, or adjoining any mountainous area or forest-covered lands, brush-covered lands, or grass-covered lands, or any land that is covered with flammable material, is required to undertake specified fire protection measures, including the maintenance of specified firebreaks.

The bill would enact requirements of this nature for any person who owns, leases, controls, operates, or maintains, any occupied dwelling or occupied structure in, upon, or adjoining any mountainous area, forest-covered land, brush-covered land, grass-covered land, or land covered with flammable material, which area or land is within a very high fire hazard severity zone, as described in (1).

The bill would authorize local agencies to exempt certain structures and would exempt certain land or water areas.

The bill would make violation of these requirements an infraction or misdemeanor, as specified, thereby imposing a state-mandated local program by creating a new crime, and would specify related matters.

This bill would require local agencies to notify owners of property of violation and would authorize local agencies to correct the conditions and make a lien upon the property, as prescribed. By creating these requirements, this bill would impose a state-mandated local program.

The bill would permit a violation of these requirements to be considered a public nuisance, as specified.

(3) Existing law requires the State Fire Marshal to adopt, amend, and repeal regulations for roof coverings and openings into the attic areas of buildings in those fire hazard severity zones in state responsibility lands as designated by the director. Existing law requires the director to classify lands within state responsibility areas into fire hazard severity zones.

This bill would instead require the State Fire Marshal to propose, and would require the State Building Standards Commission to adopt, amend, and repeal those regulations. The bill would also require the State Fire Marshal to propose, and would require the State Building Standards Commission to adopt, amend, and repeal, those regulations for buildings in very high fire hazard severity zones in state responsibility lands, designated by the director, and in very high fire hazard severity zones as described in (1). The bill would require roofs on all new buildings and certain existing buildings in both of those zones to be at least a class B roof that complies with Standard 32-7 of the Uniform Building Code, as adopted in the California Building Standards Code. The bill would impose requirements on installers and roofing materials and make other related changes. The bill would exempt historic buildings, as defined, from these provisions.

LRA Legislation Factsheet

Senate Bill No.63

CHAPTER 382

An act to amend Sections 51177, **51178, 51178.5,** 51182, and 51189 of the **Government Code**, to amend Section 13108.5 of the Health and Safety Code, and to amend Sections 4124.5 and 4291 of, and to add and repeal Sections 4123.8, 4291.5, and 4291.6 of, the Public Resources Code, relating to fire prevention.

[Approved by Governor September 28, 2021. Filed with Secretary of State September 28, 2021.]

SB 63, Stern. Fire prevention: vegetation management: public education: grants: defensible space: fire hazard severity zones.

(1) Existing law requires the Director of Forestry and Fire Protection to identify areas of the state as very high fire hazard severity zones based on specified criteria. Existing law requires a local agency, within 30 days after receiving a transmittal from the director that identifies very high fire hazard severity zones, to make the information available for public review, as provided. This bill, among other things, would also require the director to identify areas of the state as moderate and high fire hazard severity zones. The bill would modify the factors the director is required to use to identify areas into fire hazard severity zones, as provided. The bill would require a local agency to make this information available for public review and comment, as provided. By expanding the responsibility of a local agency, the bill would impose a state-mandated local program.

This bill would also make conforming changes.

(2) Existing law requires a person who owns, leases, controls, operates, or maintains an occupied dwelling or structure in, upon, or adjoining a mountainous area, forest-covered land, brush-covered land, grass-covered land, or land that is covered with flammable material that is within a very high fire hazard severity zone, as designated by a local agency, or a building or structure in, upon, or adjoining those areas or lands within a state responsibility area, to maintain a defensible space of 100 feet from each side and from the front and rear of the structure, as specified. Existing law authorizes a greater distance than specified above on the specified land in a very high fire hazard severity zone. Existing law specifies that clearance beyond the property line may only be required if state law, local ordinance, rule, or regulation includes certain findings and specifies that clearance on adjacent property shall only be conducted following written consent by the adjacent landowner.

Amended by Senate Bill No.63

Government Code 51178

The State Fire Marshal shall identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Moderate, high, and very high fire hazard severity zones shall be based on fuel loading, slope, fire weather, and other relevant factors including areas where winds have been identified by the Office of the State Fire Marshal as a major cause of wildfire spread.

(Amended by Stats. 2021, Ch. 382, Sec. 2.5. (SB 63) Effective January 1, 2022.)

Government Code 51178.5

Within 30 days after receiving a transmittal from the State Fire Marshal that identifies fire hazard severity zones pursuant to Section 51178, a local agency shall make the information available for public review and comment. The information shall be presented in a format that is understandable and accessible to the general public, including, but not limited to, maps.

(Amended by Stats. 2021, Ch. 382, Sec. 3.5. (SB 63) Effective January 1, 2022.)

Assembly Bill No. 211

CHAPTER 574

An act to amend Sections 11891, 11893, 12581, 12996, 12998, 12999.4, and 12999.5 of, and to add Sections 12999.6 and 13001 to, the Food and Agricultural Code, **to amend Section 51179 of the Government Code**, to amend Sections 44274.10, 44274.11, 44274.12, 44274.13, and 44274.14 of the Health and Safety Code, to amend Sections 3113, 4799.05, 14503.5.1, 14538, 14549.2, 14581, 42052, and 42060 of, to add Sections 14537.5, 14548, 14555, and 21166.3 to, to add Part 5 (commencing with Section 75250) to Division 44 of, and to repeal Section 75250.1 of, the Public Resources Code, to amend Section 43152.6 of, and to amend and repeal Section 43152.10 of, the Revenue and Taxation Code, to amend Section 13198 of the Water Code, to amend the Budget Act of 2021 (Chapters 21, 69, and 240 of the Statutes of 2021) by amending Item 8570-002-0001 of Section 2.00 of that act, and to amend the Budget Act of 2021 (Chapter 44 of the Statutes of 2022) by amending Items 3540-101-0001 of Section 2.00 of that act, relating to public resources, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor September 27, 2022. Filed with Secretary of State September 27, 2022.]

AB 211, Committee on Budget. Public resources trailer bill.

(2) Existing law requires the State Fire Marshal to identify areas of the state as moderate, high, and very high fire hazard severity zones based on specified criteria. Existing law requires a local agency to designate, by ordinance, very high fire hazard severity zones in its jurisdiction within 120 days of receiving recommendations from the State Fire Marshal. Existing law authorizes a local agency, at its discretion, to include areas within the jurisdiction of the local agency, not identified as very high fire hazard severity zones by the State Fire Marshal, as very high fire hazard severity zones following a finding supported by substantial evidence, as provided.

This bill would additionally require a local agency to designate, by ordinance, moderate and high fire hazard severity zones within 120 days of receiving recommendations from the State Fire Marshal. By expanding the responsibility of a local agency, the bill would impose a state-mandated local program. The bill would additionally authorize a local agency, at its discretion, to include areas within the jurisdiction of the local agency, not identified as moderate and high fire hazard severity zones by the State Fire Marshal, as moderate and high fire hazard severity zones, respectively. The bill would prohibit the local agency from decreasing the level of fire hazard severity zone as identified by the State Fire Marshal for any area within the jurisdiction of the local agency, as provided.

Amended by Assembly Bill No. 211

Government Code 51179

(a) A local agency shall designate, by ordinance, moderate, high, and very high fire hazard severity zones in its jurisdiction within 120 days of receiving recommendations from the State Fire Marshal pursuant to Section 51178.

(b) (1) A local agency may, at its discretion, include areas within the jurisdiction of the local agency, not identified as very high fire hazard severity zones by the State Fire Marshal, as very high fire hazard severity zones following a finding supported by substantial evidence in the record that the requirements of Section 51182 are necessary for effective fire protection within the area.

(2) A local agency may, at its discretion, include areas within the jurisdiction of the local agency, not identified as moderate and high fire hazard severity zones by the State Fire Marshal, as moderate and high fire hazard severity zones, respectively.

(3) A local agency shall not decrease the level of fire hazard severity zone as identified by the State Fire Marshal for any area within the jurisdiction of the local agency, and, in exercising its discretion pursuant to paragraph (2), may only increase the level of fire hazard severity zone as identified by the State Fire Marshal for any area within the jurisdiction of the local agency.

(c) The local agency shall transmit a copy of an ordinance adopted pursuant to subdivision (a) to the State Board of Forestry and Fire Protection within 30 days of adoption.

(d) Changes made by a local agency to the recommendations made by the State Fire Marshal shall be final and shall not be rebuttable by the State Fire Marshal.

(e) The State Fire Marshal shall prepare and adopt a model ordinance that provides for the establishment of very high fire hazard severity zones.

(f) Any ordinance adopted by a local agency pursuant to this section that substantially conforms to the model ordinance of the State Fire Marshal shall be presumed to be in compliance with the requirements of this section.

(g) A local agency shall post a notice at the office of the county recorder, county assessor, and county planning agency identifying the location of the map provided by the State Fire Marshal pursuant to Section 51178. If the agency amends the map, pursuant to subdivision (b) or (c) of this section, the notice shall instead identify the location of the amended map.

(Amended by Stats. 2022, Ch. 574, Sec. 10. (AB 211) Effective September 27, 2022.)

Increasing Fire Hazard Severity Zone (FHSZ) Area and Designation

Government Code section 51179 requires a local agency to designate, by ordinance, moderate, high, and very high FHSZ within 120 days of receiving the identified FHSZ's from the State Fire Marshal pursuant to Section 51178.

The law does not allow for a local jurisdiction to request changes or provide comments to the State Fire Marshal on the FHSZ designations. However, a local agency may choose to increase the designation of a FHSZ from the FHSZ identified by the State Fire Marshal, or designate areas as having a FHSZ that were not designated in a FHSZ by the State Fire Marshal. This may occur because FHSZ zone edges in the maps and data from the State Fire Marshal are not aligned with parcel boundaries or roads that some may consider for lines of convenance when adopting ordinances. A local agency is not allowed to reduce the designation of a FHSZ classification from the State Fire Marshal (i.e. a local agency cannot make an area designated as High by the State Fire Marshal, Moderate in its adopted ordinance).

However, a local jurisdiction can increase the designation from the one identified by the State Fire Marshal. If a local agency decides to increase the designation of a FHSZ, it may do so if it does the following:
1. If increasing the designation to Very High, a local agency must make a finding supported by substantial evidence in the record that the requirements of Government Code section 51182 are necessary for effective fire protection.
2. If increasing the designation to Moderate or High, a local agency may do this at its discretion.

If a local agency decides to include areas in its FHSZ adopted ordinance not identified as being in a FHSZ by the State Fire Marshal, it may include those areas if it does the following:
1. If including areas not identified as being in a FHSZ and designating it as Very High, a local agency must make a finding supported by substantial evidence in the record that the requirements of Government Code section 51182 are necessary for effective fire protection.
2. If including areas not identified as being in a FHSZ and designating it as Moderate or High, a local agency may do this at its discretion.

Land Use Planning Program

CAL FIRE's Land Use Planning Program is a specialized unit that provides support to local governments by providing fire safety expertise on the State's wildland urban interface building codes, as well as collaborating in the development of Safety Elements in General Plans.

For More Information

osfm.fire.ca.gov/fhsz

California Wildfire Events & Legislative Timeline

1980 - Panorama Fire
Burned 28,800 acres, 325 structures lost, 4 fatalities (San Bernardino).

1982 - PRC 4201
Required CAL FIRE to create Fire Hazard Severity Zones (FHSZ).

1985 - FHSZ Maps
First statewide FHSZ maps created for fire planning.

1991 - Tunnel Fire
Burned 1,600 acres, 2,900 structures lost, 25 fatalities (Oakland Hills).

1992 - AB 337 (Bates Bill)
CAL FIRE to identify Very High FHSZ in Local Responsibility Areas (LRAs) and recommend actions.

2007 - FHSZ Model Finalized
Updated hazard model applied to LRAs statewide.

2017 - Tubbs Fire
Burned 36,810 acres, 5,643 structures lost, 22 fatalities (Santa Rosa).

2018 - Camp Fire
Burned 153,336 acres, 18,804 structures lost, 85 fatalities (Paradise).

2021 - AB 642
Expanded mapping to include Moderate and High FHSZ, added cultural burns, liaison, and training.

2021 - SB 63
Extended hazard mapping, defensible space, and community assessment programs.

2022 - AB 211
Mandates local adoption of Moderate and High FHSZ; supports CEQA exemptions and funding.

CAL FIRE hazard maps do not affect insurance rates or availability

Insurance Commissioner Ricardo Lara issued a fact sheet explaining that CAL FIRE hazard maps do not affect insurance rates or availability. A Spanish-language fact sheet is also available.

For many years, insurance companies have been using wildfire risk models for determining where they will write and renew policies, and how much premium to charge a policyholder -- not the Fire Hazard Severity Zone maps. CAL FIRE's maps are required by law and their purpose is to drive local planning decisions, not insurance decisions.

Commissioner's POV: "Let me be clear: The CAL FIRE hazard maps are not used for insurance rates or underwriting decisions. But they will empower communities with more accurate information about the very real hazards we face. The reality is we all need to do more to protect our homes and communities from wildfires. When communities know and understand their risks, they can plan and prepare."

Background: The Department of Insurance is implementing a Sustainable Insurance Strategy aimed at supporting safer communities. Based on feedback gathered from thousands of town halls and meetings with homeowners, businesses, and individual consumers, Commissioner Lara implemented an aggressive approach to modernize insurance regulations to address insurance accessibility challenges for consumers.

Commissioner Lara's new Safer from Wildfires regulation clarifies what actions you should take to reduce wildfire risks and receive an insurance discount.

Insurance companies use computerized wildfire catastrophe models to determine which homes to write based on the risk of loss. Building on the Safer from Wildfires initiative — the nation's first wildfire safety discount program — the strategy requires catastrophe models to account for mitigation efforts by homeowners, businesses, and communities, something not possible even a few months ago under outdated regulations.

Learn More: The Department of Insurance fact sheet is posted at CAL FIRE's Fire Hazard Severity Zone web page where you can learn more about enhancing your property's fire safety and view current versions of maps.

Exciting News! 🌟 The California Department of Insurance (CDI) is proud to introduce the **Community Outreach and Education Partnership Initiative**. This dynamic program is designed to raise consumer awareness about CDI's vital services and expand understanding of key insurance topics and fraud prevention. Become a valued partner and unlock exclusive access to:

- Comprehensive consumer education materials
- Specialized training sessions
- Powerful social media tools

Become a Partner Today: https://www.surveymonkey.com/r/VHGZQHT

Fire Hazard Severity Zones (FHSZ)

California state law requires the California Department of Forestry and Fire Protection (CAL FIRE) to identify and map fire hazard areas statewide, referred to as “Fire Hazard Severity Zones.” On March 24, 2025, CAL FIRE released an updated version of the map from the director of CAL FIRE for an updated Fire Hazard Severity Zone (FHSZ) map in the City of Rolling Hills. These maps use the latest climate data, fire history, topography, and wildfire modeling to classify areas as Very High, High, or Moderate Fire Hazard Zones. The City of Rolling Hills, in partnership with the Los Angeles County Fire Department (LACoFD), is currently reviewing the updated maps.

While local governments, including the City of Rolling Hills, do not determine the contents of the FHSZ maps, they are required by state law to make the updated maps available for public review and comment, and to adopt these designations within 120 days. Although cities may not reduce a fire hazard severity designation, discretion is provided to cities to increase a designation where appropriate based on community input and local risk assessments.

