

MEMORANDUM

TO: City Council
FROM: City Manager
DATE: December 7, 2017
SUBJECT: Comments on Agenda Items, Meeting of December 12, 2017

ITEM 8.A. The City Council will recognize Mr. Gordon Lloyd Givens on the celebration of his 100th birthday on December 11th. Mr. Givens is the owner of Duarte's well-known Lloyd's Bike Shop located on Highland Avenue by Royal Oaks Drive. Lloyd first started his bike shop business in Monrovia on Huntington Drive and Shamrock in 1959, and he remained in business there for 26 years. Then in 1985, Lloyd moved the bike shop to Highland Avenue in Duarte, where he still goes to work five days a week. In fact, Lloyd may very well be the only 100-year-old who still actively operates a business day-to-day, not only in Duarte, but perhaps in the San Gabriel Valley.

ITEM 8.B Members of the 2017 Route 66 Parade Committee, along with volunteers from GERC (Glendora Emergency Response Communications) will be recognized and receive certificates. The Committee members are Anne Wilkins, Sharon Anderson, Buffy Aikens, Gloria Klinkenborg, Tony Molina, Lois Gaston, Tina Heany, Douglas Edwards, Dan Yrigoyen, Zarish Akram, and Liz Reilly. The members of GERC are Roy Bishop, Jim Dowdle, Rob Foth, Jessica Foth, David Gordon, Bob Jones, Katherine Mixon, Ken Mixon, Shane Rountree, Dennis Swink, Pauline White, and Les Wigger.

ITEM 8.C. The City Council will recognize London Lee, Quality Assurance Inspector with Foothill Transit, as the recipient of the 2017 Donald C. Hyde Memorial Essay Scholarship. This scholarship was awarded to Mr. Lee by the American Public Transportation Foundation.

ITEM 8.D. A representative of the Mayor's Youth Council will provide an update of their most recent activities.

ITEM 12.F (Consent). This is a second reading of an Ordinance establishing and implementing by-district elections beginning in 2018. The purpose of this Ordinance is to enact, pursuant to California Government Code Section 34886, an Ordinance providing for the election of members of the City Council of the City of Duarte by district in seven single-member districts.

ITEM 12.G (Consent). This is for the City Council to consider the approval of a Final Map for an 18-unit multi-family residential subdivision at 1634 Third Street and 1101 Oak Avenue, and to accept dedications of land for the relocation of Third Street Park and land for street right-of-way. The City Engineer has reviewed the map, and determined it to be ready for Council consideration. Improvement plans for the project have been reviewed by the Public Works Department and the City Engineer, and found to be satisfactory. The developer has submitted the bonds and entered into a subdivision agreement with the City to guarantee the construction improvements for this project, both of which meet the satisfaction of the City Engineer.

ITEM 12.H (Consent). This item recommends that the City Council authorize and award a construction contract to All American Asphalt for the Citywide ADA Ramps and Oak Avenue Improvement Project. The project consists of the construction of new corner curb ramps along Duarte Road at multiple cross-streets and at the northeast corner of Huntington Drive and Oak Avenue, removal and replacement of existing driveway approaches, and installation of new curb,

gutter, asphalt concrete, and approximately 160 linear feet of new ADA compliant sidewalk on Oak Avenue.

ITEM 12.I (Consent). A request has been made by Santa Teresita/Hayden Child Care for the City to be a co-sponsor of the Hayden 5K Run, Family Walk and Roll Festival event on March 10, 2018, from 7:00 a.m. to 1:30 p.m. The run will begin on the corner of Buena Vista Avenue and Royal Oaks Drive. Participants will run on Royal Oaks Drive until Royal Oaks North, and from there, merge onto the Duarte multi-purpose walking trail. Participants will then continue east until reaching the turn-around, and loop back onto the trail toward the finish line at Santa Teresita Campus. Following the run, a family festival including food, entertainment, vendors, and games will be available on the grounds of Santa Teresita until 1:30 p.m.

ITEM 12.J (Consent). A request has been made by the Friends of the Duarte Library to co-sponsor the screening of the film “Beauty Bites Beast” on February 21, 2018. The Friends of the Duarte Library, State Senator Anthony Portantino, Assemblymember Blanca Rubio, County Supervisor Kathryn Barger, and the Duarte Chamber of Commerce will be co-sponsoring the event along with the City. Logistics for the event include a reception with light refreshments at 5:30 p.m., screening of the film from 6:30-8:00 p.m., and a Q & A and book signing from 8:00-8:30 p.m. The set-up will be for up to 150 theater-style seating. The event will be free to the public.

ITEM 12.K (Consent). This is a Professional Services Agreement with Karen Warner Associates, Inc., to provide housing consulting services in the amount of \$35,100 for the preparation of a housing element report, developing protocol for future State-required reporting, and preparation of affordable housing strategy. This will also amend the Housing Authority budget to fund the project.

Passage of recent legislation, including SB 35 and AB 879, imposes additional reporting requirements for the Annual Housing Element Progress Report. The changes greatly expand City requirements for reporting and monitoring local housing programs, not only this year, but in the future. The consultant will assist staff by preparing the annual report, and will develop a monitoring process to use in future years, so that staff can address much of the work going forward. In addition, the consultant will investigate and prepare an analysis of governmental constraints for reporting. Finally, the consultant will prepare a detailed Affordable Housing Strategy, which will allow the City to plan for the future use of Housing Authority Funds.

ITEM 12.L (Consent). An Exclusive Negotiation Agreement (ENA) between the City and MJW Investments is before the Council for consideration. This is for the potential sale and development of properties at 946, 956, and 962 Huntington Drive, directly to the west of the Mountain Vista (Target) Shopping Center. Initiating this ENA does not require the City to agree to sell the properties. It allows the City the ability to work with MJW Investments to determine the most appropriate type of development for the site, and to consider the appropriate property price.

ITEM 14.A. This is a Public Hearing to consider approval of the Community Development Block Grant (CDBG) budget for fiscal year 2018-19. The City anticipates receiving an allocation of approximately \$141,786 in Federal CDBG funds. This allocation will be broken down by \$50,000 to continue the Installation of Americans with Disabilities (ADA) Curb Ramp Project, and \$91,786 to implement the prior year CDBG-funded street improvement project on Galen Street from Broadland to Buena Vista.

ITEM 14.B. This is the first reading of an ordinance adding a change to the Municipal Code prohibiting alternate side parking on designated streets for the purposes of street sweeping. In addition,

this is a request for authorization to amend the budget to include \$90,000 to purchase the necessary signage for the project.

As part of the process to implement a street sweeping ordinance, Public Safety and Community Development staff worked closely with Burrtec Waste Industries and Clean Streets to develop the street sweeping program dividing the City into four separate street sweeping areas, and a commercial area. If the Council approves the proposed ordinance, Public Works will accept bids for sign materials only to expedite the sign installation process. Once the City has the sign materials, the item will come before Council with an RFP process for the installation of signs. Once signs are installed throughout the City, staff will implement parking restrictions by issuing written warnings for the first three months of the proposed ordinance. This, in effect, will allow for up to six warning cycles prior to the issuance of actual citations. Additionally, the new ordinance will be noticed in the City Newsletter, the Chamber Newsletter, the City marquee, and the City website, and via an individual notice to each residence.

ITEM 15.A. This is to approve the Burrtec Waste Services annual performance review, along with Amendment No. 9 to the Refuse Collection and Recycling Agreement. In addition, this is to approve the annual refuse and recycling rate adjustment.

ITEM 15.B. The City Council will make appointments to the various City Commissions. Interviews were held on December 5, 2017, of all the applicants.

ITEM 15.C. The City Council will make its annual appointments to the intergovernmental organizations.

ITEM 15.D. After the end of each fiscal year, an independent accounting firm is used to conduct a financial audit of the City of Duarte, the Housing Authority, and the Successor Agency to the former Redevelopment Agency. On March 14, 2017, the City Council selected the auditing firm of Moss Levy and Hartzheim to conduct the 2016/17 audit. As a result, this is the first year of an independent audit by Moss Levy and Hartzheim.

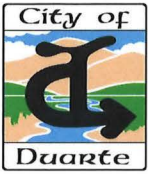
Copies of the City financial statements for the fiscal year ended June 30, 2017, are attached to the staff report. The auditor found them to be prepared in accordance with generally accepted accounting principles, and to fairly present the financial position of the City. There were no major findings or deficiencies.

The original 2016/17 General Fund budget was adopted with a \$179,300 deficit. At the mid-year review in January 2017, the proceeds of \$1.9 million for the Third Street property were expected to be received prior to June 2017. When combined with other changes to the budget, we projected a surplus of \$625,000. However, in February 2017, the City Council authorized the purchase of the former Sparr Liquor store for \$2.5 million. With this purchase and the fact that the Third Street property has not yet closed escrow, the City ended the fiscal year with a General Fund cash deficit of \$3.5 million, leaving the City with available General Fund cash of \$5 million.

Respectfully submitted,



Darrell J. George
City Manager



MEMORANDUM

TO: MAYOR AND CITY COUNCIL
FROM: CESAR MONSALVE, DIRECTOR OF PARKS AND RECREATION
SUBJECT: 100th BIRTHDAY RECOGNITION FOR GORDON LLOYD GIVENS
DATE: DECEMBER 12, 2017

We are very happy to honor Gordon Lloyd Givens who will celebrate his 100th birthday on December 11 and who is the owner of Duarte's well known Lloyd's Bike Shop located on Highland Ave by Royal Oaks Drive.

Lloyd was born on December 11, 1917 to a Native American mother and Creole father, though he never knew his parents as his mother left him with the Moses family in Manhattan Beach, California. Lloyd grew up to become a traveling musician who played the saxophone and the drums at the same time! While working as a traveling musician, Lloyd also worked for the railroad as a Gandy Dancer. Gandy Dancer is a slang term used for early railroad workers, more formally referred to as "section hands", who laid and maintained railroad tracks in the years before the work was done by machines. Each workman carried a lining bar, a straight pry bar with a sharp end to fit against the rail and shaped to a chisel point to dig down into the gravel underneath the rail. When lining track, each man would face one of the rails and work the chisel end of his lining bar down into the ballast under it. Then all would take a step toward their rail and pull up and forward on their pry bars to lever the track—rails, crossties and all—over and through the ballast. It was hard work. Many years later, Lloyd met the world-famous musician and entertainer Liberace when Lloyd was a member of The Liberace Show's intermission band between 1952-1953. Lloyd also had the opportunity to get to know Billy Eckstine, the famous swing era bandleader and jazz singer, who told Lloyd to change the name of his own band to Mr. "G", which he did.

Lloyd met his wife, Trinidad Teresa Gonzales, in 1951 and they wed in 1959 and remained married for the next 55 years and during that time Lloyd was a stepfather to 4 children and in 1965 he bought his house for \$10,000. Lloyd always loved to travel and he has had many journeys and has gone as far as South Dakota. Lloyd first started his bike shop business in Monrovia on Huntington Drive and Shamrock Ave in 1959 and he remained in business there for 26 years and then in 1985 Lloyd moved the bike shop to Highland Ave. in Duarte, where Lloyd still goes to work 5 days a week. In fact, Lloyd soon may very well be the only 100 year old who still actively day to day operates a business not only in Duarte, but maybe in the San Gabriel Valley and in fact he just recently sold a bike for \$200 at his shop.

The City of Duarte is honored to recognize Gordon Lloyd Givens and celebrate his 100th birthday.

MINUTES

JOINT CITY COUNCIL/CITY COUNCIL AS SUCCESSOR AGENCY TO DISSOLVED REDEVELOPMENT AGENCY/HOUSING AUTHORITY/COMMUNITY FACILITIES FINANCING AUTHORITY OF THE CITY OF DUARTE REGULAR MEETING – NOVEMBER 28, 2017

CALL TO ORDER	The City Council/City Council as Successor Agency to Dissolved Redevelopment Agency/Housing Authority/Community Facilities Financing Authority of the City of Duarte met in a regular meeting in the Council Chambers, 1600 Huntington Drive, Duarte, California. Mayor Finlay called the meeting to order at 7:13 p.m.
RECORDATION OF ATTENDANCE	The following were in attendance: PRESENT: Fasana, Kang (left at 8:50 p.m.), Paras-Caracci, Reilly, Finlay ABSENT: None ADMINISTRATIVE STAFF PRESENT: City Manager George, City Attorney Cosgrove
ADOPTION OF AGENDA	Reilly moved, Paras-Caracci seconded to adopt the Agenda, and carried unanimously.
PLEDGE TO THE FLAG	George Farra led the Pledge of Allegiance to the Flag.
MOMENT OF REFLECTION	A moment of reflection was observed.
FITNESS/MENTAL WARM-UP	Villalobos and Finlay provided the warm-up.
SPECIAL ITEMS Reorganization Election of Mayor/Chairperson	City Manager George assumed the chair and announced that nominations were open for Mayor/Chairperson. Reilly moved, Finlay seconded to nominate John Fasana for Mayor/Chairperson. Paras-Caracci moved, Kang seconded to close nominations, and carried unanimously.
Mayor John Fasana	Paras-Caracci moved, Kang seconded to elect John Fasana as Mayor/Chairperson, and carried by the following Roll Call vote: AYES: Kang, Reilly, Paras-Caracci, Finlay, Fasana NOES: None Mayor Fasana thanked his colleagues, and stated he is looking forward to the upcoming year.
Election of Mayor Pro Tem/Vice Chairperson	Mayor Fasana assumed the chair and announced that nominations were open for Mayor Pro Tem/Vice Chairperson. Paras-Caracci moved, Finlay seconded to nominate Liz Reilly for Mayor Pro Tem/Vice Chairperson. Finlay moved, Paras-Caracci seconded to close nominations, and carried unanimously.
Mayor Pro Tem Liz Reilly	Paras-Caracci moved, Finlay seconded to elect Liz Reilly as Mayor Pro Tem/Vice Chairperson, and carried unanimously.

ANNOUNCEMENTS

Sheryl Lefmann, Duarte Chamber, announced upcoming Chamber events in December, and introduced Chamber Charlie.

Joanna Gee, Duarte Library, announced programs, classes, story times, and clubs in November and December.

Karen Herrera announced upcoming community events, meetings, and activities from November through March.

ORAL COMMUNICATIONS

The following spoke on items not on the Agenda.

Joe Guarrera – Congratulations.

Steve Hernandez – Appreciation for community recognition.

Gene Jones – Year-round pool ideas.

Lino Paras – Congratulations, sheriff's car, election.

Captain David Flores – Congratulations, incident update.

Liz Reilly – Location of light on podium.

CONSENT CALENDAR

Finlay moved, Paras-Caracci seconded to approve the Consent Calendar as follows, and carried unanimously.

Approve Items B, C, E.

Remove Items A, D.

ITEMS REMOVED

Item A – Minutes 11/13/17

Lino Paras clarified the intent of what he said concerning the directly-elected Mayor.

ITEM A – APPROVED

Reilly moved, Paras-Caracci seconded to approve the Minutes of November 13, 2017, as clarified, and carried unanimously.

Item D – Council Bill 17-R-51
SGVCOG Amendments

Council Bill 17-R-51 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE APPROVING AMENDMENTS TO THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS JOINT POWERS AGREEMENT AS ADOPTED BY THE COUNCIL'S GOVERNING BOARD (FOURTH AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT)

George presented a staff report about the item.

Item D – APPROVED
RESOLUTION NO. 17-51

Reilly moved, Finlay seconded to adopt Resolution No. 17-51, and carried unanimously.

PUBLIC HEARING
Council Bill 17-R-50 (TEFRA)
Tax-Exempt Obligations
SMG Arts - \$7,750,000

Mayor Fasana announced this was the time and place set for a Public Hearing to consider the item, and read by title Council Bill 17-R-50:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE APPROVING THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS BY THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,750,000 FOR THE PURPOSE OF FINANCING AND REFINANCING THE COST OF ACQUIRING, CONSTRUCTING, DEVELOPING, RENOVATING, EQUIPPING, AND FURNISHING FACILITIES FOR THE BENEFIT OF SMG ARTS PROPERTY, LLC, AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED

Notice of the hearing was given, the affidavit is on file, and no written communications were received about the item.

Kang stated in Section 1 of the Resolution, there is a period in the amount "\$7,750,000" rather than a comma, and it needs to be corrected. The correction was noted.

Cosgrove presented a detailed staff report about the item, described the TEFRA process, answered questions from Councilmembers, and stated staff recommends approval.

Mayor Fasana asked if anyone in the audience wished to speak on the item.

Ralph Opacic, CS Arts, provided statistical information about the number of students, partnership with the School District, the dance program, and instrument lessons, and thanked the City for its support.

Steve Hernandez stated the school has exceeded every expectation, it has helped home sales, they are doing a phenomenal job, and he thinks it will save our schools.

George Farra suggested the Public Hearing be continued until there is an accounting of the \$3 million previously approved, a business plan, and a forecast of additional funding.

Kang moved, Finlay seconded to close the Public Hearing, and carried unanimously.

There was discussion about CS Arts complementing the public school system, people wanting to come to our City and attend our schools, increase in property values, students looking forward to dance classes, and amount the School District receives per student. It was noted that the City bears no cost or financial obligation, and the school needs to satisfy the lender to make sure the loan is secured.

RESOLUTION NO. 17-50

Finlay moved, Kang seconded to adopt Resolution No. 17-50, as amended to correct the punctuation typo, and carried unanimously.

ITEMS FROM CITY COUNCIL/ CITY MANAGER

GEORGE: Stated staff has been pursuing the reimbursement of expenses from FEMA for the debris flow from the rains of last winter, and we have been approved for up to \$400,000.

PARAS-CARACCI: Attended DUSD art exhibit, Congressional prayer breakfast, Mayor's Prayer Breakfast, and photo shoot for Foothill Transit, and hopes all had a wonderful Thanksgiving.

REILLY: Attended Duarte Senior Center potluck, YMCA Gala at Santa Anita Race Park, Mayor's Prayer Breakfast, and Chamber Brown Bag Lunch, and stated Hertz has rental cars parked in the lot at Smart & Final, they are taking up space, and asked that we look into it.

FINLAY: Inquired about possibly reducing the number of City Commissions, congratulated Mayor Fasana and Mayor Pro Tem Reilly, attended the Thanksgiving potluck and the mobility fair in downtown L.A., stated she will help with feeding the homeless on Sunday, and she hopes all had a great Thanksgiving.

KANG: Discussed quadcopters, stated he observed drug activity by homeless persons at McDonald's, and he hopes we have a plan soon to remediate this.

FASANA: Asked for a workshop about homelessness to understand what legally can be done, discussed transportation technologies, factors, growth, and housing, stated access to the Mesa should be shown on the district election map, and stated he is open to panel interviews for the Commission interviews.

ADJOURNMENT

Fasana moved, Paras-Caracci seconded to adjourn the meeting at 8:55 p.m., to the Special City Council Meeting/Public Hearing pertaining to district elections, Monday, December 4, 2017, 5:00 p.m., and carried with Kang not present.

Mayor John Fasana

ATTEST:

City Clerk

MINUTES

CITY COUNCIL OF THE CITY OF DUARTE SPECIAL MEETING – DECEMBER 4, 2017

CALL TO ORDER	The City Council of the City of Duarte met in a special meeting in the Duarte City Council Chambers, 1600 Huntington Drive, Duarte, California. Mayor Fasana called the meeting to order at 5:05 p.m.
RECORDATION OF ATTENDANCE	The following were in attendance: PRESENT: Fasana, Kang, Paras-Caracci, Reilly, Finlay (arrived 5:09 p.m.) ABSENT: None ADMINISTRATIVE STAFF: City Manager George, City Attorney Cosgrove, Assistant City Attorney Fenstermacher
ADOPTION OF AGENDA	Reilly moved, Kang seconded to adopt the Agenda, and carried with Finlay not present.
PLEDGE OF ALLEGIANCE	Cesar Monsalve led the Pledge of Allegiance to the Flag.
PUBLIC HEARING Council Bill 17-O-08 Establish By-District Elections (First Reading)	Mayor Fasana announced this was the time and place set for a Public Hearing to consider this item, and read by title Council Bill 17-O-08: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, ESTABLISHING AND IMPLEMENTING BY-DISTRICT ELECTIONS (GOVERNMENT CODE § 34886 & ELECTIONS CODE §10010) (First Reading) Notice of the hearing was given, the affidavit is on file, and no written communications were filed regarding the item. George presented a staff report about the Public Hearing, noted this was the fifth of five Public Hearings, and stated Doug Johnson, National Demographics Corporation, was teleconferenced in to the meeting by telephone, and he could hear the proceedings, as well as answer any questions. A PowerPoint “Developing Boundaries for a District-Based Electoral System” was presented, which included information about the design of by-district elections, criteria for district boundaries, seven-district map, proposed election cycles for November 2018 and November 2020, meeting/hearing schedule, and community outreach notifications. Alan Fenstermacher stated the proposed ordinance being considered at this meeting reflects exactly the action taken by the City Council at the last meeting.

Mayor Fasana asked if there was anyone in the audience who wished to speak on the item. There were none.

Finlay moved, Kang seconded to close the Public Hearing, and carried unanimously.

There was discussion/inquiry about including the road through Bradbury on District 1 of the map. Doug Johnson suggested leaving the map "as is" for the purpose of the ordinance, and for public information purposes, explanatory notes can be attached.

There was further discussion about City Council's option to change back to at-large elections should the State law change, the seven districts being representative of the community, process to look at becoming a charter City, preparation of a map with all street names and exact boundaries, and the County Registrar re-drawing the lines.

ADJOURNMENT

Finlay moved, Paras-Caracci seconded to introduce Council Bill 17-O-08 for first reading, and carried unanimously.

The meeting was adjourned at 5:34 p.m., to City Commission Interviews, December 5, 2017, 4:00 p.m.

Mayor John Fasana

ATTEST:

City Clerk

MINUTES

JOINT CITY COUNCIL/CITY COUNCIL AS SUCCESSOR AGENCY TO DISSOLVED REDEVELOPMENT AGENCY/HOUSING AUTHORITY/COMMUNITY FACILITIES FINANCING AUTHORITY OF THE CITY OF DUARTE ADJOURNED REGULAR MEETING – DECEMBER 5, 2017

CALL TO ORDER	The City Council/City Council as Successor Agency to Dissolved Redevelopment Agency/Housing Authority/Community Facilities Financing Authority of the City of Duarte met in an adjourned regular meeting in the Community Center Lounge, 1600 Huntington Drive, Duarte, California. Mayor Fasana called the meeting to order at 4:11 p.m.
RECORDATION OF ATTENDANCE	PRESENT: Finlay, Kang, Paras-Caracci, Reilly, Fasana ABSENT: None
ADOPTION OF AGENDA	Finlay moved, Paras-Caracci seconded to adopt the Agenda, and carried unanimously.
INTERVIEW OF APPLICANTS FOR CITY COMMISSIONS AND COUNCIL DISCUSSION ON APPOINTMENTS	City Council conducted interviews of applicants for the various City of Duarte Commissions, and discussed the appointments. It was noted that appointments to City Commissions would be made at the December 12, 2017, regular City Council/Agency/Authority Meeting.
ADJOURNMENT	Paras-Caracci moved, Reilly seconded to adjourn the meeting at 7:12 p.m., and carried unanimously. It was noted that any or all of the members of City Council may, prior to the next regularly scheduled meeting and pursuant to Government Code section 54952.2(c)(2), meet with L.A. County Supervisor Kathryn Barger on Thursday, December 7, 2017, at 8:00 a.m., in the Duarte Community Center Lounge, for a general discussion. The public is welcome to attend. The next regularly scheduled City Council meeting is Tuesday, December 12, 2017.

Mayor John Fasana

ATTEST:

City Clerk



City of Duarte

Council Warrant Register By Account

By Fund

Payment Dates 11/29/2017 - 12/12/2017

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 100 - GENERAL FUND					
100-1005-7642	ROTARY CLUB OF DUARTE	Margaret Finlay 2017/18 Q2 Dues	209008		135.00
100-1010-7610	DUARTE ADMINISTRATION PETTY C	Media/County/City Manager Meetings	208951		86.30
100-1010-7614	DUARTE ADMINISTRATION PETTY C	Office Supplies	208951		25.08
100-1010-7614	STAPLES ADVANTAGE	Office Supplies	209013		32.84
100-1010-7670	SAN GABRIEL VALLEY NEWSPAPERS	Legal Advertising 10/2017	208961		953.40
100-1010-7965	HINDERLITER, DE LLAMAS & ASSOC	Economic Development Services	208996		4,000.00
100-1010-7980	SHAFFER AWARDS	Jim Kirchner Retirement Plaque	208962		68.93
100-1010-7980	DUARTE ADMINISTRATION PETTY C	Anniversary Reception/Chamber Event	208951		84.60
100-1015-7680	RUTAN & TUCKER LLP	General City Attorney (Retainer) 9/2017	209009		20,449.95
100-1015-7684	RUTAN & TUCKER LLP	Code Enforcement Legal 9/2017	209009		1,260.00
100-1015-7686	RUTAN & TUCKER LLP	Telecommunications Legal 9/2017	209009		150.50
100-1015-7686	RUTAN & TUCKER LLP	Environmental/Stormwater Litigation 9/2017	209009		22,444.31
100-1015-7686	RUTAN & TUCKER LLP	City of Hope EIR Legal 9/2017	209009	201406-Legal Fees-City of Hope EIR Reim	4,000.00
100-1020-7711	FLOWERS BY SHAREN	Holiday Party Centerpieces 12/1/17	208954		1,170.00
100-1020-7711	KRISTEN PETERSEN	Holiday Party Food 12/1/17	208957		19.53
100-1020-7711	HECTOR RAMOS	Holiday Party Bartender	208958		112.50
100-1020-7711	THE BASHFUL BUTLER LLC	Holiday Party Dinner 12/1/17	208946		1,955.46
100-1020-7716	DUARTE ADMINISTRATION PETTY C	ACTSO Reception/Duarte Day @ Fair	208951		39.29
100-1020-7716	CURO MANAGED PRINT PRODUCTI	Mayor's Prayer Breakfast Programs	208950		724.15
100-1020-7726	LEVON YOTNAKHPARIAN	CC Cablecast 10/2017	208966		1,100.00
100-1020-7726	LEVON YOTNAKHPARIAN	CC Cablecast 9/2017	208966		1,100.00
100-1020-7726	LEVON YOTNAKHPARIAN	CC Cablecast 11/14/17	208966		550.00
100-1020-7726	LEVON YOTNAKHPARIAN	CC Cablecast 8/8/17	208966		550.00
100-1205-7612	ROTARY CLUB OF DUARTE	Brian Villalobos 2017/18 Q2 Dues	209008		250.00
100-1205-7612	STATE HUMANE ASSOCIATION OF C	2018 Animal Control Dues	209014		100.00
100-1205-7614	STAPLES ADVANTAGE	Office Supplies	209013		147.10
100-1205-7614	STAPLES ADVANTAGE	Office Supplies	209013		66.00
100-1205-7636	DONALD VAILLANCOURT	Work Boots	208970		274.77
100-1205-7761	DATA TICKET INC	Admin Citation Processing 10/2017	208988		1,402.88
100-1205-7761	DATA TICKET INC	DUI Processing 10/2017	208988		20.00
100-1205-7761	DATA TICKET INC	Parking Citation Processing 10/2017	208988		1,059.54
100-1205-7779	WALMART COMMUNITY/RFCSLC	DART Field Trip Snacks	208965		28.18
100-1205-7779	WALMART COMMUNITY/RFCSLC	Red Ribbon Week Supplies	208965		66.77
100-1205-7779	WALMART COMMUNITY/RFCSLC	Family Fun Fest Volunteers	208965		106.08
100-1205-7779	YESENIA CHAVEZ	PS Intern Stipend	208948		100.00
100-1205-7779	AIDA TORRES	A-Team/DART Skyzone Trip/Lunch	209015		307.26
100-1205-7779	YESENIA CHAVEZ	PS Intern Stipend	208982		100.00
100-1205-7779	DUARTE PIZZA COMPANY	Financial Aid Workshop	208990		31.50
100-1205-7779	DUARTE PIZZA COMPANY	DART Family Fun Fest Volunteers	208990		87.77
100-1205-7779	DUARTE PIZZA COMPANY	DART Volunteer Dinner	208990		101.23
100-1205-7780	COUNTY OF LOS ANGELES - ANIMA	Animal Shelter Services 10/2017	208984		1,865.25
100-1205-7780	STATE HUMANE ASSOCIATION OF C	Animal Law Handbooks	209014		72.00
100-1205-7781	LOS ANGELES COUNTY SHERIFF'S D	Sheriff Contract 10/2017	209001		304,184.91
100-1205-7781	LOS ANGELES COUNTY SHERIFF'S D	Sheriff Contract 10/2017	209001	201716-Sheriff's-CalGrip 2017-2018 (3 of	15,906.83
100-1205-7887	STAPLES ADVANTAGE	PS Office Chair (Administrative Assistant)	209013		176.74
100-1405-7612	PAPA	Lamberto Flores 2018 Membership	209004		65.00
100-1405-7614	STAPLES ADVANTAGE	Office Supplies	209013		28.90
100-1405-7614	STAPLES ADVANTAGE	Office Supplies	209013		112.74
100-1405-7801	COUNTY OF LOS ANGELES DEPART	Industrial Waste (Sewer) Inspections 10/2017	208986		990.91
100-1405-7965	SOUTHLAND CIVIL ENGINEERING &	LLA for 3rd/Oak St Project	209012	201715-Prof Svc-3rd St and Oak Res	800.00
100-1405-7965	LDM ASSOCIATES INC	CDBG Federal Grant Administration 10/2017	209000		750.00
100-1405-7965	PLACEWORKS	City of Hope Specific Plan/EIR 10/2017	209005	201406-Prof Serv-City of Hope EIR Reimb	17,270.95
100-1410-7610	MAINTENANCE SUPERINTENDENTS	Amanda Hamilton MSA Luncheon	208956		28.00

Council Warrant Register By Account

Payment Dates: 11/29/2017 - 12/12/2017

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
100-1410-7610	MAINTENANCE SUPERINTENDENTS	Troy Wittenbrock MSA Luncheon	208956		28.00
100-1410-7612	PAPA	Manny Perez 2018 Membership	209004		45.00
100-1410-7612	PAPA	Mike Tarr 2018 Membership	209004		45.00
100-1410-7612	PAPA	Efren Castro 2018 Membership	209004		45.00
100-1410-7612	PAPA	Patrick Olivas 2018 Membership	209004		45.00
100-1410-7614	STAPLES ADVANTAGE	Office Supplies	209013		139.07
100-1410-7810	A1 MAINTENANCE SERVICES CA	Las Posadas Sweeping 11/2017	208972		58.00
100-1605-7610	SCMAF-SAN GABRIEL VALLEY	(4) Awards & Installation Dinner	209010		116.00
100-1605-7614	WALMART COMMUNITY/RFCSLLC	Camera SD Cards	208965		27.34
100-1605-7614	STAPLES ADVANTAGE	Office Supplies	209013		71.49
100-1605-7730	WALMART COMMUNITY/RFCSLLC	Halloween Howl Supplies	208965		16.40
100-1605-7730	WALMART COMMUNITY/RFCSLLC	Halloween Howl Supplies	208965		7.42
100-1605-7730	WALMART COMMUNITY/RFCSLLC	Halloween Howl Supplies	208965		444.18
100-1605-7730	RAVEN FIERRO AND THE BAND SW	Tree Lighting Band	208953		150.00
100-1605-7733	WALMART COMMUNITY/RFCSLLC	Senior Ctr Supplies	208965		70.43
100-1605-7733	RUBEN FLORES	SC Christmas Dinner 12/14/17	208993		927.80
100-1605-7733	COPPER CANYON BAND	SC Christmas Party Entertainment	208949		450.00
100-1605-7733	RALPHS GROCERY COMPANY	Senior Ctr Supplies	209006		88.71
100-1605-7733	RALPHS GROCERY COMPANY	Senior Ctr Supplies	209006		0.30
100-1605-7733	DUARTE PIZZA COMPANY	SC Christmas Decorating Lunch	208990		188.00
100-1605-7736	WALMART COMMUNITY/RFCSLLC	Royal Oaks Park Equipment	208965		498.33
100-1605-7736	AGI ACADEMY	Instructor Fee-Session II Computer Skills	208973		231.20
100-1605-7736	BEGINNERS EDGE SPORTS TRAININ	Instructor Fee-Soccer,Baseball Course	208976		158.50
100-1605-7737	CAVALIER OCEANFRONT RESORT	Hearst CastleTrip Hotel/M meal Vouchers	208947		5,659.75
100-1605-7741	WALMART COMMUNITY/RFCSLLC	Paint Supplies	208965		17.41
100-1605-7741	WALMART COMMUNITY/RFCSLLC	Craft Room Paint Supplies	208965		3.41
100-1605-7741	SCMAF-SAN GABRIEL VALLEY	Volleyball Tournament Entry Fee	209010		575.00
100-1610-7618	WAXIE SANITARY SUPPLY	Janitorial Supplies	208971		282.23
100-1610-7618	WAXIE SANITARY SUPPLY	Janitorial Supplies	208971		3,950.96
100-1610-7618	WAXIE SANITARY SUPPLY	Janitorial Supplies	208971		1,669.78
100-1610-7618	WAXIE SANITARY SUPPLY	Janitorial Supplies	208971		136.33
100-1610-7618	WAXIE SANITARY SUPPLY	Janitorial Supplies	208971		204.49
100-1610-7618	WAXIE SANITARY SUPPLY	Janitorial Supplies	208971		29.37
100-1610-7636	CINTAS CORPORATION #693	Facility Maintenance Uniforms	208983		66.13
100-1610-7636	CINTAS CORPORATION #693	Facility Maintenance Uniforms	208983		66.13
100-1610-7636	CINTAS CORPORATION #693	Facility Maintenance Uniforms	208983		66.13
100-1610-7652	CHARLIE'S FENCE CO	TC Trash Enclosure Gate	208981		575.00
100-1610-7652	BURRTEC WASTE SERVICES LLC	Trash Svcs-3rd St Property 12/2017	208980		128.54
100-1610-7652	UNITED SITE SERVICES	Sports Park Toilet Rent 11/7/17 - 12/4/17	208969		90.36
100-1610-7652	UNITED SITE SERVICES	Veteran's Day Portable Restroom	208969		312.23
100-1610-7652	MONROVIA LOCK SHOP	City Hall Lock Repair	209002		144.72
100-1610-7652	JOE'S JANITORIAL SERVICE	SC Floor Stripped/Waxed	208997		450.00
100-1610-7652	KATHY REID	Town Ctr/Teen Ctr Holiday Window Painting	208959		240.00
100-1610-7652	ALBERTOS PLUMBING	Duarte Park Bldg Plumbing Repairs	208974		565.00
100-1610-7652	CINTAS CORPORATION #693	Logo Mats/Facility Maint Uniforms	208983		119.15
100-1610-7652	DEWEY PEST CONTROL INC	Pest Control Services 11/2017	208989		202.00
100-1610-7652	EXECUTIVE ELEVATOR INC	SC Elevator Maintenance 11/2017	208992		130.00
100-1805-7764	STATE OF CALIFORNIA ENERGY RES	CEC Payment 11 of 27 Principal	208963	201023-Annual Prin Pmts-EECBG	7,842.66
100-1805-7765	STATE OF CALIFORNIA ENERGY RES	CEC Payment 11 of 27 Interest	208963	201023-Annual Int Pmt-EECBG	2,266.55
100-1810-7673	BDA MORNEAU SHEPELL	Drug and/or Alcohol Testing Svcs 7/17- 9/17	208975		140.50
100-1810-7980	NAVIA BENEFIT SOLUTIONS	FSA Processing Fee 11/2017	209003		75.00
100-1815-7965	MAXTREME INC	IT Helpdesk11/2017	51		8,700.00
100-1815-7980	MAXTREME INC	Crash Plan Recovery 11/2017	51		200.00
100-1825-7613	STAPLES ADVANTAGE	PS Copier Paper	209013		86.26
100-1825-7630	CANON FINANCIAL SERVICES INC	Copier Lease-CH/TC/SC 11/1/17 - 11/30/17	208967		869.55
100-1825-7631	CANON SOLUTIONS AMERICA INC	CH Copier Maint/Usage 10/16/17 - 11/15/17	208968		521.18
100-1825-7631	CANON SOLUTIONS AMERICA INC	SC Copier Maint/Usage 10/16/17 - 11/15/17	208968		89.36
100-1825-7631	CANON SOLUTIONS AMERICA INC	TC Copier Maint/Usage 10/16/17 - 11/15/17	208968		44.80
100-1825-7674	JACQUELINE BURCKHARD	Health Insurance Reimbursement	208979		218.00
100-1825-7674	LINDA HENDERSON	Health Insurance Reimbursement	208995		435.00

Council Warrant Register By Account

Payment Dates: 11/29/2017 - 12/12/2017

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
100-1825-7674	JIM KIRCHNER	Health Insurance Reimbursement	208998		435.00
100-1825-7674	CATHERINE BRATTA	Health Insurance Reimbursement	208978		435.00
100-1825-7674	GINNY JOYCE BELBA	Health Insurance Reimbursement	208977		218.00
100-1825-7674	STEVE ESBENSHADE	Health Insurance Reimbursement	208991		566.00
100-2026	HEATHER HEIMBRUCH	Equipment Deposit Refund	208994		25.00
100-2026	TIFFANY SCOTT	Equipment Deposit Refund	209011		25.00
100-2026	DIEGO RENTERIA	Equipment Deposit Refund	209007		25.00
100-2120	EXODUS CONSTRUCTION	Pool Deposit Refund (Pmt 2016-608)	208952		500.00
100-2120	CYNTHIA LLAMAS	CC Rent Deposit Refund	208955		500.00
100-2120	ANDREA VETANCOURT	CC Rent Deposit Refund	209016		500.00
100-2120	JUDITH AYALA	CC Rent Deposit Refund	208945		500.00
100-2121	SUCCESSOR AGENCY OF DUARTE R	Interest Refund TAB 2007 Series B	208964		16.45
100-4201	RE-PIPE1	Plumbing Permit Refund (Pmt 2017-480)	208960		116.80
100-4302	MICHAEL LEE CURTIS JR	Citation Correction	208987		63.00
Fund 100 - GENERAL FUND Total:					452,462.55

Council Warrant Register By Account

Payment Dates: 11/29/2017 - 12/12/2017

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 240 - LIGHTING AND LANDSCAPE DISTRICT FUND					
240-2410-7662	COUNTY OF LOS ANGELES DEPART	Hacienda Pk Backflow County Inspection	208985		32.00
240-2410-7906	WEST COAST ARBORISTS INC	Citywide Tree Removal	209017		7,301.20
240-2421-7887	WEST COAST ARBORISTS INC	Citywide Tree Removal	209017		1,582.00
240-2421-7887	LANDSCAPE WAREHOUSE INC	Las Lomas Villas Irrigation Repair	208999		121.49
240-2422-7887	WEST COAST ARBORISTS INC	Citywide Tree Removal	209017		2,282.00
240-2424-7887	WEST COAST ARBORISTS INC	Citywide Tree Removal	209017		1,084.00
Fund 240 - LIGHTING AND LANDSCAPE DISTRICT FUND Total:					12,402.69

Council Warrant Register By Account

Payment Dates: 11/29/2017 - 12/12/2017

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 290 - SUPPLEMENTAL LAW ENFORCEMENT FUND					
290-2905-7781	LOS ANGELES COUNTY SHERIFF'S D	Sheriff Contract 10/2017	209001		13,750.00
Fund 290 - SUPPLEMENTAL LAW ENFORCEMENT FUND Total:					13,750.00

Council Warrant Register By Account

Payment Dates: 11/29/2017 - 12/12/2017

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 440 - PROPOSITION A TRANSIT FUND					
440-4405-7673	BDA MORNEAU SHEPELL	Drug and/or Alcohol Testing Srvcs 7/17 - 9/17	208975		148.00
Fund 440 - PROPOSITION A TRANSIT FUND Total:					148.00
Grand Total:					478,763.24

Report Summary

Fund Summary

Fund	Payment Amount
100 - GENERAL FUND	452,462.55
240 - LIGHTING AND LANDSCAPE DISTRICT FUND	12,402.69
290 - SUPPLEMENTAL LAW ENFORCEMENT FUND	13,750.00
440 - PROPOSITION A TRANSIT FUND	148.00
Grand Total:	478,763.24

Account Summary

Account Number	Account Name	Payment Amount
100-1005-7642	Travel & Exp - Finlay	135.00
100-1010-7610	Travel, Mtgs & Conf	86.30
100-1010-7614	Office Supplies	57.92
100-1010-7670	Legal Notices	953.40
100-1010-7965	Professional Services	4,000.00
100-1010-7980	Other Expenses	153.53
100-1015-7680	City Attorney	20,449.95
100-1015-7684	Code Enforcement	1,260.00
100-1015-7686	Other Legal Services	26,594.81
100-1020-7711	Employee Recognition C	3,257.49
100-1020-7716	Special Community Even	763.44
100-1020-7726	Council Cablecasting	3,300.00
100-1205-7612	Publications and Dues	350.00
100-1205-7614	Office Supplies	213.10
100-1205-7636	Uniforms	274.77
100-1205-7761	Parking Ticket Collect	2,482.42
100-1205-7779	Youth Programs	928.79
100-1205-7780	Animal Control	1,937.25
100-1205-7781	Contract Law Enforceme	320,091.74
100-1205-7887	Repairs & Replacements	176.74
100-1405-7612	Publications and Dues	65.00
100-1405-7614	Office Supplies	141.64
100-1405-7801	Industrial Waste Inspecti	990.91
100-1405-7965	Professional Services	18,820.95
100-1410-7610	Travel, Mtgs & Conf	56.00
100-1410-7612	Publications and Dues	180.00
100-1410-7614	Office Supplies	139.07
100-1410-7810	Street Sweeping	58.00
100-1605-7610	Travel, Mtgs & Conf	116.00
100-1605-7614	Office Supplies	98.83
100-1605-7730	Special Events	618.00
100-1605-7733	Senior Center	1,725.24
100-1605-7736	Recreation Classes	888.03
100-1605-7737	Adult Excursions	5,659.75
100-1605-7741	Sports/Playground Progr	595.82
100-1610-7618	Building Supplies	6,273.16
100-1610-7636	Uniforms	198.39
100-1610-7652	Building Maint Services	2,957.00
100-1805-7764	CA CEC Annual Principal	7,842.66
100-1805-7765	CA CEC Annual Interest	2,266.55
100-1810-7673	Physical Exams	140.50
100-1810-7980	Other Expenses	75.00
100-1815-7965	Professional Services	8,700.00
100-1815-7980	Other Expenses	200.00
100-1825-7613	Duplications And Photos	86.26
100-1825-7630	Equipment Lease	869.55
100-1825-7631	Equipment Maintenance	655.34
100-1825-7674	Retiree Health Insurance	2,307.00
100-2026	EE Equipment Deposit	75.00

Account Summary

Account Number	Account Name	Payment Amount
100-2120	Refundable Deposits	2,000.00
100-2121	Pass Through Deposits	16.45
100-4201	Building Permits	116.80
100-4302	Parking Citations	63.00
240-2410-7662	Other Serv-Citywide	32.00
240-2410-7906	Tree Trim-Citywide	7,301.20
240-2421-7887	Repairs & Replacements	1,703.49
240-2422-7887	Repairs & Replacements	2,282.00
240-2424-7887	Repairs & Replacements	1,084.00
290-2905-7781	Contract Law Enforceme	13,750.00
440-4405-7673	Physical Exams	148.00
	Grand Total:	478,763.24

Project Account Summary

Project Account Key	Payment Amount
None	430,676.25
201023-Annual Int Pmt-EECBG	2,266.55
201023-Annual Prin Pmts-EECBG	7,842.66
201406-Legal Fees-City of Hope EIR Reimb	4,000.00
201406-Prof Serv-City of Hope EIR Reimb	17,270.95
201715-Prof Svc-3rd St and Oak Res	800.00
201716-Sheriff's-CalGrip 2017-2018 (3 of 3 MOU)	15,906.83
	Grand Total:
	478,763.24



City of Duarte

Council Warrant Register Over \$5000

By Payment Number

Payment Dates 11/29/2017 - 12/12/2017

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
208947	11/30/2017	5822	CAVALIER OCEANFRONT RESORT			5,659.75
	9061 12/8/17	Hearst CastleTrip Hotel/Meal Vouche		100-1605-7737		5,659.75
208963	11/30/2017	5074	STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION			10,109.21
	9970	CEC Payment 11 of 27 Principal		100-1805-7764	201023-Annual Prin Pmts-EECBG	7,842.66
	9970	CEC Payment 11 of 27 Interest		100-1805-7765	201023-Annual Int Pmt-EECBG	2,266.55
208971	12/4/2017	0237	WAXIE SANITARY SUPPLY			6,273.16
	77066184	Janitorial Supplies		100-1610-7618		282.23
	77075735	Janitorial Supplies		100-1610-7618		3,950.96
	77084496	Janitorial Supplies		100-1610-7618		1,669.78
	77090382	Janitorial Supplies		100-1610-7618		136.33
	77090417	Janitorial Supplies		100-1610-7618		204.49
	77090521	Janitorial Supplies		100-1610-7618		29.37
209001	12/12/2017	0056	LOS ANGELES COUNTY SHERIFF'S DEPARTMENT			333,841.74
	181271CY	Sheriff Contract 10/2017		100-1205-7781	201716-Sheriff's-CalGrip 2017-2018 (3 of 3 MOU	15,906.83
	181271CY	Sheriff Contract 10/2017		100-1205-7781		304,184.91
	181271CY	Sheriff Contract 10/2017		290-2905-7781		13,750.00
209005	12/12/2017	5224	PLACEWORKS			17,270.95
	63767	City of Hope Specific Plan/EIR 10/201		100-1405-7965	201406-Prof Serv-City of Hope EIR Reimb	17,270.95
209009	12/12/2017	0196	RUTAN & TUCKER LLP			48,304.76
	790189	General City Attorney (Retainer) 9/20		100-1015-7680		20,449.95
	790190	Code Enforcement Legal 9/2017		100-1015-7684		1,260.00
	790191	Telecommunications Legal 9/2017		100-1015-7686		150.50
	790192	Environmental/Stormwater Litgation		100-1015-7686		22,444.31
	790194	City of Hope EIR Legal 9/2017		100-1015-7686	201406-Legal Fees-City of Hope EIR Reimb	4,000.00
209017	12/12/2017	1521	WEST COAST ARBORISTS INC			12,249.20
	131261	Citywide Tree Removal		240-2410-7906		7,301.20
	131261	Citywide Tree Removal		240-2421-7887		1,582.00
	131261	Citywide Tree Removal		240-2422-7887		2,282.00
	131261	Citywide Tree Removal		240-2424-7887		1,084.00
51	12/12/2017	4286	MAXTREME INC			8,900.00
	13315	IT Helpdesk11/2017		100-1815-7965		8,700.00
	13315	Crash Plan Recovery 11/2017		100-1815-7980		200.00

Payment Total: 442,608.77

Report Summary**Fund Summary**

Fund	Payment Amount
100 - GENERAL FUND	416,609.57
240 - LIGHTING AND LANDSCAPE DISTRICT FUND	12,249.20
290 - SUPPLEMENTAL LAW ENFORCEMENT FUND	13,750.00
Grand Total:	442,608.77

Account Summary

Account Number	Account Name	Payment Amount
100-1015-7680	City Attorney	20,449.95
100-1015-7684	Code Enforcement	1,260.00
100-1015-7686	Other Legal Services	26,594.81
100-1205-7781	Contract Law Enforceme	320,091.74
100-1405-7965	Professional Services	17,270.95
100-1605-7737	Adult Excursions	5,659.75
100-1610-7618	Building Supplies	6,273.16
100-1805-7764	CA CEC Annual Principal	7,842.66
100-1805-7765	CA CEC Annual Interest	2,266.55
100-1815-7965	Professional Services	8,700.00
100-1815-7980	Other Expenses	200.00
240-2410-7906	Tree Trim-Citywide	7,301.20
240-2421-7887	Repairs & Replacements	1,582.00
240-2422-7887	Repairs & Replacements	2,282.00
240-2424-7887	Repairs & Replacements	1,084.00
290-2905-7781	Contract Law Enforceme	13,750.00
Grand Total:		442,608.77

Project Account Summary

Project Account Key	Payment Amount
None	395,321.78
201023-Annual Int Pmt-EECBG	2,266.55
201023-Annual Prin Pmts-EECBG	7,842.66
201406-Legal Fees-City of Hope EIR Reimb	4,000.00
201406-Prof Serv-City of Hope EIR Reimb	17,270.95
201716-Sheriff's-CalGrip 2017-2018 (3 of 3 MOU)	15,906.83
Grand Total:	442,608.77

ORDINANCE NO.

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUARTE,
CALIFORNIA, ESTABLISHING AND IMPLEMENTING BY-DISTRICT
ELECTIONS (GOVERNMENT CODE § 34886 & ELECTIONS CODE §10010)**

WHEREAS, the City of Duarte currently elects its members of the City Council using an at-large method of election where candidates may reside in any part of the City and each member of the City Council is elected by the voters of the entire City; and

WHEREAS, while the City Council of the City of Duarte strongly believes that the interests of all of the City's residents have been fully and fairly represented under the City's current at-large method of election, the City Council nonetheless finds that moving to a by-district method of election is in the best interest of the City and its taxpayers because of the status of State law, and the significant litigation costs that could result if the City does not change its method of election; and

WHEREAS, California Government Code Section 34886, effective January 1, 2017, permits the City Council to change the City's method of election by ordinance to a "by-district" system in which each member of the City Council is elected only by the voters in the district in which the candidate resides; and

WHEREAS, under the provisions of California Elections Code Section 10010, a city that changes from an at-large City Council method of election to a by-district City Council method of election requires a total of five public hearings, which includes at least two public hearings regarding potential voting district boundaries prior to the release and consideration of any draft voting district maps, and two public hearings following the release of draft voting district map(s); and

WHEREAS, at special meeting of the City Council of the City of Duarte held on the 20th day of September, 2017, the City Council adopted Resolution No. 17-44 that initiated the process of establishing a by-district election system and adopted the schedule for a series of public hearings regarding the proposed change; and

WHEREAS, thereafter, at regular meetings of the City Council of the City of Duarte held on the 26th day of September and the 10th day of October, 2017, pursuant to California Elections Code Section 10010(a)(1), the City Council held public hearings where the public was invited to provide input regarding the composition of the City's voting districts before any draft maps were drawn, and the City Council of the City of Duarte considered and discussed the same; and

WHEREAS, at the regular meeting of the City Council of the City of Duarte held on the 26th day of September, 2017, the City Council adopted Resolution No. 17-45 defining the mandatory and permissive criteria it would consider when drawing voting district maps; and

WHEREAS, thereafter, at special meetings of the City Council of the City of Duarte held on the 2nd and 13th day of November, 2017, pursuant to California Elections Code Section 10010(a)(2), the City Council held public hearings where the public was invited to provide input regarding the content of the draft maps that had been released at least seven (7) days before each meeting, as well as the proposed sequence of elections, and the City Council of the City of Duarte considered and discussed the same; and

WHEREAS, the City Council has determined it is in the best interest of the voters of the City to expand the City Council from five to seven members; and

WHEREAS, at the special meeting of the City Council of the City of Duarte held on the 13th day of November, 2017, the City Council directed staff to draft an ordinance adopting the voting district map known as Map 703 and a sequence of elections whereby the seats for Council Districts 1, 4, 5 and 6 will be placed on the City's 2018 ballot, as well as District 7 for an initial two-year term, and the seats for Council Districts 2, 3 and 7 will be placed on the 2020 ballot; and

WHEREAS, at the special meeting of the City Council of the City of Duarte held on the 4th day of December, 2017, the City Council held a final public hearing on the proposal to establish district boundaries, reviewed additional public input, formally selected the voting district map and the election sequence attached to, incorporated in, and set forth in this Ordinance, which was introduced for a first reading at the same regular meeting of the City Council of the City of Duarte; and

WHEREAS, at the regular meeting of the City Council of the City of Duarte held on the 12th day of December, 2017, the City Council of the City of Duarte conducted a second reading and adopted the Ordinance; and

WHEREAS, the purpose of this Ordinance is to enact, pursuant to California Government Code Section 34886, an Ordinance providing for the election of members of the City Council of the City of Duarte by-district in seven single-member districts as reflected in Exhibit 1 to this Ordinance, in furtherance of the purposes of the California Voting Rights Act of 2001 (Chapter 1.5 (commencing with Section 14025) of Division 14 of the Elections Code) and to implement the guarantees of Section 7 of Article 1 and of Section of Article II of the California Constitution.

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF DUARTE DOES ORDAIN AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. Title 2 of the Duarte Municipal Code is hereby amended by adding new Chapter 2.02 (consisting of sections 2.02.010 through 2.02.030) to read as follows:

2.02.010 By-District Electoral System.

Pursuant to California Government Code Section 34886 and the schedule established in Section 2.02.030 of this Chapter, beginning in November 2018, members of the City

Council shall be elected on a by-district basis from seven (7) single-member Council Districts. The City's by-district electoral system shall be conducted in accordance with California Government Code Section 34871, subdivision (a).

2.02.020 Establishment of City Council Electoral Districts.

A. Pursuant to Section 2.02.010 of this Chapter, members of the City Council shall be elected on a by-district basis, as that term is defined in California Government Code Section 34871, subdivision (a), from the seven Council Districts described as follows, which shall continue in effect until they are amended or repealed in accordance with law:

1. Council District 1 shall comprise all that portion of the City reflected on Exhibit 1.
2. Council District 2 shall comprise all that portion of the City reflected on Exhibit 1.
3. Council District 3 shall comprise all that portion of the City reflected on Exhibit 1.
4. Council District 4 shall comprise all that portion of the City reflected on Exhibit 1.
5. Council District 5 shall comprise all that portion of the City reflected on Exhibit 1.
6. Council District 6 shall comprise all that portion of the City reflected on Exhibit 1.
7. Council District 7 shall comprise all that portion of the City reflected on Exhibit 1.

B. Members of the City Council shall be elected in the electoral districts established by this Section and subsequently reapportioned pursuant to applicable State and federal law.

C. Except as provided in subdivision D herein and notwithstanding any other provision of this Chapter, once this Ordinance is fully phased in, each member of the City Council elected to represent a district must reside in that district and be a registered voter in that district, and any candidate for City Council must live in, and be a registered voter in, the district in which he or she seeks election at the time nomination papers are issued, pursuant to California Government Code section 34882 and Elections Code section 10227. Termination of residency in a district by a member of the City Council shall create an immediate vacancy for that Council district unless a substitute residence within the district is established within thirty (30) days after the termination of residency.

D. Notwithstanding any other provision of this Section, and consistent with the requirements of California Government Code Section 36512, the members of the City Council in office at the time the Ordinance codified in this Chapter takes effect shall continue in office until the expiration of the full term to which he or she was elected and until his or her successor is qualified. At the end of the term of each member of the City Council that member of the City Council's successor shall be elected on a by-district basis in the districts established in this Section and as provided in this Chapter.

2.02.030 Election Schedule.

Except as otherwise required by California Government Code Section 36512, the members of the City Council shall be elected from Council Districts 1, 4, 5, and 6 beginning at the General Municipal Election in November 2018, and every four years thereafter, as such Council Districts shall be amended. Members of the City Council shall be elected from Council Districts 2, 3, and 7 beginning at the General Municipal Election in November 2020, and every four years thereafter, as such Council Districts shall be amended. However, a Member of the City Council shall be elected from Council District 7 beginning at the General Municipal Election in November 2018 for an initial two-year term.

SECTION 3. A map showing the districts described in this Ordinance and codified in Section 2.02.020 of the City of Duarte Municipal Code is attached hereto as Exhibit 1 and incorporated herein by reference.

SECTION 4. If necessary to facilitate the implementation of this Ordinance, the City Clerk is authorized to make technical adjustments to the district boundaries that do not substantively affect the populations in the districts, the eligibility of candidates, or the residence of elected officials within any district. The City Clerk shall consult with the City Manager and City Attorney concerning any technical adjustments deemed necessary and shall advise the City Council of any such adjustments required in the implementation of the districts.

SECTION 5. In the event at any time in the future the California Voting Rights Act is amended, found to be unconstitutional, or otherwise is no longer applicable to the City, the City Council expressly indicates its intention that the by-district election method be re-examined, and on behalf of itself and all future City Councils, expressly reserves its right to repeal or modify this Ordinance, including Chapter 2.02 of the Duarte Municipal Code.

SECTION 6. To the extent the terms and provisions of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior City ordinance, motion, resolution, rule or regulation governing the same subject, the terms of this Ordinance shall prevail with respect to the subject matter thereof.

SECTION 7. In interpreting this Ordinance or resolving any ambiguity, this Ordinance shall be interpreted in a manner that effectively accomplishes its stated purposes of consistency with applicable law.

SECTION 8. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, then such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Duarte hereby declares the Council would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that anyone or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

INTRODUCED at a special meeting of the City Council of the City of Duarte held on the 4th day of December, 2017, and thereafter,

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Duarte this 12th day of December, 2017.

Mayor John Fasana

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Ordinance No. was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the day of , 2017, by the following Roll Call vote:

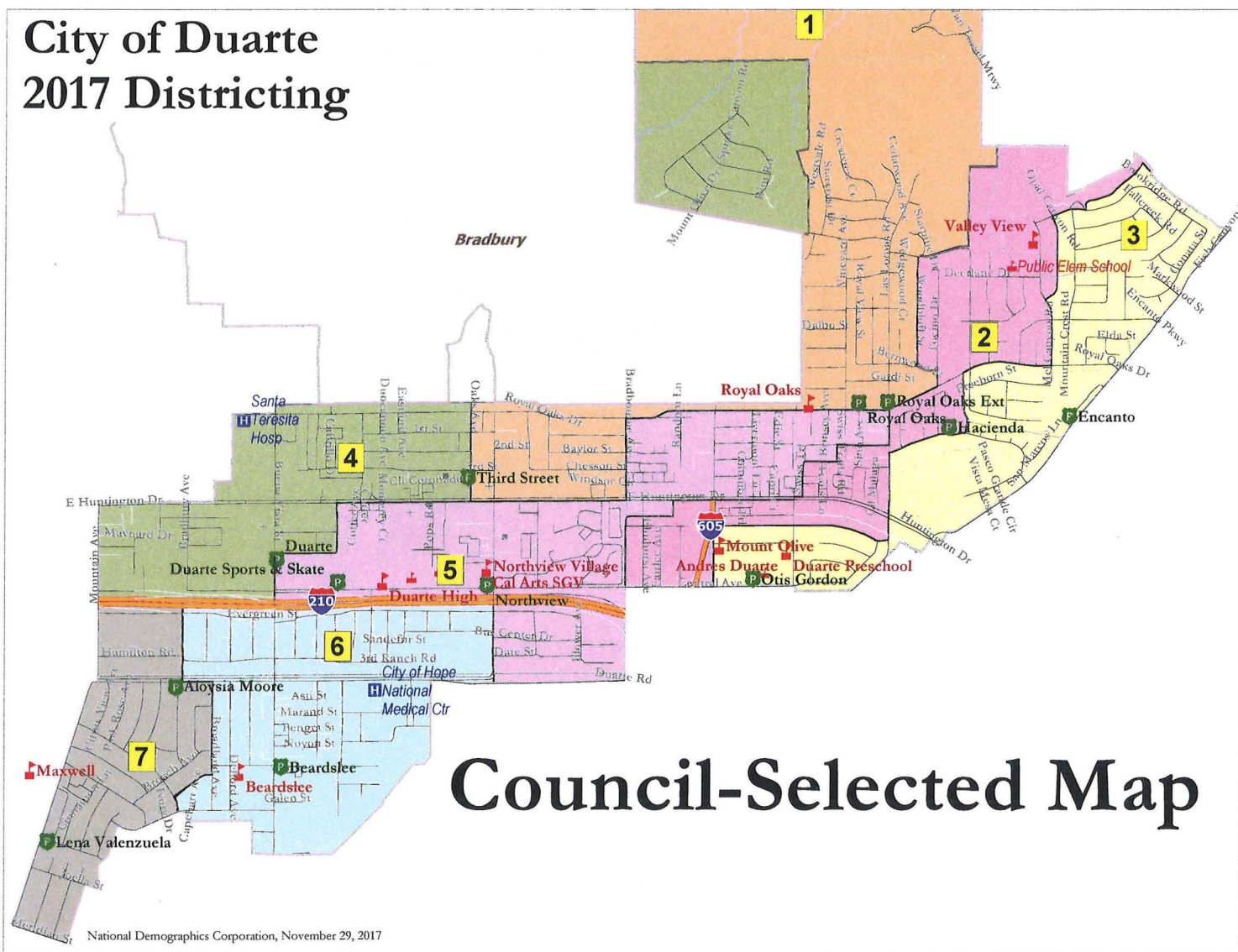
AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

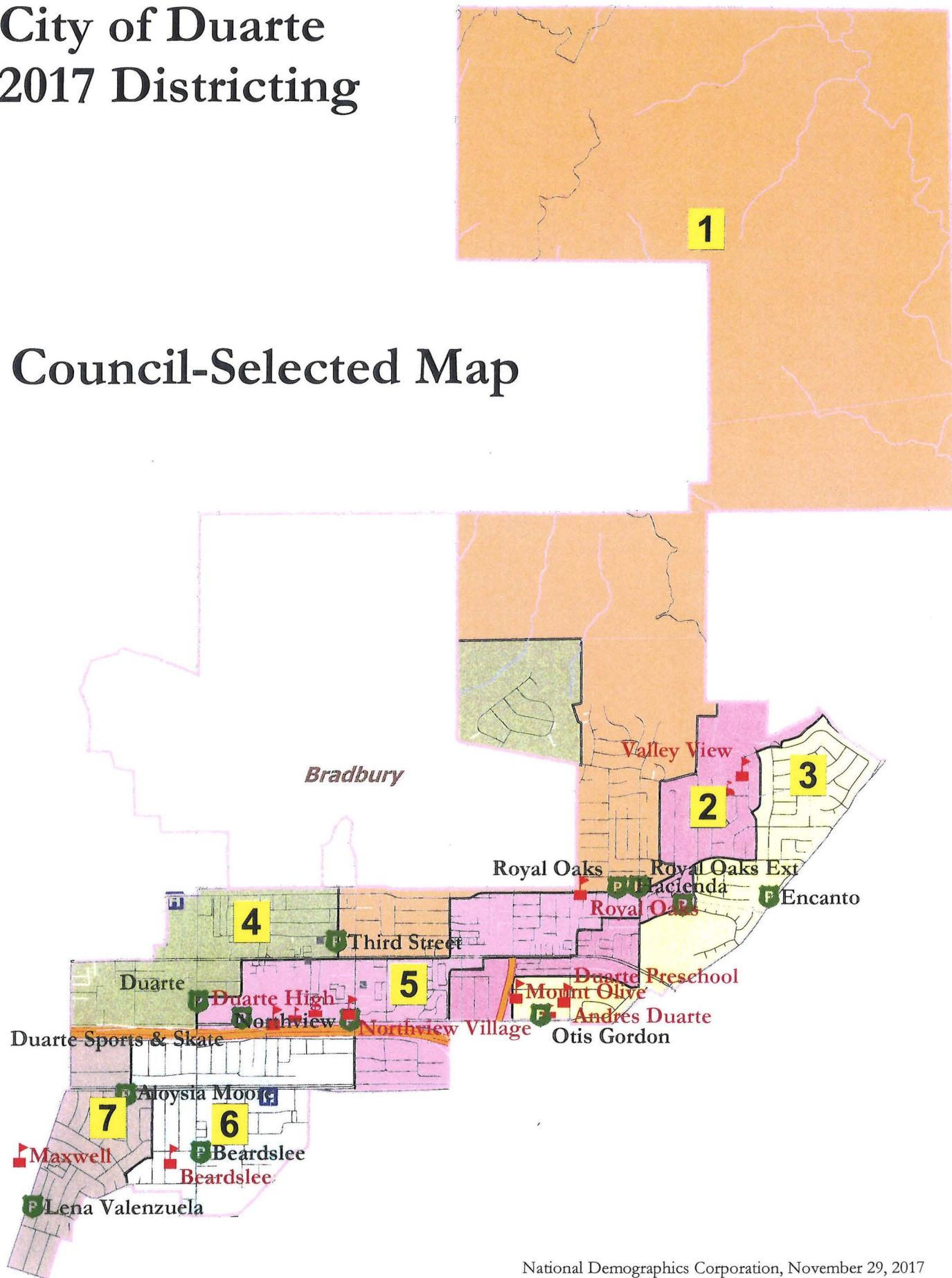
City Clerk Marla Akana
City of Duarte, California

City of Duarte 2017 Districting

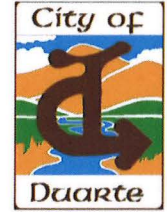


City of Duarte 2017 Districting

Council-Selected Map



MEMORANDUM



TO: Mayor And Duarte City Council
FROM: Nick Baldwin, Associate Planner
DATE: December 12, 2017
SUBJECT: Approval Of Final Map - Tract 74365

Recommendation: That the City Council approve Final Map, Tract 74365 (Attachment No. 1) for an 18-unit, multiple-family residential subdivision at 1634 Third Street and 1101 Oak Avenue and to accept dedications of land for the re-location of Third Street Park and land for street right-of way.

Summary: On March 14, 2017, the City Council granted tentative approval of Tract Map 74365 for the subdivision of property at 1634 Third Street and 1101 Avenue to accommodate 18 two-story, multiple-family residential units and to relocate Third Street park from its current mid-block location to the corner of Third Street and Oak Avenue. The application was approved with conditions listed in the attached resolution (See Attachment No. 2). A lot line adjustment was needed to quitclaim a small piece of property encroached upon by carport structures from the adjacent apartment development to the south. This document was executed and recorded with the County earlier this month. The sale of the property to the developer, Tipping Development, LLC., is contingent upon approval of this final map among other requirements.

Discussion: The Duarte Development Code requires the City Engineer to review final map submittals for technical compliance with the tentative tract map approved by the City Council and to confirm that the necessary agreements, securities, and improvement plans have been completed satisfactorily.

The City Engineer has reviewed the map and determined it to be ready for Council consideration. Improvement plans for the project have been reviewed by the Public Works Department and the City Engineer and found to be satisfactory. The developer has submitted the bonds and entered into a subdivision agreement with the City to guarantee the construction improvements for this project, both of which meet the satisfaction of the City Engineer.

Dedication of Land to the City

A portion of the land to be used for residential units will be on land that is currently public park space, which was approved on the condition that the new park space would be dedicated to the City for a new park at an improved location and a new park facility will be built. The new park land is identified as Lot A on the Final Map and has an area of approximately 9,000 square-feet. The Community Development and Parks and Recreation Departments have reviewed and approved a complete set of construction plans for the new park facility. As part of this request, the applicant is proposing to dedicate this land to the City to be used as parkland.

Condition No. 27 of the Tentative Tract Map requires the developer to dedicate all street right-of-way shown on the Tentative Tract Map to the City. The developer is offering to dedicate this land to the City as part of this request.

ATTACHMENTS:

1. Final Map
2. Tentative Tract Map 74365 Conditions of Approval

18 LOTS
1.57 ACRES

TRACT NO. 74365

SHEET 1 OF 8 SHEETS

IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

BEING A SUBDIVISION OF LOT 1 AND PORTIONS OF LOTS 2, 6, 7, ALL IN BLOCK 8 OF TOWN OF DUARTE, AS PER MAP RECORDED IN BOOK 83 PAGE 21 OF MISCELLANEOUS RECORDS, TOGETHER WITH 10-FOOT ALLEY ADJOINING THE NORTH 61.5 FEET OF SAID LOT 7 ON THE WEST, AS VACATED BY THE CITY COUNCIL OF THE CITY OF DUARTE IN RESOLUTION NO. 82-4, RECORDED JANUARY 15, 1982, AS INSTRUMENT NO. 82-48736, OF OFFICIAL RECORD, AND A PORTION OF LOT 11 OF SECTION 30, OF THE SUBDIVISION OF THE RANCHO ASUZA DE DUARTE, AS PER MAP RECORDED IN BOOK 6 PAGE 80 OF MISCELLANEOUS RECORDS, ALL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

FOR PLANNED RESIDENTIAL PURPOSES

LARRY L. MAR, LS 7652

SOUTHLAND CIVIL ENGINEERING & SURVEY, LLP

DATE OF SURVEY: MAY 2015

OWNER'S STATEMENT:

WE HEREBY STATE THAT WE ARE THE OWNERS OF OR ARE INTERESTED IN THE LANDS INCLUDED WITHIN THE SUBDIVISION SHOWN ON THIS MAP WITHIN THE DISTINCTIVE BORDER LINES, AND WE CONSENT TO THE PREPARATION AND FILING OF SAID MAP AND SUBDIVISION.

WE HEREBY GRANT LOT A IN FEE SIMPLE TO THE CITY OF DUARTE.

WE HEREBY DEDICATE TO THE PUBLIC USE ALL STREETS, HIGHWAYS, AND OTHER PUBLIC WAYS SHOWN ON SAID MAP.

WE HEREBY DEDICATE TO THE CITY OF DUARTE THE EASEMENTS FOR SIDEWALK PURPOSES SO DESIGNATED ON SAID MAP AND ALL USES INCIDENTAL THERETO.

REDEVELOPMENT AGENCY OF THE CITY OF DUARTE, A CALIFORNIA CORPORATION

BY: _____ BY: _____

CITY OF DUARTE, A MUNICIPAL CORPORATION

BY: _____ BY: _____

NOTARY ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA
COUNTY OF _____

ON _____ BEFORE ME, _____, NOTARY PUBLIC,
PERSONALLY APPEARED, _____

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

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

WITNESS MY HAND AND OFFICIAL SEAL.

SIGNATURE _____
NAME OF NOTARY _____
COUNTY IN WHICH COMMISSIONED _____
DATE COMMISSION EXPIRES _____
COMMISSION NUMBER _____

NOTARY ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA
COUNTY OF _____

ON _____ BEFORE ME, _____, NOTARY PUBLIC,
PERSONALLY APPEARED, _____

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

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

WITNESS MY HAND AND OFFICIAL SEAL.

SIGNATURE _____
NAME OF NOTARY _____
COUNTY IN WHICH COMMISSIONED _____
DATE COMMISSION EXPIRES _____
COMMISSION NUMBER _____

SIGNATURE OMISSION NOTE:

THE SIGNATURE(S) OF THE PARTIES NAMED HEREINAFTER AS OWNER OF THE INTEREST SET FORTH HAVE BEEN OMITTED UNDER PROVISIONS OF SECTION 66436 (a)(3)(A)(i)-(viii) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE TITLE, AND SAID SIGNATURE(S) ARE NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF GENERAL TELEPHONE COMPANY OF CALIFORNIA, A CALIFORNIA CORPORATION, HOLDER OF AN EASEMENT FOR PUBLIC UTILITIES PURPOSES, AS DISCLOSED BY DEED RECORDED ON JANUARY 26, 1972 AS INSTRUMENT NO. 2517 OF OFFICIAL RECORDS, RECORDS OF THE COUNTY OF LOS ANGELES.

LOS ANGELES COUNTY CERTIFICATIONS AND SEALS:

I HEREBY CERTIFY THAT ALL CERTIFICATES HAVE BEEN FILED AND DEPOSITS HAVE BEEN MADE THAT ARE REQUIRED UNDER THE PROVISIONS OF SECTIONS 66492 AND 66493 OF THE SUBDIVISION MAP ACT.

EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

BY _____ DATE _____
DEPUTY

I HEREBY CERTIFY THAT SECURITY IN THE AMOUNT OF \$ _____

HAS BEEN FILED WITH THE EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS SECURITY FOR THE PAYMENT OF TAXES AND SPECIAL ASSESSMENTS COLLECTED AS TAXES ON THE LAND SHOWN ON MAP OF TRACT NO. 74365 AS REQUIRED BY LAW.

EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

BY _____ DATE _____
DEPUTY

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF RICHARD TIPPING ON MAY 26, 2015. I HEREBY STATE THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR THAT THEY WILL BE SET IN THOSE POSITIONS BEFORE _____, AND THAT THE MONUMENTS ARE, OR WILL BE, SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP. I HEREBY STATE THAT SAID SURVEY IS TRUE AND COMPLETE AS SHOWN AND THAT THE NOTES FOR ALL CENTERLINE MONUMENTS ARE, OR WILL BE, ON FILE IN THE OFFICE OF THE CITY ENGINEER WITHIN 12 MONTHS FROM THE FILING DATE SHOWN HEREON.

LARRY L. MAR, P.L.S. 7652

DATE _____



CITY ENGINEER'S STATEMENT:

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP, THAT THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP AND ANY APPROVED ALTERATIONS THEREOF; THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT AND OF ANY LOCAL SUBDIVISION ORDINANCES OF THE CITY OF DUARTE APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH; AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

DOMINIC C. MILANO, CITY ENGINEER, RCE 27172

DATE _____

CITY CLERK'S CERTIFICATE:

I HEREBY CERTIFY THAT THE CITY COUNCIL OF THE CITY OF DUARTE, ON _____ APPROVED THIS MAP.

SAID COUNCIL DID ACCEPT ON BEHALF OF THE PUBLIC, ALL STREETS, HIGHWAYS AND OTHER PUBLIC WAYS SHOWN ON SAID MAP, SAID COUNCIL DID ACCEPT ON BEHALF OF THE CITY LOT A IN FEE SIMPLE, SAID COUNCIL DID ACCEPT ON BEHALF OF THE CITY THE EASEMENT FOR SIDEWALK PURPOSES AND ALL USES INCIDENTAL THERETO.

DATE _____ CITY CLERK - CITY OF DUARTE

18 LOTS
1.57 ACRES

TRACT NO. 74365

SHEET 2 OF 8 SHEETS

IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

BEING A SUBDIVISION OF LOT 1 AND PORTIONS OF LOTS 2, 6, 7, ALL IN BLOCK 8 OF TOWN OF DUARTE, AS PER MAP RECORDED IN BOOK 83 PAGE 21 OF MISCELLANEOUS RECORDS, TOGETHER WITH 10-FOOT ALLEY ADJOINING THE NORTH 61.5 FEET OF SAID LOT 7 ON THE WEST, AS VACATED BY THE CITY COUNCIL OF THE CITY OF DUARTE IN RESOLUTION NO. 82-4, RECORDED JANUARY 15, 1982, AS INSTRUMENT NO. 82-48736, OF OFFICIAL RECORD, AND A PORTION OF LOT 11 OF SECTION 30, OF THE SUBDIVISION OF THE RANCHO ASUZA DE DUARTE, AS PER MAP RECORDED IN BOOK 6 PAGE 80 OF MISCELLANEOUS RECORDS, ALL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

FOR PLANNED RESIDENTIAL PURPOSES

LARRY L. MAR, LS 7652

SOUTHLAND CIVIL ENGINEERING & SURVEY, LLP

DATE OF SURVEY: MAY 2015

CERTIFICATE OF ACCEPTANCE:

I HEREBY CERTIFY THAT THE CITY COUNCIL OF THE CITY OF DUARTE APPROVED THIS MAP AND ACCEPTED ON BEHALF OF THE PUBLIC ALL OFFERS OF DEDICATION SHOWN HEREON UNLESS OTHERWISE REJECTED, EXCEPT THOSE MARKED "PRIVATE DRIVEWAY AND FIRE LANE", PROVIDED NOTHING HEREIN CONTAINED SHALL BE CONSTRUCTED AS AN ACCEPTANCE OF ANY IMPROVEMENTS MADE IN OR UPON ANY PRIVATE DRIVEWAY AND FIRE LANE OR EASEMENT SHOWN ON THIS MAP.

DATE _____ CITY CLERK — CITY OF DUARTE

SPECIAL ASSESSMENT'S STATEMENT:

I HEREBY STATE THAT ALL SPECIAL ASSESSMENTS LEVIED UNDER THE JURISDICTION OF THE CITY OF DUARTE, TO WHICH THE LAND INCLUDED IN THE WITHIN SUBDIVISION OR ANY PART THEREOF IS SUBJECT, AND WHICH MAY BE PAID IN FULL, HAVE BEEN PAID IN FULL.

DATE _____ CITY TREASURER — CITY OF DUARTE

RESIDENTIAL PLANNED DEVELOPMENT NOTE (RPD):

THIS SUBDIVISION TRACT NO. 74365 IS APPROVED AS A RESIDENTIAL PLANNED DEVELOPMENT PROJECT WHEREBY THE COMMON AREAS WILL BE HELD IN FEE BY AN ASSOCIATION MADE UP OF THE OWNERS OF THE INDIVIDUAL LOTS. MEMBERSHIP IN THE HOMEOWNER'S ASSOCIATION IS INSEPARABLE FROM OWNERSHIP IN THE INDIVIDUAL LOTS. LOT B IS A COMMON AREA, TO BE HELD IN FEE BY AN ASSOCIATION MADE UP OF THE OWNERS OF LOTS 1 THROUGH 18.

BASIS OF BEARINGS:

THE BEARINGS SHOWN HEREON ARE BASED ON THE BEARING OF NORTH 89°28'41" EAST OF THE CENTERLINE OF HUNTINGTON DRIVE BETWEEN POINTS NO. 1011 AND NO. 1002 AS SHOWN ON RECORD OF SURVEY, BOOK 276, PAGE 15, OF RECORD OF SURVEY, RECORDS OF SAID COUNTY.

SCALE: 1" = 120'

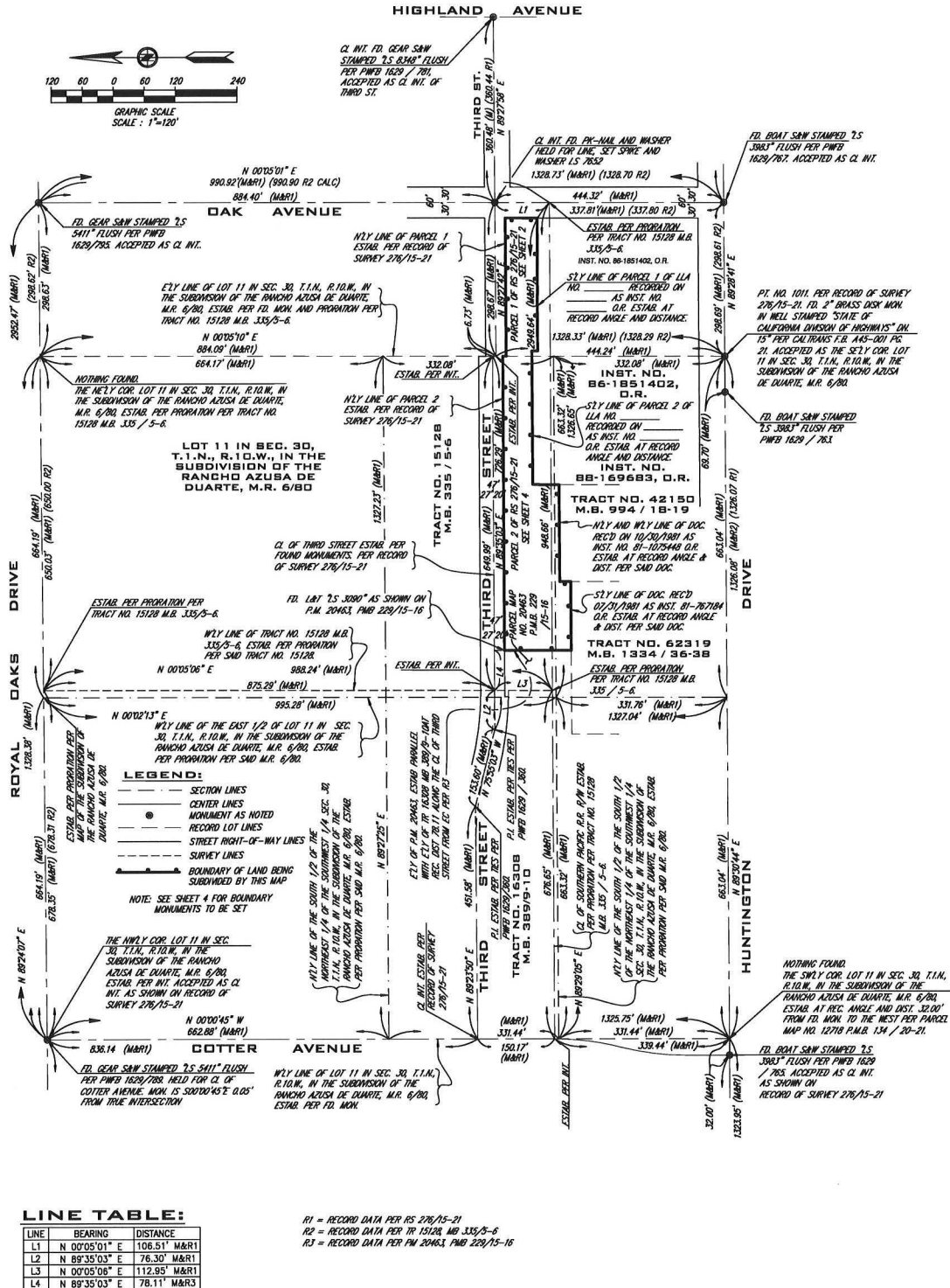
TRACT NO. 74365IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES
STATE OF CALIFORNIA**BOUNDARY ESTABLISHMENT SHEET**

LARRY L. MAR, LS 7652

SOUTHLAND CIVIL ENGINEERING & SURVEY, LLP

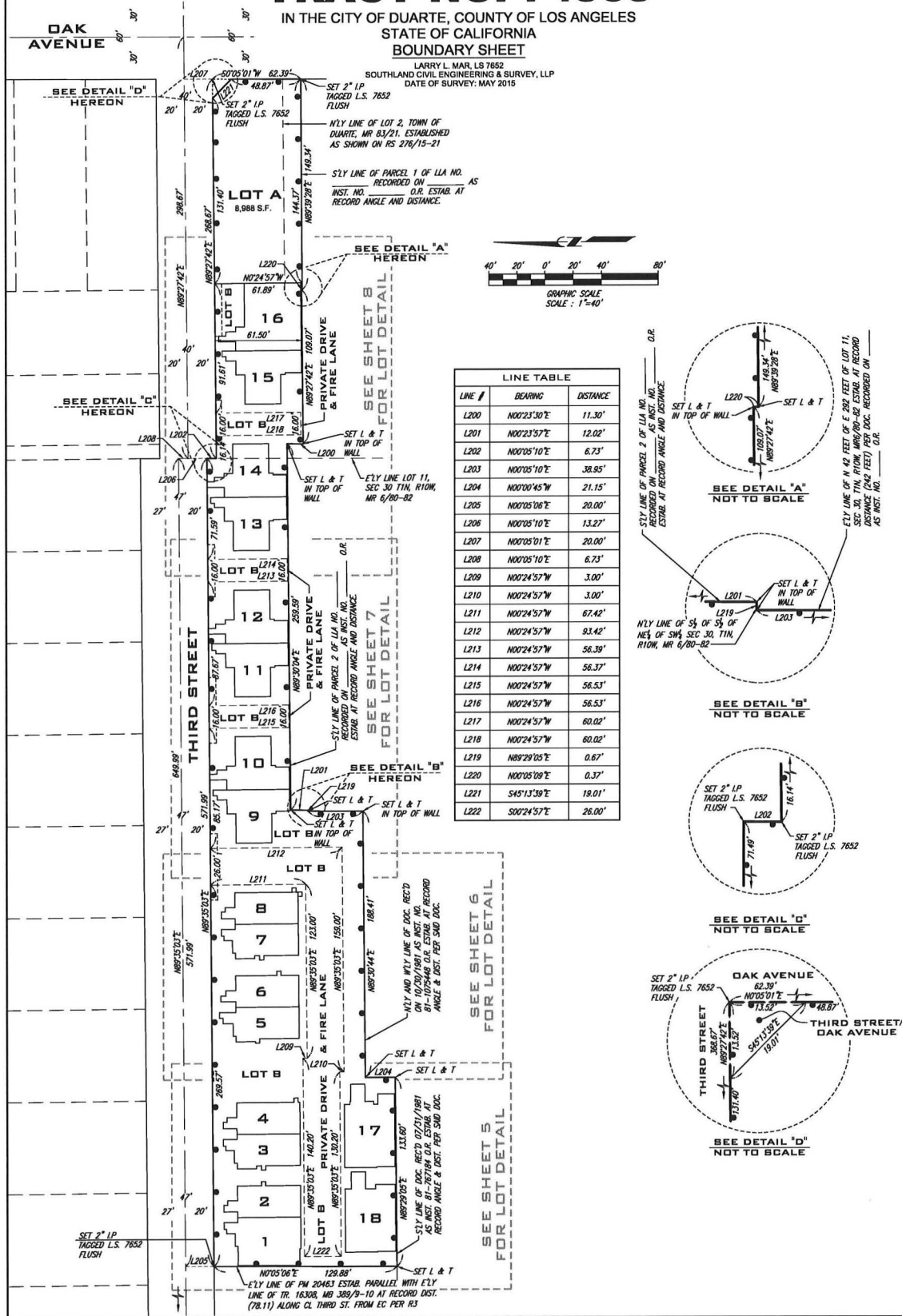
DATE OF SURVEY: MAY 2015

SHEET 3 OF 8 SHEETS



SHEET 4 OF 8 SHEETS

LARRY L. MAR, LS 7652
SOUTHLAND CIVIL ENGINEERING & SURVEY, LLP
DATE OF SURVEY: MAY 2015



SCALE: 1"=10'

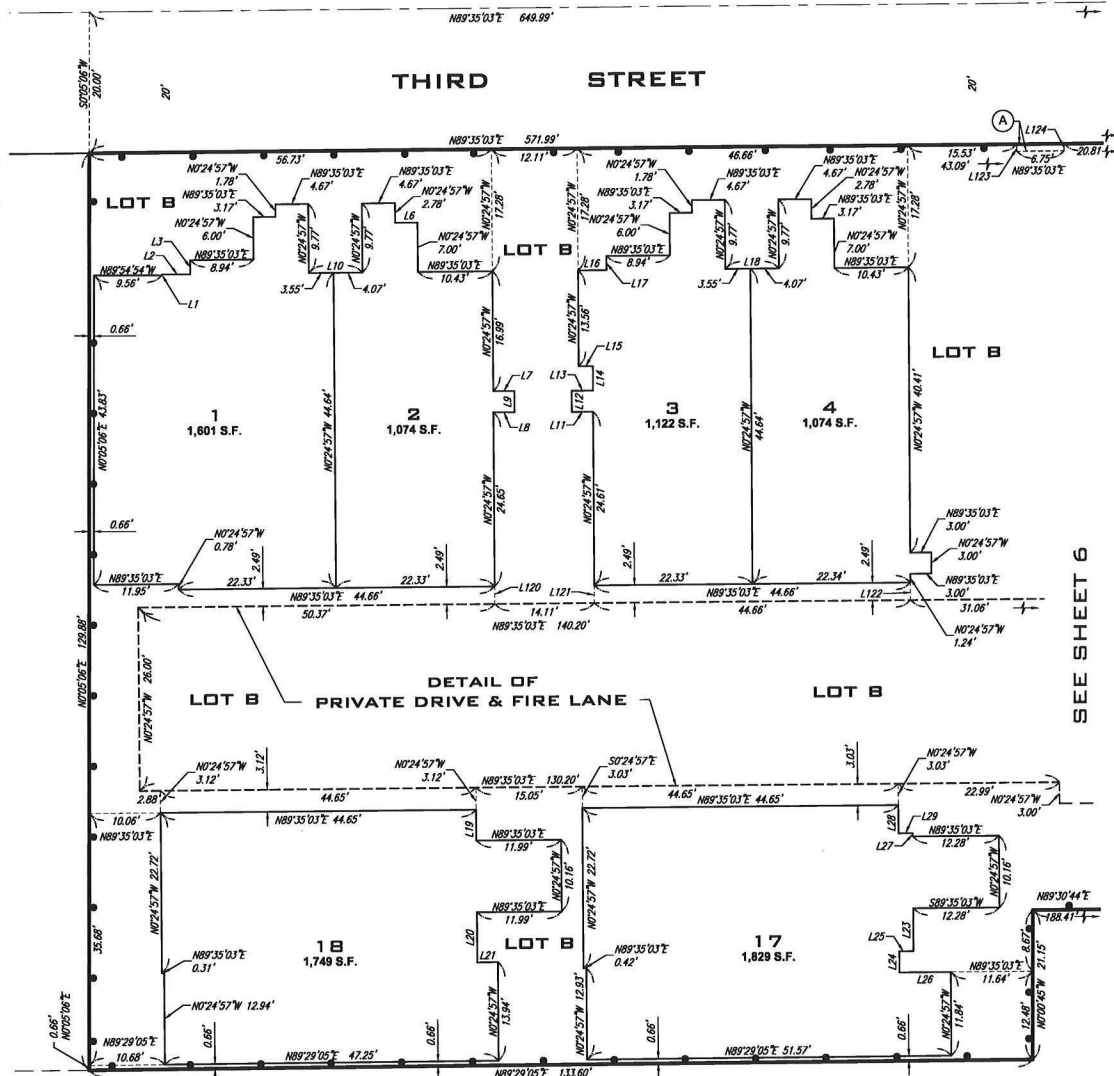
TRACT NO. 74365IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

LARRY L. MAR, LS 7652

SOUTHLAND CIVIL ENGINEERING & SURVEY, LLP

DATE OF SURVEY: MAY 2015

SHEET 5 OF 8 SHEETS



LINE TABLE		
LINE #	BEARING	DISTANCE
L1	N00°24'57"W	0.12'
L2	N89°35'03"E	4.00'
L3	N00°24'57"W	2.00'
L6	N89°35'03"E	3.17'
L7	N89°35'03"E	3.00'
L8	N89°35'03"E	3.00'
L9	N00°24'57"W	3.00'
L10	N89°35'03"E	7.62'
L11	N89°35'03"E	3.00'
L12	N00°24'57"W	3.00'
L13	N89°35'03"E	3.00'
L14	N00°24'57"W	3.47'
L15	N89°35'03"E	2.00'
L16	N89°35'03"E	4.00'
L17	N00°24'57"W	2.00'
L18	N89°35'03"E	7.63'
L19	N00°24'57"W	4.38'
L20	N00°24'57"W	7.10'
L21	N89°35'03"E	2.92'

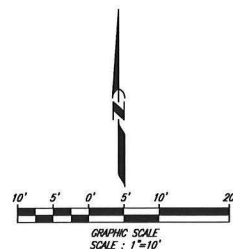
LINE TABLE		
LINE #	BEARING	DISTANCE
L23	N00°24'57"W	6.09'
L24	N00°24'57"W	3.00'
L25	N89°35'03"E	2.00'
L26	N89°35'03"E	7.34'
L27	S00°24'57"E	0.47'
L28	S00°24'57"E	4.00'
L29	N89°35'03"E	2.00'
L120	N00°24'57"W	2.49'
L121	N00°24'57"W	2.49'
L122	S00°24'57"E	2.49'

EASEMENT LEGEND:

(A) SIDEWALK EASEMENT TO THE CITY OF DUARTE

LEGEND:

TRACT BOUNDARY



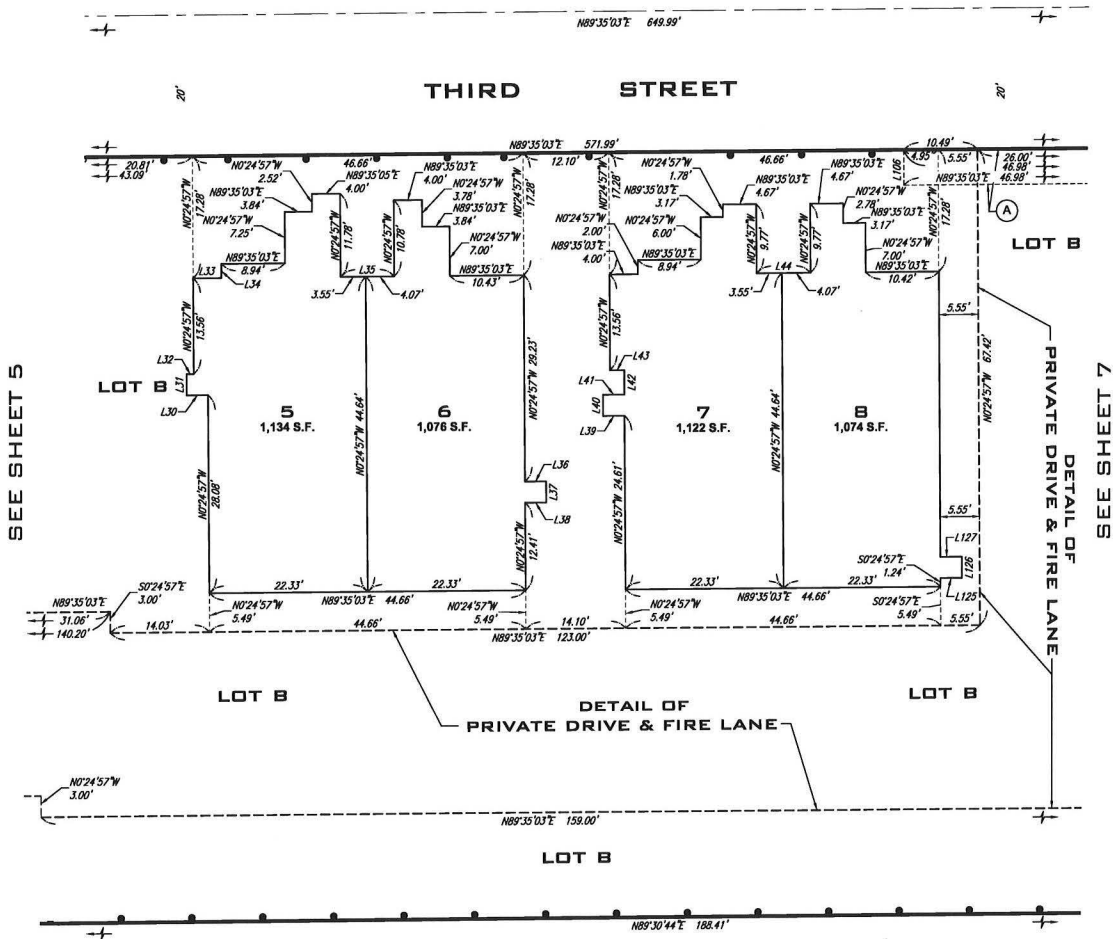
SEE SHEET 6

IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

LARRY L. MAR, LS 7652

SOUTHLAND CIVIL ENGINEERING & SURVEY, LLP

DATE OF SURVEY: MAY 2015

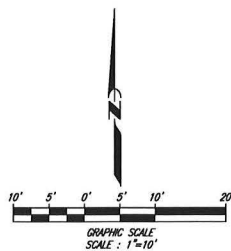


LINE TABLE		
LINE #	BEARING	DISTANCE
L30	S89°53'03"W	3.00'
L31	N00°24'57"W	3.00'
L32	N89°53'03"E	1.00'
L33	N89°53'03"E	4.00'
L34	N00°24'57"W	2.00'
L35	N89°53'03"E	7.63'
L36	N89°53'03"E	3.00'
L37	N00°24'57"W	3.00'
L38	N89°53'03"E	3.00'
L39	N89°53'03"E	3.00'
L40	N00°24'57"W	3.00'
L41	N89°53'03"E	3.00'
L42	N00°24'57"W	3.47'
L43	N89°53'03"E	2.00'
L44	N89°53'03"E	7.63'
L106	S00°24'57"E	5.00'
L125	N89°53'03"E	3.00'
L126	N00°24'57"W	3.00'
L127	S89°53'03"W	3.00'

EASEMENT LEGEND:

(A) SIDEWALK EASEMENT TO THE CITY OF DUARTE

LEGEND:

 TRACT BOUNDARY

SCALE: 1"=10'

TRACT NO. 74365

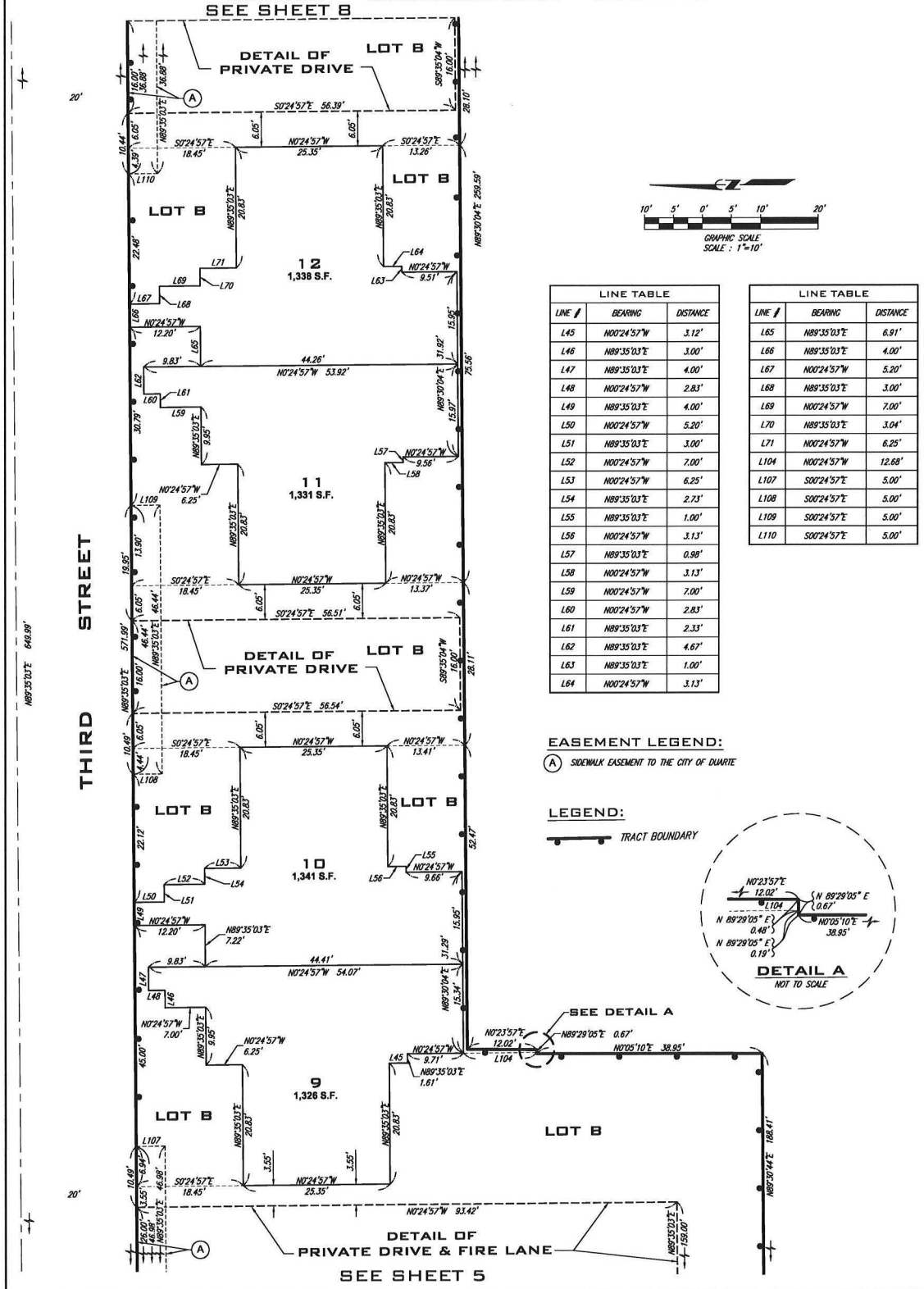
SHEET 7 OF 8 SHEETS

IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

LARRY L. MAR, LS 7662

SOUTHLAND CIVIL ENGINEERING & SURVEY, LLP

DATE OF SURVEY: MAY 2015



LINE TABLE		
LINE #	BEARING	DISTANCE
L45	N00°24'57"W	3.12'
L46	N89°35'03"E	3.00'
L47	N89°35'03"E	4.00'
L48	N00°24'57"W	2.83'
L49	N89°35'03"E	4.00'
L50	N00°24'57"W	5.20'
L51	N89°35'03"E	3.00'
L52	N00°24'57"W	7.00'
L53	N00°24'57"W	6.25'
L54	N89°35'03"E	2.73'
L55	N89°35'03"E	1.00'
L56	N00°24'57"W	3.13'
L57	N89°35'03"E	0.98'
L58	N00°24'57"W	3.13'
L59	N00°24'57"W	7.00'
L60	N00°24'57"W	2.83'
L61	N89°35'03"E	2.33'
L62	N89°35'03"E	4.67'
L63	N89°35'03"E	1.00'
L64	N00°24'57"W	3.13'

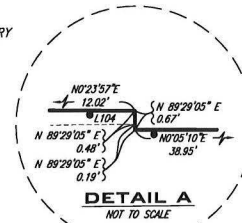
LINE TABLE		
LINE #	BEARING	DISTANCE
L65	N89°35'03"E	6.91'
L66	N89°35'03"E	4.00'
L67	N00°24'57"W	5.20'
L68	N89°35'03"E	3.00'
L69	N00°24'57"W	7.00'
L70	N89°35'03"E	3.04'
L71	N00°24'57"W	6.25'
L104	N00°24'57"W	12.68'
L107	S00°24'57"E	5.00'
L108	S00°24'57"E	5.00'
L109	S00°24'57"E	5.00'
L110	S00°24'57"E	5.00'

EASEMENT LEGEND:

(A) SIDEWALK EASEMENT TO THE CITY OF DUARTE

LEGEND:

TRACT BOUNDARY



SCALE: 1"=10'

TRACT NO. 74365

SHEET 8 OF 8 SHEETS

IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

LARRY L. MAR, LS 7652

SOUTHLAND CIVIL ENGINEERING & SURVEY, LLP

DATE OF SURVEY: MAY 2015

SEE SHEET 4

PARK
LOT A
8,988 S.F.

16
2,079 S.F.

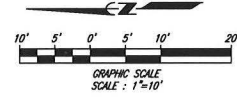
15
1,357 S.F.

DETAIL OF
PRIVATE DRIVE LOT B

14
1,333 S.F.

13
1,327 S.F.

SEE SHEET 7



LINE TABLE		
LINE #	BEARING	DISTANCE
L72	N00°24'57"W	3.12'
L73	N89°35'03"E	0.98'
L74	N00°24'57"W	7.00'
L75	N89°35'03"E	3.00'
L76	N00°24'57"W	2.83'
L77	N89°35'03"E	4.00'
L78	N89°35'03"E	7.22'
L79	N89°35'03"E	4.00'
L80	N00°24'57"W	5.20'
L81	N89°35'03"E	3.00'
L82	N00°24'57"W	7.00'
L83	N89°35'03"E	2.73'
L84	N00°24'57"W	6.25'
L85	N00°24'57"W	3.12'
L86	N89°35'03"E	1.33'
L87	N89°35'03"E	1.24'
L88	N00°24'57"W	3.13'
L89	N00°24'57"W	7.00'
L90	N89°35'03"E	3.00'
L91	N00°24'57"W	2.83'

LINE TABLE		
LINE #	BEARING	DISTANCE
L92	N89°35'03"E	4.00'
L93	N89°35'03"E	6.58'
L94	N89°35'03"E	4.00'
L95	N00°24'57"W	5.20'
L96	N89°35'03"E	3.00'
L97	N00°24'57"W	7.00'
L98	N89°35'03"E	3.37'
L99	N00°24'57"W	6.25'
L105	N00°05'09"E	0.37'
L111	S00°24'57"E	5.00'
L112	S00°32'18"E	4.00'
L113	S00°32'18"E	4.00'

EASEMENT LEGEND:
A SIDEWALK EASEMENT TO THE CITY OF DUARTE

LEGEND:
TRACT BOUNDARY

RESOLUTION NO. 17-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE APPROVING TENTATIVE TRACT MAP NO. 74365 FOR AN 18-UNIT, OWNER-OCCUPIED, TWO-STORY TOWNHOME DEVELOPMENT, GENERALLY LOCATED AT THE SOUTHWEST CORNER OF OAK AVENUE AND THIRD STREET (1101 OAK AVENUE AND 1634 THIRD STREET)

WHEREAS, the applicant, Tipping Investments, LLC is requesting approval of Tentative Tract Map No. 74365 to allow the development of an 18-unit, owner-occupied, townhome development, generally located at the southwest corner of Oak Avenue and Third Street (1101 Oak Avenue and 1634 Third Street); and

WHEREAS, the Tentative Tract Map No. 74365 is contingent upon the approval of General Plan Amendment 16-01 and Zone Change 16-01; and

WHEREAS, after a duly noticed public hearing, held on February 21, 2017, the Planning Commission approved Resolution PC 17-03 and recommended that the City Council approve Tentative Tract Map No. 74365, subject to conditions of approval; and

WHEREAS, the City Engineer has found and determined that Tentative Tract Map No. 74365, and the conditions of approval attached thereto, conforms to the State Subdivision Map Act and the applicable requirements of Article Five of the Duarte Development Code; and

WHEREAS, the City Council of the City of Duarte ("City Council") has considered Tentative Tract Map No. 74365 for an 18-unit, owner-occupied, two-story townhome development and the relocation and reconstruction of Third Street Park on certain property located at 1101 Oak Avenue and 1634 Third Street; and

WHEREAS, the City Council has considered the analysis and recommendation provided in the staff report, and all information, evidence and public testimony received at the public meeting held on March 14, 2017 at 7:00 p.m. in the City Council Chambers, and hereby approves Tentative Tract Map No. 74365 for an 18-unit, owner-occupied, two-story townhome development, subject to conditions of approval.

THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. All of the facts set forth in the Recitals of this Resolution are true and correct and incorporated herein by this reference.

SECTION 2. The City Council finds and determines that Tentative Tract Map No. 74365 is consistent with the applicable General Plan.

SECTION 3. The City Council finds and determines that the design of Tentative Tract Map No. 74365 is consistent with the applicable General Plan.

SECTION 4. The City Council finds and determines that Tentative Tract Map No. 74365 is physically suitable for the proposed development.

SECTION 5. The City Council finds and determines that Tentative Tract Map No. 74365 is physically suitable for the proposed development density allowed in the R-3, Multi-Family Residential (Medium Density) and O, Open Space zoning designations.

SECTION 6. The City Council finds and determines that Tentative Tract Map No. 74365 and related improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat, as further examined and mitigated in the Mitigated Negative Declaration associated with this project.

SECTION 7. The City Council finds and determines that Tentative Tract Map No. 74365 and related improvements are not likely to cause serious public health problems.

SECTION 8. The City Council finds and determines that Tentative Tract Map No. 74365 and related improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision.

SECTION 9. The City Council finds and determines that Tentative Tract Map No. 74365 will not adversely affect the adjoining properties as to value, precedent, or be detrimental to the area because the development has been designed to be commensurate with said land uses and improvements are consistent with the General Plan and applicable land use zones.

SECTION 10. The City Council finds and determines that Tentative Tract Map No. 74365 is in the best interests and welfare of the City and its residents.

SECTION 11. The City Council hereby approves Tentative Tract Map No. 74365, and the conditions of approval in accordance with Exhibit "A" attached hereto and made a part of this Resolution.

SECTION 12. In adoption of this Resolution for Tentative Tract Map No. 74365, the City Council finds and determines the project is in compliance with the California Environmental Quality Act pursuant to Public Resources Code Section 21000 et seq. (CEQA), and State regulations in Title 14 of the California Code of Regulations, Section 15000 et seq. (CEQA Guidelines) because a Mitigated Negative Declaration and Mitigation Monitoring Program has been prepared for the project, and corresponding Tentative Tract Map No. 74365, have been prepared and circulated for public review and comment, and is hereby certified by the City Council.

PASSED, APPROVED, AND ADOPTED this 14th day of March, 2017.

/s/ Tzeitel Paras-Caracci for
Mayor

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution No. 17-20 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 14th day of March, 2017, by the following vote:

AYES: Councilmembers: Kang, Paras-Caracci, Reilly

NOES: Councilmembers: None

ABSENT: Councilmembers: Fasana, Finlay

/s/ Marla Akana
City Clerk Marla Akana
City of Duarte, California

Exhibit “A”

CONDITIONS OF APPROVAL

Tentative Tract Map No. 74365

-
1. The developer shall install curb, gutter, approaches, asphalt street and other street improvements as shown on Tentative Tract Map 74365, including said improvements to approximately two residences on the north side of Third Street, across from the project site (generally known as 1703 and 1709 Third Street).
 2. Developer shall provide for the undergrounding of utilities along Oak Avenue, or pay an in-lieu fee, as determined by the City Engineer.
 3. Developer shall dedicate parkland and/or pay an in-lieu fee for the same, pursuant to Chapter 19.82 of the Duarte Development Code (“Dedication of Land for Park and Recreational Purposes”). The developer shall dedicate land, known as Lot A, and the complete construction of park improvements (e.g. play equipment, landscaping, lighting, and other amenities) subject to approval by the City. The developer shall submit detailed park construction plans to the Community Development Department, prior to the issuance of building permits. The park shall be complete and fully operational prior to the issuance of the first certificate of occupancy for the associated residential development.
 4. Codes, Covenants and Restrictions (CC&R’s) must be reviewed and approved by the City Attorney and Community Development Department and be recorded prior to the sale of the first unit. Provisions for a homeowners’ association shall be integrated into the CC&R’s for the purposes of maintaining common areas.
 5. Developer shall fund and install the signs, striping and other related traffic controls related to the unsignalized intersection improvements at Oak Avenue and Third Street, per the recommendations of the Engineering and Multi-way stop Application study and as approved by the City Engineer and/or Public Works/Engineering Division.
 6. Decorative paving materials shall be integrated into driveways and/or driveway approaches as approved by the City Engineer and/or Public Works/Engineering Division.
 7. The developer shall comply with the City’s cable installation requirements, per Chapter 16.34 of the Duarte Municipal Code.
 8. All utilities for direct service to the project shall be installed underground.
 9. The Applicant/Developer shall comply with the 2016 edition of the codes as adopted by reference by the City of Duarte. California Green Building Standards Code, California Building Code, California Residential Code, California Mechanical Code, California Plumbing Code, and California Electrical Code. (Codes as amended by the County of Los Angeles.)

10. The Applicant/Developer shall comply with the latest California Title 24 Energy requirements for all new lighting, insulation, and mechanical equipment and submit calculations at time of initial plan review.
11. The Applicant/Developer shall comply with subdivision requirements provided by the Los Angeles County Fire Department, unless otherwise modified by the Community Development Department and/or Fire Department.
12. The Applicant/Developer shall comply with the latest disabled access regulations as found in Title 24 of the California Code of Regulations and the Americans with Disabilities Act. Accessible items shall include, but not be limited to: parking, accessible pedestrian routes, accessible/adaptable units, public/common use areas, swimming pool, etc.
13. Grading, drainage, civil, and related engineering plans and all required plan check fees shall be submitted to the City Engineer and/or Public Works/Engineering Division for plan check prior to construction. Approval from the City Engineer and/or Public Works/Engineering Division shall be obtained prior to the issuance of permits. Prior to the issuance of a certificate of occupancy, a Public Works right-of-way permit for the proposed right-of-way modifications shall be obtained, and the work completed. The right-of-way permit must be issued to a licensed concrete contractor.
14. The Applicant/Developer shall submit a Precise Paving and Drainage Plan for the proposed development to be reviewed and approved by the City Engineer and/or Public Works/Engineering Division.
15. The Applicant/Developer shall submit a Precise Grading Plan for the proposed development to be reviewed and approved by the City Engineer and/or Public Works/Engineering Division.
16. The applicant shall supply the City with one mylar and two printed copies of the recorded final tract map from the Los Angeles County Recorder's Office, prior to the issuance of the certificate of occupancy for the first residential unit.
17. Prior to the issuance of any grading or building permits, the Applicant/Developer shall submit an updated Engineering/Geology/Soils Report that includes an accurate description of the geology of the site and conclusions and recommendations regarding the effect of the geologic conditions on the proposed development and include a discussion of the expansiveness of the soils and recommended measures for foundations and slabs on grade to resist volumetric changes of the soil. This report shall also include recommendations for surcharge setback requirements in the area of ungraded slopes steeper than five horizontal to one vertical.
18. Building foundation inspections shall not be performed until a rough grading certification, survey stakes in place, and a final soils report have been filed with the City and approved. All drainage facilities must be operable.

19. Fees shall be paid to Duarte Unified School District in compliance with Government Code Section 65995.
20. The Applicant/Developer shall contact the Los Angeles County Public Works Department, Environmental Program Division for any required permit on clearance of industrial and hazardous waste disposal.
21. The Applicant/Developer shall provide a signed copy of the City's certification statement declaring that the contractor will comply with Minimum Best Management Practices (BMPs) required by the MS4 permit for Los Angeles County as mandated by the National Pollutant Discharge Elimination System (NPDES).
22. The Applicant/Developer shall install sanitary sewers to serve the entire development to the specifications of the City Engineer and/or Public Works/Engineering Division. A connection fee is required by the County Sanitation District in order that necessary expansions and/or connections to the sewerage system can be constructed to accommodate new development. Said fees shall be paid prior to the issuance of building permits.
23. The Applicant/Developer shall provide drainage improvements to carry runoff of storm waters in the area proposed to be developed, and for contributory drainage from adjoining properties to be reviewed and approved by the City Engineer and/or Public Works/Engineering Division. The Applicant/Developer shall make a good faith effort to negotiate with the downstream property owner for all required downstream storm drain improvements. The proposed drainage improvements shall be based on a detailed Hydrology Study conforming to the current Los Angeles County methodology. The developed flows outletting into the existing downstream system(s) from this project cannot exceed the pre-existing storm flows.
24. The Applicant/Developer shall provide sewer, drainage and Reciprocal Access Easements for the development to the satisfaction of the City Attorney and City Engineer.
25. The Applicant/Developer shall provide street lights, street name signs and stop signs in accordance with the standards of the City, if applicable.
26. The Applicant/Developer shall provide full street improvements on all street within the limits of the development. Improvements to include curbs and gutters, sidewalks, medians, and paving according to City standards, as shown in the following table:

Street Name	Curb & Gutter	A.C. Pavement	Side-walk	Drive Approach	Street Lights	Street Trees	Equestrian Trail	Median Island	Bike Trail	Other
Oak Avenue and Third Street, adjacent to project	x	x	x	x	x	x				

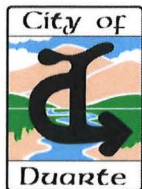
1703 & 1709 Third Street	x	x		x						
Notes:										

27. The Applicant/Developer shall offer to dedicate all street right-of-way as shown on the Tentative Map (internal streets shall be private).
28. The Applicant/Developer shall submit water plans to be reviewed and approved by the City Engineer and/or Public Works/Engineering Division, California American Water and the Los Angeles County Fire Department.
29. The Applicant/Developer shall be responsible for any repairs within the limits of the development, including but not limited to streets and paving, curbs and gutters, sidewalks, and street lights as determined by the City Engineer and/or Public Works/Engineering Division.
30. All work adjacent to or within the right-of-way shall be subject to review and approval of the City Engineer and/or Public Works/Engineering Division and the work shall be in accordance with applicable standards of the City of Duarte; i.e. Standard Specifications for Public Works Construction (Green Book) and the California Manual of Uniform Traffic Control Devices (CA MUTCD), and further that the construction equipment ingress and egress be controlled by a plan approved by Public Works.
31. For projects that disturb one (1) acre or greater of soil, or projects that disturb less than one acre but are part of a larger common plan of development that in total disturbs one or more acres, the project must obtain coverage under the General Permit for Discharges of Storm Water Associated with Construction Activity, Construction General Permit Order 2012-0006-DWQ (as amended by all future adopted Construction General Permits). The Construction General Permit requires the development and implementation of a Storm Water Pollution Prevention Plan (SWPPP). Developer must submit a Notice of Intent and Waste Discharger's Identification (WDID) number as evidence of having applied with the Construction General Permit before the City will issue a grading permit. The project proponent is ultimately responsible to comply with the requirements of Order No. 2012-0006-DWQ, however, the City shall have the authority to enter the project site, review the project SWPPP, and require modifications and subsequent implementations to the SWPPP in order to prevent polluted runoff from leaving the project site onto public or private property.
32. The project is subject to Low Impact Development (LID) regulations, Applicant/Developer must submit a site-specific drainage concept and stormwater quality plan to implement LID design principals.
33. A fully executed "Maintenance Covenant for LID Requirements" shall be recorded with the L.A. County Registrar/Recorder and submitted to the Public Works Department prior to the Certificate of Occupancy. Covenant documents shall be required to include an

exhibit that details the installed treatment control devices as well as any site design or source control Best Management Practices (BMPs) for post construction. The information to be provided on this exhibit shall include, but not be limited to:

- i. 8 1/2" x 11" exhibits with record property owner information.
 - ii. Types of BMPs (i.e., site design, source control and/or treatment control) to ensure modifications to the site are not conducted without the property owner being aware of the ramifications to BMP implementation.
 - iii. Clear depiction of location of BMPs, especially those located below ground.
 - iv. A matrix depicting the types of BMPs, frequency of inspection, type of maintenance required, and if proprietary BMPs, the company information to perform the necessary maintenance.
 - v. Calculations to support the sizing of the BMPs employed on the project shall be included in the report. These calculations shall correlate directly with the minimum treatment requirements of the current MS4 permit. In the case of implementing infiltration BMPs, a percolation test of the affected soil shall be performed and submitted for review by the City Engineer.
 - vi. This document shall be reviewed by and concurred with Public Works to ensure the covenant complies with the MS4 Permit.
34. Improvement plans and necessary letters of credit, cash, and/or bonds to secure the construction of all streets, storm drains, water, sewer, grading, and equestrian trails shall be submitted and approved by the City Engineer, and the subdivision agreement and other required agreements approved by City Attorney, prior to the recordation of the Final Map.
35. A Final Map prepared by or under the direction of a Registered Civil Engineer or Licensed Land Surveyor must be processed through the City Engineer prior to being filed with the County Recorder.
36. All easements existing at the time of the Final Tract Map approval must be accounted for on the approved Tentative Map. This includes the location, owner, purpose, and recording reference for all existing easements. If an easement is blanket in nature or indeterminate in nature, a statement to that effect must be shown on the tentative map in lieu of its location.
37. Easements for Private Driveways and Fire Lanes, and all utilities, including water, sewer, storm drains shall be provided on the Final Map to the satisfaction of the City Engineer and City Attorney.
38. All site, grading, landscape & irrigation, and street improvement plans shall be coordinated for consistency prior to the issuance of any permits.
39. A preliminary title report and guaranteed is required and such document shall show all fee interest holders; all interest holders whose interest could ripen into a fee; all trust deeds, together with the name of the trustee; and all easement holders. The account for this title report should remain open until the final map is filed with the County Recorder.

40. The tentative tract map must comply with the State Subdivision Map Act and Article 5 (Subdivisions) of the Duarte Development Code.
41. The Tentative Tract Map shall expire 24 months from the date of approval. The subdivider, not less than 60 days prior to the expiration date, may request in writing, to the City, an extension of the approval.
42. Application for approval of the final tract map shall be filed with the City Council 30 days prior to the expiration date of the tentative map.
- ~~43. The decision of the Planning Commission may be appealed to the City Council within 15 days from the date of the approval letter. Said appeal must be in writing and filed with the City Clerk's office (DMC 19.144) and include all associated fees. The written appeal shall include reasons for the appeal.~~
44. That by acceptance of the approval of the project by the City, the applicant shall defend, indemnify and hold harmless the City of Duarte and its agents, officers and employees from any claim, action or proceeding against the City or its agents, officers and employees to challenge, set aside, void or annul the approval of the project or from any other action pertaining to this application or the granting of approval which may be brought within the time period provided for such actions or challenges under applicable law.