- **Public Review & Comment:** The City has 30 days from the release date to share the draft map for public review and comment.
- **Ordinance Adoption:** The City must adopt a finalized map and ordinance within 120 days of receiving the map.
- **Submission to Cal Fire:** After adoption, the City has 30 days to submit the ordinance to CAL FIRE.

Please Submit Public Comment To: cityclerk@cityofrh.net

What are Fire Hazard Severity Zones?

The Fire Hazard Severity Zone (FHSZ) maps are developed using a science-based and field-tested model that assigns a hazard score based on the factors that influence fire likelihood and fire behavior. Many factors are considered, such as fire history, existing and potential fuel (natural vegetation), predicted flame length, blowing embers, terrain, and typical fire weather for the area. There are three levels of hazard in the Local Responsibility Areas: Moderate, High, and Very High. The map below shows the updated fire hazard severity zones in Rolling Hills. Residents can utilize the interactive map by entering their address and view their designated fire hazard severity zone.

CLICK TO COMPARE OLD & NEW FHSZ IN LRA

CLICK TO FIND YOUR FHSZ & LOCAL CONTACTS

How do the updated maps impact my property?

Properties located within the Fire Hazard Severity Zones are required to comply with the following items to reduce the chance of building loss or damage from a wildfire:

- Providing defensible space clearance around buildings. See Los Angeles County Fire Department's Guide to Defensible Space.
- New buildings are to be constructed using fire-resistive features, such as those identified in Chapter 7A of the California Building Code.
- Property owners must disclose that the property is located within a FHSZ to prospective buyers.
- The City of Rolling Hills, in partnership with the LACoFD, is further reviewing how the updated maps affect building codes and development standards.

Frequently Asked Questions

Several frequently asked questions are answered below, and a comprehensive FAQ sheet from CAL FIRE can be **accessed here**.

How are fire hazard severity zones determined?

CAL FIRE uses the best available science and data to develop and field-test a model that serves as the basis of zone assignments. The model evaluated the probability of the area burning and potential fire behavior in the area. Many factors were included, such as fire history, vegetation, flame length, blowing embers, proximity to wildland, terrain, and weather.

What do fire hazard severity zones measure?

The Fire Hazard Severity Zone map evaluates "hazard," not "risk." The map is like flood zone maps, where lands are described in terms of the probability level of a particular area being inundated by floodwaters and not specifically prescriptive of impacts. "Hazard" is based on the physical conditions that create a likelihood and expected fire behavior over a 30 to 50-year period without considering mitigation measures such as home hardening, recent wildfire, or fuel reduction efforts. "Risk" is the potential damage a fire can do to the area under existing conditions, accounting for any modifications such as fuel reduction projects, defensible space, and ignition-resistant building construction.

What are the key elements of the fire hazard severity zone model?

The fire hazard severity model for wildland fire has two key elements: the probability of an area burning and expected fire behavior under extreme fuel and weather conditions. The zones reflect areas that have similar burn probabilities and fire behavior characteristics. The factors considered in determining fire hazard within wildland areas are fire history, flame length, terrain, local weather, and potential fuel over a 50-year period. Outside of wildlands, the model considers factors that might lead to buildings

being threatened, including terrain, weather, urban vegetation cover, blowing embers, proximity to wildlands, fire history, and fire hazards in nearby wildlands. FHSZs are not a structure loss model, as key information regarding structure ignition (such as roof type, etc.) is not included.

Why are the fire hazard severity maps being updated?

The hazard maps are being updated to more accurately reflect the zones in California that are susceptible to wildfire. The hazard mapping process will incorporate new science in local climate data and improved fire assessment modeling in determining hazard ratings.

Can the City change the fire hazard severity zone map?

No. The City can only increase the level of fire hazard severity as identified by CAL FIRE for any area within the jurisdiction. Fire hazard severity cannot be decreased by the City.

How will the updated Cal Fire Maps affect insurance availability and affordability?

According to the California Department of Insurance, CAL FIRE maps are intended to drive local planning decisions, not insurance decisions. Under the California Department of Insurance's new regulation finalized in October 2022, insurance companies must provide discounts for wildfire safety actions such as community mitigation and home-hardening, which CAL FIRE's maps do not assess. In addition, insurance companies are already using risk analysis tools and models that go beyond CAL FIRE's proposed maps in determining what properties they will underwrite. Additional information from the California Department of Insurance can be **accessed here**.

Other Resources

- CAL FIRE
- Los Angeles County Fire Department
- California Department of Insurance
- Rolling Hills Printable Fire Map

ORDINANCE NO. 387

AN ORDINANCE OF THE CITY OF ROLLING HILLS DESIGNATING FIRE HAZARD SEVERITY ZONES WITHIN THE CITY OF ROLLING HILLS, CALIFORNIA BASED ON MAPS PROVIDED BY THE CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION AND AMENDING TITLE 15 (BUILDINGS AND CONSTRUCTION) OF THE ROLLING HILLS MUNICIPAL CODE, AND FINDING THE ORDINANCE NOT SUBJECT TO CEQA

WHEREAS, Government Code Section 51178 requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones ("FHSZs") based on consistent statewide criteria and severity of fire hazard that is expected to prevail in those areas; and

WHEREAS, on March 24, 2025, the California Department of Forestry and Fire Protection published a new *Local Responsibility Area Fire Hazard Severity Zone* Map for the City of Rolling Hills ("City"); and

WHEREAS, the City Council desires to designate by ordinance the FHSZs in its jurisdiction recommended by the State Fire Marshal pursuant to Government Code Section 51178; and

WHEREAS, based on the entire record before the City Council and all written and oral evidence presented, the City Council finds the proposed Ordinance complies with the California Environmental Quality Act for the reasons set forth in this Ordinance; and

WHEREAS, any and all other legal prerequisites relating to the adoption of this Ordinance have occurred.

THE CITY COUNCIL OF THE CITY OF ROLLING HILLS DOES ORDAIN AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The City Council hereby finds that the foregoing recitals are true and correct and are incorporated herein as substantive findings of this Ordinance.

SECTION 2. CEQA. The City Council finds that the proposed actions are not a project subject to the California Environmental Quality Act ("CEQA"). (State CEQA Guidelines, § 15060(c)(3).) Section 15378 of the State CEQA Guidelines provides that organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment do not qualify as a project subject to CEQA. Here, the proposed actions constitute an organization or administrative activity that will not result in direct or indirect physical changes in the environment because it involves the designation of FHSZs in the Local Responsibility Areas as recommended by the Office of the State Fire Marshal and amendments to the City's Municipal Code regarding the same.

Accordingly, the proposed actions are not a project subject to CEQA.

Even if the proposed actions do qualify as a project subject to CEQA, they would be exempt from CEQA because it can be seen with certainty that there is no possibility that the proposed actions in question may have a significant effect on the environment for the same reasons referenced above. (State CEQA Guidelines, § 15061(b)(3).)

SECTION 3. Designation of Fire Hazard Severity Zones. The City Council hereby designates the Fire Hazard Severity Zones as recommended by the California Department of Forestry and Fire Protection pursuant to Government Code Section 51178. The map, approved by the City, is attached hereto as Attachment "A" entitled "City of Rolling Hills Fire Hazard Severity Zones" dated March 24, 2025, and hereby incorporated by reference. The official map is also located electronically on the following website: https://calfire.app.box.com/file/1810971784473.

SECTION 4. Amendment. The definition of "fire zone" set forth in Section 15.04.040 (Definitions.) of the Rolling Hills Municipal Code is hereby amended in its entirety to read as follows. Except as otherwise expressly provided in this Section 4, all other remaining provisions of Section 15.04.040 shall remain unchanged and continue in full force and effect:

15.04.040 - Definitions.
"Fire zone" means the applicable fire hazard severity zone as designated by the City of Rolling Hills by ordinance.

SECTION 5. Amendment. Section 15.20.025 (Very high fire hazard severity zone (VHFHSZ).) of Title 15 of the Rolling Hills Municipal Code is hereby amended in its entirety to read as follows:

15.20.025 - Fire Hazard Severity Zones.
The Local Responsibility Area Fire Hazard Severity Zones map for the City of Rolling Hills dated March 24, 2025, as identified by the State Fire Marshal, is hereby adopted by the City of Rolling Hills and incorporated herein for all purposes. This map is available for inspection in the City Clerk's office at the Rolling Hills City Hall.

SECTION 6. Submittal to State and Posting. The City Clerk shall submit a copy of this Ordinance to the State Board of Forestry and Fire Protection within thirty (30) days of adoption and take any necessary and proper actions to post all notices required under Government Code Section 51179.

SECTION 7. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance for any reason is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection,

subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 8. Custodian of Records. The documents and materials that constitute the record of proceedings on which these findings are based are located at City Hall for the City of Rolling Hills, located at Rolling Hills City Hall, 2 Portuguese Bend Road, Rolling Hills, California 90274. The City Clerk is the custodian of the record of proceedings.

SECTION 9. Effective Date. This Ordinance takes effect thirty (30) days following its adoption.

SECTION 10. City Clerk's Certification. The City Clerk shall certify to the adoption of this Ordinance and cause the same to be posted at the duly designated posting places within the City and published once within fifteen (15) days after passage and adoption as required by law; or, in the alternative, the City Clerk may cause to be published a summary of this Ordinance and post a certified copy of the text of this Ordinance in the Office of the City Clerk five (5) days prior to the date of adoption of this Ordinance, and, within fifteen (15) days after adoption, the City Clerk shall cause to be published the aforementioned summary and shall post a certified copy of this Ordinance, together with the vote for and against the same, in the Office of the City Clerk.

PASSED, APPROVED AND ADOPTED THIS __th DAY OF _____ 2025.

_____
JEFF PIEPER, MAYOR

ATTEST:

_____
CHRISTIAN HORVATH, CITY CLERK

Local Responsibility Area

Fire Hazard Severity Zone Map

2025 Update

ASSISTANT CHIEF KANE

LRA FHSZ MAPS 2025

What's Happening: Cal Fire has updated the Local Responsibility Area (LRA) Fire Hazard Severity Zone (FHSZ) Map

The State Fire Marshal will be releasing the Updated Recommended LRA FHSZ maps starting February 10, 2025, in four phases.

2007-2011 FHSZ MAP

How to use this map

Scroll down in this panel to view all instructions.

Compare old and new FHSZ in LRA

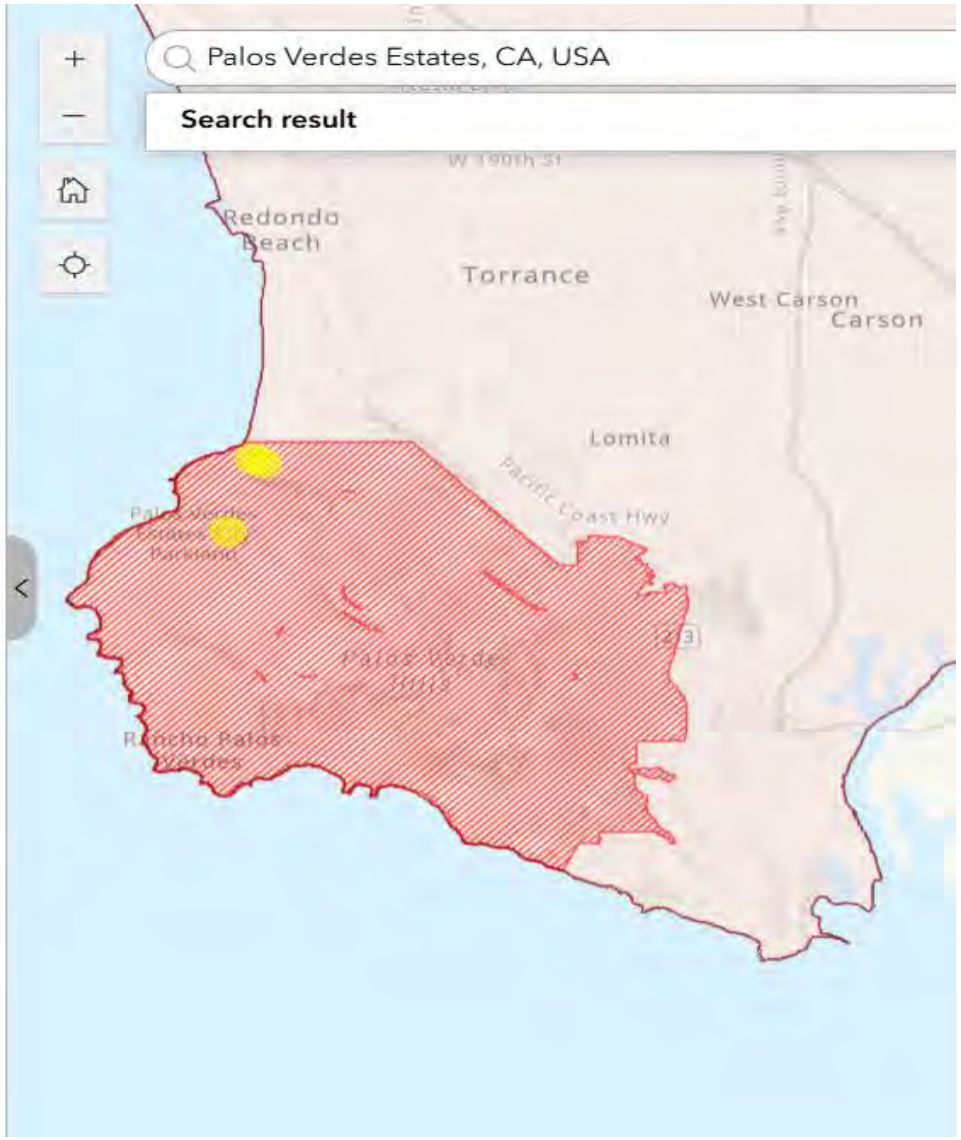
Drag the **slider** in the middle of this map back and forth to compare old (2007-2011) with new (2025) Fire Hazard Severity Zones (FHSZ) in Local Responsibility Area (LRA), as recommended by the State Fire Marshal.

Moving the slider to the **left** will reveal the **new** recommendations. Moving the slider to the **right** will reveal the **old** recommendations. Additionally, you may refer to the **map legend** at right to differentiate between old and new recommendations.

Find your address

Use one of the following search methods:

- Click in the **Find address or place** box at the top of the map and type in your address, city, or county, then click the desired result or press Enter on your keyboard.
- Click the **Find my location** button (target icon) near the top left of the map.



2025 PROPOSED FHSZ MAP

How to use this map

Scroll down in this panel to view all instructions.

Compare old and new FHSZ in LRA

Drag the **slider** in the middle of this map back and forth to compare old (2007-2011) with new (2025) Fire Hazard Severity Zones (FHSZ) in Local Responsibility Area (LRA), as recommended by the State Fire Marshal.

Moving the slider to the **left** will reveal the **new** recommendations. Moving the slider to the **right** will reveal the **old** recommendations. Additionally, you may refer to the **map legend** at right to differentiate between old and new recommendations.