MEMORANDUM

To: Mayor and City Council

From: Teresa Renteria, Assistant Civil Engineer

Date: December 12, 2017

Subject: Bid Results and Award of Contract for Citywide ADA Ramps and Oak Avenue Improvement Project

RECOMMENDED ACTION

Staff recommends that the City Council authorize and award the construction contract for the "Citywide ADA Ramps and Oak Avenue Improvement Project" to All American Asphalt at P.O. Box 2229, Corona, CA 92878, as the lowest responsive and responsible bidder in the amount of \$51,830.65.

BACKGROUND

The City Council approved Community Development Block Grant (CDBG) funding for the Citywide ADA Ramps and Oak Avenue Improvement Project for FY2017-18. Oak Avenue lies within a CDBG-eligible low and moderate-income census tract areas and serves at least 51% low and moderate low-income persons, therefore considered as an eligible CDBG project.

The Citywide ADA Ramps and Oak Avenue Improvement Project consists of the construction of new corner curb ramps along Duarte Road at multiple cross-streets and at the northeast corner of Huntington Drive and Oak Avenue; removal and replacement of existing driveway approaches, installation of new curb, gutter, asphalt concrete and approximately 160 linear feet of new ADA compliant sidewalk on Oak Avenue.

ANALYSIS

On November 18, 2017 and November 25, 2017, the City published an invitation to bid on the Citywide ADA Ramps and Oak Avenue Improvement Project in accordance with Duarte Municipal Code (DMC) Section 2.36.060. On December 5, 2017, City Clerk publicly opened eight (8) bids for the subject project. The bids were reviewed for responsiveness to the bid specification requirements.

The following results were determined to be in conformance with the bid documents and specifications therefore, staff recommends that the bid be awarded to the lowest responsive and responsible bidder.

Responsive and responsible bidder results:

All American Asphalt, Corp.

\$51,830.65

Other proposals were submitted and were determined to be incomplete and non-responsive to the bid requirements that included Assembly Bill 219 (AB219).

Last year, AB219 added Section 1720.9 to the California Labor Code. It expands the definition of public works under the California Prevailing Wage Law to include the hauling and delivery of ready-mixed concrete to carry out a public works contract with respect to contracts involving any state agency. Therefore, Ready-mix haulers and companies that deliver ready-mixed concrete for public works projects are considered subcontractors.

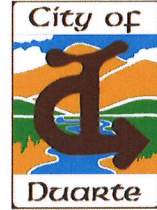
The funding source for this project consists of Community Development Block Grant (CDBG) funds from the City of Duarte.

CONCLUSION

Staff recommends that the City Council award the "Citywide ADA Ramps and Oak Avenue Improvement Project" to All American Asphalt at P.O. Box 2229, Corona, CA 92878, as the lowest responsive and responsible bidder in the amount of \$51,830.65.

DISTRIBUTION: Community Development Director
 City Clerk
 Staff

MEMORANDUM



TO: Mayor and Duarte City Council
FROM: Nick Baldwin, Associate Planner
DATE: December 12, 2017
SUBJECT: Hayden 5K Run, Family Walk and Roll, Family Festival with Car Show Co-Sponsorship Request

Recommendation: That the Duarte City Council, by motion, co-sponsor the Hayden 5K Run, Family Walk and Roll Festival with Car Show event on March 10, 2018 from 7:00 a.m. to 1:30 p.m.

Summary: Hayden Child Care Center, an affiliate of Santa Teresita, Inc., is requesting that the City of Duarte officially co-sponsor the tenth annual Hayden 5K Run, Family Walk and Roll and Family Festival with Car Show on Saturday March 10, 2018. Over 1,000 participants are expected to attend the event. The 5K Run and Family Walk and Roll is scheduled to start at 9:00 a.m.

The run will begin on the corner of Buena Vista Avenue and Royals Oaks Drive. Participants will run on Royal Oaks Drive until Royal Oaks North, and from there, merge onto the Duarte multi-purpose walking trail. Participants will then continue east until reaching the turnaround, and loop back onto the trail toward the finish line at Santa Teresita Campus. Following the run, a family festival including food, entertainment, vendors, and games will be available on the grounds of Santa Teresita until 1:30 p.m.

All netted funds will be used for the enhancement of Hayden Child Care Center.

Discussion: Hayden Child Care Center has hosted the Hayden 5K Run, Family Walk and Roll and Family Festival with Car Show for several years, and the City Council has traditionally granted co-sponsorship. This event promotes healthy living and family fun, drawing participants from not only the San Gabriel Valley, but also the greater Los Angeles area. In terms of co-sponsorship, the applicant is asking for access to City marketing venues including the electronic sign, social media platforms, press releases, and City website, plus the waiving of City fees for the special event permit, street banner permit, temporary banner permit fee, and park facility reservation (also requires Parks and Recreation Commission approval). The in-kind services to be provided by the City for crowd control and traffic control are not part of the sponsorship request.

FISCAL IMPACT: The co-sponsorship will include waiving both the City special event permit fee of \$25, the street banner permit fee of \$100, the temporary banner permit of \$15 and the park facility fee of \$137.50.

ATTACHMENT: Letter of Request



October 25, 2017

Mayor Margaret Finlay
City of Duarte
1600 Huntington Drive
Duarte CA 91010

Dear Mayor Margaret Finlay,

The Carmelite Sisters would like to invite you once again to our tenth annual ***Hayden 5K Run, Family Walk & Roll and Family Festival with Car Show***. We thoroughly enjoyed and appreciated your support at this community event last year. With much gratitude for the City of Duarte's past assistance, we ask for your continued support for this event coming on ***Saturday, March 10, 2018 at 9:00 a.m.***

Our joint effort will bring a greater promotion to the city's commitment to provide events that will foster healthy living. Our 5K events strengthen intergenerational family bonds, unite citizens, local business and service organizations in this 'City of Health.' Your co-sponsorship will not only benefit those who participate on the day, but will bring long lasting effects in our efforts to provide an optimal program for the numerous small children of our community that come through Hayden's doors each year.

The 5K Run will follow the same route, beginning on the corner of Buena Vista and Royal Oaks. Participants will run on Royal Oaks Drive until Royal Oaks North, where they will merge onto the Duarte Recreation Trail. From there, they will continue east until they reach the turnaround and loop back on the Duarte Recreation Trail toward the finish line at Santa Teresita Campus.

Following the run, a family festival including food, entertainment, vendors, and games will complete the event on the grounds of Santa Teresita. All netted funds will be used for the enhancement of Hayden Child Care Center, a DBA of Santa Teresita, Inc. since 1967.

To make this event a true success, we invite the City of Duarte to co-sponsor the Hayden 5K Run, Family Walk & Roll and Family Festival with Car Show. We look forward to hearing from you in the very near future. Thank you for your consideration, generosity and partnership.

Please be assured of our prayers for you and all in the City of Duarte and our gratitude for the numerous events that have brought us together in the past. We have great hopes for the continuation of working together in the future.

Sincerely,

Sister Celine, O.C.D.

Sister Celine, O.C.D.
Site Supervisor, Hayden Child Care Center
(626) 359-9592

Sister Marie Suzanne, O.C.D.

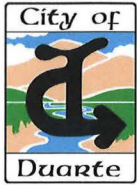
Sister Marie Suzanne, O.C.D.
Administrator, Santa Teresita, Inc.
(626) 408-7802

RECEIVED

OCT 26 2017

CITY OF DUARTE

COMMUNITY DEVELOPMENT



AGENDA MEMO

TO: Mayor Fasana and Members of the Duarte City Council

FROM: Karen A. Herrera, Deputy City Manager

SUBJECT: Co-Sponsorship Request from the Friends of the Duarte Library for a Special Screening of the documentary film "Beauty Bites Beast"

DATE: December 12, 2017

RECOMMENDATION: That the Duarte City Council, by motion, co-sponsor the Friends of the Duarte Library's special screening of the documentary film, *Beauty Bites Beast* on Wednesday, February 21, 2018, at the Duarte Senior Center, located at 1610 Huntington Drive Duarte, CA 91010.

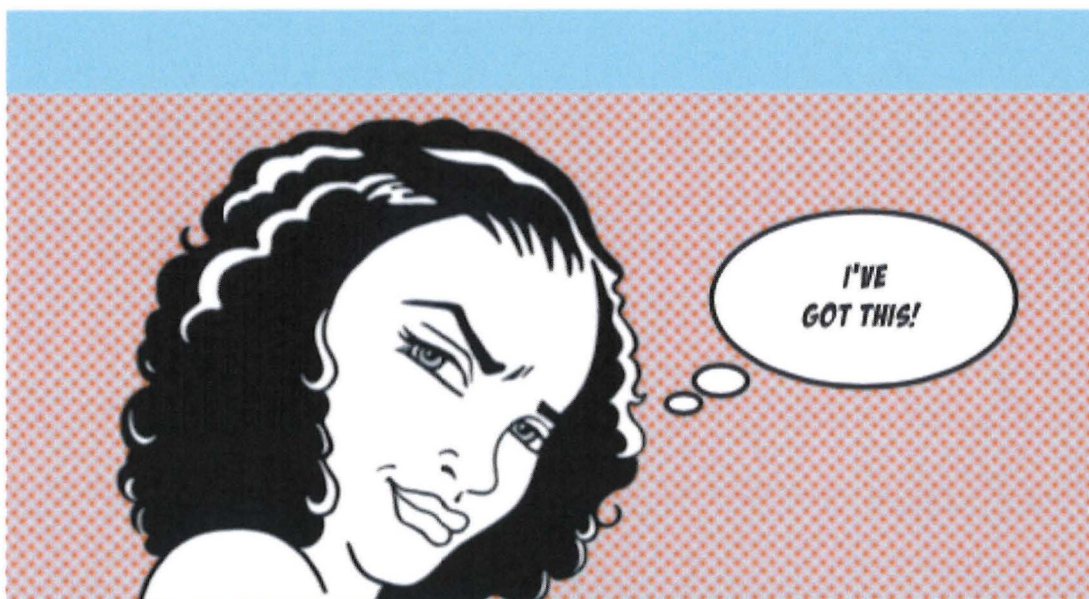
DISCUSSION: *Beauty Bites Beast* is written and directed by Ellen Snortland and co-produced by Ken Grubernan, which provides a message about the importance of ending violence toward women and girls. Councilmember Paras-Caracci was first introduced to this project at the recent Women's Business Expo, and wanted to help facilitate bringing this event to the community with the help of a local non-profit. Thus, the Friends of Duarte Library (FDL), State Senator Anthony J. Portantino, Assemblymember Blanca E. Rubio, County Supervisor 5th District Kathryn Barger, and the Duarte Chamber of Commerce will be co-sponsoring the event along with the City.

Logistics for the event include a reception with light refreshments scheduled at 5:30 pm, with the screening of the film from 6:30 pm to 8:00 pm, followed by a Q&A and book signing from 8:00 pm to 8:30 pm. The set-up will be for up to 150 theater-style seating. The event will be free to the public. The event committee includes Susan Nock, FDL President, Tina Carey, Jo-Ann Oloteo, Sheyla Sosa, Paula Watson-Gardner, and Honorary Event Chair Tzeitel Paras-Caracci.

In terms of co-sponsorship, the City is being asked to provide the Senior Center facility to host the event. In addition, the City has been asked to assist the committee by promoting the event on social media platforms, and providing access to its various marketing venues including the City website, electronic sign, etc. Staff is requesting that the City's logo be displayed on all flyers, programs, and other marketing pieces associated with the event.

FISCAL IMPACT: None

ATTACHMENT: Film Flyer



BEAUTY BITES BEAST_{.COM}



THE MISSING CONVERSATION
ABOUT ENDING VIOLENCE

A FILM BY
ELLEN SNORTLAND

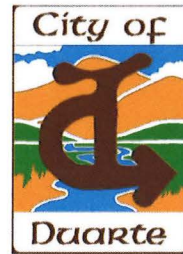
"Only our species is taught
to be 'feminine' and defenseless.
Beauty Bites Beast shows how women
around the world are taking back
our strengths and lives."

Gloria Steinem

"When a woman
is assaulted, her primary
duty is self-protection."

Gandhi

PROVIDENCE ENTERTAINMENT GROUP IN ASSOCIATION WITH BEAUTY BITES BEAST LLC & EL HALEY
PRESENTS BEAUTY BITES BEAST WRITTEN AND DIRECTED BY ELLEN SNORTLAND EXECUTIVE PRODUCER YEHUDIT ZICKLIN-SIDIKMAN
PRODUCED BY DEBORAH HARTNETT KENNEDY & ELLEN SNORTLAND ASSOCIATE PRODUCER LISA GAETA
CO-PRODUCER KEN GRUBERMAN EDITED BY CARLY SHORT



MEMORANDUM

TO: Mayor and City Council

FROM: Craig Hensley, Community Development Director 

DATE: December 12, 2017

SUBJECT: Authorize the City Manager to sign a Professional Services Agreement for the Duarte Housing Authority with Karen Warner Associates, Inc. for Housing Consulting Services in the amount of \$35,100 for preparation of housing element report, developing protocol for future state required reporting and preparation of affordable housing strategy; and amendment to the Housing Authority Budget to fund the project

Staff recommends that the City Council authorize the City Manager to enter into a Professional Services Agreement (PSA) with Karen Warner Associates for housing consulting services, to assist City Staff in:

- Preparation of Annual Housing Element Progress Report (APR)
- Development of a monitoring process and protocols for future APRs
- Assistance on policy and/or ordinances revisions necessary to address recent changes in State law related to passage of the Governor's Housing Package
- Preparation of Affordable Housing Strategy to provide roadmap for expenditure of City housing funds

Passage of recent Legislation, including, SB 35 and AB 879, impose additional reporting requirements for the Annual Housing Element Progress Report. It is essential that this process be completed in accordance with State requirements. The changes greatly expand City requirements for reporting and monitoring local housing programs not only this year, but in the future. The consultant will assist Staff by preparing the annual report and will develop a monitoring process to use in future years, so that Staff can address much of the work going forward. In addition, the consultant will investigate and prepare an analysis of governmental constraints for reporting. Finally, the consultant will prepare a detailed Affordable Housing Strategy. This will allow the City to plan for the future use of Housing Authority Funds. This project will be utilize Housing Authority funds and requires a budget amendment for the contract amount.

Attachments: Professional Services Agreement

CITY OF DUARTE
AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and effective as of _____ ("Effective Date"), by and between the CITY OF DUARTE, ("City") and Karen Warner Associates, Inc., a California corporation ("Consultant"). City and Consultant may sometimes herein be referred to individually as a "party" and collectively as the "parties." In consideration of the mutual covenants and conditions set forth herein, and for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. TERM

This Agreement shall commence on the Effective Date and shall remain and continue in effect until December 13, 2017 or until the tasks listed in the Scope of Work are completed, unless sooner terminated pursuant to the provisions of this Agreement. The term may be extended upon execution of a written amendment between the parties.

2. SERVICES AND PERFORMANCE

- A. In compliance with all terms and conditions of this Agreement, the Consultant shall provide housing consulting services, which services may be referred to herein as the "services" or "work" hereunder. The Scope of Service may also include additional tasks described in Consultant's letter attached hereto as Exhibit "A." In the event of any inconsistency between the terms of Consultant's letter and this Agreement, the terms of this Agreement shall govern.
- B. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that Consultant is a provider of first class work and services and Consultant is experienced in performing the work and services contemplated herein and, in light of such status and experience, Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder.
- C. The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for City to enter into this Agreement. Therefore, without the prior written approval of City, which may be given or withheld at City's sole and absolute discretion, Consultant shall not (i) contract with any other entity to perform in whole or in part the services required hereunder, or (ii) transfer, assign, convey, or encumber (voluntarily or by operation of law) this Agreement.
- D. Consultant shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

- E. Consultant shall provide all services rendered hereunder in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered. Each and every provision required by law to be included in this Agreement shall be deemed to be included, and this Agreement shall be read and enforced as though they were included.

3. MANAGEMENT

The City's Community Development Director shall represent City in all matters pursuant to the administration of this Agreement, review and approval of the services performed by Consultant, and the City Manager shall have the authority, subject to the limitations set forth in Section 4, to enlarge the Scope of Services or increase the compensation due to Consultant. Consultant's official representative in the administration of this Agreement shall be Karen Warner, who shall have the authority to make all decisions for Consultant and bind Consultant to the terms of this Agreement.

4. COMPENSATION

- A. City agrees to pay Consultant an amount not to exceed \$35,100.00, based on the scope of services set forth in Consultant's letter attached hereto as Exhibit A.
- B. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement that are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given.
- C. Consultant shall be paid on a monthly basis and shall submit monthly invoices/reports to City, within ten (10) days following the end of each month, showing actual services performed. Consultant shall be paid on the next regular council warrant after all required paperwork is submitted. If the City disputes whether Consultant has earned its fee or any portion, City shall give written notice to Consultant within thirty (30) days of receipt of Consultant's monthly report stating the basis for such dispute.

5. SUSPENSION OR TERMINATION OF AGREEMENT

- A. City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving written notice upon Consultant. Upon receipt of said notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. In the event this Agreement is

suspended or terminated pursuant to this subparagraph (a), Consultant shall submit a final report to the City pursuant to Section 4, and City shall be entitled to receive a return of the fee paid to Consultant, or portion thereof, if the reason for the termination is failure by Consultant to have timely performed the services set forth in Exhibit "A." In City's sole and absolute discretion, prior to effecting a suspension or termination pursuant to this subparagraph (a), the City may first serve upon the Consultant a written notice of the default specifying the default and the amount of time that Consultant shall have to cure, correct, or remedy the default. In the event that the Consultant fails to cure the default within the specified period of time, the City shall have the right to immediately terminate this Agreement pursuant to subparagraph (a). Notwithstanding any other provision of this Agreement to the contrary, City's termination of this Agreement pursuant to this subparagraph (a) shall not preclude or prejudice any other remedy to which City may be entitled in law or in equity.

- B. Consultant may terminate this Agreement only due to a material breach by City, and only upon not less than thirty (30) days' prior written notice to the City which notice shall specify the material default. Upon receipt of such notice, City may, but shall not be obligated to, effect to remedy of such default.

6. RECORDS AND OWNERSHIP OF DOCUMENTS

- A. Consultant shall maintain complete and accurate records with respect to costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to produce an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of six (6) years after receipt of final payment
- B. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. Consultant shall provide such items to City promptly upon completion of the Agreement. Any use of such documents for other projects by the City shall be without liability to Consultant.

- C. Any information gained by Consultant in the performance of this Agreement shall be considered confidential and such information and the reports, records, documents and other materials prepared by Consultant in the performance of services under this Agreement shall not be released publicly or to any other client of Consultant without the prior written approval of the City Manager.

7. INDEMNIFICATION

Consultant shall defend, indemnify and hold harmless the City from and against all damages and liability caused by the negligent actions or willful misconduct of the Consultant or its employees, agents, or representatives. Consultant shall not be responsible for any damages or liability to the extent caused by the negligence or willful misconduct of the City or any of its employees, agents, or representatives acting in an official capacity.

8. INSURANCE

Without limiting Consultant's indemnification obligations as set forth in this Agreement, the Consultant shall procure and maintain, at its sole cost and expense, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

- A. Commercial General Liability insurance written on a per occurrence basis in an amount not less than \$1,000,000 per occurrence.
- B. Business Auto Coverage written on a per accident basis in an amount not less than \$1,000,000 per accident. If Consultant or Consultant's employees use personal autos in connection with the performance of work under this Agreement, Consultant shall provide evidence of personal auto liability coverage for each such person.
- C. Worker's Compensation providing statutory benefits as required by California law.
- D. Professional Liability or Errors and Omissions Insurance designed to protect against acts, errors or omissions of the Consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate.
- E. All of the insurance policies required hereunder, except the worker's compensation insurance, shall comply with the following requirements:

- (1) All insurance shall be written by insurers that are admitted and licensed to do

business in the State of California and with A.M. Bests rating of B++ or better and a minimum financial size VII.

- (2) The policies shall be endorsed to name the City and its officers, officials, employees, agents, and volunteers as additional insureds.
 - (3) All of Consultant's insurance: (i) shall contain no special limitations on the scope of protection afforded to the additional insureds; (ii) shall be primary insurance and any insurance or self-insurance maintained by the additional insureds or any of them shall be in excess of the Consultant's insurance and shall not contribute with it; (iii) shall be "occurrence" rather than "claims made" insurance; (iv) shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability; (v) shall prohibit Consultant from waiving the right of subrogation prior to a loss except for professional liability; and (vi) shall not contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured.
 - (4) The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change.
- F. Consultant shall renew the required coverage annually as long as City or its employees or agents face an exposure from the Consultant's operations pursuant to this Agreement. Termination of this obligation shall survive the termination or expiration of this Agreement and shall not be effective until City executes a written statement to that effect.
- G. No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance evidencing the above insurance coverages and said Certificates of Insurance are reasonably approved by the City. Certificates are to reflect that the insurer will provide 30 days written notice to City of any cancellation of coverage. In the event any of said policies of insurance are reduced in limits or cancelled for any reason, the Consultant shall, prior to the cancellation date, submit new evidence of insurance, in conformance with this Paragraph 8.
- H. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this Agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.
- I. Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the work performed under this Agreement. City assumes

no obligation or liability by such notice, but has the right to monitor the handling of any such claim or claims if they are likely to involve City.

9. INDEPENDENT CONSULTANT

- A. Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, officials, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents is in any manner officers, officials, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.
- B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

10. NO UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City shall receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement.

11. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or has responsibilities with respect to the Agreement during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the services performed under this Agreement.

12. COVENANT AGAINST DISCRIMINATION

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that in the performance of this Agreement there shall be no discrimination

against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

13. NONLIABILITY OF CITY OFFICERS AND EMPLOYEES

No officer, official, employee, agent, representative, or volunteer of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

14. NOTICES

Any notices which either party may desire to give or may be required to give to the other party under this Agreement must be in writing and may be given either by (a) personal service, or (b) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (c) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

If to City:	City of Duarte Community Development Department 1600 Huntington Drive Duarte, California 91010
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If to Consultant:	Karen Warner Associates Karen Warner 882 N. Holliston Ave. Pasadena, CA 91104
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15. GOVERNING LAW; ATTORNEY'S FEES; LITIGATION MATTERS

The internal laws of the State of California, without regard to principles of conflicts of laws, shall govern the interpretation of this Agreement. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding anything in this Agreement to the contrary, in no event shall Consultant be entitled to economic or consequential damages or to punitive damages. In the event of any litigation arising from or related to this Agreement, the prevailing party shall be entitled to recover all reasonable costs incurred, including staff time, court costs, attorney fees, expert witness fees, and other related expenses. The Municipal and Superior Court of the County of Los Angeles shall have exclusive jurisdiction over any litigation between the parties hereto

concerning this Agreement. Service of process on City shall be made in the manner required by law for service on a public entity. Service of process on Consultant shall be made in any manner permitted by law and shall be effective whether served inside or outside of California.

16. RIGHTS AND REMEDIES ARE CUMULATIVE; AND WAIVER

- A. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.
- B. No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

17. SEVERABILITY

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

18. INTERPRETATION; ENTIRE AGREEMENT

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect.

19. EXECUTION OF CONTRACT

The persons executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

20. EFFECTIVE DATE

The Effective Date of this Agreement shall be the date set next to the signature of the City Manager below, which date shall be inserted into the preamble of this Agreement.

[end –signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Agreement as of the Effective Date.

CITY OF DUARTE

CONSULTANT

Karen Warner Associates

By _____
Darrell George, City Manager

By _____
Karen Warner

Its: _____

Date: _____

Date: _____

EXHIBIT "A"

CONSULTANT'S LETTER

[SEE FOLLOWING PAGES]



CITY OF DUARTE

HOUSING CONSULTING SERVICES

PROPOSAL

November 22, 2017

KAREN WARNER ASSOCIATES, INC
Housing Policy Consultants
882 N. Holliston Avenue
Pasadena, California 91104
(626) 791-5596
kwarnerasoc@yahoo.com



KAREN WARNER ASSOCIATES

**CITY OF DUARTE
HOUSING CONSULTING SERVICES**

PROPOSAL

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SCOPE OF WORK

Based on my discussions with staff, the City is requesting consulting assistance with the following four items:

- Preparation of Annual Housing Element Progress Report (APR)
- Assistance in establishing monitoring protocols for future APRs
- Advice on policy and/or ordinances necessary to address recent changes in State law related to passage of the Governor's Housing Package
- Preparation of Affordable Housing Strategy to provide roadmap for expenditure of City housing funds

The following section outlines the proposed scope of services associated with each of these four tasks.

TASK 1. ANNUAL HOUSING ELEMENT PROGRESS REPORT (APR) - 2016 & 2017

Passage of SB 35 and AB 879 impose additional reporting requirements for the Annual Housing Element Progress Report, effective January 1, 2018. In summary, Government Code Section 65400 has been amended to now require reporting on the following:

- Net new dwelling units issued a completed entitlement, building permit, or certificate of occupancy by income category
- Number of housing development applications and number of units included in each application
- Number of units approved and disapproved
- Listing of sites rezoned to accommodate that portion of the RHNA for each income category that could not be accommodated on sites identified in the housing element site's inventory
- Any additional sites that may have been required to be identified under No Net Loss Zoning Law

In addition to these new requirements, the APR will continue to include a review of the City's progress in addressing the regional housing needs allocation by income level, the status of Housing Element programs, and efforts to remove governmental constraints. The analysis of governmental constraints shall include any locally adopted ordinances that directly impact the cost and supply of residential development. The analysis of nongovernmental constraints shall include requests to develop housing at densities below those anticipated in a specified analysis, and the length of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality's share of the regional housing need.

The APR is to be prepared through the use of standards, forms, and definitions adopted by HCD. Once HCD has published the new forms, et cetera, KWA will submit a list of

data needs to the City and subsequently complete a screen draft of the APR. As Duarte did not complete an APR for calendar year 2016, reports will be prepared for both the 2016 and 2017 periods. Upon receipt of staff comments on the draft reports, KWA will revise the APRs and prepare the Public Review Draft documents. A public notice will be published and the document will be made available for public review and comment and placed in key locations in the City. As part of the public review process, KWA will conduct a public hearing before City Council, and will prepare a draft staff report for review/refinement by City staff.

KWA will prepare the APR both as a hard copy for public review and distribution and using State HCDs on-line forms, and will assist the City in submitting to State and HCD and OPR by the April 1st deadline.

Products:

- List of Data Needs
- Screen draft Annual Report
- Public Review draft Annual Report
- City Council Staff Report
- Adopted Annual Report for submittal to HCD and OPR

Meetings:

- Public Hearing before City Council

TASK 2. APR MONITORING PROTOCOLS

In order to establish an efficient means of collecting the various data required for the APR on an ongoing basis, KWA will assist the City in establishing monitoring protocols. A set of written procedures will be prepared which define how and when in the development process data is to be collected and reported. In addition to the monitoring protocols, KWA will develop reporting worksheets for use by planning staff which correspond to HCDs new APR forms.

Products:

- Written Monitoring Protocols for APR Reporting
- Reporting Worksheets

TASK 3. ADDRESSING THE GOVERNOR'S HOUSING PACKAGE

Governor Brown's "Housing Package" encompasses a total of 15 new bills aimed at addressing the affordable housing crisis. KWA will evaluate each of these bills, and advise the City on potential policies and/or ordinances appropriate to address the new laws. Bills of particular impact in Duarte include:

SB 35 - Developer option for ministerial streamlining of some housing projects

SB 166 - Mandated continuous rezonings of housing sites

AB 678/SB 167 - Strengthening the Housing Accountability Act

AB 1515 - Change to Housing Accountability Act to allow applicant to deem project consistent with General Plan and zoning

AB 1505/SB 277 - Restoration of local inclusionary authority in rental housing

AB 494/SB 229 - ADU clean-up legislation

SB 540 - Workforce Housing Opportunity Zones

AB 73 - Housing Sustainability Districts

Products: - Memorandum summarizing the new housing bills, and as relevant, options and recommendations on how to address locally

TASK 4. AFFORDABLE HOUSING STRATEGY

The purpose of establishing an Affordable Housing Strategy is to develop a guide for the implementation of affordable housing programs and projects which will maximize financial resources and effectively address Duarte's housing needs and priorities. We recommend the following steps to developing a Housing Strategy for the City, subject to refinement based on further discussions with staff:

- 1) Review of existing and projected housing needs
- 2) Evaluation of existing and potential financial, land and regulatory resources
- 3) Evaluation of historical City/Agency housing activities and expenditures
- 4) Recommendation of implementation programs and funding allocations

Each of these steps is further described below:

- 1) Review of existing and projected housing needs. This will consist of an overview of Duarte's primary housing needs as documented in the City's 20014-2021 Housing Element, updated with current market information on rents and sales prices to assess affordability. The City's progress in addressing its RHNA by income category will also be evaluated, along with an assessment of remaining Housing Element sites to address the City's lower income housing needs.
- 2) Evaluation of existing and potential financial, land and regulatory resources. This will include a five-year projection of City-controlled financial resources (former RDA Housing Asset Fund, Inclusionary Housing Trust Fund, CDBG), as well as other potential resources (such as new funding to be made available through the State). This section will also include an inventory of City owned sites with potential for development with housing. Another important resource to be evaluated are the City's zoning incentives, such as inclusionary zoning, and

regulations which foster the production of affordable housing in the private market, such as density bonuses.

- 3) Evaluation of historical City/Agency housing activities and expenditures. This section will summarize the former RDAs housing activities and expenditures, as compiled from past RDA Housing Reports. An overview of City activities in support of affordable housing, such as units produced through the City's inclusionary ordinance, will also be presented.
- 4) Recommendation of implementation programs and funding allocations. Based on the various issues and opportunities identified in the first three sections of the report, a draft set of program recommendations will be prepared for review with staff. KWA will meet with staff to discuss any program refinements, and to develop the recommended funding allocations for presentation to City Council. The adopted Affordable Housing Strategy will serve to provide guidance to staff and the City's decision-makers in the allocation of resources and the implementation of housing programs and projects over the 2018 - 2022 period.

Products:

- Screen draft Housing Strategy
- Public Review draft Housing Strategy
- City Council Staff Report
- Final Housing Strategy

Meetings:

- Public Hearing before City Council

PROJECT SCHEDULE/TIMELINE

The following presents a preliminary project schedule for the housing consulting services outlined in the Scope of Work, subject to refinement based on discussions with staff. .

PRELIMINARY PROJECT SCHEDULE

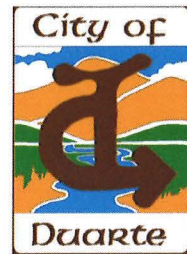
#	Task	Timeframe
1	Annual Housing Element Progress Report (APR)	Jan - March
2	APR Monitoring Protocols	March - April
3	Addressing Governor's Housing Package	March - April
4	Affordable Housing Strategy	April - July

PROPOSED FEE

The following provides an estimate of the number of hours to complete each task, subject to refinement based on further discussions with staff. Given the focused nature of this work effort, Karen Warner will be solely responsible for provision of the requested housing consulting services.

PROJECT BUDGET

<u>TASK</u>	Staff Person Hourly Rate	Warner \$135 # Hours	<u>TOTAL</u>
1	Annual Housing Element Progress Report (2016 & 2017)	50	\$6,750
2	APR Monitoring Protocols	20	\$2,700
3	Addressing Governor's Housing Package)	40	\$5,400
4	Affordable Housing Strategy	150	\$20,250
PROJECT TOTAL		260	\$35,100



MEMORANDUM

TO: Mayor and City Council

FROM: Craig Hensley, Community Development Director *CH*

DATE: December 12, 2017

SUBJECT: Exclusive Negotiating Agreement (ENA) between the City and MJW Investments for the potential sale and development of Successor to the Duarte Redevelopment Agency properties; properties located at 946, 956 and 962 Huntington Drive (Assessor's Parcel Numbers 8530-013-902, 8530-013-903, and 8530-013-904)

Staff recommends that the City Council authorize the City Manager to enter into an Exclusive Negotiating Agreement (ENA) with MJW Investments, LLC for the City Owned properties at 946, 956 and 962 Huntington Drive, directly to the west of the Mountain Vista (Target) Shopping Center. The properties comprise about 45,000 square feet.

The properties are currently are vacant and are the final pieces controlled by the Successor to the Duarte Redevelopment Agency. Matt Waken of MJW Investments has approached the City and believes that he can develop the property with a high quality development. This will include MJW taking steps to acquire the approximately 11,000 square foot property that the Agency property surrounds for purposes of assembly and comprehensive development.



Initiating this ENA does not require the City to agree to sell the properties. It allows the City the ability to work with MJW Investments to determine the most appropriate type of development for the site and to consider the appropriate property price.

The Council may recall that the City has worked with Mr. Waken in the past on the 161 unit mixed use project in the Town Center area. That project has produced an excellent working relationship and we feel that this project will be the same.

The proposed ENA gives the Developer six months to consider site development and requires \$30,000 in deposit to pay for city expenses. During the negotiation period, Staff and the Developer plan to meet to discuss property value and the most effective way to develop the property. The Developer will also need to make significant strides in acquiring the adjacent private property.

Attachments: Exclusive Negotiating Agreement

EXCLUSIVE NEGOTIATING AGREEMENT

THIS EXCLUSIVE NEGOTIATING AGREEMENT ("Agreement") is made and entered into as of _____, 2017, by and between the **CITY OF DUARTE**, a public body corporate and politic ("**City**"), and **MJW INVESTMENTS, LLC**, a California limited liability company ("**Developer**"). City and Developer are sometimes referred to in this Agreement, each individually, as a "**Party**," or, collectively, as the "**Parties**." City and Developer enter into this Agreement with reference to the following recited facts (each a "**Recital**")

RECITALS

The following recitals are a substantive part of this Agreement.

A. Developer desires to develop the following properties owned by the City acting as the Duarte Housing Authority, located at 946, 956 and 962 Huntington Drive, and designated as (Assessor's Parcel Numbers 8530-013-902, 8530-013-903, and 8530-013-904, (collectively, the "**Site**"). The Site is shown on the Site Map, which is attached hereto as Exhibit A and incorporated herein by reference. The specific parcels included within the Site may be adjusted by mutual agreement of the Parties during the Negotiating Period (as the term is hereinafter defined).

B. Developer desires to negotiate the terms and provisions of a Purchase and Sale Agreement (the "**PSA**") and also potentially a Development Agreement (the "**DA**") with the City to acquire the City Parcels for the purpose of developing a project consisting generally of mixed use commercial and residential uses on the Site ("**Project**").

C. The Parties agree and acknowledge that the purpose of this Agreement is to establish a period during which the Developer shall have the exclusive right to negotiate with the City the terms of the PSA and any DA regarding the Site, which will include, without limitation, the development of a site plan for the Project, and the application for permits to develop the Project-related specific uses of the Site.

D. The Parties intend that during the Negotiating Period (as the term is hereinafter defined) each will perform certain actions and responsibilities under this Agreement.

NOW, THEREFORE, the Parties mutually agree as follows:

1. **Negotiating Period.** For the purposes herein, the City agrees to negotiate in good faith exclusively with the Developer regarding the Site, and the Developer similarly agrees to negotiate with the City, for a period of six (6) months from the date of this Agreement (the "**Negotiating Period**"). The City agrees for the duration of the Negotiating Period not to negotiate with any other person or entity to enter into any agreement regarding the acquisition, disposition or development of the Site. "Good faith negotiations" shall mean that the Developer and the City shall use their reasonable best efforts to communicate frequently and expeditiously, and in general to follow reasonable negotiation procedures to develop a Purchase and Sale Agreement (PSA) for the Site, and possibly also a Development Agreement

(DA), or both, upon terms mutually acceptable to the Developer and the City. The exact terms and conditions of a PSA or DA, if any, shall be determined during the course of these negotiations. Nothing in this Agreement shall be interpreted or construed to be a representation or agreement by either the City or the Developer that a mutually acceptable PSA or DA will be produced from negotiations under this Agreement. Nothing in this Agreement shall impose any obligation on either Party to agree to a definitive PSA or DA in the future. Nothing in this Agreement shall be interpreted or construed to be a guaranty, warranty or representation that any proposed PSA or DA that may be negotiated by City staff and the Developer will be approved by the governing bodies of the City. The Developer acknowledges and agrees that the City's considerations of any PSA or DA is subject to the sole and absolute discretion of their City Council and all legally required public hearings, public meetings, notices, factual findings and other determinations required by law. Each of the parties will bear its own costs and expenses, including, but not limited to, attorneys' fees, incurred or to be incurred in connection with negotiating and preparing this Agreement and carrying out the obligations under this Agreement.

2. CEQA and EIR Consultant. In the event that the City determines, after preparation of an initial study for the Project on the Site pursuant to the California Environmental Quality Act ("CEQA"), that an environmental impact report ("EIR") is required to be prepared, then the Negotiating Period shall be extended to the date that is the earlier of (a) approval of the PSA and/or DA by the City's City Council; or (b) eighteen (18) months from the date of completion of the initial study; provided, however, that the afore-described eighteen (18) month period may be extended in an amount of time equivalent to any delays that are not caused by or contributed to in any way by any actions of the Developer. In addition to the foregoing, the Parties may mutually agree in writing, each in their respective sole and absolute discretion, to extend the Negotiating Period. A CEQA initial study shall be prepared within thirty (30) days after the City's receipt of Developer's submission of the information listed in clauses (a), (b), and (c) of Section 6 hereof. If, on the basis of the completed initial study, the City determines that an EIR is required to be prepared, the Parties agree that the City shall contract with a consultant to be chosen by City in its sole discretion ("EIR Consultant") to prepare the EIR on behalf of City. The work of the EIR Consultant shall be overseen by, and shall proceed under the direction of, the City. Costs associated with the EIR consultant and its preparation of an EIR (if required) shall be paid by and be the responsibility of Developer, and the specific terms of the manner of processing of invoices and the payment of same, either directly by Developer or through reimbursement to City, shall be determined pursuant to a separate agreement between the Parties.

3. Termination. City and Developer shall negotiate diligently in good faith to carry out all the obligations of this Agreement on or before the times established in this Agreement, to establish development plans and concepts for the Project, and to establish the fair market value of the Site. Except as the Negotiating Period is extended pursuant to this Section 3, if at the end of the Negotiating Period, the Parties have not completed the negotiations of the terms and provisions of the PSA and DA, then this Agreement shall automatically terminate without further written notice. Upon such automatic termination of this Agreement and expiration of the Negotiating Period, both Parties knowingly agree that neither Party shall have any further rights or remedies as against the other, except to the extent of City's obligation to return to

Developer those amounts of the Deposit (referenced in Section 4 below) City is required by this Agreement to return to Developer. If by or prior to the end of the term of the Negotiating Period a form of PSA and/or DA is mutually agreed upon between the City staff and Developer, and an authorized representative of the City states in writing that he or she will recommend approval of the PSA and/or DA to the City Council, then this Agreement shall not automatically terminate, but shall be extended for forty-five (45) days to enable the City Council to take the actions necessary to (i) duly notice and hold hearings, as legally required; (ii) consider the PSA and DA, (iii) take action to approve, modify, or disapprove the PSA and/or DA; and (iv) if approved, execute the PSA and/or DA and deliver it to Developer. Notwithstanding anything to the contrary set forth herein, Developer may elect to terminate this Agreement at any time upon written notice to City.

4. Deposit. Within fifteen (15) days of the date of this Agreement, the Developer shall deliver to the City cash, federal wire transfer, or a cashier's or certified check in the amount of Thirty Thousand Dollars (\$30,000) (the "Deposit") as a good faith deposit. The Deposit shall be immediately available to City, and may be drawn down and used by the City for any of its costs associated with financial analysis and related studies associated with the development of the Site, including third party costs for real property valuation studies, , and related consulting and legal services undertaken at the direction of the City. For this Project, the City has advised Developer it intends to hire RSG to provide financial valuation analysis, and in such capacity RSG will take direction from, and be managed by, the City. If additional funds are needed to replenish the Deposit, the Developer and the City agree to negotiate additional payments to the satisfaction of both parties, and if no such agreement is reached, City shall have no further obligation to process any studies, CEQA analyses, or development applications for the Project. There shall be no obligation for City to invest the Deposit funds, but if invested such funds may be placed in a general passbook account, with interest, if any, to be retained in such account and accrue to the benefit of such account, and be added to the principal amount of the Deposit. The City shall maintain accurate documentation of accrued interest (if any) and the expenditures of Deposit funds, which information shall be made available to the Developer upon request. In the event that the term of this Agreement expires or is terminated without the successful negotiation and approval of a mutually acceptable PSA and/or DA, the Deposit and accrued interest (if any) remaining at the time of expiration or termination shall be returned by the City to the Developer within ten (10) days after such expiration or termination, less any amounts due from City to its CEQA, valuation, or other consultants for work which at that time has been undertaken done but not yet billed or invoiced. In the event that the Parties enter into a mutually acceptable PSA and /or DA, the full amount of the Deposit (including accrued interest, if any), without deductions for City expenditures, shall be applied in the PSA as a good faith deposit toward the purchase price of the Site.

5. Developer's Negotiators. The Developer represents to the City that Matt Waken is the person with whom the City staff shall work on a day-to-day basis concerning the negotiations toward the execution of the PSA and /or DA for the development of the Site. If the Developer desires to designate other individuals as the lead negotiators on its behalf for the development of the Site, then it shall provide written notification to the City in a timely manner. During the Negotiation Period, the Developer shall also keep City staff advised on the

progress of the Developer in performing its obligations under this Agreement, on a regular basis or as requested by City Staff including, without limitation, having one or more of the Developer's employees or consultants who are knowledgeable regarding this Agreement, the design and planning of the Project and the progress of negotiation of a PDA or DA, such that such person(s) can meaningfully respond to inquiries from City regarding the progress of the design and planning of the Project or the negotiations, attend meetings with City Staff, as reasonably scheduled by City Staff during the Negotiation Period.

6. Developer Submissions. Developer agrees that within one hundred twenty (120) days following the date of this Agreement it shall submit to the City the following documents, reports, and information, in a form reasonably satisfactory to the City and consistent with City's development entitlement application requirements, that will provide the City with the following information (the "Developer Submissions"):

(a) A preliminary site plan for each property area that indicates the general lay-out of the Project on the Site.

(b) A project description sufficient for the preparation of the initial study, including a plan for each property area that includes: estimated residential unit count and project density, number of parking spaces proposed, general building heights and locations; estimated traffic generation (in both trip generation and vehicle miles travelled formats) and internal vehicle circulation, and other related material sufficient to conduct a valid initial evaluation of the project adequate under CEQA.

(c) A proposed schedule for development of the Site.

(d) Estimates of the income from the development of the Site and a pro forma statement of the return on investment in the development of the Project adequate to enable the City to evaluate the economic feasibility of the proposed development of the Site with the Project, including, without limitation, the proposed purchase price and other economic terms for the acquisition of the Site to be conveyed to the Developer under the PSA. The economic pro forma shall be in a form typically submitted to a construction lender, and shall include, without limitation, hard and soft costs relating to construction and development, and shall clearly and separately identify any proposed entrepreneurial profit margins or assumptions.

(e) Descriptions of the proposed equity and debt and method of construction financing.

(f) Evidence that the Developer has had good faith preliminary discussions with property owners that own property in the development area whose cooperation will or may be necessary to complete a comprehensive development of the Site, including with respect to access and parking.

(g) A Phase 1 environmental assessment of the Site, provided at Developer's expense.

7. **City Analysis.** The City agrees to conduct a financial analysis of the proposed Project on the Site (in accordance with Section 4, above) to determine the development feasibility of the Project on the Site. City further agrees to cooperate in establishing contacts with other property owners within the Site or in the development area whose cooperation will or may be necessary to complete a comprehensive development of the Site, including with respect to access and parking. The City further agrees that all financial and economic information submitted by Developer to City in order to conduct such analysis shall be treated as confidential and as proprietary to the Developer to the full extent permitted by law, and shall not be released to the public or treated as a public record unless consented to by the Developer in writing or required to be treated as a public record by applicable law. City shall advise Developer promptly of any Public Record Act request made which might include proprietary or confidential information that is submitted by Developer to City for the purposes of such analysis, and to the extent feasible and consistent with applicable law and time limitations, City shall consult with Developer's legal counsel prior to publicly disclosing any such information.

8. **Supplemental Progress Reports.** In addition to the information required in Section 4 above, at sixty (60) day intervals from the Developer Submissions (including all extended periods), the City may request, in writing, that the Developer provide to the City written reports regarding its progress in meeting the terms and obligations of this Agreement. Developer shall provide such information within 10 days of receiving such request(s). The City may also request additional informal verbal reports of such matters from the Developer, which Developer shall promptly and reasonably respond to.

9. **City Consideration of Developer Submittals.** Within thirty (30) days after Developer has submitted each item of the information described in Section 6 hereof, the City shall notify Developer in writing of its approval or disapproval of each such submittal(s) (and if disapproved, a reasonable statement of the reasons therefor). The Developer's Submissions pursuant to Section 6 hereof shall not be deemed approved by the City as a result of the City's failure to timely approve or disapprove such submissions.

10. **City Cooperation.** City agrees to cooperate with Developer in supplying financial institutions with appropriate information, if available and not otherwise privileged, to facilitate the obtaining of financing for the development of the Site. City shall also reasonably cooperate with Developer's professional consultants and associates in providing them with information and assistance reasonably within the capacity of the City to provide (without cost to the City) in connection with the preparation of the Developer's submissions to the City pursuant to this Agreement, or as required by state or local laws and regulations. City agrees to cooperate reasonably with and assist Developer in negotiations to obtain a reciprocal access agreement as may be required by the Project from any adjacent property owner. City makes no warranty or guarantee that such any reciprocal access agreement will be obtained from any adjacent property owner. Notwithstanding the foregoing, the Developer will assume the full and complete responsibility to make all investigations of surface and subsurface conditions as may be necessary or appropriate and to evaluate the suitability of the Site for the proposed Project. The City makes no representations or warranties concerning the Site, its suitability for the use intended by the Developer, or the surface or subsurface conditions of the Site.

11. Design and Development Objectives. The design and development objectives for the development of the Site shall be specified in the PSA and DA and the actual development shall be in conformity therewith. All design, architectural, and building plans for development of the Project on the Site shall be subject to review and approval of the City.

12. Change in Developer. The qualifications of the Developer are of particular value and interest to the City. It is in part because of such qualifications that the City has entered into this Agreement with the Developer. Consequently, no person or entity, whether a voluntary or an involuntary successor of Developer, shall acquire any rights or powers under this Agreement nor shall the Developer assign all or any part of this Agreement without prior written City approval. Any purported transfer, voluntary or involuntary or by operation of law, without prior written City approval, shall be absolutely null and void and shall confer no rights whatsoever under this Agreement or relating in any respect the development of the Site upon any purported assignee or transferee. Notwithstanding anything in this Agreement, including this Section 12, to the contrary, Developer may assign its rights, obligations, and interests in this Agreement to (i) another entity in which Developer maintains both a majority interest and management control, and (ii) a lender for financing purposes related to the development of the Site.

13. Non-Discrimination. Developer shall not discriminate against nor segregate any person or group of persons on account of sex, sexual preference, age, race, color, marital status, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the development of the Site, nor shall the Developer establish or permit any such practice or practices of discrimination or segregation in the selection, location, number, use, or occupancy of tenants, lessees, subtenants, subleases or vendees of the properties.

14. No Predetermination of City Discretion. The Parties agree and acknowledge that nothing in this Agreement in any respect does or shall be construed to affect or prejudice the exercise of the City's and/or the City's legislative and quasi-adjudicatory discretion concerning consideration of any CEQA analysis, consideration, review and potential approval of the Project (including any conditions or exactions thereon), conveyance of the Site to Developer or terms thereof, or any submittal by the Developer. Further, nothing in this Agreement in any respect does or shall be construed to affect or prejudice the City's legislative and quasi-adjudicatory discretion to consider, negotiate, or undertake the acquisition and/or development of any portion of the Site, or shall affect or inhibit the City's compliance with the laws, rules, and regulations governing the acquisition and disposition of property, the consideration or review of development entitlements, the conditions thereof, or any matter vested in the legislative or quasi-adjudicatory discretion of the City.

15. Agreement Does Not Constitute Development Approval. The City reserves full and final discretion as to the ultimate terms and approval of any PSA and DA and all proceedings and decisions in connection therewith. This Agreement is solely an exclusive agreement to negotiate, and is not, and shall not be construed as, a grant of any type of development rights or land use entitlements to develop the Site or any project. All design, architectural, and building plans for the development of the Site shall be subject to the full

review and approval of the City. By its execution of this Agreement, the City is not committing itself to nor agreeing to undertake the disposition of the Site or other real property to the Developer, or any other acts or activities requiring any subsequent independent exercise of discretion by the City or any agency or department thereof.

16. Address for Notices. Any notices pursuant to this Agreement shall be in writing and sent by (a) Federal Express (or other established express delivery services which maintains delivery records); or (b) by hand delivery; or (c) by certified or registered mail postage prepaid, return receipt requested, to the following addresses:

To City:	Craig Hensley City of Duarte 1600 Huntington Drive Duarte, California 91010
To Developer:	Matt Waken MJW Investments, LLC 1278 Glenneyre Street, Suite 439 Laguna Beach, California 92651

Notices delivered by delivery service or hand delivered shall be effective upon receipt. Mailed notices shall be effective upon the earlier of actual receipt or the third business day following deposit with the United States Postal Service.

17. Default. Failure by either Party to negotiate in good faith or to perform any other of its duties as provided in this Agreement shall constitute an event of default under this Agreement. The non-defaulting Party shall give written notice of a default to the defaulting Party, specifying the nature of the default and the action required to cure the default. If the default remains uncured fifteen (15) days after the date of such notice, the non-defaulting Party may exercise the remedies set forth in Section 18 of this Agreement.

18. Remedies for Breach of Agreement. In the event of an uncured default under this Agreement, the nondefaulting Party may terminate this Agreement. The Developer knowingly agrees that it shall have no right to specific performance for conveyance of the Site, nor any claim to estoppel or any other right to approval of any type of development entitlement application for the Site, nor any right to claim any right of title or interest in the Site or any portion thereof, nor to claim any right to damages or any other type of financial recovery beyond the return of the Deposit. City, in the event of a default by Developer, shall not have any right to claim any loss beyond the amount of the Deposit and any interest accrued thereon.

19. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the Parties, integrates all the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

20. Time of Essence. Time is of the essence of every portion of this Agreement in which time is a material part.

21. Governing Law; Construction. This Agreement shall be construed in accordance with the laws of the State of California, and without regard to rules of construction based on draftsmanship. Both parties acknowledge they had full access to counsel in the negotiation and drafting of this Agreement, and that it has been freely entered into, without coercion or duress.

22. Broker's Commission. Each Party represents that it has not engaged any broker, agency, or finder in connection with this Agreement, and agrees to hold the other Party harmless from any claim by any broker, agent, or finder retained by the Party making the above representation.

23. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

24. Days. The term "days" means calendar days. The term "business days" means days that Duarte City Hall is open for business to the general public. Developer acknowledges that Duarte City Hall is closed on Fridays and for holidays designated by the State of California or by ordinance or resolution of the City Council of the City. If the date on which City or Developer are required to take any action pursuant to the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

25. No Third-Party Beneficiaries. None of the terms or provisions of this Agreement are intended to benefit any person or entity other than City, City, or Developer. No affiliate, joint venturer, or partner of Developer has any rights pursuant to this Agreement.

26. Corporate Authority. The person(s) executing on behalf of each of the Parties hereto warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement such Party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said Party is bound.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date and year first appearing above.

CITY:

CITY OF DUARTE, a public body,
corporate and politic

By: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

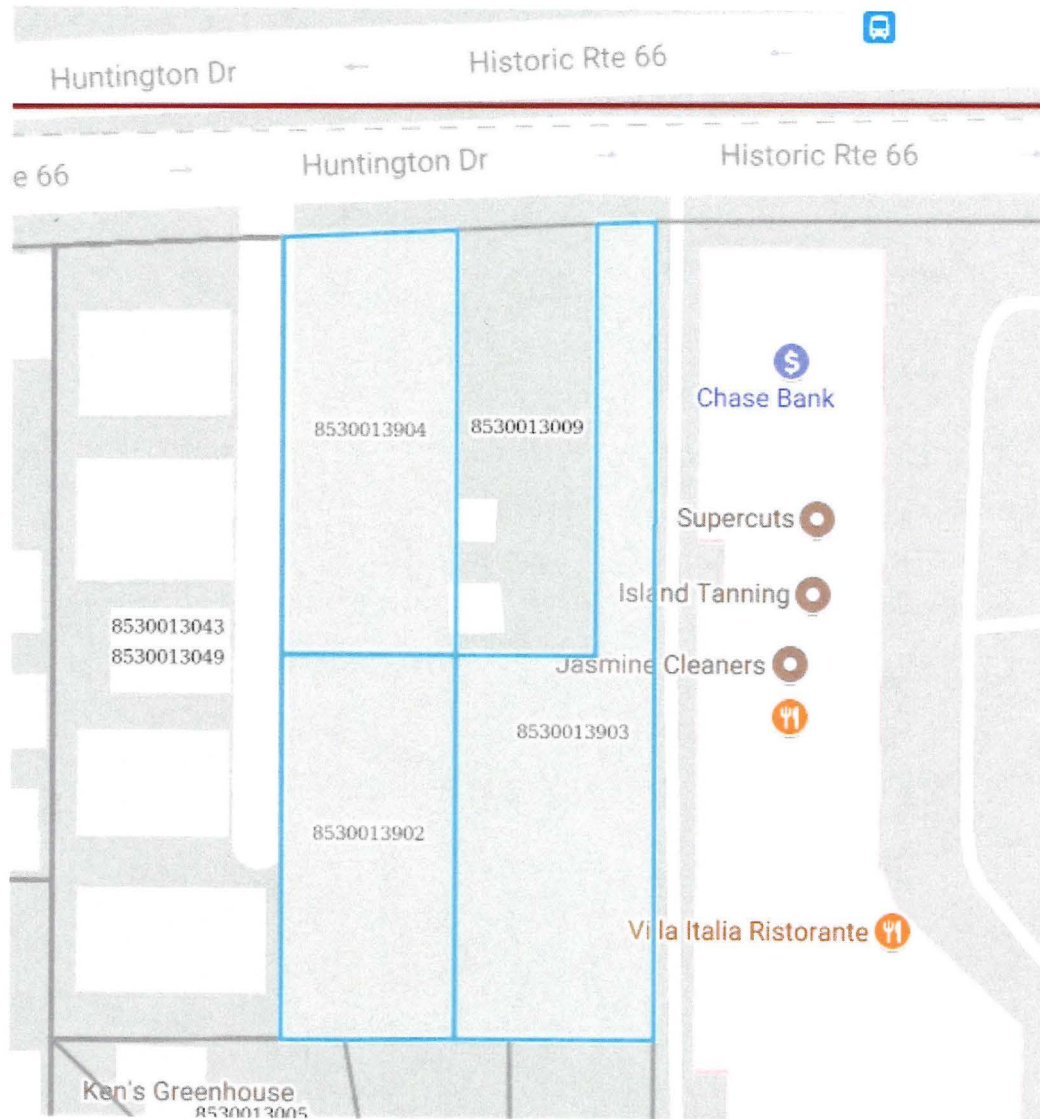
DEVELOPER:

MJW INVESTMENTS, LLC

By: _____

Its _____

EXHIBIT "A"



MEMORANDUM

TO: Mayor and Councilmembers

FROM: Darrell J. George, City Manager

DATE: December 7, 2017

SUBJECT: Conference Attendance – City Council Meeting of December 12, 2017

ICSC – International Council of Shopping Centers
Retail Real Estate Convention (RECON)
May 20-23, 2018
Las Vegas
Registration: \$590 per person
Hotel price range: \$198-249/night



RECon

Las Vegas Convention Center & Westgate Hotel

Las Vegas, NV

May 20 – 23, 2018

#ICSCRECon

Join **37,000** colleagues and **1,100** exhibitors for retail real estate's biggest event: RECon 2018! Professionals from all aspects of the industry will gather to network, make deals, and learn from accomplished experts and innovative thought leaders. RECon connects you with future business partners and fresh opportunities—you'll leave with a revitalized professional network and unparalleled insight into the next evolution of our fast-paced industry.

**Register by December 8
for the Early Bird discount!**



Registration Fees

Full Convention

Access all components of RECon with a Full Convention badge.

	Early Bird Dec. 8, 2017	Advance Apr. 27, 2018	On-Site
Member*:	\$590	\$640	\$790
Non-Member:	\$1,290	\$1,290	\$1,550
Student Member**:	\$50	\$50	N/A

* To qualify for member rates, each registrant must be a member or an affiliate member of ICSC. To become an ICSC member, call ICSC information services at +1 646 728 3800 or visit www.icsc.org/membership.

** Student Members must register in advance to qualify for the student rate. Student registration will not be offered on-site.

Professional Development Day — Sunday, May 20

ADVANCE/ON-SITE: \$250

For attendees without a Full Convention badge, add on Sunday conference and education sessions.

All attendees and exhibitors are required to have an ICSC-issued color photo badge for access to the Convention. To submit a photo, visit www.icsc.org/member-photo-upload.

Get More For Less In An Official Hotel

We've worked with onPeak, RECon's official hotel vendor, to negotiate a special reduced rate at a variety of conveniently located hotels. onPeak has no booking, change, or cancellation fees, so there's no risk in securing the discounted rate before it sells out. Book your accommodations at www.onpeak.com/recon or call +1 855 992 3353.

Sponsorship & Advertising

RECon is a unique chance to promote your company to the world's largest audience of retail real estate professionals. ICSC is pleased to offer a variety of sponsorship and advertising packages that will immediately extend your company's reach and recognition. To learn more, visit www.icscrecon.org or contact Rita Malek at rmalek@icsc.org or +1 646 728 3539.



Program At-a-Glance

SUNDAY | MAY 20 Professional Development Day

9:30 am – 12:30 pm	Professional Development Workshops
1:00 – 2:00 pm	Opening Keynote Presentation
2:30 – 5:00 pm	Professional Development Workshops
5:00 – 7:00 pm	ICSC Foundation Benefit at Fashion Show
5:30 – 7:00 pm	U.S. MAXI Awards Ceremony
7:30 – 9:30 pm	Opening Reception at XS Nightclub at Encore

MONDAY | MAY 21

8:00 am – 5:00 pm	Leasing Mall/Marketplace Mall/SPREE
9:30 am – 12:30 pm	Conference Sessions and Professional Development Workshops
12:30 – 2:00 pm	Lunch and Keynote Presentation
2:30 – 5:00 pm	Conference Sessions and Professional Development Workshops

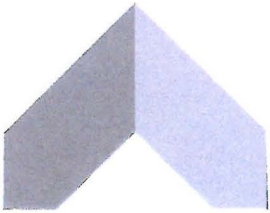
TUESDAY | MAY 22

8:00 am – 5:00 pm	Leasing Mall/Marketplace Mall/SPREE
9:30 am – 12:30 pm	Conference Sessions and Professional Development Workshops
12:30 – 2:00 pm	Lunch and Keynote Presentation
2:30 – 5:00 pm	Conference Sessions and Professional Development Workshops

WEDNESDAY | MAY 23

8:00 am – 2:00 pm	Leasing Mall/Marketplace Mall/SPREE
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www.icscrecon.org | #ICSCRECon
Hotel range: \$198-\$249/night



Duarte and Duarte Dispatch

Affiliated with SGV Newspaper Group
605 E. Huntington Dr., Suite 100
Monrovia, CA 91016
626-962-8811 ext. 40891

5007700

CITY OF DUARTE
1600 E. HUNTINGTON DRIVE
DUARTE, CA 91010

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA County of Los Angeles

I am a citizen of the United States, and a resident of the county aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of DUARTEAN and DUARTEAN DISPATCH, a newspaper of general circulation printed and published weekly in the City of Duarte, County of Los Angeles, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Los Angeles, State of California, on the date of July 6, 1948, Case Number POMO C986. The notice, of which the annexed is a true printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

11/25/2017

I declare under the penalty of perjury that the foregoing is true and correct.

Executed at West Covina, LA Co. California
On this 27th day of November, 2017.



Signature

(Space below for use of County Clerk Only)

Legal No. 0011037998

CITY OF DUARTE CITY COUNCIL NOTICE OF PUBLIC HEARING

Notice is hereby given that the City Council of the City of Duarte will conduct a Public Hearing on Tuesday, December 12, 2017, at 7:00 p.m. in the City Hall Council Chambers, 1600 Huntington Drive, Duarte, California.

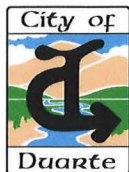
The City Council will solicit public input regarding the use of the City of Duarte's federal Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) funding allocation for Fiscal Year 2018-2019 (July 1, 2018 – June 30, 2019). The City anticipates receiving an allocation of approximately \$141,000 in federal CDBG funds through its participation in the Los Angeles Urban County's CDBG Program. CDBG funds will be used to implement eligible projects that meet the national objective of assisting low and moderate income persons and/or remove architectural barriers that impede disabled persons and/or senior adults' mobility and accessibility. Thus, the City intends to continue the "Installation of Americans with Disabilities (ADA) Curb Ramp Project" and, continue the street improvement project on Galen Street from Broadland Avenue to Buena Vista Street entitled, "Galen Street Improvement Project".

Any interested party may appear in person, or by agent, and be heard. If this matter is challenged in Court, there will be a limit to only those issues that were raised at the Public Hearing described in this Notice, or in written correspondence delivered to the City Council at, or prior to, the Public Hearing. Written correspondence may be sent to Duarte City Hall, City Clerk's Office, 1600 Huntington Drive, Duarte, CA 91010. Further information may be obtained from the Community Development Department at (626) 357-7931. Si usted quiere hacer un comentario o quiere mas información sobre esta noticia, usted puerder llamar al numero (626) 357-7931.

Marla Akana
City Clerk

PUBLISH: Duartean, Saturday, November 25, 2017

POSTED: Duarte City Hall, Duarte Public Safety Office, Duarte Library, City Website
AD#1037998



MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Craig Hensley, Community Development Director

Date: November 9, 2017

Subject: Community Development Block Grant Program (CDBG) Budget for Fiscal Year 2018-2019 (July 1, 2018 – June 30, 2019)
Proposed CDBG FY 2018-2019 Allocation - \$141,786

RECOMMENDATION

Staff recommends that the City Council:

1. Allocate \$50,000 in CDBG funding to continue the Installation of Americans with Disabilities (ADA) Curb Ramp Project;
2. Add approximately \$91,786 in new year 2018-2019 CDBG funds to implement the prior year CDBG-funded street improvement project on Galen Street from Broadland Avenue to Buena Vista Street entitled, "Galen Street Improvement Project"; and,
3. Authorize staff the ability to make adjustments to projects, due to final funding allocations and/or as needed due to programmatic interpretations by the Los Angeles County Community Development Commission (LACDC).

BACKGROUND

Duarte has been a participating city in the Los Angeles Urban County Community Development Commission's (LACDC) federal Community Development Block Grant (CDBG) Program for many years. The City's annual allocation of federal CDBG funds previously supported the successful construction of American with Disabilities – compliant improvements to city sidewalks and curb ramps. The mission of the CDBG Program is to improve the quality of life for people of low-moderate incomes, aid in the prevention of neighborhood deterioration and meet other urgent community development needs.

The Los Angeles County Community Development Commission (LACDC) requires participating cities to submit the proposed use of their annual CDBG allocation by February 1, 2018, including general project descriptions, budgets, with documentation of Council action and proof of public meeting notification. For purposes of budgeting, staff estimates that the Fiscal Year (FY) 2018-2019 CDBG allocation will be approximately \$141,786. The City's final FY 2018-2019 CDBG allocation will be announced by LACDC in spring 2018, and may vary within two to five percent of the proposed \$141,786.

ANALYSIS

For the upcoming FY 2018-2019, staff recommends that the Americans with Disabilities Act (ADA) accessibility project (Installation of ADA Curb Ramps) be continued. Additionally, due to increasing construction costs, staff recommends that new year CDBG funds be added to the prior year (FY 2017-2018) CDBG Project, Galen Street Improvement Project (from Broadland Avenue to Buena Vista Street) and that the project be extended through June 30, 2019. The Galen Street Improvement Project lies within the City's CDBG-eligible low and moderate income area.

These projects will benefit the community and will be administered by staff with the assistance of a CDBG consultant in a manner consistent with CDBG federal program regulations.

Table 1 - Proposed CDBG Projects and Budgets for FY 2018-2019		
Project #1:	Removal of Architectural Barriers (Curb Ramps)	\$ 50,000
Project #2:	Galen Street Improvement Project (from Broadland Avenue to Buena Vista Street)	FY 2018-19 \$ 91,786
	CDBG FY 2018-19 \$91,786 plus prior year CDBG FY 2017-18 \$88,755 for a total CDBG amount of \$180,541	FY 2017-18 \$88,755 \$180,541
*Total CDBG Program Funding		\$230,541
*Note: Staff requests that the City Council's recommendation include language giving staff the ability to make adjustments to projects, due to programmatic interpretations by LACDC and final funding allocations.		

The first proposed project includes removing architectural barriers (obsolete concrete curbs) at approximately ten (10) intersection locations throughout the City and installing ADA accessible curb ramps, thus improving accessibility and mobility. CDBG funds will be used for construction costs and consultant costs. The design, engineering and bid documents will be prepared by City staff.

The second proposed project consists of street improvements including cold milling of existing pavement, new asphalt overlay, removal of architectural barriers (obsolete concrete curbs for installation ADA accessible curb ramps and installation of permeable gutters to improve drainage). CDBG funds will be used for the construction costs and consultant costs. The design, engineering and bid documents will be prepared by City staff. Due to rising construction costs, prior year CDBG funds (FY 2017-2018) in the amount of \$88,755 will be added to new year CDBG funds in the amount of \$91,786, for a total of \$180,541 to meet the budget required to implement this project.

During this current fiscal year, CDBG funds were used for the removal of architectural barriers at various city intersections to install ADA-compliant curb ramps and construct street improvements on Oak Avenue.

The City will continue to use LDM Associates, Inc., a qualified consulting firm, to provide professional CDBG Program administration and labor compliance services.

CONCLUSION

The proposed FY 2018-2019 projects will benefit the community by promoting CDBG national objectives; continue to remove architectural barriers (ADA improvements) that impede residents' mobility and accessibility; improve deteriorated streets; and, enhance the quality of life for Duarte's residents.

Thus, staff recommends that the City Council conduct a public hearing; review and approve the recommended CDBG projects and budgets for FY 2018-2019 as described in Table 1 above. Following City Council action, the proposed FY 2018-2019 CDBG projects and budget applications will be submitted to LACDC for review and approval.



Duarte and Duarte Dispatch

Affiliated with SGV Newspaper Group
605 E. Huntington Dr., Suite 100
Monrovia, CA 91016
626-962-8811 ext. 40891

5007700

CITY OF DUARTE
1600 E. HUNTINGTON DRIVE
DUARTE, CA 91010

**PROOF OF PUBLICATION
(2015.5 C.C.P.)**

**STATE OF CALIFORNIA
County of Los Angeles**

I am a citizen of the United States, and a resident of the county aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of DUARTEAN and DUARTEAN DISPATCH, a newspaper of general circulation printed and published weekly in the City of Duarte, County of Los Angeles, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Los Angeles, State of California, on the date of July 6, 1948, Case Number POMO C986. The notice, of which the annexed is a true printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

11/25/2017

I declare under the penalty of perjury that the foregoing is true and correct.

Executed at West Covina, LA Co. California
On this 27th day of November, 2017.



Signature

(Space below for use of County Clerk Only)

Legal No. 0011042865

**NOTICE OF PUBLIC HEARING
TO BE HELD BY THE DUARTE CITY COUNCIL**

NOTICE IS HEREBY GIVEN that, pursuant to State law, the City Council of the City of Duarte will hold a Public Hearing at 7:00 p.m., on Tuesday, December 12, 2017, in the Council Chambers, 1600 Huntington Drive, Duarte, California, to consider amending Title 11 of the Duarte Municipal Code to add Chapter 11.15, Street Sweeping Parking Restrictions, to prohibit or restrict the parking or standing of vehicles on designated streets or highways, or portions, thereof, for the purposes of residential and commercial street sweeping.

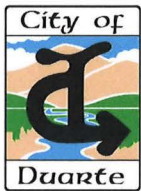
Any interested party may appear in person, or by agent, and be heard. If this matter is challenged in Court, there will be a limit to only those issues that were raised at the Public Hearing described in this Notice, or in written correspondence delivered to the City Council at, or prior to, the Public Hearing. Written correspondence may be sent to Duarte City Hall, City Clerk's Office, 1600 Huntington Drive, Duarte, CA 91010-2592.

Further information may be obtained from Brian Villalobos, Director of Public Safety Services, phone (626) 357-7938.

Marla Akana
City Clerk

PUBLISH: Duartean, Saturday, November 25, 2017

11/20/17
AD#1042865



CITY COUNCIL STAFF REPORT

DATE: December 4, 2017

TO: Mayor Fasana and Members of the Duarte City Council

FROM: Brian Villalobos, Director of Public Safety

SUBJECT: Approval of Ordinance of the Duarte City Council Adding Chapter 11.15 to the Duarte Municipal Code Prohibiting Alternate Side Parking on Designated Streets for the Purposes of Street Sweeping

RECOMMENDATION

It is recommended that the Duarte City Council, by motion, introduce and approve for first reading, Council Bill 17-O-09, adding Chapter 11.15 to the Duarte Municipal Code "Prohibiting Alternate Side Parking on Designated Streets for the Purposes of Street Sweeping," and authorize a budget amendment of \$90,000 from the General Fund to Account No. 1405-8100 for the purposes of purchasing signage needed for street sweeping parking restrictions

BACKGROUND

At the May 10, 2016, City Council meeting, the Duarte City Council adopted Resolution 16-08 establishing a pilot parking restriction program for the purposes of facilitating a more comprehensive citywide street sweeping program. (See attached) After the program was established, signs were posted in Area 2 of the City street sweeping map. The pilot program designated that parking was restricted on both sides of the street on the second and fourth Wednesdays of the month during a four-hour period. The signs were posted in the month of June, and warnings were issued during the month of July, with citations issued during the months of August and September.

Due to numerous resident comments and at Council's direction, a summary status of the pilot program was presented on October 25, 2016, after only three months. At that time, Council directed staff to modify the pilot program, changing street sweeping from both sides of the street on the same day to sweeping one side of the street on alternating days.

New signs were installed in March 2017 denoting the street sweeping changes, and written warnings were issued during the month of April, with citations issued during May and June.

The pilot program summary was brought back to Council at the July 25, 2017, meeting. After significant Council discussion, it was decided that, although the number of citations issued was almost identical between restricting parking on both sides of the street or alternate sides, residents preferred alternate side street sweeping restrictions. Council directed staff to bring back an ordinance prohibiting alternate side parking for street sweeping purposes.

PROGRAM DESCRIPTION

As part of the process to implement a street sweeping ordinance, Public Safety and Community Development staff worked closely with Burrtec Waste Industries and Clean Streets to develop the attached street sweeping map dividing the City into four separate street sweeping areas and a commercial area. Area 1, located in the northeast portion of the City, will be swept on the second and fourth Mondays (11am-2pm and 1pm-4pm) and Wednesdays (11am-2pm and 1pm-4pm). Area 2 (the pilot program area) will remain as posted on the second and fourth Wednesdays (7am-10am and 9am-12pm) and Thursdays (7am-10am and 9am-12pm). Area 3, located in the central portion of the City, will be swept on the second and fourth Thursdays (11am-2pm and 1pm-4pm) and Fridays (11am-2pm and 1pm-4pm). Area 4, located in the southwest portion of the City, will be swept on the second and fourth

Mondays (7am-10am and 9am-12pm) and Fridays (7am-10am and 9am-12pm). The commercial areas are all of the major public roadways (Mountain Avenue, Buena Vista Avenue, Highland Avenue, Mt. Olive Drive, Las Lomas Road, Huntington Drive, Central Avenue, Duarte Road, and Hamilton Road), and they will be swept every Thursday (4am-7am).

In order to enforce the proposed restrictions, the designated areas must be signed in accordance with Section 22507.6 of the California Vehicle Code, requiring signage to be posted in accordance with the uniform standards and specifications of the Department of Transportation, or posted in a conspicuous place at each entrance to the street. Keeping those requirements in mind and comments made by the Council to limit the number of signs posted throughout the City, staff is making every effort to plot out each and every sign that will be installed in the City. Signs will be posted at each entrance to the street in accordance with Section 22507.6 of the California Vehicle Code. In addition, in order to give adequate notice to residents, visitors, and vendors, who might otherwise not take notice of a sign posted at an entrance to a street, staff may, at their discretion, place signs approximately every 250 feet. Based upon the average parcel size (50 feet across), signs may be placed approximately every five houses. This keeps to the intent of the code, which is to facilitate street sweeping and not to issue citations for the purpose of increasing revenue.

If the Council approves the proposed ordinance, Public Works will accept bids for sign materials only to expedite the sign installation process. Once the City has the sign materials, the item will come before Council with an RFP process for the installation of signs.

Once signs are installed throughout the City, staff will implement parking restrictions by issuing written warnings for the first three months of the proposed ordinance. This, in effect, will allow for up to six warning cycles prior to the issuance of actual citations. Additionally, the new ordinance will be noticed in the City Newsletter, the Chamber Newsletter, the City Marquee, and the City Website, and via an individual notice to each residence.

FISCAL IMPACT

Upon Council approve of Citywide street sweeping restrictions, Burrtec Waste Industries will be proposing a re-route cost increase of 15%, equating to 22 cents per resident and 38 cents per commercial customer per month (see attached proposed increase spreadsheet).

In addition, staff has estimated that it would cost approximately \$90,000 to purchase the necessary signage materials (approximately 800 signs) to install in order to enforce restrictions, necessitating a budget amendment of \$90,000 from the General Fund to Account No. 1405-8100.

ATTACHMENTS:

- Council Bill 17-O-09
- Citywide Street Sweeping Map
- Area 1 Map
- Area 2 Map
- Area 3 Map
- Area 4 Map
- Commercial Streets Map
- Burrtec Waste Services Proposed Increase Sheet
- Resolution No. 16-08



ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUARTE,
CALIFORNIA, ADDING CHAPTER 11.15 TO THE DUARTE MUNICIPAL CODE
PROHIBITING ALTERNATE SIDE PARKING ON DESIGNATED STREETS
FOR THE PURPOSES OF STREET SWEEPING**

WHEREAS, Section 22507.6 of the California Vehicle Code authorizes the City to prohibit or restrict the parking or standing of vehicles on designated streets or highways, or portions, thereof, for the purpose of keeping such areas free when required for street sweeping; and

WHEREAS, vehicles parked within the path of a street sweeper lead to inefficient and ineffective street sweeping, and can generate problems of dust, debris and water buildup in gutters; and

WHEREAS, ineffective street sweeping can result in impediments to effective control of storm water flow, accumulation of litter and refuse, and can result in threats to public health and welfare; and

WHEREAS, the City is under obligation to assist in and enforce the City's storm water management requirements under the Municipal NPDES permit issued to the City; and

WHEREAS, the prohibition of parking on street sweeping days on residential streets will improve the ability of the City to effectively conduct street sweeping and will beautify the City; and

WHEREAS, the City undertook a pilot street sweeping program between May 10, 2016 and July 25, 2017, and through that program, the benefits of regulation of parking for street sweeping were demonstrated, as well as manners of imposing and enforcing parking restrictions to best balance program objectives with minimal intrusion on the accessibility and convenience of available street parking for residents; and

WHEREAS, there is a need to establish parking restrictions in designated areas of the City for the purposes of street sweeping; and

WHEREAS, under the Vehicle Code, parking restrictions for street sweeping are not effective until appropriate signs or markings are placed on the streets; and

WHEREAS, the City intends to implement alternate side parking restrictions citywide; and

WHEREAS, the penalty for such a parking violation has been established per Duarte Resolution No. 11-04.

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

SECTION 1. A new Chapter 11.15 is hereby added to the Duarte Municipal Code to read as follows:

11.15 Alternate Side Street Sweeping Parking Restrictions

11.15.010 Parking Prohibitions.

A. The provisions of this section shall apply to all public streets within the jurisdictional limits of the City.

B. The Public Works Manager is hereby authorized to erect street signs prohibiting parking on all city streets for street sweeping purposes. The times and dates of parking restrictions shall be as may be required to expedite the effectiveness and efficiency of the City's street sweeping program. Except as provided in division C of this section, parking shall be prohibited only on one side of a street within a block at a time so as to preserve on street parking on the other side of the street.

C. Notwithstanding division B of this section, parking may be prohibited at the same time on both sides of any cul-de-sac or dead end street; further, where parking is already prohibited on one side of a street within a particular block, parking may be prohibited on the other side pursuant to this section even though for the limited time of the parking prohibition there will be no available on street parking.

D. All areas of restricted parking shall be marked with signage posted in accordance with the uniform standards and specifications of the Department of Transportation, or local authorities have caused to be posted in a conspicuous place at each entrance to the street a notice not less than 17 inches by 22 inches in size, with lettering not less than one inch in height, setting forth the day or days and hours parking is prohibited.

11.15.020 Exceptions.

A. This chapter shall not apply to commercial vehicles making pickups or deliveries of goods, wares, or merchandise from or to any building or structure located on a restricted street, or for the purposes of delivering materials to be used in the repair, alteration, remodeling, or reconstruction of any building or structure for which a building permit has previously been obtained.

11.15.030 Violations/penalties

A. No person shall park or leave standing any vehicle on any street on the day and during the hours when parking has been prohibited thereon pursuant to this section.

B. Any person or entity that violates this Chapter is guilty of an infraction which shall be punishable by a fine as established by resolution of the City Council.

SECTION 2. The City Council intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal laws, and this Ordinance shall be construed in light of that intent.

SECTION 3. SEVERABILITY.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase, or portion of this Ordinance is, for any reason, held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the fact that one or more sections,

subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective. To this end the provisions of this Ordinance are declared to be severable.

SECTION 4. POSTING OF ORDINANCE.

The City Clerk shall certify as to the adoption of this Ordinance and shall cause this Ordinance to be posted in the manner provided for in the Duarte Municipal Code.

SECTION 5. EFFECTIVE DATE.

This ordinance shall take effect thirty (30) days following its second reading.

PASSED, APPROVED, AND ADOPTED this day of , 2017.

Mayor John Fasana

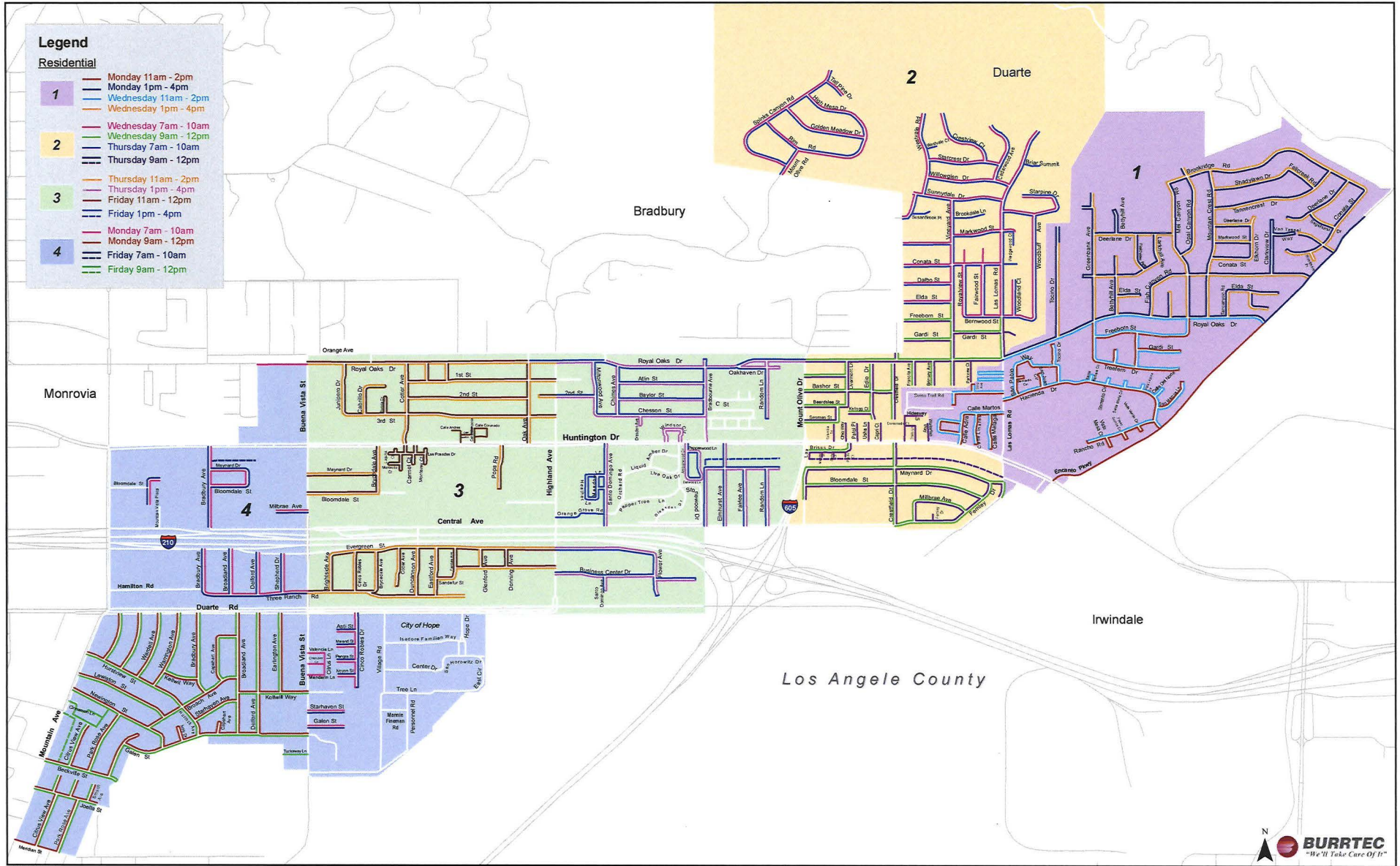
STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Ordinance No. was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the day of , 2017, by the following Roll Call vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

Duarte Residential Street Sweeping - 2nd and 4th Weeks



Duarte Street Sweeping: Area 1 - 2nd & 4th Monday and Wednesday

Legend

Residential

- Monday 11am - 2pm
- Monday 1pm - 4pm
- Wednesday 11am - 2pm
- Wednesday 1pm - 4pm

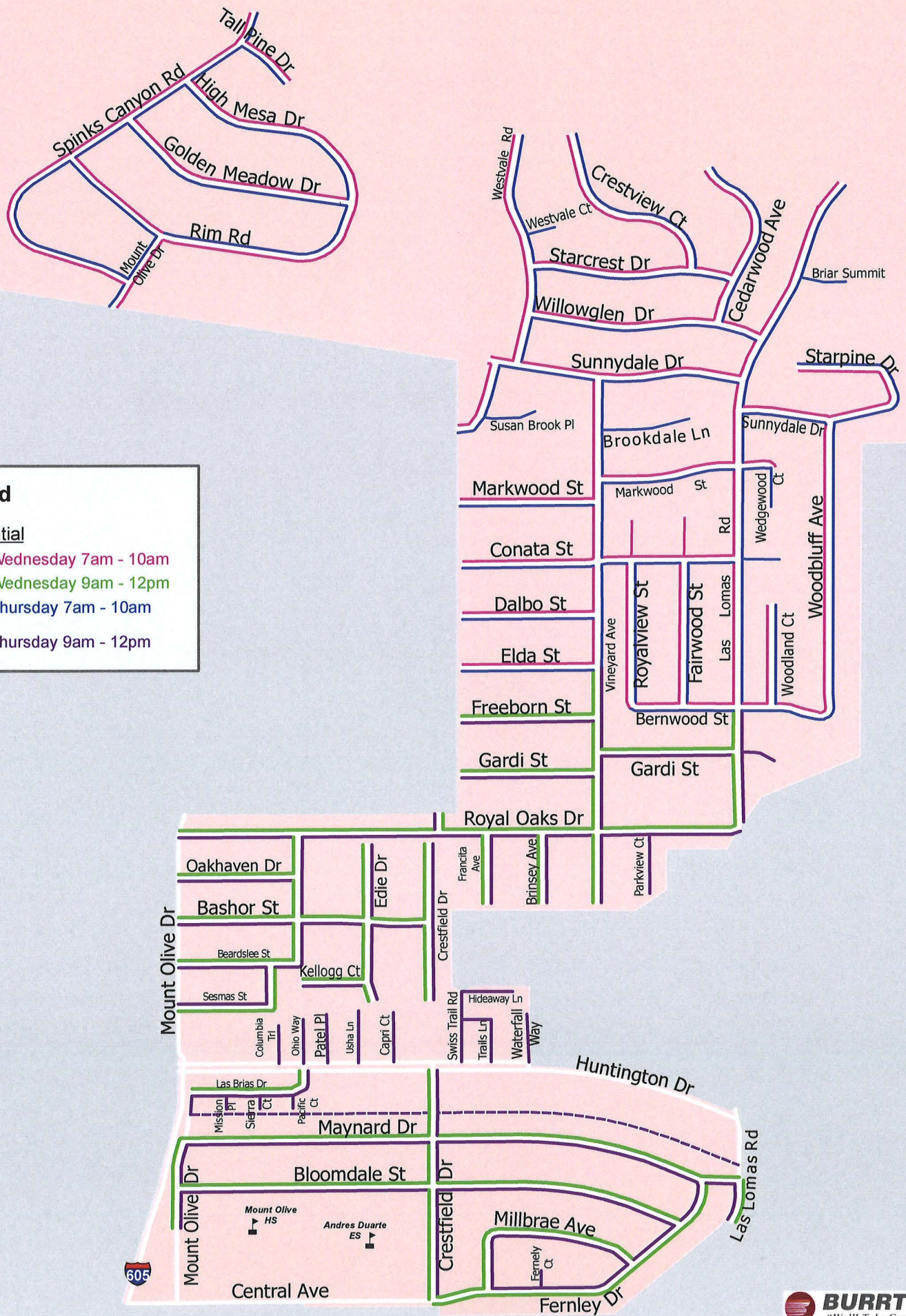


Duarte Street Sweeping: Area 2 - 2nd & 4th Wednesday and Thursday

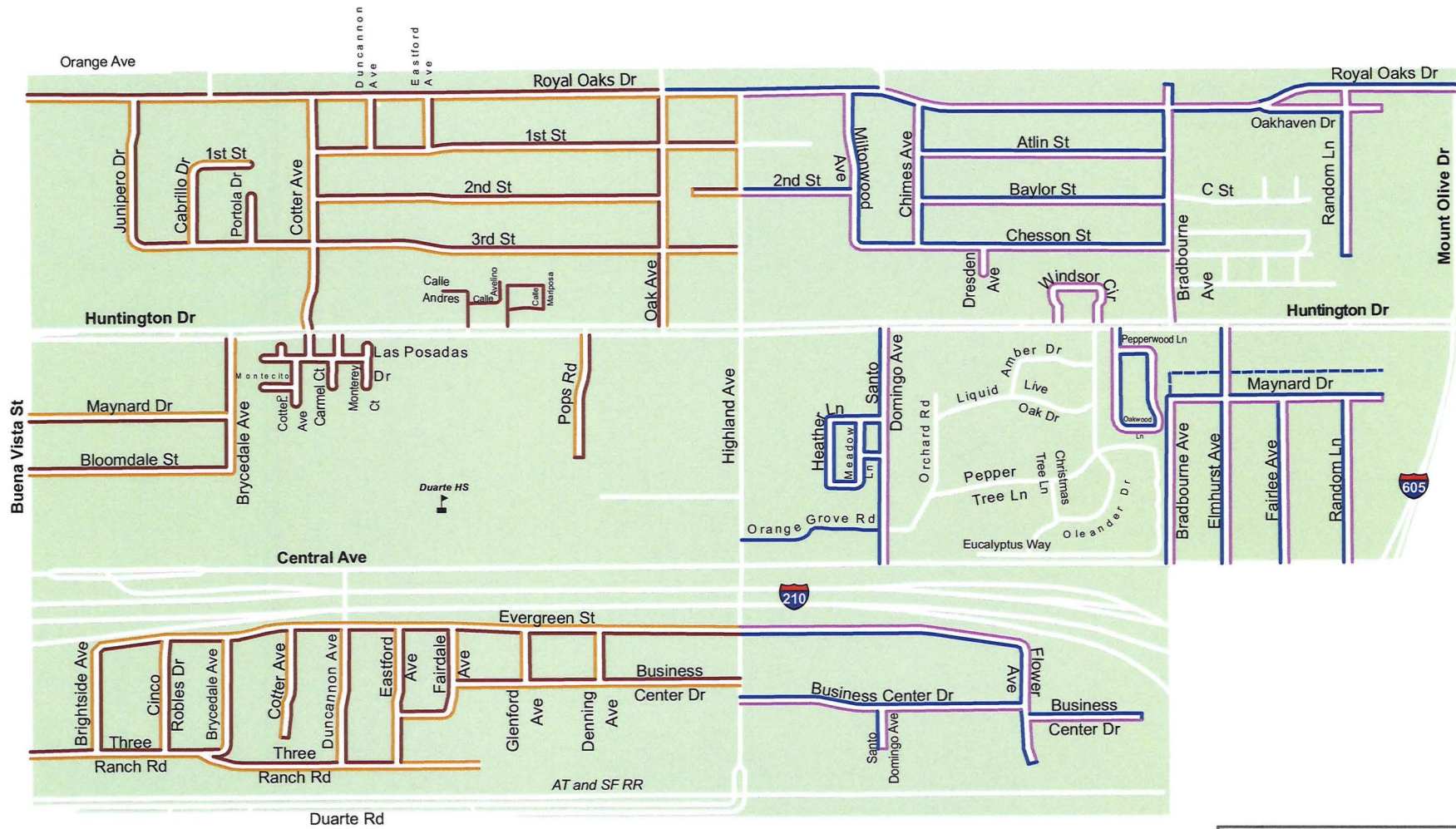
Legend

Residential

- Wednesday 7am - 10am
- Wednesday 9am - 12pm
- Thursday 7am - 10am
- Thursday 9am - 12pm



Duarte Street Sweeping: Area 3 - 2nd & 4th Thursday and Friday



Legend

Residential

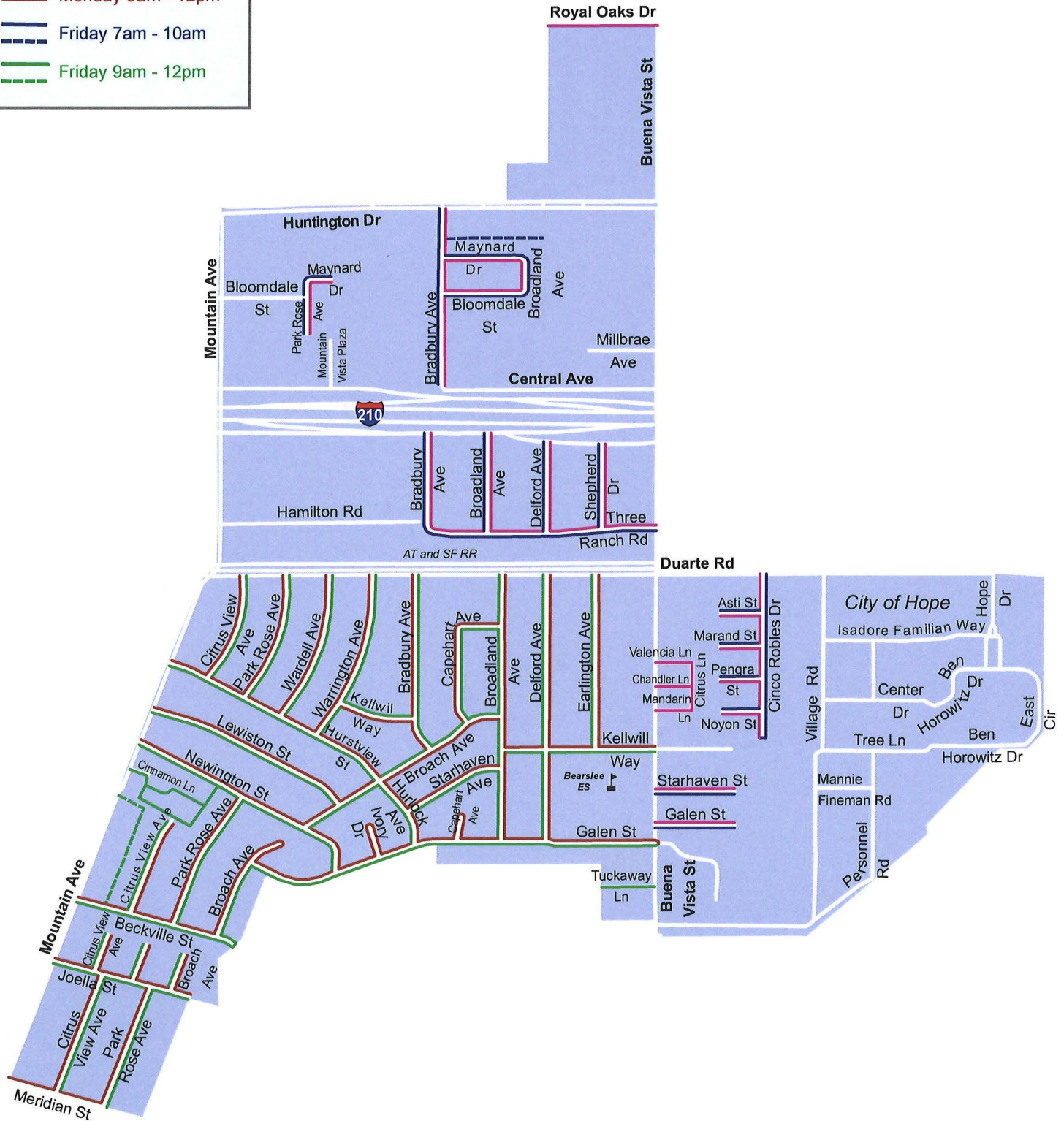
- Thursday 11am - 2pm
- Thursday 1pm - 4pm
- Friday 11am - 2pm
- Friday 1pm - 4pm

Duarte Street Sweeping: Area 4 - 2nd & 4th Monday and Friday

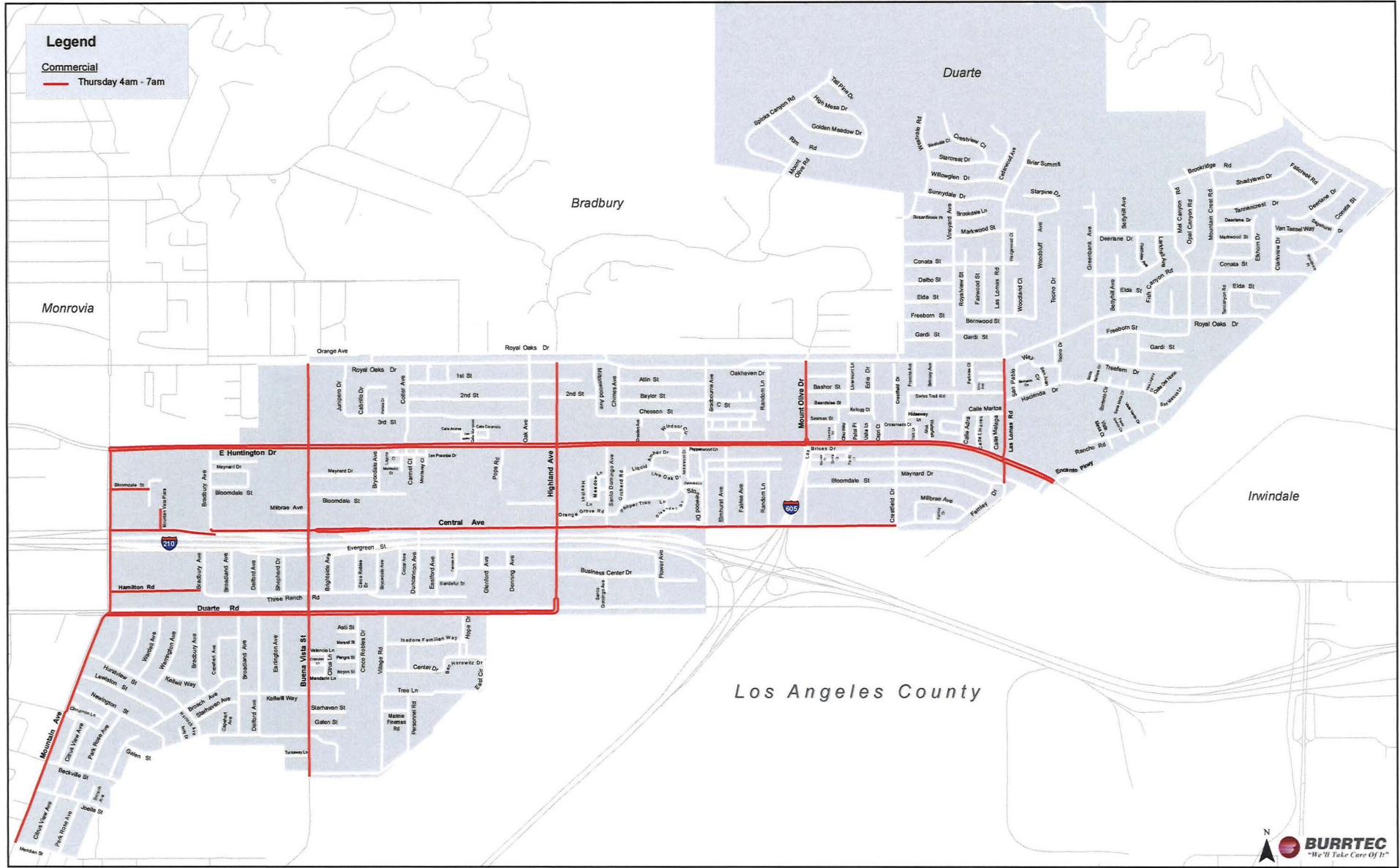
Legend

Residential

- Monday 7am - 10am
- Monday 9am - 12pm
- Friday 7am - 10am
- Friday 9am - 12pm



Duarte Commercial Street Sweeping



CITY OF DUARTE
Burrtec Waste Services, LLC
Street Sweeping
Effective January 1, 2018

		Current 2017 CPI 1.2%	Proposed 2018 CPI 2.5%
<u>Residential Rate</u>			
Base Monthly Rate	\$	1.33	\$ 1.36
Franchise Fee 12%		0.18	0.19
Total	\$	1.51	\$ 1.55
<u>Commercial Rate</u>			
Base Monthly Rate	\$	2.46	\$ 2.52
Franchise Fee 15%		0.43	0.44
Total	\$	2.89	\$ 2.96

<u>Option - Alternate Day/Side</u>		Proposed 2017 CPI 1.2%	Proposed 2017 CPI 2.5%
<u>Residential Rate</u>			
Base Monthly Rate	\$	1.33	\$ 1.36
Reroute Cost (15%)			0.20
Franchise Fee 12%		0.18	0.21
Total	\$	1.51	\$ 1.77
<u>Commercial Rate</u>			
Base Monthly Rate	\$	2.46	\$ 2.52
Reroute Cost (15%)			0.38
Franchise Fee 15%		0.43	0.51
Total	\$	2.89	\$ 3.41

RESOLUTION NO. 16-08**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE
ESTABLISHING A PILOT PARKING RESTRICTION PROGRAM FOR
THE PURPOSE OF STREET SWEEPING ON ALL STREETS IN THE
DESIGNATED PILOT AREA**

WHEREAS, Section 22507.6 of the California Vehicle Code authorizes the City of Duarte to prohibit or restrict the parking or standing of vehicles on designated streets or highways, or portions, thereof, for the purpose of residential street sweeping; and

WHEREAS, vehicles parked within the path of a street sweeper lead to street sweeping problems of debris and water buildup in gutters; and

WHEREAS, the City seeks to assist in and enforce the City's storm water management requirements under the Municipal NPDES permit issued to the City; and

WHEREAS, the prohibition of parking on street sweeping days on residential streets will improve the ability of the City to effectively conduct street sweeping and will beautify the City; and

WHEREAS, there is a need to establish parking restrictions in designated areas of the City for the purposes of street sweeping; and

WHEREAS, under the Vehicle Code, parking restrictions for street sweeping are not effective until appropriate signs or markings are placed on the streets; and

WHEREAS, the City intends to implement the parking restrictions by establishing a six month pilot program in the designated Area 2 as set forth in Exhibit "A"; and

WHEREAS, the penalty for such a parking violation has been established per Duarte Resolution No. 11-04.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Duarte as follows:

Section 1. The City Council hereby finds and determines that the public health, safety, and welfare will be best protected by prohibiting parking on certain residential streets during the hours and days as listed in Exhibit "A", attached hereto.

Section 2. The City Council hereby establishes "No Parking For Street Sweeping" zones on both sides of all streets within the areas as shown on Exhibit "A".

Section 3. Pursuant to Vehicle Code Section 22507.6, in residential areas the parking restrictions established by this resolution shall not apply to commercial vehicles making pickups or deliveries of goods, wares, or merchandise from or to any building or structure located on a restricted street, or for the purpose of delivering materials to be used in the repair, alteration,

remodeling, or reconstruction of any building or structure for which a building permit has previously been obtained.

Section 4. The prohibition of parking, as provided herein, shall not apply until the City places signs giving notice of the restrictions. The City Council hereby authorizes and directs the City Engineer to cause appropriate signage to be posted in accordance with the requirements of Vehicle Code Section 22507.6, and shall set forth the days and hours during which parking is prohibited for the purpose of street sweeping. The parking restrictions established in this resolution shall become effective upon posting of all signage within the designated pilot area as shown by Exhibit "A".

PASSED, APPROVED, AND ADOPTED this 10th day of May, 2016.

/s/ Samuel Kang
Mayor Samuel Kang

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution No. 16-08 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 10th day of May, 2016, by the following vote:

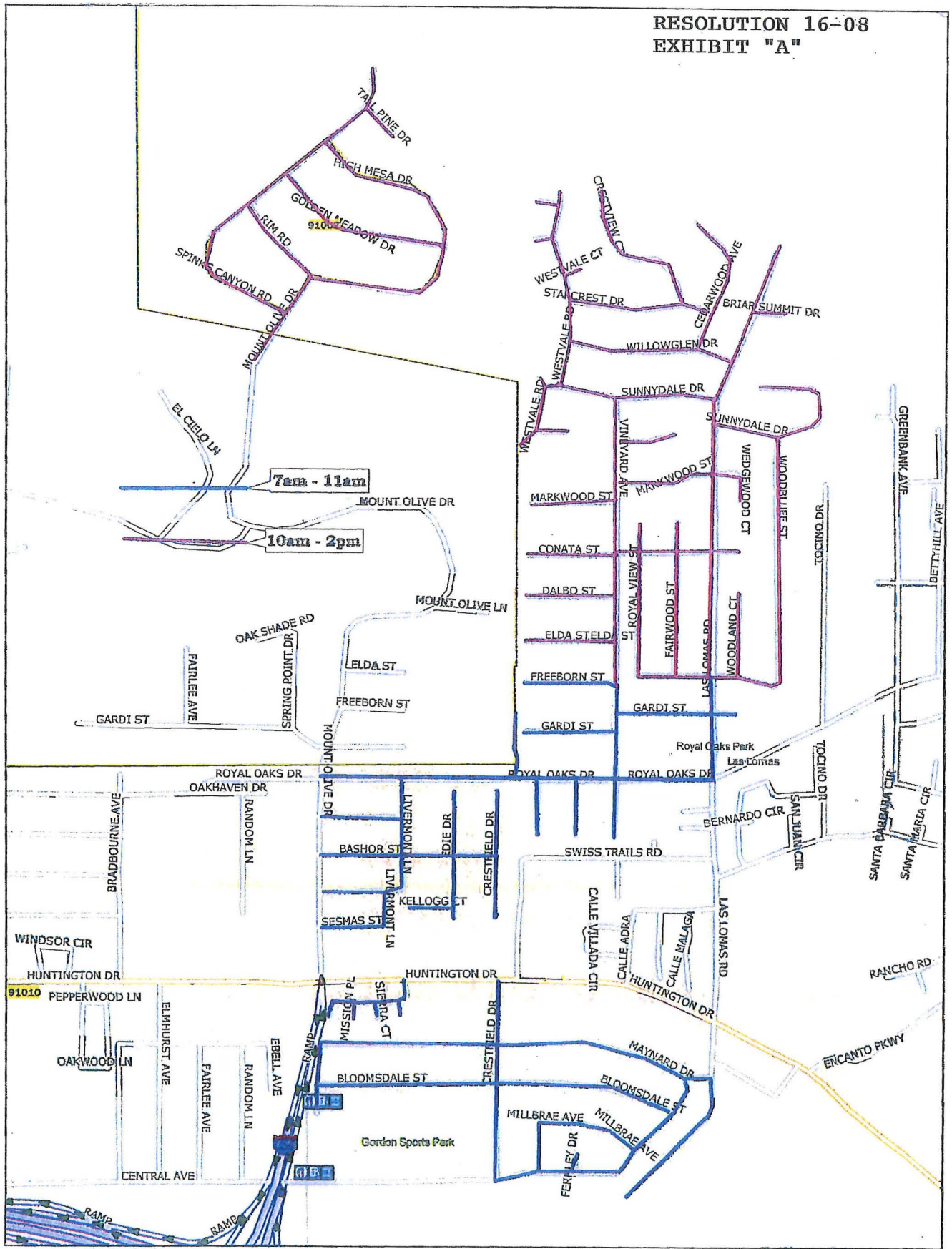
AYES: Councilmembers: Fasana, Finlay, Paras-Caracci, Reilly, Kang

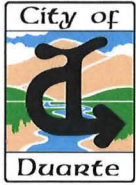
NOES: Councilmembers: None

ABSENT: Councilmembers: None

/s/ Marla Akana
City Clerk Marla Akana
City of Duarte, California

RESOLUTION 16-08
EXHIBIT "A"





AGENDA MEMO

TO: MAYOR FASANA & MEMBERS OF THE DUARTE CITY COUNCIL

FROM: Karen A. Herrera, Deputy City Manager

SUBJECT: Burrtec Waste Services Annual Performance, Rate Review and Amendment Process

DATE: 12/12/17

RECOMMENDATION: That the City Council, by motion, approve both the Burrtec Waste Industries Annual Performance review and amendment No. 9 to the Municipal Solid Waste, Recyclables and Green Waste Services Agreement between the City of Duarte and Burrtec Waste Industries which includes an extension of the term of the agreement to December 31, 2027, and the refuse collection and recycling rates set forth in the attached schedule, to become effective January 1, 2018.

BACKGROUND: Burrtec Waste Industries began providing franchised refuse collection and recycling services in the City of Duarte on November 1, 1996. Burrtec has consistently provided top quality service at a competitive rate, providing quick response times to customer's questions or concerns. Over the last five years, Burrtec completed the conversion of the diesel fleet to alternative fuel trucks; implemented used oil and sharps curbside collection programs; offered free document shredding and compost materials at the annual Community Cleanups, instituted a multi family recycling program featuring a 75% participation rate and most recently introduced a commercial food waste recycling program featuring state of the art anaerobic digestion; one of only two haulers in the Southern California to both own and operate such a facility.

Burrtec has also always been a stellar example of a good community partner. The Company consistently is a strong presence by supporting numerous community events and programs such as the recent annual Mayor's Prayer Breakfast and Community Service Awards, Earth Day, Taste of Duarte, Touch a Truck, Community Movie Nights, and Concerts in the Park, the City picnic and more.

PERFORMANCE REVIEW OVERVIEW: In 2009, as part of Amendment No. 3 to the "Agreement Between the City of Duarte and Burrtec Waste Industries, the entities agreed to an annual "Performance Review" process. Specifically, commencing in 2014 and each year after, Burrtec is required to submit to the City prior to July 31st, agreed upon documentation in order to complete a performance review. During the Performance Review process of 2016, Council asked staff to combine the annual Performance and Rate Review processes. **Note: This change is now formally reflected in Amendment No. 9 discussed below.**

PERFORMANCE REVIEW DISCUSSION: The Burrtec Waste Services Annual Performance Review (See Attachment A) is an approximately 57-page document consisting of 10 categories, 29 sub-categories, exhibits, an executive summary and findings. It focuses on the period of January 1, 2016 through December 31, 2016. The eleven categories are as follows:

- Payment of Fees to the City
- No Charge City Services
- Services
- Licenses
- Insurance/Bonds
- Monthly Waste Generation Reports
- Outreach
- Operations
- Vehicles
- Mandatory Commercial & Multi Family Recycling
- Mandatory Organics Recycling - AB 1826

Information, discussion and exhibits were provided for all categories and many of the 29 sub-categories. In general, Burrtec Waste Industries were found to be in compliance with all of the aforementioned categories. Some of the 2016 report highlights are as follows:

- Franchise Fees - Burrtec paid \$391,136.20 in Franchise Fees
- AB939 Fees - Burrtec paid \$63,486.46 in annual AB939 Fees
- Christmas Tree Recycling - Burrtec collected/recycled 9.57 tons of Trees
- Senior Services - Burrtec provides no charge barrel roll out services to 15 seniors & the Senior Citizen Rate of \$16.03 p/m to 302 customers compared to 102 in 2015.
- Annual Service Levels - Burrtec provides annual service to 4,600 Barrel customers, 220 bin customers and 28 roll-off customers. This equates to 745,000 acts of refuse service in Duarte, per year.
- Complaints/Reponses - During 2016 Burrtec received and responded to 271 complaint calls within 24-hours; of those 148 were for misses, 2 were for street sweeping and the other a complement call
- Burrtec provided bulky item curbside collection 1,530 equating 118.37 tons of bulky items and e waste
- Community Clean-ups - Burrtec conducted two Community cleanups in 2016 (April 23 and October 1) and supplied 10, three-cubic yard bins in support of neighborhood clean-ups.
- Sharps/Used Oil Collection - Burrtec collected 160 pounds of sharps from residential customers. In terms of oil service, they delivered 3 empty containers. In 2015, they delivered 25.
- Safety Record – During 2016, Burrtec experienced two incidents resulting in 0 days away from work and 58 days of modified duty.
- Vehicle Maintenance – The all CNG fleet is routinely inspected in intervals of 30, 60 and 90 days, maintenance support vehicles are readily available to respond to field breakdowns and, all trucks maintain spare parts to handle quick, routine repairs.

- Container Maintenance – Residential bins are routinely exchanged on an as needed basis or within the next service day of a request. In 2016, Burrtec exchanged 10 bins and 660-barrel containers.
- Insurance/Bonds – Burrtec maintains all Agreement required Performance Bonds, Worker's Compensation and General Liability Insurance policies.
- Waste Generation Reports – Burrtec submits these reports monthly and in a timely fashion. These reports enable staff to complete the Annual AB 939 State Report to Cal Recycle in concert with the 19 other LARA member cities.
- Community Involvement – Sponsor of Earth Day, Mayor's Prayer Breakfast, Community Movie Nights, City Picnic, NAACP Act-So, two community clean ups, neighborhood cleanups, "Touch a Truck, conducted two San Gabriel River clean-ups.
- Public Education – Burrtec completed four residential and two commercial newsletters, and distributed recycling, anti-scavenging, proper used oil disposal information at a variety of community events in Community Movie nights, Earth Day, Taste of Duarte, City Picnic and at community clean-ups.
- Mandatory Commercial/Multi-family Recycling – Burrtec conducted 88, on site waste assessments in 2016 (45 less than the previous year) and currently have 44 out of 52 eligible Multi-family complexes and 46 out of 112 eligible Commercial customers recycling.
- Mandatory Organics Recycling – January 1, 2016 did Governor Brown originally sign the initial implementation date for AB 1826 Solid Waste in late 2014. In Spring 2016, Burrtec developed and presented to the City a food waste collection and processing program that was approved by the City and effective July 1st of that year. Elements included outreach and training materials, processing outlets, and anaerobic digestion equipment. Because of this innovative program, the City has made substantial steps toward Organics Recycling compliance. The recycling requirement phases in from 2016 to 2020 and decreases the amount of organic waste from 8 or more cubic yards to 4 effective January 1st of this year. Further, after January 1, 2019, a business that generates 4 cubic yards or more of commercial solid waste per week must arrange for organic waste recycling services.

FINDINGS: Overall, Burrtec continues to be compliant with its service agreement and provides excellent customer service based on the provided documentation, in addition to independent research of the overall performance review process conducted by staff. With that said, Staff encourages Burrtec's expanding commercial service to include organics collection and diversion in addition to further developing infrastructure to address future composting requirements. Staff also appreciates the significant expansion of the Senior Citizen rate program yet encourages Burrtec to increase their outreach efforts for the following programs: Senior Roll Out Service, Senior Citizen, Curbside Used Oil Collection (continues to diminish) and Commercial recycling (continues to slightly increase annually).

RATE REVIEW DISCUSSION: The original Burrtec contract sets forth a specific formula by which rates are to be adjusted over time. In October of 2017, Burrtec submitted its original request for adjustments to its residential, commercial and roll off rates to become effective January 1, 2018. The City's responsibility is to review the rates proposed by

Burrtec and confirm that the calculations are correct. The basic contract rate review provisions are as follows

- Rates are to be adjusted annually effective each January 1.
- Rates are adjusted up or down based on the contract formula that accounts for various cost factors, including Consumer Price Index (CPI), fuel prices and tipping fees.
- Burrtec may request an adjustment in excess of 4%, when justified.

City staff has been reviewing the submitted cost data and the rate increase information, and confirms the calculations are in compliance with the contract provisions.

Residential Refuse, Organics and Recycling Rate Analysis: The current Residential Service Rates have been in effect since January 1, 2017. Over the four-year period, the factors that make-up the rate have increased, while credits such as recyclables have lost value. (See Chart below)

Category	2014	2015	2016	2017
CPI Cost	2.0%	1.4%	1.2%	2.5%
Fuel Cost	0.0%	0.0%	0.8%	2.5%
Green Waste Cost	\$33.90	\$34.24	\$43	\$44.29
Tipping Fees Cost	\$42.85	\$43.01	\$46	\$47.38
Recycling Credit	\$0.68	\$0.75	\$0.55	\$0.69

As illustrated in the above chart, the areas that are seeing cost increases continue to be green waste disposal which continues to climb since Puente Hills stopped using green waste as alternative daily cover (ADC) back in November 2013. Another factor impacting the cost of disposal is the depressed recyclable's market. When these markets flourish, it reduces overall disposal costs through recycling rebates. However, recyclable material values continue to dramatically drop as a result of China's increased quality standards and overall decrease in the purchase of recycled material. Besides tipping and recycling fees, the other main components included in the rate calculation are the CPI, which was 2.5% for 2017 and an increase in the average price per gallon of fuel based on the US Dept. of Energy Alternative Fuel Pricing Report, which was 2.5%.

As a result of the above costs and credits, Burrtec is requesting a modest increase in residential disposal rates of 1.7% or about 38 cents per month for the most common type of service in the community. The chart below illustrates Duarte's most commonly used residential service (90/60/60 bin combination) and how the increase will affect it. Last year's residential increase was 4.3%; the first increase requested by Burrtec in three years. Refuse Disposal and recycling still continue, in comparison to other utilities costs over the same period i.e.: electricity, water, natural gas, etc., to remain fairly stable and service levels have increased i.e.: multi-family recycling, free compost materials and paper shredding at community events, and curbside sharp disposal and collection. Duarte also continues to maintain some of the lowest rates in Los Angeles County as

shown in Attachment B.

Residential Refuse and Recycling Rate:(90/60/60)

Residential Rate	2014	2015	2016	2017	2018
Basic Monthly Rate	\$18.60	\$18.60	\$18.60	\$19.42	\$19.75
Franchise Fee	<u>\$2.56</u>	<u>\$2.56</u>	<u>\$2.56</u>	<u>\$2.65</u>	<u>\$2.69</u>
TOTAL	\$21.16	\$21.16	\$21.16	\$22.07	\$22.45

Burrtec is also requesting a slight \$0.4 cents per month cost increase for street sweeping which has been confirmed and is in compliance with the contract CPI provisions.

Street Sweeping:

Residential Rate	2016	2017	2018
Basic Monthly Rate	\$1.31	\$1.33	\$1.36
Franchise Fee	<u>\$0.18</u>	<u>\$0.18</u>	<u>\$0.19</u>
TOTAL	\$1.49	\$1.51	\$1.55*

***Note: Upon finalization of the new Citywide Street Sweeping Program, including signage installation, this fee will increase to \$1.77 per month to accommodate the alternate day, alternate side of the street schedule.**

Commercial Refuse, Organics, Roll-Off, Recycling & Street Sweeping Rate Analysis: In terms of Commercial Bin Service, there will be increases in Commercial disposal ranging from 2.9% for the most common form i.e. 1.5 yard bin emptied once per week will increase by 2.9% or by \$3.31 per month to 3.8%. Green Waste Service rates are being increased between 2.6 and 2.7% resulting in an average \$1.98 increase. The newly introduced Equalized Organics Food Waste program will also experience an average 3% increase. Recycling Bin Service will increase over the various service levels ranging from 0.1% to 1.3% for the most common level of recycling service (One 3-yard bin serviced once per week). The other major Commercial Service, Refuse and Recycling Roll-Off services are also going up ranging from 2.5% to 2.8%. The other categories of Commercial Roll-Off service such as Clean Inert and Mixed C & D both experienced slight increases of approximately 1% to 1.9% as well.

Commercial Street Sweeping increased from \$2.89 per month to \$2.96; an increase of 7 cents per month. Again, upon finalization of the new Citywide Street Sweeping Program, this fee will probably increase sometime in 2018 similar to the residential program.

NINTH AMENDMENT OVERVIEW: Amendment No. 9 (See Attachment C) will encompass three new areas: an increased term; the inclusion of organics recycling, shred events and mulch giveaway in the list of services; and change the performance review period to be consistent with the rate review process.

- **Increased Term** - Amendment No. 3, the last time the contract term was adjusted, was developed to ensure a minimum three-year "Term of Agreement" period on the Burrtec Waste Services Contract at any given time. This type of term is typical of some municipal waste hauling contracts and typically ranges anywhere from seven to 25 years due to the highly technical bidding, contractual, capital and logistical issues associated with changing a Citywide refuse and recycling contractor; especially in an exclusive commercial and residential franchise setting such as Duarte.

Based on the City's over twenty year relationship dating back to 1996, combined with competitive rates, innovation in organics processing, multi family recycling and excellent service, the staff is asking the Council to consider extending the rolling three year term to ten (10) years as a part of Amendment No. 9. Based on a survey of surrounding and similar sized cities, staff has determined that increasing the rolling term portion of the contract is not only consistent with other cities, but it is still also on the conservative side of refuse and recycling contract terms. (See Attachment B)

Under the current Burrtec Agreement, it has an end date of December 31, 2020. Should the Council approve the one-year extension, the Agreement both remains in full force and effective January 1, 2018, it would be extended to December 31, 2021 maintaining the three-year term. Should the Council approve a ten-year extension, the Agreement would be extended to December 31, 2027.