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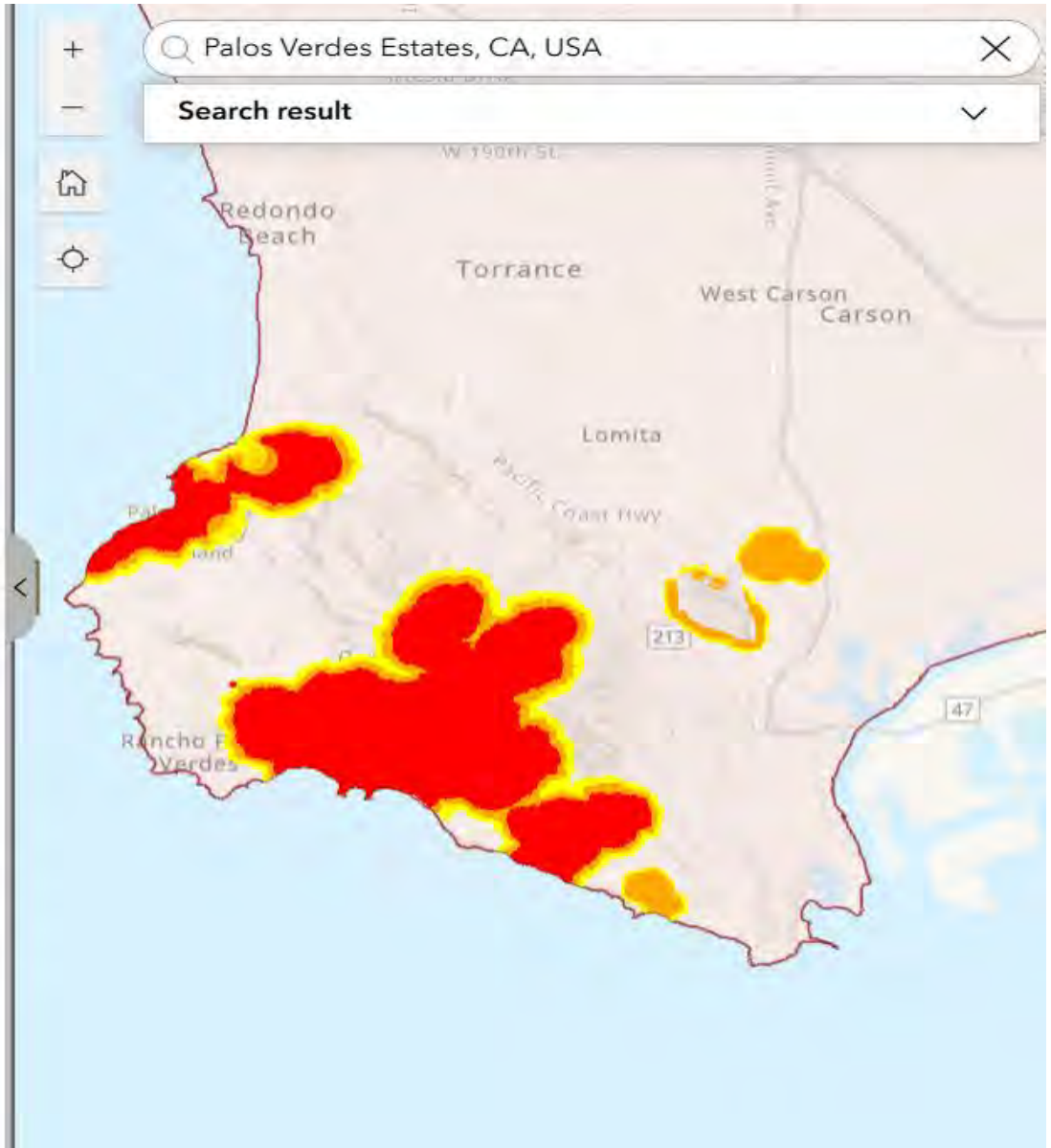


FHSZ ROLLOUT PLAN

Maps have been shifted to be released in phases, starting on 2/10/25

Roll out of FHSZ Map for Los Angeles County: 3/24/25

BACKGROUND

The State Responsibility Area (SRA) FHSZ was completed in 2024

The recommended LRA FHSZ maps will be expanded to include the High and Moderate FHSZs that were not previously mapped in 2010

BACKGROUND

- A 2 km grid of climate data covering the years 2003-2018 is being used in the update
- Updated model will adjust fire intensity scores based on the most extreme fire weather at a given location
- Ember transport is being modeled based on local distribution of observed wind speed and direction values instead of using a generic buffer distance for urban areas adjacent to wildlands

BACKGROUND

- Local Cities can add to or increase the FHSZ.
- Any additions to the Very High FHSZ requires substantial evidence of record to make the change.
- The local agency cannot remove or decrease the FHSZs as recommended by the SFM per State Law.

WHY ARE THE FHS MAPS BEING UPDATE

The hazard maps are being updated to more accurately reflect the zones in California that are susceptible to wildfire.

The hazard mapping process will incorporate new science in local climate data and improved fire assessment modeling in determining hazard ratings.

WHAT DO THE FHS MAPS MEASURE

Fire Hazard Severity Zone map evaluates “hazard,” not “risk”.

“Hazard” is based on the physical conditions that create a likelihood and expected fire behavior over a 30 to 50-year period without considering mitigation measures such as home hardening, recent wildfire, or fuel reduction efforts.

“Risk” is the potential damage a fire can do to the area under existing conditions, accounting for any modifications such as fuel reduction projects, defensible space, and ignition resistant building construction.

HOW ARE FIRE HAZARD SEVERITY ZONES DETERMINED?

CAL FIRE uses the best available science and data to develop, and field test a model that served as the basis of zone assignments.

The model evaluated the probability of the area burning and potential fire behavior in the area.

Many factors were included such as fire history, vegetation, flame length, blowing embers, proximity to wildland, terrain, and weather.

WHAT NEW DATA WILL BE INCLUDED IN THE NEW MODEL, AND HOW DOES THIS DIFFER FROM THE PREVIOUS MODEL?

A 2 km grid of climate data covering the years 2003-2018 is being used in the update.

The previous model used stock weather inputs across the state to calculate wildland fire intensity scores. The updated model will adjust fire intensity scores based on the most extreme fire weather at a given location, considering temperature, humidity, and wind speed.

In addition, ember transport is being modeled based on local distributions of observed wind speed and direction values instead of using a generic buffer distance for urban areas adjacent to wildlands.

WHAT IS THE DIFFERENCE BETWEEN THE VARIOUS FIRE HAZARD SEVERITY ZONES?

Classification of a wildland zone as Moderate, High or Very High fire hazard is based on the average hazard across the area included in the zone, which have a minimum size of 200 acres.

In wildlands, hazard is a function of modeled flame length under the worst conditions and annual burn probability. Both these factors generally increase with increasing hazard level, but there may be instances where one value is Very High and the other is low, pushing the overall hazard into a more intermediate ranking.

On average, both modeled flame length and burn probability increase by roughly 40-60% between hazard classes. Classification outside of wildland areas is based on the fire hazard of the adjacent wildland and the probability of flames and embers threatening buildings.

WHY DOES THE MODEL PLACE AN EMPHASIS ON THE SPREAD OF EMBERS?

Embers spread wildfire because they can travel long distances in the wind and ignite vegetation, roofs, attics (by getting into vents), and decks.

IS MY PROPERTY IN VHFS ZONE

You can search by address to find your current designation on the web at: osfm.fire.ca.gov/FHSZ

What are the key elements of the Fire Hazard Severity Zone model?

Two key elements: probability of an area burning and expected fire behavior under extreme fuel and weather conditions.

The zones reflect areas that have similar burn probabilities and fire behavior characteristics. The factors considered in determining fire hazard within wildland areas are fire history, flame length, terrain, local weather, and potential fuel over a 50-year period.

Outside of wildlands, the model considers factors that might lead to buildings being threatened, including terrain, weather, urban vegetation cover, blowing embers, proximity to wildland, fire history, and fire hazard in nearby wildlands.

WHY IS MY PROPERTY IN A DIFFERENT ZONE THAN THE ADJACENT AREA, WHICH LOOKS SIMILAR?

In non-wildland areas, zone edges occur based on distance to the wildland edge.

Because hazard in these areas is largely determined by incoming embers from adjacent wildland, urban areas that are similar in vegetation type and housing density may have a change in FHSZ class as the distance to the wildland edge increases.

Areas immediately adjacent to wildland receive the same FHSZ score as that wildland where fire originates, and the model then produces lower scores as the distance to wildland edge increases.

In wildland areas, zone edges are a result of the way zones are delineated. Specifically, zones represent areas of similar slope and fuel potential. Zone boundaries divide zones based on geographic and vegetation features that align with fire hazard potential;

Although, at a local scale, it may appear that the immediate area is similar on both sides of the edge. The class value within a zone is based on the average hazard score across the whole zone.

Areas that are in the same zone but not immediately adjacent to a local area can have an influence on the final zone classification.

LEGISLATIVE PROCESS

- The State Legislature has passed a law for Cities and Counties to implement
- City must ratify (though we can too)
- AB 211-Requires local agency to “designate by ordinance” the Zones

Assembly Bill No. 211
CHAPTER 574

An act to amend Sections 11891, 11893, 12581, 12996, 12998, 12999.4, and 12999.5 of, and to add Sections 12999.6 and 13001 to, the Food and Agricultural Code, **to amend Section 51179 of the Government Code**, to amend Sections 44274.10, 44274.11, 44274.12, 44274.13, and 44274.14 of the Health and Safety Code, to amend Sections 3113, 4799.05, 14503.5.1, 14538, 14549.2, 14581, 42052, and 42060 of, to add Sections 14537.5, 14548, 14555, and 21166.3 to, to add Part 5 (commencing with Section 75250) to Division 44 of, and to repeal Section 75250.1 of, the Public Resources Code, to amend Section 43152.6 of, and to amend and repeal Section 43152.10 of, the Revenue and Taxation Code, to amend Section 13198 of the Water Code, to amend the Budget Act of 2021 (Chapters 21, 69, and 240 of the Statutes of 2021) by amending Item 8570-002-0001 of Section 2.00 of that act, and to amend the Budget Act of 2021 (Chapter 44 of the Statutes of 2022) by amending Items 3540-101-0001 of Section 2.00 of that act, relating to public resources, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor September 27, 2022. Filed with Secretary of State September 27, 2022.]

AB 211, Committee on Budget. Public resources trailer bill.

(2) Existing law requires the State Fire Marshal to identify areas of the state as moderate, high, and very high fire hazard severity zones based on specified criteria. Existing law requires a local agency to designate, by ordinance, very high fire hazard severity zones in its jurisdiction within 120 days of receiving recommendations from the State Fire Marshal. Existing law authorizes a local agency, at its discretion, to include areas within the jurisdiction of the local agency, not identified as very high fire hazard severity zones by the State Fire Marshal, as very high fire hazard severity zones following a finding supported by substantial evidence, as provided.

This bill would additionally require a local agency to designate, by ordinance, moderate and high fire hazard severity zones within 120 days of receiving recommendations from the State Fire Marshal. By expanding the responsibility of a local agency, the bill would impose a state-mandated local program. The bill would additionally authorize a local agency, at its discretion, to include areas within the jurisdiction of the local agency, not identified as moderate and high fire hazard severity zones by the State Fire Marshal, as moderate and high fire hazard severity zones, respectively. The bill would prohibit the local agency from decreasing the level of fire hazard severity zone as identified by the State Fire Marshal for any area within the jurisdiction of the local agency, as provided.

51178	51178.5	51179	§1280.02
Government Code	Government Code	Government Code	Title 14
Amended by SB 63	Amended by SB 63	Amended by AB 211	California Code of Regulations
Effective January 1, 2022	Effective January 1, 2022	Effective September 27, 2022	Registered April 1, 2020

LEGISLATIVE PROCESS

- Cal Fire strongly recommends cities to ratify as 51 State Statues tied to FHSZ (building, insurance, real estate, CEQA, etc.)

- Can affect City's General and Safety plan

SECTION 4911
MODEL ORDINANCE FOR FIRE HAZARD SEVERITY ZONE ADOPTION

ORDINANCE NO._____

An ordinance of the City (or County or District) of _____ to designate fire hazard severity zones.

The _____ Council (or Board) of the _____ ordains as follows:

The City (or County or District) hereby designates the Fire Hazard Severity Zones as recommended by the California Department of Forestry and Fire Protection pursuant to Government Code Section 51178.

Or

☐ The City (or County or District) hereby designates areas not identified as Very High Fire Hazard Severity Zones by the State Fire Marshal, as Very High Fire Hazard Severity Zones following a finding supported by substantial evidence in the record that the requirements of Government Code Section 51182 are necessary for effective fire protection within the area.

(and/or)

☐ The City (or County or District) hereby designates areas not identified as Moderate and High Fire Hazard Severity Zones by the State Fire Marshal, as Moderate and High Fire Hazard Severity Zones, respectively.

The map, approved by the city (or county or district), is hereby incorporated by reference, and entitled "City (or County or District) Fire Hazard Severity Zones."
Dated (_____).

The official map is also located electronically on the following website: _____

On the motion of Member _____, seconded by Member: _____

The roll call vote:
Ayes: Noes: Abstain: Absent: _____

The foregoing ordinance was passed and adopted this day of _____, 20_____

Ordinance _____

(Name) _____
(City or County or Board of _____)

Attest: _____ Approved as to form: _____
(Name) _____ (Name) _____
Clerk _____ City or County or District Counsel _____

TIMELINE

Two concurrent events:

The recommended LRA FHSZ maps must be made available for public review and comment within 30 days of receipt from the State Fire Marshal.

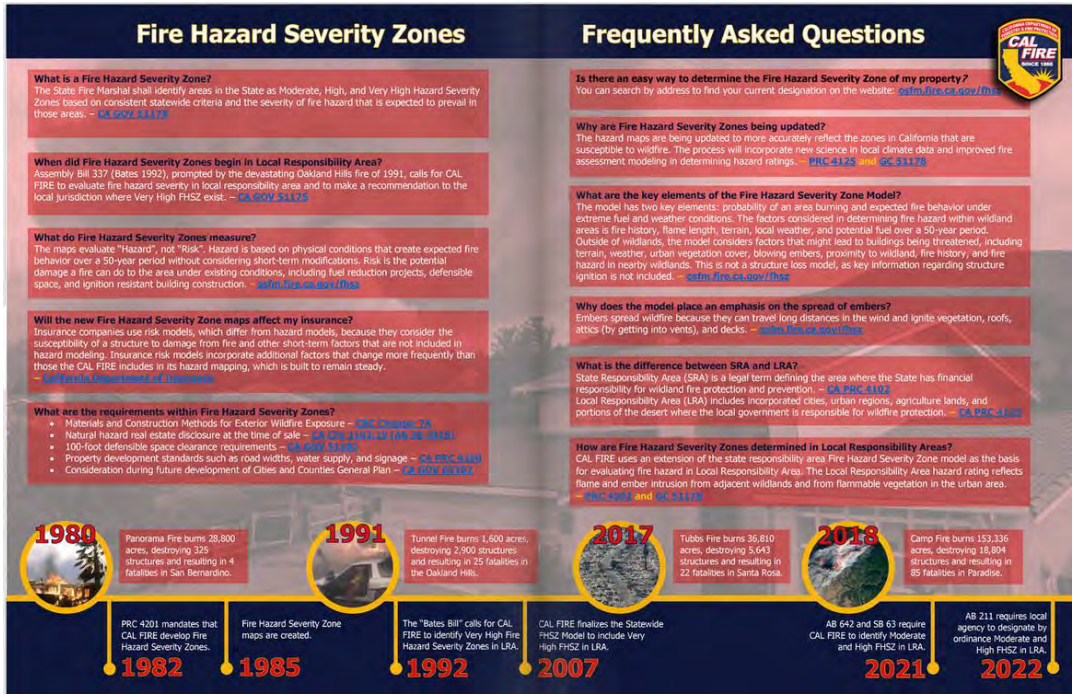
The recommended LRA FHSZ maps must be adopted by Ordinance within 120 days of receipt from the SFM.