The obvious down side of extending an agreement of this nature, in an industry known for volatility, is the potential of a corporate buy-out or takeover of Burrtec sometime in the future. To address this scenario, Amendment No. 9 has section c under 3.01 Term, #2 that allows the City to revert back to the rolling three year term in order to protect its residents and interests.

- **Services List** – The Burrtec contract includes a list of Services in Section 3.01a. This list was last amended in Amendment No.3 to reflect the inclusion of used oil and sharps recycling. It now needs to reflect organics recycling with the passage and implementation AB 1826 and the newly introduced paper shredding and compost giveaway components of the bi-annual community cleanups.
- **Performance Review Timing** - Staff is also, per Council request, recommending a change in the Performance Review process. Specifically, instead of Burrtec submitting their draft Performance Review by July 31st of each year, they will have until September 30th. Based on their submittal, staff will now have the period of October 1 through November 30th to review provided documentation and pass on comments. Once this process is complete, the document is presented to Council for both acceptance and approval of a one-year extension to the end date of the Agreement.

FISCAL IMPACT: None. The current Burrtec Waste Industries Agreement would be extended to December 31, 2027, and the above Performance Review findings would be accepted. The proposed rate increases would be put into effect January 1, 2018. These varying rate increases will result in an overall slight increase in City Franchise Fees for both Residential and Commercial services.

ATTACHMENTS:

Exhibit A: Performance Review
Exhibit B: Annual Rate/Contract Term Survey
Exhibit C: Amendment No. 9

RESIDENTIAL RATE SURVEY 2017

Residential	City	Hauler	Contract term
\$24.25	Arcadia	Waste Mgt	
\$25.98	Azusa	Athens	8
\$22.87	Baldwin Park	Waste Mgt	10
\$34.40	Claremont	City	n/a
\$29.89	Covina	Athens	20
\$32.59	Diamond Bar	Waste Mgt/Vly Vista	8
\$21.16	Duarte - current	Burrtec	
\$22.07	Duarte - proposed	Burrtec	
\$26.04	El Monte	Valley Vista	
\$28.76	Glendora	Athens	10
\$25.97	La Puente	Valley Vista	10
\$23.00	La Verne	Waste Mgt	
\$30.03	Monrovia	Athens	18
\$24.11	Montebello	Athens	15
\$26.08	Monterey Park	Athens	5
\$40.99	Pasadena	City	n/a
\$28.46	Pomona	City	n/a
\$31.43	San Dimas	Waste Mgt	25
\$34.88	San Gabriel	Athens	11
\$36.21	San Marino	Athens	10
\$31.60	Sierra Madre	Athens	25
\$41.77	South Pasadena	Athens	7
\$29.72	West Covina	Athens	25

**AMENDMENT NO. 9 TO AGREEMENT BETWEEN
THE CITY OF DUARTE AND BURRTEC WASTE SERVICES, LLC**

This **Amendment No. 9 To the Agreement Between The City Of Duarte And Burrtec Waste Services LLC For Municipal Solid Waste, Recyclables, And Green Waste Collection, Transportation, Disposal, Composting, And Processing** ("Amendment No. 9) is made and entered into as of _____ ("Effective Date"), by and between the **CITY OF DUARTE**, a municipal corporation ("City"), and **BURRTEC WASTE SERVICES, LLC**, a California limited liability company ("Contractor"). City and Contractor are sometimes referred to herein individually as a "Party" and collective as the "Parties."

RECITALS:

A. City and Contractor entered into that certain agreement titled "Agreement Between the City of Duarte and Burrtec Waste Service [*sic*], LLC for Municipal Solid Waste, Recyclables, and Green Waste Collection, Transportation, Disposal, Composting, and Processing dated on or about September 18, 1996, also referred to as "Agreement Between The City of Duarte And Burrtec Waste Services[*sic*], LLC For Solid Waste Collection, Processing and Disposal Services, September 18, 1996 (the "Original Agreement"), as amended by that certain Amendment No. 1 thereto dated on or about March 8, 2004 ("Amendment No. 1"), by that certain Amendment No. 2 thereto dated on or about November 13, 2007 ("Amendment No. 2"), by that certain Amendment No. 3 thereto dated on or about February 24, 2009 ("Amendment No. 3"), by that certain Amendment No. 4 thereto dated on or about June 22, 2010 ("Amendment No. 4"), and by that certain Amendment No. 5 thereto dated on or about December 10, 2013 ("Amendment No. 5") and by that certain Amendment No. 6 dated on or about December 15, 2014 ("Amendment No. 6") by that certain Amendment No. 7 dated on or about December 23, 2015 ("Amendment No. 7") and by that certain Amendment No. 8 dated on or about December 13, 2016 ("Amendment No. 8") The Original Agreement as amended by Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment No. 4, Amendment No. 5, Amendment No. 6, Amendment No. 7 and Amendment No. 8 is hereinafter referred to collectively as the "Agreement."

B. City and Contractor desire to enter into this Amendment No. 9 to, among other things, amend, extend and restate the Term of the Agreement, alter the dates of the Annual Performance Review, and add certain services to the list of services to be provided by Contractor.

C. Except as otherwise set forth in this Amendment No. 9, the defined terms used herein shall have the same meanings as used in the Agreement.

AMENDMENT:

NOW, THEREFORE, in consideration of the foregoing Recitals and the covenants and promises hereinafter contained, and for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties hereto agree as follows:

1. **RECITALS INCORPORATED.** The foregoing Recitals are true and correct and are incorporated herein and made a part hereof.
2. **AMENDMENTS** The Agreement is amended as follows:

A. Section 3.01 (Term) of the Agreement is hereby amended in its entirety to read as follows:

3.01 Term. This Agreement, which is operative and in effect on the date of Amendment No. 8 to this Agreement, was set to expire on December 31, 2020, pursuant to the terms of Amendment No. 8. to this Agreement. The expiration date of December 31, 2020 set forth in Amendment No. 8 is hereby extended to December 31, 2027, subject to the following terms and conditions.

(a) From the Effective Date of this Amendment No. 9 and throughout any remaining term of this Agreement. City may terminate this Agreement for cause pursuant to the terms of this Agreement.

(b) The Term of this Agreement shall expire effective December 31, 2027, subject to subsection (c) below

(c) The Agreement Term may be extended one (1) additional year each year from and after December 31, 2018, so as to continually maintain a ten (10) year period as the remaining Term of the Agreement. Such extension may be granted by City with or without cause, pursuant to the following Annual Performance Review procedures and schedule:

(1) Commencing during calendar year 2018 and each calendar year thereafter until this Agreement expires, Contractor shall submit to City, prior to September 1 of each year, the documentation reasonably required for the City to perform the Annual Performance Review.

(2) City shall conduct the Annual Performance Review on or after September 1 but prior to November 30 of each year. Upon completion of the Annual Performance Review, the City shall determine, not later than November 30 whether to approve a one-year addition to the end of the Term of this Agreement. If the one year renewal is approved, a ten (10) year remaining term to the Agreement would be maintained. If the City timely determines to not approve the one year renewal to the Agreement, the Agreement shall expire as of the December 31 of the tenth full calendar year following such determination.

and

(b) Whether the Contractor's overall performance under the Agreement is satisfactory and in compliance with both the terms of the Agreement, and the requirements of California and federal law applicable to each and every one of the services Contractor provides hereunder. If the City finds that Contractor's performance is not so in compliance, it shall identify, in writing, those areas of deficiency, and the

actions, remedial measures, corrections, or improved services or performance the City contends is necessary to correct such deficiency. If Contractor disputes the City's determination regarding the area of deficiency or non-performance, Contractor shall so advise City, in writing, within thirty (30) days of City's notice, and the parties shall thereupon meet and confer in good faith in an effort to resolve the dispute. If the Parties cannot come to agreement on the alleged area of noncompliance or deficiency within thirty (30) days of Contractor's notice disputing same, the matter shall be submitted to Arbitration under Section 6.03. In the event the City's determination of deficiency or noncompliance is not disputed by Contractor, or upheld through Arbitration, Contractor shall have until the City's next following Annual Performance Review to correct the deficiency or non-compliance. In the event Contractor fails to do so, City may shorten the Term to December 31 of the second full calendar year from and after completion of the City's Annual Performance Review following the one that identifies the area of noncompliance or deficiency. In the event of any dispute between the Parties as to whether Contractor has adequately addressed the deficiency or noncompliance, the matter shall be submitted to Arbitration under section 6.03. Such Annual Performance Review, and any actions in connection therewith, are not intended to, and shall not, supplant or replace any rights or remedies City may have for any default of Contractor, whether under Article 11 of the Agreement, or otherwise.

(d). If the City fails to conduct the Annual Performance Review, or if the City fails to make a timely determination not to renew the Agreement in any year, the Agreement shall automatically be extended, as of the next immediate January 1, for one (1) year, so as to maintain a ten (10) year remaining term to the Agreement.

(e). In the event of a City-approved Contractor assignment under Section 15.01(b) of this Agreement, and such Contractor Assignment is approved at such time as there are more than three (3) years remaining on the Agreement Term, the Term of the Agreement shall automatically adjust to terminate on December 31 of the third full calendar year following the Contractor Assignment approval by the City. In the event the City approval of the Contractor Assignment occurs at a time when there are less than three (3) years remaining on the Term, there shall be no adjustment to the Term, and this Agreement shall expire at the same time as if there had been no Contractor Assignment.

B. Exhibit 3.01a (Scope of Regular Collection Services”) is amended by adding Paragraph 16-18 as follows:

16. Solid Waste/Organics – From and after the effective date of this Amendment, Contractor shall continue its efforts begun prior to January 1, 2016, to institute and maintain a program in compliance with AB1826--Solid Waste/Organic Waste. Such program shall be designed and operated specifically to divert organic waste generated by businesses generating eight (8) cubic yards or more of organic waste, and shall obtain and achieve phasing goals, standards, and benchmarks required by statute from 2016 to 2020. The program shall also decrease the amount of organic waste from eight (8) or more to four (4) cubic yards effective January 1, 2017 and after January 1, 2019, a business that

generates four (4) cubic yards or more of commercial solid waste per week must arrange for organic waste recycling services.

17. Shred Events. Contractor shall provide a biannual shred event at no cost to the City, to coincide with the City's spring and fall cleanup events.

18. Mulch Giveaway. Contractor will provide two roll-off loads of mulch per year to Duarte residents upon request, at no charge to the requesting party nor the City. Contractor shall also provide to City, at no City expense, two loads of mulch per year for City's use on City-owned public property.

- C. Transfers Among Family Members. Contractor is a Limited Liability Company (LLC) the membership interests for which are divided equally among members. Contractor shall, simultaneously with the execution of this Agreement, provide the City Manager with a list of all such members and other immediate family members. Notwithstanding the fact it would otherwise fall within the provisions of this Section, any transfer of membership interests to an immediate family member of any of the current members may occur with the written approval of the City Manager, and without any of the other provisions of this Section 3 applying if Contractor certifies, and the City Manager verifies, that the transfer is in fact to an immediate family member or members; and, the City Manager finds both of the following: (i) that the transfer of membership interest will have no adverse impact on Contractor's operations in City, and (ii) that the transfer of membership interest will not result in any interest in Contractor being vested in any person who is not an immediate family member. In the event the City Manager is unable to make these findings, or has any concern regarding his ability to do so, he may refer the matter in whole or part to the City Council for its consideration, approval, or other action, and the City Council shall have the discretion to consider the matter as if it is a Contractor Assignment as set forth herein.

3. **NO OTHER AMENDMENT.** Except as set forth in this Amendment No. 9, the Agreement shall remain in full force and effect according to its terms.
4. **COUNTERPARTS.** This Amendment No. 9 may be executed in counterparts, each of which, when this Amendment No. 9 has been signed by both of the Parties, shall constitute one and the same instrument.
5. **EFFECTIVE DATE.** The Effective Date of this Amendment No. shall be the latest of the dates set next to the signatures of the Parties, which latest date shall be inserted into the Preamble to this Amendment No. 9.

[end—signature page follows]

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment No. 9 as of the Effective Date.

“CITY”

CITY OF DUARTE

Date: _____

By: _____
Mayor John Fasana

ATTEST:

Marla Akana, City Clerk

APPROVED AS TO FORM:
Rutan & Tucker, LLP

David Cosgrove, City Attorney

“CONTRACTOR”

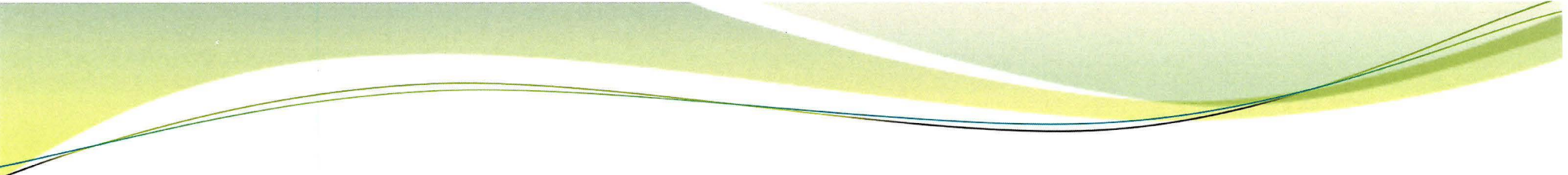
BURRTEC WASTE SERVICES, LLC

Date: _____

By: _____

Printed Name: _____

Its: _____



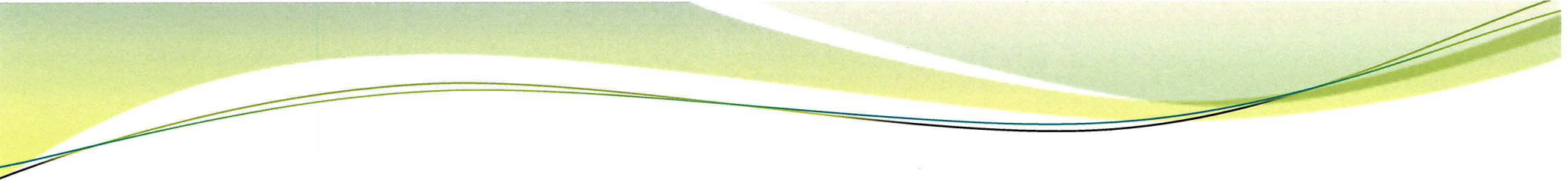
City of Duarte

2018 Rate Review

November 2017



BURRTEC
"We'll Take Care Of It"



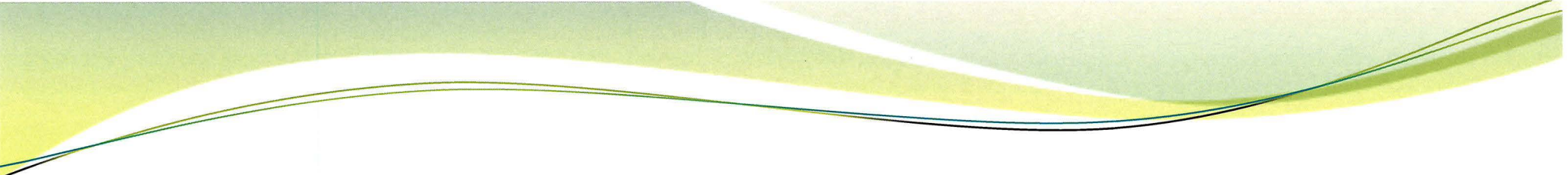
Agenda

- Annual Rate Review Overview
- Residential Rate Background
- 2018 Rate Review Impacts
- Commercial Recycling (AB 341)
- Commercial Organics Legislation (AB1826)
- Street Sweeping Fee



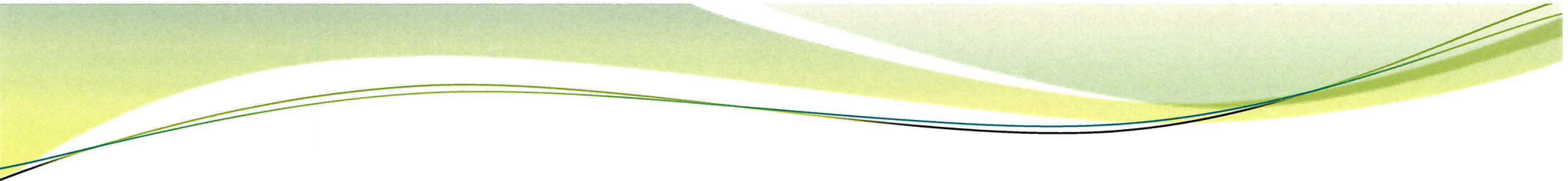
Annual Rate Review

- October/November Cost Analysis/Review with January Implementation
- Adjustment Factors:
 - Service CPI: 2.5%
 - Fuel Index: CNG 2.5%
 - City Fees
 - Programs (Street Sweeping)
 - Disposal and processing cost components
 - Trash, Green Waste, Recyclables, Food Waste, Construction & Demolition



Disposal and Processing

Cost Component	2017	2018	Increase
Trash	\$46.00	\$47.38	3.0%
Green Waste	\$43.00	\$44.29	3.0%
Recyclables	(\$21.86)	(\$26.74)	22.3%
Food Waste	\$69.20	\$70.56	1.9%



Residential Rate Background

- 2015: no adjustment
- 2016: no adjustment
- 2017: 4.29%
- 2018: 1.7%

Residential 90/60/60 Service							
Cost Components	Notes	Current Rate (*)	Cost Factor 2017	Cost Factor 2018	Change	Revised Rate	Proposed Rate
Contractor Service Cost	(1)	\$ 11.50	\$ 11.50	\$ 11.79	\$ 0.29	\$ 11.79	\$ 11.79
Fuel	(2)	1.27	2.36	2.42	2.54%	1.30	1.30
Disposal Cost	(3)	5.28	5.28	5.23	(0.05)	5.23	5.23
Recycling Processing Cost:							
a) Tipping Fees/Rebate	(4)	(0.55)	(0.55)	(0.69)	(0.14)	(0.69)	(0.69)
b) Residual Disposal	(5)	-	-	-	-	-	-
Green Waste Processing Cost	(6)	1.97	1.97	2.12	0.15	2.12	2.12
Subtotal Hauler Fees		19.47				19.75	19.75
Rate Stabilization	(7)	(0.05)				-	
City Franchise Fee (12%)		2.65				2.69	2.69
Rate		\$ 22.07				\$ 22.44	\$ 22.44
(*) Current Rate effective as of 1/1/2017							

Residential Summary – Monthly Rate

Size	Cust Base	Current Rate	2018 Proposed	% of Increase
90	2,452	\$ 22.07	\$ 22.45	1.70%
60	1,801	\$ 19.17	\$ 19.50	1.70%
40	388	\$ 17.67	\$ 17.97	1.70%
40s	99	\$ 16.72	\$ 17.00	1.70%

Commercial Rates - Trash

CITY OF DUARTE

Burrtec Waste Services, LLC

Refuse Collection Rate Analysis - Equalized with Food Waste

Effective January 1, 2018

		Current Rate 1/1/17							Proposed Rate 1/1/18						
		FW			Franchise				FW			Franchise			
Bin		Service	Fuel	Fee	Disposal	Stabilization	Fee	Monthly	Service	Fuel	Fee	Disposal	Stabilization	Fee	Monthly
Size	Freq	Rate	0.00%	\$ 0.59	\$ 46.00	Fee	15.00%	Rate	Rate	2.50%	\$ 0.72	\$ 47.38	Fee	15.00%	Rate
1.5	1	65.61	7.33	3.84	19.73	0.23	17.07	\$ 113.81	67.25	7.52	4.68	20.33	(0.23)	17.57	\$ 117.12
1.5	2	103.30	11.58	7.67	39.47	0.43	28.67	\$ 191.12	105.88	11.87	9.36	40.65	(0.43)	29.53	\$ 196.86
2	1	81.77	9.15	5.11	26.31	0.32	21.65	\$ 144.31	83.81	9.38	6.24	27.10	(0.32)	22.27	\$ 148.48
2	2	123.10	13.79	10.23	52.62	0.53	35.34	\$ 235.61	126.18	14.14	12.48	54.20	(0.53)	36.44	\$ 242.91
3	1	83.38	9.32	7.67	39.47	0.39	24.75	\$ 164.98	85.46	9.56	9.36	40.65	(0.39)	25.52	\$ 170.16
3	2	120.58	13.48	15.34	78.94	0.71	40.42	\$ 269.47	123.59	13.82	18.72	81.30	(0.71)	41.77	\$ 278.49
3	3	174.41	19.52	23.01	118.40	1.03	59.36	\$ 395.73	178.77	20.02	28.08	121.96	(1.03)	61.38	\$ 409.18
3	4	219.86	24.61	30.68	157.87	1.35	76.65	\$ 511.02	225.36	25.24	37.44	162.61	(1.35)	79.29	\$ 528.59
3	5	265.33	29.67	38.35	197.34	1.67	93.95	\$ 626.31	271.96	30.42	46.80	203.26	(1.67)	97.19	\$ 647.96
3	6	310.80	34.77	46.02	236.81	2.00	111.25	\$ 741.65	318.57	35.65	56.16	243.91	(2.00)	115.11	\$ 767.40
4	1	111.26	12.44	10.23	52.62	0.51	33.01	\$ 220.07	114.04	12.76	12.48	54.20	(0.51)	34.05	\$ 227.02
4	2	158.13	17.69	20.45	105.25	0.93	53.37	\$ 355.82	162.08	18.14	24.96	108.41	(0.93)	55.18	\$ 367.84
4	3	204.98	22.93	30.68	157.87	1.33	73.73	\$ 491.52	210.10	23.51	37.44	162.61	(1.33)	76.29	\$ 508.62
4	4	251.81	28.15	40.91	210.50	1.72	94.07	\$ 627.16	258.11	28.87	49.92	216.81	(1.72)	97.41	\$ 649.40
4	5	298.65	33.40	51.13	263.12	2.14	114.43	\$ 762.87	306.12	34.25	62.40	271.01	(2.14)	118.52	\$ 790.16
4	6	345.49	38.64	61.36	315.74	2.54	134.78	\$ 898.55	354.13	39.62	74.88	325.22	(2.54)	139.64	\$ 930.95
6	1	166.95	18.70	15.34	78.94	0.79	49.54	\$ 330.26	171.12	19.17	18.72	81.30	(0.79)	51.09	\$ 340.61
6	2	215.17	24.08	30.68	157.87	1.35	75.73	\$ 504.88	220.55	24.69	37.44	162.61	(1.35)	78.34	\$ 522.28
6	3	263.35	29.47	46.02	236.81	1.92	101.92	\$ 679.49	269.93	30.22	56.16	243.91	(1.92)	105.58	\$ 703.88
6	4	311.58	34.86	61.36	315.74	2.49	128.12	\$ 854.15	319.37	35.75	74.88	325.22	(2.49)	132.83	\$ 885.56
6	5	359.83	40.25	76.70	394.68	3.05	154.33	\$1,028.84	368.83	41.27	93.60	406.52	(3.05)	160.09	\$1,067.26
6	6	408.04	45.64	92.04	473.62	3.62	180.52	\$1,203.48	418.24	46.80	112.32	487.82	(3.62)	187.33	\$1,248.89
Barrel 90 / 60 Gal 1		15.66	1.27		5.98	(0.19)	4.01	\$ 26.73	16.05	1.30		6.16	0.19	4.18	\$ 27.88
Barrel Trash Rates are not equalized with food waste															

Commercial Recycling (AB 341)

- State legislation (AB 341) mandates businesses and public entities generating four (4) cubic yards or more of waste per week *and* multi-family residential dwellings with five (5) units or more to **recycle**.



- * International Markets with 90% Exported
- * Commodity Values Declining

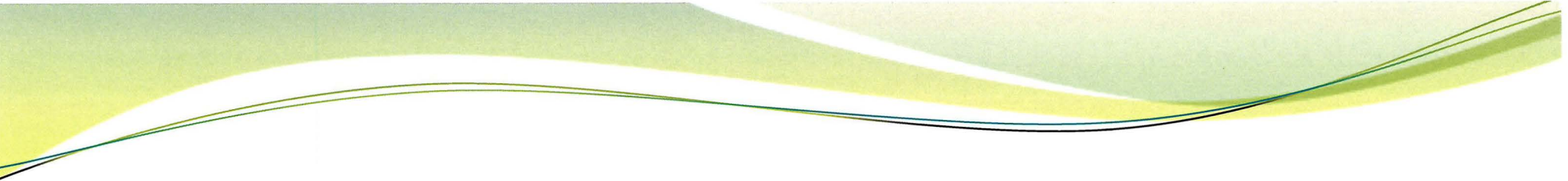
AB341 Compliance

- October 2017

	Accounts recycling with Burrtec	3 rd Party or Self-Haul Recyclers	AB341 accounts without recycling with Burrtec	AB341 Total Recyclers	AB 341 Total number	AB 341 Participation Rate
Commercial	68	18	68	61	129	61%
Multi-Family	47	0	8	44	52	85%

Commercial Rates – Recycling

		Current Rate 1/1/17						Proposed Rate 1/1/18					
		Recycling					CPI	Recycling					
Bin		Service	0.00%	Process/ Rebate	Franchise Fee	Total Monthly		Service	2.54%	Process/ Rebate	Franchise Fee	Total Monthly	
Size	Frequency	Rate	Fuel	(\$14.34)	15.0%	Rate	2.50%	Rate	Fuel	(\$17.99)	15.0%	Rate	
1.5	1	57.79	6.48	(3.03)	10.81	\$ 72.05	1.44	59.23	6.64	(3.80)	10.95	\$ 73.02	
1.5	2	80.90	9.08	(6.06)	14.81	\$ 98.73	2.02	82.92	9.31	(7.60)	14.93	\$ 99.56	
1.5	3	117.30	12.71	(9.09)	21.34	\$142.26	2.93	120.23	13.03	(11.40)	21.50	\$143.36	
2	1	72.47	8.12	(4.04)	13.51	\$ 90.06	1.81	74.28	8.33	(5.07)	13.68	\$ 91.22	
2	2	100.92	11.31	(8.08)	18.38	\$122.53	2.52	103.44	11.60	(10.14)	18.51	\$123.41	
2	3	146.33	15.82	(12.12)	26.48	\$176.51	3.66	149.99	16.22	(15.20)	26.65	\$177.66	
2	4	219.47	22.16	(16.16)	39.79	\$265.26	5.49	224.96	22.72	(20.27)	40.13	\$267.54	
3	1	88.83	9.96	(6.06)	16.36	\$109.09	2.22	91.05	10.21	(7.60)	16.53	\$110.19	
3	2	131.42	14.72	(12.12)	23.65	\$157.67	3.29	134.71	15.09	(15.20)	23.75	\$158.35	
3	3	190.67	21.38	(18.18)	34.21	\$228.08	4.77	195.44	21.92	(22.81)	34.33	\$228.88	
3	4	241.62	27.08	(24.24)	43.14	\$287.60	6.04	247.66	27.77	(30.41)	43.24	\$288.26	
3	5	292.56	32.79	(30.30)	52.07	\$347.12	7.31	299.87	33.62	(38.01)	52.14	\$347.62	
3	6	343.45	38.50	(36.36)	60.99	\$406.58	8.59	352.04	39.48	(45.61)	61.04	\$406.95	
Barrel													
90 / 65 Gal	1	9.41	1.27	(0.62)	1.78	\$ 11.84	0.24	9.65	1.30	(0.78)	1.79	\$ 11.96	



Commercial Organics AB 1826

- January 1, 2016, Jurisdictions must implement an Organic Waste recycling program for food waste and green waste
- April 1, 2016, Businesses that generate 8 cubic yards (cy) or more a week must source separate food scraps and yard trimmings and arrange for organic recycling services
- January 1, 2017, Businesses generating 4 cy or more per week of organics
- January 1, 2019, Business that generates 4 cy or more of commercial solid waste per week

Material Diversion Types_(cont'd)

- Food Waste
 - Californians throw away nearly 6 million tons of food scraps each year.

Acceptable food waste materials

Dairy products
Fruits and vegetables
Meats and bones
Seafood
Poultry
Breads and grains
Coffee grounds
Plant trimmings
Soiled paper products

Food Waste Collection

All Food

Dairy products, fruits, vegetables, meat, bones, seafood, poultry, breads, grains, coffee grounds, plant trimmings, and soiled paper products (milk cartons and waxed cardboard).

Toda Comida

Frutas, verduras, carnes, mariscos, pescados, huevos, arroz, frijoles, pastas, pan, quesos, cáscaras de huevo.

NO!

- Plastic bags/wrap/straws
- Styrofoam
- Bottles and cans
- Aluminum foil
- Liquids
- Hazardous waste
- Glass

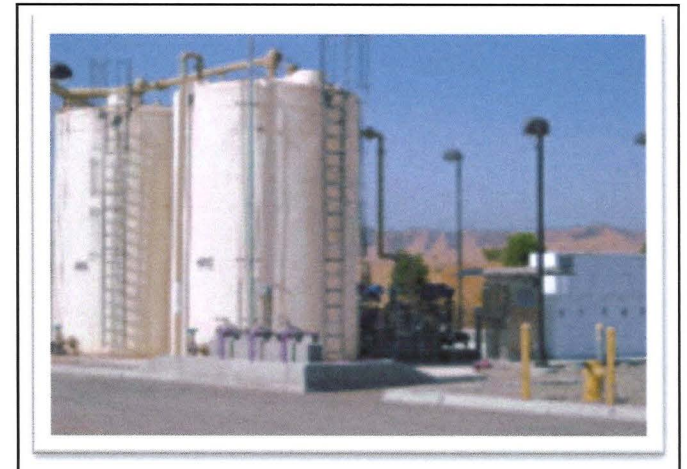
¡NO!

- Bolsas/envolturas/pajitas de plástico
- Espuma de poliestireno
- Botellas y latas
- Papel de aluminio
- Líquidos
- Desechos peligrosos
- Vidrio



Organics Processing

- Compost
 - Includes controlled decomposition of organic material such as leaves, twigs, grass clippings, and food scraps.
- Anaerobic Digestion (AD)
 - Renewable Energy: Biogas is burned and converted to electricity



		Current Rate 1/1/17							Proposed Rate 1/1/18						
Bin		Service	Fuel	FW Fee	Disposal	Stabilization	Franchise Fee	Monthly	Service	Fuel	FW Fee	Disposal	Stabilization	Franchise Fee	Monthly
Size	Freq	Rate	0.00%	\$ 0.59	\$ 46.00	Fee	15.00%	Rate	Rate	2.54%	\$ 0.72	\$ 47.38	Fee	15.00%	Rate
1.5	1	65.61	7.33	3.84	19.73	0.23	17.07	\$ 113.81	67.25	7.52	4.68	20.33	(0.23)	17.57	\$ 117.12
1.5	2	103.30	11.58	7.67	39.47	0.43	28.67	\$ 191.12	105.88	11.87	9.36	40.65	(0.43)	29.53	\$ 196.86
1.5	3	135.18	15.83	11.51	59.20	0.77	39.27	\$ 261.76	138.56	16.23	14.04	60.98	(0.77)	40.42	\$ 269.46
1.5	4	163.13	20.08	15.34	78.94	1.06	49.15	\$ 327.70	167.20	20.59	18.72	81.30	(1.06)	50.60	\$ 337.35
1.5	5	191.08	24.33	19.18	98.67	1.33	59.05	\$ 393.64	195.85	24.95	23.40	101.63	(1.33)	60.79	\$ 405.29
1.5	6	219.04	28.58	23.01	118.40	1.61	68.93	\$ 459.57	224.50	29.31	28.08	121.96	(1.61)	70.98	\$ 473.22
2	1	81.77	9.15	5.11	26.31	0.32	21.65	\$ 144.31	83.81	9.38	6.24	27.10	(0.32)	22.27	\$ 148.48
2	2	123.10	13.79	10.23	52.62	0.53	35.34	\$ 235.61	126.18	14.14	12.48	54.20	(0.53)	36.44	\$ 242.91
2	3	161.09	18.43	15.34	78.94	0.97	48.49	\$ 323.26	165.12	18.90	18.72	81.30	(0.97)	49.95	\$ 333.02
2	4	194.39	23.07	20.45	105.25	1.31	60.79	\$ 405.26	199.25	23.66	24.96	108.41	(1.31)	62.64	\$ 417.61
2	5	227.71	27.71	25.57	131.56	1.63	73.09	\$ 487.27	233.40	28.41	31.20	135.51	(1.63)	75.33	\$ 502.22
2	6	261.02	32.35	30.68	157.87	1.98	85.39	\$ 569.29	267.55	33.17	37.44	162.61	(1.98)	88.02	\$ 586.82
Barrel															
65g	1	17.58	4.12	0.84	9.97	(1.74)	5.43	\$ 36.21	18.03	4.22	1.01	10.27	1.74	6.23	\$ 41.49
65g	2	25.43	6.21	1.66	19.94	(2.23)	9.00	\$ 60.01	26.06	6.37	2.03	20.54	2.23	10.10	\$ 67.33
65g	3	36.78	8.29	2.51	29.91	(3.00)	13.14	\$ 87.63	37.70	8.50	3.04	30.81	3.00	14.66	\$ 97.71
65g	4	46.36	10.38	3.32	39.88	(3.65)	17.00	\$ 113.29	47.52	10.64	4.06	41.08	3.65	18.87	\$ 125.82
65g	5	55.95	12.47	4.17	49.85	(4.30)	20.85	\$ 138.98	57.35	12.79	5.07	51.35	4.30	23.10	\$ 153.96
65g	6	65.54	14.56	4.99	59.82	(4.96)	24.69	\$ 164.64	67.18	14.93	6.08	61.62	4.96	27.31	\$ 182.08
Barrel Trash Rates are not equalized with food waste															

Commercial Rates – Green Waste

Bin Size	Frequency	Current Rate 1/1/17						CPI	Proposed Rate 1/1/18				
		Service	Fuel	Disposal	Franchise Fee	Total Monthly	Service		Fuel	Disposal	Franchise Fee	Total Monthly	
		Rate	0.00%	\$43.00	15.0%	Rate	2.50%		Rate	2.54%	\$44.29	15.0%	Rate
1.5	1	41.79	4.68	17.47	11.28	\$ 75.22	1.04	42.83	4.80	17.99	11.58	\$ 77.20	
2	1	59.41	6.74	23.29	15.78	\$ 105.22	1.49	60.90	6.91	23.99	16.20	\$ 108.00	
2	2	118.82	13.46	46.58	31.56	\$ 210.42	2.97	121.79	13.80	47.98	32.39	\$ 215.96	
3	1	80.04	9.06	34.94	21.89	\$ 145.93	2.00	82.04	9.29	35.99	22.47	\$ 149.79	
3	2	116.66	13.19	69.88	35.25	\$ 234.98	2.92	119.58	13.53	71.97	36.19	\$ 241.27	
3	3	167.50	19.00	104.81	51.41	\$ 342.72	4.19	171.69	19.48	107.96	52.79	\$ 351.92	
3	4	211.24	23.91	139.75	66.16	\$ 441.06	5.28	216.52	24.52	143.94	67.94	\$ 452.92	
3	5	254.92	28.88	174.69	80.91	\$ 539.40	6.37	261.29	29.61	179.93	83.09	\$ 553.92	
3	6	298.68	33.84	209.63	95.67	\$ 637.82	7.47	306.15	34.70	215.91	98.25	\$ 655.01	
Barrel 90 / 65 Gal	1	9.34	1.27	2.80	2.37	\$ 15.78	0.23	9.57	1.30	2.88	2.43	\$ 16.18	

Roll-off Rate Impacts (1 of 2)

Refuse

		Current Rate 1/1/17							Proposed Rate 1/1/18				
				Franchise						Franchise			
Size	Maximum Tonnage	Service Rate	Fuel 0.0%	Disposal \$ 46.00	Fee 15.00%	Total Rate	CPI 2.50%	Service Rate	Fuel 2.54%	Disposal \$ 47.38	Fee 15.00%	Total Rate	
20 yard	5	165.94	18.61	230.00	73.16	\$ 487.71	4.15	170.09	19.08	236.90	75.19	\$ 501.26	
30 yard	5	165.94	18.61	230.00	73.16	\$ 487.71	4.15	170.09	19.08	236.90	75.19	\$ 501.26	
40 yard	5	165.94	18.61	230.00	73.16	\$ 487.71	4.15	170.09	19.08	236.90	75.19	\$ 501.26	
Compactor	5	211.26	23.69	230.00	82.05	\$ 547.00	5.28	216.54	24.29	236.90	84.31	\$ 562.04	

Greenwaste

		Current Rate 1/1/17						Proposed Rate 1/1/18				
				Franchise						Franchise		
Size	Maximum Tonnage	Service Rate	Fuel 0.0%	Disposal \$43.00	Fee 15.00%	Total Rate	CPI 2.50%	Service Rate	Fuel 2.54%	Disposal \$44.29	Fee 15.00%	Total Rate
40 yard	5	173.12	20.53	215.00	72.11	\$ 480.76	4.33	177.45	21.05	221.45	74.11	\$ 494.06

Recycling

		Current Rate 1/1/17						Proposed Rate 1/1/18				
					Franchise						Franchise	
Size	Maximum Tonnage	Service Rate	Fuel 0.0%	Disposal \$ -	Fee 15.00%	Total Rate	CPI 2.50%	Service Rate	Fuel 2.54%	Disposal \$ -	Fee 15.00%	Total Rate
40 yard	5	165.94	18.61	-	32.57	\$ 217.12	4.15	170.09	19.08	-	33.38	\$ 222.55
Compactor	5	211.26	23.69	-	41.46	\$ 276.41	5.28	216.54	24.29	-	42.50	\$ 283.33

Roll-off Rate Impacts (2 of 2)

Clean Inert

		Current Rate 1/1/17						Proposed Rate 1/1/18				
					Franchise					Franchise		
Size	Maximum Tonnage	Service Rate	Fuel 0.0%	Disposal \$ 15.00	Fee 15.00%	Total Rate	CPI 2.50%	Service Rate	Fuel 2.54%	Disposal \$ 15.00	Fee 15.00%	Total Rate
10 yard	10	173.12	20.53	150.00	60.64	\$ 404.29	4.33	177.45	21.05	150.00	61.50	\$ 410.00
20/40 yard	10	173.12	20.53	150.00	60.64	\$ 404.29	4.33	177.45	21.05	150.00	61.50	\$ 410.00

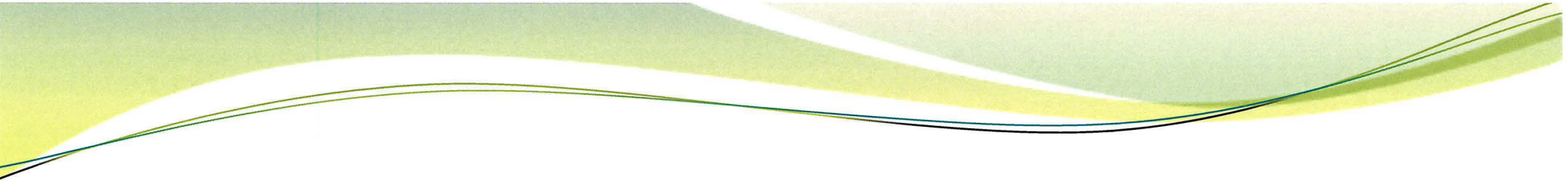
Mixed C&D

Size	Maximum Tonnage	Current Rate 1/1/17					CPI 2.50%	Proposed Rate 1/1/18				
		Service Rate	Fuel 0.0%	Disposal \$ 65.00	Franchise			Service Rate	Fuel 2.54%	Disposal \$ 65.00	Franchise	
					Fee 15.00%	Total Rate					Fee 15.00%	Total Rate
20/40 yard	5	180.08	20.53	325.00	92.75	\$ 618.36	4.50	184.58	21.05	325.00	93.64	\$ 624.27

Street Sweeping Fees

		Current 2017 CPI 1.2%	Proposed 2018 CPI 2.5%
<u>Residential Rate</u>			
Base Monthly Rate		\$ 1.33	\$ 1.36
Franchise Fee 12%		0.18	0.19
Total		\$ 1.51	\$ 1.55
<u>Commercial Rate</u>			
Base Monthly Rate		\$ 2.46	\$ 2.52
Franchise Fee 15%		0.43	0.44
Total		\$ 2.89	\$ 2.96

Note: Potential change for alternate side, alternate day no parking program.



Summary

- Current and Proposed Rate Exhibit

Questions ?



BURRTEC
WASTE SERVICES, LLC
"We'll Take Care Of It"



City of Duarte

2016 Annual Performance Review



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SECTION 1 – EXECUTIVE SUMMARY

A. Executive Summary

Background

The City of Duarte (City) and Burrtec Waste Services, LLC (Burrtec) entered into an agreement for Municipal Solid Waste, Recyclables, and Green Waste Collection, Disposal and Processing in September 1996. The agreement grants Burrtec the exclusive right to collect refuse, recyclables, and green waste from all single-family, multi-family, and commercial customers in the City.

In February 2009, the City and Burrtec amended the agreement to include provisions for an annual performance review, an extended and restated term, and added certain service programs. The performance review is to be submitted by Burrtec with the formal review conducted between August 1 and September 30 of each year. Under the terms of the agreement, Burrtec is required to provide certain services and meet certain performance criteria. These performance criteria include:

- Remitting franchise and AB 939 Fees to the City
- Providing no charge services to City facilities
- Provide residential curbside Christmas tree collections
- Provide roll-out services to handicapped and frail
- Offering a senior citizen discount rate
- Providing a high level of quality customer service
- Maintaining required permits and licenses
- Meeting specified insurance and bond requirements
- Submitting certain materials collection reports
- Conducting public education and outreach activities
- Providing safety records and proper vehicle maintenance
- Offering certain required service programs

The scope of the performance review may include items such as an audit of payment records to the City, review of customer service levels and billing, a review of customer calls and service requests, and a review of Burrtec's compliance with the terms of the Agreement. This review encompasses Burrtec's performance from January 1, 2016, through December 31, 2016.

B. Audit Results

Overall, Burrtec's performance was found to be compliant with its contractual requirements.

The audit results further identified that Burrtec continues to provide excellent customer service. The responsiveness to customer and City concerns is quick and thorough. All programs have been implemented and Burrtec's community involvement continues to highlight its commitment to the City of Duarte and its residents.

SECTION 2 – PERFORMANCE REVIEW ELEMENTS

A. Payment of Fees to the City

1. Franchise Fees

Background

Section 10.03 of Agreement Amendment No. 4 states the City Impact Fee shall be as follows:

1. 15% of gross annual revenues received from commercial customers and all commercial services
2. 12% of gross annual revenues received from residential customers and all residential services

Findings

Burrtec pays franchise fees quarterly to the City. The following summarizes the amounts paid in 2016. Copies of the submitted Franchise Fee Worksheets were reviewed and are included in the appendix section.

Quarter	Gross Receipts	Franchise Fees	Date
1 st	\$702,425.76	\$96,003.27	03/31/16
2 nd	\$677,896.80	\$93,105.95	06/30/16
3 rd	\$755,494.35	\$103,838.62	09/30/16
4 th	\$712,811.14	\$98,188.36	12/31/16
Total	\$2,146,905.48	\$391,136.20	

2. AB 939 Fees

Background

Section 5.12 of the Agreement states Burrtec shall make an annual payment to the City for AB 939 administration. The amount at the execution of the agreement was \$40,000, which is subject to annual CPI adjustments.

Findings

In December 2016, Burrtec paid the City \$63,486.46 for the annual AB 939 fees.

3. Contractor Payment to the City

Background

Section 10.09 of Agreement Amendment No. 6 states payments to the City for items listed in Section 10.03 are calculated on a quarterly basis, and submitted on the thirtieth (30th) day of the month following the prior quarter ending date.

Findings

Fees are being remitted timely.

B. No Charge City Services

Background

Section 4.01c(4) of the Agreement states contractor shall collect refuse, recyclables and green waste from City facilities at no charge.

Findings

Burrtec currently provides trash, recycling and green waste collection to several city facilities as summarized below. Burrtec also provides services to special City events as requested. The regular services provided are summarized below.

Site	Address	Commodity	Bin Size	P/U Days
City Yard	1101 Oak	Trash	3 yard	M
Duarte Park	1350 Brycedale	Trash	3 yard	M-W-F
Teen Center	1400 Buena Vista	Trash	3 yard	W
		Recycling	3 yard	F
City Hall	1600 Huntington	Trash	2 yard	M-Tu-W-Th-F
		Recycling	1.5 yard	Tu-F
Senior Center	1610 Huntington	Trash	2 yard	M-W-F
City Yard	1850 Highland	Trash	3 yard	Tu-F
		Recycling	3 yard	Tu-F
		Green Waste	3 yard	M-Th

C. Services

1. Christmas Tree Collection and Recycling Program

Background

Section 4.01c(3) of the Agreement requires the annual collection of Christmas Trees from December 26th through January 8th. Contractor shall notify customers by mail of

the collection dates. Collected trees shall be delivered to a green waste or composting facility for diversion.

Findings

Residential customers were notified (in English and Spanish) of the curbside Christmas tree collection via the quarterly newsletter (copy included in the appendix section).

Burrtec collected and recycled 9.57 tons of Christmas Trees. Additional Christmas tree tonnages were collected and disposed with regular green waste materials.

2. Aid to Handicapped and Frail

Background

Section 4.01c(5) of the Agreement requires the Contractor to provide no cost push out services and/or backyard collection to qualified senior and handicapped residents.

Findings

Burrtec provides no charge barrel roll-out services to 35 senior/handicapped residents.

3. Senior Citizen Rate

Background

Section 4.01c(5) of the Agreement requires the Contractor to provide reduced rates for qualified senior and handicapped residents.

Findings

Burrtec offers qualified senior (62 years of age and head of household) and handicapped residents a 40-gal trash, 60-gal recycling and 60-gal green waste barrel at a rate of \$16.03 per month. Burrtec currently has 302 customers utilizing this service level.

4. Respond to Service Complaints and Complaint Report

Background

Section 4.04b of the Agreement requires Burrtec to log all complaints, including date, time, complainant's name and address and nature and date of resolution of complaint. Calls received via the answering machine shall be logged the next business day. Customer will be contacted the next business day and will make four attempts (three calls within a 24-hour period and if unable to reach the customer a postcard will be sent).

Findings

Reported service complaints and misses are responded to and addressed by the Route Supervisor and Division Manager as appropriate. Supervisory staff will personally visit customer's onsite for specific issues. On an annual basis Burrtec provides service to approximately 745,000 barrels (4,600 barrel customers), over 47,000 bins (220 bin customers) and on-call services to a monthly average of 28 roll-off customers. During 2016, Burrtec received 271 calls relating to missed services.

Complaints are recorded in accordance with the contract requirements. The call logs are provided to the City with the Quarterly report and summarized in the annual report. Summaries of the calls received are as follows:

Call Type	Commercial Calls	Residential Calls	Street Sweeping Calls
Compliments	1	1	0
Complaints	0	0	0
Damages	0	0	0
Misses	7	263	1
Total	8	264	1

5. Respond to Complaint Regarding Graffiti or Disrepair

Background

Exhibit 3.01d(1) of the Agreement requires bins or containers be replaced for a variety of reasons including: defective or damaged components, graffiti, odor or unit is missing altogether.

Findings

During 2016 Burrtec no bins were exchanged due to graffiti and 10 bins and 660 barrels for various issues.

6. Office Hours

Background

Section 4.04c of Agreement Amendment No. 6 states office hours shall maintain an office open at a minimum from 8:00 a.m. to 5:00 p.m., daily, and on Saturdays following recognized holidays. Office must be staffed by Contractor during normal business hours. Customer call messages left on the after hours messaging system will be returned the following business day.

Findings

Office is staffed with customer service representatives from 8:00 a.m. to 5:00 p.m. daily and on Saturday's following a recognized holiday. Customer messages left in the after hours messaging system are returned the next business day.

7. Bulky Items

Background

Section 4.01c(1)(ii) of the Agreement provides for bulky waste collection at the curbside or alley way on demand from residential customers two (2) times per calendar year to each residential customer in the City.

Findings

During 2016 there were 1,530 requests totaling 118.37 tons for bulky or e-waste collections in the City of Duarte. Items include: tables, chairs, dressers, strollers, toilets, barbecues, vacuum cleaners, and electronic waste. The calls and tonnage collected are summarized below:

Bulky Items/E-Waste Collection Requests - 2016

1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
358	408	451	313	1,530

Bulky Item Tonnage Collected - 2016

Refuse	Tin / White	E-Waste	Sharps	Metal	Tires
113.21	12.40	5.16	0.08	2.01	0.10

8. Community Clean-Ups/E-Waste

Background

Section 4.01c(1)(ii) of the Agreement provides for semi-annual clean-ups city-wide for collection of bulky items at designated locations.

Findings

Burrtec provided community clean-ups on April 23rd and October 1st. In addition to the community clean-ups, Burrtec also provided 10 three cubic yard bins in support of a neighborhood clean-up at various addresses.

9. Sharps and Used Oil Collection

Background

Exhibit 3.01a of Agreement Amendment No. 3 includes Household Sharps Collection (item 11) and Used Oil Collection Program (item 12).

Findings

Sharps – Burrtec provides Sharps collection containers at no charge to residents. During 2016 Burrtec collected 160 pounds of sharps from residential customers.

Used Oil – Burrtec informed customers of the used oil/oil filter collection program in the January newsletter (copy included in the appendix section). During 2016 Burrtec delivered 3 empty containers.

10. Construction and Demolition Roll-Off Processing

Background

Exhibit 3.01a of Agreement Amendment No. 3 includes C&D Processing (item 15).

Findings

A mixed C&D roll-off collection and processing program has been developed to allow demolition and building contractors a convenient means of diverting recyclable materials. C&D materials are delivered to fully permitted facilities that specialize in recycling construction and demolition materials.

11. Street Sweeping

Background

Exhibit 3.01a of Agreement Amendment No 4 is amended by adding Paragraph 16, "Removal of Debris from City Streets (item 16)

Findings

In May 2016, the Council adopted a resolution establishing a six-month pilot parking restriction program for the purpose of street sweeping. The pilot program was established and signs were posted in Area 2 of the city street sweeping map. The pilot program designated that parking was restricted on both sides of the street on the second and fourth Wednesday of the month during a four hour period. In October 2016, after only three months into a six month pilot program, the program was modified and changed from sweeping both sides of the street on the same day to sweeping one side only on alternating days. A summary review was to be addressed in 2017 to evaluate next steps.

D. Licenses

1. Business License

Background

Section 10.2 of the Agreement states the Contractor shall obtain a City Business License to operate in the City.

Findings

Per Municipal Code Section 5.04.130, franchise holders are exempt from the business license requirement given that Burrtec pays monthly franchise fees.

2. County Hauler Permit

Background

Section 5.03 of the Agreement requires the Contractor to maintain through the term all necessary permits/licenses.

Findings

Burrtec's current permit with the County of Los Angeles expires December 31, 2017 and is renewed annually.

E. Insurance/Bonds

1. Performance Bond

Background

Section 8.03 and Exhibit 6.02 require a performance bond in an amount equal to 8.5% of the gross annual revenue with the initial bond being for \$150,000.

Findings

Based on the 2016 gross receipts of \$2,848,628 Burrtec provided a bond in the amount of \$248,000. A copy of the current performance bond is in the appendix section.

2. Worker's Compensation Insurance

Background

Section 8.01 and Exhibit 6.01 require Worker's Compensation Insurance limits of \$2,000,000 per accident; \$2,000,000 per disease (policy limit) and \$2,000,000 per disease (each employee).

Findings

Burrtec provides statutory coverage limits of \$1,000,000 for worker's compensation. Umbrella/excess liability covers the additional \$1,000,000 requirement. A copy of the insurance certificate is in the appendix section.

3. General Liability Insurance

Background

Section 8.01 and Exhibit 6.01 require General Liability Insurance limits of:

- \$1,000,000 Aggregate
- \$1,000,000 Products and Complete Operations
- \$1,000,000 Occurrence
- \$1,000,000 Fire/Occurrence
- \$5,000 Medical EA Deductible
- \$1,000,000 Personal and ADV Injury
- \$1,000,000 Employee Benefits Liability
- \$5,000 BI and PD each Occurrence Deductible

Findings

Burrtec meets or exceeds these requirements with the exception of the \$5,000 medical EA deductible. Burrtec's deductible is higher than the \$5,000 therefore this coverage is excluded. A copy of the insurance certificate is in the appendix section.

4. Excess Liability Insurance

Background

Section 8.01 and Exhibit 6.01 of Agreement Amendment No. 6 require Excess Liability for Commercial Auto and Employer's Insurance limits of:

- \$2 Million/Occurrence; \$10,000 Self-insured Retention
- Automobile (same)
- \$1 Million CSL BE & PD/Occurrence
- \$5,000 Deductible
- \$5,000 MP-Passenger

- \$1 Million Uninsured Motorists - Passenger
- \$1 Million Non-owned/Hired
- \$1,000 Comp – Passenger Vehicles – Deductible
- N/C – Collision Deductible
- \$1,000 Sp. Perils- Passenger Vehicles - Deductible

Workers Compensation / Employer's Liability

- \$2 Million/Accident
- \$2 Million/Disease-Policy Limit
- \$2 Million/Disease-Each Employee

Findings

Burrtec meets and exceeds these requirements. A copy of our insurance certificate is in the appendix section.

F. Monthly Waste Generation Reports

Background

No specific monthly tonnage report is required however, Burrtec does provide the information. This information is used to submit annual waste generation and diversion reports to the State of California and to determine compliance with state waste reduction and diversion mandates.

Findings

Waste Generation and Diversion Reports are submitted to the City on a monthly basis. A copy of the December 2016 waste generation and diversion report is included in the appendix section.

G. Outreach

1. Public Education

Background

Section 4.05 and Exhibit 3.05 of the Agreement states Contractor shall implement its Public Education Plan to include quarterly distribution of materials as well as public awareness and education.

Findings

During 2016 Burrtec produced and participated in a number of events promoting recycling and program information as summarized below:

<u>Date</u>	<u>Description</u>
01/16	January residential newsletter
03/16	March commercial newsletter
04/16	April residential newsletter
05/25/16	Burrtec attended the Taste of Duarte event by donating 5, 60-gal recycle barrels 4, 60-gal trash barrels, 3, 3-yard bins, 25 special event cardboard boxes and 4 rolls of liners, staffing an information booth.
07/16	July residential newsletter
08/02/16	Burrtec participated in Duarte's Movie Night at Maxwell Park. Staffed booth and distributed recycling information, pens, pencils, note pads, rulers and flyers promoting our services.
08/17/16	Burrtec participated in Duarte's Movie Night at Maxwell Park. Staffed booth and distributed recycling information, pens, pencils, note pads, rulers and flyers promoting our services.
09/24/16	Participant in the Route 66 Parade and City Picnic. Staffed booth, distributed recycling info, pens, pencils, note pads, rulers and flyers promoting our services.
10/16	October commercial and residential newsletters

Copies of outreach materials are included in the appendix section.

2. Community Involvement

Background

Section 4.05 and Exhibit 3.05 of the Agreement states the Contractor shall implement its Public Education Plan to include public awareness and education campaigns targeting Chamber of Commerce, service clubs, youth group, community activity sponsorships and service contributions, youth sports program sponsorships and school district youth club sponsorships and incentives.

Findings

During 2016 Burrtec participated in a number of events promoting recycling, summarized below:

<u>Date</u>	<u>Description</u>
04/16/16	Conducted a Household Hazardous Waste Collection Event from 9:00 a.m. to 3:00 p.m. in the City of Azusa's Northrop-Grumman Corporation at West 3 rd Street & Zachary Padilla Avenue, Azusa, CA 91702 – Free to Los Angeles County residents.
04/23/16	Sponsor for Duarte's Earth Day event. From the Burrtec booth Educational and promotional materials were distributed and free compost and mulch were provided to participants.
04/23/16	Conducted a Spring Clean-up, Shred Event & Compost Giveaway at Duarte City Hall and Beardslee Elementary at 1212 Kellwill Way
05/25/16	Donated 5, 60-gal recycle barrels 4, 60-gal trash barrels, 3, 3-yard bins, 25 special event cardboard boxes and 4 rolls of liners, staffed information booth, and attended the Taste of Duarte event.
07/13/16	Sponsor for Duarte's Parks and Recreation Department's "Touch A Truck" special event from 1:00 p.m. to 3:00 p.m., where kids can explore and experience their favorite trucks up close and personal.
10/01/16	Conducted a Fall Community Clean-up from 8:00 a.m. to 2:00 p.m. Convenient drop-off locations located at City Hall's parking lot at 1600 Huntington Drive and Beardslee Elementary and 1212 Kellwil Way.
10/01/16	Conducted a Household Hazardous Waste Collection Event from 9:00 a.m. to 3:00 p.m. in the City Hall parking lot at 1600 Huntington Drive. All residents of Los Angeles County are welcome – with a transportation limit of 15 gallons or 125 pounds of hazardous waste per trip.
10/01/16	Conducted a Shred Event for Duarte residents from 8:00 a.m. to 2:00 p.m. at Beardslee Elementary at 1212 Kellwil Way. Residents will receive a Free Compost giveaway.
11/23/16	Sponsor for the 31 st Annual Mayor's Thanksgiving Prayer Breakfast and Duarte Chamber Community Service Recognition Awards event held at City of Hope's Cooper
11/21 thru 12/12	Donated 55 special event collection boxes for 13 th Annual Holiday of Promise Toy Drive.

H. Operations

1. Safety Record

Background

No specific safety record requirement is stated in the Agreement, however, Burrtec provided related information.

Findings

While not universal, a company's safety record is often a good indication of the overall effectiveness of its management and operations. During 2016, there were two incidents that resulted in zero days away from work and 58 days of modified duty (see OSHA Form 300A in the appendix section).

2. Vehicle Maintenance

Background

Section 4.01g(6) and Exhibit 30.1d(1) of Agreement Amendment No. 6 requires at all times maintain vehicles in good condition in accordance with the maintenance protocol contained in Exhibit 3.01d(2), so that they operate properly and safely. Contractor acknowledges that it is important to the City that Contractor present a professional and pleasing image. Therefore, Contractor shall wash all vehicles at least once each week and shall repaint all vehicles (including trim) as needed or at the City's request in order to maintain trucks in good condition.

Findings

Preventative maintenance on all equipment is conducted in routine intervals of 30, 60, and 90 days. Additionally, Burrtec's maintenance program focuses on safety of equipment, quality of repair, and expediency to return vehicle to service. Maintenance support vehicles are utilized to service inoperable vehicles in the field immediately upon notification from the driver. While response times are immediate, repair and/or replacement times are dependent upon the nature of the problem. Burrtec equips all of its fleets with spare equipment for immediate deployment when a quick repair cannot be made to a front line vehicle.

Vehicles are repainted as needed or at the City's request in order to maintain trucks in good condition.

A BIT inspection was not required by the CHP in 2016. A copy of the most recent BIT inspection (December 2014) is included.

3. Container Maintenance

Background

Section 4.01g(6) and Exhibit 30.1d(1) of Agreement Amendment No. 6 requires that all automated containers will be repaired and/or replaced on request. The request may be generated from the route driver, the customer, or City staff and the container will be delivered on the next service day or within 24 hours if necessary to meet the customer's request. The defective or missing container will be exchanged for a new or reconditioned container.

Bins will be exchanged on an as-needed basis. An exchange request may be generated from the route driver or the customer. Bins will be exchanged on the next service day or within 24 hours of the received request if necessary to meet the customer's request. Bins and containers are exchanged or replaced for a variety of reasons including: defective or damaged components, graffiti, odor, or the unit is missing all together.

All automated containers and residential bins will be maintained at the local facilities yard. Maintenance procedures include: Steam cleaning, component replacement, welding, lubrication, painting and signage.

Findings

Container maintenance and exchanges are consistent with the requirement. In 2016 Burrtec exchanged 10 bin and 660 barrel containers.