TIMELINE

- **March 24, 2025:** SFM releases recommended LRA FHSZ Maps.
- **March/April 2025:** Cities review with guidance from Fire Department for any recommended changes (Additions or increase FHSZ) Not allowed to remove or decrease FHSZ. **April 2025:** Maps with any recommended changes posted by cities for public review and comment. It must be within 30 days of release of Maps by SFM.
- **May 2025:** Prepare final maps with any recommended changes.
- **June 2025:** Adoption of maps by cities. It must be within 120 days of the release of maps by SFM.
- **July 22, 2025:** Send approved maps and ordinance to BOF within 30 days of adoption and before this date.
- **Effective Date of new maps:** 30 days after adoption unless specified by SFM.

MORE INFORMATION

From Cal Fire



Compare New and Old LRA FHSZ

THANK YOU

From County of Los Angeles Fire Department

ASSISTANT CHIEF BRIAN KANE

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 11.A
Mtg. Date: 06/09/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **ROBERT SAMARIO, FINANCE DIRECTOR**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **PUBLIC HEARING REGARDING POTENTIAL INCREASE TO REFUSE RATES FOR FISCAL YEAR 2025/26**

DATE: **June 09, 2025**

BACKGROUND:
The City of Rolling Hills provides refuse collection and disposal services to its residents through a contracted hauling company, Republic Services, through a long-term Franchise Agreement. The Franchise Agreement provides for inflationary increases in Solid Waste Service rates every July 1 due to the annual percentage increase in the Consumer Price Index for All Urban Consumers: Water and Sewer and Trash Collection Services, U.S. City Average, not seasonally adjusted, as determined by the United States Department of Labor, U.S. Bureau of Labor Statistics ("CPI"). Under the Franchise Agreement, the annual CPI increase shall be at least 3% and no more than 5%. For the 12-month period January through December 2024, the CPI increased by 5.3%, so the rate adjustment was capped at 5% for the rates effective July 1, 2025 as shown in Exhibit A.

If the rates for Solid Waste Service are approved by the City Council, Republic Services will implement the Solid Waste Service rate increases effective July 1, 2025.

The purpose of the public hearing is to allow City residents the opportunity to comment on the potential rate increase to refuse rates. However, residents wishing to officially protest the potential rate increase must do so in writing prior to the hearing date and time.

State law requires both an advanced notice to affected residents and a public hearing be held to allow for City residents to comment and for Council to consider any all protests received by 4:30 p.m. on June 9. The public hearing will be held at 7:00 p.m. in Council Chambers in City Hall.

DISCUSSION:

In FY 2025-26, the 5% CPI increase will increase the total amount the City pays to Republic Services for providing Solid Waste Services, and for a portion of the City's costs to provide administrative and Solid Waste Services to all City residents, from $1,005,336 to $1,055,603. That total amount is divided by the number of residential parcels in the City receiving Solid Waste Services. Solid Waste Service charges for each residential parcel will increase from $1,432.11 to $1,503.72 for FY 2025-26. Charges for services other than the twice-weekly residential collection were also increased by 5% CPI.

Pursuant to state law, in late April 2025, notices (Attachment 01) were sent to all affected residents regarding the potential for increased refuse rates and a public hearing scheduled for June 9, 2025, at City Hall.

As of the date of posting the agenda for the June 9th meeting, the City had received five (5) written protests.

FISCAL IMPACT:
The rate increases ensure the Refuse Fund has sufficient revenues to pay for the contracted refuse services.

RECOMMENDATION:
1. Conduct a public hearing to accept written and verbal protests against the increased refuse waste fees, track the number of protests and, if the number of written protests received is not sufficient to constitute a majority, make a finding that there is not a majority protest by property owners.

2. Approve Resolution No. 1394 "A Resolution of the City Council of the City of Rolling Hills, California, Increasing the Maximum Refuse Services Rate in the City" (Attachment 2)

ATTACHMENTS:
Attachment 01 - CL_PBN_250416_Prop218_Refuse_Resident_F.pdf
Attachment 02 - ResolutionNo1394_Prop218_MaximumRateForRefuseServices_2025_D.pdf

CITY OF ROLLING HILLS
NOTICE OF PUBLIC HEARING
REGARDING PROPOSED INCREASES TO
SOLID WASTE SERVICE CHARGES

NOTICE IS HEREBY GIVEN that the Rolling Hills City Council will hold a public hearing at **7:00 p.m. on June 9, 2025,** or as soon as possible thereafter, at **Rolling Hills City Hall, 2 Portuguese Bend Road, Rolling Hills, CA 90274** to consider adopting increases to the rates for collection and handling of solid waste, recyclable materials, and organic waste within the City (collectively, "Solid Waste Services"). Said public hearing will be held to consider all oral testimony and written protests to, and the adoption of the proposed rate increases. This notice is being provided to you 45 days in advance of the public hearing as a property owner of record subject to the proposed rates to be charged.

What do solid waste rates fund?

Consolidated Disposal Service, L.L.C. dba Republic Services of Southern California ("Republic Services") provides Solid Waste Services to residential parcels within the City pursuant to an exclusive franchise agreement. These services include collection of all solid waste, recyclable materials and organic waste placed in customer-provided containers, twice a week, for all City residents. In addition, Republic Services holds two events each year to collect an unlimited amount of bulky items from residences, holds two brush collection events with pickup from residences, and offers one free bulky item collection and one free on-call brush collection from residences at a customer's request. Property owners pay for these Solid Waste Services annually on the property tax roll for the July 1 – June 30 Fiscal Year (FY) period. Additional on-call bulky item or brush collection, and sharps disposal, are subject to additional charges and directly billed to customers.

What is the Public Hearing Process?

All Rolling Hills property owners are invited to attend this public hearing. The Rolling Hills Council will hear and consider all materials and testimony as well as all written protests against the proposed rate increases. At the close of the public hearing, the City Council may adopt new rates if written protests against the proposed increases are not presented by a majority of identified parcels upon which the proposed rates are to be charged. If adopted, the rates shall take effect July 1, 2025. As noted in more detail below, the rates may also be adjusted for Annual Automatic Adjustments (as defined below) for a three-year period.

Why are solid waste rate increases necessary?

The request for the proposed rate increases shown in Exhibit A is based upon the City's existing solid waste franchise agreement ("Franchise Agreement") with Republic Services. The Franchise Agreement provides for inflationary increases in Solid Waste Service rates every July 1 due to the annual percentage increase in the Consumer Price Index for All Urban Consumers: Water and Sewer and Trash Collection Services, U.S. City Average, not seasonally adjusted, as determined by the United States Department of Labor, U.S. Bureau of Labor Statistics ("CPI"). Under the Franchise Agreement, the annual CPI increase shall be at least 3% and no more than 5%. For the 12-month period January through December 2024, the CPI increased by 5.3%, so the rate adjustment was capped at 5% for the rates effective July 1, 2025 as shown in Exhibit A.

If the rates for Solid Waste Service are approved by the City Council, Republic Services will implement the Solid Waste Service rate increases in Exhibit A effective July 1, 2025.

How are the proposed solid waste rates calculated?

In FY 2025-26, the 5% CPI increase will increase the total amount the City pays to Republic Services for providing Solid Waste Services, and for a portion of the City's costs to provide administrative and Solid Waste Services to all City residents, from $1,005,336 to $1,055,603. That total amount is divided by the number of residential parcels in the City receiving Solid Waste Services. Solid Waste Service charges for each residential parcel will increase from $1,432.11 to $1,503.72 for FY 2025-26. Charges for services other than the twice weekly residential collection were also increased by 5% CPI.

Future Automatic Increases

The City is also proposing to annually pass through to all Solid Waste Service customers any automatic CPI adjustments for inflation ("Annual Automatic Adjustments") for the remainder of the term of the Franchise Agreement. These adjustments will impact the Solid Waste Service rates. If approved, beginning July 1, 2026, and each July 1 thereafter, through and including adjustments effective on or after July 1, 2028, the rates for Solid Waste Services in Exhibit A may be adjusted annually, without a further public hearing, by an amount not to exceed the annual percentage increase, if any, in the CPI, subject to a minimum increase of 3% annually and a maximum increase of 5% annually. In no event may an automatic increase exceed the City's cost of providing Solid Waste Services.

You Can Be Heard

Any property owner may file with the City Clerk a written protest against the proposed Solid Waste rate increases. The protest must identify the property by address or APN, identify the name of the property owner, include a statement protesting the rate increase, and be signed by the property owner. A written protest form is provided for your use. Please identify on the front of the envelope with the enclosed form that it is for the "2025 Solid Waste Rate Increase Public Hearing." The written protest may be mailed or hand delivered to the Rolling Hills City Clerk, 2 Portuguese Bend Road, Rolling Hills, CA 90274.

To be counted, the City Clerk must receive a mailed written protest no later than 4:30 p.m. on June 9, 2025. Protests may be hand-delivered up until the close of the Public Hearing. Protests by telephone, fax, or e-mail will not be accepted. A majority protest exists if, at the end of the Public Hearing, there are valid written protests submitted by owners of a majority of the properties subject to the proposed rate increases. If there is a majority protest, the City Council cannot adopt the new rates. If there is no majority protest, the City Council may adopt new rates. Only one written protest will be counted per identified parcel.

The City is conducting this Proposition 218 majority protest proceeding out of an abundance of caution and without conceding the applicability of Proposition 218 to Solid Waste Service.

For further information about the proposed rate increase, please contact the City Clerk at (310) 377-1521.

EXHIBIT A

Service Fees			
Bill on Property Tax Bill	**Current Rates**	**Proposed Adjusted Rates**	**% Increase**
Annual Base Service Fee (Per Year)	$ 1,432.11	$ 1,503.72	5.0%
Billed Directly to Customer			
On-Call Bulky Item Collection in Excess of One-Item Per Year	$ 35.79	$ 37.58	5.0%
On-Call Brush Collection in Excess of One Load Per Year	$ 536.77	$ 563.61	5.0%
Sharps Safe-Disposal Container (Per Container Cost)	$ 42.02	$ 44.12	5.0%
Emergency Services			
Hourly Rate: One Crew, One-Truck	$ 103.24	$ 108.40	5.0%
Disposal Tipping Fee at Sunshine Canyon Landfill (Per Ton)*	$ 40.68	$ 42.71	5.0%
Rolloff Box Service Fee (including cost of disposal up to 5 tons) (per load). Any disposal over 5 tons will be billed at the per ton rate above.	$ 516.09	$ 541.89	5.0%

* Per ton rate is for disposal at the Sunshine Canyon Landfill and does not include transfer station rates.

Written Protest Form

To protest the proposed Solid Waste Rate Increase, you may complete this Written Protest Form, and mail it to the Rolling Hills City Clerk, 2 Portuguese Bend Road, Rolling Hills, CA 90274 or hand deliver to the City Clerk's office at the same address. To be counted, the City Clerk must receive a mailed written protest no later than 4:30 p.m. on June 9, 2025. Protests may be hand-delivered up until the close of the Public Hearing. Only one protest is counted per property.

Parcel APN:_____

Parcel Address:_____

I protest the proposed Solid Waste Rate increase to fund costs related to providing Solid Waste Services to properties within the City of Rolling Hills.

I hereby declare under penalty of perjury that I am the owner of the above listed property.

Please sign here:_____

Please print the property owner name here:_____

RESOLUTION NO. 1394

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS CALIFORNIA, AUTHORIZING INCREASING THE MAXIMUM ALLOWABLE RATE FOR REFUSE SERVICES IN THE CITY

THE CITY COUNCIL OF THE CITY OF ROLLING HILLS, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. Recitals.

A. The City currently contracts with Republic Services to provide waste hauling and disposal services in the City. Republic Services bills the City directly and the City contracts with the County to bill City residents through the property tax bill for these services.

B. The City's current agreement with Republic Services provides for an annual increase to their contract based on the increase to the U.S. Consumer Price Index (CPI) - All Urban Consumers for the twelve-month period from January to December.

C. Increasing the maximum refuse rate charged in the City must be adopted in accordance with Proposition 218 (*i.e.*, California Constitution, Art. XIII D).

D. In accordance with Section 6(a) of Article XIII D of the California Constitution (Proposition 218), the City caused notices to be mailed to all customers and rate payer affected by the rate increase in April of 2025.

E. On Monday, June 9, 2025, the City Council held a duly noticed public protest hearing with respect to the maximum refuse rate in the City.

G. The City received written protests for ____ properties prior to the protest hearing and an additional ____ written protests were received at the public hearing.

H. A total of ____ written protests were received before the close of the public hearing.

I. The number of written protests received was not sufficient to constitute a majority protest. The City Clerk has certified the tabulation of written protests.

Section 2. The City Council of the City of Rolling Hills hereby accepts the City Clerk's certification of the results of the protest hearing and approves the maximum allowable increase for refuse services in the City to an amount not to exceed $1,503.72 per parcel.

Section 3. This action is statutorily exempt from the environmental review requirements of the California Environmental Quality Act ("CEQA") pursuant to Section 15378 and Section 15273 of the CEQA Guidelines and Public Resources Code Section 21080(b)(8) because (i) the increase in charges are for the purpose of meeting operational and maintenance expenses of the aforementioned services and (ii) the charges constitute the creation of a funding mechanism/other governmental fiscal activity, which does not involve any commitment to any specific project that may result in potential significant physical impact on the environment.

Section 4. This Resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED, APPROVED, AND ADOPTED this 9th day of June, 2025.

_____
JEFF PIEPER
MAYOR

ATTEST:

_____

CHRISTIAN HORVATH
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §§
CITY OF ROLLING HILLS)

I certify that the foregoing Resolution No. 1394 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS CALIFORNIA, AUTHORIZING INCREASING THE MAXIMUM ALLOWABLE RATE FOR REFUSE SERVICES IN THE CITY

was approved and adopted at a regular meeting of the City Council on the 9th day of June, 2025 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

and in compliance with the laws of California was posted at the following:

Administrative Offices.

_____
CHRISTIAN HORVATH
CITY CLERK

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 11.B
Mtg. Date: 06/09/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **ROBERT SAMARIO, FINANCE DIRECTOR**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **CONSIDERATION OF RESOLUTION NO. 1390 OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ADOPTING THE FISCAL YEAR 2025-2026 CITY OF ROLLING HILLS BUDGET INCLUDING THE GENERAL FUND; REFUSE COLLECTION FUND; TRANSIT FUND - MEASURE R; TRANSIT FUND - MEASURE M; TRANSIT FUND - PROPOSITION A; TRANSIT FUND -PROPOSITION C; COPS FUND; MEASURE W FUND; AND RESOLUTION NO. 1391 ESTABLISHING THE ANNUAL FISCAL YEAR 2025-2026 APPROPRIATIONS GANN LIMIT FOR THE CITY OF ROLLING HILLS**

DATE: **June 09, 2025**

BACKGROUND:
Over the last several months, City staff and Council have worked on developing the proposed budget for the upcoming fiscal year 2025/26. This process ended on May 12, 2025, with the finalization of the revenue estimates and budgeted expenditures.

The budget is now set for adoption through a budget resolution that establishes the spending authority for each department and fund.

In addition to the budget resolution, the Council will also adopt a resolution that establishes the City's appropriation limit as required by Article XIII, Section B, of the Constitution of the State of California. The appropriations limit establishes a limit on the amount the City can collect and spend from the proceeds of local taxes. The limit for fiscal year 2025/26 is $2,350,992, and the City is well below the limit at $1,870,959.