I. Vehicles

1. Alternative Fuel

Background

Agreement Amendment No. 3 added a provision to replace the routed trash and recycling collection trucks servicing the City to alternative fuel by December 31, 2011.

Findings

Burrtec replaced the routed trash and recycling collection trucks by December 2011 with alternative fuel vehicles as summarized below:

Unit #	Year	Type	VIN	Fuel
1936	2016	Front End Loader	5VCACLE6GH220343	CNG
1471	2009	Front End Loader	5VCDC6LEX9H209041	CNG
1508	2009	Automated	3BPZL20XXAF107910	CNG
1636	2010	Automated	3BPZL20XXAF110080	CNG
1639	2010	Automated	3BPZL20X5AF110083	CNG
1642	2010	Automated	3BPZL20X0AF110086	CNG

2. Noise Testing

Background

Section 4.01g(1)(i) of Agreement Amendment No. 6 indicates noise levels generated by vehicles using compaction mechanisms during the stationary compaction process shall not exceed seventy-five decibels at a distance of twenty-five feet from the collection vehicle measured at an elevation of five feet above ground level using the "A" scale of a standard sound level meter at slow response, or Applicable Law, whichever is more stringent. Contractor shall cause the collection vehicles to be tested upon City request by an independent testing authority and shall submit a certificate of testing showing that the vehicles meet the requirements of this Section.

Findings

Vehicles shall be tested upon City request by an independent testing authority and they shall submit a certificate of testing showing that the vehicles meet the requirements.

J. Mandatory Commercial and Multi-Family Recycling

1. AB 341 Compliance

Background

California Assembly Bill 341 mandates businesses and public entities, generating four cubic yards of solid waste or more and multi-family residential dwellings with five or more units, to establish and maintain recycling services. The law went into effect July 1, 2012. There is no specific Agreement language on AB 341 compliance, however, Burrtec has promoted its existing commercial and multi-family recycling programs as a compliance measure.

Findings

With the implementation of AB 341, Burrtec prepared and mailed newsletters to all customer and multi-family customers on recycling programs and AB 341 requirements in March and October 2016 (copies included in the appendix section).

The following table summarizes the AB 341 status as of December 2016.

Service	December 2016	
	Commercial (4 yd or more)	Multi-Family (5+ units)
With Recycling	46	44
Without Recycling	76	8

2. Commercial Recycling Barrels

Background

Amendment 3 to the Agreement revised Exhibit 3.01 to include Commercial Recycling Barrels (Item 13).

Findings

With the implementation of AB 341 and in an effort to address low volume generators, Burrtec added 65 and 90 gallon recycling barrels as options for commercial and multi-family customers. Approximately 380 customers have this service.

3. Outreach

Background

There is no specific Agreement language on AB 341 outreach/compliance.

Findings

With the implementation of AB 341, Burrtec prepared and mailed newsletters to all customer and multi-family customers on recycling during the months of March and October. In addition, Burrtec conducted 88 waste assessments during 2016. A copy of the outreach material is included in the appendix section.

K. Mandatory Commercial Organics AB 1826

Background

This landmark bill requires commercial recycling of organic waste starting in 2016 for businesses generating eight cubic yards or more of organic waste. The recycling requirement will phase in from 2016 to 2020 depending on volume of organic waste generated weekly by a business. The legislation also requires that each local jurisdiction develop an organic waste recycling program.

This bill decreases the threshold amount of organic waste under which a business would be subject to those requirements from 8 cubic yards or more to 4 cubic yards or more on January 1, 2017. It also requires a business that generates 4 cubic yards or more of commercial solid waste per week, on and after January 1, 2019, to arrange for organic waste recycling services.

Findings

In Spring 2016, Burrtec developed and presented to the City a food waste collection and processing program that was approved by the City and effective July 1, 2017. Elements included outreach and training materials, processing outlets, and equipment preparation. With this program, the City can move toward Organics Recycling compliance.

APPENDIX

FRANCHISE FEE WORKSHEETS

Burrtec Waste Services LLC
City of Duarte
Franchise Fee Worksheet

For the quarter end 3/31/2016

	Commercial (DC)+(DD)+(DM)+(BH) (DO)		Rolloff (OH)+(DT)	Residential (DR)	Total
Cash Receipts					
January-16	\$ 97,846.83	\$ 12,888.53	\$ 237,068.49	\$ 347,803.85	
February-16	\$ 106,820.57	\$ 35,464.40	\$ 46,512.64	\$ 188,797.61	
March-16	\$ 102,657.08	\$ 34,728.46	\$ 28,438.76	\$ 165,824.30	
Total	\$ 307,324.48	\$ 83,081.39	\$ 312,019.89	\$ 702,425.76	
Franchise Fee %	15.00%	15.00%	12.00%		
Franchise Fee	\$ 46,098.67	\$ 12,462.21	\$ 37,442.39	\$ 96,003.27	

Burrtec Waste Services LLC
City of Duarte
Franchise Fee Worksheet

For the quarter end 6/30/2016

	Commercial		Rolloff		Residential	Total		
Cash Receipts	(DC)+(DD)+(DM)+(BH)	(DO)	(OH)+(DT)	(DR)				
April-16	\$	96,783.24	\$	27,366.01	\$	232,811.64	\$	356,960.89
May-16	\$	101,155.92	\$	27,032.34	\$	32,291.82	\$	160,480.08
June-16	\$	103,771.15	\$	35,835.94	\$	20,848.74	\$	160,455.83
Total	\$	301,710.31	\$	90,234.29	\$	285,952.20	\$	677,896.80
Franchise Fee %	15.00%		15.00%		12.00%			
Franchise Fee	\$	45,256.55	\$	13,535.14	\$	34,314.26	\$	93,105.95

Burrtec Waste Services LLC
City of Duarte
Franchise Fee Worksheet

For the quarter end 9/30/2016

	Commercial (DC)+(DD)+(DM)+(BH)	Rolloff (DO) +(OH)+(DT)	Residential (DR)	Total
Cash Receipts				
July-16	\$ 86,520.39	\$ 34,356.86	\$ 188,241.23	\$ 309,118.48
August-16	\$ 138,798.92	\$ 32,159.36	\$ 93,323.09	\$ 264,281.37
September-16	\$ 119,196.02	\$ 28,278.51	\$ 34,619.97	\$ 182,094.50
Total	\$ 344,515.33	\$ 94,794.73	\$ 316,184.29	\$ 755,494.35
Franchise Fee %	15.00%	15.00%	12.00%	
Franchise Fee	\$ 51,677.30	\$ 14,219.21	\$ 37,942.11	\$ 103,838.62

Burrtec Waste Services LLC
City of Duarte
Franchise Fee Worksheet

For the quarter end 12/31/2016

	Commercial (DC)+(DD)+(DM)+(BH) (DO)		Rolloff (OH)+(DT)	Residential (DR)	Total
Cash Receipts					
October-16	\$ 119,686.49	\$ 28,437.76	\$ 224,694.97	\$ 372,819.22	
November-16	\$ 104,958.11	\$ 29,258.98	\$ 33,305.16	\$ 167,522.25	
December-16	\$ 114,915.86	\$ 24,443.53	\$ 33,110.28	\$ 172,469.67	
Total	\$ 339,560.46	\$ 82,140.27	\$ 291,110.41	\$ 712,811.14	
Franchise Fee %	15.00%	15.00%	12.00%		
Franchise Fee	\$ 50,934.07	\$ 12,321.04	\$ 34,933.25	\$ 98,188.36	

OUTREACH AND EDUCATIONAL MATERIALS



January 2016

BURRTEC NEWS

Waste and Recycling Newsletter

Sponsored by the City of Duarte and Burrtec Waste Services

"We'll Take Care Of It"

Happy New Year!

Is your New Year's resolution to clean-out all of your junk? If so, Burrtec offers a 3-yard to 40-yard bin for all of your residential clean-up and special project needs. Contact our Customer Service Department to begin your New Year's Resolution!

Automated Bill Pay

For your convenience, you can make a payment any day, anytime, using our free automated payment service.

Have your account number, billing zip code and payment option (either check or credit card) available. Dial (866) 306-9004 and when prompted enter the requested information. It's that easy!



Paper Recycling

All grades and types of paper and cardboard can be placed in the recycling bin. But are all papers materials the same? Actually, they are not and here are some examples.

- Corrugated and cardboard boxes are made with high-grade fiber to give them strength.
- Milk cartons and drink boxes can be recycled.
- Newspaper goes through a "deinking" process and is turned back into pulp then be made into newsprint again.
- Copy paper and junk mail is most commonly recycled.

Contact Information

Burrtec Waste Services

1-626-932-1558

1017 West Gladstone Street
Azusa, CA 91702

Hours of Operation

Mon-Fri 8:00 am to 5:00 pm



Residential Christmas Tree Collection

Burrtec will collect and recycle Christmas trees from single-family residences. Please place your tree at curbside during the period after Christmas (December 26, 2015 through January 8, 2016) on your collection day. Trees 6' and over need to be cut in half. Please take all ornaments, lights, and metal stands off of the tree. Flocked trees will not be recycled, they will be collected as trash. Flocked trees 6' and over need to be cut in half.

Extra Holiday Trash and Recycling Collection

Approximately 80% of holiday trash is recyclable. All gift boxes, wrapping paper, greeting cards, and cardboard packaging are items that may be placed in the recycling barrel. Burrtec will collect excess holiday trash and recyclables beginning December 26, 2015 through January 2, 2016 from single-family residences. Place excess holiday trash/recyclables in bags alongside automated containers on collection day.



Free Used Oil Recycling Kits for Duarte Residents

Pick up a kit from Duarte City Hall, 7:30am to 6pm, Monday through Thursday. Or contact Burrtec at 800-325-9417, and a kit will be delivered to your residence. Recycling kits available while supplies last.

► Used Oil Recycling Kit includes:

9 quart drain container ■ filter collection bags ■ list of recycling options

Recycle Used Motor Oil & Used Filters



► Deliver used motor oil and used filters to a certified collection center:

AutoZone. 1346 E. Huntington Drive, Duarte, CA. . . 626-357-0554
Goodyear Tires. 1098 E. Huntington Drive, Duarte, CA. . . 626-358-2591
Advantage Ford, service. . . 1031 E. Central Avenue, Duarte, CA. . . 626-359-9689
Nissan of Duarte, service. . . 1434 Buena Vista Street, Duarte, CA. . . 626-305-3000

► Or contact Burrtec at 800-325-9417 to schedule a curbside pickup.

Holiday Schedule

- Christmas Day - Friday, December 25, 2015
- New Years Day - Friday, January 1, 2016

When the holiday falls on a weekday, collections for the remainder of the week will be delayed by one day. There is no service interruption or delay when the holiday falls on a Saturday or Sunday.

enero 2016



BURRTEC NEWS

Waste and Recycling Newsletter

Patrocinado por la Ciudad de Duarte y Burrtec Waste Services

"We'll Take Care Of It"

¡Feliz Año Nuevo!

¿Es su buen propósito del Año Nuevo limpiar todos sus cachibaches? Si es así, Burrtec ofrece un recipiente de 3 yardas a 40 yardas para todas sus necesidades residenciales de limpieza y de proyectos especiales. Póngase en contacto con nuestro Departamento de Servicio al Cliente para comenzar su ¡Buen Propósito del Año Nuevo!

Pago de Facturas Automatizado

Para su conveniencia, usted puede hacer un pago en cualquier día, en cualquier momento, utilizando nuestro servicio de pago automatizado gratis.

Tenga su número de cuenta, el código postal de facturación y opción de pago (ya sea cheque o tarjeta de crédito) disponible. Marque el (866) 306-9004 y cuando se le pide introduzca la información requerida. ¡Es así de fácil!



Reciclaje de Papel

Todos los grados y tipos de papel y cartón se pueden colocar en el contenedor de reciclaje. ¿Pero son igual todos los materiales de papel? En realidad, no lo son, y aquí están algunos ejemplos.

- Cajas de cartón corrugado y cartón están hechas con fibra de alto grado para darles fuerza.
- Cartones de leche y cajas de bebidas pueden ser reciclados.
- El periódico pasa por un proceso "de destintado" y es convertido de nuevo en pulpa, y luego es hecho de nuevo en papel de periódico.
- El papel de copia y correo basura es el que más comúnmente se recicla.

Información de Contacto

Burrtec Waste Services

1-626-932-1558

1017 West Gladstone Street
Azusa, CA 91702

Horas de oficina

Lunes-Viernes 8:00 am to 5:00 pm



Recolección Residencial de Árboles de Navidad

Burrtec recogerá y reciclará los árboles de Navidad de las residencias unifamiliares. Por favor, coloque el árbol en la acera durante el período después de Navidad (26 de diciembre 2015 a través de 08 de enero 2016) en su día de recolección. Los árboles 6' y más necesitan ser cortados por la mitad. Por favor quite todos los adornos, luces, y la base metálica del árbol. Árboles flocados no serán reciclados, serán recogidos como basura. Árboles flocados 6' y más necesitan ser cortados por la mitad.

Basura Adicional de las Fiestas y Recolección de Reciclaje

Aproximadamente el 80% de la basura de los días festivos es reciclable. Todas las cajas de regalo, papel de envolver, tarjetas de Navidad, y embalajes de cartón son artículos que pueden ser colocados en el barril de reciclaje. Burrtec recogerá el exceso de basura y reciclables de los días festivos a partir del 26 de diciembre 2015 a través del 02 de enero 2016 de las residencias unifamiliares. Coloque el exceso de basura/reciclables en bolsas junto a los contenedores automatizados en el día de recolección.



Gratis Estuches de Reciclaje para Aceite Usado para los Residentes de Duarte

Recoja un estuche del Ayuntamiento de Duarte, de 7:30am a 6pm, de lunes a jueves. O póngase en contacto con Burrtec al 800-325-9417, y un estuche será enviado a su residencia. Los estuches de reciclaje estarán disponibles hasta agotar existencias.

► *Estuche de Reciclaje para Aceite Usado incluye:*
un recipiente de drenaje de 9 cuartos ■ bolsas de recolección de filtros
lista de opciones de reciclaje

Recicle Aceite de Motor y Filtros Usados



- Entregar el aceite de motor y filtros usados a un centro certificado:

AutoZone. 1346 E. Huntington Drive, Duarte, CA. . . 626-357-0554
Goodyear Tires. 1098 E. Huntington Drive, Duarte, CA. . . 626-358-2591
Advantage Ford, service. . . 1031 E. Central Avenue, Duarte, CA. . . 626-359-9689
Nissan of Duarte, service. . . 1434 Buena Vista Street, Duarte, CA. . . 626-305-3000

- O póngase en contacto con Burrtec al 800-325-9417 para programar una cita para recojer.

Horario Festivo

Día de Navidad - viernes, 25 de diciembre, 2015

Año Nuevo - viernes, 1 de Enero, 2016

Cuando el día festivo cae entre semana, las recolecciones para el resto de la semana se tardarán un día. No habrá interrupción o demora de servicio cuando el día festivo cae en un sábado o domingo.

March 2016



BURRTEC NEWS

Waste and Recycling Newsletter

Sponsored by Burrtec Waste Industries for Duarte
Commercial, Roll Off, and Multi-Family Customers

"We'll Take Care Of It"

Recycle Right!

Place these types of materials in
your recycling barrel or bin.

- Aerosol cans (must be completely empty)
- Aluminum cans (please do not crush)
- Brochures
- Cardboard
- **Cartons**
- Cereal boxes (remove wax paper lining)
- Clothes hangers
- Computer paper
- Coupons
- Envelopes
- Glass bottles, jars
- Glass cosmetic bottles
- Junk mail
- Laundry bottles
- Magazines/catalogs
- Newspaper
- Paper
- Paper tubes
- Phone books
- Pizza boxes
- Plastic containers #1– #7
- Plastic milk jugs
- Tin cans
- Tissue boxes
- Wrapping paper



Contact Information

Burrtec Waste Industries

(800) 325-9417

1017 West Gladstone Street
Azusa, CA 91702

Hours of Operation

Mon-Fri 8:00 am to 5:00 pm



Recycling Programs —Let Us Help!

California Assembly Bill 341 mandates businesses and public entities, generating four (4) cubic yards of trash or more and multi-family residential dwellings with five or more units, to establish and maintain recycling service.

Recycling not only conserves our natural resources but can save money by reducing waste disposal costs. Burrtec recycling coordinators can assist in selecting the appropriate recycling service level, along with the necessary education and outreach to residents and managerial staff. Call our customer service department today to schedule a complimentary waste and recycling assessment.

If you already have a recycling program and would like to make additional enhancements, please call our customer service department for assistance.

Recycling Considerations: Make Your Program a Success!

Ensuring the success of your recycling program depends on a few key elements; most importantly assistance from employees and/or residents. Here are a few pointers to get you started in the right direction.

- Post signage to remind employees and/or residents to recycle specific items (cardboard, paper, etc.). Communication is essential. Newsletters and flyers also reinforce the message.
- Placement of recycling containers next to trash containers increases the chances of getting more recyclables into the correct container.
- Emptying recycling containers into the proper recycling bin will ensure that your business or multifamily residential dwelling is doing their part to lower costs and reduce landfill waste.

Top 5 Items to Keep **OUT** of the Recycling Bin

Here are the 5 top items that should never be placed in the recycling bin:

1. **No Garden Hoses.** Despite being made from rubber, vinyl or a combination of both, this item still belongs in the trash.
2. **No Diapers.** Diapers should be placed in your trash bin.
3. **No Hazardous Waste.** This means no paint, motor oil, batteries, syringes, needles, etc. Hazardous wastes place our facility staff at risk. Do not place it into the trash bin either.
4. **No Pet Food Bags.** The wax coating prevents the bags from breaking down in the recycling process, so pet food bags go into the trash bin.
5. **No Electronic Waste.** These items are best recycled through a proper e-recycler.

Scavenging Is Illegal!!

Whether it's called dumpster diving or scavenging, it is the unauthorized removal of solid waste materials. Removal of materials from a bin may increase the cost of collection services! Materials placed in a recycling bin have a value that is used to offset collection and processing costs. When a scavenger breaks the law and removes those materials they are also removing any value associated with the recycling program, which ultimately affects rates. If you see a scavenger, do not approach them! Get a description of the person and/or vehicle with license plate number or take a picture. Call or send picture to Burrtec. Also, please help us help you. Do not give permission to scavengers to take recyclables.



Mandatory Organics Legislation

The California State Legislature approved Assembly Bill 1826 (AB 1826) which sets forth statewide mandatory commercial organic waste recycling. The bill includes initial requirements that businesses generating more than eight cubic yards of organics per week and multifamily residential properties with five dwelling units or more that generate eight cubic yards of green waste per week, must arrange for organic recycling services. Organic waste means food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste mixed in with food waste. The State requirements specify that applicable business generators:

- Separate organic waste from other waste and participate in a waste recycling service that includes collection and recycling of organic waste.
- Recycle its organic waste on site, or self-haul its organic waste off-site for recycling; or
- Subscribe to an organic waste recycling service that may include mixed waste processing that specifically recycles organic waste.



The law phases in the requirements on businesses and multifamily residential dwellings over time based on the following dates by 2019. Additionally, the State law contains a trigger that will increase the scope of affected businesses, if waste reduction targets are not met.

April 1, 2016: Businesses that generate 8 cubic yards of organic waste per week shall arrange for organic waste recycling services.

January 1, 2017: Businesses that generate 4 cubic yards of organic waste per week shall arrange for organic waste recycling services.

January 1, 2019: Businesses that generate 4 cubic yards or more of commercial solid waste per week shall arrange for organic waste recycling services.

January 1, 2020: On or after January 1, 2020, the organic recycling requirements on businesses will expand to cover businesses that generate 2 cubic yards or more of commercial solid waste per week.



Additional organics recycling information will be provided as the program becomes available.

We appreciate your cooperation in this matter. Should you have any questions or to obtain a waste assessment please call our office at 800-325-9417.

New Item for Recycling- CARTONS!

We are now accepting cartons for recycling. This exciting addition to our programs and services will allow our customers to recycle more!

What are cartons?

Cartons are the packaging for many products you can find at the store including milk, juice, cream, egg substitutes, soy milk, soup, broth, and wine. They come in two different types—the aseptic or shelf stable cartons found on store shelves as well as the familiar gable-top, refrigerated cartons.

How do I recycle cartons?

Place empty cartons in your recycling bin.

What happens to the cartons I recycle?

Cartons are sorted and baled at Burrtec's Material Recovery Facility. The bales of cartons are sold to paper mills. Here, fiber in the cartons is converted into pulp, which in turn is made into recycled paper products and building materials.

Why should I recycle cartons?

Cartons are made mainly from paper, plastic and some aluminium. All of which are recyclable! Recycling cartons helps to save those resources, which is good for our environment.





"We'll Take Care Of It"

Household Hazardous Waste Collection Event

Saturday, April 16, 2016 - 9:00 a.m. - 3:00 p.m.

City of Azusa

Northrop-Grumman Corporation

West 3rd Street & Zachary Padilla Avenue

Azusa, CA 91702

Household Hazardous Waste Collection events are FREE and open to all residents of L.A. County for household waste. There is a transportation limit of 15 gallons or 125 pounds of hazardous waste per trip.

Events are from

Please visit www.cleanLA.com for more information.

Acceptable Items:

Anti-freeze
Batteries
Compact fluorescent light bulbs (CFLs)
Computer monitors
Expired Medications
Household cleaners
Motor oil and filters
Paints
Pesticides
Solvents
Television sets
Weed killers



Contact Information

Burrtec Waste Services

1-626-932-1558

1017 West Gladstone Street
Azusa, CA 91702

Hours of Operation

Mon-Fri 8:00 am to 5:00 pm



Community Clean Up!

April 23, 2016

Burrtec offers a convenient drop-off location for Duarte's community clean-up. Burrtec will be collecting non-hazardous waste. No tires, commercial waste or hazardous waste. Please bring your Burrtec trash bill for proof of residency.

Drop-Off Locations:

- 1) Duarte City Hall 1600 Huntington Drive
- 2) Beardslee Elementary 1212 Kellwill Lane

Appliances

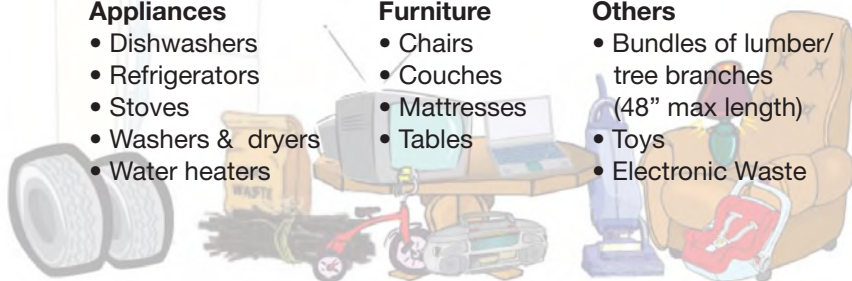
- Dishwashers
- Refrigerators
- Stoves
- Washers & dryers
- Water heaters

Furniture

- Chairs
- Couches
- Mattresses
- Tables

Others

- Bundles of lumber/ tree branches (48" max length)
- Toys
- Electronic Waste



Shred Event

Protect your identity, shred your personal papers for FREE!
Duarte Residents ONLY

Date: April 23, 2016

What to bring: old bank statements, old pay stubs, credit card applications, old papers with personal information. No binders please.

Sponsored by the City of Duarte and Burrtec

For more information please call Burrtec at (626) 932-1558

Where: Duarte City Hall 1600 Huntington Drive

Time: 8:00 AM - 2:00 PM.

Compost Giveaway

Free to Duarte Residents

Benefits of Compost:

- Helps retain moisture to reduce watering
- Controls erosion
- Suppresses weed growth
- Provides beneficial nutrients to improve soil



This is a self serve event so please bring sturdy bags, pails, containers, gloves and a shovel to take and load your compost. First come, first serve. Please bring a copy of your trash bill.



"We'll Take Care Of It"

Evento de recolección de desperdicios domésticos peligrosos

Sabado, 16 de Abril, 2016 - 9:00 a.m. - 3:00 p.m.

City of Azusa

Northrop-Grumman Corporation

West 3rd Street & Zachary Padilla Avenue

Azusa, CA 91702

Los eventos de recolección de desperdicios domésticos peligrosos son GRATUITOS y están abiertos para desecho de desperdicios domésticos a todos los residentes del Condado de Los Ángeles. Existe un límite de transportación de 15 galones o 125 libras de desperdicios peligrosos por viaje.

Los eventos son desde las 9:00 a.m. hasta las 3:00 p.m. Para mas información sírvase visitar www.cleanLA.com

Artículos aceptables:

Aceite y filtros de motor

Anticongelantes

Aparatos de televisión

Baterías

Bombillas fluorescentes compactas

Limpiadores domésticos

Mata malezas

Medicamentos vencidos

Monitores de computadora

Pesticidas

Pinturas

Solventes



Información de Contacto

Burrtec Waste Services

1-626-932-1558

1017 West Gladstone Street
Azusa, CA 91702

Horas de oficina

Mon-Fri 8:00 am to 5:00 pm



¡Limpieza en la comunidad!

23 de Abril, 2016

Burrtec ofrece lugares convenientes para arrojar los desechos de la limpieza de la comunidad de Duarte. Burrtec hará una recolección de desperdicios no peligrosos. Por favor no llevar llantas, desperdicios comerciales o desperdicios peligrosos. Sírvase traer su factura de recolección de basura de Burrtec para dar prueba de su residencia.

Lugares para arrojar desechos:

- 1) Duarte City Hall 1600 Huntington Drive
- 2) Beardslee Elementary 1212 Kellwill Lane

Electrodomésticos

- Lavaplatos
- Refrigeradoras
- Estufas
- Lavadoras y secadoras
- Calentadores de agua

Muebles

- Sillas
- Sofás
- Colchones
- Mesas

Otros

- Atados de leña/ramas de árboles (Máximo de 48 pulgadas de longitud)
- Juguetes
- Desperdicios electrónicos



Destrucción de documentos

Proteja su identidad, destruya sus documentos personales GRATIS!

Los residentes de Duarte SOLAMENTE

Fecha: 23 de Abril, 2016

Qué llevar: viejos estados de cuenta, talones de pago de edad, solicitudes de tarjetas de crédito, viejo papeles con información personal. No hay cuadernos por favor. Patrocinado por la ciudad de Duarte y Burrtec Residuos Industrias. Para obtener más información, por favor llame Burrtec al (626) 932-1558.

Dónde: Duarte City Hall 1600 Huntington Drive

Hora: 8:00 AM - 3:00 PM.

Reparto de abono gratis

Gratis para los residentes de Duarte

Beneficios del Abono:

- Ayuda a retener la humedad para reducir el riego
- Controla la erosión
- Suprime el crecimiento de malezas
- Proporciona nutrientes beneficiosos para mejorar la tierra



Este es un evento de auto-servicio. Por favor traiga bolsas resistentes, cubos, contenedores, guantes y una pala para tomar y cargar su abono. Se le sirve en orden de llegada. Por favor traiga una copia de su factura de basura.



"We'll Take Care Of It"

Recycle Right!

- Aluminum cans (do not crush)
- Aerosol cans (must be completely empty)
- Brochures
- Cardboard
- Cartons
- Cereal boxes (remove wax paper lining)
- Clothes hangers
- Computer paper
- Coupons
- Envelopes (includes plastic windows)
- Glass bottles & jars
- Glass cosmetic bottles
- Junk mail
- Laundry bottles
- Ledger paper
- Magazines/catalogs
- Newspaper
- Paper
- Paper tubes
- Phone books
- Pizza boxes
- Plastic containers #1-#7
- Plastic milk jugs
- Tin cans
- Tissue boxes
- Wrapping paper



Contact Information

Burrtec Waste Services

1-626-932-1558

1017 West Gladstone Street
 Azusa, CA 91702

Hours of Operation

Mon-Fri 8:00 am to 5:00 pm



SAVE THE DATE



October 1st, 2016



Community Clean-Up & Household Hazardous Waste Collection Event

Temporary Containers for Special Clean-Ups Available

Burrtec offers large and small containers for residential clean-ups and special projects. Containers are available for 7-day rentals and include delivery and removal. All unwanted materials can be placed directly into the container with the exception of hazardous waste, tires or large amounts of dirt, rock, concrete, or asphalt. Please call our Customer Service Department to order one today!



SCAVENGING IS ILLEGAL

Removal of garbage and/or recyclables from solid waste containers is punishable by law (DMC 6.09.020)

Report Scavenging Activity!

Please Call:
 Los Angeles County
 Sheriff's Department
 (626) 285-7171

REMEMBER: If you see a scavenger, do not approach them! Get a description of the person and/or vehicle with license plate number and their direction of travel.

Penalty for Scavenging

- Impoundment of vehicle
- Fines



Developed in conjunction with the City of Duarte and Burrtec Waste Industries, Inc.



julio 2016



BURRTEC NEWS

Waste and Recycling Newsletter

Patrocinado por la Ciudad de Duarte y Burrtec Waste Services

"We'll Take Care Of It"

Reciclé mejor

- Latas de aluminio (sin aplaster)
- Latas de aerosol (deben estar completamente vacías)
- Folletos
- Cartulina
- Cartón
- Cajas de cereal (quitar el revestimiento del papel encerado)
- Ganchos de ropa
- Papel de computadora
- Cupones
- Sobres (incluidos los de ventanilla plástica)
- Botellas de vidrio y frascos
- Frascos de cosméticos de vidrio
- Correo
- Botes de detergentes
- Papel de contabilidad
- Revistas/catálogos
- Periódicos
- Papel
- Tubos de papel
- Guías telefónicas
- Cajas de pizza
- Recipientes de plástico # 1- # 7
- Recipientes plásticos de leche
- Latas
- Cajas de pañuelo de papel
- Papel de envoltura



Información de Contacto

Burrtec Waste Services

1-626-932-1558

1017 West Gladstone Street
Azusa, CA 91702

Horas de oficina

Mon-Fri 8:00 am to 5:00 pm



RESERVE EL DIA



1ro de Octubre, 2016

Evento de Limpieza

en la Comunidad y Los Residuos

Peligrosos del Hogar



Contenedores Temporales para Limpiezas Especiales están Disponibles

Burrtec ofrece grandes y pequeños contenedores para limpieza residencial y proyectos especiales. Contenedores están disponibles para alquileres de 7 días e incluyen la entrega y recolección. Todos los materiales no deseados se pueden colocar directamente en el recipiente con la excepción de los residuos peligrosos, neumáticos o grandes cantidades de tierra, rocas, concreto o asfalto. ¡Por favor llame al Departamento de Servicio al Cliente para pedir uno hoy!



HURGAR EN LA BASURA ES ILEGAL

El llevarse basura y/o reciclajes de recipientes de desechos sólidos es castigado por ley (DMC 6.09.020)

Reporte toda actividad de hurgar!

Por favor llame al:
Departamento de Policía del
Condado de Los Angeles
(626) 285-7171

RECUERDE: Si ve a un hurgador, No se le acerque!

Obtenga una descripción de la persona y/o el vehículo con el número de placa de licencia y la dirección en que viajaba.

Penal por Hurgar

- Incautación de Vehículo
- Multas



Preparado en conjunto con la Ciudad de Duarte y
Burrtec Waste Industries, Inc.



HURGAR EN LA BASURA ES ILEGAL



DUARTE MANDATORY NO PARKING STREET SWEEPING PILOT PROGRAM

The City of Duarte is launching a pilot street sweeping program effective July 1, 2016 for a period of six months. A designated area of the City will have signs posted to reflect mandatory parking restrictions which will be enforced by citation.

The program involves the mandatory removal of vehicles on both sides of the street on street sweeping days to facilitate unobstructed access to curb and gutter by the sweeper. ***Street sweeping will occur in your area on the second and fourth Wednesdays of every month.***

The northern portion of the pilot area will be swept during the period of 10:00 a.m. to 2:00 p.m. and the southern portion will be swept from 7:00 a.m to 11:00 a.m. Street signs indicating parking restrictions with days and times will be posted in the pilot area during the month of June prior to the beginning of the program.

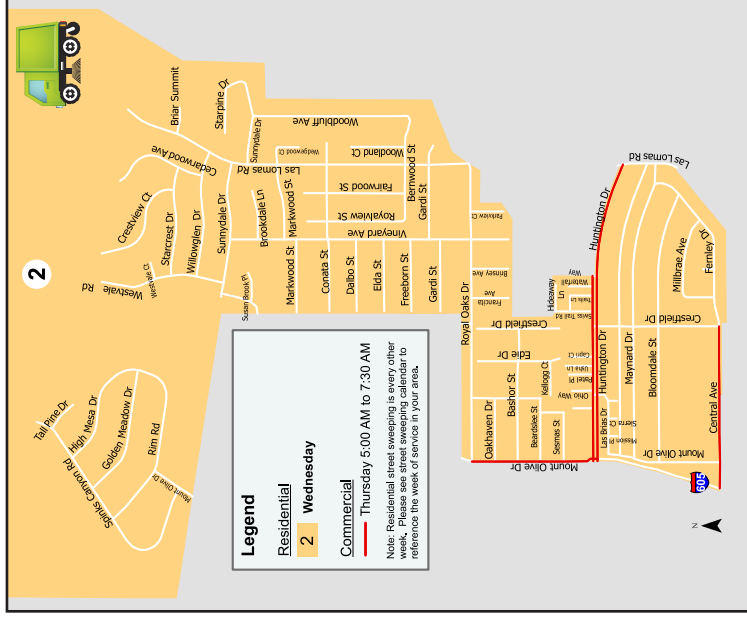
The program features a 30-day grace period where written warning notices will be left on windshields. Parking enforcement will commence August 1st. Citations will cost approximately \$45.00. For additional information, contact Duarte Public Safety at 626-357-7938.



BURRTEC
“We’ll Take Care Of It”



Duarte Street Sweeping - Area 2





**Burrtec Waste Services
1017 W. Gladstone St.
Azusa, CA 91702**

First Class
Pre-Sorted
U.S. Postage
PAID
Permit #2758
San Bernardino, CA



***Important street sweeping
program information.***



"We'll Take Care Of It"

Recycle Right!

- Aluminum cans (do not crush)
- Aerosol cans (must be completely empty)
- Brochures
- Cardboard
- Cartons
- Cereal boxes (remove wax paper lining)
- Clothes hangers
- Computer paper
- Coupons
- Envelopes (includes plastic windows)
- Glass bottles & jars
- Glass cosmetic bottles
- Junk mail
- Laundry bottles
- Ledger paper
- Magazines/catalogs
- Newspaper
- Paper
- Paper tubes
- Phone books
- Pizza boxes
- Plastic containers #1-#7
- Plastic milk jugs
- Tin cans
- Tissue boxes
- Wrapping paper



Contact Information

Burrtec Waste Services

1-626-932-1558

1017 West Gladstone Street
Azusa, CA 91702

Hours of Operation

Mon-Fri 8:00 am to 5:00 pm



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October 1st, 2016



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Report Scavenging Activity!

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REMEMBER: If you see a scavenger, do not approach them! Get a description of the person and/or vehicle with license plate number and their direction of travel.

Penalty for Scavenging

- Impoundment of vehicle
- Fines



Developed in conjunction with the City of Duarte and Burrtec Waste Industries, Inc.



julio 2016



BURRTEC NEWS

Waste and Recycling Newsletter

Patrocinado por la Ciudad de Duarte y Burrtec Waste Services

"We'll Take Care Of It"

Reciclé mejor

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- Cartulina
- Cartón
- Cajas de cereal (quitar el revestimiento del papel encerado)
- Ganchos de ropa
- Papel de computadora
- Cupones
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- Botellas de vidrio y frascos
- Frascos de cosméticos de vidrio
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- Latas
- Cajas de pañuelo de papel
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1017 West Gladstone Street
Azusa, CA 91702

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RESERVE EL DIA



1ro de Octubre, 2016

Evento de Limpieza

en la Comunidad y Los Residuos

Peligrosos del Hogar



Contenedores Temporales para Limpiezas Especiales están Disponibles

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- Multas



Preparado en conjunto con la Ciudad de Duarte y
Burrtec Waste Industries, Inc.



HURGAR EN LA BASURA ES ILEGAL



October 2016



BURRTEC NEWS

Waste and Recycling Newsletter

Sponsored by Burrtec Waste Industries for the City of Duarte
Commercial, Roll Off, and Multi-Family Customers

"We'll Take Care Of It"

Recycle Right!

Place these types of materials in your recycling barrel or bin.

- Aerosol cans (must be completely empty)
- Aluminum cans (please do not crush)
- Brochures
- Cardboard
- Cartons
- Cereal boxes (remove wax paper lining)
- Clothes hangers
- Computer paper
- Coupons
- Envelopes
- Glass bottles, jars
- Glass cosmetic bottles
- Junk mail
- Laundry bottles
- Magazines/catalogs
- Milk/juice cartons
- Newspaper
- Paper
- Paper tubes
- Phone books
- Pizza boxes
- Plastic containers #1– #7
- Plastic milk jugs
- Styrofoam products*
- Tin cans
- Tissue boxes
- Wrapping paper



*not all areas recycle Styrofoam, please contact customer service for more details

Contact Information

Burrtec Waste Industries

(800) 325-9417

1017 West Gladstone Street
Azusa, CA 91702

Hours of Operation

Mon-Fri 8:00 am to 5:00 pm



Recycling Programs —Let Us Help!

California Assembly Bill 341 mandates businesses and public entities, generating four (4) cubic yards of trash or more and multi-family residential dwellings with five or more units, to establish and maintain recycling service. This law went into effect on July 1, 2012.

Recycling not only conserves our natural resources but can save money by reducing waste disposal costs. Burrtec recycling coordinators can assist in selecting the appropriate recycling service level, along with the necessary education and outreach to residents and managerial staff. Call our customer service department today to schedule a complimentary waste and recycling assessment.

If you already have a recycling program and would like to make additional enhancements, please call our customer service department for assistance.

Recycling Considerations: Make Your Program a Success!

Ensuring the success of your recycling program depends on a few key elements; most importantly assistance from employees and/or residents. Here are a few pointers to get you started in the right direction.

- Post signage to remind employees and/or residents to recycle specific items (cardboard, paper, etc.). Communication is essential. Newsletters and flyers also reinforce the message.
- Placement of recycling containers next to trash containers increases the chances of getting more recyclables into the correct container.
- Emptying recycling containers into the proper recycling bin will ensure that your business or multifamily residential dwelling is doing their part to lower costs and reduce landfill waste.

Top 5 Items to Keep **OUT** of the Recycling Bin

Here are the 5 top items that should never be placed in the recycling bin:

1. **No Garden Hoses.** Despite being made from rubber, vinyl or a combination of both, this item still belongs in the trash.
2. **No Diapers.** Diapers should be placed in your trash bin.
3. **No Hazardous Waste.** This means no paint, motor oil, batteries, syringes, needles, etc. Hazardous wastes place our facility staff at risk. Do not place it into the trash bin either.
4. **No Pet Food Bags.** The wax coating prevents the bags from breaking down in the recycling process, so pet food bags go into the trash bin.
5. **No Electronic Waste.** These items are best recycled through a proper e-recycler.

SCAVENGING IS ILLEGAL

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Los Angeles County
Sheriff's Department
(626) 285-7171

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- Fines



SCAVENGING IS ILLEGAL



Developed in conjunction with the City of Duarte
and Burrtec Waste Industries, Inc.



New Food Waste Recycling Program

The City of Duarte has approved a food waste recycling program for commercial customers. Businesses that generate 8 cubic yards or more of organic waste per week are required to arrange for organic recycling services. The State requirements specify that applicable business waste generators:

- Separate organic waste from other waste and participate in a waste recycling service that includes collection and recycling of organic waste.
- Recycle its organic waste on site, or self-haul its organic waste off-site for recycling; or
- Subscribe to an organic waste recycling service that may include mixed waste processing that specifically recycles organic waste.

The law phases in the requirements on businesses and multifamily residential dwellings over time, based on the following dates. Additionally, the State law contains a trigger that will increase the scope of affected businesses, if waste reduction targets are not met.

April 1, 2016: Businesses that generate 8 cubic yards of organic waste per week shall arrange for organic waste recycling services.

January 1, 2017: Businesses that generate 4 cubic yards of organic waste per week shall arrange for organic waste recycling services.

**We appreciate your cooperation in this matter.
Should you have any questions or to obtain a waste assessment please
call our office at 800-325-9417.**





City of Duarte

Mayor's Prayer Breakfast & Community Recognition Awards

Wednesday, November 23, 2016
7:00 - 9:00 am

City of Hope, Cooper Auditorium
1500 East Duarte Road
Duarte, CA 91010

Featured Speaker & Entertainers;
Michael & Regina Winans

Donations will be accepted at the event for the Duarte Community Service Council to support their 2016 Holiday Program.

Tickets are \$10/adults & \$8/Child/Senior

Tables are available at a cost of \$80.

Tickets and information available at both locations.

Duarte Chamber of Commerce
1634 3rd Street, Duarte
626-357-3333

Duarte City Hall
1600 Huntington Drive, Duarte
626-357-7931 ext. 266

Tickets are available for purchase online at:
www.accessduarte.com



BURRTEC
"We'll Take Care Of It"

the **MIRACLE** of **SCIENCE** with **SOUL**



City of Hope®

Duarte Church
and
Clergy Association



Duarte
Chamber
OF COMMERCE



38

DUARTE'S PROMISE
THE ALLIANCE FOR YOUTH





Duarte Mayor's Prayer Breakfast

Michael & Regina Winans

Featured Speaker & Entertainers

Michael and Regina, the husband and wife duo, believing whole-heartedly in the sanctity of oneness, have been married for 35 years. Even in times when divorce is at an all time high, they continue to count their blessings, as they've faced many of life's challenges, twists, and turns, but have remained steadfast as a couple and also dear friends. They are undoubtedly soul mates, O-N-E, confidantes, friends, etc. They give God all the glory! This is one commitment that was meant from the heart. Their love for each other grows deeper and deeper as the years go by. Their union was definitely ordained by God.

Michael, one of the four brothers known to the world as, "The Winans," has won numerous awards including 5 Grammy's, 4 Dove Awards, 4 Stellar Awards, 4 Soul Train Music Awards, 2 NAACP Image Awards, etc. He began singing at age ten. Regina began singing at the age of eight and is a former background singer for BeBe and CeCe Winans and various other Winans family members. She is also a former choir member of the State of Michigan Choir (Southwest Jurisdiction-COGIC), under the leadership of Dr. Mattie Moss Clark. Regina took a fourteen-year hiatus in obedience to God in regards to her family/home. She highly credits her Mom for being such an awesome example for her and her four siblings, of a Godly wife & mother, even after the passing of her Dad.

Michael and Regina have released two CD's, "Always Remember" and "Be Yourself". Realizing that God has called them individually as well as collectively for a specific purpose/destiny and time/season, they continue to walk in that purpose and minister uplifting songs of inspiration and healing.

Michael and Regina are the proud parents of two adult children whom they dearly love and three grandchildren whom they adore! They are also very proud of all that God has allowed them to accomplish together. They've spent much time investing in what's important to them: Family and Marriage.

They've co-written songs for various artists including, The Winans, Mom and Pop Winans, DeLeon Richards, Fred Hammond, The Resurrection, Daniel Winans, Ron Winans Family & Friends, and others. They've traveled/toured with several stage play's, "Perilous Times", "Which Way Do I Turn", "The Preacher's Kids", "A Woman's Revenge", and "A House Is Not A Home".

They've received several recognitions/honors by various organizations for their participation & commitment through their ministry and gift of songs. Michael and Regina believe that once you learn your Identity, which comes from knowing our Creator, then you understand your Purpose, and begin to walk in your Destiny.

They are W-A-L-K-I-N-G! To God Be The Glory!

LOS ANGELES COUNTY HAULER PERMIT



COUNTY OF LOS ANGELES

Public Health

Jeffrey D. Gunzenhauser, M.D.

Jeffrey D. Gunzenhauser, M.D., M.P.H.
Interim Health Officer

THIS PERMIT MUST BE CONSPICUOUSLY DISPLAYED ON THE PREMISES

Public Health Permit
Valid Until 12/31/2017



PR Number: PR0157413
Program ID: COMMERCIAL
Description: SWF - WASTE COLLECTOR YARD FEE Semi-Annual

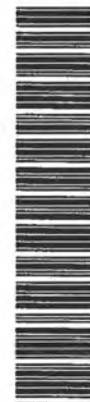
Facility Owner - Mail Address

BURRTEC WASTE IND.
9890 CHERRY AVE
FONTANA, CA 92335-5202

Facility Location

BURRTEC WASTE SERVICES
1017 W GLADSTONE ST
AZUSA, CA 91702

SWA



PERFORMANCE BOND

This bond replaces and supersedes the prior bond # 0153513-03. The penal sum contained herein is not cumulative with prior bonds.

BOND NUMBER: 0153513-04

PREMIUM: \$3,100.00

FRANCHISE BOND

KNOW ALL MEN BY THESE PRESENTS, that we Burrtec Waste Service, LLC as Principal, and Berkley Insurance Company a Corporation organized under the laws of the State of Delaware, and duly authorized to transact business under the law of the State of California, as Surety, are held and firmly bound unto the City of Duarte State of California, as Obligee, in the just and full sum of Two Hundred Forty-Eight Thousand and 00/100 Dollars (\$248,000.00) for payment whereof well and truly to be made, and Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION of the foregoing obligation is such, that whereas, the above bounden Principal has entered into a Franchise Contract dated September 9, 1998 with the said Obligee for the collection, transportation and disposal of refuse from the area described in said Franchise Contract for the term commencing February 16, 2017 and ending on February 16, 2018 as will more fully appear from said Franchise Contract reference to which is hereby made.

NOW, THEREFORE, if the above bounden Principal, his or its heirs, executors, administrators, successors or assigns shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the said Franchise Contract on his part to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the said Obligee, its officers and agents, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue.

This bond is executed subject to the following express conditions, the fulfillment of which being precedent to any right of recovery hereunder.

No. 1. This bond shall be considered as one of suretyship only and the right of action is given to no one other than the Obligee named herein.

No. 2. Irrespective of the terms of the agreement mentioned above, it is agreed by all parties to this bond (the Principal, the Surety, and the Obligee) that this bond will be effective only for a period of one year from February 16, 2017 and is renewable by continuation certificates for additional periods of one year, such continuation certificates to be issued at the option of the Surety. Surety agrees to give thirty (30) days notice in writing to the Obligee of either cancellation or its intent not to renew, as provided for in this bond.

No. 3. Notice of any claim hereunder must be given to the Surety at its office at 4 Hutton Centre Dr., Ste. 640 – Santa Ana, CA 92707, as soon as possible and in any event within fifteen (15) days after anything shall come to the notice of the Obligee or any of its officers indicating the possibility to claim hereunder.

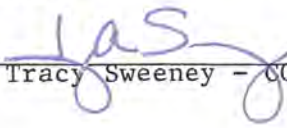
No. 4. Any action to recover loss hereunder shall be commenced by the Obligee in a court of competent jurisdiction within one year after giving notice of possible claim as provided in Condition No. 3 and the Principal shall be made a party to such action if he can with reasonable diligence be served with process therein.

IN WITNESS WHEREOF, we have hereunto set our hands and seal this 20th day of December, 2016.

Burrtec Waste Services, LLC

Principal

By:


Tracy Sweeney - COO/VP

Berkley Insurance Company

Surety

By:


Matthew F. Schafnitz,
Attorney-in-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of Orange)

On December 20th, 2016 before me, Deborah Priest-McGinn

Date

Here Insert Name and Title of the Officer

personally appeared Matthew F. Schafnitz

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

POWER OF ATTORNEY
BERKLEY INSURANCE COMPANY
WILMINGTON, DELAWARE

NOTICE: The warning found elsewhere in this Power of Attorney affects the validity thereof. Please review carefully.

KNOW ALL MEN BY THESE PRESENTS, that BERKLEY INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal office in Greenwich, CT, has made, constituted and appointed, and does by these presents make, constitute and appoint: *Matthew F. Schafnitz; or James E. Hurst, Jr. of Acrisure of California, LLC dba Brakke-Schafnitz Insurance Brokers, LLC of Laguna Niguel, CA* its true and lawful Attorney-in-Fact, to sign its name as surety only as delineated below and to execute, seal, acknowledge and deliver any and all bonds and undertakings, with the exception of Financial Guaranty Insurance, providing that no single obligation shall exceed **Fifty Million and 00/100 U.S. Dollars (U.S.\$50,000,000.00)**, to the same extent as if such bonds had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office in their own proper persons.

This Power of Attorney shall be construed and enforced in accordance with, and governed by, the laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof. This Power of Attorney is granted pursuant to the following resolutions which were duly and validly adopted at a meeting of the Board of Directors of the Company held on January 25, 2010:

RESOLVED, that, with respect to the Surety business written by Berkley Surety Group, the Chairman of the Board, Chief Executive Officer, President or any Vice President of the Company, in conjunction with the Secretary or any Assistant Secretary are hereby authorized to execute powers of attorney authorizing and qualifying the attorney-in-fact named therein to execute bonds, undertakings, recognizances, or other suretyship obligations on behalf of the Company, and to affix the corporate seal of the Company to powers of attorney executed pursuant hereto; and said officers may remove any such attorney-in-fact and revoke any power of attorney previously granted; and further

RESOLVED, that such power of attorney limits the acts of those named therein to the bonds, undertakings, recognizances, or other suretyship obligations specifically named therein, and they have no authority to bind the Company except in the manner and to the extent therein stated; and further

RESOLVED, that such power of attorney revokes all previous powers issued on behalf of the attorney-in-fact named; and further

RESOLVED, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligation of the Company; and such signature and seal when so used shall have the same force and effect as though manually affixed. The Company may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Company, notwithstanding the fact that they may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, the Company has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 24th day of August, 2015.

Attest:

Berkley Insurance Company

(Seal)

By

By

Ira S. Lederman

Jeffrey M. Hafter

Senior Vice President & Secretary

Senior Vice President

WARNING: THIS POWER INVALID IF NOT PRINTED ON BLUE "BERKLEY" SECURITY PAPER.

STATE OF CONNECTICUT)

) ss:

COUNTY OF FAIRFIELD)

Sworn to before me, a Notary Public in the State of Connecticut, this 24th day of August, 2015, by Ira S. Lederman and Jeffrey M. Hafter who are sworn to me to be the Senior Vice President and Secretary, and the Senior Vice President, respectively, of Berkley Insurance Company.

MARIA C. RUNDBAKEN
NOTARY PUBLIC
MY COMMISSION EXPIRES
APRIL 30, 2019

Notary Public, State of Connecticut

CERTIFICATE

I, the undersigned, Assistant Secretary of BERKLEY INSURANCE COMPANY, DO HEREBY CERTIFY that the foregoing is a true, correct and complete copy of the original Power of Attorney; that said Power of Attorney has not been revoked or rescinded and that the authority of the Attorney-in-Fact set forth therein, who executed the bond or undertaking to which this Power of Attorney is attached, is in full force and effect as of this date.

Given under my hand and seal of the Company, this 20th day of December, 2016

(Seal)

Andrew M. Tuma

INSURANCE CERTIFICATE

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/27/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh & McLennan Agency LLC Marsh & McLennan Ins Agency LLC PO Box 85638; CA Lic #0H18131 San Diego, CA 92186	CONTACT NAME: Brenda Kennerly	
	PHONE (A/C, No, Ext): 858-875-3085	FAX (A/C, No): 858-210-3916
	E-MAIL ADDRESS: brenda.kennerly@barneyandbarney.com	
INSURED Burrtec Waste Group, Inc. 9890 Cherry Avenue Fontana, CA 92335	INSURER(S) AFFORDING COVERAGE	
	INSURER A : Evanston Insurance Company	NAIC # 35378
	INSURER B : Lexington Insurance Company	19437
	INSURER C : American Zurich Insurance Compa	40142
	INSURER D : Zurich American Insurance Compa	27855
	INSURER E :	
	INSURER F :	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ BI/PD Ded:25000 GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☒ LOC OTHER:	X		3C31891	03/01/2017	03/01/2018	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$EXCLUDED PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
D	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON-OWNED AUTOS			BAP014157400	03/01/2017	03/01/2018	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	UMBRELLA LIAB ☒ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$			021391622	03/01/2017	03/01/2018	EACH OCCURRENCE \$2,000,000 AGGREGATE \$2,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☒ Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WC014157300	03/01/2017	03/01/2018	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Duarte is included as additional insured with respects to General Liability per the attached endorsement(s).

CERTIFICATE HOLDER

CANCELLATION

City of Duarte City Clerk 1600 Huntington Drive Duarte, CA 91010-0000	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY Barney & Barney, a Marsh & McLennan Insurance Agency LLC company		NAMED INSURED Burrtec Waste Group, Inc.
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Named Insured Schedule

Burrtec Waste Group, Inc.
Burrtec Waste Industries, Inc.
Agua Mansa MRF, LLC
AVCO Disposal, Inc.
Burr Girls, LLC
Burr Group, LP
Burr Group, Inc
Burr Properties, LLC
Burr Properties, G.P.
Burrline, LLC
Burrtec Environmental, LLC
Burrtec Recovery & Transfer, LLC
Burrtec Waste & Recycling Services, LLC
Burrtec Retirement Savings Plan
Burrtec Waste Industries, Inc. (formerly PSP Waste Services, Inc.)
Burrtec Waste Industries, Inc. DBA: Burbank Recycling
Burrtec Waste Industries, Inc. DBA: Agua Mansa Recycling & Transfer Co.
Burrtec Waste Industries, Inc. DBA: Burrtec Recycling & Transfer Co.
Burrtec Waste Industries, Inc. DBA: Burrtec Recycling Center
Burrtec Waste Industries, Inc. DBA Coachella Valley Compost
Burrtec Waste Industries, Inc. DBA Coachella Valley Transfer Station
Coachella/Indio Waste Transfer Station Joint Powers Authority
Burrtec Waste Industries, Inc. DBA Desert Disposal
Burrtec Waste Industries, Inc. DBA: East Valley Recycling & Transfer
Burrtec Waste Industries, Inc. DBA: Inland Empire Recycling
Burrtec Waste Industries, Inc. DBA: Marks Disposal
Burrtec Waste Industries, Inc. DBA: Tri-Co
Burrtec Waste Industries, Inc. DBA: Tri-County Disposal
Burrtec Waste Industries, Inc. DBA: Trico Disposal
Burrtec Waste Services, LLC
Crestline Disposal
Currans Rubbish Disposal, Inc.
E. Cole Burr, individually
E. Cole Burr, Trustee of the Burr Family Trust
EDCO Disposal
Edward G. Burr
Sandra L. Burr
Cole Burr
Tracy A. Burr
Burr Properties
Empire Disposal, LLC
Fontana Rubbish Collectors, Inc.



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY Barney & Barney, a Marsh & McLennan Insurance Agency LLC company		NAMED INSURED Burrtec Waste Group, Inc.
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Inland BioEnergy, LLC
Jack's Disposal, Inc. DBA Yukon Disposal
Jack's Disposal, Inc.
Kaiser Recycling Corporation
KGB Properties, LLC (formerly Burr Girls, LLC
Lake Arrowhead Disposal
Lucerne Valley Disposal
Monte Vista Disposal , Inc.
Mountain Disposal Services, Inc.
Rancho Disposal Service, Inc.
Rialto Services, Inc.
Running Springs Disposal
TEMEC Maintenance Enterprise, Inc.
Tracey A. Burr
Tracey A. Burr
Tri-County Disposal, Inc.
Tri-County Disposal, Inc. DBA: Gary's Disposal
Victorville Disposal, Inc.
West Valley MRF, LLC
West Valley Recycling and Transfer, Inc.
Yucaipa Disposal, Inc.
Desert Properties, LLC
Burr Family Trust
Yukon Disposal



COMMERCIAL GENERAL LIABILITY

ESSEX INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED LOCATION(S)
GENERAL AGGREGATE LIMIT

- A. For all sums covered under this policy, exclusive of **SUPPLEMENTARY PAYMENTS** which shall continue to apply as stipulated, the maximum amount payable under this policy is \$5,000,000.

Subject to the foregoing:

- B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which can be attributed only to operations at a single designated "location" shown in the **LOCATION OF PREMISES COVERED BY THIS POLICY** section of Commercial General Liability Coverage Part – Supplemental Declarations:

1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the **LOCATION OF PREMISES COVERED BY THIS POLICY** section of Commercial General Liability Coverage Part – Supplemental Declarations.
4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.

- C. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which cannot be attributed only to operations at a single designated "location" shown in the **LOCATION OF PREMISES COVERED BY THIS POLICY** section of Commercial General Liability Coverage Part – Supplemental Declarations:

1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
2. Such payments shall not reduce any Designated Location General Aggregate Limit.

- D. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will

reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.

E. For the purposes of this endorsement, the Definitions Section is amended by the addition of the following definition:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

F. The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

All other terms and conditions remain unchanged.

INSURED: Burrtec Waste Group, Inc.

POLICY #: 3C31891

POLICY PERIOD: 03/01/2017

TO 03/01/2018

**COMMERCIAL GENERAL LIABILITY
CG 20 01 04 13**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PRIMARY AND NONCONTRIBUTORY –
OTHER INSURANCE CONDITION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and

- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

INSURED: Burrtec Waste Group, Inc.

POLICY #: 3C31891

POLICY PERIOD: 03/01/2017

TO 03/01/2018

**COMMERCIAL GENERAL LIABILITY
CG 20 10 07 04**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS - SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

**Name Of Additional Insured Person(s)
Or Organization(s):**

Location(s) Of Covered Operations

BLANKET WHERE REQUIRED BY WRITTEN CONTRACT

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

INSURED: Burrtec Waste Group, Inc.

POLICY #: 3C31891

POLICY PERIOD: 03/01/2017

TO 03/01/2018

COMMERCIAL GENERAL LIABILITY
CG 20 37 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

**Name Of Additional Insured Person(s)
Or Organization(s):**

**Location And Description Of Covered
Operations**

BLANKET WHERE REQUIRED BY WRITTEN CONTRACT

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard."

INSURED: Burrtec Waste Group, Inc.

POLICY #: 3C31891

POLICY PERIOD: 03/01/2017

TO: 03/01/2018



COMMERCIAL GENERAL LIABILITY

COMPANY NAME

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
LIQUOR LIABILITY COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM

SCHEDULE

Additional Premium: \$	(Check box if fully earned. ☐)
------------------------	--

- A.** Who Is An Insured is amended to include as an additional insured any person or entity to whom you are obligated by valid written contract to provide such coverage, but only with respect to negligent acts or omissions of the Named Insured and only with respect to any coverage not otherwise excluded in the policy.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

Our agreement to accept an additional insured provision in a contract is not an acceptance of any other provisions of the contract or the contract in total.

When coverage does not apply for the Named Insured, no coverage or defense will apply for the additional insured.

No coverage applies to the additional insured shown in the Schedule of this endorsement for injury or damage of any type to any "employee" of the Named Insured or to any obligation of the additional insured to indemnify another because of damages arising out of such injury or damage.

- B.** With respect to the insurance afforded to these additional insured, the following is added to limits of insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
 2. Available under the applicable limits of insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable limits of insurance shown in the Declarations.

All other terms and conditions remain unchanged.