The City is holding a public hearing to allow the public to weigh in on the proposed budget prior to adoption.

DISCUSSION:
The City's budget consists of many different funds that account for a variety of services, programs, and projects. The General Fund is the City's main operating fund where most of the City's services provided to the City's residents are accounted for. As with most city General

Funds, the primary revenues are derived from local and state taxes. The City also has several special revenue funds to account for revenues that are restricted as to their use; a capital projects fund to account for large capital improvement projects that often take more than one year to complete; and Refuse enterprise fund that accounts for waste collection and disposal services provided by contract to City residents and paid for from annual assessments to each property. Each of these funds are described in more detail below.

GENERAL FUND

The General Fund budget includes a total of $2,620,019 in ongoing operating expenditures, funded from ongoing revenues of $2,679,259, leaving an operating surplus of $59,240.

The General Fund accounts for the ongoing and traditional services associated with local government, including public safety, planning, building, finance, and administration.

RESTRICTED FUNDS

Transit/Transportation Funds

The City receives revenues, primarily from the County, that are restricted for specific purposes. These include the allocation of special sales tax measures approved by Los Angeles County voters over the last several decades that are restricted to transit and transportation programs and projects. The measures include Proposition A, Proposition C, Measure R, and Measure M. In total, the City anticipates receiving $158,500 next fiscal year. Since the City of Rolling Hills does not own and operate a transit system and, in fact, has no transit service provided within the City limits, nor does the City own and maintain any public roads, the funds received pursuant to the four tax measures are either gifted to other agencies or exchanged for unrestricted monies with other agencies that can utilize the funds in accordance with their intended uses. Revenue estimates for fiscal year 20225-26 assume no growth based on the slight decline in current year projections from the original budgeted estimates.

COPS Fund

The City maintains a Citizens' Option for Public Safety (COPS) Fund, which receives revenue from the County's Supplemental Law Enforcement Services Fund. This fund was established in 2009 through a statewide increase in vehicle license fees. Revenues from the COPS Fund may only be used for supplemental law enforcement services and cannot be used to replace existing General Fund allocations for law enforcement. The revenues estimated for the next fiscal year of $172,000 is in line with current year revenues.

Measure W Fund

The City receives an allocation of the countywide special parcel tax pursuant to the Measure W (Safe, Clean Water Act) for parcels located within the Los Angeles County Flood Control District. These revenues are intended for stormwater recycling and water quality improvement projects and programs. The City receives a single payment each year for the full annual allocation. The estimated allocation for fiscal year 2025/26 is $106,000.

ENTERPRISE FUND

Refuse Fund

The Refuse Fund is the City's only enterprise fund. Enterprise funds are typically used to account for utilities owned and operated by governments, such as water, wastewater, electricity, and refuse, as well as other operations similar to those provided by the private sector, including airports and golf courses.

The Refuse Fund accounts for the contracted waste collection and disposal for all City of Rolling Hills residents. The fees charged to City residents are processed as a "Direct Assessment" through the County Assessor's Office, which means the annual assessment is added to the property tax bill sent to property owners by the County and is payable in two installments. Thus, the payments the City receives from the County for refuse services coincide with the payments received for regular property taxes.

The City's refuse rates are sufficient to fully cover the cost of refuse services provided by contract to City residents. For fiscal year 20225/26, the annual assessment will increase by 5%, from $1,432.11 to $1,503.72 per parcel. This will generate $1,055,603 to cover the cost of refuse services.

FISCAL IMPACT:
The adopted budget sets forth the spending plan for the City.

RECOMMENDATION:
Staff recommends the City Council hold a public hearing and, following the close of the hearing, adopt the budget and appropriations limit resolutions.

ATTACHMENTS:
Attachment A - CL_AGN_250609_CC_GF_BudgetSummary.pdf
Attachment B - CL_AGN_250609_CC_GF_EstimatedRevenues.pdf
Attachment C - CL_AGN_250609_CC_GF_Expenditures.pdf
Attachment D - CL_AGN_250609_CC_RestrictedFunds.pdf
ResolutionNo1390_FY25-26_AdoptedBudget_F.pdf
ResolutionNo1391_FY25-26_AppropLimit_F.pdf

CITY OF ROLLINGS HILLS
Fiscal Year 2025-26 Budget Summary
General Fund

	FY 2025-26 Proposed Budget
Operating Revenues	$ 2,679,259
Operating Expenditures	2,620,019
Operating Surplus (Deficit)	**59,240**
Capital Transfers	-
Surplus (Deficit) - Total	**$ 59,240**

CITY OF ROLLING HILLS
FY 2025-26 Estimated Revenues
General Fund

401	Property Taxes	$	1,501,494
405	Sales Taxes		15,000
410	Property Transfer Tax		62,400
415	Other Taxes		-
420	Motor Vehicle In Lieu		290,265
440	Building & Other Permits		450,000
441	C&D Permits		10,000
450	Variance, Planning & Zoning		30,000
455	Animal Control Fees		300
460	Franchise Fees		13,000
480	Fines & Traffic Violations		4,000
482	Cost Recoivery - Publications		3,000
600	RHCA Lease Revenue		69,000
650	Public Safety Aug Fund		1,800
655	Burglar Alarm Response		
670	Interest on Investments		160,000
671	PARS Earnings		44,000
675	Miscellaneous Revenue		1,000
699	Transfer In - ARPA Fund		
699	Transfers In - Refuse Fund		24,000
	TOTALS	**$**	**2,679,259**

CITY OF ROLLING HILLS
FY 2025-26 Proposed Expenditure Budget
GENERAL FUND

	Department/Object Account	Proposed Budget
01 - CITY ADMINISTRATOR		
702	Salaries -Full Time	$ 453,862
705	Temporary Salaries	7,000
710	Retirement CalPERS-Employer	37,204
715	Workers Compensation Insurance	9,100
716	Group Insurance	92,036
717	Retiree Medical	40,000
718	Employer Payroll Taxes	35,309
719	Deferred Compensation	4,141
720	Auto Allowance	3,600
721	Phone Allowance	2,400
740	Office Supplies	8,000
745	Equipment Leasing Costs	10,000
750	Dues & Subscriptions	14,822
755	Conference Expense	1,500
757	Meetings Expense	2,100
759	Training & Education	4,000
761	Auto Mileage	700
765	Postage	18,500
775	City Council Expense	7,500
776	Miscellaneous Expenses	1,500
780	Comm./Newsletters & Outreach	3,500
785	Codification	3,000
790	Advertising	2,000
795	Other Gen Admin Expense	3,300

Department/Object Account		Proposed Budget
801	City Attorney	90,000
802	Legal Expense - Other	3,000
820	Website	3,900
890	Consulting Fees	10,000
891	Records Management	3,900
	Total City Administrator	**875,874**
05 - Finance		
750	Dues & Subscriptions	4,500
810	Annual Audit	35,000
890	Consulting Fees	120,500
	Total Finance	**160,000**
15- PLANNING & DEVELOPMENT		
702	Salaries	232,520
703	Salaries - Part-Time	26,889
710	Retirement CalPERS-Employer	19,234
715	Workers Comp. Insurance	3,900
716	Group Insurance	42,977
718	Employer Payroll Taxes	20,000
719	Deferred Comp	4,681
720	Auto Allowance	1,200
721	Phone Allowance	600
761	Auto Mileage	300
750	Dues & Subscription	15,000
755	Conference Expense	3,000
759	Training & Education	1,000

	Department/Object Account	Proposed Budget
776	Miscellaneous Expenses	2,000
790	Publication/Advertising/Noticing	10,000
802	Legal Expenses-Other	10,000
872	Property Development-Legal Exp	37,000
875	Willdan Building	45,000
878	Build Inspect. LA County	250,000
881	Storm Water Management	88,000
884	Special Project Study & Consult.	5,000
886	Code Enforcement	62,880
890	Consulting Fees (Onward)	7,500
928	Traffic Engineering	6,000
	Total Planning & Development	**894,681**
25 - Public Safety		
830	Law Enforcement	320,424
833	Other Law Enforcement Exp	2,400
837	Wild Life Mgmt & Pest Control	10,000
838	Animal Control Expense	6,500
	Total Public Safety	**339,324**
65 - NON-DEPARTMENTAL		
895	Insurance & Bond Expense	55,000
901	South Bay Comm. Organization	17,600
915	Community Recognition	8,000
917	Emergency Preparedness	69,000
	Total Non-Departmental	**149,600**

Department/Object Account		Proposed Budget
75 - CITY PROPERTIES		
892	IT Services	72,000
893	Granicus Services	6,600
894	Computer Hardware Fund	5,000
925	Utilities	65,000
930	Repairs & Maintenance	21,200
932	Area Landscaping	13,740
946	Buildings & Equipment	15,000
947	Non-Building Improvements	2,000
	Total City Properties	**200,540**
	TOTAL OPERATING EXPENDITURES	**$ 2,620,019**

CITY OF ROLLING HILLS
Restricted Funds and Refuse Fund
Proposed Revenues and Expenditures ror Fiscal Year 2025-26

		FY 2025-26 Proposed Budget
10 - COPS FUND		
	Revenues	
570	COPS Allocation	$ 172,000
	Expenditures	
840	COPS Program Expenditures	172,000
	Revenues Over (Under) Expenditures	$ -
25 - PROPOSITION A FUND		
	Revenues	
500	Grant Revenues	$ 52,750
670	Interest Earned	300
	Total Revenues	53,050
	Expenditures	
620	Prop A Exchange	-
	Revenues Over (Under) Expenditures	$ 53,050
26 - PROPOSITION C		
	Revenues	
501	Grant Revenue-Prop C	$ 43,750
670	Interest Earned	250
	Total Revenues	44,000
	Expenditures	
906	Prop C Gifted	-
	Revenues Over (Under) Expenditures	$ 44,000

		FY 2025-26 Proposed Budget
27- MEASURE R TRANSIT		
	Revenues	
502	Measure R Grant Revenues	$ 29,000
670	Interest Earned	250
	Total Revenues	29,250
	Expenditures	
907	Measure R Gifted	-
	Revenues Over (Under) Expenditures	$ 29,250
29 - MEASURE M		
	Revenues	
507	Measure M Local Return	$ 33,000
670	Interest Earned	250
	Total Revenues	33,250
	Expenditures	
XXX	Measure M Gifted	-
	Revenues Over (Under) Expenditures	$ 33,250
30 - MEASURE W		
	Revenues	
508	Grant Revenues	$ 106,000
670	Interest Earned	500
	Total Revenues	106,500
	Expenditures	
913	Storm Water Management - 30%	31,950
914	Storm Water Management - 70%	74,550
		106,500
	Revenues Over (Under) Expenditures	$ -

		FY 2025-26 Proposed Budget
50 - REFUSE FUND		
	Revenues	
665	Service Charges	1,055,603
	Total Revenues	1,055,603
	Expenditures	
815	Refuse Service Contract	1,031,603
999	Transfers Out	24,000
	Total Expenditures	1,055,603
	Revenues Over (Under) Expenditures	$ -

RESOLUTION NO. 1390

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ADOPTING THE FISCAL YEAR 2025-2026 CITY OF ROLLING HILLS BUDGET INCLUDING THE GENERAL FUND; REFUSE COLLECTION FUND; TRANSIT FUND - MEASURE R; TRANSIT FUND - MEASURE M; TRANSIT FUND - PROPOSITION A; TRANSIT FUND - PROPOSITION C; COPS FUND; AND MEASURE W FUND

RECITALS

A. Members of the Rolling Hills City Council and Finance, Budget and Audit Committee held several public meetings to consider the Fiscal Year 2025-26 City of Rolling Hills Proposed Budget; and

B. Following these public meetings on the Fiscal Year 2025-26 City of Rolling Hills Proposed Budget, members of the Rolling Hills City Council desire to adopt said document.

NOW, THEREFORE, BE IT RESOLVED BY MEMBERS OF THE ROLLING HILLS CITY COUNCIL AS FOLLOWS:

Section 1. Members of the City Council hereby adopt the Fiscal Year 2025-26 City of Rolling Hills Budget, attached hereto as Exhibit A and incorporated herein by reference.

Section 2. Appropriations in the amount not to exceed $2,620,019 are authorized in the Fiscal Year 2025-26 General Fund Budget for the purpose of carrying on the business of the City for general government, public safety, public service, and other items.

Section 3. Appropriations in the amount not to exceed $1,334,103 are authorized in the various funds for carrying on the business of the City: COPs Fund, Proposition A Fund, Proposition C Fund, Measure R Fund, Measure M Fund, Measure W Fund, and Refuse Fund.

Section 4. The City Manager may transfer appropriations between and among all departments, as defined in the Fiscal Year 2025-26 budget in order to ensure revenue and expenditures correspond to the intent of the City Council. The legal level of appropriated budgetary control, that is the level at which expenditures may not exceed appropriations, is at the department level for the General Fund and at the fund level for all other funds. Supplemental appropriations during the year must be approved by the City Council. All unexpended budgetary appropriations lapse at the end of the fiscal year.

Section 5. The Mayor is hereby directed to sign this Resolution, and the City Clerk is directed to attest thereto.

PASSED, APPROVED AND ADOPTED this 9th day of June, 2025.

_____
Jeff Pieper
Mayor

ATTEST:

_____
Christian Horvath
City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF ROLLING HILLS)

The foregoing Resolution No. 1390 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ADOPTING THE FISCAL YEAR 2025-2026 CITY OF ROLLING HILLS BUDGET INCLUDING THE GENERAL FUND; REFUSE COLLECTION FUND; TRANSIT FUND - MEASURE R; TRANSIT FUND - MEASURE M; TRANSIT FUND - PROPOSITION A; TRANSIT FUND - PROPOSITION C; COPS FUND; AND MEASURE W FUND

was approved and adopted at a regular meeting of the City Council on the 9th day of June, 2025, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
CHRISTIAN HORVATH
CITY CLERK

EXHIBIT A

CITY OF ROLLING HILLS
FISCAL YEAR 2025-26 ADOPTED BUDGET

General Fund		
City Administrator	$	875,874
Finance		160,000
Planning & Develoopment		894,681
Public Safety		339,324
Non-Departmental		149,600
City Properties		200,540
Total General Fund	**$**	**2,620,019**
Other Funds		
COPs Fund	$	172,000
Proposition A Fund		-
Proposition C Fund		-
Measure R Fund		-
Measure M Fund		-
Measure W Fund		106,500
Refuse Fund		1,055,603
Total Other Funds	**$**	**1,334,103**

RESOLUTION NO. 1391

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ESTABLISHING THE 2025-26 FISCAL YEAR GANN APPROPRIATION LIMIT FOR THE CITY OF ROLLING HILLS.

WHEREAS, the City of Rolling Hills has heretofore established its Base Year Appropriations Limit as $256,941; and

WHEREAS, to the best of this City's knowledge and belief, the State Department of Finance figures reflect the following statistics relevant to the calculation of the 2025-26 Fiscal Year Appropriations Limit:

California per capita personal income, 6.64% (six point six four percent).

Population Adjustments for County of Los Angeles for FY 2025-26, 0.30% (zero point three zero percent).

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

Section 1. Based on the foregoing figures and the provision of Article XIII B of the Constitution of the State of California, the following figure accurately represents the 2025-26 Fiscal Year Appropriation Limit of the City of Rolling Hills: $2,350,992.

Section 2. The City Clerk shall certify to the passage of Resolution No. 1391.

PASSED, APPROVED AND ADOPTED this 9th day of June, 2025.