WASTE GENERATION AND DIVERSION REPORT

Program Code	Description	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Y-T-D
Refuse														
	Residential Refuse	416.34	360.37	458.46	369.84	418.87	438.88	334.20	391.03	444.33	381.81	443.62	465.17	4,922.92
	Residential Bulky Items	9.12	8.77	3.45	12.02	8.75	13.12	9.87	15.19	8.09	6.88	7.80	10.15	113.21
	Residential Refuse (residue)	19.96	18.83	20.98	20.71	21.97	20.38	19.23	19.57	19.84	17.52	22.62	27.08	248.69
	Clean Up	0.00	0.00	0.00	36.65	0.00	0.00	0.00	0.00	1.57	16.06	0.00	0.00	54.28
	Government Refuse													0.00
	School Refuse													0.00
	Residential Bin Refuse	6.33	6.14	6.98	6.39	6.65	6.52	6.37	7.27	6.80	6.78	6.66	6.98	79.87
	Residential Bin Refuse (residue)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Multi-Family Refuse	165.19	159.66	181.93	166.89	173.45	169.04	171.88	196.59	184.25	169.56	167.11	175.00	2,080.55
	Multi-Family Refuse (residue)	2.20	1.88	2.21	2.17	1.30	2.32	3.05	2.90	1.35	1.52	2.22	3.29	26.41
	Commercial Refuse	269.33	260.91	296.73	273.83	284.47	281.01	297.40	338.71	317.26	293.47	287.91	301.91	3,502.94
	Rolloff Refuse	180.75	213.64	234.16	252.57	255.76	322.19	284.04	278.66	255.69	206.15	201.44	257.89	2,942.94
	Commercial Refuse (residue)	2.68	2.29	2.68	3.04	1.83	3.25	3.31	3.30	1.47	1.78	2.74	3.84	32.21
	Rolloff Refuse (residue)	0.00	0.16	0.14	1.70	0.39	0.00	0.73	0.00	0.00	0.00	1.15	0.00	4.27
Refuse Totals		1,071.90	1,032.65	1,207.72	1,145.81	1,173.44	1,256.71	1,130.08	1,253.22	1,240.65	1,101.53	1,143.27	1,251.31	14,008.29
Source Reduction														
1000-SR-XGC	Xeriscaping, Grasscycling													0.00
1010-SR-BCM	Backyard Composting													0.00
1020-SR-BWR	Business Source Reduction													0.00
1030-SR-PMT	Procurement													0.00
1040-SR-SCH	School Source Reduction													0.00
1050-SR-GOV	Government Source Reduction													0.00
1060-SR-MTE	Material Exchange, Thrift Shops													0.00
1070-SR-OTH	Other Source Reduction													0.00
Source Reduction Totals		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recycling (Net of Residue)														
2000-RC-CRB	Residential Curbside Recycling	95.75	89.75	101.05	99.74	102.85	98.16	92.63	94.26	95.59	84.39	108.96	106.99	1,170.12
2010-RC-DRP	Residential Drop-Off Recycling													0.00
2020-RC-BYB	Residential Buy-Back Centers													0.00
2030-RC-OSP	Commercial On-Site Pickup	16.05	21.19	23.13	17.16	18.69	26.73	21.85	34.58	13.56	27.10	23.62	28.17	271.83
2040-RC-SFC	Commercial Self Haul Recycling													0.00
2050-RC-SCH	School Recycling													0.00
2060-RC-GOV	Government Recycling													0.00
2070-RC-SNL	Special Collection - Seasonal	10.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.10	14.90
2080-RC-SPE	Special Collection - Events													0.00
2090-RC-OTH	Other Recycling-Pre Sorted Roll-off	0.00	0.53	0.48	5.60	1.28	0.00	3.53	0.00	0.00	0.00	5.53	0.00	16.95
Recycling Totals		122.60	111.47	124.66	122.50	122.82	124.89	118.01	128.84	109.15	111.49	138.11	139.26	1,473.80
Composting														
3000-CM-RCG	Residential Curbside Greenwaste	154.90	166.92	275.87	219.38	215.91	214.46	205.86	212.18	204.94	211.51	213.00	199.42	2,494.35
3010-CM-RSG	Residential Self Haul Greenwaste													0.00
3020-CM-COG	Commercial On-Site Greenwaste	10.58	8.30	12.09	8.10	8.98	6.82	6.84	8.20	7.08	6.06	4.12	6.58	93.75
3030-CM-CSG	Commercial Self Haul Greenwaste													0.00
3040-CM-FWC	Food Waste Composting													0.00
3050-CM-SCH	School Composting													0.00
3060-CM-GOV	Government Composting													0.00
3070-CM-OTH	Other Composting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Composting Totals		165.48	175.22	287.96	227.48	224.89	221.28	212.70	220.38	212.02	217.57	217.12	206.00	2,588.10
Special Waste														
4000-SP-ASH	Ash													0.00
4010-SP-SLG	Sludge (sewage industrial)													0.00
4020-SP-TRS	Tires	0.00	0.00	0.04	0.00	0.02	0.03	0.00	0.00	0.00	0.00	0.00	0.01	0.10
4030-SP-WHG	White Goods	0.00	0.00	0.00	0.00	0.00	0.72	1.17	2.70	1.08	0.72	2.25	3.76	12.40
4040-SP-SCM	Scrap Metal	0.24	0.26	0.16	0.85	0.18	0.32	0.00	0.00	0.00	0.00	0.00	0.00	2.01
4050-SP-WDW	Wood Waste	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4060-SP-CAR	Concrete/Asphalt/Rubble	0.00	11.75	21.30	51.61	68.83	96.52	25.91	34.44	24.72	10.00	0.00	20.17	365.25
4070-SP-DSD	Disaster Debris													0.00
4080-SP-SGL	Shingles													0.00
4090-SP-RND	Rendering													0.00
4100-SP-OTH	Other Special Waste	12.25	69.77	49.84	10.10	20.69	17.05	0.00	0.00	0.00	0.00	0.00	0.00	179.70
Special Waste Totals		12.49	81.78	71.34	62.56	89.72	114.64	27.08	37.14	25.80	10.72	2.25	23.94	559.46
Public Education & Outreach														
5000-ED-ELC	Electronic (radio, TV, WWW, Hotlines)													0.00
5010-ED-PRN	Printed Media													0.00
5020-ED-OUT	Outreach (workshops, fairs, field trips)													0.00
5030-ED-SCH														0.00
5040-ED-OTH	Other Public Education													0.00
Public Education & Outreach Totals		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Policy Incentives														
6000-PI-PLB	Product & Landfill Bans													0.00
6010-PI-EIN	Economic Incentives													0.00
6020-PI-ORD	Ordinances													0.00
6030-PI-OTH	Other Policy Incentives													0.00
Public Education Totals		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Facility Recovery														
7000-FR-MRF	Material Recovery Facility	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7010-FR-LAN	Landfill													0.00
7020-FR-TST	Transfer Station													0.00
7030-FR-CMF	Composting Facility													0.00
7040-FR-ADC	Alternate Daily Cover													0.00
7050-FR-OTH	Other Facility Recovery													0.00
Facility Recovery Totals		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transformation														
8000-TR-WTE	Waste-to-Energy													0.00
8010-TR-WDW	Biomass (wood waste)													0.00
8020-TR-TRS	Tires													0.00
8030-TR-OTH	Other Transformation	38.43	54.83	47.37	39.95	57.66	37.20	0.00	0.00	0.00	0.00	0.00	0.07	275.51
Transformation Totals		38.43	54.83	47.37	39.95	57.66	37.20	0.00	0.00	0.00	0.00	0.00	0.07	275.51
Household Hazardous Waste														

Program Code	Description	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Y-T-D
9000-HH-PMF	Permanent Facility													0.00
9010-HH-MPC	Mobile/Periodic Facility													0.00
9020-HH-CSC	Curbside Collection													0.00
9030-HH-WSE	Waste Exchange													0.00
9040-HH-EDP	Educational Programs													0.00
9045-HH-EWA	Electronic Waste	0.38	0.60	0.66	0.63	0.25	0.82	0.34	0.51	0.12	0.09	0.41	0.35	5.16
9050-HH-OTH	Other Household Hazardous Waste	0.01	0.01	0.01	0.01	0.00	0.01	0.00	0.01	0.01	0.01	0.00	0.00	0.08
HHW Totals		0.39	0.61	0.67	0.64	0.25	0.83	0.34	0.52	0.13	0.10	0.41	0.35	5.24
All Programs Total		339.39	423.91	532.00	453.13	495.34	498.84	358.13	386.88	347.10	339.88	357.89	369.62	4,902.11
Total Refuse		1,071.90	1,032.65	1,207.72	1,145.81	1,173.44	1,256.71	1,130.08	1,253.22	1,240.65	1,101.53	1,143.27	1,251.31	14,008.29
Total Tonnages Generated		1,411.29	1,456.56	1,739.72	1,598.94	1,668.78	1,755.55	1,488.21	1,640.10	1,587.75	1,441.41	1,501.16	1,620.93	18,910.40
Multi Family Net Diverted Tonnage														
2030-RC-OSP	Multi Family Curbside Recycling	7.23	9.58	10.46	7.14	7.78	11.13	10.46	16.33	6.49	12.52	10.68	13.01	122.81
3020-CM-COG	Multi Family Curbside Greenwaste	3.80	4.15	4.38	4.05	4.49	3.41	3.42	4.10	3.54	3.03	2.06	3.29	43.72
8030-TR-OTH	Other Transformation	6.42	9.02	7.36	6.12	8.84	5.22	0.00	0.00	0.00	0.00	0.00	0.00	42.98
Residential Bin Net Diverted Tonnage														
8030-TR-OTH	Other Transformation	0.25	0.34	0.28	0.24	0.34	0.20	0.00	0.00	0.00	0.00	0.00	0.00	1.65

OSHA FORM 300A
SUMMARY OF WORK-RELATED INJURIES & ILLNESSES

OSHA's Form 300A (Rev. 01/2004)

Summary of Work-Related Injuries and Illnesses

All establishments covered by Part 1904 must complete this Summary page, even if no injuries or illnesses occurred during the year. Remember to review the Log to verify that the entries are complete.

Using the Log, count the individual entries you made for each category. Then write the totals below, making sure you've added the entries from every page of the log. If you had no cases write "0."

Employees former employees, and their representatives have the right to review the OSHA Form 300 in its entirety. They also have limited access to the OSHA Form 301 or its equivalent. See 29 CFR 1904.35, in OSHA's Recordkeeping rule, for further details on the access provisions for these forms.

Number of Cases			
Total number of deaths	Total number of cases away from work	Total number of cases with job transfer or restriction	Total number of other recordable cases
0 (G)	0 (H)	2 (I)	0 (J)

Number of Days	
Total number of days away from work	Total number of days of job transfer or restriction
0 (K)	58 (L)

Injury and Illness Types					
Total number of... (M)	(1) Injury	2	(4) Poisoning		0
	(2) Skin Disorder	0	(5) Hearing Loss		0
	(3) Respiratory Condition	0	(6) All Other Illnesses		0

Post this Summary page from February 1 to April 30 of the year following the year covered by the form

Public reporting burden for this collection of information is estimated to average 50 minutes per response, including time to review the instruction, search and gather the data needed, and complete and review the collection of information. Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number. If you have any comments about these estimates or any aspects of this data collection, contact: US Department of Labor, OSHA Office of Statistics, Room N-3644, 200 Constitution Ave. NW, Washington, DC 20210. Do not send the completed forms to this office.



Year 2016

U.S. Department of Labor
Occupational Safety and Health Administration

Form approved OMB no. 1218-0176

Establishment information

Your establishment name

Burtec Waste Services

Street

1017 W Gladstone

City

Azusa

State

Ca

Zip

91702

Industry description (e.g., Manufacture of motor truck trailers)

Waste and Recycling Haulers

Standard Industrial Classification (SIC), if known (e.g., SIC 3715)

4 9 5 3

OR North American Industrial Classification (NAICS), if known (e.g., 336212)

Employment information

Annual average number of employees

50

Total hours worked by all employees last year

113782.13

Sign here

Knowing falsifying this document may result in a fine.

I certify that I have examined this document and that to the best of my knowledge the entries are true, accurate, and complete.

Mike Samano

Company executive

manager

Title

800-325-9417

Phone

01/01/16

Date

61

MOTOR CARRIER SAFETY COMPLIANCE REPORT /
CHP TERMINAL RECORD UPDATE

TERMINAL INFORMATION CHANGED ☒ Yes ☐ No	CARRIER ID NUMBERS CA 195546 FCN 272909
TELEPHONE NUMBER (INCLUDE AREA CODE) (800) 325-9417	

TERMINAL NAME

BURRTEC WASTE SERVICES LLC

TERMINAL STREET ADDRESS (NUMBER, STREET, CITY, ZIP CODE)

1017 GLADSTONE AVE. AZUSA CA. 91702

TERMINAL MAILING ADDRESS (NUMBER, STREET, CITY, STATE, ZIP CODE) (IF DIFFERENT FROM ABOVE)

9890 CHEERY AVE. FONTANA CA. 92335

COUNTY/CODE NUMBER

19

LICENSE AND FLEET INFORMATION

HM Lic. No.	HWT Reg. No.	IMS Lic. No.	LOCATION CODE	SUBAREA	ADMINISTRATIVE REVIEW	
Exp. Date	Exp. Date	Exp. Date	525	S34	☒ First	☐ Second
TRUCKS AND TYPES	TRAILERS AND TYPES	BUSES BY TYPE	REG. CT.	HW. VEH.	HW. CONT.	DRIVERS
17	S	I - II -				I

EMERGENCY CONTACTS (In Calling Order of Preference)

EMERGENCY CONTACT (NAME)	DAY PHONE NO. (INCLUDE AREA CODE)	NIGHT PHONE NO. (INCLUDE AREA CODE)
MIKE SAMANO	(800) 325-9417	(800) 325-9417
EMERGENCY CONTACT (NAME)	DAY PHONE NO. (INCLUDE AREA CODE)	NIGHT PHONE NO. (INCLUDE AREA CODE)

CHECK THE ESTIMATED TERMINAL MILEAGE WITHIN CALIFORNIA DURING THE LAST YEAR

YEAR 2013

- ☐ A Under 15,000
☐ B 15,001 - 50,000
☐ C 50,001 - 100,000
☐ D 100,001 - 500,000
☒ E 500,001 - 1,000,000
☐ F 1,000,001 - 2,000,000
☐ G 2,000,001 - 5,000,000
☐ H 5,000,001 - 10,000,000
☐ I More than 10,000,000

OPERATING AUTHORITIES

CALIFORNIA PUC NUMBERS

T -	T -	T -
PSG ☐ TCP ☐ PSC	PSG ☐ TCP ☐ PSC	PSG ☐ TCP ☐ PSC
ICC NUMBERS		DOT NUMBER
☐ MC ☐ MX	☐ MC ☐ MX	

ADMINISTRATIVE REVIEW

REVIEWER'S COMMENTS

CARRIER'S FIRST A/R

REVIEWED MISTER PRINT OUT WITH CARRIER REPRESENTATIVE

SATISFACTORY RATINGS ARE CARRIED FORWARD IN THE FOLLOWING CATEGORIES ☒ Maintenance Program ☒ Driver Records ☒ Regulated Equipment ☐ Hazardous Materials ☒ Terminal			CHP 100D COLUMN NO	CARRIER TYPE/CODE	TIME IN	TIME OUT
				T / I		

MOTOR CARRIER REQUEST AND CERTIFICATION

As DIVISION MANAGER

I request that this terminal receive an administrative review in lieu of the required Biennial Inspection of Terminals (BIT) Program inspection. I understand that requesting a review in lieu of inspection will not result in proration of inspection fees, and that this terminal's previous compliance rating of satisfactory will be extended for 25 months. This terminal will continue to maintain a satisfactory level of compliance during the next 25-month inspection term. As a condition for receiving the administrative review(s) in lieu of inspections, I agree to accept random, unannounced inspections of this terminal by the Department.

CARRIER REPRESENTATIVE'S NAME AND TITLE

MIKE SAMANO, DIVISION MANAGER

REVIEW CONDUCTED BY

JOSEPH A TORCHIA MCS I

SIGNATURE

ID NUMBER

A10921

DATE

12/17/2014

DATE OF REVIEW

12/17/2014

SUSPENSE DATE

12/17/2016

COMMUNITY CLEAN-UPS

City Of Duarte Clean Up Event Summary April 2016

Date	Trash			Recycling			E-Waste		
	Tons	Facility	Routes	Recovered	Tons	Facility	Routes	Recovered	Recovered
04/23/17	34.07	P.H. MRF	9001-9002	34.07	-	N/A	N/A	-	Pending
				-	-	N/A	N/A	-	
				-	-	N/A	N/A	-	
				-	-	N/A	N/A	-	
				-	-	N/A	N/A	-	
				-	-	N/A	N/A	-	
Totals	34.07			34.07	-			-	-

Date	Scrap Metal			GreenWaste			Tires		
	Tons	Facility	Routes	Recovered	Tons	Facility	Routes	Recovered	Recovered
04/23/17	4.01	SA Rcycle	9001-9002	Metal	-	N/A	N/A	-	
					-	N/A	N/A	-	
					-	N/A	N/A	-	
					-	N/A	N/A	-	
					-	N/A	N/A	-	
Totals	4.01			4.01	-			-	-

White Goods	Total #	E-Waste Goods		Total #	Electric Goods		Total #	Bulky / Mixed		Total #
		Refrigerators	TVs		Fans	Tables/Chairs/Doors		Sofas	Mattresses	
Refrigerators	1			15			-	6	4	48
Stoves	-			3						17
Washer	3			5						25
Dryers	-			2						9
Other *	8			16						
Total	12			41			16			99

Total Tonnage		Recovered	Percentage
TRASH		34.07	89.47%
RECYCLING		-	0.00%
E-WASTE		0.63	1.65%
SCRAP METAL		4.01	10.53%
GREENWASTE		-	0.00%
TIRES		-	0.00%
TOTAL		38.71	101.65%

* Please insert here additional rows specific to material type as needed

White Goods / Scrap Metal: Bike part, bars, rims, rebar, scrap steel, water heater, fenders, dryers, hoods, small metal parts, etc.

E-Waste Goods: TV's, computers, monitors, stereos, etc.

Electric Goods: Microwaves, vacuum cleaners, fans, etc.

Bulky / Mixed Items Included: Sofas, mattresses, tires, propane tanks, large plastic items, etc.

Scavengers Update:

Comments:

Total Loads	38
Total Tons Collected	38.08
Total Tons Diverted	4.01
Diversion Percentage	10.53%

City Of Duarte Clean Up Event Summary October 2016

Date	Trash			Recycling				E-Waste				
	Tons	Facility	Routes	Recovered	Tons	Facility	Routes	Recovered	Tons	Facility	Routes	Recovered
10/01/16	22.94	Azsa Trnsf	9001-9002	22.94	-	N/A	N/A	-	Pending	e-Recycling	9015-9019	Pending
Dirt/Rocks	9.93	Azsa Trnsf	9001-9002	9.93	-	N/A	N/A	-				
				-	-	N/A	N/A	-				
				-	-	N/A	N/A	-				
				-	-	N/A	N/A	-				
Totals	32.87			32.87	-			-	-			-

Date	Scrap Metal				GreenWaste				Tires			
	Tons	Facility	Routes	Recovered	Tons	Facility	Routes	Recovered	Tons	Facility	Routes	Recovered
10/01/20107	2.12	SA Rcycle	9001-9002	2.12	-	N/A	N/A	-				
					-	N/A	N/A	-				
					-	N/A	N/A	-				
					-	N/A	N/A	-				
					-	N/A	N/A	-				
					-	N/A	N/A	-				
Totals	2.12			2.12	-			-	-			-

White Goods		Total #	E-Waste Goods	Total #	Electric Goods	Total #	Bulky / Mixed	Total #
Refrigerators		5	TVs	5	Fans	-	Tables/Chairs/Doors	47
Stoves		2	Monitors	3	Vacuum Cleaners	4	Sofas	8
Washer		7	VCR'S / DVD'S	-	Microwaves	5	Mattresses	10
Dryers		1	Stereos	-	Printers	2	Toilets	3
Other*		-	Other*	3	Other*	-	Other*	6
Total		15	Total	11	Total	11	Total	74
								111

Total Tonnage Recovered Percentage			
BULKY ITEMS	TRASH	32.87	93.94%
	RECYCLING	-	0.00%
	E-WASTE	0.09	0.26%
	SCRAP METAL	2.12	6.06%
	GREENWASTE	-	0.00%
	TIRES	-	0.00%
	TOTAL	35.08	100.26%
	Total Loads		38
Total Tons Collected		34.99	
Total Tons Diverted		2.12	
Diversion Percentage		6.06%	

***Please insert here additional rows specific to material type as needed**

White Goods / Scrap Metal: Bike part, bars, rims, rebar, scrap steel, water heater, fenders, dryers, hoods, small metal parts, etc.

E-Waste Goods: TV's, computers, monitors, stereos, etc.

Electric Goods: Microwaves, vacuum cleaners, fans, etc.

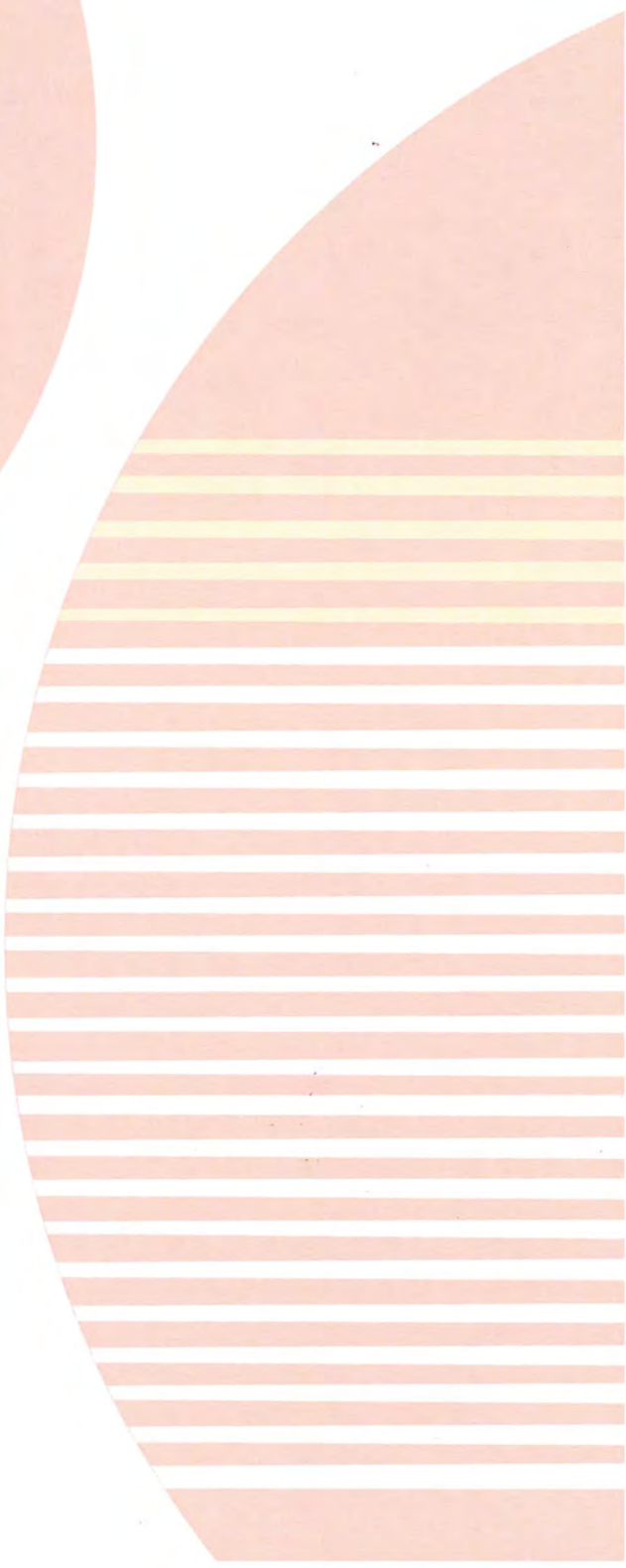
Bulky / Mixed Items Included: Sofas, mattresses, tires, propane tanks, large plastic items, etc.

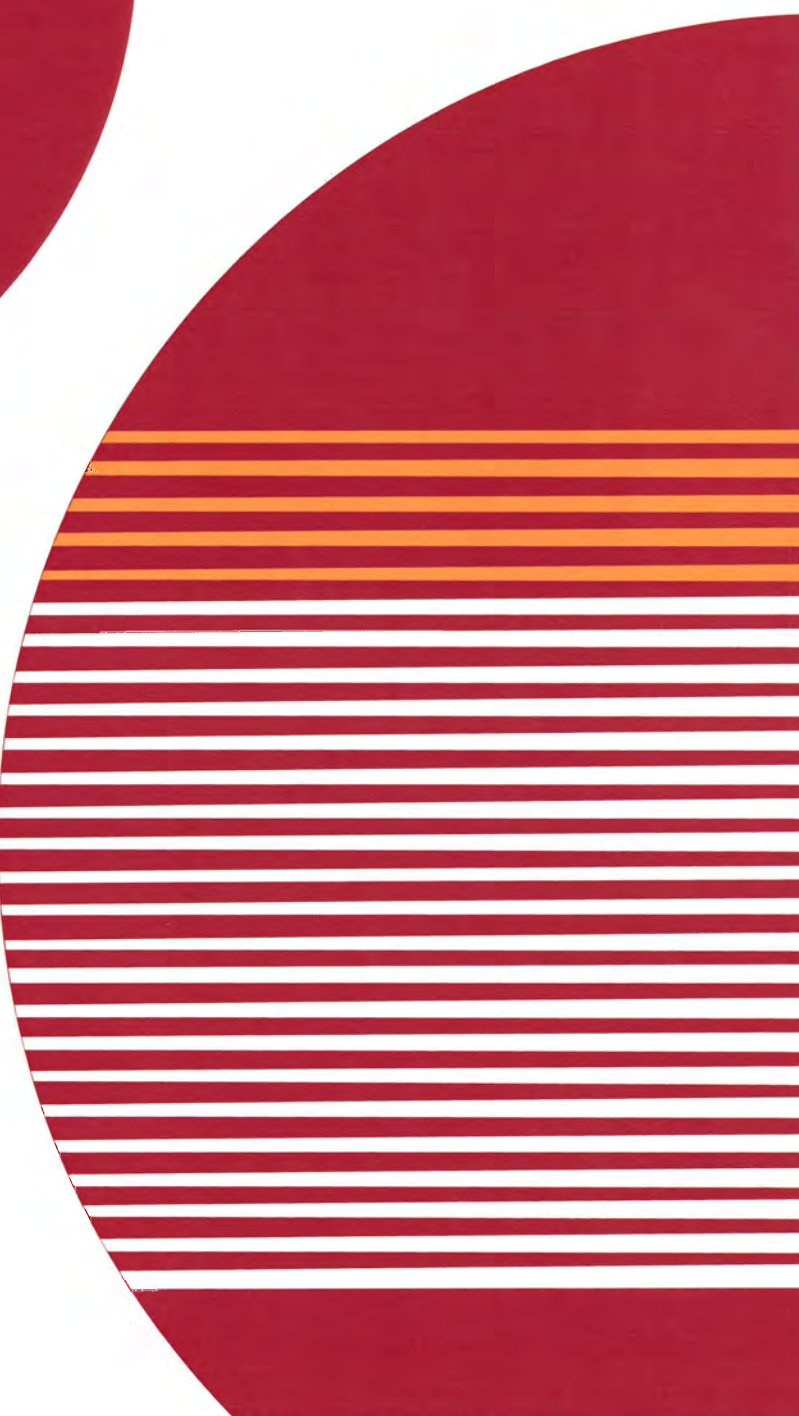
Scavengers Update:

Comments:



"We'll Take Care of It"





‘We’ll Take Care of It’

BURRTEC

9890 Cherry Ave., Fontana, CA 92335
(909) 429-4200

City Commission vacancies – December 2017

Planning (3)

Public Services (2)

Traffic Safety (3)

Public Safety (1 Resident, 1 County Representative, 1 Chamber Representative)

_____	Resident
_____	County Representative
(Chamber Representative will be recommended by the Chamber after 12/7/17)	

Economic Development (3 Residents – One 2-year term, two 4-year terms) (1 Business)

_____	Resident – Term expires 12/31/19
_____	Resident – Term expires 12/31/21
_____	Resident – Term expires 12/31/21
_____	Business

Parks and Recreation (2 Residents, 1 Senior Representative)

_____	Resident
_____	Resident
_____	Senior Representative



CITY COMMISSION INTERVIEWS
Tuesday, December 5, 2017

=====

<u>Time</u>	<u>Applicants</u>
4:15 p.m.	Theresa Allain, Cynthia Davis, George Farra, Wallace Wolff
4:40 p.m.	Sara Vasquez, Romona Browne, Tina Heany
5:00 p.m.	Pattie Dalessandro, Jim Kirchner, Thomas Tsui
5:20 p.m.	Victor Bruno, Jo-Ann Oloteo, Mitchell Skinner, Daniel Yrigoyen
5:40 p.m.	Brian Quandt, Ted Schreck, Vinh Truong, Jason Wong
6:00 p.m.	Martin Calderon, Jim Dinsmore, Elisabeth Dugan
6:20 p.m.	Kirsten Nielsen, Sheyla Sosa

DUARTE CITY COUNCIL – INTERGOVERNMENTAL ORGANIZATIONS

AREA “D” EMERGENCY SERVICES

City Manager *Representative*
Full Council *Alternates*

CALIFORNIA CONTRACT CITIES

Liz Reilly *Delegate*
Margaret Finlay *Alternate*
3rd Wednesday - 7:00 p.m.

CITY SELECTION COMMITTEE (COUNTY)

Margaret Finlay *Delegate*
Full Council *Alternates*
3 or 4 times a year, at the call of the Chairman

COMMUNITY EDUCATION COUNCIL

Tzeitel Paras-Caracci *Representative*
Samuel Kang *Alternate*
TBD

DUARTE COMMUNITY SERVICE COUNCIL

Tzeitel Paras-Caracci *Representative*
John Fasana *Alternate*
TBD

DUARTE EDUCATION FOUNDATION

Margaret Finlay *Representative*
Liz Reilly *Alternate*
1st Monday - 5:30 p.m.

FOOTHILL EMPLOYMENT AND TRAINING CONSORTIUM

John Fasana *Delegate*
Samuel Kang *Alternate*

FOOTHILL TRANSIT – \$150/mtg (4/yr)

Tzeitel Paras-Caracci *Delegate*
Samuel Kang *Alternate*

GOLD LINE PHASE II JPA – \$100/mtg (1/mo)

Liz Reilly *Delegate*
Tzeitel Paras-Caracci *Alternate*
2nd Thursday/month – 11:30 a.m.

JOINT POWERS INSURANCE AUTHORITY

Margaret Finlay *Director*
City Manager/Full Council *Alternates*
Annual Meeting – July

LEAGUE OF CALIFORNIA CITIES

Samuel Kang *Delegate*
Full Council *Alternates*
1st Thursday - 7:00 p.m.

SGV COUNCIL OF GOVERNMENTS - \$50/mo

John Fasana *Governing Board Rep.*
Margaret Finlay *Alt. Governing Board Rep.*
3rd Thursday - 6:00 p.m.

SGV ECONOMIC PARTNERSHIP

Samuel Kang *Representative*
Full Council *Alternates*
2nd Tuesday of odd months – 12:00 noon

SGV VECTOR CONTROL DISTRICT - \$100/mo

Margaret Finlay *Representative*
2nd Friday – 7:00 a.m.

SANITATION DISTRICTS #15 AND #22 - \$250/mo

Margaret Finlay *Director*
Samuel Kang *Alternate*
4th Wednesday - 1:30 p.m.

SO. CAL. ASSOCIATION OF GOVERNMENTS

Margaret Finlay *Representative*
Full Council *Alternates*
Annual Meeting - April

***Note: Compensated positions
are shown in boxes**

Updated: February 28, 2017

MEMORANDUM

TO: Darrell J George, City Manager

FROM: Kristen Petersen, Assistant City Manager

DATE: December 4, 2017

SUBJECT: AUDITED FINANCIAL STATEMENTS – FISCAL YEAR 2016/17

Background

After the end of each fiscal year, an independent accounting firm is used to conduct a financial audit of the City of Duarte, the Housing Authority and the Successor Agency of the former Redevelopment Agency. On March 14, 2017, the City Council selected the auditing firm of Moss Levy and Hartzheim to conduct the 2016/17 audit. As a result, this is the first year of an independent audit by Moss Levy and Hartzheim.

Copies of the City financial statements for the fiscal year ended June 30, 2017 are attached. The auditor found them to be prepared in accordance with generally accepted accounting principles and to fairly present the financial position of the City. There were no major findings or deficiencies.

The original 2016/17 General Fund budget was adopted with a \$179,300 deficit. At the mid-year review in January 2017, the proceeds of \$1.9 million for the Third Street property were expected to be received prior to June 2017. When combined with other changes to the budget, we projected a surplus of \$625,000. However, in February 2017, the City Council authorized the purchase of the former Sparr Liquor store for \$2.5 million. With this purchase and the fact that the Third Street property has not yet closed escrow, the City ended the fiscal year with a General Fund cash deficit of \$3.5 million, leaving the City with available General Fund cash of \$5 million.

As mentioned, the situation has declined since mid-year review largely because of the delayed revenues of \$1.9 million from the Third Street sale and the \$2.5 million purchase of the Sparr Liquor property. However, there were other changes that impacted the final outcome of the City's cash balances that are worth mentioning. For example, legal expenses exceeded budgeted amounts by \$111,000 due to the NPDES litigation, several active code enforcement cases and increased general city attorney services. The City should have transferred 20% of the \$1.3 million in SA loan repayments to the Low and Moderate Income Housing Fund (LMIHF) in 2015/16, but did not make the transfer until after the close of the fiscal year. Thus, there is an extra \$265,000 in transfers to the LMIHF in 2016/17 to make this fund whole. On the other side of the coin, Motor Vehicle License Fees came in \$113,00 higher and Plan Check Fees came in \$100,000 higher than projected. When all this activity is combined, General Fund cash reserves decreased to \$5 million as of June 30, 2017 compared to the \$9 million that was projected in January at mid-year review.

Darrell J. George, City Manager
December 4, 2017
Page 2

Please note that staff will be bringing the mid year budget for 2017/18 before City Council in February. We will discuss and analyze the fund balance more at that time, because the 2016/17 ending fund balance will serve as a primary part of the 2017/18 mid-year analysis. We will also be presenting the impact of the delayed revenues and project reimbursements from 2016/17, the projects approved by Council since June 2017, when the original 2017/18 budget was adopted and decide how priorities will be established and decisions will be made on the timing of future projects.

Recommendation

It is recommended that the City Council receive and file the audited financial statements for the fiscal year ended June 30, 2017.

CITY OF DUARTE, CALIFORNIA
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Prepared by:
Finance Department

CITY OF DUARTE
For the Fiscal Year Ended June 30, 2017

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CITY OF DUARTE
For the Fiscal Year Ended June 30, 2017

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FINANCIAL SECTION



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA
ALEXANDER C HOM, CPA
ADAM V GUISE, CPA
TRAVIS J HOLE, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES

433 N. CAMDEN DR. SUITE 730
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES

5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Duarte, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Duarte, California (City), as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2017, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the budgetary comparison information for the General Fund, the Schedule of Proportionate Share of the Net Pension Liability, the Schedule of Pension Contributions, and the Schedule of Funding Progress-Other Postemployment Benefits on pages 5 through 9 and 51 through 55, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, Community Improvement budgetary comparison schedule, combining and individual nonmajor fund financial statements and schedules, and debt service fund budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, and major capital projects and debt service fund budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and schedules, and major capital projects and debt service fund budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Culver City, California
November 30, 2017

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**City of Duarte
Management's Discussion and Analysis
Year Ended June 30, 2017**

This discussion and analysis is intended to provide readers with a narrative overview of the City of Duarte's (City's) financial activities for the fiscal year ended June 30, 2017. This information should be considered in conjunction with the accompanying financial statements and the notes to those statements.

Financial Highlights

- At the close of the fiscal year, the City's assets exceeded its liabilities by \$69,457,888 (net position). A significant part of assets is the estimated value of infrastructure, which has been capitalized in accordance with the requirements of GASB 34.
- During the year, program expenses exceeded taxes and other revenues received by the City and the City's net position reflects a decrease of \$1,662,761.
- The City's governmental funds had ending fund balances of \$24,006,068, which is a decrease of \$2,707,732 over the prior year fund balance of \$26,713,800. This decrease took place within the General Fund due to the delay in the closing of the Third Street property and the resulting reduced revenues. The decrease also took place in the Capital Improvement Fund due to the delay in the completion of the Duarte Road project and ATP reimbursements that are still pending. Both of these resources are expected to come in eventually, but the delay has had a substantial impact on fund balance in the meantime.
- This year, the City's General Fund experienced a deficit of \$2,325,501. As mentioned earlier, the Third Street Property sale has been delayed, resulting in \$1.9 million in less revenue. Legal expenses exceeded estimated amounts by \$111,000 due to the NPDES litigation, several active code enforcement cases and increased general city attorney services. The City received a loan repayment from the former Successor Agency of \$1.3 million in 2015/16. The City should have transferred 20% of that amount to the Affordable Housing Fund in 2015/16, but did not make the transfer until after the close of the fiscal year. As a result, there is an extra \$265,000 in transfers to the affordable housing fund in 2016/17 to make this fund whole.
- The City's debt decreased by \$88,722 during the fiscal year to \$1,977,810 mostly due to the retirement of debt on the 2013 Certificates of Participation.
- The City implemented GASB statement No. 68 – Accounting and Financial Reporting for Pensions, last fiscal year pursuant to the CalPERS actuarial reports. At June 30, 2017, the City reported a net pension liability of \$12,675,786 and related deferred outflow of \$4,306,164 and deferred inflows of \$479,442.

Overview of the Basic Financial Statements

The City's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. In addition, required supplementary information is provided relating to the City's budgets for major funds.

Government-wide Financial Statements

The government-wide financial statements are found on pages 11 and 12 of this report. They are designed to give readers an overview of the City's financial position. These statements include all of the City's assets and liabilities, using the full accrual basis of accounting, which is similar to accounting methods used by most private sector companies. All of a fiscal year's revenues and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. As a result, assets, liabilities, and expenses are reported in these statements for some transactions that will result in cash flow in future fiscal periods.

The “Statement of Net Position” presents all of the City’s assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator for determining whether the financial position of the City is improving or deteriorating.

The “Statement of Activities” presents information showing the City’s revenues and expenses for the fiscal year. Functional activities are identified in this statement, whereby direct and indirect functional costs are shown net of related program revenue. This statement shows the extent to which the various functions depend on general taxes and non-program revenues for support.

The government-wide financial statements encompass the activities of four different legal entities: the City of Duarte, the Duarte Housing Authority, the Duarte Community Facilities Financing Authority and the Duarte Public Financing Authority. This is in keeping with generally accepted accounting principles, as the City’s elected officials have a continuing oversight responsibility for all four entities.

The City of Duarte provides an array of services to the public similar to those of other municipal governments. These include police protection, parks and recreation, planning and development, public works, code enforcement, animal control, transit services, and refuse collection. The Housing Authority is responsible for promoting the development of low and moderate-income housing. The function of both Financing Authorities is to facilitate the issuance of debt by both the City and the Housing Authority.

Fund Financial Statements

The fund financial statements can be found on pages 13 and 15 of this report. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to demonstrate compliance with finance related legal requirements. All of the funds of the City of Duarte can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as “governmental activities” in the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City’s near-term financing requirements.

The City maintains nineteen individual governmental funds. Three of these funds are considered “major” and, according to generally accepted accounting principles, are reported separately in the fund financial statements. The remaining sixteen funds are reported on a consolidated basis.

Because the focus of fund financial statements is narrower than that of the government-wide financial statements, it can be useful to compare the two. Comparisons may give readers a better understanding of the long-term impact of the City’s near-term financial decisions. On pages 14 and 16 of this report, statements are provided reconciling the “Governmental Fund Balance Sheet” and the “Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances” to the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Duarte’s own programs. The Successor Agency Fund is a fiduciary fund; the City budgets for this fund to reflect the operations of the Successor Agency. Trust funds are set up to account for the resources held for bond payments and for recording transactions performed by appointed trustees. The City does not budget for the trustee activities.

Notes to the Basic Financial Statements

This report includes notes to the basic financial statements. They provide additional information that is important to a complete understanding of the data contained in the government-wide and fund financial statements. The notes can be found on pages 19 through 50 of the report.

Government-wide Financial Analysis

The government-wide financial analysis focuses on net position and changes in net position for the City's governmental activities. A summary of net position as of June 30, 2017 is as follows:

	Governmental Activities	
	<u>2017</u>	<u>2016</u>
Current and other assets	\$ 28,367,617	\$ 30,045,232
Capital assets	<u>54,670,247</u>	<u>54,081,221</u>
Total assets	\$ <u>83,037,864</u>	\$ <u>84,126,453</u>
Deferred Outflows of Resources	\$ <u>4,306,164</u>	\$ <u>2,400,813</u>
Current and other liabilities	\$ 2,753,102	\$ 2,050,621
Long-term debt outstanding	<u>14,653,596</u>	<u>12,644,822</u>
Total liabilities	\$ <u>17,406,698</u>	\$ <u>14,695,443</u>
Deferred Inflows of Resources	\$ <u>479,442</u>	\$ <u>960,542</u>
Net assets (liabilities):		
Net Investment in capital assets	\$ 53,736,874	\$ 52,999,211
Restricted	10,770,951	10,405,827
Unrestricted	<u>4,950,063</u>	<u>7,466,243</u>
Total net position	\$ <u>69,457,888</u>	\$ <u>70,871,281</u>

As discussed earlier in this analysis, net position may serve as an indicator of the City's financial position. At end of the fiscal year 2017, assets exceeded liabilities by \$69,457,888.

The City's primary assets were cash - \$11,699,688, land held for resale - \$6,746,267, amount due from the Successor Agency - \$6,882,374 and capital assets - \$54,670,247. A significant portion of the City's cash is comprised by reserves and special funds for restricted uses. Therefore, much of it is unavailable to pay for current activities. Land held for resale represents the value of properties held by the City and the Housing Authority for future development purposes. The capital assets figure is the estimated value of all the equipment, land, buildings, and infrastructure owned by the City. It conforms to accounting rules requiring such assets be inventoried, valued, and depreciated.

The City's primary liability is its net pension liability - \$12,675,786 and its long-term bonded indebtedness - \$1,977,810.

A summary of the changes in the City's net assets for the year ended June 30, 2017 is as follows:

Changes in Net Assets

	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Revenues:		
Program revenues:		
Charges for services	\$3,053,473	\$ 2,907,762
Operating grants	2,258,647	3,077,880
Capital grants	1,661,287	1,468,753
General revenues:		
Taxes	8,414,381	8,485,843
Use of money and property	332,872	285,168
Intergovernmental	2,037,016	1,947,546
Miscellaneous	<u>968,898</u>	<u>1,100,162</u>
Total revenues	<u>18,726,574</u>	<u>19,273,114</u>
Expenses:		
General government	5,933,638	3,562,038
Safety	5,386,626	4,699,711
Development	4,744,383	4,211,956
Recreation and culture	3,325,567	2,907,379
Transportation	936,131	2,151,711
Interest expense	<u>22,990</u>	<u>24,635</u>
Total expenses	<u>20,349,335</u>	<u>17,557,430</u>
Change in net assets	(1,622,761)	1,715,684
Net assets - beginning of year, as restated	<u>71,080,649</u>	<u>69,155,597</u>
Net assets - end of year	<u>\$69,457,888</u>	<u>\$70,871,281</u>

At year-end, the City's net assets had decreased by \$1,622,761. This decrease was the result of all expenses except for Transportation and Interest expense being higher than last fiscal year and revenues being largely the same.

City Fund Financial Analysis

The city fund analysis focuses on governmental fund balances and on any restrictions or commitments that limit the availability of fund balances for future use.

As of June 30, 2017, the City's governmental funds had a total ending fund balance of \$24,006,068. This amount represents a decrease of \$2,707,732, or 10% as compared to the prior year fund balance of \$26,713,800.

Of the City's three major governmental funds two of them decreased their fund balances and one increased. As discussed earlier, the decrease in the General Fund of \$2,325,501 was due to delayed land sale proceeds, a prior year transfer needed for affordable housing funds and increased legal expenses. The decrease in the Capital Improvement fund is due to delayed ATP project expenses and the resulting delay in reimbursements.

Capital Asset and Debt Administration

Capital Assets

At year-end the City had \$54.7 million invested in a broad range of capital assets including buildings, parks, streets, sidewalks, traffic signals, sewers, storm drains, curbs and gutters, street lights, vehicles, medians, and other assets. This amount represents an overall increase (including additions, deductions and depreciation) of \$379,658 as compared to the prior year. Additional information can be found in Note 5.

Debt Administration

At the end of the fiscal year, the City had both bonded and other long-term debt totaling \$1,977,810. A summary of the City's debt activity for the year ended is as follows:

Outstanding Debt at Year-end

	<u>2016</u>	<u>2017</u>	<u>Increase (Decrease)</u>
Certificates of participation	\$ 915,969	\$ 782,683	(133,286)
CA Energy Comm Loans	166,041	150,690	(15,351)
Accrued vacation & sick leave	<u>984,522</u>	<u>1,044,437</u>	<u>59,915</u>
Total debt	<u>\$ 2,066,532</u>	<u>\$ 1,977,810</u>	<u>(\$88,722)</u>

Additional information about the City's debt may be found in Note 7 to the basic financial statements.

Economic Factors and Next Year's Budget

Many variations from Mid-Year have to do with delayed projects and respective reimbursements, which are still expected to occur, just in future years. For example, the Third Street property and the delay in ATP reimbursements. With the purchase of the former Sparr Liquor property in the amount of \$2.5 million, the City's General Fund cash fund balances have been reduced to \$4.8 million. If the \$1.9 million in Third Street land sale proceeds had been received prior to June 30, 2017 as previously projected, the balances would have been \$6.6 million as was projected when the 2017/18 budget was adopted in June 2017.

The City of Duarte continues to be conservative in its decisions to manage within our means. We are starting to see the first signs of a stalling economy as our Sales Tax revenues came in approximately \$600,000 less than the prior year. This is the first drop in sales tax revenue since 2008. The City continues to monitor all of the financial aspects and adjust what it can control. The City is constantly working towards balancing operating expenses with revenues and as a result, we currently find ourselves in a manageable environment. The community continues to see positive signs of progress through the increase of revenues such as plan check fees, but with other revenues flattening out and rising costs, adjustments may need to be considered in the future.

Requests for Information

These financial statements are designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate accountability for the money it receives. If there are questions, or a need for more information, please contact the City of Duarte, 1600 Huntington Drive, Duarte, California, 91010, or call (626) 357-7931.

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CITY OF DUARTE

STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities
Assets:	
Cash and investments	\$ 11,699,688
Receivables:	
Accounts	117,895
Taxes	1,276,944
Accrued interest	17,574
Grants	1,460,623
Prepaid costs	428
Land held for resale	6,746,267
Prepaid other postemployment benefits	165,818
Restricted assets:	
Cash with fiscal agent	6
Due from Successor Agency	6,882,374
Capital assets not being depreciated	24,162,536
Capital assets, net of depreciation	30,507,711
Total Assets	83,037,864
Deferred Outflow of Resources:	
Deferred pension related items	4,306,164
Total Deferred Outflow of Resources	4,306,164
Liabilities:	
Accounts payable	1,860,679
Accrued liabilities	369,675
Accrued interest	6,574
Unearned revenue	156,411
Deposits payable	359,763
Noncurrent liabilities:	
Due within one year	256,237
Due in more than one year	1,721,573
Net pension liability	12,675,786
Total Liabilities	17,406,698
Deferred Inflow of Resources:	
Deferred pension related items	479,442
Total Deferred Inflow of Resources	479,442
Net Position:	
Net investment in capital assets	53,736,874
Restricted for:	
Developed projects	4,633,297
Debt service	774,603
Transportation	5,309,486
Recreation and cultural	53,565
Unrestricted	4,950,063
Total Net Position	\$ 69,457,888

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

STATEMENT OF ACTIVITIES
JUNE 30, 2017

Functions/Programs Primary Government:	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position Primary Government
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Governmental Activities
Governmental activities:					
General government	\$ 5,933,638	\$ 215,573	\$ 777,110	\$ -	\$ (4,940,955)
Safety	5,386,626	273,662	321,406	-	(4,791,558)
Development	4,744,383	2,157,035	5,881	-	(2,581,467)
Recreation and cultural	3,325,567	407,203	111,280	14,482	(2,792,602)
Transportation	936,131	-	1,042,970	1,646,805	1,753,644
Interest on long-term debt	22,990	-	-	-	(22,990)
Total Governmental Activities	20,349,335	3,053,473	2,258,647	1,661,287	(13,375,928)
Total Primary Government	\$ 20,349,335	\$ 3,053,473	\$ 2,258,647	\$ 1,661,287	(13,375,928)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					1,854,795
Transient occupancy tax					127,779
Sales taxes					5,247,100
Franchise taxes					891,502
Business licenses taxes					293,205
Motor vehicle in lieu - unrestricted					2,037,016
Use of money and property					332,872
Other					968,898
Total general revenue					11,753,167
Change in net position					(1,622,761)
Net position, beginning of fiscal year, as restated					71,080,649
Net position, end of fiscal year					\$ 69,457,888

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

	General	Special Revenue Fund Former RDA Low and Moderate Housing	Capital Project Fund Community Improvement	Other Governmental Funds	Total Governmental Funds
Assets:					
Pooled cash and investments	\$ 3,313,410	\$ 933,829	\$ -	\$ 7,452,449	\$ 11,699,688
Receivables:					
Accounts	117,895	-	-	-	117,895
Taxes	1,255,494	-	-	21,450	1,276,944
Accrued interest	17,574	-	-	-	17,574
Grants	215,327	-	1,219,500	25,796	1,460,623
Prepaid costs	428	-	-	-	428
Due from other funds	2,332,874	-	-	-	2,332,874
Land held for resale	2,497,730	2,860,497	-	1,388,040	6,746,267
Restricted assets:					
Cash and investments - fiscal agents	-	-	-	6	6
Due from Successor Agency	6,882,374	-	-	-	6,882,374
Total assets	\$ 16,633,106	\$ 3,794,326	\$ 1,219,500	\$ 8,887,741	\$ 30,534,673
Liabilities:					
Accounts payable	\$ 1,179,339	\$ -	\$ 73,256	\$ 608,084	\$ 1,860,679
Accrued liabilities	364,637	-	-	5,038	369,675
Unearned revenue	156,411	-	-	-	156,411
Deposits payable	359,763	-	-	-	359,763
Due to other funds	-	-	1,053,235	1,279,639	2,332,874
Total liabilities	2,060,150	-	1,126,491	1,892,761	5,079,402
Deferred inflows of resources:					
Unavailable revenues	201,963	-	1,222,540	24,700	1,449,203
Total deferred inflows of resources	201,963	-	1,222,540	24,700	1,449,203
Fund balances:					
Nonspendable:					
Prepaid costs	428	-	-	-	428
Due from Successor Agency	6,882,374	-	-	-	6,882,374
Land held for resale	2,497,730	-	-	-	2,497,730
Restricted for:					
Development projects	-	3,794,326	-	838,971	4,633,297
Recreation and culture	-	-	-	53,565	53,565
Transportation	-	-	-	5,309,486	5,309,486
Debt service	-	-	-	781,177	781,177
Committed to:					
Vehicle replacement	193,535	-	-	-	193,535
Unassigned	4,796,926	-	(1,129,531)	(12,919)	3,654,476
Total fund balances (deficits)	14,370,993	3,794,326	(1,129,531)	6,970,280	24,006,068
Total liabilities, deferred inflows of resources, and fund balances	\$ 16,633,106	\$ 3,794,326	\$ 1,219,500	\$ 8,887,741	\$ 30,534,673

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017

Fund balances of governmental funds	\$	24,006,068
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		54,670,247
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Bonds payable	\$	(782,683)
CA Energy Commission loan		(150,690)
Compensated absences		<u>(1,044,437)</u>
		(1,977,810)
Governmental funds report all OPEB contributions as expenditures however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contributions (ARC) are recorded as an asset or liability		165,818
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(6,574)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		1,449,203
Governmental funds report all pension contributions as expenditures; however, in the statement of net position, the excess of the total pension liability over the plan fiduciary net position is reported as a net pension liability.		(12,675,786)
Deferred inflows related to pensions:		
Change of Assumptions		(418,428)
Difference in proportionate share		(969)
Adjustment due to differences in proportions		(60,045)
Deferred outflows related to pensions		
Contributions made after the measurement date		1,331,915
Net difference between project and actual earnings on pension plan investments		2,177,776
Difference in proportionate share		72,810
Difference between expected and actual experience		34,093
Adjustments due to differences in proportions		<u>689,570</u>
Net position of governmental activities	\$	<u><u>69,457,888</u></u>

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	General	Special Revenue Fund Former RDA Low and Moderate Housing	Capital Project Fund Community Improvement	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 8,414,381	\$ -	\$ -	\$ -	\$ 8,414,381
Assessments	-	-	-	1,186,691	1,186,691
Licenses and permits	1,026,150	-	-	-	1,026,150
Intergovernmental	2,961,282	-	-	1,846,676	4,807,958
Charges for services	490,726	-	-	27,988	518,714
Use of money and property	248,814	70,932	110	38,016	357,872
Fines and forfeitures	321,918	-	-	-	321,918
Miscellaneous	1,016,268	-	-	1,109	1,017,377
Total revenues	14,479,539	70,932	110	3,100,480	17,651,061
Expenditures:					
Current:					
General government	4,136,106	-	-	-	4,136,106
Safety	5,189,076	-	-	192,948	5,382,024
Development	3,402,960	-	-	995,923	4,398,883
Recreation and cultural	3,010,559	-	-	-	3,010,559
Transportation	-	-	1,179,212	1,379,052	2,558,264
Capital outlay	485,094	-	-	215,114	700,208
Debt service:					
Principal retirement	15,351	-	-	133,286	148,637
Interest and fiscal charges	4,867	-	-	19,245	24,112
Total expenditures	16,244,013	-	1,179,212	2,935,568	20,358,793
Excess (deficiency) of revenues over (under) expenditures	(1,764,474)	70,932	(1,179,102)	164,912	(2,707,732)
Other financing sources (uses):					
Transfers in	349,723	-	-	1,488,550	1,838,273
Transfers out	(910,750)	-	-	(927,523)	(1,838,273)
Total other financing sources (uses)	(561,027)	-	-	561,027	-
Net change in fund balances	(2,325,501)	70,932	(1,179,102)	725,939	(2,707,732)
Fund balances, beginning of fiscal year	16,696,494	3,723,394	49,571	6,244,341	26,713,800
Fund balances (deficits), end of fiscal year	<u>\$ 14,370,993</u>	<u>\$ 3,794,326</u>	<u>\$ (1,129,531)</u>	<u>\$ 6,970,280</u>	<u>\$ 24,006,068</u>

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Net change in fund balances - total governmental funds \$ (2,707,732)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 700,208	
Additional capitalized items not recorded as capital outlays	1,302,456	
Depreciation	<u>(1,616,426)</u>	386,238
Losses on disposition charged to expense		(6,580)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position

Principal repayments		148,637
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Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.

	1,122
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Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

	(59,915)
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Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense

	(403,499)
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Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity

	730,013
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Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditure in the governmental funds

	<u>288,955</u>
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Change in net position of governmental activities	<u><u>\$ (1,622,761)</u></u>
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CITY OF DUARTE

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2017

	Private-Purpose Trust Fund Successor Agency of the Former RDA
Assets:	
Cash	\$ 3,398,636
Receivables:	
Notes and loans	1,200,000
Land held for resale	1,195,522
Restricted assets:	
Cash and investments with fiscal agents	3,053,368
Total Assets	8,847,526
Deferred Outflow of Resources:	
Deferred charge on refunding	1,341,628
Total Deferred Outflow of Resources	1,341,628
Liabilities:	
Accounts payable	11,386
Accrued interest	107,911
Long-term liabilities:	
Due in one year	2,892,824
Due in more than one year	12,692,749
Total Liabilities	15,704,870
Net Position (Deficit):	
Net position held in trust for other purposes	(5,515,716)
Total Net Position (Deficit)	\$ (5,515,716)

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR FISCAL YEAR ENDED JUNE 30, 2017

	Private-Purpose Trust Fund Successor Agency of the Former RDA
Additions:	
Taxes	\$ 3,701,998
Interest and change in fair value of investments	1,468
Contributions from City	18,000
Total Additions	3,721,466
Deductions:	
Administrative expenses	250,000
Contractual services	254,260
Interest expense	1,079,330
Total Deductions	1,583,590
Changes in Net Position	2,137,876
Net Position (Deficit) - Beginning of Fiscal Year	(7,653,592)
Net Position (Deficit) - End of Fiscal Year	\$ (5,515,716)

See Accompanying Notes to Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies

The City of Duarte, California (the City) was incorporated August 22, 1957. The City operates under a Council-Manager form of government. The City's major operations include police, code enforcement, animal control, parks and recreation, planning and development, public works, transit services, refuse collection, and general administrative services.

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

a. Reporting Entity

The reporting entity, "City of Duarte", is comprised of the various funds of the City of Duarte (City), the Duarte Public Finance Authority (Authority), and the Duarte Housing Authority (Housing Authority). As required by generally accepted accounting principles in the United States of America, these financial statements present the City of Duarte (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. These entities are legally separate from each other. However, the City of Duarte elected officials have a continuing oversight responsibility over the Authority and Housing Authority.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bond debt without approval by the primary government. In a blended presentation, a component unit's balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit's governing body is substantially the same as the City's or the component unit provides services almost entirely to the City.

Blended Component Units

The Duarte Public Financing Authority (the Authority) was organized in 1988 for the specific purpose of facilitating the issuance of debt instruments. It has no separate existence and has acted as a conduit between the issuer (the City) and the underwriters. Separate financial statements of the Public Financing Authority were not prepared.

The Duarte Housing Authority (the Housing Authority) was established pursuant to California Housing Authorities Law (Health and Safety Code Sections 34200 et seq.) on March 22, 2011. The purpose of the Housing Authority is to provide safe and sanitary housing opportunities for Duarte residents. Although the Housing Authority is legally separate, it is reported as if it were part of the City because the City Council also serves as the governing board of the Housing Authority. Separate financial statements of the Housing Authority were not prepared.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

The Duarte Community Facilities Financing Authority was established on February 1, 2013 between the City and the Housing Authority for the specific purpose of facilitating the issuance of debt instruments. It has no separate existence and has acted as a conduit between the issuer (the City) and the underwriters. Separate financial statements of the Public Financing Authority were not prepared.

Organizations Other Than Component Units:

Other governmental agencies, such as the County of Los Angeles, the Duarte Unified School District, etc. provide services within the City. However, each of these agencies is governed by an independently elected governing board. Accordingly, their financial information is not included within the scope of this financial report, because the City Council does not have a continuing oversight responsibility over them, nor are their financial operation closely related thereto.

b. Government-wide and Fund Financial Statements

The City's government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. The City does not have any business-type activities; therefore, only governmental activities are reported.

These basic financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities present changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Certain types of transactions are reported as program revenues for the City in three categories: (1) charges for services, (2) operating grant and contributions and (3) capital grants and contributions. Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated.

c. Government-wide and Fund Financial Statements

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. These statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category- governmental and fiduciary- are presented.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with separate self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures/expenses

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The minimum number of funds is maintained consistent with legal and managerial requirements.

d. Funds

The focus of the governmental funds' measurement is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City which accounts for all or most of the City's general activities and financial resources except those that are required to be accounted for in another fund.

Housing Authority Fund - This fund is to account for legally restricted funds for housing activities.

Former RDA Low and Moderate Income Housing Fund - This fund accounts for resources received from the Redevelopment Property Tax Trust Fund for the implementation, administration and monitoring of the Low and Moderate income housing affordability and other reporting requirements of the State housing and redevelopment.

Additionally, the City reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the revenues derived from specific revenue sources, which are restricted by law or administrative regulation for specified purposes.

Capital Projects Funds - Capital project funds are used to account for financial resources to be used for the acquisition and construction of capital assets

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for the periodic payment of principal and interest on long-term debt.

Private-purpose Trust Funds - The Private-purpose trust funds are used to account for the assets and liabilities of the former redevelopment agency and is allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met those qualifications.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balance presents increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. The Reconciliations of the Fund Financial Statements to the Government- Wide Financial Statements if provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The private-purpose trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

e. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year for which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, except for principal and interest on long-term liabilities, claims and judgments and employee leave benefits, which are recognized as expenditures when they are due and payable.

Property taxes, franchise taxes, licenses, intergovernmental revenue, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Amounts reported as program revenues include 1) charges to members, customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then use unrestricted resources as needed.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

f. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity

1. Cash and Cash Equivalents

The City has defined cash and cash equivalents to include cash on hand, demand deposits, as well as cash with fiscal agent. Additionally, each fund's equity in the City's investment pool is treated as a cash equivalent because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

2. Investments

Investments are stated at fair value, (generally quoted market prices). The City's policy is to hold investments until maturity or until market values equal or exceed cost.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Land Held for Resale

Land Held for Resale is an inventory of land purchased, which will be sold. The land is recorded at the lower of the acquisition cost or market.

5. Capital Assets

Capital assets, which include land, intangible assets (e.g., easements and rights of way), buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with a purchase cost of over \$5,000 and have a useful life of two years or more. Assets are recorded at actual historical cost or estimated historical cost. Donated capital assets are recorded at fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

Buildings	60 years
Sewer System	60 years
Machinery & Equipment	5 – 35 years
Improvements	10 – 20 years
Other infrastructure	10 – 50 years

GASB Statement No. 34 requires the City to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are the largest asset class of the City.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

6. Deferred Inflows and Outflows of Resources

In addition to assets, the Statement of Financial Position and Governmental Fund Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has one item that qualifies for reporting in this category. They are deferred outflows relating to the net pension obligation reported in the government-wide statement of net position. These outflows are the results of contributions made after the measurement period, which are expensed in the following year, and of adjustments due to difference in proportions. These amounts are deferred and amortized over the expected average remaining service life time.

In addition to liabilities, the Statement of Financial Position and Governmental Fund Balance Sheet will sometimes report separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: sales taxes and grant revenues. These amounts are deferred and recognized as an inflow of resources in the period that amounts become available. In addition, the government has one item that qualifies for reporting in this category which are deferred inflows relation to the net position obligation reported in the government-wide statements of net position. These inflows are the results of the net difference between projected and actual earnings on pension plan investments, difference between actual contributions and plan's share of contributions, and adjustment due to differences in proportions. These amounts are deferred and amortized straight-line over a five year period or over the remaining service life.

7. Property Tax Revenues

In general, property taxes in California are levied in accordance with Article 13B of the State Constitution at 1% of county-wide assessed valuations. This one percent is allocated pursuant to State law to the appropriate unites of local government, including the City.

Property taxes are levied during July of each fiscal year and are due on November 1 and February 1. Property taxes become delinquent after December 10 and April 10 for the first and second installments, respectively. The lien date is January 1. The City accrues as property tax revenue only those taxes which are received within 60 days after year- end in the fund financial statements.

8. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the Government-Wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

9. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted sources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the Governmental Fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Pension Plan

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

11. Compensated Absences

The City accrues accumulated unpaid vacation, sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee. The amount estimated to be used in subsequent fiscal years for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

12. Interfund Activities

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as reimbursement. All other interfund transactions are treated as transfers.

13. Net Position and Fund Balances

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets: This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

Restricted Net Position: This component of net position represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position: This component of net position represents the net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental funds are classified in the following categories:

Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action of the City’s highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally (for example: resolution).

Assigned Fund Balance – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (a) City Council or (b) a body (a budget, finance committee, or management (City Wide Leadership team, which consists of City Manager and Executive Department Heads)) to which the assigned amounts are to be used for specific purposes. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) other than the General Fund that are not classified as nonspendable, restricted, or committed.

Unassigned Fund Balance – the residual classification for the General Fund and includes all amounts not contained in the other classifications. Governmental funds report residual negative balances as unassigned fund balance.

14. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

15. Restatement of Net Position

The opening balance of the governmental activities net position was restated as follows:

Net Position July 1, 2016, as originally stated	\$ 70,871,281
Construction in progress not recorded prior year	209,368
Net Position July 1, 2016, as restated	<u>\$ 71,080,649</u>

16. Deficit Fund Balances or Net Position

The following funds have a deficit at June 30, 2017:

Community Improvement Capital Project Fund	\$ 1,129,531
Nonmajor Fund - PEG Special Revenue Fund	12,919

The City expects to eliminate these deficits with anticipated future revenues from grants, deferred payments and reimbursements

17. Budgets

The following Nonmajor special revenue funds exceeded appropriation at the fund level and by amount of excess: Supplemental Law Enforcement fund \$17,948 and Housing Authority fund \$4,340.

18. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements.

The provisions of Statement Number 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" are effective for fiscal years beginning after June 15, 2017.

The provisions of Statement Number 81 "Irrevocable Split-Interest Agreements" are effective for fiscal years beginning after December 15, 2016.

The provisions of Statement Number 82 "Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73." Are effective for fiscal years beginning after June 15, 2017.

The provisions of Statement Number 83 "Certain Asset Retirement Obligations" are effective for fiscal years beginning after June 15, 2018.

The provisions of Statement Number 84 "Fiduciary Activities" are effective for fiscal years beginning after December 15, 2018.

The provisions of Statement Number 85 "Omnibus 2017" are effective for fiscal years beginning after June 15, 2017.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

The provisions of Statement Number 86 "Certain Debt Extinguishment Issues" are effective for fiscal years beginning after June 15, 2017.

The provisions of Statement Number 87 "Leases" are effective for fiscal years beginning after December 15, 2019,

Note 2: Cash and Investments

a. *Cash and Investments*

Cash and investments as of June 30, 2017 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash on hand	\$ 2,975
Demand deposits	4,064,748
Investments	7,631,965
Restricted :	
Cash and investments with fiscal agent	6
Total cash and investments Governmental Activities	<u>\$ 11,699,694</u>

Statement of Fiduciary Net Position:

Demand deposits	\$ 3,398,636
Restricted :	
Cash and investments with fiscal agent	3,053,368
Total cash and investments Fiduciary	<u>\$ 6,452,004</u>

b. *Deposits*

At June 30, 2017, the carrying amount of the City's deposits was \$4,064,748 and the bank balance was \$4,053,910. The \$10,838 difference represents the outstanding checks and other reconciling items. At June 30, 2017 the carrying amount of the Fiduciary trust's deposits and bank balance was \$3,398,636.

The California Government Code requires California banks and savings and loans associations to secure the City's deposits by pledging government securities with a fair value of 110% of the City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes have a fair value of 150% of the City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral of deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held or, and in the name of, the local government agency.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 2: Cash and Investments (Continued)

c. Investments

Investments Authorized by the California Government Code and the City's Investment Policy

The City's Investment Policy is reviewed and adopted by the City Council each year. The investment policy does not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the allowable investment types authorized by the California Government Code and the City's adopted Investment Policy (the "Investment Policy"). The table also identifies certain restrictions related to interest rate risk and concentration of credit risk. The Investment Policy restricts the Treasurer to invest in only the types of investments listed herein, which is more restrictive than the Government Code

Authorized Investment By State Law	by Investment Policy	Maximum Maturity		of Portfolio		Maximum Investment	
		CGC	City	CGC	City	CGC	City
California State Bonds	Yes	5 years	5 years	None	None	None	None
Federal Agency and U.S- Government Sponsored							
Enterprise Obligations	Yes	5 years	5 years	None	None	None	None
U.S. Treasury Securities	Yes	5 years	5 years	None	None	None	None
Certificates of Deposit	Yes	5 years	5 years	30%	30%	None	None
Time Deposits	Yes	5 years	5 years	None	None	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	N/A	None	None	None	None

Information about the sensitivity of the fair values of the Fiduciary trust fund investments to market interest rate fluctuations for is provided by the following table that shows the distribution of the fiduciary trust fund's investments by maturity:

Investment Type	Remaining Maturity (in months)	
	6 Months or Less	
Restricted Cash with fiscal agents:		
U.S. Treasury Money Market Mutual Fund	\$	3,053,368

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's LAIF investment of \$7,631,965 does not

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 2: Cash and Investments (Continued)

have a rating provided by a nationally recognized statistical rating organization. The Fiduciary trust fund's restricted cash of \$3,503,368 held in U.S. Treasury Money Market Mutual Fund does not have a rating by a nationally recognized statistical rating organization

Concentration of Credit Risk

The entire investment balance of the City is invested in the LAIF external investment pool.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a fair value of 150% of the secured public deposits.

As of June 30, 2017, \$3,803,910 of the City's deposits with financial institutions in excess of federal depository insurance limits was held in collateralized accounts. As of June 30, 2017, \$3,148,636 of the Fiduciary trust fund's deposits with financial institutions in excess of federal depository insurance limits was held in collateralized accounts.

Fair Value Measurements

Investments are stated as fair value and are valued on a yearly basis. The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. Securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified in Level 2 of the fair value hierarchy are valued using other observable inputs such as matrix pricing techniques or based on quoted prices for assets in markets that are not active. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 are valued using the income approach such as discounted cash flow techniques. Investment in an external government pool is not subject to reporting within the level hierarchy. The entire balance of investments is in an external government pool. Please see additional information in "Investment in State Investment Pool".

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 2: Cash and Investments (Continued)

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The City's LAIF balance at June 30, 2017 was \$7,631,965.

The total amount invested by all public agencies in LAIF as of June 30, 2017 was \$22.8 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2017 has a balance of \$78.3 billion (42.96% was invested in government securities). The average maturity of PMIA investments was 194 days as of June 30, 2017.

Note 3: Interfund Receivables, Payable and Transfers

The composition of interfund balances as of June 30, 2017, is as follows:

Due to/Due from other funds:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
<u>Major Funds:</u>		
General	\$ 2,332,874	\$ -
Community Improvement Capital Project	-	1,053,235
<u>Nonmajor Special Revenue Funds:</u>		
Community Development Block Grant	-	8,294
Bicycle & Pedestrian	-	1,207
PEG Fund	-	20,273
Housing Authority	-	1,249,865
Total	<u>\$ 2,332,874</u>	<u>\$ 2,332,874</u>

The purpose of Due to/Due from is to eliminate negative cash balances at fiscal year-end in various funds.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 3: Interfund Receivables, Payable and Transfers. (Continued)

Transfers In/Transfers Out:

	(Transfers Out)		
	General	Nonmajor	
Transfers In	Fund	Funds	Total
General Fund	\$ 349,723	\$ 1,488,550	\$ 1,838,273
Nonmajor Funds	(910,750)	(927,523)	(1,838,273)
Total	(561,027)	561,027	-

Note 3: Interfund Receivables, Payable and Transfers. (Continued)

Transfers Out of the amount of \$910,750 were made out of the General Fund into the Lighting & Landscaping Fund and the Housing Fund for capital and administrative costs. Transfer In of \$349,723 was made to reimburse the General Fund for expenditures paid on behalf of the Landscaping and Lighting Fund and the Measure R Fund. Transfer In of \$225,000 was made out of the Lighting & Landscaping Fund into the Town Center Debt Service Fund to pay the debt service payments for the year for the 2013 Certificates of Participation. Transfer In of \$352,800 was made from the Prop C Fund to the Prop A Fund to assist in supporting the City's Transit System's operational costs.

Note 4: Notes Receivable

Notes and loans receivables as of June 30, 2017, are comprised of the following:

a. Affordable Housing

As part of development agreements with certain builders and in order to assist those individuals and families who are the most in need, the Housing Authority of the City of Duarte provides loans to low-and-moderate-income level residents for the acquisition and rehabilitation of residences. As a part of the agreement, the Housing Authority accepted second trust deeds from eligible buyers so that they could purchase the property. The second trust deeds are cancelable after 25 years should the buyers remain in the housing. If the property is sold, the Housing Authority recovers its second trust deed and interest to be calculated within certain limits. Since the amount, if any, the Housing Authority will receive is unknown, the City has recorded an allowance for doubtful accounts for the full amount of the receivables. The City will record income if the property is sold. The balance of the notes and loans receivable at June 30, 2017 is \$345,500 with an allowance for doubtful accounts of \$345,500 for a net notes and loans receivable of \$0 as of June 30, 2017.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 5: Capital Assets

A summary of changes in capital asset activity for the fiscal year ended June 30, 2017 is as follows:

	Balance July 1, 2016	Increases	Decreases	Balance July 1, 2017
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 22,291,035	\$ -	\$ -	\$ 22,291,035
Construction in progress	209,368	1,662,133	-	1,871,501
Total capital assets, not being depreciated	22,500,403	1,662,133	-	24,162,536
Capital assets, being depreciated:				
Structures and improvements	8,500,160	58,202	-	8,558,362
Machinery and equipment	2,835,987	33,543	98,208	2,771,322
Infrastructure	57,032,833	248,786	23,013	57,258,606
Total capital assets, being depreciated	68,368,980	340,531	121,221	68,588,290
Less accumulated depreciation:				
Structures and improvements	3,888,367	133,821	-	4,022,188
Machinery and equipment	2,096,068	158,700	98,210	2,156,558
Infrastructure	30,594,359	1,323,905	16,431	31,901,833
Total accumulated depreciation	36,578,794	1,616,426	114,641	38,080,579
Total capital assets, being depreciated, net	31,790,186	(1,275,895)	6,580	30,507,711
Governmental activities capital assets, net	\$ 54,290,589	\$ 386,238	\$ 6,580	\$ 54,670,247

**See note #1 for details on the restatement of the opening construction in progress balance.

Depreciation expense was charged to functions of the primary government as follows:

Governmental activities:	
General government	\$ 155,193
Safety	4,602
Recreation and culture	300,526
Transportation	1,156,105
Total	<u>\$ 1,616,426</u>

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 6: Deferred Inflows/Outflows of Resources

Unavailable revenues are deferred in accordance with GASB Statements No. 23 and No. 65. The City has unavailable revenues intergovernmental receivables. The balance of unavailable revenues reported as deferred inflows of resources at June 30, 2017, was \$1,449,203. For information about deferred inflows and outflows related to pensions, see note 10.

Note 7: Long-Term Debt

The following is a summary of changes in long-term liabilities for the fiscal year ended June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Due Within One Year
Governmental Activities					
2013 COP	\$ 915,969	\$ -	\$ 133,286	\$ 782,683	\$ 135,978
CA Energy Commission Loan	166,041	-	15,351	150,690	15,815
Compensated Absences	984,522	455,713	395,798	1,044,437	104,444
Total	<u>\$ 2,066,532</u>	<u>\$ 455,713</u>	<u>\$ 544,435</u>	<u>\$ 1,977,810</u>	<u>\$ 256,237</u>

a. Certificates of Participation

2013 Certificates of Participation (2001 Refunding)

In April 2013, the City of Duarte issued \$1,337,750 in Certificates of Participation (Series A) with an interest rate of 2.01%. The City issued the bonds to refund \$1,245,000 2001 Certificates of Participation on a current basis and pay for issuance costs. The Series A Certificates of Participation mature on August 1, 2022, and bear interest at 2.01% per annum. Interest on the bonds is payable semi-annually every August 1 and February 1.

Fiscal year ending June 30,	2013 Certificates of Participation- (2001 Refunding)	
	Principal	Interest
2018	\$ 135,978	\$ 15,052
2019	138,725	12,305
2020	141,527	9,503
2021	144,386	6,644
2022	147,303	3,727
2023	74,764	751
Totals	<u>\$ 782,683</u>	<u>\$ 47,982</u>

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 7: Long-Term Debt (Continued)

b. California Energy Resources Conservation and Development Commission Loan

The State of California Energy Resources Conservation and Development Commission issued a loan to the City for an Energy Efficiency project to be completed in July 2011. The Loan was issued in October 2011 in the amount of \$218,847. The liability as of June 30, 2017 is \$150,690.

The loan matures on December 22, 2025, and bear interest at 3% per annum. Principal and Interest on the loan is payable semi-annually every December 22 and June 22.

Fiscal year ending June 30,	CA Energy Commission Loan	
	Principal	Interest
2018	15,815	4,404
2019	16,293	3,926
2020	16,776	3,442
2021	17,293	2,926
2022	17,815	2,403
2023-2025	66,698	4,067
Totals	\$ 150,690	\$ 21,168

c. Compensated Absences

The City accrues accumulated unpaid vacation, sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee as described in Note 1. The City at June 30, 2017, had an outstanding accrued balance of unpaid vacation, sick leave and associated employee related costs of \$1,044,437 that will be liquidated from various funding sources in future years.

d. CJPIA Retrospective Deposit Liability

Retrospective deposits and refunds are cost allocation adjustments to prior coverage periods. Some claims may take years to resolve and over time their estimated value changes. The retrospective adjustments are calculated annually and take into consideration all the changes in claim values that occurred during the most recent year. The formula is designed to adequately cover the cost of claims brought against members and to ensure the overall financial strength and security of the Authority. The formula was developed to be as equitable as possible by taking into consideration both risk exposure and claims experience of individual members. CJPIA has temporarily deferred the payment on retrospective deposits owed to the Authority by members for coverage years beginning in 2013 - 2014 Retrospective deposit payments are scheduled to resume on these dates. The October 2011 annual retrospective adjustment is included in these balances. The City, at June 30, 2017, no longer had a retrospective deposit due for either the general and automobile liability coverage or worker's compensation coverage.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 8: Liability, Worker's Compensation, and Purchased Insurance

a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Duarte is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). The Authority is composed of 117 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2016-17 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to \$20 million, and excess insurance to \$50 million. The Authority's reinsurance contracts are subject to the following additional pooled retentions: (a) \$2.5 million annual aggregate deductible in the \$3 million in excess of \$2 million layer, and (b) \$3 million annual aggregate deductible in the \$5 million in excess of \$10 million layer. There is a third annual aggregate deductible in the amount of \$2.5 million in the \$5 million in excess of \$5 million layer, however it is fully covered under a separate policy and therefore not retained by the Authority. The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Costs of covered claims for subsidence losses have a sub-limit of \$30 million per occurrence.

Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 8: Liability, Worker's Compensation, and Purchased Insurance (Continued)

layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2016-17 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

c. Purchased Insurance

Pollution Legal Liability Insurance

The City of Duarte participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Duarte. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has an aggregate limit of \$50 million for the 3-year period from July 1, 2014 through July 1, 2017. Each member of the Authority has a \$10 million sub-limit during the 3-year policy term.

Property Insurance

The City of Duarte participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Duarte property is currently insured according to a schedule of covered property submitted by the City of Duarte to the Authority. City of Duarte property currently has all-risk property insurance protection in the amount of \$24,020,788. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Earthquake and Flood Insurance

The City of Duarte purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Duarte property currently has earthquake protection in the amount of \$3,627,673. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance

The City of Duarte purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

Special Event Tenant User Liability Insurance

The City of Duarte further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City of Duarte according to a schedule. The City of Duarte then pays for the insurance. The insurance is facilitated by the Authority.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 8: Liability, Worker's Compensation, and Purchased Insurance (Continued)

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2016-17.

Note 9: Deferred Compensation Plan

The City has made available to its employees a deferred compensation plan, whereby employees authorize the City to withhold funds from salaries to be invested in individual investment accounts. Funds may be withdrawn by participants upon termination of employment or retirement. The City makes no contributions under the plan. The amount held by trustees for the employees at June 30, 2017, was \$2,059,727. These amounts are not recorded in the books of the City and as such not included in these financial statements.

Note 10: Retirement Plan

a. Plan Description

All qualified employees are eligible to participate in the City's Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City resolution. Calper's issues publicly available report that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

b. Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 10: Retirement Plan (Continued)

The Plan's provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Tier 1*	Tier 2*	PEPRA
	Prior to January 1, 2010	January 1, 2010 but prior to January 1, 2013	After January 1, 2013
Hire date			
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs
Monthly benefits as a % of eligible compensation	50 yrs - 63+ yrs 1.425% - 2.418%	50 yrs - 63+ yrs 1.092% - 2.418%	50 yrs - 63+ yrs 1.000% - 2.500%
Required employee contribution rates	7.944%	6.886%	6.500%
Required employer contribution rates	10.808%	7.809%	6.930%

* Plan closed to new entrants

c. Contribution Description

Section 20814 (c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal year ended June 30, 2017, the contributions recognized as part of pension expense for the Plan were as follow:

	Miscellaneous
Contributions – employer	\$ 400,604

**d. Pension Liabilities, Pension Expense and Deferred Outflows and Deferred Inflows
of Resources Related to Pensions**

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 10: Retirement Plan (Continued)

As of June 30, 2017, the District reported net pension liabilities for its proportionate share of the net position liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 12,675,786

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability for the Plan as of June 30, 2015 and 2016 was as follows:

	Miscellaneous
Proportion – June 30, 2015	0.38558%
Proportion – June 30, 2016	0.30027%
Change - Decrease	(0.08531%)

For the fiscal year ended June 30, 2017, the City recognized pension expense of \$(288,955). At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after the measurement date	\$ 1,331,915	\$ -
Difference between expected and actual experience	34,093	-
Change in assumptions	-	418,428
Net difference between projected and actual earnings on pension plan investments	2,177,776	-
Difference in proportionate share	72,810	969
Adjustment due to differences in proportions	689,570	60,045
Total	<u>\$ 4,306,164</u>	<u>\$ 479,442</u>

\$1,331,915 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and will be recognized as pension expense as follows:

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 10: Retirement Plan (Continued)

Fiscal year ending June 30,	Deferred Outflows (Inflows) of Resources
2018	\$ 501,016
2019	431,469
2020	998,252
2021	564,070
Totals	<u>\$ 2,494,807</u>

e. Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2015
Measurement date	June 30, 2016
Actuarial cost method	Entry age normal cost method
Actuarial assumptions	
Discount rate	7.65%
Inflation	2.75%
Payroll growth	3.00%
Projected salary increase	3.30 % - 14.2% (1)
Investment rate of return	7.50% (2)
Mortality	Data for all Funds (3)
(1) Depending on age, service, and type of employment	
(2) Net of pension plan investment expenses, including inflation	
(3) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.	

All other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increase, mortality, and retirement rates. The experience study report can be obtained at CalPERS' website under Forms and Publications.

f. Discount Rate

The discount rate used to measure the total pension liability was 7.65%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 10: Retirement Plan (Continued)

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 – 10 (a)	Real Return Years 11+ (b)
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	20.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	1.00%	(0.55%)	(1.05%)
Total	100.00%		

(a) An expected inflation of 2.50% used for this period.

(b) An expected inflation of 3.00% used for this period.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 10: Retirement Plan (Continued)

g. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 7.65%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65%) or 1 percentage-point higher (8.65%) than the current rate:

	Miscellaneous
1.0% Decrease	6.65%
Net Pension Liability	\$ 18,496,016
Current Discount Rate	7.65%
Net Pension Liability	\$ 12,675,786
1.0% Increase	8.65%
Net Pension Liability	\$ 7,865,654

h. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Note 11: Other Post-Employment Benefits

a. Plan Description

The City administers a single-employer defined benefit postemployment healthcare plan (Plan). The Plan provides healthcare benefits to all eligible retirees who retire from the City. Benefit provisions are established and may be amended by the City Council. Under the program, the City pays 100% of the health insurance premium for eligible retirees hired on or after July 1, 1998. The employee-retiree may elect to receive spouse and/or dependent coverage with premiums paid by the employee-retiree. For employees hired prior to July 1, 1998, the retiree, as well as the retiree's spouse and dependents, are eligible for coverage with all premiums paid by the City. As of June 30, 2017, the City was providing retiree health benefits to thirteen (13) retirees. Generally, the General Fund is used to pay the retiree health contributions.

b. Funding Policy

Contribution requirements for the City are established and may be amended by the City Council. The City pays for retiree health benefits on a "pay-as-you-go" basis. Employees are not required to make contributions for retiree health benefits. For fiscal year 2016-17, the City contributed \$233,300, or 25% of the annual OPEB cost, to the Plan.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 11: Other Post-Employment Benefits (Continued)

c. Annual OPEB Cost and Net OPEB Obligation (Asset)

Based on an actuarial study of the City's retiree health liabilities as of July 1, 2015, the City's Annual Required Contribution (ARC) for fiscal year 2016-17 is \$523,300. The ARC, as determined in accordance with the parameter of GASB Statement 45, represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or fund excess) over a period not to exceed thirty (30) years.

The following table shows the components of the City's annual OPEB cost for the fiscal year, the amount actually contributed to the Plan, and changes in the City's net OPEB obligation to the Plan:

Annual required contribution	\$ 523,300
Interest on net OPEB obligation	403,499
Annual OPEB Cost	926,799
Contribution made	(523,300)
Increase in net OPEB obligation	403,499
Net OPEB obligation (asset) – beginning of fiscal year	(569,317)
Net OPEB obligation (asset) – end of fiscal year	<u><u>\$ (165,818)</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years 2015, 2016, and 2017, are as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Annual OPEB Cost Contributed</u>	<u>OPEB Obligation</u>
June 30, 2015	\$ 178,763	43.0%	\$ 852,031
June 29, 2016	233,000	36.9%	(569,317)
June 30, 2017	926,799	56.5%	(165,818)

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 11: Other Post-Employment Benefits (Continued)

d. Funded Status and Funding Progress

As of July 1, 2015, the most recent actuarial valuation date, the funded status of the Plan was as follows:

Actuarial accrued liability (AAL)	\$	3,563,309
Actuarial value of plan assets		-
Unfunded actuarial accrued liability (UAAL)	\$	<u>(3,563,309)</u>
Funded ratio (actuarial value of plan assets/AAL)		0.0%
Annual covered payroll (active plan members)	\$	2,467,539
UAAL as a percentage of annual covered payroll		144.41%

e. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectation and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2015 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 4.50% investment rate of return; an inflation rate of 2.75%; a payroll increase of 2.75%, an annual healthcare cost trend rate of 4.0%; and a 0% allowance of retirees who will waive benefits at retirement (it is assumed that 100% of retirees will elect to receive the City's retiree benefits). The Plan's unfunded actuarial accrued liability is being amortized as a level of percentage of expected payroll over 30 years and the amortization period is closed.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 12: Conduit Debt Obligations

a. Financial Cooperation Agreements

The City from time to time has provided financial assistance to health care providers for the acquisition of equipment and facilities deemed to be in the public interest. The agreements are secured by the property financed and are payable solely from payments received on the underlying security liens. Upon repayment of the debt ownership of the property transfers to the private-sector entity served by the loan agreement, neither the Agency, the City of Duarte, nor any political subdivision thereof is obligated in any manner for repayment of the debt. Accordingly, such debt is not reported as liabilities in the accompanying financial statements.

Note 13: Commitments and Contingencies

a. Grant Audits

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City Management believes disallowance, if any, will be immaterial.

On December 29, 2011, the California Supreme Court upheld AB X1 26 that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 16, 2016, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City's resolution number 12-R-03(A).

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 14: Successor Agency Trust for Assets of Former Redevelopment Agency

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

a. Cash and investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash	\$ 3,398,636
Cash and investments with fiscal agents	3,053,368
Total cash and investments	<u>\$ 6,452,004</u>

Please see Note #2, Cash and investments for additional information.

b. Long-Term Debt

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2017, follows:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Due Within One Year
Fiduciary Activities					
City Loans	\$ 8,194,626	\$ -	\$ 1,330,252	\$ 6,864,374	\$ -
Merged Projects -					
2007 Series A	7,435,000	-	1,050,000	6,385,000	1,095,000
2007 Series B	2,505,000	-	1,220,000	1,285,000	1,285,000
2007 Series C	1,530,000	-	490,000	1,040,000	505,000
Total- Agency Bonds	19,664,626	-	4,090,252	15,574,374	2,885,000
Unamortized net original Premium	16,942	-	5,743	11,199	7,824
Total	<u>\$ 19,681,568</u>	<u>\$ -</u>	<u>\$ 4,095,995</u>	<u>\$ 15,585,573</u>	<u>\$ 2,892,824</u>

City Loans

In previous fiscal years, the City made loans to the former Redevelopment Agency. As of June 30, 2017, principal on those loans was \$6,864,374. The loans have a zero percent interest rate and no set schedule of repayments.

Tax Allocation Bonds

\$25,645,000 Redevelopment Agency of the City of Duarte Merged Redevelopment Project Area 2007 Tax Allocation Refunding (Consisting of Series A \$15,385,000 [Tax-exempt] and Series B \$10,260,000 [Taxable])

In June 2007, the former Redevelopment Agency issued \$25,645,000 in Merged Redevelopment Project Area 2007 Tax Allocation Refunding bonds with interest rates ranging between 3.60% and 5.375%. The agency issued the bonds to advance refund

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENT
JUNE 30, 2017**

Note 14: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

\$15,687,343 of the outstanding series 1997 Amended Davis Addition Project Area Tax Allocation Refunding Bonds, the series 1998 Merged Redevelopment Project Area Tax Allocation Refunding Bonds, and the series 1999 Merged Redevelopment Project Area Subordinate Tax Allocation Bonds. The Agency used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the 1997 series bonds, the 1998 series bonds, and the 1999 series bonds.

As a result, that portion of the 1997 series bonds, the 1998 series bonds, and the 1999 series bonds are considered defeased, and the Agency has removed liability from its accounts.

The Series A serial bonds mature between October 1, 2007 and October 1, 2019, and bear interest rates of 3.60% and 4.00% per annum. Term bonds maturing on October 1, 2016 to October 1, 2019, bear an interest rate of 4.00% per annum. Interest on the bonds is payable semi-annually every April 1 and October 1.

The Series B serial bonds mature between October 1, 2007 and October 1, 2017, and bear interest rates of 5.25% and 5.375% per annum. Term bonds maturing on October 1, 2010 to October 1, 2017, bear an interest rate of 5.375% per annum. Interest on the bonds is payable semi-annually every April 1 and October 1. The bonds are secured by and payable solely from a pledge of tax increment revenue. This liability was transferred to the Successor Agency upon dissolution of the former redevelopment agency.

The balance at June 30, 2017, amounted to \$7,670,000 plus net unamortized bond premium of \$1,873 and unamortized loss on defeasance of \$1,341,628. The debt service requirements to maturity for the Series A and Series B bonds as of June 30, 2017 are as follows:

Fiscal year ending June 30,	Series A		Series B	
	Principal	Interest	Principal	Interest
2018	\$ 1,095,000	\$ 233,500	\$ 1,285,000	\$ 34,534
2019	2,490,000	161,800	-	-
2020	2,800,000	56,000	-	-
Totals	\$ 6,385,000	\$ 451,300	\$ 1,285,000	\$ 34,534

\$4,875,000 Redevelopment Agency of the City of Duarte Merged Redevelopment Project Area 2007 Tax Allocation Refunding, Series C

In November 2007, the former Redevelopment Agency issued \$4,875,000 in Merged Redevelopment Project Area 2007 Tax Allocation Refunding bonds with interest rate of 4.00% per annum. The agency issued the bonds to refund and redeem the remaining \$4,430,000 of the outstanding series 1997 Amended Davis Addition Project Area Tax Allocation Refunding Bonds. These bonds were issued under an Indenture of Trust dated November 1, 2007. Interest on the Bonds is payable April 1 and October 1, beginning April 1, 2008.

Unless and until the Agency amends the Redevelopment Plan for the Project Area to increase the cumulative limit on the receipt of Tax Increment Revenues, the Bonds maturing on or

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 14: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

after October 1, 2014, are subject to special mandatory redemption commencing October 1, 2008 and each October 1 thereafter, from certain excess revenues of the Project Area on a pro-rata basis with the Series A Bonds.

Bonds maturing on or before October 1, 2013, shall not be subject to optional redemption prior to their respective maturities. The Bonds maturing on or after October 1, 2014, shall be subject to redemption as shall be determined by the Agency, at the option of the Agency, on any date on or after October 2013, at the option of the Agency from any available source of funds.

A Reserve Account for the Bonds that must be maintained is equal to the least of 10% of the par amount of the Bonds, maximum annual debt service on the Bonds, or 125% of average annual debt service on the Bonds. The Indenture provides that in lieu of a cash deposit, the Agency may satisfy all or a portion of a Reserve Requirement by means of a Qualified Reserve Account Credit Instrument.

Other than the Series A and Series B Bonds, the Agency may issue or incur additional Parity Debt secured by the Tax Revenues on a parity with Bonds, subject to various specific conditions as stated in the Indenture of Trust. The bonds are secured by and payable solely from a pledge of tax increment revenue. This liability was transferred to the Successor Agency upon dissolution of the former redevelopment agency.

The balance at June 30, 2017, amounted to \$1,040,000 plus net unamortized bond premium of \$9,326. The debt service requirements to maturity for the Series C bonds as of June 30, 2017 are as follows:

Fiscal year ending June 30,	Series C	
	Principal	Interest
2018	\$ 505,000	\$ 31,500
2019	535,000	10,700
Totals	<u>\$ 1,040,000</u>	<u>\$ 42,200</u>

Pledged Revenue

The former Redevelopment Agency pledged, as security for bonds issued, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the former Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to the successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$9,238,034 with annual debt service requirements as indicated above. For the current year, the debt service obligation on the bonds was \$3,189,656 and tax revenues received during the first six months

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENT JUNE 30, 2017

Note 14: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

of the fiscal year to pay enforceable obligations was \$1,416,434. The City will receive another allocation in December 2017 for the second half of the fiscal year's principal payments.

c. Insurance

The Successor Agency is covered under the City of Duarte's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 7.

d. Commitments and Contingencies

At June 30, 2017, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

e. Note Receivable

As part of the Estoppel Certificate, Consent & Agreement, a loan was established on December 4, 2013 between the City, Southern California Presbyterian Homes, and Andres Duarte Terrace II, L.P. for the development of a 43-unit affordable housing project located within the City. The loan was established to be repaid in a matter of 57 years, authorized by the executive director of the Duarte Housing Authority. The balance at June 30, 2017 is \$1,200,000.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 16,341,953	\$ 17,341,660	\$ 16,696,494	\$ (645,166)
Resources (Inflows):				
Taxes	8,566,000	8,566,000	8,414,381	(151,619)
Licenses and permits	687,000	687,000	1,026,150	339,150
Intergovernmental	2,544,800	2,832,800	2,961,282	128,482
Charges for services	717,800	717,800	490,726	(227,074)
Use of money and property	232,000	2,132,000	248,814	(1,883,186)
Fines and forfeitures	188,000	188,000	321,918	133,918
Miscellaneous	2,315,800	2,715,800	1,016,268	(1,699,532)
Transfers in	-	-	349,723	349,723
Amounts Available for Appropriations	31,593,353	35,181,060	31,525,756	(3,655,304)
Charges to Appropriations (Outflow):				
Current:				
General government	3,803,300	4,209,300	4,136,106	73,194
Safety	5,044,700	5,142,700	5,189,076	(46,376)
Development	2,944,500	3,470,500	3,402,960	67,540
Recreation and cultural	2,920,000	2,951,000	3,010,559	(59,559)
Capital outlay	305,000	754,200	485,094	269,106
Debt service:				
Principal retirement	15,500	15,500	15,351	149
Interest and fiscal charges	5,000	5,000	4,867	133
Transfers out	392,700	655,700	910,750	(255,050)
Total Charges to Appropriations	15,430,700	17,203,900	17,154,763	49,137
Budgetary Fund Balance, June 30	\$ 16,162,653	\$ 17,977,160	\$ 14,370,993	\$ (3,606,167)

CITY OF DUARTE

**REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017**

**Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years (*)**

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	FY 15	FY 16	FY 17
	Measurement	Measurement	Measurement
	Date	Date	Date
	June 30, 2014	June 30, 2015	June 30, 2016
Plan's proportion of the net pension liability	0.03089%	0.029101%	0.30027%
Plan's proportionate share of the net pension liability	\$ 8,486,349	\$ 10,578,290	\$ 12,675,786
Plan's covered - employee payroll	\$ 2,352,312	\$ 2,467,539	\$ 3,706,684
Plan's proportionate share of the net pension liability as a percentage of it's covered - employee payroll	360.8%	428.7%	342.0%
Plan's fiduciary net position			
Plan's total pension liability			
Plan's fiduciary net position as a percentage of the total pension liability	78.40%	79.82%	75.87%

Notes to schedule:

There are no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retired during a specified time period(a.k.a Golden Handshakes).

*Fiscal year 2015 was the 1st year of implementation, therefore, only three are shown.

CITY OF DUARTE

**REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017**

**Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years (*)**

SCHEDULE OF PENSION CONTRIBUTIONS

	Measurement Date June 30, 2014 <u>Miscellaneous</u>	Measurement Date June 30, 2015 <u>Miscellaneous</u>	Measurement Date June 30, 2016 <u>Miscellaneous</u>
Actuarilly determined contribution (a)	\$ 262,412	\$ 285,477	\$ 400,604
Contribution in relation to the actuarially determined contribution (b)	<u>(262,412)</u>	<u>(285,477)</u>	<u>(400,604)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll (c)	\$ 2,352,312	\$ 2,467,539	\$ 3,706,684
Contributions as a percentage of covered-employee payroll	11.16%	11.57%	10.81%

- (a) Historical information is required only for measurement periods for which GASB 68 is applicable.
- (b) Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.
- (c) Covered-employee payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered-employee payroll as the total payroll of employee's pension plan. Accordingly, if pensionable earnings are different that total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

Notes to Schedule

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal year 2016-17 were from June 30, 2014 public agency valuations.

Actuarial cost method	Entry age normal cost method
Amortization method	Level percent of payroll
Average remaining period	19 years as of the valuation date
Asset valuation method	15 year smoother market
Actuarial assumptions	
Discount rate	7.65%
Inflation	2.75%
Projected salary increases	3.30% to 14.20% depending on age, service and type of employment
Payroll growth	3.00%
Individual salary growth	A merit scale varying in duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%
Retirement age	The probabilities of retirement are based on the 2010 CalPERS experience study for the period 1997 to 2011.
Mortality	The probabilities of mortality are based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

* Fiscal year 2015 was the 1st year of implementation, therefore, only two years are shown.

CITY OF DUARTE

**REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017**

**SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS
(in thousands)**

Type of Valuation	Actuarial Valuation Date	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as percent of Covered Payroll	Interest Rate
Actual	1/1/2008	\$ 582	\$ 1,932	23.2%	\$ 3,430	56%	7.00%
Actual	6/30/2011	753	3,160	19.2%	3,376	94%	6.50%
Actual	7/1/2014	1,211	4,328	21.9%	3,486	124%	6.50%

CITY OF DUARTE

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017**

Note 1: Budgets and Budgetary Accounting

The City adopts an annual budget prepared in accordance with accounting principles generally accepted in the United States of America and on the modified accrual basis of accounting for its governmental funds. The City Manager or designee is authorized to transfer budgeted amounts between the accounts of any department. Any revisions that alter the total appropriations of any department or fund must be approved by the City Council. Prior year appropriations lapse unless they are approved for carryover into the following fiscal year. Expenditures may not legally exceed appropriations at the fund level.

Budget

The Former RDA Low and Moderate Income Housing Fund did not adopt a budget and therefore no comparison schedule as presented.

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OTHER SUPPLEMENTAL INFORMATION

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
 COMMUNITY IMPROVEMENT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Budgetary Fund Balance, July 1	\$ 63,780	\$ 63,780	\$ 49,571	\$ (14,209)
Resources (Inflows):				
Intergovernmental	-	1,305,000	-	(1,305,000)
Use of money and property	100	100	110	10
Amounts Available for Appropriations	<u>63,880</u>	<u>1,368,880</u>	<u>49,681</u>	<u>(1,319,199)</u>
Charges to Appropriations (Outflow):				
Transportation	-	1,305,000	1,179,212	125,788
Total Charges to Appropriations	<u>-</u>	<u>1,305,000</u>	<u>1,179,212</u>	<u>125,788</u>
Budgetary Fund Balance, June 30	<u>\$ 63,880</u>	<u>\$ 63,880</u>	<u>\$ (1,129,531)</u>	<u>\$ (1,193,411)</u>

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CITY OF DUARTE

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2017

	Special Revenue Funds			
	State Gasoline Tax	Lighting & Landscaping	Community Development Block Grant	Supplemental Law Enforcement
Assets:				
Pooled cash and investments	\$ 1,727,853	\$ 309,656	\$ -	\$ 23,840
Receivables:				
Taxes	-	21,450	-	-
Grants	-	-	10,036	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 1,727,853	\$ 331,106	\$ 10,036	\$ 23,840
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 33,824	\$ 110,810	\$ 1,742	\$ 23,840
Accrued liabilities	-	-	-	-
Due to other funds	-	-	8,294	-
Total Liabilities	33,824	110,810	10,036	23,840
Deferred Inflows of Resources:				
Unavailable revenues	-	24,700	-	-
Total Deferred Inflows of Resources	-	24,700	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Developmental projects	-	195,596	-	-
Recreation and culture	-	-	-	-
Transportation	1,694,029	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	1,694,029	195,596	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,727,853	\$ 331,106	\$ 10,036	\$ 23,840

CITY OF DUARTE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds			
	Bicycle & Pedestrian	Air Quality Management	Park Development Grant	Quimby Act
Assets:				
Pooled cash and investments	\$ -	\$ 79,778	\$ -	\$ 53,565
Receivables:				
Taxes	-	-	-	-
Grants	1,207	7,199	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 1,207	\$ 86,977	\$ -	\$ 53,565
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	1,207	-	-	-
Total Liabilities	1,207	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Developmental projects	-	-	-	-
Recreation and culture	-	-	-	53,565
Transportation	-	86,977	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	86,977	-	53,565
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,207	\$ 86,977	\$ -	\$ 53,565

CITY OF DUARTE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds			
	Prop A Transit	Prop C Transit	PEG	Measure R LR Transit Fund
Assets:				
Pooled cash and investments	\$ 2,368,900	\$ 237,401	\$ -	\$ 985,495
Receivables:				
Taxes	-	-	-	-
Grants	-	-	7,354	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 2,368,900	\$ 237,401	\$ 7,354	\$ 985,495
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 45,501	\$ -	\$ -	\$ 14,409
Accrued liabilities	5,038	-	-	-
Due to other funds	-	-	20,273	-
Total Liabilities	50,539	-	20,273	14,409
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Developmental projects	-	-	-	-
Recreation and culture	-	-	-	-
Transportation	2,318,361	237,401	-	971,086
Debt service	-	-	-	-
Unassigned	-	-	(12,919)	-
Total Fund Balances	2,318,361	237,401	(12,919)	971,086
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,368,900	\$ 237,401	\$ 7,354	\$ 985,495

CITY OF DUARTE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds		Capital Project Fund	Debt Service Fund
	STP-L	Housing Authority	Inclusionary Housing	Town Center Debt Service
Assets:				
Pooled cash and investments	\$ 379,590	\$ -	\$ 505,200	\$ 781,171
Receivables:				
Taxes	-	-	-	-
Grants	-	-	-	-
Land held for resale	-	1,388,040	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	6
Total Assets	\$ 379,590	\$ 1,388,040	\$ 505,200	\$ 781,177
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 377,958	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	1,249,865	-	-
Total Liabilities	377,958	1,249,865	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Developmental projects	-	138,175	505,200	-
Recreation and culture	-	-	-	-
Transportation	1,632	-	-	-
Debt service	-	-	-	781,177
Unassigned	-	-	-	-
Total Fund Balances	1,632	138,175	505,200	781,177
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 379,590	\$ 1,388,040	\$ 505,200	\$ 781,177

CITY OF DUARTE

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2017

	Total Governmental Funds
Assets:	
Pooled cash and investments	\$ 7,452,449
Receivables:	
Taxes	21,450
Grants	25,796
Land held for resale	1,388,040
Restricted assets:	
Cash and investments with fiscal agents	6
Total Assets	\$ 8,887,741
Liabilities, Deferred Inflows of Resources, and Fund Balances:	
Liabilities:	
Accounts payable	\$ 608,084
Accrued liabilities	5,038
Due to other funds	1,279,639
Total Liabilities	1,892,761
Deferred Inflows of Resources:	
Unavailable revenues	24,700
Total Deferred Inflows of Resources	24,700
Fund Balances:	
Nonspendable:	
Prepaid costs	-
Restricted for:	
Developmental projects	838,971
Recreation and culture	53,565
Transportation	5,309,486
Debt service	781,177
Unassigned	(12,919)
Total Fund Balances	6,970,280
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,887,741

CITY OF DUARTE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Special Revenue Funds			
	State Gasoline Tax	Lighting & Landscaping	Community Development Block Grant	Supplemental Law Enforcement
Revenues:				
Assessments	\$ -	\$ 1,186,691	\$ -	\$ -
Intergovernmental	424,265	-	160,636	204,324
Charges for services	-	-	-	-
Use of money and property	8,566	-	-	458
Miscellaneous	-	1,109	-	-
Total Revenues	432,831	1,187,800	160,636	204,782
Expenditures:				
Current:				
Safety	-	-	-	192,948
Development	-	991,583	-	-
Transportation	120,133	-	-	-
Capital outlay	-	-	160,632	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	120,133	991,583	160,632	192,948
Excess (Deficiency) of Revenues Over (Under) Expenditures	312,698	196,217	4	11,834
Other financing sources (uses):				
Transfers in	-	382,884	-	-
Transfers out	-	(566,700)	(4)	-
Total Other Financing Sources (Uses)	-	(183,816)	(4)	-
Net Changes in Fund Balances	312,698	12,401	-	11,834
Fund Balances, Beginning of Fiscal Year	1,381,331	183,195	-	(11,834)
Fund Balances, End of Fiscal Year	\$ 1,694,029	\$ 195,596	\$ -	\$ -

CITY OF DUARTE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Special Revenue Funds			
	Bicycle & Pedestrian	Air Quality Management	Park Development Grant	Quimby Act
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	14,482	28,320	-	-
Charges for services	-	-	-	-
Use of money and property	-	389	-	-
Miscellaneous	-	-	-	-
Total Revenues	14,482	28,709		
Expenditures:				
Current:				
Safety	-	-	-	-
Development	-	-	-	-
Transportation	-	-	-	-
Capital outlay	14,482	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	14,482	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures		28,709	-	-
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	(19)	-
Total Other Financing Sources (Uses)	-	-	(19)	-
Net Changes in Fund Balances	-	28,709	(19)	-
Fund Balances, Beginning of Fiscal Year	-	58,268	19	53,565
Fund Balances, End of Fiscal Year	<u>\$ -</u>	<u>\$ 86,977</u>	<u>\$ -</u>	<u>\$ 53,565</u>

CITY OF DUARTE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Special Revenue Funds			
	Prop A Transit	Prop C Transit	PEG	Measure R LR Transit Fund
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	435,232	331,446	-	247,971
Charges for services	-	-	27,988	-
Use of money and property	13,459	1,925	-	4,888
Miscellaneous	-	-	-	-
Total Revenues	448,691	333,371	27,988	252,859
Expenditures:				
Current:				
Safety	-	-	-	-
Development	-	-	-	-
Transportation	1,248,919	10,000	-	-
Capital outlay	-	-	-	40,000
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,248,919	10,000	-	40,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(800,228)	323,371	27,988	212,859
Other financing sources (uses):				
Transfers in	352,800	-	-	-
Transfers out	-	(352,800)	-	(8,000)
Total Other Financing Sources (Uses)	352,800	(352,800)	-	(8,000)
Net Changes in Fund Balances	(447,428)	(29,429)	27,988	204,859
Fund Balances, Beginning of Fiscal Year	2,765,789	266,830	(40,907)	766,227
Fund Balances, End of Fiscal Year	<u>\$ 2,318,361</u>	<u>\$ 237,401</u>	<u>\$ (12,919)</u>	<u>\$ 971,086</u>

CITY OF DUARTE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Special Revenue Funds		Capital Project Fund	Debt Service Fund
	STP-L	Housing Authority	Inclusionary Housing	Town Center Debt Service
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	1,632	-	2,705	3,994
Miscellaneous	-	-	-	-
Total Revenues	1,632	-	2,705	3,994
Expenditures:				
Current:				
Safety	-	-	-	-
Development	-	4,340	-	-
Transportation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	133,286
Interest and fiscal charges	-	-	-	19,245
Total Expenditures	-	4,340	-	152,531
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,632	(4,340)	2,705	(148,537)
Other financing sources (uses):				
Transfers in	-	527,866	-	225,000
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	527,866	-	225,000
Net Changes in Fund Balances	1,632	523,526	2,705	76,463
Fund Balances, Beginning of Fiscal Year	-	(385,351)	502,495	704,714
Fund Balances, End of Fiscal Year	<u>\$ 1,632</u>	<u>\$ 138,175</u>	<u>\$ 505,200</u>	<u>\$ 781,177</u>

CITY OF DUARTE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Total Governmental Funds
Revenues:	
Assessments	\$ 1,186,691
Intergovernmental	1,846,676
Charges for services	27,988
Use of money and property	38,016
Miscellaneous	1,109
Total Revenues	3,100,480
Expenditures:	
Current:	
Safety	192,948
Development	995,923
Transportation	1,379,052
Capital outlay	215,114
Debt service:	
Principal retirement	133,286
Interest and fiscal charges	19,245
Total Expenditures	2,935,568
Excess (Deficiency) of Revenues Over (Under) Expenditures	164,912
Other financing sources (uses):	
Transfers in	1,488,550
Transfers out	(927,523)
Total Other Financing Sources (Uses)	561,027
Net Changes in Fund Balances	725,939
Fund Balances, Beginning of Fiscal Year	6,244,341
Fund Balances, End of Fiscal Year	\$ 6,970,280

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
 STATE GASOLINE TAX
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,012,350	\$ 1,012,350	\$ 1,381,331	\$ 368,981
Resources (Inflows):				
Intergovernmental	453,700	453,700	424,265	(29,435)
Use of money and property	2,000	2,000	8,566	6,566
Amounts Available for Appropriations	<u>1,468,050</u>	<u>1,468,050</u>	<u>1,814,162</u>	<u>346,112</u>
Charges to Appropriations (Outflow):				
Transportation	<u>705,400</u>	<u>705,400</u>	<u>120,133</u>	<u>585,267</u>
Total Charges to Appropriations	<u>705,400</u>	<u>705,400</u>	<u>120,133</u>	<u>585,267</u>
Budgetary Fund Balance, June 30	<u>\$ 762,650</u>	<u>\$ 762,650</u>	<u>\$ 1,694,029</u>	<u>\$ 931,379</u>

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
 LIGHTING AND LANDSCAPING
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 103,741	\$ 103,741	\$ 183,195	\$ 79,454
Resources (Inflows):				
Assessments	1,194,300	1,194,300	1,186,691	(7,609)
Miscellaneous	1,100	1,100	1,109	9
Transfers in	392,700	392,700	382,884	(9,816)
Amounts Available for Appropriations	1,691,841	1,691,841	1,753,879	62,038
Charges to Appropriations (Outflow):				
Development	1,363,100	1,363,100	991,583	371,517
Transfers out	225,000	225,000	566,700	(341,700)
Total Charges to Appropriations	1,588,100	1,588,100	1,558,283	29,817
Budgetary Fund Balance, June 30	\$ 103,741	\$ 103,741	\$ 195,596	\$ 91,855

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ (104,361)	\$ (104,361)	\$ -	\$ 104,361
Resources (Inflows):				
Intergovernmental	140,000	185,000	160,636	(24,364)
Amounts Available for Appropriations	35,639	80,639	160,636	79,997
Charges to Appropriations (Outflow):				
Capital outlay	140,000	185,000	160,632	24,368
Transfers out	-	-	4	(4)
Total Charges to Appropriations	140,000	185,000	160,636	24,364
Budgetary Fund Balance, June 30	\$ (104,361)	\$ (104,361)	\$ -	\$ 104,361

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
 SUPPLEMENTAL LAW ENFORCEMENT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 2,196	\$ 2,196	\$ (11,834)	\$ (14,030)
Resources (Inflows):				
Intergovernmental	175,000	175,000	204,324	29,324
Use of money and property	100	100	458	358
Amounts Available for Appropriations	<u>177,296</u>	<u>177,296</u>	<u>192,948</u>	<u>15,652</u>
Charges to Appropriations (Outflow):				
Safety	<u>175,000</u>	<u>175,000</u>	<u>192,948</u>	<u>(17,948)</u>
Total Charges to Appropriations	<u>175,000</u>	<u>175,000</u>	<u>192,948</u>	<u>(17,948)</u>
Budgetary Fund Balance, June 30	<u>\$ 2,296</u>	<u>\$ 2,296</u>	<u>\$ -</u>	<u>\$ (2,296)</u>

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
 BICYCLE AND PEDISTRIAN
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	14,200	14,200	14,482	282
Amounts Available for Appropriations	14,200	14,200	14,482	282
Charges to Appropriations (Outflow):				
Capital Outlay	14,200	14,200	14,482	(282)
Total Charges to Appropriations	14,200	14,200	14,482	(282)
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF DURATE

BUDGETARY COMPARISON SCHEDULE
 AIR QUALITY MANAGEMENT DISTRIBUTION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 55,489	\$ 55,489	\$ 58,268	\$ 2,779
Resources (Inflows):				
Intergovernmental	26,000	26,000	28,320	2,320
Use of money and property	100	100	389	289
Amounts Available for Appropriations	81,589	81,589	86,977	5,388
Charges to Appropriations (Outflow):				
Capital Outlay	1,000	1,000	-	1,000
Total Charges to Appropriations	1,000	1,000	-	1,000
Budgetary Fund Balance, June 30	\$ 80,589	\$ 80,589	\$ 86,977	\$ 6,388

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION A TRANSIT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 2,525,226	\$ 2,448,226	\$ 2,765,789	\$ 317,563
Resources (Inflows):				
Intergovernmental	438,100	438,100	435,232	(2,868)
Use of money and property	7,000	7,000	13,459	6,459
Transfers in	362,800	362,800	352,800	(10,000)
Amounts Available for Appropriations	3,333,126	3,256,126	3,567,280	311,154
Charges to Appropriations (Outflow):				
Transportation	797,900	1,442,900	1,248,919	193,981
Total Charges to Appropriations	797,900	1,442,900	1,248,919	193,981
Budgetary Fund Balance, June 30	\$ 2,535,226	\$ 1,813,226	\$ 2,318,361	\$ 505,135

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION C TRANSIT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 254,622	\$ 254,622	\$ 266,830	\$ 12,208
Resources (Inflows):				
Intergovernmental	331,900	331,900	331,446	(454)
Use of money and property	800	800	1,925	1,125
Amounts Available for Appropriations	587,322	587,322	600,201	12,879
Charges to Appropriations (Outflow):				
Transportation	10,000	10,000	10,000	-
Transfers out	352,800	352,800	352,800	-
Total Charges to Appropriations	362,800	362,800	362,800	-
Budgetary Fund Balance, June 30	\$ 224,522	\$ 224,522	\$ 237,401	\$ 12,879

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE

PEG

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Budgetary Fund Balance, July 1	\$ (67,142)	\$ (67,142)	\$ (40,907)	\$ 26,235
Resources (Inflows):				
Intergovernmental	24,000	24,000	27,988	3,988
Amounts Available for Appropriations	(43,142)	(43,142)	(12,919)	30,223
Charges to Appropriations (Outflow):				
Transfers out	24,000	24,000	-	24,000
Total Charges to Appropriations	24,000	24,000	-	24,000
Budgetary Fund Balance, June 30	\$ (67,142)	\$ (67,142)	\$ (12,919)	\$ 54,223

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
 MEASURE R LR TRANSIT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 680,613	\$ 680,613	\$ 766,227	\$ 85,614
Resources (Inflows):				
Intergovernmental	248,900	248,900	247,971	(929)
Use of money and property	1,800	1,800	4,888	3,088
Amounts Available for Appropriations	931,313	931,313	1,019,086	87,773
Charges to Appropriations (Outflow):				
Capital outlay	202,000	202,000	40,000	162,000
Transfers out	50,500	50,500	8,000	42,500
Total Charges to Appropriations	252,500	252,500	48,000	204,500
Budgetary Fund Balance, June 30	\$ 678,813	\$ 678,813	\$ 971,086	\$ 292,273

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
HOUSING AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 502,495	\$ 502,495	\$ (385,351)	\$ (887,846)
Resources (Inflows):				
Use of money and property	800	800	-	(800)
Transfers in	-	263,000	527,866	264,866
Amounts Available for Appropriations	503,295	766,295	142,515	(623,780)
Charges to Appropriations (Outflow):				
Transportation	-	-	4,340	(4,340)
Total Charges to Appropriations	-	-	4,340	(4,340)
Excess of revenues over expenditures	503,295	766,295	138,175	(628,120)
Budgetary Fund Balance, June 30	\$ 503,295	\$ 766,295	\$ 138,175	\$ (628,120)

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
 INCLUSIONARY HOUSING
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 502,315	\$ 502,315	\$ 502,495	\$ 180
Resources (Inflows):				
Use of money and property	1,400	1,400	2,705	1,305
Amounts Available for Appropriations	503,715	503,715	505,200	1,485
Budgetary Fund Balance, June 30	\$ 503,715	\$ 503,715	\$ 505,200	\$ 1,485

CITY OF DUARTE

BUDGETARY COMPARISON SCHEDULE
TOWN CENTER DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 702,248	\$ 702,248	\$ 704,714	\$ 2,466
Resources (Inflows):				
Use of money and property	1,600	1,600	3,994	2,394
Transfers in	225,000	225,000	225,000	-
Amounts Available for Appropriations	928,848	928,848	933,708	4,860
Charges to Appropriations (Outflow):				
Principal Retirement	133,500	133,500	133,286	214
Interest and fiscal charges	21,500	21,500	19,245	2,255
Total Charges to Appropriations	155,000	155,000	152,531	2,469
Budgetary Fund Balance, June 30	\$ 773,848	\$ 773,848	\$ 781,177	\$ 7,329

CITY OF DUARTE
MANAGEMENT REPORT
AND
AUDITOR'S COMMUNICATION LETTER

June 30, 2017

CITY OF DUARTE
June 30, 2017

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MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA
ALEXANDER C HOM, CPA
ADAM V GUISE, CPA
TRAVIS J HOLE, CPA

COMMERCIAL ACCOUNTING & TAX SERVICES
433 N. CAMDEN DRIVE, SUITE 730
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 HANNUM AVE., SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

November 30, 2017

To the City Council and City Manager

City of Duarte
1600 Huntington Drive
Duarte, California 91010

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Duarte (City) as of and for the fiscal year ended June 30, 2017. Professional standards require that we provide you with the information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 3, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 of the notes to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into by the City during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimates of the funding progress and net pension liability of CalPERS, the estimated historical cost and useful lives of capital assets, and the assumptions used for estimating the other postemployment benefits liability. These estimates are based on CalPERS' actuarial estimates, historical data and industry guidelines for capital assets, and actuarial tables provided by GASB for postemployment benefits payable. We evaluated the key factors and assumptions used to develop the estimates above in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 30, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, the Budgetary Comparison Schedule of the General Fund, the Schedule of the City's Proportionate Share of the Net Pension Liability, the Schedule of Pension Contributions and the Schedule of Funding Progress – Other Postemployment Benefits, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund financial statements and schedules, and major capital projects and debt service fund budgetary comparison schedules, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the City Council of the City and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Moss, Levy & Hartzheim

MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA



PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA
ALEXANDER C HOM, CPA
ADAM V GUISE, CPA
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the City Council and City Manager

City of Duarte
1600 Huntington Drive
Duarte, California 91010

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of Duarte (City) as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 30, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did not identify a certain deficiency in internal control that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Responses to Findings

The City's responses to the findings identified in our audit are described in the current year recommendations section. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



MOSS, LEVY & HARTZHEIM, LLP
Culver City, CA
November 30, 2017

CURRENT YEAR RECOMMENDATIONS

NONE

STATUS OF PRIOR YEAR RECOMMENDATIONS

NONE