_____
Jeff Pieper
Mayor

ATTEST:

_____
Christian Horvath
City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF ROLLING HILLS)

The foregoing Resolution No. 1391 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ESTABLISHING THE 2025-26 FISCAL YEAR GANN APPROPRIATION LIMIT FOR THE CITY OF ROLLING HILLS.

was approved and adopted at a regular meeting of the City Council on the 9th day of June, 2025, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
CHRISTIAN HORVATH
CITY CLERK

Agenda Item No.: 13.A
Mtg. Date: 06/09/2025

TO: **HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

FROM: **KARINA BAÑALES, CITY MANAGER**

THRU: **KARINA BAÑALES, CITY MANAGER**

SUBJECT: **ADOPT RESOLUTION NO. 1393 MEMORIALIZING THE 2024 UTILITIES DE-ENERGIZATION DUE TO HISTORICAL LAND MOVEMENT WITHIN ROLLING HILLS AND SUBSEQUENT ACTIONS TAKEN BY THE CITY OF ROLLING HILLS AND UTILITY PARTNERS**

DATE: **June 09, 2025**

BACKGROUND:

In September 2024, the City of Rolling Hills faced a significant crisis due to ongoing land movement in the Palos Verdes Peninsula area, specifically in Rancho Palos Verdes (RPV). This geological instability prompted major utility providers, including Southern California Gas (SoCalGas), Southern California Edison (SCE), and Cox Communications (Cox), to shut-off services in specific areas of both RPV and Rolling Hills.

As the City of Rolling Hills became aware of the utility shut-offs occurring in RPV due to accelerating land movement, City staff immediately took proactive steps to prepare for any potential impacts within the Rolling Hills community. Recognizing the seriousness of the situation, staff scheduled a meeting with Rolling Hills Community Association (RHCA), Los Angeles County Fire and Sheriff, SCE, SoCal Gas (SCG), California Water Services (Cal Water), COX Communications (COX), Frontier Communications (Frontier), Crowne Castle, AT&T, T-Mobile and the Area G Disaster Management Coordinator to discuss the risks and possible consequences for Rolling Hills. This meeting was held during the morning hours of September 11 to ensure open communication and coordinated planning among all stakeholders. However, by that very afternoon, staff were notified that similar shut-offs would soon take place in Rolling Hills.

By September 12, SoCal Gas notified 35 homes that their gas service would be shut off because of the risks posed by land movement. Shortly after, SCE informed 51 households that their electricity could also be disconnected for the same reason. Over the subsequent days, these service interruptions were carried out: SoCal Gas ultimately disconnected service to 37 homes, and SCE shut off power to 51 homes. On September 21, Cox disconnected

internet and cable service to 44 customers in the affected area.

During this challenging period, the City Council and staff worked with utility companies, urging them to pursue engineering solutions that could maintain essential services while ensuring the safety of residents. Despite these efforts, the utilities determined that safety concerns necessitated the service interruptions. The city kept residents informed through direct communication and public updates, while also expediting permits for alternative power solutions such as generators and solar installations.

The Council also requested additional law enforcement support from Los Angeles County and sought relief from permitting fees for alternative power installations. The City Attorney was directed to file formal complaints with the California Public Utilities Commission (CPUC) against SoCal Gas and SCE, a necessary step before any potential legal action.

At this evening's meeting, staff will provide an updated status report on the total number of properties that have obtained permits for alternative power solutions and identify how many properties remain without permits. In addition, Staff will seek the City Council's review and approval of Resolution No. 1393 (Attachment 1), memorializing the events and actions taken to date. Staff further recommends the City Council direct staff to continue urging residents who have not yet submitted permit applications to do so as soon as possible in the form of a letter.

DISCUSSION:

The City of Rolling Hills and Los Angeles County have taken several steps to support residents affected by land movement and utility shut-offs. The following actions have been implemented to address permits and associated fees:

Permit Fee Waivers

On September 23, 2024, the City Council authorized staff to expedite City permitting and waive permit fees for generators, propane tanks, and solar panels. Staff was also directed to work with Supervisor Janice Hahn's office to secure additional fee waivers from the Fire Department. These measures aimed to help residents quickly install the infrastructure needed to restore power and gas, eliminating the usual step-by-step process and associated permitting costs.

Subsequently, on October 9, 2024, in response to a request from the City of Rolling Hills, Supervisor Janice Hahn and the Los Angeles County Board of Supervisors moved to waive fire permit fees for residents affected by utility shut-offs. This action recognized the financial burden on those needing to install alternative energy sources and extended the waivers through December 31, 2025. In alignment with the County's decision, the City of Rolling Hills also extended its permit fee waivers for solar panels, generators, and propane tanks in the affected areas, making these waivers available through December 31, 2025.

Permit Requirements and Safety

Permits and inspections are required for all permanent installations of generators, solar panels, and propane tanks to ensure safety and compliance with city and fire codes. SCE has made it clear that power will not be restored to any property unless all alternative energy systems have been properly permitted and inspected by the City. For residents in the affected

areas who have installed or plan to install generators, propane tanks, or solar systems, securing the necessary permits is essential. This process protects the safety of residents and their neighbors, ensures compliance with all regulations, guarantees eligibility for power restoration by SCE, and helps prevent future complications. Although permit fees are currently waived, this waiver will expire on December 31, 2025. Staff has worked closely with residents to encourage them to take advantage of this opportunity to certify and inspect their installations at no cost, providing peace of mind and ensuring readiness for the restoration of essential services.

Current and Pending Permits

Staff have communicated with all properties in the affected areas and maintained ongoing coordination with SCE, RHCA, solar companies, LA County Public Works, Willdan, and LA County Fire. When SCE notified the City about restoring power to impacted residents, staff personally contacted each resident to confirm their preferences regarding power restoration.

Staff documented those who chose to remain off the grid. For these residents, staff assured permits are on file, allowing residents to restore power directly with SCE in the future if they choose.

As a result of these efforts, staff have compiled a report detailing the number and types of permits issued for generators, solar panels, and propane tanks since the utility shut-offs began. This data collection enables the City to monitor progress, address residents' needs, and ensure proper documentation for future utility restoration.

Below is a summary of the permits issued, the types of permits, and those properties that still require permits:

Homes with Permits:

Total number of homes with at least one permit: 39

Breakdown by Permit Type:

- Homes with a Solar Permit: 36
- Homes with a Propane Permit: 20
- Homes with a Generator Permit: 19
- Homes Without Any Permits: 16

Homes That Have Not Received Permits:

Total number of homes with status "Pending": 4

For the 16 homes that have not received any permits, it is due to the fact that they have not installed any alternative infrastructure, the home is for sale or is an empty lot. For the remaining four properties, staff will continue to assist to ensure compliance. Staff will also send a follow-up letter outlining the need to complete the permitting process and informing residents of the December 31, 2025, deadline to qualify for waived permit fees.

The City of Rolling Hills, in partnership with Los Angeles County agencies and Willdan Engineering Services, has expedited the process and removed permitting fees to ensure that residents can safely and efficiently install generators, solar panels, and propane tanks.

This evening, Staff seeks City Council approval of Resolution No. 1393 and direction to send a letter to residents whose permit applications remain in pending status, urging them to complete the permitting process before the December 31, 2025, deadline. This will ensure they continue to benefit from the waiver of Los Angeles County Fire and Public Works permitting fees and remain eligible for the restoration of power.

FISCAL IMPACT:

Staff does not yet have the total fiscal impact related to waiving permit fees for LA County Fire and Public Works. Once this information is available, staff will report back to City Council during one of the monthly Public Safety Status Updates.

Willdan Engineering Services has reported that they have waived a total of $1,882.51 in permit fees to date. Since the start of the waiving of fees, Willdan has offered to waive permit fees up to a maximum of $5,000.

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:
ResolutionNo1393_Memorializing2024DeEnergization_LandMvmt_Response_F.pdf

RESOLUTION NO. 1393

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS MEMORIALIZING THE 2024 UTILITIES DE-ENERGIZATION DUE TO HISTORICAL LAND MOVEMENT WITHIN ROLLING HILLS AND SUBSEQUENT ACTIONS TAKEN BY THE CITY OF ROLLING HILLS AND UTILITY PARTNERS

WHEREAS, on August 29, 2024, accelerated land movement in Rancho Palos Verdes (RPV) damaged a utility line, causing a brush fire on the Southern California Edison (SCE) Shoreline Circuit resulting in SCE's determination that portions of the circuit could not be safely operated; and

WHEREAS, on September 1, 2024, SCE, citing public safety concerns, indefinitely shut off power to part of the Shoreline Circuit, impacting 140 residences and 53 businesses in the RPV Portuguese Bend community; and

WHEREAS, on September 2, 2024, SCE extended power shutoffs to 105 residences in the RPV Seaview Community, with 20 homes losing power indefinitely; and

WHEREAS, in order to mitigate the potential impacts from the RPV events, the City of Rolling Hills (City) immediately mobilized its disaster response team; and

WHEREAS on September 11, 2024, the City of Rolling Hills staff proactively scheduled and hosted a meeting with the Rolling Hills Community Association, Los Angeles County Fire and Sheriff, SCE, Southern California Gas Company (SCG), California Water Services (CalWater), COX Communications (COX), Frontier Communications (Frontier), Crowne Castle, AT&T, T-Mobile and the Area G Disaster Management Coordinator to provide an overview of current status of RPV's land movement on infrastructure, current or anticipated future impacts and planning next steps within the City of Rolling Hills; and

WHEREAS, on September 11, 2024, SCE notified 51 City residents of a potential power shutoff due to ongoing land movement; and

WHEREAS, on September 12, 2024: SCG notified 35 customers within the City door-to-door that their gas service would be capped indefinitely starting Monday, September 16, 2024 at 3:00 PM; and

WHEREAS, on September 12, 2024, City staff began proactive outreach and support for affected residents, including expedited permitting for emergency power sources, revising evacuation zones, establishing a relief fund, coordinating with the American Red Cross, and maintaining daily communication with utilities; and

WHEREAS, on September 12, 2024, the City activated its Emergency Operations Center (EOC) at Level 3, in response to ongoing land movement and utility disruptions, and continues to operate at this level to coordinate response and recovery efforts;

WHEREAS, on September 13, 2024, SCE informed the same 51 residents initially notified of a potential power shut off that their power would be shut off indefinitely; and

WHEREAS, on September 18, 2024, COX Communications notified 44 customers within the City of service disconnection due to SCE's power shutoff; and

WHEREAS, on September 19, 2024, the City of Rolling Hills held a Town Hall at Rancho Del Mar High School for affected residents with all utility, public safety, and public works entities present; and

WHEREAS, on September 23, 2024, the City Council of the City of Rolling Hills authorized expedited permitting and waived fees for generators, propane tanks, and solar panels, and directed staff to seek additional fee waivers from the Fire Department; and

WHEREAS, on September 23, 2024, the City Council, directed the City Attorney to file CPUC complaints against SCE and SCG. At the direction of Council, the City is now actively engaged in litigation with SCE and SCG; and

WHEREAS, on October 8, 2024, Supervisor Janice Hahn secured the Los Angeles County Board of Supervisors approval for Fire Departments to waive inspection and permitting fees for emergency energy systems through December 31, 2025; and

WHEREAS, on October 8, 2024, staff implemented Council direction by securing the expedited permitting and waiver of Los Angeles County Public Works fees for generators, propane tanks, and solar panels; and

WHEREAS, on October 21, 2024, SCE notified City staff that power would be restored to 12 properties; and

WHEREAS, on January 15, 2025, SCE informed City staff of ongoing efforts to restore power to the remaining affected properties in a safe and efficient manner, in coordination with the City and its partners; and

WHEREAS, since September 2024 and through the present, the City has continued coordination with utilities, public safety, public works, and residents to ensure the safe restoration of power and gas services; and

WHEREAS, the City Council now desires to memorialize these challenging events, express gratitude for the resilience and cooperation of affected residents, and encourage all impacted households to finalize any pending permits by December 31, 2025, after which standard permitting fees will apply.

NOW, THEREFORE, BE IT RESOLVED, that the City of Rolling Hills reaffirms its commitment to supporting affected residents, coordinating with all relevant agencies, and pursuing all necessary actions to restore essential utility services and protect public safety.

PASSED, APPROVED AND ADOPTED this 9th day of June, 2025.

_____
JEFF PIEPER
MAYOR

ATTEST:

_____
CHRISTIAN HORVATH
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §§
CITY OF ROLLING HILLS)

I certify that the foregoing Resolution No. 1393 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS MEMORIALIZING THE 2024 UTILITIES DE-ENERGIZATION DUE TO HISTORICAL LAND MOVEMENT WITHIN ROLLING HILLS AND SUBSEQUENT ACTIONS TAKEN BY THE CITY OF ROLLING HILLS AND UTILITY PARTNERS

was approved and adopted at a regular meeting of the City Council on June 9th, 2025 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
CHRISTIAN HORVATH
CITY CLERK

Agenda Item No.: 14.A
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: CONSIDERATION OF SENDING A LETTER IN OPPOSITION REGARDING SB 79 (WIENER) TO CALIFORNIA STATE ASSEMBLYMEMBER MURATSUCHI (MIRSCH)

DATE: June 09, 2025

BACKGROUND:
Senate Bill 79 (Wiener) regarding Transit Oriented Development has passed out of the Senate on June 3, 2025, with a vote of 21-13-6 and will now move over to the Assembly. Locally, only Senator Laura Richardson voted for the measure, with Senators Allen & Smallwood-Cuevas not casting a vote. The bills text can be found in Attachment 02.

The League of California Cities (CalCities) has been actively engaged in opposition to the bill and is requesting member cities to write letters of opposition. A draft letter (Attachment 01) has been provided for consideration. CalCities has also helped Paramount Mayor Lemons and Bellflower Councilmember Sanchez publish an OpEd in the San Gabriel Valley Tribune. (Attachment 03)

Councilmember Mirsch has requested this item come before the City Council.

DISCUSSION:

What the bill does: Requires cities located in urban transit counties near specific transit stops to ministerially approve higher-density residential projects — up to 7 stories — while other cities would have to approve by-right residential projects up to 5 stories, regardless of zoning codes. SB 79 limits the use of local development standards and allows transit agencies full land-use authority over residential and commercial development on property they own or have a permanent easement, without any requirement that developers build housing, let alone affordable housing.

Why this is important to Cal Cities members: SB 79 overrides the state's own mandated local housing elements by forcing cities to approve transit-oriented development projects near

specified transit stops — up to seven stories high and a density of 80 to 120 homes per acre — without regard to the community's needs, environmental review, or public input. SB 79 provides transit agencies:

- Land use authority on property they own or have a permanent easement, thus allowing them to determine all aspects of residential and commercial development including height, density, and design, without any regard to local zoning or planning.
- Ability to develop 100% commercial projects, even at transit stops, and not provide a single new home.
- Ability to designate additional major transit stops that allow up to five story developments and 80 units per acre.

FISCAL IMPACT:
None.

RECOMMENDATION:
Authorize the Mayor to sign the letter in opposition to Senate Bill 79 (Wiener).

ATTACHMENTS:
Attachment 01 - CL_AGN_250609_CC_SB79_OppositionLetter.pdf
Attachment 02 - CL_AGN_250609_CC_SB79_BillText.pdf
Attachment 03 - CL_AGN_250609_CC_SB79_Lemons-Sanchez_SGVT_OpEd.pdf

CITY LETTERHEAD

June 9, 2025

The Honorable Scott Wiener
Senator, California State Senate
1021 O St, Suite 8620
Sacramento, CA 95814

RE: <u>SB 79 (Wiener) Transit-oriented Development</u>
Notice of Opposition

Dear Senator Wiener,

The City of Rolling Hills writes to express our strong opposition to your SB 79 (Wiener), which would disregard state-certified housing elements and bestow land use authority to transit agencies without any requirement that developers build housing, let alone affordable housing.

SB 79 doubles down on the recent trend of the state overriding its own mandated local housing elements. This latest overreaching effort forces cities in urban transit counties defined as "a county with more than 15 rail stations" to approve transit-oriented development projects near specified transit stops — up to seven stories high and a density of 120 homes per acre — without regard to the community's needs, environmental review, or public input. Similarly, cities in non-urban transit counties near specific transit stops would need to approve development projects by right, up to five stories high, with a density of 80 homes per acre.

Most alarmingly, SB 79 defies cities' general plans and provides transit agencies unlimited land use authority on property they own or have a permanent easement, regardless of the distance from a transit stop. Transit agencies would have the power to determine all aspects of the development including height, density, and design, without any regard to local zoning or planning.

This broad new authority applies to both residential and commercial development. Transit agencies could develop 100% commercial projects — even at transit stops — and not provide a single new home, while simultaneously making the argument that more housing must be constructed around transit stops.

City of Rolling Hills appreciates and respects your desire to pursue a housing production proposal. However, as currently drafted, SB 79 will not spur much-needed housing construction in a manner that supports local flexibility, decision-making, and community input. State-driven ministerial or by-right housing approval processes fail to recognize the extensive public engagement associated with developing and adopting zoning ordinances and housing elements.

California will never produce the number of homes needed with an increasingly state-driven, by-right housing approval process. What we really need is a sustainable state

DRAFT

investment that matches the scale of this decades-in-the-making crisis. For these reasons, the City Rolling Hills strongly opposes SB 79.

Sincerely,

Jeff Pieper
Mayor
City of Rolling Hills

cc. Senator Ben Allen
Assembly Member Al Muratuschi
Jeff Kiernan, League Regional Public Affairs Manager (via email)
League of California Cities, cityletters@cacities.org

DRAFT

AMENDED IN SENATE MAY 29, 2025

AMENDED IN SENATE MAY 28, 2025

AMENDED IN SENATE MAY 13, 2025

AMENDED IN SENATE APRIL 23, 2025

AMENDED IN SENATE APRIL 9, 2025

AMENDED IN SENATE MARCH 5, 2025

SENATE BILL No. 79

Introduced by Senator Wiener

January 15, 2025

An act to add Chapter 4.1.5 (commencing with Section 65912.155) to Division 1 of Title 7 of the Government Code, and to add Section 21080.26.5 to the Public Resources Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

SB 79, as amended, Wiener. Housing development: transit-oriented development: California Environmental Quality Act: public transit agency land.

(1) Existing law, the Planning and Zoning Law, requires each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city, and specified land outside its boundaries, that contains certain mandatory elements, including a land use element and a housing element. Existing law requires that the land use element designate the proposed general distribution and general location and extent of the uses of the land, as specified. Existing law requires that the housing element consist of an identification and analysis of existing and projected housing needs and a statement of goals,

policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing, as specified. Existing law requires that the housing element include, among other things, an assessment of housing needs and an inventory of resources and constraints that are relevant to the meeting of these needs, including an inventory of land suitable for residential development, as provided. Existing law, for the 4th and subsequent revisions of the housing element, requires the Department of Housing and Community Development to determine the existing and projected need for housing for each region, as specified, and requires the appropriate council of local governments, or the department for cities and counties without a council of governments, to adopt a final regional housing need plan that allocates a share of the regional housing need to each locality in the region.

Existing law, the Housing Accountability Act, among other things, requires a local agency that proposes to disapprove a housing development project, as defined, or to impose a condition that the project be developed at a lower density to base its decision on written findings supported by a preponderance of the evidence that specified conditions exist if that project complies with applicable, objective general plan, zoning, and subdivision standards and criteria in effect at the time that the application was deemed complete. The act authorizes the applicant, a person who would be eligible to apply for residency in the housing development project or emergency shelter, or a housing organization to bring an action to enforce the act's provisions, as provided, and provides for penalties if the court finds that the local agency is in violation of specified provisions of the act.

This bill would require that a housing development project, as defined, proposed within a specified distance of a transit-oriented development (TOD) stop, as defined, be an allowed use on any site zoned for residential, mixed, or commercial development, if the development complies with applicable requirements, as specified. The bill would establish requirements concerning height limits, density, and floor area ratio in accordance with a development's proximity to specified tiers of TOD stops, as provided. The bill would provide that, for the purposes of the Housing Accountability Act, a proposed development consistent with the applicable standards of these provisions shall be deemed consistent, compliant, and in conformity with prescribed requirements, as specified. The bill would provide that a local government that denies a project meeting the requirements of these provisions located in a

high-resource area, as defined, would be presumed in violation of the Housing Accountability Act, as specified, and immediately liable for penalties, as provided. The bill would specify that a development proposed pursuant to these provisions is eligible for streamlined, ministerial approval pursuant to specified law, except that the bill would exempt a project under these provisions from specified requirements, and would specify that the project is required to comply with certain affordability requirements, under that law.

This bill would require a proposed development to comply with specified requirements under existing law relating to the demolition of existing residential units and to include housing for lower income households, as specified. The bill would also authorize a transit agency to adopt objective standards for both residential and commercial development proposed pursuant to these provisions if the development would be constructed on land owned by the transit agency or on which the transit agency has a permanent operating easement, if the land is within ½ mile of a TOD stop and the objective standards allow for the same or greater development intensity as allowed by local standards or applicable state law.

This bill would authorize a local government to enact a local TOD alternative plan as an amendment to the housing element and land use element, and would exempt a local government that has enacted a local TOD alternative plan from the above-specified provisions. The bill would require the plan to maintain at least the same total increase in feasible zoned capacity, in terms of both total units and residential floor area, as provided by these provisions across all TOD zones, as defined. The bill would require a local government, except as provided, to submit the draft plan to the department and would require the department to assess the plan and recommend changes to remove unnecessary constraints on housing.

This bill would require the Department of Housing and Community Development to oversee compliance with the bill's provisions, including, but not limited to, promulgating specified standards relating to the inventory of land included within a county's or city's housing element. The bill would authorize the regional council of governments or metropolitan planning organization to create a map of designated TOD stops and zones, which would have a rebuttable presumption of validity. The bill would authorize a local government to enact an ordinance to make its zoning code consistent with these provisions, as provided. The bill would require the local government to submit a copy of this

ordinance to the department within 60 days of enactment and would require the department to review the ordinance for compliance, as specified. If the department finds an ordinance is out of compliance, and the local government does not take specified steps to address compliance, the bill would require the department to notify the local government in writing and authorize the department to notify the Attorney General, as provided.

This bill would define various terms for its purposes and make related findings and declarations.

This bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

(2) Existing law, the California Environmental Quality Act (CEQA), requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA, until January 1, 2030, exempts from its requirements certain transportation-related projects if specified requirements are met, as provided. CEQA includes within these exempt transportation-related projects a public project for the institution or increase of bus rapid transit, bus, or light rail service, or other passenger rail service, that will be exclusively used by low-emission or zero-emission vehicles, on existing public rights-of-way or existing highway rights-of-way.

This bill would exempt from CEQA a public or private residential, commercial, or mixed-used project that, at the time the project application is filed, is located entirely or principally on land owned by a public transit agency, or fully or partially encumbered by an existing operating easement in favor of a public transit agency, and meets specified requirements. The bill would provide that, for a project that requires the construction of new passenger rail storage and maintenance facilities at a publicly or privately owned offsite location distinct from the principal project site, that project would be considered a wholly

separate project from the project described in these provisions and shall not be exempt from CEQA.

(3) This bill would provide that the provisions of this bill are severable.

(4) By increasing the duties of local officials, this bill would impose 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.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Chapter 4.1.5 (commencing with Section 65912.155) is added to Division 1 of Title 7 of the Government Code, to read:

Chapter 4.1.5. Transit-Oriented Development

65912.155. The Legislature finds and declares all of the following:

(a) California faces a housing shortage both acute and chronic, particularly in areas with access to robust public transit infrastructure.

(b) Building more homes near transit access reduces housing and transportation costs for California families, and promotes environmental sustainability, economic growth, and reduced traffic congestion.

(c) Public transit systems require sustainable funding to provide reliable service, especially in areas experiencing increased density and ridership. The state does not invest in public transit service to the same degree as it does in roads, and the state funds a smaller proportion of the state's major transit agencies' operations costs than other states with comparable systems. Transit systems in other countries derive significant revenue from transit-oriented development at and near their stations.

65912.156. For purposes of this chapter, the following definitions apply:

(a) "Adjacent" means sharing a property line with a transit stop, including any parcels that serve a parking or circulation purpose related to the stop.

(b) "Commuter rail" means a rail transit service not meeting the standards for heavy rail or light rail, excluding California High-Speed Rail and Amtrak Long Distance Service.

(c) "Department" means the Department of Housing and Community Development.

(d) "Frequent commuter rail" means a commuter rail service with a total of at least 24 daily trains per weekday across both directions and not meeting the standard for very high or high-frequency commuter rail at any point in the past three years.

(e) "Heavy rail transit" means an electric railway with the capacity for a heavy volume of traffic using high-speed and rapid acceleration passenger rail cars operating singly or in multicar trains on fixed rails, separate rights-of-way from which all other vehicular and foot traffic are excluded, and high platform loading.

(f) "High-frequency commuter rail" means a commuter rail service operating a total of at least 48 trains per day across both directions at any point in the past three years.

(g) "High-resource area" means a highest resource or high-resource neighborhood opportunity area, as used in the opportunity area maps published annually by the California Tax Credit Allocation Committee and the department.

(h) "Housing development project" has the same meaning as defined in Section 65589.5.

(i) "Light rail transit" includes streetcar, trolley, and tramway service.

(j) "Net habitable square footage" means the finished and heated floor area fully enclosed by the inside surface of walls, windows, doors, and partitions, and having a headroom of at least six and one-half feet, including working, living, eating, cooking, sleeping, stair, hall, service, and storage areas, but excluding garages, carports, parking spaces, cellars, half-stories, and unfinished attics and basements.

(k) "Rail transit" has the same meaning as defined in Section 99602 of the Public Utilities Code.

(*l*) "Residential floor area ratio" means the ratio of net habitable square footage dedicated to residential use to the area of the lot.

(m) "Tier 1 transit-oriented development stop" means a transit-oriented development stop within an urban transit county served by heavy rail transit or very high frequency commuter rail.

(n) "Tier 2 transit-oriented development stop" means a transit-oriented development stop within an urban transit county, excluding a Tier 1 transit-oriented development stop, served by light rail transit, by high-frequency commuter rail, or by bus service meeting the standards of paragraph (1) of subdivision (a) of Section 21060.2 of the Public Resources Code.

(o) "Tier 3 transit-oriented development stop" means a transit-oriented development stop within an urban transit county, excluding a Tier 1 or Tier 2 transit-oriented development stop, served by frequent commuter rail service or by ferry service; or any transit-oriented development stop not within an urban transit county; or any major transit stop otherwise so designated by the applicable authority.

(p) "Transit-oriented development stop" means a major transit stop, as defined by Section 21155 of the Public Resources Code, served by heavy rail transit, very high frequency commuter rail, high frequency commuter rail, light rail transit, bus service meeting the standards of paragraph (1) of subdivision (a) of Section 21060.2 of the Public Resources Code, frequent commuter rail service, or ferry service, or otherwise so designated by the applicable authority.

(q) "Urban transit county" means a county with more than 15 rail stations.

(r) "Very high frequency commuter rail" means a commuter rail service with a total of at least 72 trains per day across both directions at any point in the past three years.

65912.157. (a) A housing development project within one-half or one-quarter mile of a transit-oriented development stop shall be an allowed use on any site zoned for residential, mixed, or commercial development, if the development complies with the applicable of all of the following requirements:

(1) For a residential development within one-quarter mile of a Tier 1 transit-oriented development stop, all of the following apply:

(A) A development may be built up to 75 feet high, or up to the local height limit, whichever is greater.

(B) A local government shall not impose any maximum density of less than 120 dwelling units per acre. The development proponent may seek a further increased density in accordance with applicable density bonus law.

(C) A local government shall not enforce any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 3.5.

(D) A development that otherwise meets the eligibility requirements of Section 65915, including, but not limited to, affordability requirements, shall be eligible for three additional concessions pursuant to Section 65915.

(2) For a residential development further than one-quarter mile but within one-half mile of a Tier 1 transit-oriented development stop, all of the following apply:

(A) A development may be built up to 65 feet high, or up to the local height limit, whichever is greater.

(B) A local government shall not impose any maximum density standard of less than 100 dwelling units per acre. The development proponent may seek a further increased density in accordance with applicable density bonus law.

(C) A local government shall not enforce any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 3.

(D) A development that otherwise meets the eligibility requirements of Section 65915, including, but not limited to, affordability requirements, shall be eligible for two additional concessions pursuant to Section 65915.

(3) For a residential development within one-quarter mile of a Tier 2 transit-oriented development stop, all of the following apply:

(A) A development may be built up to 65 feet high, or up to the local height limit, whichever is greater.

(B) A local government shall not impose any maximum density standard of less than 100 dwelling units per acre. The development proponent may seek a further increased density in accordance with applicable density bonus law.

(C) A local government shall not enforce any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 3.

(D) A development that otherwise meets the eligibility requirements of Section 65915, including, but not limited to,

affordability requirements, shall be eligible for two additional concessions pursuant to Section 65915.

(4) For a residential development further than one-quarter mile but within one-half mile of a Tier 2 transit-oriented development stop, all of the following apply:

(A) A development may be built up to 55 feet high, or up to the local height limit, whichever is greater.

(B) A local government shall not impose any maximum density standard of less than 80 dwelling units per acre. The development proponent may seek a further increased density in accordance with applicable density bonus law.

(C) A local government shall not enforce any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 2.5.

(D) A development that otherwise meets the eligibility requirements of Section 65915, including, but not limited to, affordability requirements, shall be eligible for one additional concession pursuant to Section 65915.

(5) For a residential development within one-quarter mile of a Tier 3 transit-oriented development stop, all of the following apply:

(A) A development may be built up to 55 feet high, or up to the local height limit, whichever is greater.

(B) A local government shall not impose any maximum density standard of less than 80 dwelling units per acre. The development proponent may seek a further increased density in accordance with applicable density bonus law.

(C) A local government shall not enforce any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 2.5.

(D) A development that otherwise meets the eligibility requirements of Section 65915, including, but not limited to, affordability requirements, shall be eligible for one additional concession pursuant to Section 65915.

(6) For a residential development further than one-quarter mile but within one-half mile of a Tier 3 transit-oriented development ~~stop within an urban transit county,~~ *stop,* all of the following apply:

(A) A development *within an urban transit county* may be built up to 45 feet high, or up to the local height limit, whichever is greater. *A development not within an urban transit county may be built up to the local height limit.*

(B) A local government shall not impose any maximum density standard of less than 60 dwelling units per acre. The development proponent may seek a further increased density in accordance with applicable density bonus law.

(C) A local government shall not enforce any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 2.

(b) A local government may still enact and enforce standards, including an inclusionary zoning requirement that applies generally within the jurisdiction, that do not, alone or in concert, prevent achieving the applicable development standards of subdivision (a).

(c) If a development proposes a height under this section in excess of the local height limit, then a local government shall not be required to grant a waiver, incentive, or concession pursuant to Section 65915 for additional height beyond that specified in this section, except as provided in subparagraph (D) of paragraph (2) of subdivision (d) of Section 65915.

(d) Notwithstanding any other law, a housing development project that meets any of the eligibility criteria under subdivision (a) and is immediately adjacent to a Tier 1, Tier 2, or Tier 3 transit-oriented development stop shall be eligible for an adjacency intensifier to increase the height limit by an additional 20 feet, the maximum density standard by an additional 40 dwelling units per acre, and the residential floor area ratio by 1.

(e) A development proposed pursuant to this section shall comply with the antidisplacement requirements of Section 66300.6. This subdivision shall apply to any city or county.

(f) A development proposed pursuant to this section shall include housing for lower income households in one of the following ways:

(1) If there is a local inclusionary zoning ordinance or affordable housing fee, it shall comply with the requirements of that ordinance or fee.

(2) (A) If there is no local inclusionary ordinance or affordable housing fee, a development of more than 10 units shall meet the requirements to qualify for a density bonus pursuant to subdivision (b) of Section 65915 or a local ordinance.

(B) This paragraph shall not apply to any development of 10 units or less.

(g) For purposes of subdivision (j) of Section 65589.5, a proposed housing development project that is consistent with the applicable standards from this chapter shall be deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirement, or other similar provision. This subdivision shall not require a ministerial approval process or modify the requirements of Division 13 (commencing with Section 21000) of the Public Resources Code.

(h) A local government that denies a housing development project meeting the requirements of this section that is located in a high-resource area shall be presumed to be in violation of the Housing Accountability Act (Section 65589.5) and immediately liable for penalties pursuant to subparagraph (B) of paragraph (1) of subdivision (k) of Section 65589.5, unless the local government demonstrates, pursuant to the standards in subdivisions (j) and (o) of Section 65589.5, that it has a health, life, or safety reason for denying the project.

65912.158. (a) Notwithstanding any other provision of this chapter, a transit agency may adopt objective standards for both residential and commercial developments proposed to be constructed on land owned by the transit agency or on which the transit agency has a permanent operating easement, if the land is within one-half mile of a transit-oriented development stop and the objective standards allow for the same or greater development intensity as that allowed by local standards or applicable state law.

(b) The board of a transit agency may vote to designate a major transit stop served by the agency as a Tier 3 transit-oriented development stop for the purposes of this section.

65912.159. (a) A housing development project proposed pursuant to Section 65912.157 shall be eligible for streamlined ministerial approval pursuant to Section 65913.4 in accordance with all of the following:

(1) The proposed project shall be exempt from subparagraph (A) of paragraph (4) of, paragraph (5) of, and clause (iv) of subparagraph (A) of paragraph (6) of, subdivision (a) of Section 65913.4.

(2) The proposed project shall comply with the affordability requirements in subclauses (I) to (III), inclusive, of clause (i) of subparagraph (B) of paragraph (4) of subdivision (a) of Section 65913.4.

(3) The proposed project shall comply with all other requirements of Section 65913.4, including, but not limited to, the prohibition against a site that is within a very high fire hazard severity zone, pursuant to subparagraph (D) of paragraph (6) of subdivision (a) of Section 65913.4.

(b) Any housing development proposed pursuant to Section 65912.157 not seeking streamlined approval under Section 65913.4 shall be reviewed according to the jurisdiction's development review process and Section 65589.5, except that any local zoning standard conflicting with the requirements of this chapter shall not apply.

65912.160. (a) The department shall oversee compliance with this chapter, including, but not limited to, promulgating standards on how to account for capacity pursuant to this chapter in a city or county's inventory of land suitable for residential development, pursuant to Section 65583.2.

(b) The regional council of governments or metropolitan planning organization may create a map of transit-oriented development stops and zones designated under this chapter. This map shall have a rebuttable presumption of validity for use by project applicants and local governments.

(c) (1) A local government may enact an ordinance to make its zoning code consistent with the provisions of this chapter, subject to review by the department pursuant to paragraph (3).

(2) The ordinance described in paragraph (1) shall not be considered a project under Division 13 (commencing with Section 21000) of the Public Resources Code.

(3) (A) A local government shall submit a copy of any ordinance enacted pursuant to this section to the department within 60 days of enactment.

(B) Upon receipt of an ordinance pursuant to this paragraph, the department shall review that ordinance and determine whether it complies with this section. If the department determines that the ordinance does not comply with this section, the department shall notify the local government in writing and provide the local government a reasonable time, not to exceed 30 days, to respond before taking further action as authorized by this section.

(C) The local government shall consider any findings made by the department pursuant to subparagraph (B) and shall do one of the following:

(i) Amend the ordinance to comply with this section.

(ii) Enact the ordinance without changes. The local government shall include findings in its resolution adopting the ordinance that explain the reasons the local government believes that the ordinance complies with this section despite the findings of the department.

(D) If the local government does not amend its ordinance in response to the department's findings or does not adopt a resolution with findings explaining the reason the ordinance complies with this section and addressing the department's findings, the department shall notify the local government and may notify the Attorney General that the local government is in violation of this section.

65912.161. (a) A local government may enact a local transit-oriented development alternative plan as an amendment to the housing element and land use element of its general plan, subject to review by the department.

(1) (A) A local transit-oriented development alternative plan shall maintain at least the same total increase in feasible zoned capacity, in terms of both total units and residential floor area, as provided for in this chapter across all transit-oriented development zones within the jurisdiction.

(i) The plan shall not reduce the capacity in any station area, in total units or residential floor area, by more than 50 percent.

(ii) The plan shall not reduce the allowed density for any individual site allowing residential use by more than 50 percent below that permitted under this chapter.

(iii) A site's maximum feasible capacity counted toward the plan shall be not more than 200 percent of the maximum density established under this chapter.

(B) For the purposes of this paragraph, both of the following definitions apply:

(i) "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.

(ii) "Transit-oriented development zone" means the eligible area around a qualifying transit-oriented development stop.

(2) A local transit-oriented development alternative plan may designate any other major transit stop or stop along a high-quality transit corridor that is not already identified as a transit-oriented

development stop as a Tier 3 transit-oriented development stop. A local transit-oriented development plan consisting solely of adding additional major transit stops as transit-oriented development stops shall be exempt from the requirements of paragraph (4).

(3) A local transit-oriented development alternative plan may consist of an existing local transit-oriented zoning ordinance, overlay zone, specific plan, or zoning incentive ordinance, provided that it applies to all residential properties within the transit-oriented development area and provides at least the same total feasible capacity for units and floor area as Section 65912.157.

(4) Prior to enacting a local transit-oriented development alternative plan, the local government shall submit the draft plan to the department for review. The submission shall include any amendments to the local zoning ordinances, any applicable objective design standards that would apply to transit-oriented developments, and assessments of the plan's impact on development feasibility and fair housing. The department shall assess whether the plan maintains at least an equal feasible developable housing capacity as the baseline established under this section as well as the plan's effects on fair housing relative to the baseline established under this section, and shall recommend changes to remove unnecessary constraints on housing from the plan.

(b) Section 65912.157 shall not apply within a jurisdiction that has a local transit-oriented alternative plan that has been approved by the department as satisfying the requirements of this section in effect. The department's approval pursuant to this subdivision shall be valid through the jurisdiction's next amendment to the housing element of its general plan.

65912.162. The Legislature finds and declares that the state faces a housing crisis of availability and affordability, in large part due to a severe shortage of housing, and solving the housing crisis therefore requires a multifaceted, statewide approach, including, but not limited to, encouraging an increase in the overall supply of housing, encouraging the development of housing that is affordable to households at all income levels, removing barriers to housing production, expanding homeownership opportunities, and expanding the availability of rental housing, and is a matter of statewide concern and is not a municipal affair as that term is

used in Section 5 of Article XI of the California Constitution. Therefore, this chapter applies to all cities, including charter cities.

SEC. 2. Section 21080.26.5 is added to the Public Resources Code, to read:

21080.26.5. (a) For the purposes of this section, "public project" means a project constructed by either a public agency or private entity, that, upon the completion of the construction, will be operated by a public agency.

(b) This division shall not apply to a public or private residential, commercial, or mixed-use project that, at the time the project application is filed, is located entirely or principally on land owned by a public transit agency, or fully or partially encumbered by an existing operating easement in favor of a public transit agency, and that includes at least one of the following:

(1) A project component identified in paragraphs (1) to (5), inclusive, or paragraph (7) of subdivision (b) of Section 21080.25.

(2) A public project for passenger rail service facilities, other than light rail service eligible under paragraph (5) of subdivision (b) of Section 21080.25, including the construction, reconfiguration, or rehabilitation of stations, terminals, rails, platforms, or existing operations facilities, which will be exclusively used by zero-emission or electric trains. The project shall be located on land owned by a public transit agency, or land fully or partially encumbered by an existing operating easement in favor of a public transit agency, at the time the project application is filed.

(3) An agreement between the project applicant and public transit agency that owns the land or has the permanent operating easement to finance transit capital infrastructure, transit maintenance, or transit operations, including through a proposed public financing district, community financing district, or tax increment generated by the project.

(c) If the project described in paragraph (1) of subdivision (b) is located on land fully or partially encumbered by an existing operating easement in favor of a public transit agency at the time the project application is filed, the transit agency, the grantor of the easement, and all fee owners of the property encumbered by the easement must sponsor or consent to the application. Nothing in this section shall be interpreted to authorize a transit agency to construct a project described in paragraph (1) of subdivision (b)

unless permitted by its operating easement or unless the easement is terminated, in each case prior to the commencement of construction.

(d) If a project described in subdivision (b) requires the construction of new passenger rail storage and maintenance facilities at a publicly or privately owned offsite location distinct from the principal project site, then that project shall be considered a wholly separate project from the project described in subdivision (b) and shall not be exempt from this division. Any required environmental review shall not affect or render invalid the exemption provided in subdivision (b), regardless of whether the project described in subdivision (b) cannot proceed unless the offsite facilities are constructed.

SEC. 3. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local government 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.

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Senate Bill 79 is simply the wrong way to go about solving our housing crisis

In the city of Bellflower, local officials are doing everything they can to meet their community's housing needs. But a recent fight with the county transit agency over land use serves as a cautionary tale of the rising unchecked power of transit agencies and the diminishing authority of both local governments and the will of the people.

Bellflower officials are currently implementing their state-approved housing plans and zoning nearly 4,000 new homes over the next five years. This plan has taken years to develop and is grounded in public input, environmental review, and community needs.

The city has also identified an additional 22 acres of land that can be developed into housing. However, the LA County Metro Transportation Authority (METRO) has initiated an eminent domain proceeding to take over the property and use it as a maintenance yard for the new Southeast Gateway Line Project.

To METRO, this is a plot of land to store their vehicles and equipment. To Bellflower, this could be more than 1,600 new homes in the community, including much-needed affordable housing. And if a Senate bill aimed at increasing construction around major public transportation hubs passes, this scenario could play out in other cities throughout the state.

Senate Bill 79, introduced by Sen. Scott Wiener, D-San Francisco, would completely disregard state-approved housing plans and give land use authority to transit agencies with limited requirements to build housing, let alone affordable housing. The bill upends the years of thoughtful planning and community input that city officials carry out when developing their housing plans, while giving unilateral power to transit agencies.

To add insult to injury, SB 79 was recently amended in a political trade-off to carve out certain communities in the wealthy areas of Marin and Sonoma counties from its most onerous requirements. Once again, our lower-income communities are asked to bear a disproportionate burden by increasing the density in our already dense neighborhoods to meet the state's housing goals. With the goal of generating funding for transit agencies, SB 79 could result in generating the wrong kind of construction near transit stops, like luxury condos or big box stores. Residents and local officials will be powerless to stop these developments or guarantee they include homes our residents can afford.

City officials understand the intent of SB 79 and support increased density around transit. The Gateway Cities region is 3.5 times denser than LA County, and many of our cities have population density on par with New York City. Planning for more

density is a serious undertaking that, if mishandled, could exacerbate inequalities in our community. Our communities already struggle with access to unaffordable housing, crippling congestion, unhealthy air, overcrowded schools, and a lack of public services like parks and libraries.

That's why Paramount has spent three years adopting the North Paramount Gateway Specific Plan, which increases density around transit. This plan was developed through extensive community engagement and ensures the city can provide the infrastructure and services to support the project and meet the needs of the residents. SB 79 undercuts the very approach that has allowed cities like Paramount to be proactive and community-focused in their planning.

Cities agree with the fundamental problem — there aren't enough homes being built in California. And we also understand our role in addressing the housing crisis: working with residents to plan for the types of housing we need. But solutions must come through collaboration, not by sidelining local voices or dismissing the community plans already underway.

SB 79 is simply the wrong way to go about solving our housing crisis. We urge the Legislature to reject this measure and work with cities on real solutions that respect community-driven planning, support housing plans already underway, and identify a sustainable state investment that matches the scale of this decades-in-the-making crisis.

Peggy Lemons is mayor of Paramount. Victor Sanchez serves on the Bellflower City Council.

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 15.A
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: RECEIVE AND FILE A VERBAL UPDATE ON THE STATUS OF THE CITY COUNCIL CHAMBER AUDIO/VISUAL SYSTEM MODIFICATIONS

DATE: June 09, 2025

BACKGROUND:
None.

DISCUSSION:
None.

FISCAL IMPACT:
To be determined

RECOMMENDATION:
Receive and file.

ATTACHMENTS:

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 16.A
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT:

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION GOVERNMENT CODE SECTION 54956.9(D)(1) THE CITY FINDS, BASED ON ADVICE FROM LEGAL COUNSEL, THAT DISCUSSION IN OPEN SESSION WILL PREJUDICE THE POSITION OF THE CITY IN THE LITIGATION. (3 CASES)

A. NAME OF CASE: CONNIE ANDERSEN, ET AL. V. CALIFORNIA WATER COMPANY, ET AL. (SEAVIEW CASE) CASE NO.: 24STCV20953
B. NAME OF CASE: CITY OF ROLLING HILLS V. SCE CPUC DOCKET NO. C.24-10-008
C. NAME OF CASE: CITY OF ROLLING HILLS V. SOCALGAS CPUC DOCKET NO. C.24-10-009

DATE: June 09, 2025

BACKGROUND:
None.

DISCUSSION:
None.

FISCAL IMPACT:
None.

RECOMMENDATION:
None.

ATTACHMENTS:

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 16.B
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION A CLOSED SESSION WILL BE HELD, PURSUANT TO GOVERNMENT CODE SECTION 54956.9(C) AND (D)(4) REGARDING THE DECISION OF WHETHER TO INITIATE LITIGATION (1 CASE)
RECOMMENDATION: NONE

DATE: June 09, 2025

BACKGROUND:
None.

DISCUSSION:
None.

FISCAL IMPACT:
None.

RECOMMENDATION:
None.

ATTACHMENTS:

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 16.C
Mtg. Date: 06/09/2025

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION A CLOSED SESSION WILL BE HELD, PURSUANT TO GOVERNMENT CODE SECTION 54956.9(C) AND (D)(4) REGARDING THE DECISION OF WHETHER TO INITIATE LITIGATION (1 CASE)
RECOMMENDATION: NONE

DATE: June 09, 2025

BACKGROUND:
None.

DISCUSSION:
None.

FISCAL IMPACT:
None.

RECOMMENDATION:
None.

ATTACHMENTS: