



BREA CIVIC & CULTURAL CENTER | 1 Civic Center Circle | Brea, California 92821 | www.cityofbrea.net

City Council, Successor Agency to the Brea Redevelopment Agency and the Brea Arts Corporation Agenda

Tuesday, November 15, 2022

5:30 p.m. - Closed Session

5:45 p.m. - Study Session

7:00 p.m. - General Session

Cecilia Hupp, Mayor

Glenn Parker, Mayor Pro Tem

Christine Marick, Council Member

Steven Vargas, Council Member

Marty Simonoff, Council Member

This agenda contains a brief general description of each item Council will consider. The City Clerk has on file copies of written documentation relating to each item of business on this Agenda available for public inspection. Contact the City Clerk's Office at (714) 990-7756 or view the Agenda and related materials on the City's website at www.cityofbrea.net. Materials related to an item on this agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 1 Civic Center Circle, Brea, CA during normal business hours. Such documents may also be available on the City's website subject to staff's ability to post documents before the meeting.

Procedures for Addressing the Council

The Council encourages interested people to address this legislative body by making a brief presentation on a public hearing item when the Mayor calls the item or address other items under Matters from the Audience.

State Law prohibits the City Council from responding to or acting upon matters not listed on this agenda. The Council encourages free expression of all points of view. If appropriate, a spokesperson may present the views of your entire group. Council rules prohibit clapping, booing or shouts of approval or disagreement from the audience. PLEASE SILENCE ALL DEVICES. **There will be no Zoom/Teleconference for the Study Session meeting.** Zoom/Teleconference will be available during General Session only, members of the public must contact City Staff at (714) 990-7756 or email cityclerksgroup@cityofbrea.net no later than 12:00 p.m. on the day of the meeting. All written comments received by 12:00 p.m. on the day of the meeting, will be summarized aloud into the record at the meeting. Upon request, Zoom participants will be provided with a Zoom meeting ID and password and will remain muted during the meeting until recognized at the appropriate time by the Council. The meeting will also be broadcast live at www.cityofbrea.net.

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 990-7757. Notification 48 hours prior to the meeting will enable City staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

Important Notice

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CLOSED SESSION
5:30 p.m. - Executive Conference Room
Level Three

CALL TO ORDER / ROLL CALL - COUNCIL

1. Public Comment

Closed Session may convene to consider matters of purchase / sale of real property (G. C. §54956.8), pending litigation [G.C. §54956.9(d)(1)], potential litigation [G.C. §54956.9(d)(2)(3) or (4)], liability claims (G. C. §54961) or personnel items (G.C. §54957.6). Records not available for public inspection.

2. Conference with City's Labor Negotiator Pursuant to Government Code §54957.6 Regarding the Brea Police Association (BPA)- Bill Gallardo, Negotiator and Laura Kalty, LCW Attorney

STUDY SESSION
5:45 p.m. - Executive Conference Room
Level Three

CALL TO ORDER / ROLL CALL - COUNCIL

3. Public Comment

4. Clarify Regular Meeting Topics

DISCUSSION ITEMS

5. Purchase Common Stock Shares in California Domestic Water Company

6. 2023 Brea Legislative Platform

7. Senate Bill 1383 - Proposed Rates Status Update

REPORT

8. Council Member Report/Requests

GENERAL SESSION
7:00 p.m. - Council Chamber
Plaza Level

CALL TO ORDER/ ROLL CALL - COUNCIL

9. Pledge of Allegiance: Girl Scout Troops 6002 and 8108

10. **Invocation: Pastor Steve Chang, Living Hope Community Church**
11. **Proclamations: Family Court Awareness Month**
12. **Presentation: 2022 Legislative Session Recap**
13. **Report - Prior Study Session**
14. **Community Announcements**
15. **Matters from the Audience**
16. **Response to Public Inquiries - Mayor / City Manager**

PUBLIC HEARINGS - *This portion of the meeting is for matters that legally require an opportunity for public input. Audience participation is encouraged and is limited to 5 minutes per speaker.*

17. **Proposed Water and Sewer Fees** - Adopt the applicable resolutions to maintain the City's existing four-tier residential water rate structure; update the City's existing four-tier residential water rate structure to include "Conservation Rates"; adjust fixed meter charges; allow water consumption rate adjustments to align with wholesale water rate increase; and adjust sewer rates. Receive and file the attached Water and Sewer Fee Studies. The water and sewer rates proposed will allow the City to continue to provide safe and reliable water and sewer services to the City of Brea customers while maintaining operating reserves at a minimum of three (3) months of operations and maintaining capital reserves in each fund.
18. **Brea Construction Code Triennial Adoption** - Open and conduct a public hearing concerning Ordinance No. 1232; Approval of an exemption under the California Environmental Quality Act (Guidelines, Sec. 15061(b)(3)) and Staff's filing of a Notice of Exemption, for Ordinance No. 1232; Adopt Ordinance No. 1232 which adopts by reference certain Codes comprising the 2022 California Building Standards Code as set forth in Title 24 of the California Code of Regulations, which include, but are not limited to, the California Building, Plumbing, Electrical, Mechanical, Residential, Fire (adopted by separate ordinance), and Green Building Standards Code (collectively, "Construction Codes"); and, adopt Resolution No. 2022-068, setting forth required findings for amendments to the foregoing Codes based on local climatic, topographical and/or geological conditions.
19. **Brea Fire Code Triennial Adoption** - Open and conduct a public hearing concerning Ordinance No. 1233; Approval of an exemption under the California Environmental Quality Act (Guidelines, Sec. 15061(b)(3)) and Staff's filing of a Notice of Exemption for Ordinance No. 1233; Adopt Ordinance No. 1233 which adopts by reference the 2022 California Fire Code (one of the Codes comprising the 2022 California Building Standards Code as set forth in Title 24 of the California Code of Regulations); and, adopt Resolution No. 2022-069, setting forth required findings for amendments to the foregoing Code based on local climatic, topographical and/or geological conditions. Approval of an exemption under the California Environmental Quality Act (Guidelines, Sec. 15061(b)(3)).

ADMINISTRATIVE ITEMS - *This agenda category is for City Council consideration of a wide variety of topics related to the City's operations. Public comments regarding items in this section should be presented during "Matters from the Audience."*

20. **General Plan Amendment No. 2021-02 And Zone Change No. 2021-01: To Amend The General Plan Land Use And Zoning Designations Of Three Housing Opportunity Sites And Three Additional Potential Sites Identified In The City's 6th Cycle Housing Element, As Part Of The Housing Element Implementation Effort** - Staff recommends that the City Council take the following actions: Adopt Resolution No. 2022-066 adopting the addendum to the previously certified Environmental Impact Report (EIR) for the 2003 General Plan and determine that an addendum to the previously certified Environmental Impact Report (EIR) for the 2003 General Plan is the appropriate environmental documentation for the Project under the California Environmental Quality Act (CEQA) and that the addendum adequately analyzed all potential impacts of the Project; Adopt a Resolution No. 2022-067 approving General Plan Amendment No. 2021-02 to amend the General Plan Land Use designations of the six Project sites; Introduce by title only and waive further reading of Ordinance No. 1234 approving Zone Change No. 2021-01 to amend the zoning designations of the six Project sites; and Schedule adoption of aforementioned Ordinance at the next regular City Council meeting. This item is continued from the October 18, 2022 Regular City Council Meeting.
21. **Reserve Fund Transparency Ordinance** - Second reading and adoption Ordinance No. 1235 regarding Reserve Fund Transparency and amending the Brea City Code Chapter 2.00 of Title 2 by adding Section 2.00.140.

CONSENT CALENDAR - *The City Council/Successor Agency approves all Consent Calendar matters with one motion unless Council/Agency or Staff requests further discussion of a particular item. Items of concern regarding Consent Calendar matters should be presented during "Matters from the Audience."*

CITY COUNCIL - CONSENT

22. **November 1, 2022 City Council Regular Meeting Minutes** - Approve.
23. **November 7, 2022 City Council Special Meeting Minutes** - Approve.
24. **AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings** - Make the following findings: (1) the City Council has reconsidered the circumstances of the COVID-19 state of emergency; and (2) the COVID-19 state of emergency continues to directly impact the ability of the members of the City's legislative bodies (including commissions and committees) to meet safely in person. There is no fiscal impact to the General Fund.
25. **Professional Services Agreement (PSA) with Bucknam Infrastructure Group, Inc. for Biennial Pavement Management Plan Update and Inspection** - Approve the Agreement with Bucknam Infrastructure Group, Inc. to provide pavement inspection and pavement management plan services in an amount not-to-exceed \$31,028.00. A total of \$50,000 is budgeted in the Measure M Fund (260-51-5121-4249) for the Pavement Management Plan biennial update. There is no fiscal impact to the General Fund.
26. **Authorize Mayor to Execute Electric Vehicle Charging Station License Agreement with Carbon Solutions Group LLC** - Execute License Agreement. CSG will be responsible for reimbursing the City for electricity consumed quarterly at a rate equivalent to the City's commodity cost of electricity. CSG will also pay the City the variable revenue share annually based on the chargers' utilization. Approval of this agreement will result in cost savings to the General Fund for electricity costs.

27. **Authorization to Purchase Common Stock Shares in California Domestic Water Company**
- Approve the Common Stock Purchase Agreement to purchase 112 shares of California Domestic Water Company (CDWC) Common Stock for \$15,250 per share to increase the City's rights to access water and appropriate \$1,708,000 from the Water Utility Fund (420) for the purchase of these shares.
28. **Adoption of a new job description and salary table for the position of Building Official and amending the position allocation list for FY 2022/23 to reflect the changes, and placing the new classification in the Administrative and Professional Employees' Association Bargaining Unit for representation purposes** - Approve Resolution No. 2022-072 1) adopting a new job description and salary table for the classification of Building Official; 2) placing the new classification in the Administrative and Professional Employees' Association (APEA) bargaining unit for representation purposes; and 3) amending the Position Allocation List to include this position in the Community Development Department Administrative Division. One-time and ongoing operating costs for this position are already budgeted within the Building and Safety Division's operating budget for FY 2022-23.
29. **City Manager Employment Agreement Amendment No.2** - Adopt Resolution No. 2022-073 approving amendment No.2 to the City Manager's Employment Agreement. The fiscal impact in FY 2022-23 is \$19,676, and the fiscal impact in FY 2023-24 is \$12,114. The current budget projected a base salary increase of 3%; therefore these costs have been included and will be factored into the current and future City Budgets.
30. **Approval of the Executive compensation plan as amended** - Adopt Resolution No. 2022-074 approving the Executive Compensation Plan salaries and benefit policy. The net financial impact is \$162,438 to the General Fund and \$20,784 to the Non-General Fund for a total of \$183,222. There is no fiscal impact to the adopted budget for FY 2022-23 due to built in budget projections. However, on-going costs related to this adjustment will be programmed in the FY 2023-24 budget projections as applicable. There are sufficient funds in revenues over expenditures projected to cover these costs.
31. **November 4 and 10, 2022 City Disbursement Registers** - Receive and file.

BREA ARTS CORPORATION - CONSENT

32. **Brea Arts Corporation Annual Report for Fiscal Year 2021-22** - Receive and file.

ADMINISTRATIVE ANNOUNCEMENTS

33. **City Manager**
34. **City Attorney**
35. **Council Requests**

COUNCIL ANNOUNCEMENTS

ADJOURNMENT

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members
FROM: Bill Gallardo, City Manager
DATE: 11/15/2022
SUBJECT: 2023 BREA LEGISLATIVE PLATFORM

RECOMMENDATION

It is recommended that the City Council review the attached 2022 Legislative Platform and the draft 2023 Legislative Platform to provide feedback prior to adoption.

BACKGROUND/DISCUSSION

The City of Brea Legislative Platform is used to outline City Council positions on essential issues and serves as City Council authorization for Brea elected officials and professional staff to advocate the City's position as legislation proceeds at the federal, state and regional levels. It also provides staff with clear direction regarding the types of issues the City will monitor during the legislative session and enables staff to respond quickly with the City's position as amendments to bills occur in the legislature.

Brea's Legislative Platform is updated annually to coincide with the state and federal legislative sessions. Part of the updating process includes a review of the 2022 Legislative Platform by City Council, staff, the Executive Directors, and the City's Legislative Advocate. Through the process, edits are suggested to keep the Platform current.

For next year's update, the City's Legislative Advocate, Townsend Public Affairs, proposed to streamline Brea's Legislative Platform due to it being rather lengthy. The new format preserves existing City Council positions, but is condensed and reorganized, using general guiding principles and specific statements. Also, this new format is more closely aligned with other cities' platforms.

FISCAL IMPACT/SUMMARY

The City of Brea proactively engages in the legislative process by annually adopting a legislative platform. The platform outlines City Council positions on essential issues and serves as authorization for Brea elected officials and professional staff to advocate the City's position as legislation proceeds at the federal, state and regional levels.

There is no fiscal impact associated with the review and discussion of the 2023 Brea Legislative Platform.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Liz Pharis, Communications & Marketing Manager/PIO

Attachments

2022 Brea Legislative Platform

Draft 2023 Brea Legislative Platform

City of Brea

2022 Legislative Platform

Guiding Principles

Preserve Local Control: Preserve and protect the City's powers, duties and prerogatives to enact local legislation and policy direction concerning local affairs and oppose legislation that preempts local authority. Local agencies should preserve authority and accountability for revenues raised and services provided.

Support Funding Opportunities: Support opportunities that allow the City to compete and receive its fair share of regional, state, and federal funding for City projects and priorities. Opportunities include, not are not limited to, state and federal stimulus funding for state and local governments, economic development, transportation, parks and recreation, public safety, and public health.

1. City Finances

- A. Support stability, predictability and independence in local government budgeting.
- B. Oppose imposition of state, federal and regional mandates upon local governments, as well as federal mandates on the state, especially those for which no funding exists.
- C. Support increases in local flexibility for use of state, federal and regional funding opportunities.
- D. Support the continuation of the tax-free status of municipal bonds.
- E. Encourage the County of Orange to make available more detailed auditing and reporting information regarding property tax and assessment appeals filed on property within our city limits.
- F. Support modification of the tax system to reflect the change in the State's economy from a manufacturing base to a service and information base.
- G. Support the preservation and enhancement of the City's ability to generate revenues from all types of sales.
- H. Support supplements to local funds to comply with mandates created by the National Pollutant Discharge Elimination System (NPDES) provisions of the Federal Clean Water Act.
- I. Support generation, protection and timely allocation of local funding distributed by the state and federal government (e.g. SB 1 funds, 1A funds, stimulus monies).
- J. Support local sales and use tax reform to create an equitable distribution structure that appropriately captures and allocates online sales tax.
- K. Monitor COVID-19 response at the state and federal level, including new regulations, stimulus packages, relief funding, and any actions that impact our operating budget.

2022 Legislative Platform

2. **Economic Development /Successor Agency to the Redevelopment Agency/
Redevelopment Dissolution Process**
 - A. Support new legislation that provides financial incentives (state grants or tax incentives) for mixed-use or “smart growth” principles.
 - B. Support efforts to facilitate the production of workforce housing, including infill housing incentives, grants to local agencies and private developer partnerships.
 - C. Support legislation that clarifies and narrows the prevailing wage standard for economic development, public works, and affordable housing projects.
 - D. Support increasing the State’s minimum threshold for public works projects that require prevailing wage.
 - E. Support efforts to assist local business growth and economic development post Redevelopment.
 - F. Oppose efforts to cut funding from Community Development Block Grant and other federal grant programs.
 - G. Support state legislation to bring back economic incentives for cities to use post redevelopment.
 - H. Support legislation that allows the City to access the full amount of paramedic tax for funding purposes originally approved by voters so long as tax revenues are not needed to pay debt service on outstanding redevelopment obligations.

2022 Legislative Platform

3. Land-Use Decisions

- A. Support efforts to protect local land-use authority, recognizing that potential regional impacts imply responsible local action.
- B. Oppose legislation which weakens the City's position for land use controls due to potential claims of partial takings and any requirements for compensation of such claims.
- C. Oppose actions that redefine the annexation process to require so-called "revenue neutral" annexations.
- D. Oppose County of Orange processing of development projects within Brea's Sphere of Influence and any development agreements or other entitlements in sphere of influence areas that do not conform to City standards. Promote County of Orange compliance with existing Memorandum of Understanding regarding development within the Sphere of Influence.
- E. Support housing element reform that provides local government the greatest flexibility to achieve realistic goals and support funding of mandated General Plan Housing Element Updates and related processes (i.e. RHNA).
- F. Support efforts to reduce the role of the State's Housing and Community Development Department in City affairs.
- G. Support the definition of reasonable housing occupancy standards.
- H. Support actions that enable cities to play a substantive role in the licensing of group homes.
- I. Support State funding proposals that provide incentives for affordable housing production, healthy community actions (e.g. Tracks at Brea project), and Sustainability Plans for energy efficiency and/or Green House Gas reductions.
- J. Support State funding proposals that provide incentives for smart growth goals and policies and sustainable development practices within General Plans.
- K. Support efforts to fund essential public facilities.
- L. Support methods to enhance goods movement that do not further impact traffic or air quality.
- M. Support legislation that preserves local control and oversight over the establishment and operation of group homes and sober living homes.

2022 Legislative Platform

4. Human Resources

- A. Oppose legislation that expands or extends any public safety presumptions of occupational injury or illness and support legislation that repeals the presumption that the findings of a treating physician are correct.
- B. Oppose legislation that increases workers' compensation benefits without providing for concurrent cost controls.
- C. Support workers' compensation reform that requires formulas to rely on more evidence of work-related causation to determine compensability.
- D. Oppose the imposition of compulsory and binding arbitration with respect to public employees upon local government.
- E. Oppose the imposition of mandated employee benefits that are more properly negotiated at the bargaining table upon local government.
- F. Oppose efforts to include City employees in the Social Security system or to accelerate the rate at which City employees are included in Medicare.
- G. Support reform to the CalPERS medical insurance program to address the City's future liability for retiree medical insurance.
- H. Support responsible changes to the CalPERS Public Employees' Medical and Hospital Care Program (PEMCHA) to address the rising costs of medical premiums.
- I. Oppose eroding City authority to appropriately discipline public employees.
- J. Support proposals that create dual retirement programs for public sector employees and reduce the unfunded liability without threatening the viability of the CalPERS retirement system.
- K. Encourage the CalPERS retirement system to provide member agencies with enhanced data that accounts for true retirement costs.
- L. Oppose the imposition of Federal or State mandates on the collective bargaining process.
- M. Support easing applicability of the Fair Labor Standards Act (FLSA) on public agencies.
- N. Oppose efforts reducing local control over public employee disputes and impose regulations of an outside agency.
- O. Oppose granting public employees the right to strike.
- P. Oppose making disciplinary proceedings for public safety employees similar to criminal proceedings thus rendering it impossible for employers to prove an administrative violation.
- Q. Support major reform of current workers compensation formulas to rely on higher thresholds for compensation or a proportionate exposure formula.

2022 Legislative Platform

4. Human Resources (continued)

- R. Support legislation that limits the ability of employees to receive workers' compensation benefits for occupational injuries/illnesses that result from stress, disciplinary action, or performance evaluations or consultations.
- S. Support reforms to CalPERS that promote Investment Restrictions that are similar or the same as those adopted by Public Agency Retirement Services (PARS).
- T. Support legislative proposals that establish Defined Contribution Retirement Plans for new hires within CalPERS retirement programs.
- U. Support fiscally responsible changes to CalPERS Projected Investment Returns based upon Historical Returns and Conservative Market Projections.
- V. Encourage CalPERS to provide timely Member Agency Reports (less than 6 months from period closing) to allow for improved budgeting practices.
- W. Support legislative reforms to CalPERS' Board Composition to allow the State Treasurer & State Controller (currently Ex-Officio Members) all rights granted to CalPERS regular board members.
- X. Monitor legislation related to the notification of employees for COVID-19 exposure or a health-related exposure.

2022 Legislative Platform

5. Public Safety

- A. Support measures that encourage community safety and well-being.
- B. Support measures that encourage disaster preparedness and emergency planning.
- C. Oppose legislation that serves to impact eligibility for local jurisdictions in regard to disaster response and recovery assistance.
- D. Oppose unfunded mandates related to EOC and staff training, specifically those implied through a required State EOC credentialing program.
- E. Oppose imposition of unfunded mandates on local government in relation to tracking of paroled sexual predators.
- F. Oppose reductions in Citizen's Option for Public Safety (COPS) funding.
- G. Oppose non-supervised parole or other further reductions in supervised release.
- H. Support the state adoption of building, development and fuel modification requirements that provide for fire safety in the Wildland Urban Interface and Intermix.
- I. Oppose further imposition of unfunded mandates on local government in relation to the tracking of Post Release Community Supervision (PRCS) probationers.
- J. Oppose restrictions on access to social media material for the purposes of law enforcement personnel background investigations.
- K. Support increased funding for local governments to monitor PRCS probationers in accordance with the State mandates.
- L. Support City's right to provide or contract for Ambulance services pursuant to Government Code Section 1797.201.
- M. Support legislation or a voter initiative which would amend Proposition 47 and restore felony status to certain crimes which were reduced to misdemeanors and/or require the completion of drug rehabilitation by violators of drug related misdemeanor crimes.
- N. Support clarifying legislation related to recreational marijuana, including DUI Drugs presumed intoxication and state funding for research and identification of intoxication measurement devices.
- O. Oppose any reduction in State mitigation funds for prison realignment.
- P. Oppose legislatively mandated police training which does not also provide funding for said training.

2022 Legislative Platform

5. Public Safety (continued)

- Q. Oppose any further legislative attempts at early release of incarcerated prisoners and further de-criminalization of 'non-violent' offenses.
- R. Support clarifying legislation to further define 'non-violent' offenses.
- S. Support State funding for impact mitigation related to Prop 57.
- T. Oppose any State or local fire related tax or fee increase that do not go back to local agencies.
- U. Support increased funding and State reimbursements for law enforcement training costs related to homelessness, mental illness, de-escalation and use of force.
- V. Support increased State funding for the treatment of persons with mental illness, including the funding for additional hospitals for the purpose of treating mental illness.
- W. Support increased State funding for local services related to the issues of homelessness.
- X. Oppose legislation that places burdensome restrictions on law enforcement and limits their ability to protect public safety.
- Y. Support funding for homeless prevention and youth gang prevention including additional funding for the North Orange County Public Safety Task Force.
- Z. Support funding for law enforcement body worn cameras and in-car camera video systems.
- AA. Support funding for costs related to law enforcement public record act requests.
- BB. Support legislation that increases the minimum hiring and training standards for law enforcement officers.
- CC. Support legislation that provides resources and funding for law enforcement officer wellness programs.
- DD. Oppose legislation that would support creating a politically-appointed police oversight committee.
- EE. Support legislation that increases safety of all modes of transportation, including electric bikes.

2022 Legislative Platform

6. Environment

- A. Support flexibility to increase and stabilize local water supplies.
- B. Support increasing the availability of alternative sources of water, including desalinization and water reuse.
- C. Oppose efforts that provide only minimal improvements in air and water quality while incurring excessive public and private costs associated with their implementation.
- D. Support efforts designed to reduce or eliminate the spread of graffiti.
- E. Support more streamlined compliance and implementation of AB 939, AB 1826 and SB 1383.
- F. Oppose efforts by other governmental agencies to enlist cities as implementers of their environmental mandates.
- G. Support limiting local government liability as a third party to superfund cleanup litigation. The standard for responsibility should depend on "Degree of Toxicity" rather than mere "Volume" of waste.
- H. Oppose imposition of unreasonable and/or unfunded water testing and treatment requirements.
- I. Support Federal, State and County efforts to encourage and fund acquisition, preservation, and management of open space.
- J. Oppose actions that weaken the City's ability to enforce environmental impact report (EIR) mitigation measures now defined as "takings."
- K. Support efforts that maintain and enhance local decision-making authority in the development and implementation of air quality attainment strategies.
- L. Support incentives and pricing strategies as a preferred alternative to traditional command and control regulations for meeting state and local emission reduction objectives for all sources.
- M. Support strategies that clearly demonstrate and provide for the most cost-effective means for meeting air quality goals.
- N. Support expansion of the market for recyclable materials as well as support the reuse of recyclable materials.
- O. Support Federal, State, and local partnerships to fund regional transportation projects.
- P. Support efforts to maintain and enhance local authority and flexibility to regulate solid waste and recyclables.
- Q. Support "green" projects and regulations that do not place an undue burden on local government and offer financial incentives for reductions in Greenhouse Gases.

2022 Legislative Platform

6. Environment (continued)

- R. Support measures to increase waste diversion rates that do not place an undue burden on local government. Support legislation delegating to the local authority the development of regulatory measures to ensure compliance with AB 341.
- S. Encourage Federal, State and County agencies to focus on regional environmental mitigation programs including acquisition of regionally important undeveloped lands.
- T. Support efforts to mitigate traffic congestion, leading to improved mobility and air quality.
- U. Support incentives for energy efficiency upgrades to City facilities.
- V. Support legislation that rewards cities for adopting Sustainability Plans and Energy Action Plans that map a course to reductions in Green House Gas emissions and reduction in energy use.
- W. Oppose any new or more restrictive water reduction measures by the state that do not take into account new development and regulatory water requirements.
- X. Support financial incentive mechanisms to cities and businesses to fund public and private capital for organic waste diversion and recycling infrastructure in order to comply with the Organic Waste Recycling mandate (AB 1826 and SB 1383).
- Y. Support measures that provide incentives for installing and maintaining solar infrastructure.
- Z. Support measures that provide rebates and other incentives for the installation of Electric Vehicle Charging Stations.

2022 Legislative Platform

7. Community / Recreational and Social Issues

- A. Support Federal and State funding opportunities for cultural arts programs, libraries, parks, recreation and human services, trails, open space, and facility development/renewal.
- B. Support Federal and State funding for local job-training programs, especially for youth and young adults.
- C. Support efforts that facilitate the provision of quality, affordable "dependent care" for both children and seniors.
- D. Support measures that promote volunteerism.
- E. Encourage Federal and State financial support for affordable housing for low-income elderly and disabled individuals.
- F. Support in-home programs such as homemaker and personal care services that allow seniors to continue to age in place in their own home.
- G. Support Federal and State funding opportunities and/or legislation that provides for senior citizen nutrition programs, prescription drug benefits, transportation, adult day care, technology improvements, education, and emergency education for seniors.
- H. Support Federal and State funding opportunities that promote health and wellness services and education offered to the youth, low income and senior communities.
- I. Support measures that "invest" in Brea's youth. Specifically, early childhood care and education programming, tutoring, job readiness, mentoring, diversity training, conflict resolution, youth volunteer service, family counseling, parenting classes, youth employment, after school programming, recreation programming, combating youth obesity, teen services programs, transportation for youth and teen programming, etc.
- J. Support Federal and State funding opportunities that promote our ability to provide public access to technology at community facilities.
- K. Oppose any measures which reduce medical and mental health services offered to the low income and senior communities.
- L. Oppose legislation limiting Brea's ability to address homeless issues.
- M. Support the County of Orange response to homeless issues, such as shelters and housing programs.
- N. Support State and Federal funding to enhance mental health services for those living in homelessness.
- O. Oppose any reduction or cuts to senior services or to Older Americans Act funding.
- P. Support State and Federal funding incentives and grants for "rails to trails" type projects.

City of Brea

2022 Legislative Platform

8. General Issues

- A. Legislative Communications at the request of City-Affiliated Organizations. From time to time, the City is asked by the League of California Cities and other City-affiliated organizations to take a support and/or oppose position on a particular piece of legislation and/or proposal. Lately, these requests have increased because of the increasingly common use of the “gut and amend” strategy where an unrelated bill already in the legislative process is completely amended to change the topic and meaning of the bill. When such a request is received and is not already covered in the adopted legislative platform, the City Manager or his/her designee, on behalf of the City, may sign and submit the requested communication so long as the position is consistent with the position taken by the League and/or other City affiliated organizations and previous positions, if any, taken by the City. A copy of the communication shall be promptly shared with the City Council.
- B. Oppose measures that deteriorate traditional “home rule” authority by allowing additional Federal, State, or regional review of projects and programs better determined at the local level.
- C. Oppose measures that create or grant powers to sub-regional or regional bodies, which may result in infringement on clearly local concerns, unless all affected local entities agreement to do so.
- D. Oppose burdensome amendments to the Brown Act. However, in recognition that many open meeting laws have benefited at the local level, support similar application to the State Legislature.
- E. Support measures that create or expand home rule authority as it applies to the cable, video and telecommunications industry and franchising processes.
- F. Oppose measures that impose taxes for access to (not purchases via) the Internet.
- G. Support extending sales tax to E-Commerce as a means of fairness to “main street” retailers.
- H. Support measures that recognize, strengthen and protect local control over the public right-of-way.
- I. Support measures that require the acquisition of a franchise agreement by all companies from the appropriate public agency before granting access to the public right-of-way.
- J. Support measures that require companies providing communication services to a local community to provide or support Public, Educational and Governmental (PEG) access to new networks, including PEG equipment, funding and support.
- K. Support measures that apply general communications taxes, such as UUT, to all communications providers across including, but not limited to, providers of cable, video services, wireless, wire line (telephone lines), and satellite.

2022 Legislative Platform

8. General Issues (continued)

- L. Support measures to reform California’s tort system to curtail unreasonable liability exposure for public agencies and restore the ability of public agencies to obtain affordable insurance.
- M. Support legislation to extend the protections of Section 337.15 of the Civil Code limiting local government liability for property damage caused by hillsides and mudslides.
- N. Support legislation that preserves the ability of local governments to determine the appropriate type of election for their jurisdiction.
- O. Support measures that encourage business continuity planning and preparedness.
- P. Support affordable education through the Community College, Cal State, UC systems.
- Q. Support efforts to provide Federal, State, and/or County funds to address aging infrastructure, including funding for street pavement maintenance.
- R. Oppose any state or federal effort by the wireless industry that would force local governments to lease out publicly owned infrastructure, eliminate reasonable local environmental and design review, and eliminate the ability for local governments to negotiate fair leases or public benefits for the installation of “small cell” wireless equipment on taxpayer-funded property.
- S. Oppose legislation that imposes a mandate on local governments or private industry on how to achieve energy efficiencies.
- T. Oppose efforts that restrict the investment ability of CalPERS based on social or political statements.
- U. Support steps taken by the Legislature to validate that enacted legislation is serving its intended purpose.
- V. Consider the League of California Cities’ Policy and Guiding Principles when taking into consideration supporting or opposing legislation.



2023 State and Federal Legislative Platform

Adopted by the City Council on _____

The Legislative Platform provides a streamlined process through which the City Council, City Manager, City staff, and the City's legislative advocates can act in a timely manner in response to legislative proposals. Legislation that is consistent with the Legislative Platform are reviewed, approved and signed by the Mayor or City Manager. In addition, legislative positions that are deemed time-sensitive and are consistent with the Legislative Platform may be approved and signed by the City Manager when the Mayor is unavailable. Once approved, a position letter is sent to the bill's author, the City's legislative advocate, and other stakeholders as deemed appropriate by staff, and a copy of the letter is distributed to the City Council.

Additionally, to remain nimble throughout the Legislative Session and respond to amendments, the City Manager or his/her designee may sign and submit position letters so long as the position is consistent with the position taken by Cal Cities and/or other City affiliated organizations, even if the scope of the legislation is not already incorporated into the City's Legislative Platform.

GUIDING PRINCIPLES

1. Preserve Local Control

Preserve and protect the City's powers, duties and prerogatives to enact local legislation and policy direction concerning local affairs and oppose legislation that preempts local authority. Local agencies should preserve authority and accountability for revenues raised and services provided.

2. Support Funding Opportunities

Support opportunities that allow the City to compete and receive its fair share of regional, state, and federal funding for City projects and priorities. Opportunities include, not are not limited to, state and federal stimulus funding for state and local governments, economic development and job training, transportation, cultural arts, parks and recreation, energy efficiency, public safety, and public health.

3. Promote Fiscal Stability

Support measures that promote fiscal stability, predictability, financial independence, and preserve the City's revenue base and maximum local control over local government budgeting. Oppose measures that shift local funds to the County, State or Federal Governments and/or make cities more dependent on the County, State or Federal Governments for financial stability, such as mandated costs with no guarantee of local reimbursement or offsetting benefits.

CITY OF BREA POLICY PLATFORM POSITIONS

City Governance and Finance

1. Support stability, predictability, and independence in local government budgeting.
2. Support increases in local flexibility for use of state, federal and regional funding opportunities.
3. Support the continuation of the tax-free status of municipal bonds.
4. Encourage the County of Orange to make available more detailed auditing and reporting information regarding property tax and assessment appeals filed on property within city limits.
5. Support modification of the tax system to reflect the change in the State's economy from a manufacturing base to a service and information base.
6. Support the preservation and enhancement of the City's ability to generate revenues from all types of sales.
7. Support supplements to local funds to comply with mandates created by the National Pollutant Discharge Elimination System (NPDES) provisions of the Federal Clean Water Act.
8. Support generation, protection and timely allocation of local funding distributed by the state and federal government.
9. Support policies that add additional flexibilities and reduce burdensome requirements within the Brown Act.
10. Support local sales and use tax reform to create an equitable distribution structure that appropriately captures and allocates online sales tax.
11. Support measures that apply general communications taxes, such as UUT, to all communications providers across including, but not limited to, providers of cable, video services, wireless, wire line (telephone lines), and satellite.
12. Oppose policies that would increase the voter threshold for local revenue measures or would increase the potential for litigation over local taxes and fees.

Economic Development

1. Support legislation that provides financial incentives (state grants or tax incentives) for mixed-use or "smart growth" principles.
2. Support efforts to facilitate the production of workforce housing, including infill housing incentives, grants to local agencies and private developer partnerships.

3. Support legislation that clarifies and narrows the prevailing wage standard for economic development, public works, and affordable housing projects.
4. Support increasing the State's minimum threshold for public works projects that require prevailing wage.
5. Support efforts to assist local business growth and economic development post Redevelopment.
6. Oppose efforts to cut funding from Community Development Block Grant and other federal grant programs.

Environmental Sustainability

7. Support efforts that encourage and incentivize regional coordinated planning activities for sustainable water resources, infrastructure, and planning.
8. Support limiting local government liability as a third party to superfund cleanup litigation.
9. Support Federal, State, and regional efforts to encourage and fund acquisition, preservation, and management of open space.
10. Support legislation that revises the California Environmental Quality Act (CEQA) for purposes of expediting projects.
11. Support policies and guidelines to facilitate alternative building methods, materials and technologies.
12. Support incentives and pricing strategies as a preferred alternative to traditional command and control regulations for meeting state and local emission reduction objectives for all sources.
13. Support strategies that clearly demonstrate and provide for the most cost-effective means for meeting air quality goals.
14. Support expansion of the market for recyclable materials as well as support the reuse of recyclable materials.
15. Support financial incentive mechanisms to cities and businesses to fund public and private capital for organic waste diversion and recycling infrastructure in order to comply with the Organic waste procurement mandates.
16. Support measures to increase waste diversion rates and support "green" projects that do not place an undue burden on local government.
17. Support efforts to mitigate traffic congestion, leading to improved mobility and air quality, without incurring excessive public and private costs associated with their implementation.

18. Oppose efforts by other governmental agencies to enlist cities as implementers of their environmental mandates.
19. Oppose any new or more restrictive water reduction measures by the state that do not consider new development and regulatory water requirements.

Housing and Land Use

1. Support housing element reform that provides local government the greatest flexibility to achieve realistic goals and support incentives for smart growth as well as funding for mandated General Plan Housing Element Updates and related processes.
2. Support reduction of housing density requirements to qualify for state grant funding.
3. Support legislation that preserves local discretion in the assessment, collection, and usage of development fees for projects including, but not limited to, water, wastewater, transportation, and other critical infrastructure needs.
4. Support funding and tax incentives for the identification, acquisition, maintenance, adaptive reuse and restoration of historic or vacant sites and structures.
5. Support legislation to allow local jurisdictions to work with others to fulfill RHNA requirements in order to meet regional demand.
6. Support legislation that preserves local flexibility in the adoption and implementation of health and safety standards contained in the building codes
7. Oppose legislation which weakens the City's position for land use controls due to potential claims of partial takings and any requirements for compensation of such claims.
8. Oppose actions that redefine the annexation process to require so-called "revenue neutral" annexations.
9. Oppose County of Orange processing of development projects within Brea's Sphere of Influence and any development agreements or other entitlements in sphere of influence areas that do not conform to City standards. Promote County of Orange compliance with existing Memorandum of Understanding regarding development within the Sphere of Influence.

Human Resources

1. Support workers' compensation reform that requires formulas to rely on more evidence of work-related causation to determine compensability.
2. Support reform and responsible changes to the CalPERS medical insurance program and CalPERS Public Employees' Medical and Hospital Care Program (PEMCHA) to address rising costs of premiums and the City's future liability for retiree medical insurance.

3. Support easing applicability of the Fair Labor Standards Act (FLSA) on public agencies.
4. Support the reform of current workers compensation formulas to rely on higher thresholds for compensation or a proportionate exposure formula.
5. Support reforms to CalPERS that promote Investment Restrictions that are similar or the same as those adopted by Public Agency Retirement Services (PARS).
6. Support legislative proposals that establish Defined Contribution Retirement Plans for new hires within CalPERS retirement programs.
7. Support fiscally responsible changes to CalPERS Projected Investment Returns based upon Historical Returns and Conservative Market Projections.
8. Encourage CalPERS to provide timely Member Agency Reports (less than 6 months from period closing) to allow for improved budgeting practices.
9. Support legislative reforms to CalPERS' Board Composition to allow the State Treasurer & State Controller (currently Ex-Officio Members) all rights granted to CalPERS regular board members.
10. Encourage the CalPERS retirement system to provide member agencies with enhanced data that accounts for true retirement costs.
11. Oppose legislation that expands or extends any public safety presumptions of occupational injury or illness and support legislation that repeals the presumption that the findings of a treating physician are correct.
12. Oppose the imposition of compulsory and binding arbitration with respect to public employees upon local government.
13. Oppose efforts that restrict the investment ability of CalPERS based on social or political statements.
14. Oppose the imposition of mandated employee benefits that are more properly negotiated at the bargaining table upon local government.
15. Oppose the imposition of Federal or State mandates on the collective bargaining process.
16. Oppose making disciplinary proceedings for public safety employees similar to criminal proceedings thus rendering it impossible for employers to prove an administrative violation.

Public Safety

1. Support measures that encourage community safety, well-being and emergency planning.
2. Support legislation that promotes recruitment, retention, and resources for law enforcement officers.

3. Support legislation that funds innovations in law enforcement technology that integrates data sources and facilitates solvability and reduction of crime.
4. Support increased State support for local services related to homeless and youth violence prevention programs through the North Orange County Public Safety Collaborative.
5. Support clarifying legislation related to recreational marijuana, including DUI Drugs presumed intoxication and state funding for research and identification of intoxication measurement devices.
6. Support increased funding and State reimbursements for law enforcement training costs related to homelessness, mental illness, de-escalation and use of force.
7. Support funding and reimbursements for costs related to law enforcement public record act requests.
8. Support the state adoption of building, development and fuel modification requirements that provide for fire safety in the Wildland Urban Interface and Intermix.
9. Support City's right to provide or contract for Ambulance services.
10. Support policies that create restrictions on the early release of state inmates from incarceration for the purpose of alleviating overcrowding, and limit parole hearing opportunities for state inmates serving a life sentence or paroled inmates with a violation.
11. Support clarifying legislation to further define 'non-violent' offenses.
12. Support legislation that increases the minimum hiring and training standards for law enforcement officers.
13. Support legislation that increases safety of all modes of transportation, including electric bikes.
14. Oppose legislation which would interfere with the ability of law enforcement to remove individuals, either in person or in a vehicle, from public facilities, property, or streets.
15. Oppose legislation that places burdensome restrictions on law enforcement and limits their ability to protect public safety.
16. Oppose restrictions on access to social media material for the purposes of law enforcement personnel background investigations.
17. Oppose legislation that would support creating a politically appointed police oversight committee.
18. Oppose legislation that serves to impact eligibility for local jurisdictions for disaster response and recovery assistance.

Parks, Recreation, and Community Services

1. Support efforts that facilitate the provision of quality, affordable "dependent care" for both children and seniors.
2. Support Federal and State funding opportunities and/or legislation that provides for senior citizen nutrition programs, prescription drug benefits, transportation, adult day care, technology improvements, education, and emergency education for seniors.
3. Support the creation of more affordable, innovative, inclusive, and quality parks and recreation, and open space.
4. Support continued state funding for local art, cultural, and music programs.
5. Support legislation that would provide funding for facilities and programs for the City's youth, adults, and seniors.
6. Support funding for local and regional collaboration that supports equitable access for connected multimodal networks.
7. Support increasing opportunities for California's multi-generational residents to participate in civic engagement activities.
8. Support the County of Orange response to homeless issues, such as shelters and housing programs.
9. Work to strengthen policies that fund parks, open-space acquisition, bike lanes and non-motorized trails.

General Issues

1. Support measures that create or expand home rule authority as it applies to the cable, video and telecommunications industry and franchising processes.
2. Support policies and funding that expand access to broadband.
3. Support extending sales tax to E-Commerce as a means of fairness to "main street" retailers.
4. Support measures that require companies providing communication services to a local community to provide or support Public, Educational and Governmental (PEG) access to new networks, including PEG equipment, funding, and support.
5. Support measures to reform California's tort system to curtail unreasonable liability exposure for public agencies and restore the ability of public agencies to obtain affordable insurance.
6. Support legislation to extend the protections limiting local government liability for property damage caused by hillsides and mudslides.

7. Support affordable education through the Community College, Cal State, UC systems.
8. Oppose any state or federal effort by the wireless industry that would force local governments to lease out publicly owned infrastructure, eliminate reasonable local environmental and design review, and eliminate the ability for local governments to negotiate fair leases or public benefits for the installation of “small cell” wireless equipment on taxpayer-funded property.
9. Support steps taken by the Legislature to validate that enacted legislation is serving its intended purpose.
10. Consider the League of California Cities’ Policy and Guiding Principles when taking into consideration supporting or opposing legislation.

DRAFT

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members
FROM: Bill Gallardo, City Manager
DATE: 11/15/2022
SUBJECT: Senate Bill 1383 - Proposed Rates Status Update

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager
Prepared by: Gillian Lobo, Senior Management Analyst
Concurrence: Michael Ho, Director of Public Works

Attachments

Presentation
Frequently Asked Questions

SB 1383

Proposed Rates Status Update

Brea City Council Meeting

Overview



- SB 1383 requirements
- Current negotiation's status
- Proposed new SB 1383 programs and other requested new services
- City Council feedback

SB 1383 Background



- Cities are required to implement the following actions by 1/1/2022 or within a revised schedule approved by CalRecycle:
 1. Amend city codes;
 2. Provide new organics recycling services to all residential, multi-family properties and commercial businesses;
 3. Develop an edible food recovery program;
 4. Purchase organic/sustainable materials and recycled products;
 5. Amendments to existing franchise hauler contract to comply with SB 1383; and,
 6. Establish compliance, enforcement, and reporting programs
- Notice of Intent to Comply under SB 619 submitted on March 1, 2022
- Anticipate compliance with SB 1383 by January 1, 2024

Initial Republic Cost Proposal



- Green waste tonnage
- Amortization timeframes
- Margin
- Productivity assumptions
- Commercial recycling rates
- Commercial organics rates
- Manure rates

Residential Proposed Monthly Costs



Row	Description	Negotiated Rate Proposal	Staff Recommendation
Residential Programs in Cost/Home/Month			
1	Required SB 1383 Food Waste Program	\$ 2.69	\$ 2.69
2	Required Incremental Green Waste Diversion From Disposal for AB 1594	\$ 1.75	\$ 1.75
3	Optional SB 1383 programs (kitchen pails)	\$ 0.16	Not Recommended
Other Residential Services			
4	Republic billing of residential customers	\$ 0.74	\$ 0.74
5	Audit, Shred Event, Special Cleanups, City Facilities, Prop. 218 mailings, etc.	\$ 0.29	\$ 0.29
6	Additional week of holiday tree collection	\$ 0.12	Not Recommended
7	Additional annual residential bulky pickup	\$ 0.37	Not Recommended
8	Street Sweeping	\$ 1.77	Not Recommended
9	Total Increase to Residential Rates	\$ 7.89	\$ 5.47
10	7/1/2022 Residential Rate	\$ 25.28	\$ 25.28
11	Residential Rate with New Programs	\$ 33.17	\$ 30.75

Commercial Proposed Costs to Refuse Rates



Row	Description	Negotiated Rate Proposal	Staff Recommendation
Commercial programs in Overall % Increase			
1	SB 1383 Programs (Staffing, outreach, food recovery, software, startup)	2.44%	2.44%
Other Requested Commercial Services			
2	Audit Every 3 Years	0.15%	0.15%
3	Multi-Family Bulky Item Collection	4.14%	Not Recommended
4	Total Increase to Refuse Rates	6.73%	2.59%

Sample Commercial Rates Per Month



Row	Service	Rate as of 7/1/2022	Negotiated Rates (3/29/2022 Proposal)	Change in Cost
1	<u>Refuse Rates</u>		2.59%	
2	1.5 CY Bin 1x/Week	\$ 104.30	\$ 107.00	\$ 2.70
3	3 CY Bin 1x/Week	\$ 168.22	\$ 172.58	\$ 4.36
4	96 Gallon Cart 1x/Week	\$ 38.58	\$ 39.58	\$ 1.00
5	<u>Recycling Rates</u>			
6	1.5 CY Bin 1x/Week	N/A	\$ 85.89	New Rate
7	3 CY Bin 1x/Week	\$ 145.06	\$ 150.21	\$ 5.15
8	96 Gallon Cart 1x/Week	N/A	\$ 46.82	New Rate
9	<u>Organic Rates</u>			
10	2 CY Bin 1x/Week	\$ 323.69	\$ 323.69	\$ -
11	64 Gallon Cart 1x/Week	\$ 60.53	\$ 60.53	\$ -
12	35 Gallon Cart 1x/Week	\$ 38.58	\$ 42.82	\$ 4.24

Next Steps



- Provide direction on programs for staff
 - HF&H to begin drafting a modernized Amended and Restated Agreement
- Target implementation of 7/1/2023 for negotiated rates

FREQUENTLY ASKED QUESTIONS

Trash & Recycling

City Council Study Session

November 15, 2022

1. Should we remove the e-waste cost component from the overall trash rate?

E-waste pick-ups are done in conjunction with bulky-item pickups. Residents are limited to 3 pick-ups (tickets) total a year. Residents can call for multiple item pick-ups on one ticket. Republic sends out different trucks for different items, but it only counts as one ticket. E-waste costs are covered under Refuse Collection. There is no separate line item.

This service was initially established by the City on August 1, 2007 to add a community benefit at a time when there was a big push for recycling of electronic waste. Republic was solicited and a favorable rate was established. To the present time, there continues to be ongoing utilization of this service; it is not recommended by staff to remove it.

2. Is there any savings to the City for keeping Street Sweeping in-house versus contracting out?

Staff looked into Republic's \$1.77 proposal; it is based strictly on residential and doesn't include arterial streets, or commercial/industrial areas. Per staff calculations, contracting out could result in approximately a 4% potential savings for residential areas only. With the overwhelming number of benefits in providing in-house street sweeping including quality customer service, same routine operators, no learning curve, personal touch, and the potential for labor costs to come down if operator replacements are hired at entry level, it is not recommended that this service be contracted out at this time.

3. Can we add a termination clause to the solid waste agreement?

Additional default provisions related to SB 1383 will be included in the new agreement. They are similar to what has been included in some recent RFP's and other recently amended agreements.

4. Can we explore a term reduction of our existing solid waste agreement?

Republic has not been open to discussing this item at this time.

5. How much does residential billing cost us?

The residential billing function is handled within the Utility Billing area of Finance; to provide an accurate cost, Public Works needs to consult further with the Finance Division to obtain costing to provide this service, and can report back at a later date.

6. How comprehensive is the audit that is proposed to be done every 3 years (commercial side)?

The audit can be tailored to look into specific areas of the contract depending on what City staff and City Council would like to audit for that particular year. Some examples of areas that can be audited include billing, tonnage/diversion, outreach, programmatic implementation, etc.

7. Are we “double paying” for organics and green waste?

No, the cost to transition from disposal to composting green waste only calculates with the incremental cost per ton. The only commercial organics rate that will be changing is the 35-gallon cart option.

8. Do we get a “credit” for Recycling Coordinator costs since we have our own in-house staff?

For consistency purposes across Republic cities, it is recommended that the proposed allocation of Recycling Coordinator costs be kept. However, Brea will benefit from the addition of a newly budgeted Recycling Coordinator from a customer service standpoint, such as being able to provide enhanced assistance and outreach to residents and businesses.

9. Provide more information on the trash index.

The Garbage and Trash Collection in U.S. city average, all urban consumers, not seasonally adjusted (CUUR0000SEHG02) historically has moved 0.5% faster than the regional CPI.

Following is the website link:

<https://beta.bls.gov/dataViewer/view/timeseries/CUUR0000SEHG02>.

10. Can tenants of Multi-Family properties schedule bulky items via the Property Managers of their HOA, versus the way it's currently handled where the City is sometimes charged for addressing?

To lower the monthly rate, this request was removed because it's more cost-favorable to Republic than to the City. The current service level will still meet the community's need.

11. Provide an "apples to apples" comparison of commercial rates: current vs. proposed rates, with concrete examples.

This item is addressed in the PowerPoint presentation provided this evening.

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members
FROM: Bill Gallardo, City Manager
DATE: 11/15/2022
SUBJECT: Proposed Water and Sewer Fees

RECOMMENDATION

Adopt the applicable resolutions to maintain the City's existing four-tier residential water rate structure; update the City's existing four-tier residential water rate structure to include "Conservation Rates"; adjust fixed meter charges; allow water consumption rate adjustments to align with wholesale water rate increase; and adjust sewer rates. Receive and file the attached Water and Sewer Fee Studies.

BACKGROUND/DISCUSSION

Brea's water system service area includes the City of Brea, which has a population of more than 45,600. Growth from development within the City limits, as well as from annexation of underdeveloped property, is expected to increase the water demand with a projected population growth to approximately 49,250 by 2030. In FY 2021-22, Brea had roughly 212 miles of potable water pipeline, seven storage reservoirs (69.5 million gallons storage capacity), five booster stations, 94 pressure reducing stations, six supply connections serving approximately 13,437 customers and delivered more than 10,000 acre-feet of water. But, for a very small amount of well water used for golf course/park irrigation, Brea imports 100% of its water from California Domestic Water Company and Metropolitan Water District.

Timeline

On September 21, 2021, the City entered into an agreement with NewGen Strategies & Solutions, LLC (NewGen) for a Water, Sewer User Rate (the Study) and Impact Fees Studies. The City Council then participated in a Water and Sewer Rate Study Working Session on October 19, 2021. At that meeting, the City Council was briefed on the methodology to be used and factors that will affect these rates. On November 10, 2021, interested parties were encouraged to participate in a Community Outreach Event to learn about the upcoming Water, Sewer, and Impact Fees Studies. This meeting was available in person as well as online via Zoom.

A preliminary discussion with the City Council was held on April 19, 2022. At this meeting, the recommended water rates reflected 20% of the total revenue received would come from fixed meter charges. Recommended sewer rates followed a budget that incorporated capital improvement projects identified in the adopted 2021 Sewer Master Plan. For future years, rates were proposed to be adjusted by 2% annually. At this meeting, the City Council requested the Public Works Department review these sewer projects to determine if any projects

could be delayed.

On May 3, 2022, additional proposed water and sewer rates were provided. Rates were provided to align with industry standards of at least 25% of revenue coming from fixed meter charges. Sewer rates were realigned to reflect the numbers presented at the April 19th meeting, but now with a 3% annual increase for future years. Additionally, sewer rates were presented with a reduced list of capital projects. City Council requested the consultant to provide numbers that reflect a more realistic CPI increase of 5%. At the conclusion of the meeting, staff requested permission to move forward with the public hearing notification and the maximum rates were being published. The City Council was made aware they could choose to adopt rates that were lower than those published.

Approximately 14,700 Proposition 218 Hearing Notices were mailed to all Brea property owners on June 1, 2022. In addition, notices were included in the utility bills mailed on May 31, 2022 and posted on the City's website. The original Public Hearing date was July 19, 2022. This date was continued until August 16, 2022 and then further continued to November 15, 2022.

A Community Outreach Event for Water and Sewer Rates was held on June 29, 2022. This meeting was advertised in a utility billing insert (mailed on May 31); posted on the City's website; displayed on BreaTV; included in the June 2022 edition of the Brea Line Newsletter; and included in City Council announcements. At this meeting, attendees were provided an overview of water and sewer systems; received water and sewer rate comparison for neighboring agencies; and had an opportunity to ask questions. This meeting was available in person as well as online via Zoom.

Water Rate Study

Brea's last completed water rate study was performed in 2015. Due to City Council foresight and support, water rates have not increased since July 1, 2017. It is ideal that a new study be performed every five (5) years.

Assumptions made through this study are as follows:

- Costs will increase 4% each year through FY 2026-27; however, costs are expected to grow by 5.2% annually.
- The addition of two (2) full-time employees in FY 2022-23, along with the associated vehicle costs.
- City generated water costs are paid by the City, and the Water Fund pays office space rent, land use, and right-of-way charges.
- The Study is based upon capital improvements identified in the 2021 Water Master Plan.
- Cost escalation of 3% per year for water purchased from the City's two wholesale providers.

The Study supports the current tier structure for Brea's residential customers as well as the other customer existing structures. However, based on the above assumptions, current fee collections do not cover expenditures for FY 2022-23 and FY 2023-24. This is based on an aggressive capital improvement project plan and revenues in future years will support ongoing operations. Overall, the Study does not recommend that Brea increase its overall rates. The Study recommends transferring more of its revenue collected to fixed charges. Currently, Brea collects 17% of its revenue from fixed charges. The recommendation is to receive 25-30% of water system revenue from fixed charges. This allows more reliance on revenues from fixed meter charges and less reliance on water consumption charges. This reliance on water consumption

becomes evident during conservation. In such cases, the water system must raise water consumption rates in order to cover operating expenses.

Water Rates

As previously mentioned, the City's water rates have not increased since July 1, 2017. Fixed costs represent 63% of the City's annual expenditure budget for water. Fixed costs include, but are not limited to: debt service payments, some capital and infrastructure, staff, and ready to serve charges. During the last water rate study, the City set rates to gradually cover 20% of revenues from fixed charges; however, as costs have increased, current fixed revenues represent only 17% of total revenues.

As noted in the attached 2022 Water Rate Study, "The City's current water rates are sufficient to sustain the City's water system operations, maintenance, and capital investment over the **five-year projection period.**" The recommendation is to not increase water rate revenues. However, in an effort to create a more sustainable and stable revenue source for the Water Fund, the Study recommends that the City adopt rates that increase the proportion of fixed revenues from 17% to 25% while reducing the water consumption rates. Adjusted rates are listed in the attached resolutions.

Currently, Brea's fixed meter charges are one of the lowest in Orange County. A comparison of water rates from surrounding Orange County cities (as of June 2022) is included in the water rate study as well in the attached presentation. As can be expected, the City's consumption charges are among the highest due to its reliance on the sale of water to maintain its system.

Thus, staff is proposing two (2) alternatives to address this discrepancy:

Alternative 1. Adjust fixed charges to represent 25% of annual revenue in year one. No further fixed rate adjustment will be implemented through FY 2024-25, with the exception of pass-through adjustments for wholesale water costs and applicable conservation rates, if needed.

Alternative 2. Adjust fixed charges incrementally over a three-year period. 19% fixed revenues in year one; 22% fixed revenues in year two; and 25% fixed revenue in year three. Pass-through adjustment for wholesale water costs and applicable conservation rates will be applied, if needed.

Future Water Rates

Wholesale Water Costs

Included in the water resolution is a pass-through adjustment for the cost of water purchased from Cal Domestic Water Company (CDW) and Municipal Water District of Orange County (MWDOC) for the period of five (5) years beginning with July 1, 2023, the City can adjust water consumption rate changes based upon changes in wholesale water costs. Annually, both wholesale water providers provide to their customers the anticipated increases. With this resolution, the City will pass on these costs directly. Customers will be notified in advance, but a public hearing is not required. Changes will be implemented as soon as practical provided that at least 30 days' written notice is given to customers. For FY 2023, these increased costs have been calculated in the rates. Should wholesale water costs increase by more than 3% annually, an adjustment to water consumption rates may be needed.

Conservation Rates

As mentioned, the City's water rate structure is heavily dependent on water consumption revenue. When the City water system is not selling enough water (mostly commonly, but not limited to) due to water conservation, the water rates must be adjusted upward in order to meet its operating requirements. Conservation rates will most like be triggered by State conservation mandates; however, should water sales drop below the needed sales quota, the City may elect to adjust rates accordingly. Conservation Rates as presented in the attached Water Rate Resolutions are dependent on the revenue the City receives from fixed charges (19%, 22%, or 25%), as well as the reduction of water sales (10%, 20%, or 30%).

Sewer Rate Study

The last completed sewer rate study was conducted in 2006. The current 2022 Sewer Rate Study (the Study) bases its assumption on the 2021 Sewer Master Plan and proposes rates to support the costs associated with the implementation of this plan. The rate study assumes that the City will not issue debt to carry out the capital improvements needs to inspect, maintain, repair and replace the sewer system.

The attached Sewer Rate Study identified that current sewer rates would not be sufficient to cover system expenses in the following five fiscal years and the Sewer Fund balance would fall below the required amount as instructed per its fiscal policies (minimum three (3) months of operating reserve and a capital reserve equal to one-year if capital expenditures). It is anticipated that all reserves would be depleted by FY 2024-25. Withstanding potential impacts to the rate payers, sewer rates are recommended to increase one-time largely by 55% (\$5.19) and 5% thereafter until FY 2026-27 for single-family residences with a 1" meter.

Assumptions made through this study are as follows:

- Costs will increase 4% each year through FY 2026-27;
- Addition of two (2) full-time employees shared with the Urban Runoff Fund (410) in FY 2022-23;
- City generated sewer costs are paid by the City; and the Sewer Fund pays office space rent and right-of-way charges; and
- The Study is based upon capital improvements identified in the 2021 Sewer Master Plan.

Sewer Rates

The City levies charges on its sewer customers in order to inspect, maintain, repair, and replace its sewer collection system.

Although sewer rates have been adjusted annually by CPI, the rates have not been adequately adjusted to reflect current costs to maintain the City's sewer system. In comparison to surrounding Orange County cities, Brea's current sewer rates are low. The average monthly sewer rate for 1" meter (Single Family Residence) is \$13.28. This rate does not include Brea's monthly base rate of \$9.43.

To address these discrepancies, staff proposes the following three (3) alternatives:

Alternative 1. Adjust the monthly fee charge to cover the projects noted in the capital improvement plan. This equates to a one-time increase of 55% (\$5.19 per month for a 1"

Residential Meter). In years two and three (June 2023 and 2024), the rate will increase by 3%;

Alternative 2. Adjust the monthly fee charge to cover the projects noted in the capital improvement plan. This equates to a one-time increase of 55% (\$5.19 per month for a 1" Residential Meter). In years two and three (June 2023 and 2024), the rate will increase by 5%; or

Alternative 3. Adjust the monthly fee charge to cover a **reduced** number of projects noted in the capital improvement plan. This equates to a one-time increase of 33% (\$3.11 per month for a 1" Residential Meter). In years two and three (June 2023 and 2024), the rate will increase by 3%

To avoid proration for both water and sewer rates, effective dates for adjusted rates will align with billing dates. Customers will receive notice in the prior month's bill.

FISCAL IMPACT/SUMMARY

Per the City's adopted fiscal policies, "The City will maintain adequate reserves in each of the enterprise funds to protect these essential City programs. Water and sewer reserves should equal a minimum of three months of fund expenditures." Also, it is prudent to establish a capital reserve of at least one year's worth of CIP to address unexpected capital expenditures and/or fund large project costs when scheduled. Appropriate reserve levels provide available funding in order to avoid the need to borrow from other funds or issue bonds to finance these projects.

The water and sewer rates proposed will allow the City to continue to provide safe and reliable water and sewer services to the City of Brea customers while maintaining operating reserves at a minimum of three (3) months of operations and maintaining capital reserves in each fund.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Faith Madrazo, Financial Services Manager - Revenue

Concurrence: Kristin Griffith, Administrative Services Director

Attachments

2022 Water Rate Study

2022 Sewer Rate Study

Water/Sewer Rate Presentation

Water Resolution - Alternative 1

Water Resolution - Alternative 2

Sewer Resolution - Alternative 1

Sewer Resolution - Alternative 2

Sewer Resolution - Alternative 3

NewGen Strategies & Solutions

www.newgenstrategies.net



FINAL REPORT

WATER COST OF SERVICE & RATE STUDY

NOVEMBER 2022



Prepared for:
City of Brea
1 Civic Center Circle, 3rd Floor
Brea, California 92821

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911-A Commerce Road
Annapolis, MD 21401
Phone: (410) 266-9101

November 8, 2022

Kristin Griffith
Administrative Services Director
City of Brea
1 Civic Center Circle
Brea, CA 92821

Subject: Water Cost of Service and Rate Study Final Report

Dear Ms. Griffith:

NewGen Strategies and Solutions, LLC (NewGen) is pleased to submit to the City of Brea this final report detailing our completed Water Cost of Service and Rate Study. This report details the results of our analysis of the forecasted costs of providing water service to the City's customers and our recommendations for recovering these costs over the next five years.

We appreciate the opportunity to provide our professional services to the City and would like to express our sincere appreciation to City staff. The dedication and assistance provided by City staff was essential to the completion of this study. It has been a distinct pleasure to work with the City of Brea.

Very truly yours,

DocuSigned by:

C11651334F8F462...
Eric Callocchia
Principal
NewGen Strategies and Solutions, LLC

DocuSigned by:

B4BF015F92D8459...
Tianna Carnes
Senior Consultant
NewGen Strategies and Solutions, LLC

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EXECUTIVE SUMMARY

The City of Brea operates a water distribution system with over 13,000 customer connections, over 200 miles of pipes, and various pumps and reservoirs. The City's Water Division, part of the Department of Public Works, is responsible for the City's water system, with duties including backflow prevention and maintaining water quality. Brea imports 100% of its water from two major water suppliers, Metropolitan Water District of Orange County and California Domestic Water Company. Both suppliers have increased their rates consistently over that past several years. In addition, the City is required to expend capital for essential maintenance and improvements to the water system. The current water rates went into effect on July 1, 2017. The City recently completed a Water System Master Plan that defines over \$18.8 million in projects to meet existing deficiencies, over \$2.6 million in projects to improve system reliability, and over \$103.8 million in projects to meet build-out demand.

The City engaged NewGen Strategies and Solutions, LLC (NewGen) to conduct a Water Cost of Service and Rate Study. The goal of the study is to ensure that revenues cover the cost of service, meet the Water Fund's debt coverage and reserve requirements, and provide for future capital improvement projects as defined by the Water System Master Plan.

Projected Water System Revenue Requirement

The revenue requirement of the City's water system is the total of the projected costs related to Operating and Maintenance (O&M), Pay-as-you-go (PAYGO, i.e., cash funded) Capital Improvements, and Debt Service (both existing and future) assuming escalation of the FY 2022 budget and financing of the City's Capital improvement plan. The projected revenue requirement assumes that the City will spend an average of \$5.7 million on PAYGO capital spending each year and issue no new debt. Miscellaneous non-rate revenues assume that revenue collected from Water Connection Charges increase slightly over the projection period and interest income remains 1.5% of Water Fund Balance.

Table E-1
Water Fund Net Revenue Requirement Forecast

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Operating Expenses	\$13,879,933	\$15,923,873	\$16,350,329	\$16,820,202	\$17,267,652	\$17,720,284
Existing Debt Service	\$2,423,579	\$2,433,698	\$2,447,812	\$2,928,522	\$2,941,370	\$2,958,481
New Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PAYGO Capital	\$3,887,250	\$10,955,971	\$8,834,314	\$4,111,385	\$3,142,943	\$3,237,411
Total Rev. Req.	\$20,190,761	\$29,313,542	\$27,632,456	\$23,860,108	\$23,351,965	\$23,916,176
Less: Misc. Revenues	(\$1,184,376)	(\$1,236,658)	(\$1,285,240)	(\$1,336,051)	(\$1,388,186)	(\$1,442,276)
Net Rev. Req.	\$19,006,385	\$28,076,884	\$26,347,215	\$22,524,058	\$21,963,779	\$22,473,899

Recommended Rate Changes

Given the revenue requirement projection detailed above and assuming the City does not increase any water rates or fees from their FY 2022 level, the following exhibits show that revenues would not be able to cover system projected (including capital) expenses in the FY 2023 and FY 2024; however, the City's

Executive Summary

existing Water Fund reserves can sustain the Fund above the minimum recommended reserve target, as shown in the following exhibits.

Exhibit E-2 Water Fund Expenses vs. Revenues Under FY 2022 Rates

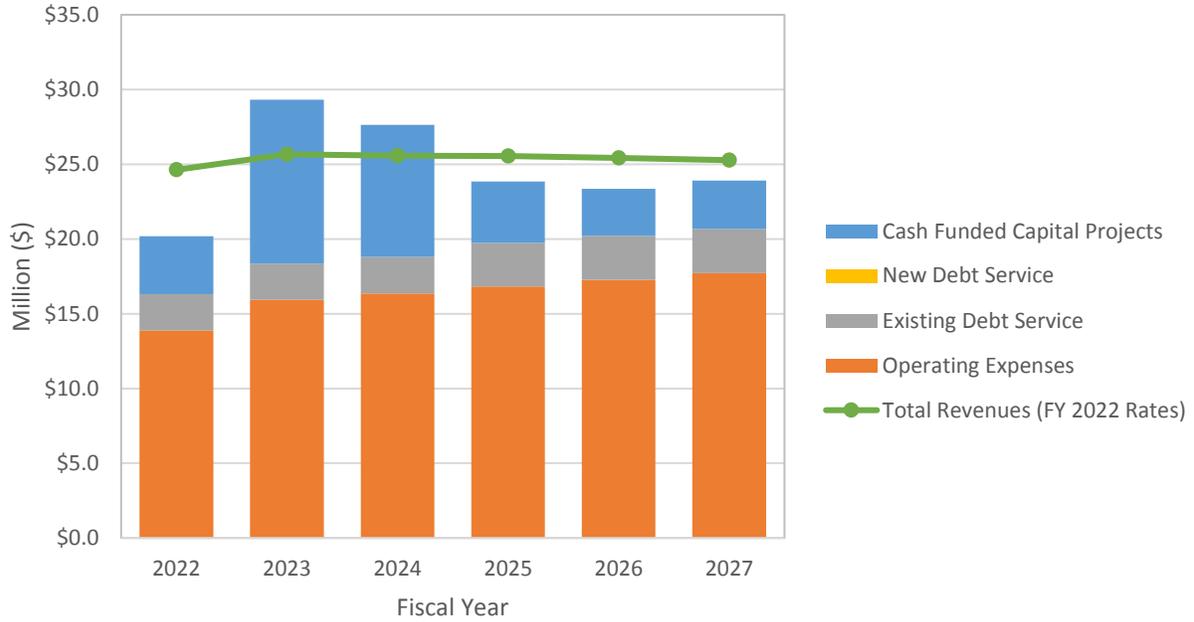
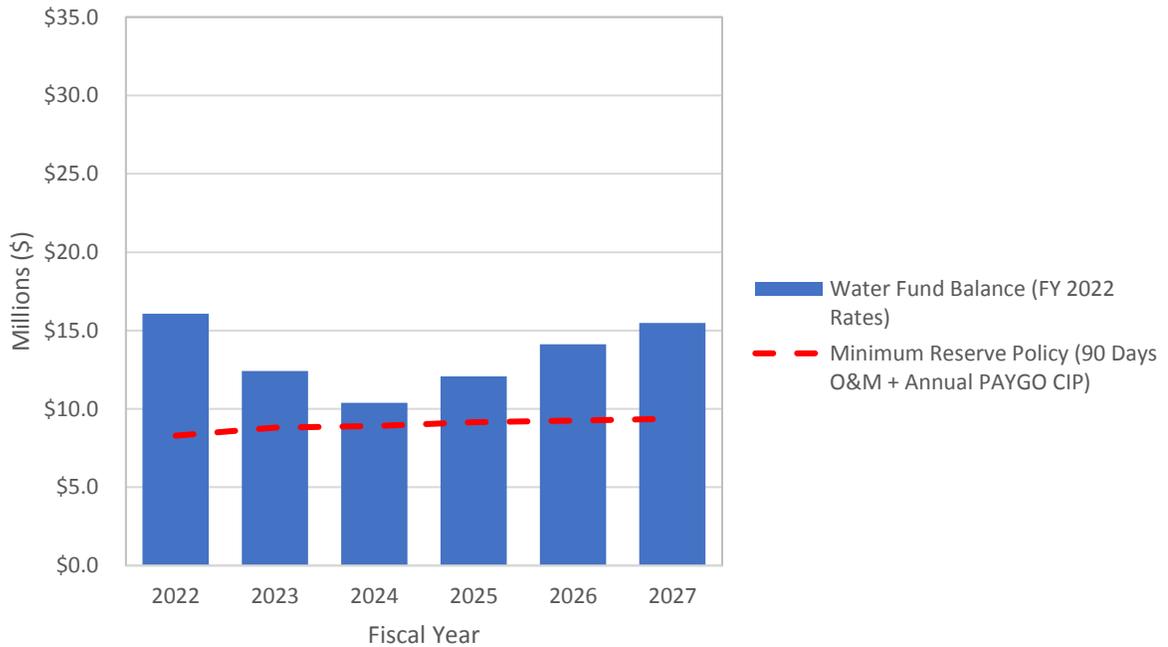


Exhibit E-3 Projected Water Fund Balance Under FY 2022 Rates



Executive Summary

The revenue generated by the City's current water rates is sufficient to sustain the City's water system O&M and capital costs over the five-year projection period. Therefore, NewGen is not recommending any increases in water rate revenues. However, to create a more sustainable and stable revenue source for the Water Fund and align with water industry best practices, NewGen is recommending that the City adopt rates that increase the proportion of fixed revenues from the current 17% to 25%. NewGen's recommended rate adjustments for the City's fixed and variable water rates is shown in the following table.

**Table E-4
Recommended Water Rate Changes**

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Fixed Customer Charge	48.0%	0.0%	0.0%	0.0%	0.0%
Volumetric Charge per HCF	(11.0%)	0.0%	0.0%	0.0%	0.0%
Annual Cash Flow	\$4,441,422	(\$3,724,631)	(\$2,115,345)	\$1,630,598	\$2,024,415
Ending Fund Balance	\$16,069,833	\$12,345,202	\$10,229,858	\$11,860,456	\$13,884,871
Minimum Recommended Reserve	\$8,289,117	\$8,795,597	\$8,904,231	\$9,138,621	\$9,252,119
Over / (Under) Recommended Reserve	\$7,780,717	\$3,549,605	\$1,325,627	\$2,721,835	\$4,632,751

The minimum recommended reserve in the table above is equal to 90 days of O&M expenses plus one year of average PAYGO capital spending.

Rate Projections and Customer Impacts

The impact on the City's median residential, lifeline, and commercial customer of NewGen's recommended rates is as follows:

**Table E-5
Projected Monthly Customer Bills – Median Residential Customer**

Sample Customer	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Median Inside City	\$65.90	\$68.05	\$68.05	\$68.05	\$68.05	\$68.05
5/8" Meter	\$ Change	\$2.15	\$0.00	\$0.00	\$0.00	\$0.00
13 HCF	% Change	3.3%	0.0%	0.0%	0.0%	0.0%
Median Lifeline	\$49.88	\$51.91	\$51.91	\$51.91	\$51.91	\$51.91
5/8" Meter	\$ Change	\$2.03	\$0.00	\$0.00	\$0.00	\$0.00
12 HCF	% Change	4.1%	0.0%	0.0%	0.0%	0.0%
Commercial	\$467.03	\$469.81	\$469.81	\$469.81	\$469.81	\$469.81
2" Meter	\$ Change	\$2.78	\$0.00	\$0.00	\$0.00	\$0.00
79 HCF	% Change	0.6%	0.0%	0.0%	0.0%	0.0%

The study found that the City's water utility is well managed both operationally and financially.

Section 1

PROJECT BACKGROUND AND SCOPE

Study Background

The City of Brea (City) operates a water distribution system with over 13,000 customer connections, over 200 miles of pipes, and various pumps and reservoirs. The City's Water Division, part of the Department of Public Works, is responsible for the City's water system, including backflow prevention and water quality issues. Brea imports 100% of its water from two major water suppliers, Metropolitan Water District of Orange County (MWDOC) and California Domestic Water Company (Cal Domestic). Both suppliers have increased their rates consistently over that past several years. In addition, the city is required to expend capital for essential maintenance and improvements to the water system. The current water rates went into effect on July 1, 2017. The City recently completed a Water System Master Plan that defines over \$18.8 million in projects to meet existing deficiencies, over \$2.6 million in projects to improve system reliability, and over \$103.8 million in projects to meet build-out demand.

The City engaged NewGen Strategies and Solutions, LLC (NewGen) to conduct a Water Cost of Service and Rate Study. The goal of the study is to ensure that revenues cover the cost of service, meet the Water Fund's debt coverage and reserve requirements, and provide for future capital improvement projects as defined by the Water System Master Plan.

Study Objectives and Guiding Principles

The following principles were used to guide the rate study and were developed with input from City staff:

- The City's water utility must be financially self-supporting. It is assumed that the cost of operating and maintaining the water system will be supported by the fees and charges collected from water customers with no support or subsidy from other City revenues.
- The City's water rates shall be sufficient to ensure the funding of an appropriate level of system rehabilitation and replacement. It is assumed that the City will continually reinvest in the water system to replace assets as they reach the end of their useful lives.
- The City shall maintain appropriate reserves to provide for contingencies and unplanned expenses.
- The City's water rates shall be kept as low as possible over time. While it is possible to keep rates low for a period of time by not investing sufficiently in the maintenance of the water system, eventually the system will deteriorate and require substantial investments leading to the need for significant and immediate rate increases.

NewGen's recommendations as a result of this study endeavor to maintain a balance between the increasing costs to own and operate the City's water infrastructure and the need to maintain affordable service for City customers.

Study Approach

NewGen’s approach to developing sustainable water rates is governed by the view that the ideal rate structure must satisfy six criteria:

- **Equity** requires that rates and charges result in no undue discrimination among customers or customer types. Although equity is normally related to the cost of service, it should be realized that customer acceptance will center on preconceived notions of equity and fairness.
- **Efficiency** refers to the ability of the rate schedule to encourage wise use of the resources devoted to the services that the utility provides. Efficiency considerations require that:
 - Rates should reflect the cost of providing service.
 - Rates should be similar for customers or customer types served under similar conditions.
 - Customers should be able to understand the rate schedules so that they can make rational decisions regarding their purchase of water service.
- **Revenue Adequacy** is the most fundamental of all considerations. Revenue Adequacy recognizes that it is necessary that rates produce revenues sufficient to operate the system even if there are changes in demand for service.
- **Sustainability** means that the objective of the rate methodology is to keep rates low over time, not to merely keep them low for the short-term by omitting or deferring needed expenses such as maintenance and funding of necessary cash reserves.
- **Administrative Simplicity** recognizes that limits must be placed on the complexity of the rate schedules to keep them easy to administer and understandable to the public.
- **Legal and Regulatory Compliance** is a prime consideration because rate structures must incorporate applicable local, state, and federal statutes, as well as any interjurisdictional agreements.

The application of these criteria should recognize that a rate schedule is a form of public policy statement, setting forth those values that the City considers important. Rate structures must be tailored to community perceptions, realities, and values, while also adhering to industry standard approaches to cost allocation and rate design.

Fiscal Year

The City operates on a fiscal year beginning July 1st and ending on June 30st each year. All years shown in this report refer to the fiscal year ending that year. For example, 2022 refers to the fiscal year beginning July 1, 2021 and ending June 30, 2022.

Section 2

WATER SYSTEM REVENUE REQUIREMENTS

The first step of the rate study is to compile the costs of owning and operating the City’s water utility system. The three cost components of the City’s Water system are: Operating and Maintenance (O&M); Capital Improvements; and Debt Service (both existing and future). These three cost components total to the amount needed each year to run the water system. While the study is based on the latest available data, there are several major assumptions that are included in the study’s cost projections.

Major Study Assumptions

In order to project the operating, capital improvement, and debt service expenses of the City’s water system, several major assumptions must be made. NewGen’s assumptions ensure that the study’s recommendations reflect a reasonable projection of the costs of the City’s system.

Operating and Maintenance Cost Escalation Factors

NewGen’s cost projections are based on the latest available actual and budgeted data. To reasonably project future costs, escalation and inflation factors must be applied to the City’s budget line items. NewGen’s financial model includes the following operating and maintenance budget line item inflation factors in Table 2-1. NewGen estimated a historically higher than average rate of increase for the City’s water O&M costs.

Table 2-1
O&M Cost Escalation Factors

	Change Per Year
General Inflation	4.0%
Salaries	4.0%
Benefits	4.0%

Although FY 2022 budgeted O&M expenses are forecasted to increase at a rate of 4.0% per year, on average, NewGen projects that the Water utility operating budget will increase 5.1% per year over the five-year projection period. This is due to the inclusion of additional Full Time Employees (FTEs) to support the water system.

Minimum Required Water Fund Cash Balance

Maintaining a minimum Water Fund cash balance is an essential component of the proper financial management of the City’s Water system. The wise management of resources and maintenance of a reasonable cash balance allows the City to be responsive to emergencies and to plan for long term sustainability. As a part of the study, NewGen used the City’s existing policy regarding the minimum fund balance reserves for the City’s Water Fund. The City’s current fiscal policies state: “The City will maintain adequate reserves in each of the enterprise funds to protect these essential City programs. Urban Runoff Fund reserves, Water Fund reserves and Sewer Fund reserves shall have a minimum operating reserve equal to three months of operating expenditures and a capital reserve equal to one-year of capital

Water System Revenue Requirements

expenditures”. Therefore, there are two components to the City’s minimum cash balance policy in the study:

- **Operating Reserve** – 90 days of each year’s annual O&M expenses.
- **Capital Reserve** – 365 days of average annual PAYGO (i.e., cash funded) capital spending.¹

The minimum reserve forecast is shown below in Table 2-2.

**Table 2-2
Minimum Water Fund Reserve Requirement Forecast**

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
O&M Reserve	\$4,020,044	\$4,526,524	\$4,635,158	\$4,869,548	\$4,983,047	\$5,098,874
Capital Reserve	\$4,269,073	\$4,269,073	\$4,269,073	\$4,269,073	\$4,269,073	\$4,269,073
Reserve Recommendation	\$8,289,117	\$8,795,597	\$8,904,231	\$9,138,621	\$9,252,119	\$9,367,946

For the FY 2022-23 Budget, the City has reserved approximately \$4.45 million in operating reserves and \$5.0 million in capital reserves. These projected reserves are noted as being slightly higher than the reserves determined by this study. The amounts are contingent upon actual revenues received and expenditures spent for the year.

The City’s minimum fund balance policy is a key driver of the financial plan detailed in this report. Rates and fees are set in order to cover the operating, debt service, and capital needs of the system, as well as to maintain the minimum cash balance shown above. If at any time the projected rates in a given year would not sustain the minimum cash balance in the next fiscal year, it is assumed that rates must be increased to achieve the minimum required balance.

Operating and Maintenance Expenses

The operating and maintenance expenses of the City’s Water system are organized into several categories:

- Purchased Water
- Employee Costs
- Overhead Costs
- Operating Costs
- City Costs

Employee costs are related to salaries, benefits, training, and other employee related expenses. Overhead costs are allocations of City costs to the Water Fund for City-wide costs such as vehicles, technology, retiree benefits, and insurance. Operating costs are related to supplies and equipment necessary to maintain, rehabilitate, and repair the sewer system. City costs are costs developed as a part of this study that are assumed to begin in FY 2023 related to the Water Fund’s use of City property and right-of-way. Further detail is provided later in this section.

Additional Full Time Employees

NewGen’s study includes the addition of two (2) full time employees (FTEs) to the Water Fund budget beginning in FY 2023 at a total cost of \$191,704. This cost is escalated in future years based on NewGen’s overall study assumptions.

¹ NewGen used a ten-year period to determine the City’s average PAYGO capital spending.

Section 2

Purchased Water

The City purchases 100% of its water supply from two wholesale providers: Metropolitan Water District of Orange County (MWDOC) and California Domestic Water Company (Cal Domestic). A vast majority of the City's water comes from Cal Domestic, as the City owns 5,149.85 Acre Feet (AF) of entitlements with Cal Domestic. Entitlement water comes at a cost less than half of non-Entitlement water. The estimated FY 2023 amount of purchased water is 10,020 AF at a cost of about \$8.5 million. The study includes a cost escalation factor of 3.0% per year for purchased water, as well as estimated of additional water purchases as the City's customer base grows. The City will pass through any increases in wholesale water costs that exceed this assumed increase, and therefore the City's water rates may be materially higher than those forecasted by NewGen under the study's assumptions.

City Costs

As a part of the study, NewGen was tasked with developing appropriate cost allocations to the Water Fund for the use of City property and right-of-way (ROW) beginning in FY 2023. NewGen's O&M cost forecast includes three costs related to the Water Fund's use of City property and ROW.

- **Office Space** – NewGen determined a reasonable cost per square foot of office space comparable to the utility billing counter in the commercial market in Brea based on a survey of fifteen commercial properties. The average cost per square foot is \$2.21, and the City's utility billing counter and related office space is 720 square feet. The Water Fund splits this cost with other City services such as sewer, refuse, urban runoff, and street sweeping. The Water Fund allocation of the monthly cost is 78.0%, resulting in an annual office space cost of \$1,721 (FY 2022). This cost is escalated at 4.0% per year thereafter.
- **City Property** – The water system includes facilities that occupy City owned land. Most Water Fund facilities are on land that was purchased with Water Fund money, and therefore are not included in this calculation. The City's Berry Street reservoir, however, occupies land purchased using City General Fund dollars. To determine an appropriate cost for the use of City land, NewGen calculated a reasonable lease rate for the acreage occupied by the Berry Reservoir. Based on recent land transactions in Orange County where undeveloped land was purchased, NewGen determined the value of an acre of undeveloped land in Brea to be \$18,427 (\$15.92 per square foot). Assuming a 3.0% lease rate, the annual cost of the land occupied by the Berry Street Reservoir is \$190,718 (FY 2022). This cost is escalated at 4.0% per year in future years.
- **City Right-of-Way (ROW)** – The City's water utility occupies about 192 miles of the City's underground ROW. NewGen determined that a reasonable cost of this ROW is 50% of the total ROW cost, with the other 50% being the above-ground ROW unoccupied by the City's water utility pipes. Assuming a 12 inch clearance on both sides of City water pipe and given the various diameters of pipe, the City's buried water infrastructure occupies approximately 2.9 million square feet of City ROW. NewGen calculated the market value of the City's total ROW to be \$7.96. At a 3.0% annual lease rate, the Water Fund's use of City ROW was determined to be \$694,824 (FY 2022). This cost is escalated at 4.0% per year in future years.

The latest available O&M budget at the time of the study was the FY 2022 requested budget. The FY 2022 requested operating budget plus the allocations for City office space, land, and ROW is shown in Table 2-3 below.

**Table 2-3
Operating and Maintenance Expenses Forecast**

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Employee Costs	\$2,593,844	\$2,889,302	\$3,004,874	\$3,125,069	\$3,250,072	\$3,380,075
Overhead Costs	\$1,217,397	\$1,266,093	\$1,316,737	\$1,369,406	\$1,424,182	\$1,481,150
Operating Costs	\$1,852,783	\$1,933,068	\$1,999,234	\$2,068,722	\$2,138,725	\$2,210,971
Purchased Water	\$8,215,909	\$8,898,934	\$9,055,550	\$9,244,112	\$9,401,265	\$9,552,545
City Costs	\$ -	\$936,476	\$973,935	\$1,012,892	\$1,053,408	\$1,095,544
Total O&M Expenses	\$13,879,933	\$15,923,873	\$16,350,329	\$16,820,202	\$17,267,652	\$17,720,284
<i>% Change</i>		14.73%	2.68%	2.87%	2.66%	2.62%

The rates and fees developed in this study are sufficient to cover the increasing operating and maintenance costs of the water utility.

Existing Debt Obligations

From time to time, the City issues debt to fund water system capital projects. As of FY 2022, the City is obligated to pay two outstanding debt issues – Series 2019 and Series 2020. Table 2-4 shows the projected loan payments related to these debt obligations over the five-year study planning period.

**Table 2-4
Current Debt Service Obligations by Issue**

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Series 2019	\$1,763,100	\$1,774,300	\$1,789,800	\$1,802,300	\$1,816,800	\$1,833,050
Series 2020	\$660,479	\$659,398	\$658,012	\$1,126,222	\$1,124,570	\$1,125,431
Total Annual Debt Service	\$2,423,579	\$2,433,698	\$2,447,812	\$2,928,522	\$2,941,370	\$2,958,481

The Series 2019 loan will be paid off in FY 2039. The Series 2020 loan will be paid off in FY 2044. The rates and fees developed in this report are sufficient to fund the above stated debt obligations now and through their maturities.

Capital Improvement Plan

A major component of owning a sustainable water utility is the planning for the rehabilitation and replacement of the City's assets. The City's Capital Improvement Program (CIP) is a detailed list of projects including when they are planned to be completed and how much they are estimated to cost. NewGen's study includes funding for all CIP projects. The City can either pay cash for projects as they are completed (referred to as PAYGO funding), or the City may issue new debt to finance projects over a long term, typically 20 to 30 years. Table 2-5 details the projects included in the City's Master Plan. All projects are assumed to be PAYGO funded – that is, the City will outlay cash for those projects in the year in which they are planned without taking on any additional debt.

Section 2

Table 2-5
FY 2022 – FY 2027 Capital Projects (as provided in the City’s Master Plan)

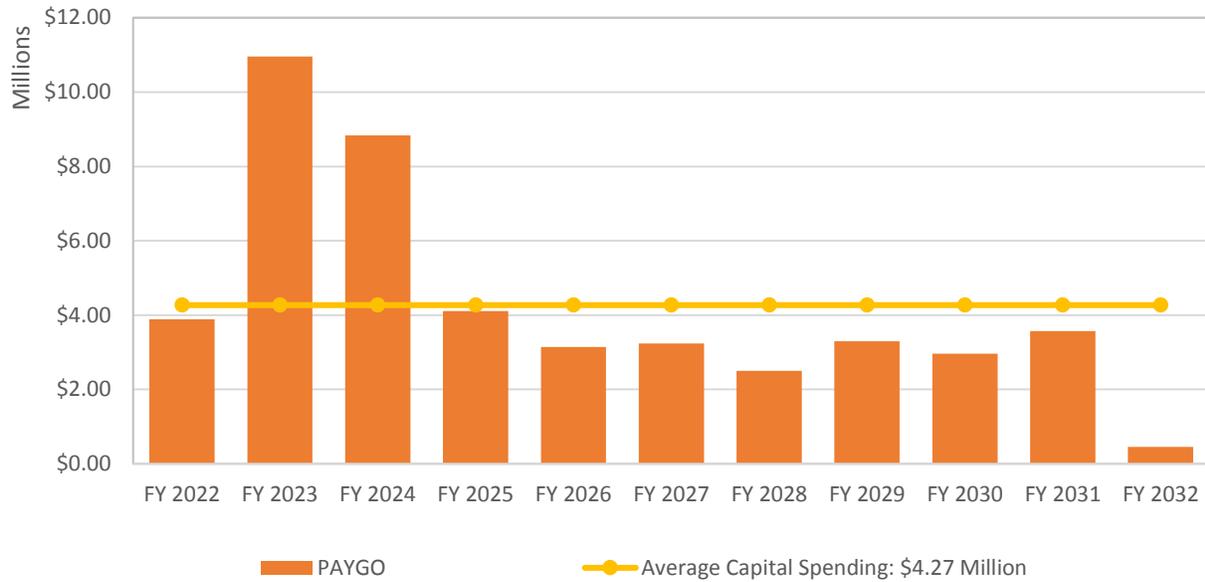
Project	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Walnut/Orange/Juniper Lines	\$2,473,239					
S. Brea Water Mains	\$784,011					
Rehabilitate Ring Road	\$200,000					
New Vehicle		\$51,346				
New High Pressure Water Line	\$80,000	\$1,318,400				
Berry Street Pump		\$360,500				
Replace Generator		\$515,000				
Valencia Avenue Transmission		\$1,712,375				
Candlewood Tract Water Mains		\$1,359,600				
Buttonwood Drive Tract Main		\$2,214,500				
M-Line Replacement Project		\$1,750,000	\$1,750,000			
Enterprise Tract Waterline		\$1,313,250	\$1,352,648			
Berry Street Low Pressure Pump			\$530,450			
Pepper Tree Tract Water Main			\$1,442,824			
Oleander St-Catalpa Ave.			\$1,357,952			
Valencia Pipeline Replacement			\$2,028,441	\$2,089,294		
AMI Implementation				\$1,639,091		
Puente, Site, and State College					\$2,748,943	\$2,831,411
Misc. Water Improvements	\$350,000	\$361,000	\$372,000	\$383,000	\$394,000	\$406,000
Total	\$3,887,250	\$10,955,971	\$8,834,314	\$4,111,385	\$3,142,943	\$3,237,411

The City’s FY 2022 through FY 2032 CIP is included in the rate study model at the estimated costs shown above. Any increases in costs related to these projects will have a material effect on the rate forecasts developed during the study.

A key project is the implementation of Advanced Metering Infrastructure (AMI) in FY 2025. AMI includes the use of water meters that allow customers (and the City) to track individual account water on an hourly, daily, and monthly basis, typically through an online portal. Replacing traditional water meters with AMI meters can provide customers with round-the-clock readings and alert them to anomalies that may indicate a leak. With access to data in real-time, users can see changes in water usage as they happen and also monitor long-term patterns. Also, the City will have access to hourly usage data to develop a deeper understanding of how its customers use water, potentially leading to more refined cost allocations.

Exhibit 2-6 shows the City's planned annual CIP spending included in the study.

Exhibit 2-6 Five-Year Capital Plan Summary by Funding Source



The financial plan and rates developed during the study are projected to fully recover the cost of the above stated capital plan.

New Debt Service Projections

The City does not plan on issuing any new debt to finance water system capital projects.

Debt Service Coverage Ratio

An important metric that should be evaluated when determining the financial prudence of issuing new debt is a system's Debt Service Coverage Ratio (DSCR). A system's DSCR is the ratio of the system's annual debt service payment to its annual revenues net of operating expenses. The City's policy is to maintain a DSCR of 1.25, however utilities with the highest credit ratings often maintain debt service coverage ratios above 2.70².

² Barnes, Glenn. "Key Financial Indicators for Water and Water Systems: Debt Service Coverage Ratio." UNC Environmental Science Center - The Environmental Finance Blog [Chapel Hill, NC], 23 Apr. 2015, efc.web.unc.edu/2015/04/23/debt-service-coverage-ratio.

Section 2

The City's DSCR projections given the capital financing assumptions included in the study are shown in Table 2-7 below.

Table 2-7
Forecasted Debt Service Coverage Ratio – Current and Recommended Rates

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Existing Debt Service	\$2,423,579	\$2,433,698	\$2,447,812	\$2,928,522	\$2,941,370	\$2,958,481
New Debt Service	-	-	-	-	-	-
Total Projected Debt Service	\$2,423,579	\$2,433,698	\$2,447,812	\$2,928,522	\$2,941,370	\$2,958,481
DSCR at FY 2022 Rates	4.44	4.00	3.77	2.98	2.77	2.55
DSCR at Recommended Rates	4.44	3.97	3.74	2.96	2.76	2.55

Because the revenue generated by the recommended rates is approximately equal to the revenues generated by current rates, the forecasted DSCR is equal in both scenarios.

Miscellaneous Non-Rate Revenues

The City accounts for certain Water Fund revenues that are unrelated to the various retail rates and fees charged to customers. These non-rate revenues may be highly volatile from year to year, and the City only budgets for a conservative amount each year. To determine the annual revenue needs of the water system, these non-rate revenues need to be taken into account. There are three non-rate revenues that NewGen included in the study – Water Connection Charges, Interest Income, and Other Income. Other income includes charges such as late fees, penalties, turn on fees, and other miscellaneous fees.

Projected Miscellaneous Non-Rate Revenues

The following Table 2-8 shows the revenues that are credited to the Water Fund but are not dependent on the rates charged to the systems users.

Table 2-8
Water Fund Non-Rate Revenues Forecast

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Water Connection Fees	\$122,770	\$132,588	\$137,007	\$141,888	\$146,257	\$150,670
Interest Income	\$431,145	\$448,391	\$466,326	\$484,979	\$504,379	\$524,554
Other Income	\$630,461	\$655,679	\$681,907	\$709,183	\$737,550	\$767,052
Total Misc. Revenue	\$1,184,376	\$1,236,658	\$1,285,240	\$1,336,051	\$1,388,186	\$1,442,276

In accordance with NewGen's approach to developing future projections, water connection charges are projected to increase in line with growth in new water connections.

Revenue Requirement Projection

Based on the latest available operating, debt service, and capital expense data and the methodologies and assumptions detailed above, NewGen developed a net revenue requirement forecast for the City's Water system, shown in Table 2-9.

Table 2-9
Water Fund Net Revenue Requirement Forecast

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Operating Expenses	\$13,879,933	\$15,923,873	\$16,350,329	\$16,820,202	\$17,267,652	\$17,720,284
Existing Debt Service	\$2,423,579	\$2,433,698	\$2,447,812	\$2,928,522	\$2,941,370	\$2,958,481
New Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Capital	\$3,887,250	\$10,955,971	\$8,834,314	\$4,111,385	\$3,142,943	\$3,237,411
Total Rev. Req.	\$20,190,761	\$29,313,542	\$27,632,456	\$23,860,108	\$23,351,965	\$23,916,176
Less: Non-Rate Rev.	(\$1,184,376)	(\$1,236,658)	(\$1,285,240)	(\$1,336,051)	(\$1,388,186)	(\$1,442,276)
Net Rev. Req.	\$19,006,385	\$28,076,884	\$26,347,215	\$22,524,058	\$21,963,779	\$22,473,899

The net revenue requirement is the basis upon which all rates and fees are calculated for the City's system. Although the net revenue requirement varies from year to year, the financial plan developed during the study takes a long-term perspective in order to maintain stable rates and sufficient reserves.

Section 3 CUSTOMERS AND CONSUMPTION

The City has several types of water customers:

- Single-Family Residential
- Multi-Family Residential
- Irrigation
- Commercial
- Outside Brea
- Lifeline
- Brea Golf Course
- Fireline

The latest full year of customer and consumption data available for the study was FY 2021. Each subsection in Section 3 details the FY 2021 data used to develop the revenue and rate projections during NewGen’s study.

Water System Customers and Consumption

The City serves about 13,250 water customers, both inside and outside the City. For most customers, the City’s current rate structure includes a monthly fixed fee based on meter size and a volumetric rate per metered Hundred Cubic Feet (HCF, equal to 748 gallons). Therefore, the City tracks customers by the size of their meter and how much water they use monthly.

Inside City Single-Family Residential customers make up most of the City’s water users. The number of City water customers by meter size is shown in Table 3-1 below.

**Table 3-1
FY 2021 Water Customers**

Meter Size	Single-Family Residential	Multi-Family Residential	Outside Brea	Commercial	Irrigation	Brea Golf Course	Firelines
5/8"	2,980	10		50	7		
3/4"	124				1		
1"	7,998	55		429	105		
1 1/2"	1	8		80	12		
2"	15	96	5	394	284		2
3"	1	11		39	3		
4"		14		19	1	1	120
6"		9	2	9	1		188
8"		2		1			152
10"							38
12"		2					0
Total	11,119	207	7	1,021	414	1	500

The total under Single-Family Residential includes customers that qualify for the City’s Lifeline Rate, which includes a reduction in the monthly fixed charge and volumetric rate per HCF. The subsidy required to reduce the water rate from these customers is transferred into the Water Fund from the General Fund, and therefore the cost allocations in NewGen’s study do not differentiate between these customer types.

Table 3-2 shows the billable water consumption by customer type in FY 2021.

Table 3-2
FY 2021 Water Consumption in HCF by Customer Type

Meter Size	Single-Family Residential	Multi-Family Residential	Outside Brea	Commercial	Lifeline	Irrigation	Brea Golf Course
Total HCF	1,737,676	512,303	264,620	1,033,838	60,337	596,932	54,538

Fireline customers are not charged a volumetric rate per HCF, and therefore data related to Fireline demand is not included in the study's cost allocations.

Single-Family Residential Tiers

Brea's Single-Family Residential customers are charged an inclining block volumetric charge structure. As a Single-Family Residential customer's consumption increases, the cost of each unit of water increases as defined by specific tiers of monthly volume. Table 3-3 shows the breakdown of Single-Family Residential demand in FY 2021.

Table 3-3
Single-Family Residential Tiered Consumption

Monthly Tier	Consumption (HCF)	% of Consumption
1 - 10 HCF	1,053,433	61%
11 - 20 HCF	454,726	26%
21 - 30 HCF	145,520	8%
30+ HCF	83,997	5%
Total	1,737,676	100%

The distribution of Single-Family Residential consumption within the tiered rate structure is consistent with the City's policy goals of incentivizing the wise use of water. NewGen does not recommend altering the City's tier cutoffs for Single-Family Residential customers.

Customer Growth Forecast

The City has several development projects planned over the study period. NewGen included conservative estimates of customer growth that may be realized as the City's customer base grows. These include a multi-family development Avalon Brea Place Apartments and Brea 265, a 1,100 home development planned, although Brea 265 is not estimated to come online until 2029, beyond this report's projections. Also included are various commercial developments within the City's service area. Table 3-4 shows the assumed growth in the total number of customer meters when considering the City's currently planned development.

Section 3

**Table 3-4
Water Customer Meter Forecast**

Meter Size	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
5/8"	3,047	3,048	3,048	3,048	3,048	3,048
3/4"	125	127	127	127	127	127
1"	8,587	8,664	8,669	8,672	8,672	8,672
1 1/2"	101	106	106	106	106	106
2"	796	870	870	871	871	871
3"	54	57	57	57	57	57
4"	155	158	158	158	158	158
6"	209	210	210	210	210	210
8"	155	155	155	155	155	155
10"	38	38	38	38	38	38
12"	2	2	2	2	2	2
Total	13,269	13,435	13,439	13,443	13,443	13,443
<i>% Increase</i>		1.3%	0.0%	0.0%	0.0%	0.0%

The growth in FY 2023 is due to the assumption that the City's meters will now be charged for water service.

**Table 3-5
Water Demand Forecast**

Type	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Single Family Residential	1,737,676	1,721,067	1,703,966	1,686,926	1,670,057	1,653,356
Multi-Family Residential	512,303	538,524	537,602	541,641	537,565	532,189
Outside Brea	264,620	261,974	259,354	256,761	254,193	251,651
Commercial	1,044,511	1,077,067	1,076,522	1,081,159	1,072,472	1,062,524
Lifeline	60,337	59,734	59,136	58,545	57,959	57,380
Irrigation	596,932	729,317	722,024	714,803	707,655	700,579
Brea Gold Course	54,538	53,993	53,453	52,918	52,389	51,865
Total	4,270,917	4,441,675	4,412,056	4,392,753	4,352,290	4,309,544
<i>% Increase</i>		4.0%	(0.7%)	(0.4%)	(0.9%)	(1.0%)

Similarly to the results in Table 3-4, the growth in FY 2023 is due to the assumption that the City's meters will now be charged for water service. However, NewGen assumed a per capita decline in water demand of 1.0% per year throughout all customer types. Therefore, the City's water demand does not increase at the same rate as the increase in customers, but rather decreases in future years.

Section 4

COST OF SERVICE ANALYSIS

California Constitution - Article XIII D, Section 6 (Proposition 218)

Proposition 218, the applicable portion of which is set out in the California Constitution as Article XIII D, was enacted in 1996 to ensure that public agency utility service rates, fees, and charges are reasonable and proportional to the cost of providing the applicable service(s). The principal requirements for application of such rates, fees, and charges, as they relate to public water service, are as follows:

1. A property-related rate/fee/charge imposed by a public agency on a parcel shall not exceed the costs required to provide the property-related service.
2. Revenues derived by the rate/fee/charge shall not be used for any purpose other than that for which it was imposed.
3. The amount of the rate/fee/charge imposed upon any parcel shall not exceed the proportional cost of service attributable to the parcel.

The American Water Works Association's (AWWA) M1 Manual, Principles of Water Rates, Fees, and Charges, 7th edition (M1 Manual) states that water rates and charges should be recovered from types of customers in proportion to the cost of serving those customers. Proposition 218 requires that water rates/fees/charges cannot be "arbitrary and capricious," meaning that the rate-setting methodology must be sound and that there must be a nexus between the costs and the rates charged. NewGen's cost of service process follows industry standard rate-setting methodologies set forth by the M1 Manual, adhering to Proposition 218 requirements by developing rates that do not exceed the proportionate cost of providing the corresponding services.

Cost of Service Process

NewGen's approach distributes the annual cost of providing water service is among customer types commensurate with their service characteristics. A cost-of-service analysis involves the following tasks:

1. **Functionalize** costs. Examples of functions are supply (i.e., purchased water), distribution, storage, meter servicing, and customer billing and collection.
2. **Allocate** functionalized costs to cost causation components. Cost causation components include base, maximum day, maximum hour, public fire protection, and customer service and billing costs.
3. **Distribute** cost causation components, using unit costs, to customer types in proportion to their use of the water system, including fixed capacity and variable demand.

In this manner, NewGen's study develops rates that reflect the proportional demand on the City's system by similar types of customers.

Test Year Revenue Requirement

The City's forecasted FY 2023 net revenue requirement is the basis for the cost of service rate calculations detailed in this section. The total net revenue requirement in FY 2023 is \$24,350,179, which is the total revenue requirement less miscellaneous revenues and drawdown on reserves to fund PAYGO capital.

Section 4

Basis for System Wide Cost Allocation

To properly assign costs to the system's customer types, it is necessary to determine the cost of each of the systems cost causative components. For this analysis, those components are:

- Base (Average) Demand
- Maximum Day Demand
- Maximum Hour Demand
- Customer Costs
- MWDOC Water Purchases
- Cal Domestic Water Purchases
- Capital
- Distribution
- Fire Protection

The cost causative components are related to the various demands put on the system, as well as the fixed costs that do not vary with demand. To determine the distribution of demand based cost component allocations, the system's FY 2021 demand profile was the latest available. Table 4-1 shows the average, maximum day, and maximum hour system demand flows in cubic feet per minute (CFM) as well as the system wide peaking factors. The peaking factor for Maximum Day and Maximum Hour demand is the ratio of those demands in CFM to the system average.

Table 4-1
System Wide Peaking Factors

Demand	CFM	Peaking Factor
Average	833	1.00
Maximum Day	1,325	1.59
Maximum Hour ³	3,974	4.77

Certain demand related costs of the City's system are assigned one of the demand factors above to determine the system wide costs of each component. Table 4-2 shows the percent allocation of costs under each assignment of demand related costs.

Table 4-2
Demand Allocation to System Flow Components

Cost Component Allocation Basis	System Wide Peaking Factor	Base	Maximum Day	Maximum Hour	Total
Base (Average)	1.00	100%			100%
Maximum Day	1.59	63%	37%		100%
Maximum Hour	4.77	21%	12%	67%	100%

Costs of the City's system are assigned an allocation to the following cost causative components shown in Table 4-3. Maximum Day and Maximum hour allocations have been adjusted to include 5% to Public Fire Protection.

³ The City's latest Water Master Plan determined that the system's maximum hour production rate is three times the maximum daily production rate.

**Table 4-3
Revenue Requirement Allocation to Cost Causative Components**

	Base	Max Day	Max Hour	Customer	MWDOC	CDWC	Capital	Distribution	Fire
Base	100%								
Max Day	60%	35%							5%
Max Hour	20%	12%	63%						5%
Customer				100%					
Administrative	50%			50%					
MWDOC					100%				
CDWC						100%			
Capital							100%		
Distribution								100%	
Fire									100%

Customer costs are related to customer billing and customer service. Administrative costs are related to overall cost of the City's water system finances, administration, and management. Direct allocations exist for MWDOC, Cal Domestic (CDWC), Capital, Distribution, and Fire Protection costs.

When applied to the various line items and revenue requirement components of the City's forecasted FY 2023 costs, the result is the cost allocation shown in Table 4-4.

**Table 4-4
FY 2023 Test Year Revenue Requirement**

Cost Category	FY 2023 Net Revenue Requirement
Base	\$3,342,632
Max Day	\$1,972,153
Max Hour	\$361,095
Customer	\$2,583,426
MWDOC	\$914,400
CDWC	\$7,984,534
Capital	\$2,626,751
Distribution	\$4,220,546
Fire	\$346,714
Total	\$24,352,253

Note that system Capital costs reflected in Table 4-4 does not reflect all system debt service and PAYGO capital (\$13.4 million). This is due to a portion of capital costs being assigned to demand based components of Base, Maximum Day, and Maximum Hour where appropriate. Therefore, not all capital costs are assigned to the system's fixed rate component. This allocation choice was made as to not increase the amount of fixed revenue generated from water rates above 25% (currently 17%).

Section 4

Fixed Charge Cost Allocation

To properly assign fixed and variable costs of the system to customer types, NewGen developed a calculation of system wide equivalent meters based on AWWA flow capacity standards. Table 4-5 demonstrates the calculation of system equivalent meters, which is defined as stating the total flow capacity of all system meters in terms of 1" meters.

**Table 4-5
FY 2023 Equivalent Meter Calculation**

Meter Size	Meters	AWWA Capacity (gpm) ⁴	AWWA Capacity Ratio	FY 2023 Equivalent Meters
5/8"	3,048	20	1.0	3,048
3/4"	127	30	1.0	127
1"	8,664	50	1.0	8,664
1 1/2"	106	100	5.0	530
2"	870	160	8.0	6,957
3"	57	350	17.5	998
4"	158	630	31.5	4,977
6"	210	1,300	65.0	13,650
8"	155	2,800	140.0	21,700
10"	38	4,200	210.0	7,980
12"	2	5,300	265.0	530
Total	13,435			69,161

Table 4-6 demonstrates that the City's system currently must maintain flow capacity to support 69,161 1" meters. Fixed costs related to system capacity are assigned based on equivalent meter units (EMUs).

**Table 4-6
Fixed Charge Units Calculation**

	Fixed Capital	Distribution	Customer Service and Billing
Total Cost	\$2,047,116	\$4,220,546	\$2,583,426
Annual Units	829,930	829,930	161,219
Unit of measure	(EMUs)	(EMUs)	(Meters)
Monthly Cost per Unit	\$2.47	\$5.09	\$16.02

⁴ C713-15 Fluidic-Oscillator (5/8" – 2") C701-12 Turbine Type, Class I and II (3" – 12"), AWWA Manual M1 (Seventh Edition), Table B-2, p. 386

Cost of Service Analysis

Fixed Capital costs are assigned to meters in order to maintain total cost assignments as nearly in line with AWWA meter ratios as is reasonable given the Distribution and Customer Service and Billing cost allocations. Table 4-7 shows the assignment of fixed costs to develop the FY 2023 water rates.

**Table 4-7
FY 2023 Monthly Fixed Charge Calculation**

Meter Size	Meter Capacity Ratio	Fixed Capital	Distribution	Customer Service	Total
5/8"	1.0	\$2.47	\$5.09	\$16.02	\$23.58
3/4"	1.0	\$2.47	\$5.09	\$16.02	\$23.58
1"	1.0	\$2.47	\$5.09	\$16.02	\$23.58
1 1/2"	5.0	\$46.28	\$25.43	\$16.02	\$87.73
2"	8.0	\$79.13	\$40.68	\$16.02	\$135.83
3"	17.5	\$183.17	\$88.99	\$16.02	\$288.19
4"	31.5	\$336.50	\$160.19	\$16.02	\$512.72
6"	65.0	\$703.41	\$330.55	\$16.02	\$1,049.99
8"	140.0	\$1,524.83	\$711.96	\$16.02	\$2,252.81
10"	210.0	\$2,291.47	\$1,067.94	\$16.02	\$3,375.44
12"	265.0	\$2,893.74	\$1,347.64	\$16.02	\$4,257.40

Volumetric Charge Cost Allocation

The remaining costs of the system are assigned to variable rate components. Therefore, cost assignment is based on customer type demand characteristics.

First, because most supply costs apply equally to all customers, a blended cost of each unit of supply must be developed. These costs are averaged for every customer type except Outside Brea customers and the Brea Creek Golf Course. This is due to the fact that the City issued debt to purchase stocks in CDWC to reduce total cost, and therefore the benefit of this lower cost should not apply to customers who bear none of the City's debt risk. The City decided that in the interest of fairness, the remaining customer types would pay the blended rate. The Brea Creek Golf Course pays the average cost of CDWC water, and the Outside City customers pay the average cost of MWDOC water.

Table 4-8 shows the calculation of a blended cost of purchased water per HCF.

**Table 4-8
Blended Supply Unit Cost Calculation**

	Total Supply Purchases (AF)	Total Cost	Sales In HCF	Cost per HCF
CDWC (net BCGC)	9,382	\$7,880,425	4,140,915	\$1.90
MWDOC (net Outside)	601	\$687,412	348,480	\$1.97
		CDWC %	MWDOC %	Blended Supply Rate
Blended Cost Calculation	10,306	92.2%	7.8%	\$1.91

Section 4

Base demand costs are assigned according to the average demand of each customer type. Table 4-9 demonstrates the cost allocation of Base (average) water delivery costs to customer type.

**Table 4-9
Base Delivery Unit Cost Calculation**

	FY 2023 Usage	Percentage of Usage	Base Delivery Costs	Unit Rate
Single-Family Residential	1,780,801	40.1%	\$1,340,162	\$0.75
Multi-Family Residential	538,524	12.1%	\$405,272	\$0.75
Outside Brea	261,974	5.9%	\$197,151	\$0.75
Non-Residential	1,077,067	24.2%	\$810,559	\$0.75
Brea Creek Golf Course	53,993	1.2%	\$40,633	\$0.75
Irrigation	729,317	16.4%	\$548,855	\$0.75
Total			\$3,342,632	

Because Base Delivery costs are assigned according to system-wide averages, the same unit rate applies to all customer types.

System peaking costs are assigned to customer types based on the peaking characteristics of each customer type. The City does not have daily or hourly peak demand data, and therefore NewGen utilized appropriate proxies to develop Maximum Day and Maximum Hour peaking factors for each customer type. As stated previously, the implementation of AMI meters throughout the City's system will allow the City to collect data about hourly peaking for each customer, and therefore each customer type. The data gathered from AMI technology will allow the City to refine the estimated peaking factors used in this study.

Table 4-10 shows the calculation of type peaking factors based on the ratio of average monthly consumption to maximum monthly consumption. The Brea Golf Course peaks off of a well on its property that is separate from the City's system and is therefore assigned no peak demand, resulting in a peaking factor of 1.00.

**Table 4-10
Customer Type Peaking Factor Calculation**

Customer Type	Average Monthly Consumption	Max Month Consumption	Peaking Factor
Single-Family Residential	149,834	182,426	1.22
Multi-Family Residential	42,692	46,752	1.10
Outside Brea	22,052	25,466	1.15
Non-Residential	87,041	108,985	1.25
Brea Creek Golf Course	4,545	-	1.00
Irrigation	61,275	83,213	1.36

For all customer types except Single-Family Residential, variable costs are assigned based on the peaking factors above. However, the Single-Family Residential customer type requires allocations of costs to the various HCF tiers of its variable rate structure. Table 4-11 demonstrates the calculation of peaking factor for each Single-Family Residential rate tier based on a comparison of average monthly consumption to maximum daily consumption.⁵

**Table 4-11
Residential Tier Peaking Factor Calculation**

Residential Tiers	Average Monthly Consumption	Max Day Consumption	Peaking Factor
Tier 1	87,786	91,821	1.05
Tier 2	37,894	50,582	1.33
Tier 3	12,127	20,399	1.68
Tier 4	7,000	13,585	1.94

Maximum Day and Maximum Hour system costs are assigned to customer types based on the peaking factors developed in Table 4-10. Table 4-12 shows the assignment of peaking costs to system customer types.

**Table 4-12
Customer Type Peaking Cost Calculation**

Customer Types	Annual Usage (HCF)	Peaking Factor	Peak Usage	% of Peak	Allocated Peak Costs	Unit Rate
Single-Family Residential	1,780,801	1.22	182,426	40.8%	\$952,563	Allocated to Tiers
Multi-Family Residential	538,524	1.10	46,752	10.5%	\$244,122	\$0.45
Outside Brea	261,974	1.15	25,466	5.7%	\$132,974	\$0.51
Non-Residential	1,077,067	1.25	108,985	24.4%	\$569,080	\$0.53
Brea Creek Golf Course	53,993	1.00	-	-	\$ -	\$ -
Irrigation	729,317	1.36	83,213	18.6%	\$434,508	\$0.60

Tables 4-13 demonstrates the further allocation of Maximum costs to the Single-Family Residential tiers.

**Table 4-13
Residential Maximum Day Peaking Cost Calculation**

Residential Tiers	Annual Usage	Peaking Factor	Max Day Increment	% of Peak	Allocated Peak Cost	Unit Rate
Tier 1	1,053,433	1.05	48,419	12.8%	\$102,870	\$0.10
Tier 2	454,726	1.33	152,258	40.2%	\$323,483	\$0.71
Tier 3	145,520	1.68	99,268	26.2%	\$210,902	\$1.45
Tier 4	83,997	1.94	79,023	20.9%	\$167,890	\$2.00

⁵ Due to the absence of daily demand data, the average day on the maximum month is used as a proxy for maximum day consumption.

Section 4

Due to the absence of Maximum Hour data for Single-Family Residential customers, NewGen assigned a factor of 1.5 times to the Maximum Day peaking factors to develop a Maximum Hour factor for each Single-Family Residential tier. Table 4-14 shows the assignment of Maximum Hour costs to the Single-Family Residential tier structure.

Table 4-14
Single-Family Residential Maximum Hour Peaking Cost Calculation

Residential Tiers	Annual Usage	Peaking Factor	Max Hour Increment	% of Peak	Allocated Peak Cost	Unit Rate
Tier 1	1,053,433	1.57	599,345	41.7%	\$61,473	\$0.06
Tier 2	454,726	2.00	455,750	31.7%	\$46,745	\$0.10
Tier 3	145,520	2.52	221,662	15.4%	\$22,735	\$0.16
Tier 4	83,997	2.91	160,533	11.2%	\$16,465	\$0.20

Table 4-15 shows the sum of peaking costs assigned to Single-Family Residential volumetric rate tiers.

Table 4-15
Single-Family Residential Peaking Cost Totals

Residential Tiers	Maximum Day Unit Rate	Maximum Hour Unit Rate	Total Peak
Tier 1	\$0.10	\$0.06	\$0.16
Tier 2	\$0.71	\$0.10	\$0.81
Tier 3	\$1.45	\$0.16	\$1.61
Tier 4	\$2.00	\$0.20	\$2.19

Volumetric rates for all other customer types consist of the sum of Delivery Costs, Peaking Costs, Variable Capital Costs, and Supply costs. Variable Capital Costs are the costs remaining after Fixed Capital Cost assignment to the rate structure's fixed charge. Capital Cost assignments are based on an allocation of base, maximum day, and maximum hour allocations. Table 4-16 demonstrates the total cost of service (COS) variable rate for customer types other than Single-Family Residential.

Table 4-16
Proposed Volumetric Rates for Non-SFR Types

Customer Types	Delivery	Peaking	Capital	Blended Supply	COS Rate
Multi-Family Residential	\$0.75	\$0.45	\$0.79	\$1.91	\$3.91
Outside Brea	\$0.75	\$0.51	\$1.86	\$1.97	\$5.09
Non-Residential	\$0.75	\$0.53	\$1.04	\$1.91	\$4.23
Brea Creek Golf Course	\$0.75	\$0.00	\$0.00	\$1.90	\$2.66
Irrigation	\$0.75	\$0.60	\$1.37	\$1.91	\$4.63

The Single-Family Residential tiered volumetric rates are shown in Table 4-17, which are again the sum of Delivery Costs, Peaking Costs, Capital Costs, and Supply costs.

Table 4-17
Proposed Volumetric Rates – Single-Family Residential

SFR Monthly Tiers	Delivery	Peaking	Capital	Blended Supply	COS Rate
1 - 10 Units	\$0.75	\$0.16	\$0.38	\$1.91	\$3.20
11 - 20 Units	\$0.75	\$0.81	\$0.70	\$1.91	\$4.17
21 - 30 Units	\$0.75	\$1.61	\$1.23	\$1.91	\$5.50
30+ Units	\$0.75	\$2.19	\$1.59	\$1.91	\$6.44

Section 5

FINANCIAL PLAN AND RECOMMENDED RATES

Financial Projections Under Current Rates

NewGen developed cash flow and cash balance projections assuming the revenue requirements detailed in Section 2 of this report and that the City does not change any water rates or fees. This establishes a baseline projection to which the recommended rate alternative can be compared. In order to project revenues under the current water rates and fees, NewGen compiled each rate and fee charged by the City in FY 2022. The City's FY 2022 rates are summarized below.

FY 2022 Water Rates

The City's current (FY 2022) water rates have two components. The first component is a Fixed Customer Charge that is charged on a monthly basis and based on the meter size of each retail customer. If a customer does not use any water in a given month, then their bill would consist only of the Fixed Customer Charge. Table 5-1 details the FY 2022 Fixed Customer Charges for the City's customers.

Table 5-1
FY 2022 Fixed Customer Charges

Meter Size	Single-Family Residential	Multi-Family Residential	Outside Brea	Commercial	Lifeline	Irrigation	Brea Golf Course
5/8"	\$15.93	\$15.93	\$19.91	\$15.93	\$12.74	\$15.93	\$15.93
3/4"	\$15.93	\$15.93	\$19.91	\$15.93	\$12.74	\$15.93	\$15.93
1"	\$15.93	\$15.93	\$19.91	\$15.93	\$12.74	\$15.93	\$15.93
1 1/2"	\$59.28	\$59.28	\$74.10	\$59.28	\$47.42	\$59.28	\$59.28
2"	\$91.78	\$91.78	\$114.73	\$91.78	\$73.42	\$91.78	\$91.78
3"	\$194.72	\$194.72	\$243.40	\$194.72	\$155.78	\$194.72	\$194.72
4"	\$346.43	\$346.43	\$433.04	\$346.43	\$277.14	\$346.43	\$346.43
6"	\$709.45	\$709.45	\$886.81	\$709.45	\$567.56	\$709.45	\$709.45
8"	\$1,522.17	\$1,522.17	\$1,902.71	\$1,522.17	\$1,217.74	\$1,522.17	\$1,522.17
10"	\$2,280.70	\$2,280.70	\$2,850.88	\$2,280.70	\$1,824.56	\$2,280.70	\$2,280.70
12"	\$2,876.62	\$2,876.62	\$3,595.78	\$2,876.62	\$2,301.30	\$2,876.62	\$2,876.62

Outside Brea customers are charged 1.25 the inside City rate. The financial support for the Lifeline Rate is provided by funds transferred into the Water Fund from the General Fund. Although the Brea Golf Course pays a discounted volumetric rate that does not include peaking costs, it is assigned Fixed Charges the same as other customer types.

The second component of the City’s current water rates is a volumetric charge per hundred cubic feet, or HCF (748 gallons) that is charged to each unit of metered consumption for all retail customers. The FY 2022 HCF rate structure of the City’s system is shown in Table 5-2.

**Table 5-2
FY 2022 Volumetric Charges per HCF**

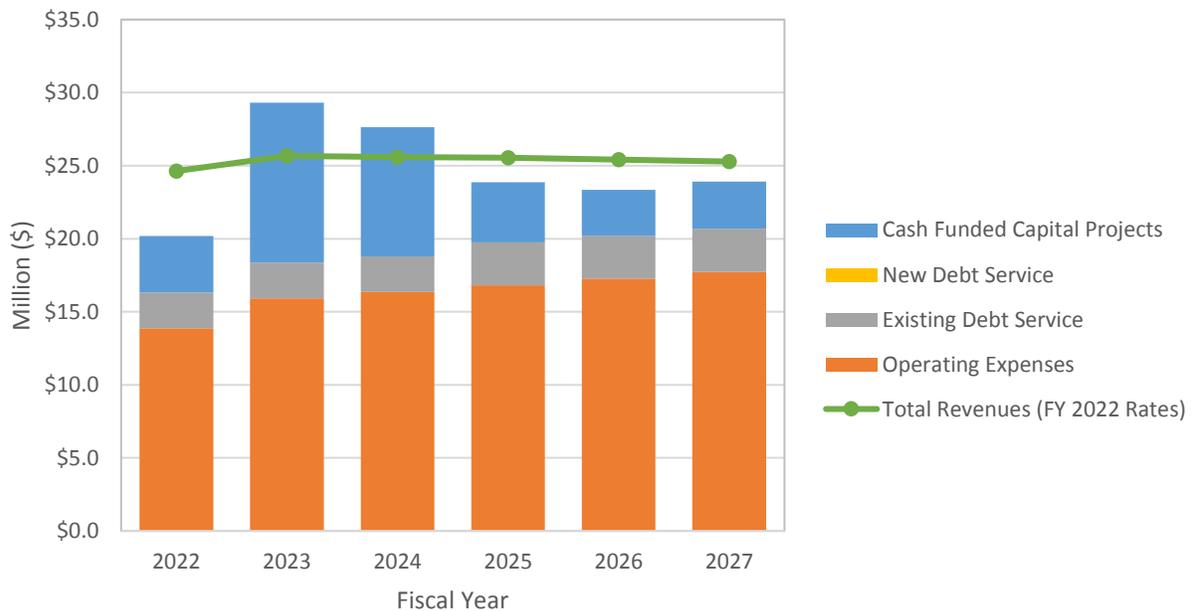
	Single-Family Residential	Multi-Family Residential	Outside Brea	Commercial	Lifeline	Irrigation	Brea Golf Course
All Usage		\$4.39	\$5.72	\$4.75		\$5.20	\$0.43
0 – 10 HCF	\$3.59				\$2.87		
11 – 20 HCF	\$4.69				\$4.22		
21 – 30 HCF	\$6.18				\$5.87		
31+ HCF	\$7.24				\$7.24		

Again, outside Brea customers are charged 1.25 the inside City rate and the financial support for the Lifeline Rate is provided by funds transferred into the Water Fund from the General Fund.

Cash Flow and Fund Balance Projections Under Current Rates

The revenue generated by the FY 2022 rates alone cannot sustain the City Water Fund’s annual revenue requirements in FY 2023 and FY 2024, however, the Water Fund consists of sufficient reserves to maintain compliance with the recommended minimum reserve policy. The expenses shown in the following charts include the projected operating, existing debt, new debt, and cash funded capital projects discussed in Section 2 of this report. The projected revenues assume that the City does not increase any water rates or fees in any fiscal year. The projected revenues and expenses are shown in Exhibit 5-3.

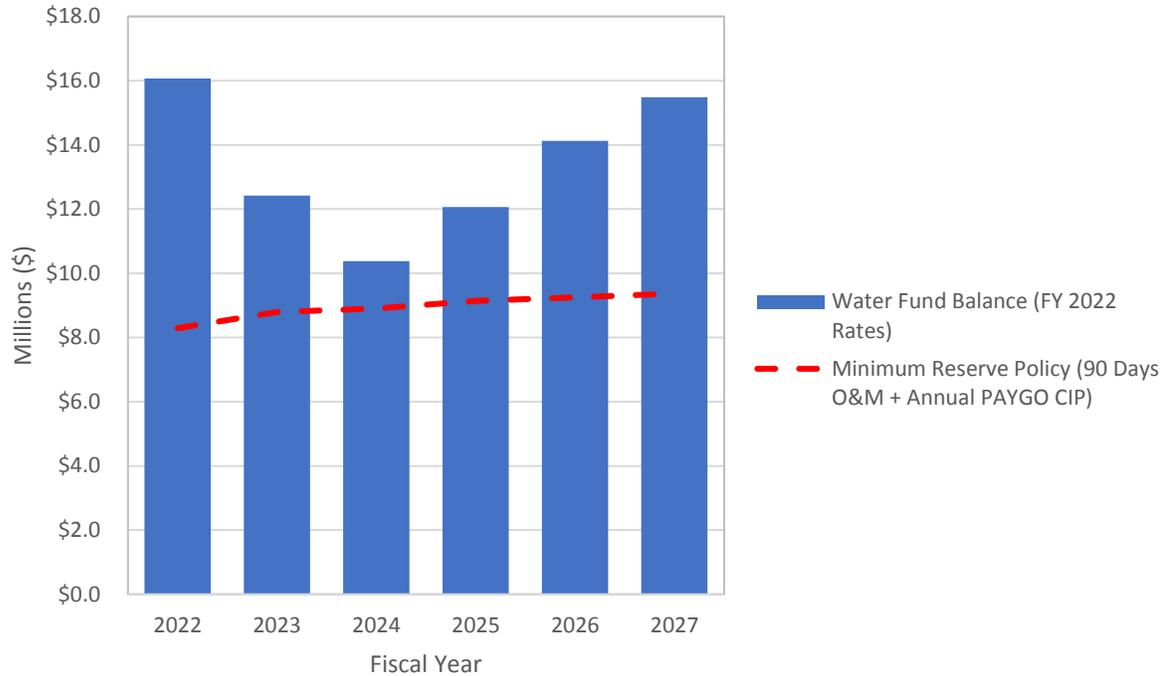
Exhibit 5-3 Expenses vs. Revenues Under Current FY 2022 Rates



Section 5

Exhibit 5-4 shows the forecasted Water Fund balance assuming that the City does not change any water rates or fees.

Exhibit 5-4 Projected Water Fund Cash Balance Projection Under Current FY 2022 Rates



Based on the expenses projected in Section 2 of this report, the City's Water customers and usage detailed in Section 3, and the City's FY 2022 Water rates detailed previously in this section, NewGen's rate study has determined that revenue increases are not necessary to sustain the City's Water system. However, NewGen recommends that the City increase the proportion of revenues from Fixed Charges consistent with the Cost of Service analysis detailed previously in this report.

Recommended Rate Changes

In order to increase fixed revenues that will sustain the water system and to remain consistent with NewGen's Cost of Service analysis, NewGen recommends the following revenue changes for the City's water rates.

**Table 5-5
Recommended Rate Changes**

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Fixed Customer Charge	48.0%	0.0%	0.0%	0.0%	0.0%
Volumetric Charge per HCF	(11.0%)	0.0%	0.0%	0.0%	0.0%
Annual Cash Flow	\$4,441,422	(\$3,724,631)	(\$2,115,345)	\$1,630,598	\$2,024,415
Ending Fund Balance	\$16,069,833	\$12,345,202	\$10,229,858	\$11,860,456	\$13,884,871
Minimum Recommended Reserve	\$8,289,117	\$8,795,597	\$8,904,231	\$9,138,621	\$9,252,119
Over / (Under) Recommended Reserve	\$7,780,717	\$3,549,605	\$1,325,627	\$2,721,835	\$4,632,751

Recommended Rates

Based on the Cost of Service analysis detailed in this report and the recommendation to increase fixed water rate revenue from 17% to 25%, NewGen recommends that the City adopt the following water rates.

Recommended Fixed Customer Charges

If the City adopts the recommended rate increases in FY 2024, then the City's Fixed Customer Charges would be as shown in Table 5-6.

**Table 5-6
Recommended Fixed Customer Charges**

Meter Size	Single-Family Residential	Multi-Family Residential	Outside Brea	Commercial	Lifeline	Irrigation	Brea Golf Course
5/8"	\$23.58	\$23.58	\$29.47	\$23.58	\$18.86	\$23.58	\$23.58
3/4"	\$23.58	\$23.58	\$29.47	\$23.58	\$18.86	\$23.58	\$23.58
1"	\$23.58	\$23.58	\$29.47	\$23.58	\$18.86	\$23.58	\$23.58
1 1/2"	\$87.73	\$87.73	\$109.67	\$87.73	\$70.18	\$87.73	\$87.73
2"	\$135.83	\$135.83	\$169.80	\$135.83	\$108.66	\$135.83	\$135.83
3"	\$288.19	\$288.19	\$360.23	\$288.19	\$230.55	\$288.19	\$288.19
4"	\$512.72	\$512.72	\$640.90	\$512.72	\$410.17	\$512.72	\$512.72
6"	\$1,049.99	\$1,049.99	\$1,312.48	\$1,049.99	\$839.99	\$1,049.99	\$1,049.99
8"	\$2,252.81	\$2,252.81	\$2,816.01	\$2,252.81	\$1,802.26	\$2,252.81	\$2,252.81
10"	\$3,375.44	\$3,375.44	\$4,219.30	\$3,375.44	\$2,700.35	\$3,375.44	\$3,375.44
12"	\$4,257.40	\$4,257.40	\$5,321.75	\$4,257.40	\$3,405.92	\$4,257.40	\$4,257.40

Section 5

Recommended Volumetric Charges per HCF

The following rates shown in Table 5-7 are projected to fully support the future operating, capital, debt service, and reserve requirements of the system.

Table 5-7
Recommended Volumetric Charges per HCF

	Single-Family Residential	Multi-Family Residential	Outside Brea	Commercial	Lifeline	Irrigation	Brea Golf Course
All Usage		\$3.91	\$5.09	\$4.23		\$4.63	\$2.66
0 – 10 HCF	\$3.20				\$2.55		
11 – 20 HCF	\$4.17				\$3.76		
21 – 30 HCF	\$5.50				\$5.22		
31+ HCF	\$6.44				\$6.44		

Note that the volumetric rates shown in the table above reflect a decrease from the current FY 2022 fees, except for the Brea Creek Golf Course. This reflects a decrease in the City's reliance on revenues generated by volumetric charges.

Customer Bill Impact of Recommended Rates

The customer bill impact for several different types of customers if the City were to adopt the revenue increases shown in Table 5-8 but were not to alter any of the rate structures of its various fees is shown below.

Table 5-8
Forecasted Monthly Customer Bills – Median Customers

Sample Customer	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Median Inside City	\$65.90	\$68.05	\$68.05	\$68.05	\$68.05	\$68.05
1" Meter	\$ Change	\$2.15	\$0.00	\$0.00	\$0.00	\$0.00
13 HCF per month	% Change	3.3%	0.0%	0.0%	0.0%	0.0%
Lifeline	\$49.88	\$51.91	\$51.91	\$51.91	\$51.91	\$51.91
1" Meter	\$ Change	\$2.03	\$0.00	\$0.00	\$0.00	\$0.00
12 HCF per month	% Change	4.1%	0.0%	0.0%	0.0%	0.0%
Commercial	\$467.03	\$469.81	\$469.81	\$469.81	\$469.81	\$469.81
2" Meter	\$ Change	\$2.78	\$0.00	\$0.00	\$0.00	\$0.00
79 HCF per month	% Change	0.6%	0.0%	0.0%	0.0%	0.0%

Cash Flow Under Recommended Revenue Increases

Exhibit 5-9 shows the forecasted expenses and revenues assuming the City adopts the recommended Fixed Customer and Volumetric Charges per HCF calculated in this report.

Exhibit 5-9 Water Fund Expenses vs. Revenues Under Recommended Rates

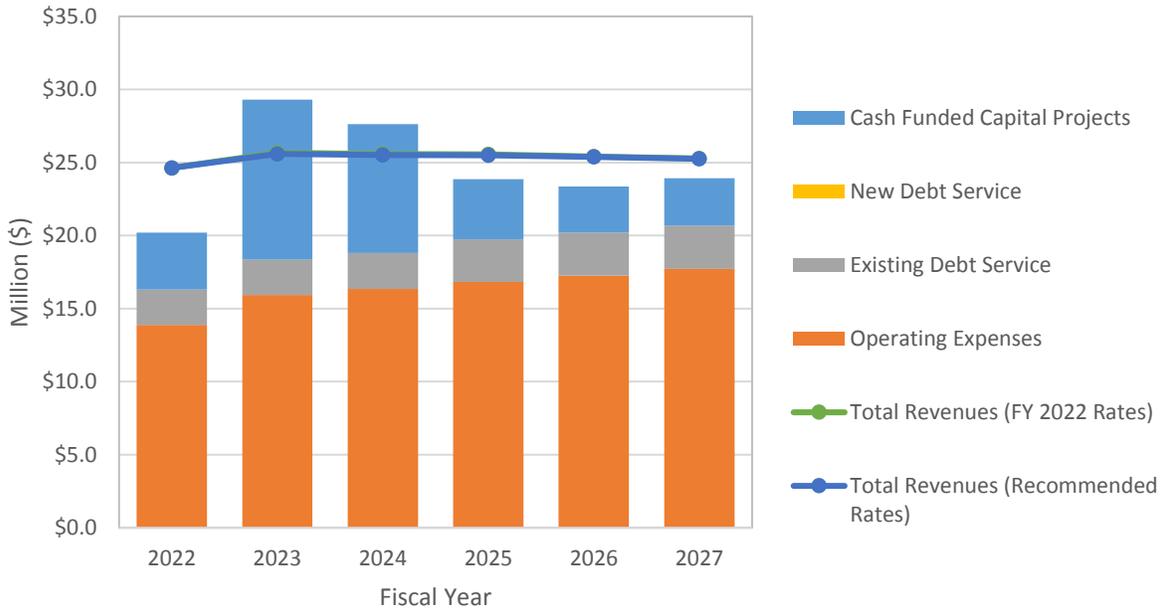
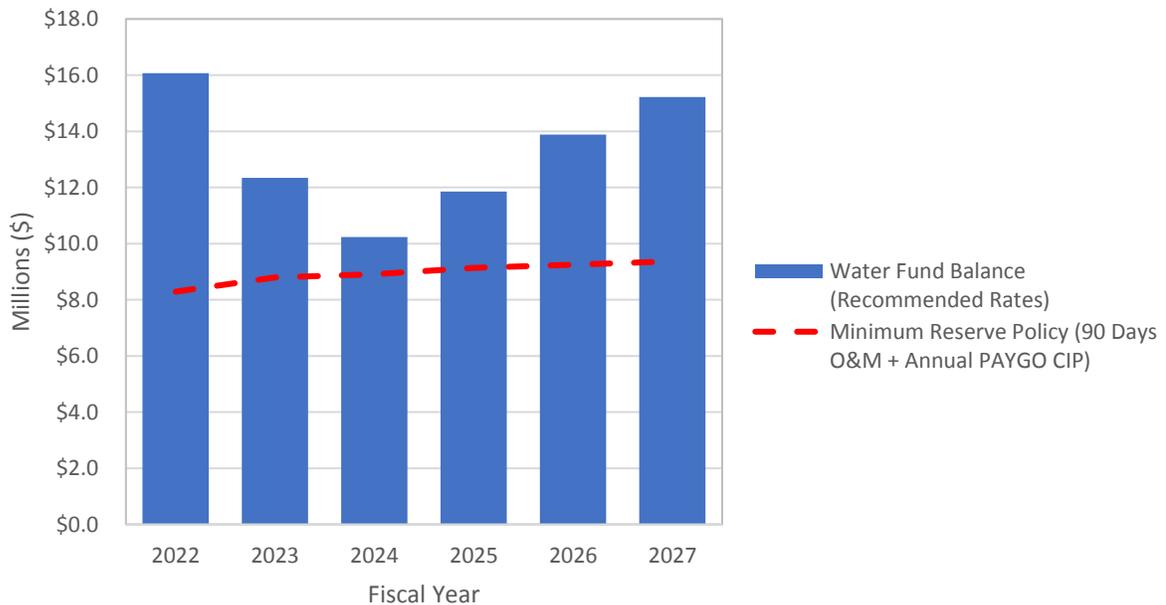


Exhibit 5-10 shows the forecasted Water Fund balance assuming the City adopts the recommended Fixed Customer and Volumetric Charges per HCF calculated in this report.

Exhibit 5-10 Projected Water Fund Balance Under Recommended Rates



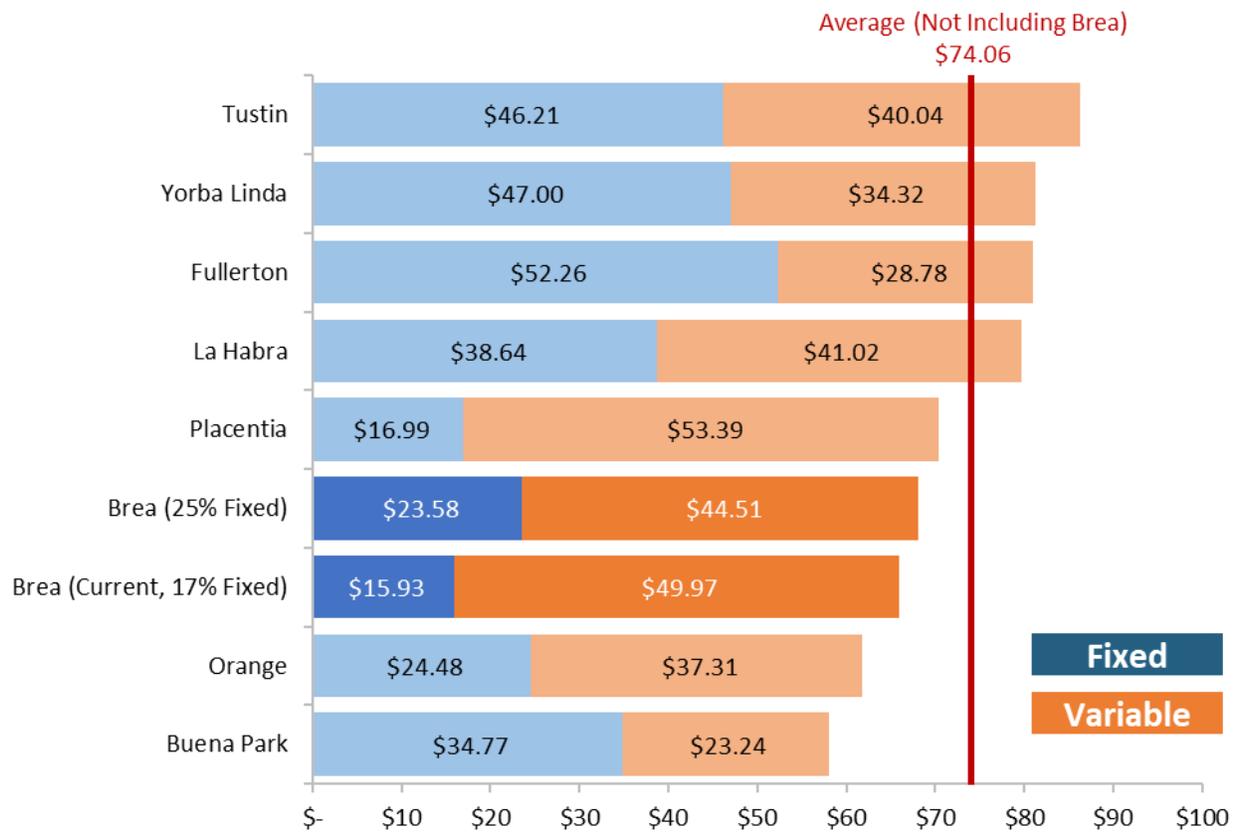
Section 6 REGIONAL BILL COMPARISON

A major consideration when developing any utility financial plan is the impact on the system’s customer bills. The recommendations detailed in this report will result in changes to customer bills, and therefore cost increases to some of the system’s customers.

Regional Bill Comparison

The following exhibit shows a comparative monthly water bill for a median Inside City Single-Family customer (1” meter, 13 HCF monthly usage) in surrounding water service areas.

Exhibit 6-1 Sample Customer Bill, 1” Meter, 13 HCF Monthly Usage



While regional comparisons may provide some context, the ranking of individual customer bills is not a consideration when developing a financial plan and rate structure. The City’s cash needs are independent of the rates in the surrounding jurisdictions, and this comparison is provided for information only.

Section 7

CONSERVATION RATES

At times, pursuant to Executive Order, the State Water Board may direct urban water suppliers to develop rate structures and other pricing mechanisms to maximize water conservation consistent with statewide water use restrictions. The specific form of that direction is left to the discretion of the State Water Board.

As a part of the study, NewGen calculated conservation rates at the 10%, 20%, and 30% reduction levels that reflect the need for the City to continue to fund the fixed costs of the system given the reduction in demand. Specifically, NewGen calculated volumetric rates per HCF under the City's existing rate structure that ensure the City generates revenue consistent with the financial plan described in this report.'

NewGen's methodology includes adjustments for variable costs (i.e., purchased water) as well as reduction in system wide demand by customer type. This, combined with the assumption that the City must fund fixed system costs and maintain its minimum reserves according to its policy, determines the level of volumetric rate per HCF for all customer types.

Conservation Rates - Ten Percent Use Restriction

Table 7-1 demonstrates the demand reduction for Single-Family Residential tiers under a restriction where each Single-Family Residential customer reduces use by ten percent. The impact is not consistent across tiers, as customers are billed in different tiers each month, and some reductions span across two usage tiers.

Table 7-1
Single-Family Residential Demand Impact – Ten Percent Use Restriction

	FY 2021 Demand	Demand Reduction	10% Use Restriction Demand
0 – 10 HCF	1,053,433	(3.5%)	1,016,859
11 – 20 HCF	454,726	(15.6%)	383,760
21 – 30 HCF	145,520	(26.5%)	106,979
31+ HCF	83,997	(33.0%)	56,310

All other customer types are assumed to reduce demand by ten percent, as their volumetric charge per HCF applies to all usage. Table 7-2 shows the calculated rates under a ten percent use restriction scenario.

Section 7

Table 7-2
Volumetric Charges per HCF – Ten Percent Use Restriction

	Single-Family Residential	Multi-Family Residential	Outside Brea	Commercial	Lifeline	Irrigation	Brea Golf Course
All Usage		\$4.50	\$5.87	\$4.87		\$5.33	\$3.06
0 – 10 HCF	\$3.68				\$2.94		
11 – 20 HCF	\$4.81				\$4.33		
21 – 30 HCF	\$6.34				\$6.02		
31+ HCF	\$7.42				\$7.42		

Conservation Rates – Twenty Percent Use Restriction

Table 7-3 demonstrates the demand reduction for Single-Family Residential tiers under a restriction where each Single-Family Residential customer reduces use by twenty percent. The impact is not consistent across tiers, as customers are billed in different tiers each month, and some reductions span across two usage tiers.

Table 7-3
Single-Family Residential Demand Impact – Twenty Percent Use Reduction

	FY 2021 Demand	Demand Reduction	20% Use Restriction Demand
0 – 10 HCF	1,053,433	(7.8%)	971,519
11 – 20 HCF	454,726	(31.9%)	309,703
21 – 30 HCF	145,520	(49.6%)	73,328
31+ HCF	83,997	(57.6%)	35,590

All other customer types are assumed to reduce demand by twenty percent, as their volumetric charge per HCF applies to all usage. Table 7-4 shows the calculated rates under a twenty percent use restriction scenario.

Table 7-4
Volumetric Charges per HCF – Twenty Percent Use Restriction

	Single-Family Residential	Multi-Family Residential	Outside Brea	Commercial	Lifeline	Irrigation	Brea Golf Course
All Usage		\$5.15	\$6.72	\$5.58		\$6.11	\$3.50
0 – 10 HCF	\$4.21				\$3.37		
11 – 20 HCF	\$5.51				\$4.95		
21 – 30 HCF	\$7.26				\$6.89		
31+ HCF	\$8.50				\$8.50		

Conservation Rates – Thirty Percent Use Restriction

Table 7-5 demonstrates the demand reduction for Single-Family Residential tiers under a restriction where each Single-Family Residential customer reduces use by thirty percent. The impact is not consistent across tiers, as customers are billed in different tiers each month, and some reductions span across two usage tiers.

Table 7-5
Single-Family Residential Demand Impact – Thirty Percent Use Reduction

	FY 2021 Demand	Demand Reduction	30% Use Restriction Demand
0 – 10 HCF	1,053,433	(13.1%)	915,224
11 – 20 HCF	454,726	(48.6%)	233,850
21 – 30 HCF	145,520	(68.1%)	46,447
31+ HCF	83,997	(75.2%)	20,852

All other customer types are assumed to reduce demand by thirty percent, as their volumetric charge per HCF applies to all usage. Table 7-6 shows the calculated rates under a thirty percent use restriction scenario.

Table 7-6
Volumetric Charges per HCF – Thirty Percent Use Restriction

	Single-Family Residential	Multi-Family Residential	Outside Brea	Commercial	Lifeline	Irrigation	Brea Golf Course
All Usage		\$5.95	\$7.75	\$6.44		\$7.05	\$4.04
0 – 10 HCF	\$4.86				\$3.89		
11 – 20 HCF	\$6.35				\$5.72		
21 – 30 HCF	\$8.37				\$7.95		
31+ HCF	\$9.81				\$9.81		



THANK YOU!



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FINAL REPORT

SEWER COST OF SERVICE & RATE STUDY

NOVEMBER 2022



Prepared for:
City of Brea
1 Civic Center Circle, 3rd Floor
Brea, California 92821

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Annapolis, MD 21401
Phone: (410) 266-9101

November 8, 2022

Kristin Griffith
Administrative Services Director
City of Brea
1 Civic Center Circle
Brea, CA 92821

Subject: Sewer Rate Study Final Report

Dear Ms. Griffith:

NewGen Strategies and Solutions, LLC (NewGen) is pleased to submit this final report to the City of Brea detailing our completed Sewer Rate Study. This report details the results of our analysis of the forecasted costs of providing sewer service to the City's customers and our recommendations for recovering these costs over the next five years.

We appreciate the opportunity to provide our professional services to the City and would like to express our sincere appreciation to City staff. The dedication and assistance provided by City staff were essential to the completion of this study. It has been a distinct pleasure to work with the City of Brea.

Very truly yours,

DocuSigned by:

C11651334F8F462...
Eric Callocchia
Principal
NewGen Strategies and Solutions, LLC

DocuSigned by:

B4BF015F92D8459...
Tia Carnes
Senior Consultant
NewGen Strategies and Solutions, LLC

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EXECUTIVE SUMMARY

The City of Brea's sewer collection system is managed by the City's Street, Sewer, Storm Drain & Sanitation Division within the Public Works Department. The collection system consists of about 134 miles of gravity sewer lines and three (3) lift stations. Flows from these local sewers discharge into Orange County Sanitation District facilities for treatment and disposal. The City levies charges on its sewer customers in order to inspect, maintain, repair, and replace its sewer collection system.

The City engaged NewGen Strategies and Solutions, LLC to conduct a Sewer Rate Study to determine the revenue needs of the City's Sewer Enterprise Fund in order to support the costs associated with the implementation of the City's newly completed Sewer Master Plan.

Projected Sewer System Revenue Requirement

The revenue requirement of the City's sewer system is the total of the projected Operating, Cash (PAYGO) Capital, and Debt Service (existing and future) costs assuming conservative escalation of the FY 2022 budget and financing of the City's Capital Improvement Program. The projected revenue requirement assumes that the City will spend an average of \$1.9 million on cash capital spending each year and issue no new debt. Miscellaneous non-rate revenues assume that revenue collected from Sewer Connection Charges increase slightly over the projection period and Interest Income remains 1.5% of the Fund Balance.

Table E-1
Sewer Fund Net Revenue Requirement Projection

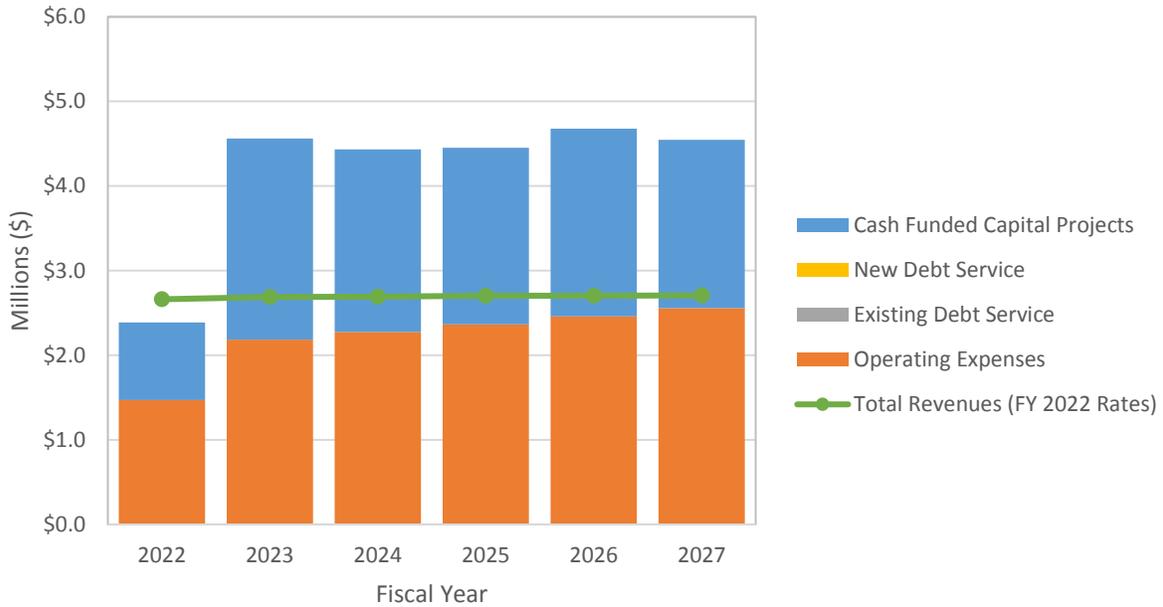
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Operating Expenses	\$1,468,954	\$2,185,637	\$2,273,063	\$2,363,985	\$2,458,545	\$2,556,887
Existing Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Capital	\$917,564	\$2,377,149	\$2,159,148	\$2,088,752	\$2,219,789	\$1,989,899
Total Rev. Req.	\$2,386,518	\$4,562,786	\$4,432,211	\$4,452,737	\$4,678,334	\$4,546,785
Less: Misc. Revenues	(\$114,628)	(\$119,493)	(\$124,222)	(\$129,157)	(\$134,249)	(\$139,537)
Net Rev. Req.	\$2,271,890	\$4,443,294	\$4,307,989	\$4,323,581	\$4,544,085	\$4,407,248

Recommended Revenue Increases

Given the revenue requirement projection detailed above with the assumption that the City does not increase any sewer rates or fees from their FY 2022 level, the following exhibits demonstrate that revenues would not be sufficient to cover system expenses in the following five fiscal years. This projection will lead to revenues falling below the City's required Sewer Fund balance in each year of the five-year projection.

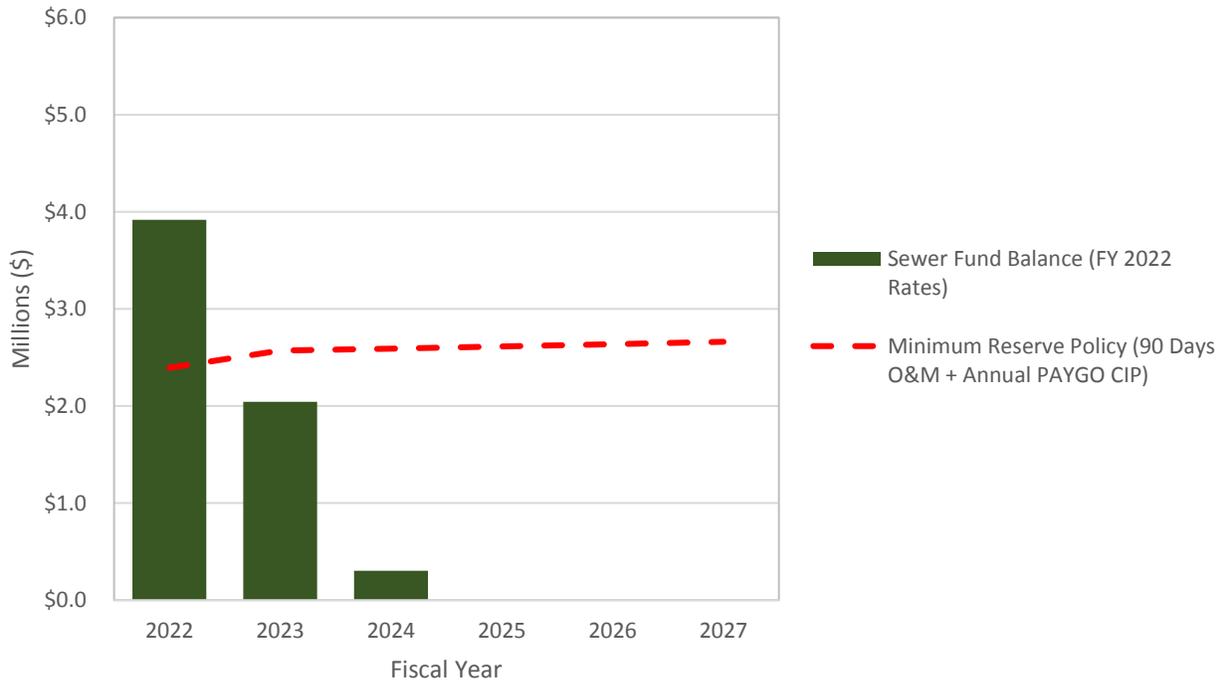
Executive Summary

Exhibit E-2 Sewer Expenses vs. Revenues Forecast Under Current FY 2022 Rates



Assuming that the City does not increase sewer rates above the FY 2022 level, the following exhibit shows the forecasted Sewer Fund balance would fall below the recommended reserve balance policy of 90 days operating expense plus one year of annual PAYGO capital spending in FY 2023, and be completely depleted before FY 2025.

Exhibit E-3 Projected Sewer Cash Balance Forecast Under Current FY 2022 Rates



Executive Summary

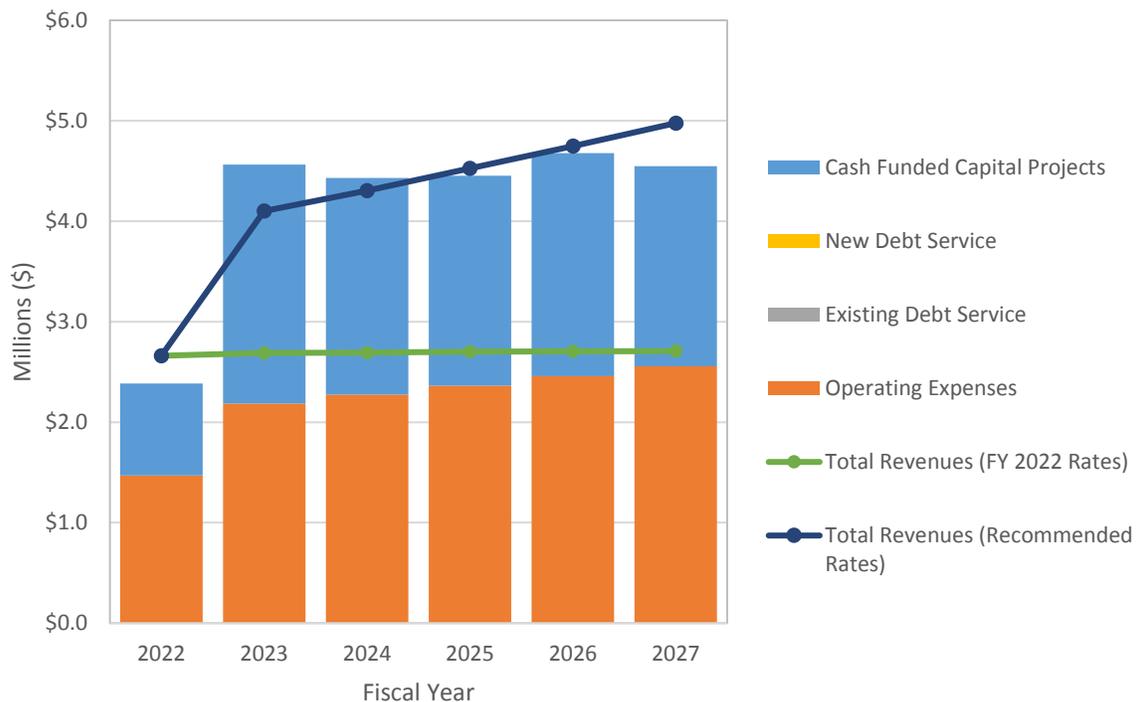
NewGen's study identified rate increases for each of the City's sewer rates that would sustain the City's sewer system under the assumed cost increases.

Table E-4
Recommended Sewer Rate Increases

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Sewer Rate Increase	55.0%	5.0%	5.0%	5.0%	5.0%
Cash Flow at Recommended Rates	\$274,766	(\$462,383)	(\$126,816)	\$73,283	\$68,070
Fund Balance at Recommended Rates	\$3,917,150	\$3,454,767	\$3,327,951	\$3,401,233	\$3,469,304
Minimum Recommended Reserve	\$2,392,871	\$2,569,587	\$2,591,144	\$2,613,563	\$2,636,879
Over / (Under) Minimum	\$1,524,279	\$885,180	\$736,807	\$787,670	\$832,424

Under the recommended rate increases, the City's sewer revenues would be able to support the forecasted operating and capital expenses of the sewer collection system. The following exhibit shows the forecasted operating and capital expenses of the system assuming that the City adopts the rate increases shown above.

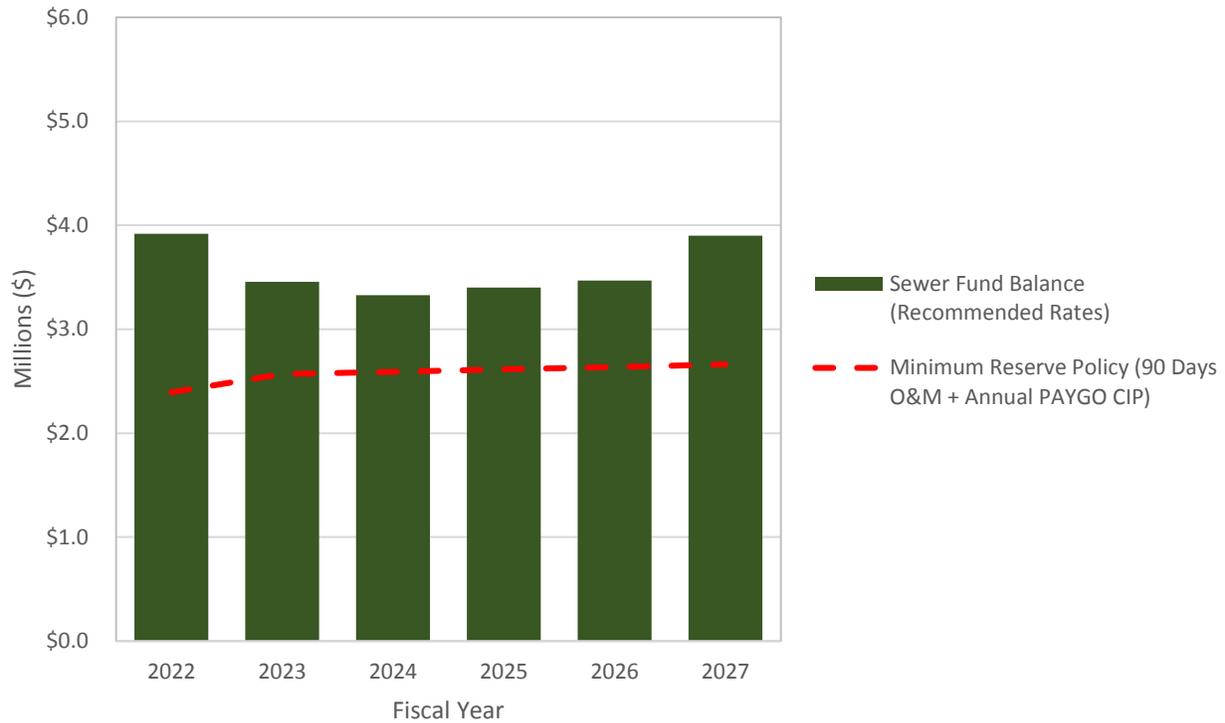
Exhibit E-5 Sewer Expenses vs. Revenues Forecast Under Recommended Rates



Under the recommended rate increases, the City's Sewer Fund would remain above the minimum recommended reserve balance, as shown in the following exhibit.

Executive Summary

Exhibit E-6 Sewer Fund Balance Under Recommended Rates



Rate Projections and Customer Impacts

The impact on the City's median residential and commercial customers of each of the alternatives are as follows:

Table E-7
Projected Monthly Customer Bills – Recommended Rates

Sample Customer	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Single-Family Residential	\$9.43	\$14.62	\$15.35	\$16.11	\$16.92	\$17.77
1" Meter	\$ Change	\$5.19	\$0.73	\$0.77	\$0.81	\$0.85
	% Change	55.0%	5.0%	5.0%	5.0%	5.0%
Commercial	\$75.13	\$116.45	\$122.27	\$128.39	\$134.81	\$141.55
2" Meter	\$ Change	\$41.32	\$5.82	\$6.11	\$6.42	\$6.74
	% Change	55.0%	5.0%	5.0%	5.0%	5.0%

The study found that the City's sewer utility is well managed both operationally and financially. A large one year increase followed by moderate rate increases are needed to support future cost increases related to system rehabilitation and replacement in accordance with the City's Sewer System Master Plan.

Section 1

PROJECT BACKGROUND AND SCOPE

Study Background

The City of Brea's (City) sewer collection system is managed by the City's Street & Sanitation Division within the Public Works Department. Included in this division is: Street & Sidewalk Maintenance; Street Lights and Signage; Downtown Maintenance; Street Sweeping; Storm Drain Maintenance; Sanitation; and Sewers. The collection system consists of about 134 miles of gravity sewer lines and three lift stations. Flows from these local sewers discharge into Orange County Sanitation District (OCSD) facilities for treatment and disposal. The City levies charges on its sewer customers in order to inspect, maintain, repair, and replace its sewer collection system.

The City engaged NewGen Strategies and Solutions, LLC (NewGen) to conduct a Sewer Rate Study (Study) to determine the revenue needs of the City's Sewer Enterprise Fund in order to support the costs associated with the implementation of the City's newly completed Sewer Master Plan (SSMP).

Study Objectives and Guiding Principles

The following principles, developed with input from City staff, were used to guide the rate study and were developed with input from City staff:

- The City's sewer utility must be financially self-supporting. It is assumed that the cost of operating and maintaining the sewer system will be supported by the sewer fees and charges collected from customers with no support or subsidy from other City revenues.
- The City's sewer rates shall be sufficient to ensure the funding of an appropriate level of system rehabilitation and replacement. It is assumed that the City will continually reinvest in the sewer system to replace assets as they reach the end of their useful lives.
- The City shall maintain appropriate reserves to provide for contingencies and unplanned expenses.
- The City's sewer rates shall be kept as low as possible over time. While it is possible to keep rates low for a period of time by not investing sufficiently in the maintenance of the sewer system, eventually the system will deteriorate and require substantial investments leading to the need for significant and immediate rate increases.

The above-stated guiding principles create conflicting goals and objectives for the City's system. Increasing asset investment creates upward pressure on the City's sewer rates. This creates affordability concerns, as the City's sewer rates do not depend on water consumption. The City's overall costs of providing sewer service are largely fixed (i.e. they do not vary substantially with changes in water demand). A carefully crafted financial plan and rate structure help mitigate these impacts. The results of this study maintain a balance between the increasing costs to run the City's sewer infrastructure and the need to maintain affordable service for City customers.

Section 1

Study Approach

NewGen's approach to developing sustainable sewer rates is governed by the view that the ideal rate structure must satisfy seven criteria:

- **Equity** requires that rates and charges result in no undue discrimination among customers or customer types. Although equity is normally related to the cost of service, it should be realized that customer acceptance will center on preconceived notions of equity and fairness.
- **Efficiency** refers to the ability of the rate schedule to encourage wise use of the resources devoted to the services that the utility provides. Efficiency considerations require that:
 - Rates should reflect the cost of providing service.
 - Rates should be similar for customers or customer types served under similar conditions.
 - Customers should be able to understand the rate schedules so that they can make rational decisions regarding their purchase of sewer service.
- **Revenue Adequacy** is the most fundamental of all considerations. Revenue Adequacy recognizes that rates must produce revenues sufficient to operate the system even if there are changes in demand for service.
- **Affordability** means that the recommended rates must result in bills that are realistically within the ability of customers to pay.
- **Sustainability** means that the objective of the rate methodology is to keep rates low over time, not to merely keep them low for the short-term by omitting or deferring needed expenses such as maintenance and funding of necessary cash reserves.
- **Administrative Simplicity** recognizes that limits must be placed on the complexity of the rate schedules to keep them easy to administer and understandable to the public.
- **Legal and Regulatory Compliance** is a prime consideration because rate structures must incorporate applicable local, state, and federal statutes, as well as any inter-jurisdictional agreements.

The application of these criteria should recognize that a rate schedule is a form of public policy statement, setting forth those values that the City considers important. Rate structures must be tailored to community perceptions, realities, and values.

Fiscal Year

The City operates on a fiscal year beginning July 1st and ending on June 30th each year. All years shown in this report refer to the fiscal year ending that year. For example, 2022 refers to the fiscal year beginning July 1, 2021 and ending June 30, 2022.

Section 2

SEWER SYSTEM REVENUE REQUIREMENTS

The first step of the rate study is to compile the costs of owning and operating the City’s sewer utility system. The three cost components of the City’s sewer system are: Operating and Maintenance; Capital Improvements; and Debt Service (both existing and future). These three cost components total to the amount needed each year to run the sewer system. While the study is based on the latest available actual data, there are several major assumptions that are included in the study’s cost projections.

Major Study Assumptions

In order to project the operating, debt service, and capital expenses of the City’s sewer system, several major assumptions must be made. NewGen’s assumptions are conservative to ensure that the study’s recommendations reflect a reasonable projection of the costs of the City’s system.

Operating Budget Escalation Factors

NewGen’s cost projections are based on the latest available actual and budgeted data. To reasonably project future costs, escalation and inflation factors must be applied to the City’s budget line items. NewGen’s financial model includes the following operating and maintenance budget line item inflation factors in Table 2-1. NewGen used conservative estimates related to the three items projected to increase in the future.

Table 2-1
Operating Budget Escalation Factors

	Change Per Year
General Inflation	4.00%
Salaries	4.00%
Benefits	4.00%

Due to compounding, NewGen projects that the Sewer Fund operating budget will increase 13.0% per year over the five-year projection period, driven by the addition of two new Full-Time Employees (FTEs) in FY 2023 and the assumption that the Sewer Fund will begin paying the City for services.

Minimum Required Sewer Fund Cash Balance

Maintaining a minimum Sewer Fund cash balance is an essential component of the proper financial management of the City’s sewer system. The wise management of resources and maintenance of a reasonable cash balance allows the City to be responsive to emergencies and to plan for long-term sustainability. As a part of the sewer rate study, NewGen developed a recommendation regarding the minimum fund balance reserves that are appropriate for the City’s sewer utility fund. There are two components to the study’s recommended minimum fund balance.

Section 2

- **Operating Reserve** – The minimum operating reserve balance shall be 90 days of annual Operating and Maintenance (O&M) expenses.
- **Capital Reserve** – The minimum capital reserve balance shall be 365 days of average annual cash capital spending over a ten-year period.

The minimum reserve projection is shown below in Table 2-2.

Table 2-2
Minimum Sewer Fund Cash Reserve Recommendation

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
O&M Reserve	\$362,208	\$538,924	\$560,481	\$582,900	\$606,217	\$630,465
Capital Reserve	\$2,030,663	\$2,030,663	\$2,030,663	\$2,030,663	\$2,030,663	\$2,030,663
Reserve Recommendation	\$2,392,871	\$2,569,587	\$2,591,144	\$2,613,563	\$2,636,879	\$2,661,128

The City’s current fiscal policies state: “The City will maintain adequate reserves in each of the enterprise funds to protect these essential City programs. Urban Runoff Fund reserves, Water Fund reserves and Sewer Fund reserves shall have a minimum operating reserve equal to three months of operating expenditures and a capital reserve equal to one year of capital expenditures”. For the FY 2022-23 Budget, the City has reserved approximately \$476,000 in operating reserves and approximately \$1.0 million in capital reserves. The amounts are contingent upon actual revenues received and expenditures spent for the year.

The minimum cash balance policy drives the financial plan detailed in this report. Rates and fees are set in order to cover the operating, debt service, and capital needs of the system, as well as to maintain the minimum cash balance shown above. If at any time the projected rates in a given year would not sustain the minimum cash balance in the next fiscal year, it is assumed that rates must be increased to achieve the minimum required balance.

Operating and Maintenance Expenses

The operating and maintenance (O&M) expenses of the City’s sewer system are organized into several categories:

- Employee Costs
- Operating Costs
- Overhead Costs
- City Costs

Employee costs are related to salaries, benefits, training, and other employee-related expenses. Overhead costs are allocations of City costs to the Sewer Fund for City-wide costs such as vehicles, technology, retiree benefits, and insurance. Operating costs are related to supplies and equipment necessary to maintain, rehabilitate, and repair the sewer system.

Additional Full-Time Employees

NewGen’s study includes the addition of two (2) full-time employees (FTEs) to the Sewer Fund budget beginning in FY 2023 at a total cost of \$177,440. This cost is escalated in future years based on NewGen’s overall study assumptions. These positions will be shared with the Urban Runoff Fund.

City Costs

As a part of the study, NewGen was tasked with developing appropriate cost allocations to the Sewer Fund for the use of City property and right-of-way (ROW). NewGen's O&M cost forecast includes two costs related to the Sewer Fund's use of City property and ROW.

- **Office Space** – NewGen determined a reasonable cost per square foot of office space comparable to the utility billing counter in the commercial market in Brea based on a survey of fifteen commercial properties. The average cost per square foot is \$2.21, and the City's utility billing counter and related office space is 720 square feet. The Sewer Fund splits this cost with other City services such as water, refuse, urban runoff, and street sweeping. The Sewer Fund allocation of the monthly cost is 9.0%, resulting in an annual office space cost of \$1,721 (FY 2022). This cost is escalated at 2.4% per year thereafter.
- **City Right-of-Way** – The City's sewer utility occupies about 134 miles of the City's underground ROW. NewGen determined that a reasonable cost of this ROW is 50% of the total ROW cost, with the other 50% being the above-ground ROW unoccupied by the City's sewer utility pipes. Assuming a 12-inch clearance on both sides of the City sewer pipe and given the various diameters of pipe, the City's buried sewer infrastructure occupies approximately 1.9 million square feet of City ROW. NewGen calculated the market value of the City's total ROW to be \$7.96. At a 3.0% annual lease rate, the Sewer Fund's use of City ROW was determined to be \$460,284 (FY 2022). This cost is escalated at 2.4% per year in future years.

The latest available O&M budget is the FY 2022 requested budget. The FY 2022 requested operating budget plus the allocations for City office space and ROW is shown in Table 2-3 below.

Table 2-3
Projected Operating and Maintenance Expenses

	Budget FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Employee Costs	\$907,559	\$1,121,302	\$1,166,154	\$1,212,800	\$1,261,312	\$1,311,764
Overhead Costs	\$368,490	\$383,230	\$398,559	\$414,501	\$431,081	\$448,324
Operating Costs	\$192,905	\$200,621	\$208,646	\$216,992	\$225,672	\$234,698
City Costs	\$ -	\$480,485	\$499,704	\$519,693	\$540,480	\$562,099
Total O&M Expenses	\$1,468,954	\$2,185,637	\$2,273,063	\$2,363,985	\$2,458,545	\$2,556,887
<i>% Change</i>		48.79%	4.00%	4.00%	4.00%	4.00%

The rates and fees developed in this study are sufficient to cover the increasing operating and maintenance costs of the sewer utility.

Existing Debt Obligations

The City has no debt obligations related to the Sewer Fund.

Section 2

Capital Improvement Plan

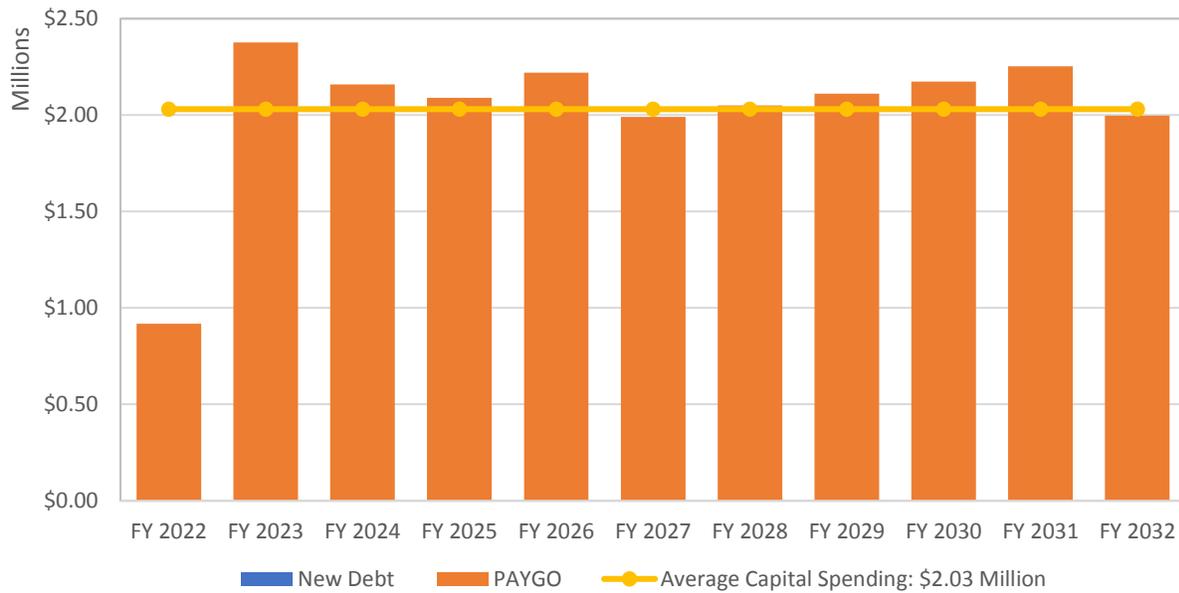
A major component of owning a sustainable sewer utility is the planning for the rehabilitation and replacement of the City's assets. The City's Capital Improvement Program (CIP) is a detailed list of projects including when they are planned to be completed and how much they are projected to cost. NewGen's study includes funding for all CIP projects. The City can either pay cash for projects as they are completed (referred to as PAYGO funding), or the City may issue new debt to finance projects over a long term, typically 20 to 30 years. Table 2-4 details the projects included in the City's Master Plan adopted in November 2021. All projects are assumed to be PAYGO funded – that is, the City will outlay cash for those projects in the year in which they are planned without taking on any additional debt.

Table 2-4
FY 2022 – FY 2027 Capital Projects

Project	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Sewer Relining	\$300,000					
South Brea Sewer	\$617,564					
Briarwood Lift Station		\$1,035,150				
Brea Creek Bypass Line			\$795,675			
Cleaning & Inspection			\$19,839			
Randolph Ave & Imperial Hwy				\$704,809		
Carbon Canyon Phase 1					\$794,328	
Carbon Canyon Phase 2						\$521,673
Condition Improvement Program		\$1,304,499	\$1,343,634	\$1,383,943	\$1,425,461	\$1,468,225
New Vehicle		\$37,500				
Total Planned CIP	\$917,564	\$2,377,149	\$2,159,148	\$2,088,752	\$2,219,789	\$1,989,899

Exhibit 2-5 shows the annual variation of the City's planned CIP spending and the funding source assumed to develop the study's financial projections.

Exhibit 2-5 Ten-Year Capital Plan Summary by Funding Source



The financial plan and rates developed during the study are projected to fully recover the cost of the above-stated capital plan.

New Total Debt Service Projections

The City does not plan on issuing new debt to support sewer utility capital projects.

Miscellaneous Non-Rate Revenues

The City accounts for certain Sewer Fund revenues that are unrelated to the various retail rates and fees charged to customers. These non-rate revenues may be highly volatile from year to year, and the City only budgets for a conservative amount each year. In order to determine the annual revenue needs of the sewer system, these non-rate revenues need to be taken into account. There are three non-rate revenues that NewGen investigated as a part of the study – Sewer Connection Fees, Interest Income, and Other. NewGen’s forecast assumes that the City does not adopt a Sewer Impact Fee.

Projected Miscellaneous Non-Rate Revenues

The following Table 2-6 shows the revenues that are credited to the sewer utility but are not dependent on the rates charged to system users.

Section 2

Table 2-6
Sewer Fund Non-Rate Revenues

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Sewer Connection Fee	\$6,995	\$7,554	\$7,806	\$8,084	\$8,333	\$8,585
Interest Income	\$86,893	\$90,369	\$93,983	\$97,743	\$101,653	\$105,719
Other	\$20,740	\$21,570	\$22,432	\$23,330	\$24,263	\$25,233
Total Misc. Revenue	\$114,628	\$119,493	\$124,222	\$129,157	\$134,249	\$139,537

In accordance with NewGen's approach to developing future projections, all miscellaneous revenues are projected to increase modestly in line with inflation through FY 2027.

Revenue Requirement Projection

Based on the latest available operating, debt service, and capital plan data as well as the methodologies and assumptions detailed above, NewGen developed a net revenue requirement forecast for the City's sewer system, shown in Table 2-7.

Table 2-7
Sewer Fund Net Revenue Requirement Projection

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Operating Expenses	\$1,468,954	\$2,185,637	\$2,273,063	\$2,363,985	\$2,458,545	\$2,556,887
Existing Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Capital	\$917,564	\$2,377,149	\$2,159,148	\$2,088,752	\$2,219,789	\$1,989,899
Total Rev. Req.	\$2,386,518	\$4,562,786	\$4,432,211	\$4,452,737	\$4,678,334	\$4,546,785
Less: Non-Rate Rev.	(\$114,628)	(\$119,493)	(\$124,222)	(\$129,157)	(\$134,249)	(\$139,537)
Net Rev. Req.	\$2,271,890	\$4,443,294	\$4,307,989	\$4,323,581	\$4,544,085	\$4,407,248

The net revenue requirement is the basis upon which all rates and fees are calculated for the City's system. Although the net revenue requirement varies from year to year, the financial plan developed during the study takes a long-term perspective in order to maintain stable rates and sufficient reserves.

Before a financial plan can be developed for the City's sewer utility, an analysis of the system's customer base must be completed. The City's sewer customer base defines the number of accounts that can be charged to generate revenues to fund the net revenue requirement. The next section of this report details the City's sewer customers.

Section 3

SEWER CUSTOMERS

The City has several distinct types of sewer customers:

- Single Family Residential
- Multi-Family Residential
- Commercial
- Single Family Outside
- Brea Olinda Unified School District (BOUSD)
- Government

The latest full year of customer data available for the study is FY 2021.

Sewer Customers

The City serves about 17,800 sewer connections with each multi-family unit counted individually. The City's current rate structure includes a monthly Customer Charge and a volumetric-based fixed fee for some large commercial customers. Single Family Residential retail customers make up a majority of the City's sewer users.

The number of City sewer customers by meter size is shown in Table 3-1 below.

Table 3-1
FY 2021 Sewer Customers

Meter Size	Single Family Residential	Single Family (Outside City)	Multi-Family Residential	Commercial	BOUSD	Government
5/8"	2,983		45	49		1
3/4"	125					
1"	8,015		312	410	2	10
1 1/2"	1		59	79		1
2"	16	1	2,563	371	4	19
3"	1	1	778	0	3	1
4"			1,161	19	5	1
6"			321	9		3
8"			198	12		
10"				5		
12"			206	9		
Total	11,140	2	5,644	963	14	36

The number of City sewer customers is assumed to remain constant over the five-year projection period with the exception of single-family residential customers, which are projected to increase over the five years according to planned developments within the City's sewer service area.

Section 4

FINANCIAL PLAN AND RECOMMENDED RATES

Financial Projections Under Current Rates

NewGen developed cash flow and cash balance projections assuming the revenue requirements detailed in Section 2 of this report and that the City does not increase any sewer rates or fees. This establishes a baseline projection to which revenue increase alternatives can be compared.

In order to project revenues under the current sewer rates and fees, NewGen compiled each rate and fee charged by the City in FY 2022. The City's FY 2022 rates are summarized below.

FY 2022 Sewer Rates

The City's current (FY 2022) sewer rates consist only of monthly fixed charges that differ by customer type and meter size. Large (3"+ meter size) Commercial customers are billed based on wastewater flow per Month (wwf/m) calculations that estimate the amount of water that enters the City's sewer system. NewGen relied on the City's billing database to assign wwf/m to these customers. Multi-Family customers are billed per unit, regardless of meter size. Table 4-1 details the City's FY 2022 sewer rates.

Table 4-1
FY 2022 Sewer Rates

Meter Size	Single-Family Residential	Single-Family (Outside City)	Multi-Family Residential ¹	Commercial	BOUSD	Government
5/8"	\$9.43		\$5.91	\$21.01		\$8.31
3/4"	\$9.43		\$5.91	\$21.01		\$8.31
1"	\$9.43	\$14.33	\$5.91	\$21.01	\$8.72	\$8.31
1 1/2"	\$9.43	\$30.69	\$5.91	\$75.13	\$0.00	\$46.76
2"	\$20.18	\$31.92	\$5.91	\$75.13	\$36.48	\$46.76
3"	\$20.18	\$268.01	\$5.91		\$63.76	\$310.35
4"	\$20.18		\$5.91		\$377.06	\$310.35
6"	\$20.18		\$5.91			\$310.35
8"	\$20.18		\$5.91			\$310.35
10"	\$20.18		\$5.91			\$310.35
12"	\$20.18		\$5.91			\$310.35

¹ Per Unit

Table 4-1
FY 2022 Sewer Rates

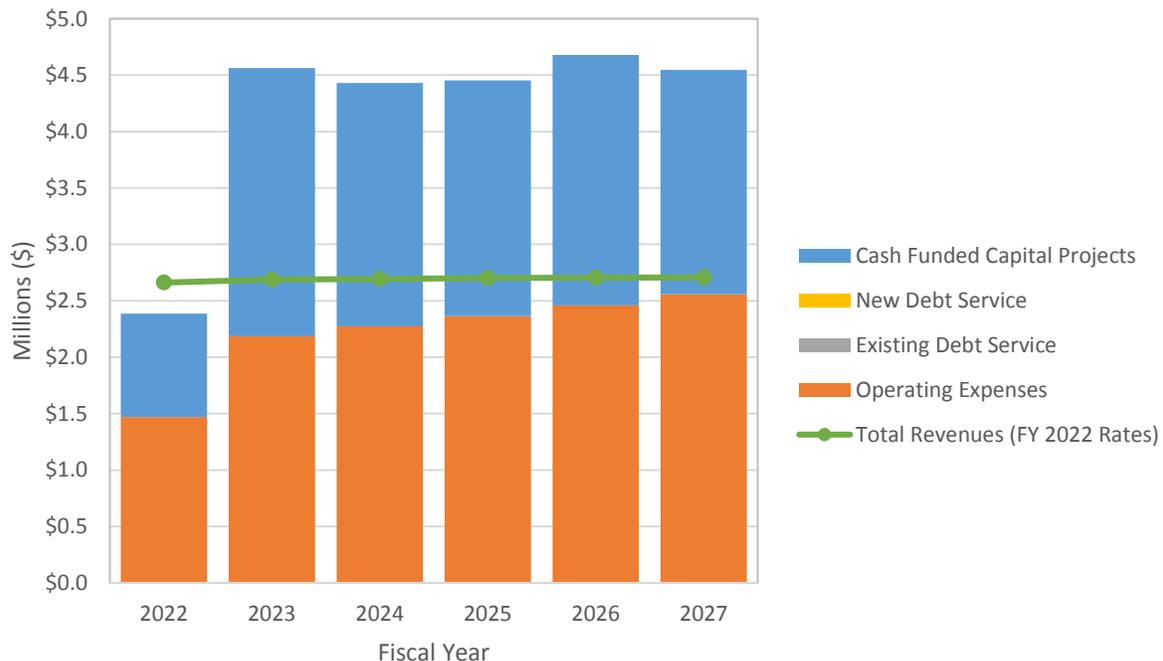
Meter Size	Single-Family Residential	Single-Family (Outside City)	Multi-Family Residential ¹	Commercial	BOUSD	Government
3"+						
0 - 100 wwf/m				\$133.98		
101 - 200 wwf/m				\$192.87		
201 - 400 wwf/m				\$444.64		
401 - 700 wwf/m				\$605.76		
701+ wwf/m				\$1,335.90		

There are some Single-Family customers that are grandfathered into a lifeline sewer rate of 80% of the Single-Family rate. The City no longer offers this program, and therefore NewGen did not calculate future lifeline rates. It is assumed that those accounts that currently qualify for the Sewer Lifeline Rate will continue to do so until those accounts change ownership.

Cash Flow and Fund Balance Projections Under Current Rates

The revenue generated by the FY 2022 rates alone cannot sustain the City Sewer Fund's annual revenue requirements in any of the next five fiscal years (FY 2022 – FY 2027). The expenses shown in the following charts include the projected operating, existing debt, new debt, and cash funded capital projects discussed in Section 2 of this report. The projected revenues assume that the City does not increase any sewer rates or fees in any fiscal year. The projected revenues and expenses are shown in Exhibit 4-2.

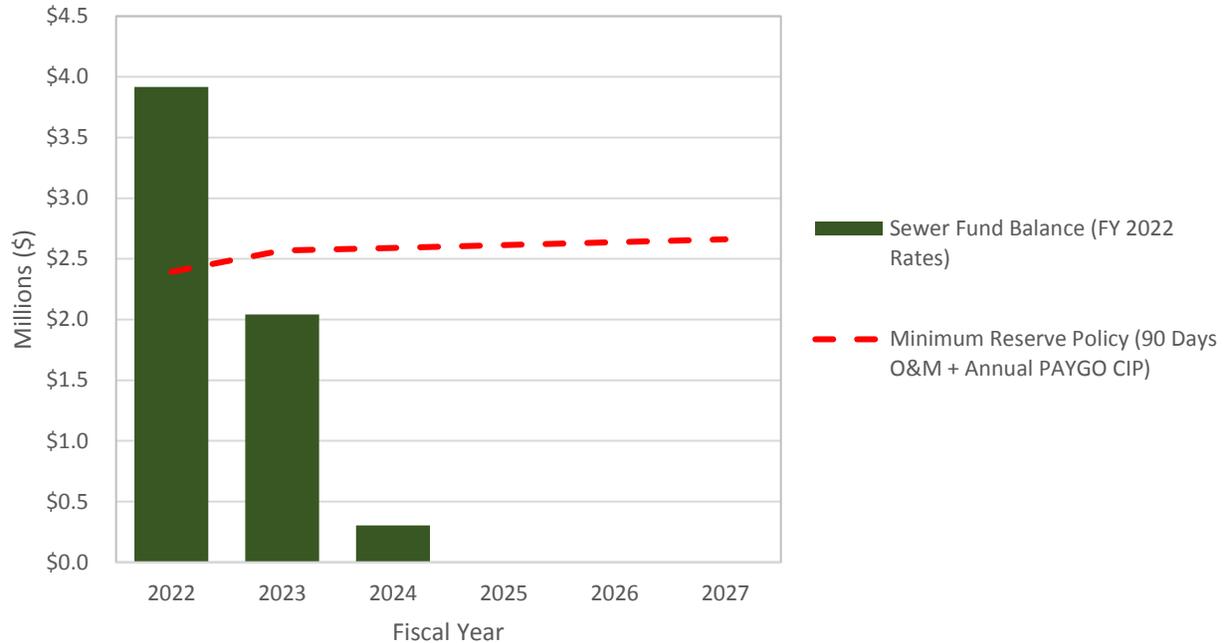
Exhibit 4-2 Expenses vs. Revenues Forecast Under Current FY 2022 Rates



Section 4

If the City were not to raise rates in any of the next five years, then current reserves would need to be relied upon to support the sewer system's capital plan. However, the projected cash deficits would nearly exhaust the sewer utility's cash balance as soon as FY 2024 as shown in Exhibit 4-3.

Exhibit 4-3 Sewer Fund Cash Balance Forecast Under Current FY 2022 Rates



The current revenues generated by the City's FY 2022 sewer rates and the City's Sewer Fund cash reserves cannot support the projected operating, capital, debt service, and reserve requirements of the sewer system. A large one-time increase followed by incremental rate increases are necessary to support the City's sewer operating and capital needs and maintain adequate Sewer Fund reserves.

Based on the expenses projected in Section 2 of this report, the City's sewer customers detailed in Section 3, and the City's FY 2022 sewer rates detailed previously in this section, NewGen's rate study has determined that rate increases are necessary to sustain the City's sewer system.

Recommended Rate Increases

In order to increase revenues that will sustain the sewer system, NewGen recommends the following rate increases for the City's sewer rates.

Financial Plan and Recommended Rates

**Table 4-4
Recommended Sewer Rate Increases**

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Sewer Rate Increase	55.0%	5.0%	5.0%	5.0%	5.0%
Cash Flow at Recommended Rates	\$274,766	(\$462,383)	(\$126,816)	\$73,283	\$68,070
Fund Balance at Recommended Rates	\$3,917,150	\$3,454,767	\$3,327,951	\$3,401,233	\$3,469,304
Minimum Recommended Reserve	\$2,392,871	\$2,569,587	\$2,591,144	\$2,613,563	\$2,636,879
Over / (Under) Minimum	\$1,524,279	\$885,180	\$736,807	\$787,670	\$832,424

Assuming that the City increases its sewer rates consistent with the table above, the result is that the City is able to fund the system's projected operating, capital, and debt service expenses while also maintaining the recommended reserves.

Projected Rates

NewGen recommendations begin in FY 2023. If the City adopts the recommended rate increases each year from FY 2024 through FY 2027, then the City's sewer rates would be as shown in Table 4-5.

**Table 4-5
Recommended Sewer Rates**

Customer Type	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<u>Single-Family Residential</u>						
5/8" - 1 1/2"	\$9.43	\$14.62	\$15.35	\$16.11	\$16.92	\$17.77
2" and Greater	\$20.18	\$31.28	\$32.84	\$34.49	\$36.21	\$38.02
<u>Single-Family Outside</u>						
2"	\$31.92	\$49.48	\$51.95	\$54.55	\$57.27	\$60.14
3"	\$268.01	\$415.42	\$436.19	\$458.00	\$480.90	\$504.94
<u>Multi-Family Residential</u>						
Per Unit	\$5.91	\$9.16	\$9.62	\$10.10	\$10.60	\$11.13
<u>Commercial</u>						
5/8" - 1"	\$21.01	\$32.57	\$34.19	\$35.90	\$37.70	\$39.58
1 1/2" - 2"	\$75.13	\$116.45	\$122.27	\$128.39	\$134.81	\$141.55
0 - 100 wwf/m	\$133.98	\$207.67	\$218.05	\$228.96	\$240.40	\$252.42
101 - 200 wwf/m	\$192.87	\$298.95	\$313.90	\$329.59	\$346.07	\$363.37
201 - 400 wwf/m	\$444.64	\$689.19	\$723.65	\$759.83	\$797.83	\$837.72
401 - 700 wwf/m	\$605.76	\$938.93	\$985.87	\$1,035.17	\$1,086.93	\$1,141.27
701+ wwf/m	\$1,335.90	\$2,070.65	\$2,174.18	\$2,282.89	\$2,397.03	\$2,516.88

Section 4

**Table 4-5
Recommended Sewer Rates**

Customer Type	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<u>BOUSD</u>						
1"	\$8.72	\$13.51	\$14.18	\$14.89	\$15.64	\$16.42
2"	\$36.48	\$56.55	\$59.38	\$62.35	\$65.46	\$68.74
3"	\$63.76	\$98.83	\$103.77	\$108.96	\$114.41	\$120.13
4"	\$377.06	\$584.45	\$613.67	\$644.35	\$676.57	\$710.40
<u>Government</u>						
5/8" - 1"	\$8.31	\$12.88	\$13.52	\$14.20	\$14.91	\$15.66
1 1/2" - 2"	\$46.76	\$72.48	\$76.10	\$79.90	\$83.90	\$88.09
3" - 6"	\$310.35	\$481.04	\$505.09	\$530.34	\$556.86	\$584.70

Customer Bill Impact of Increased Rates

Table 4-6 shows the customer bill impact for two typical customers if the City were to adopt the rates shown in Table 4-5.

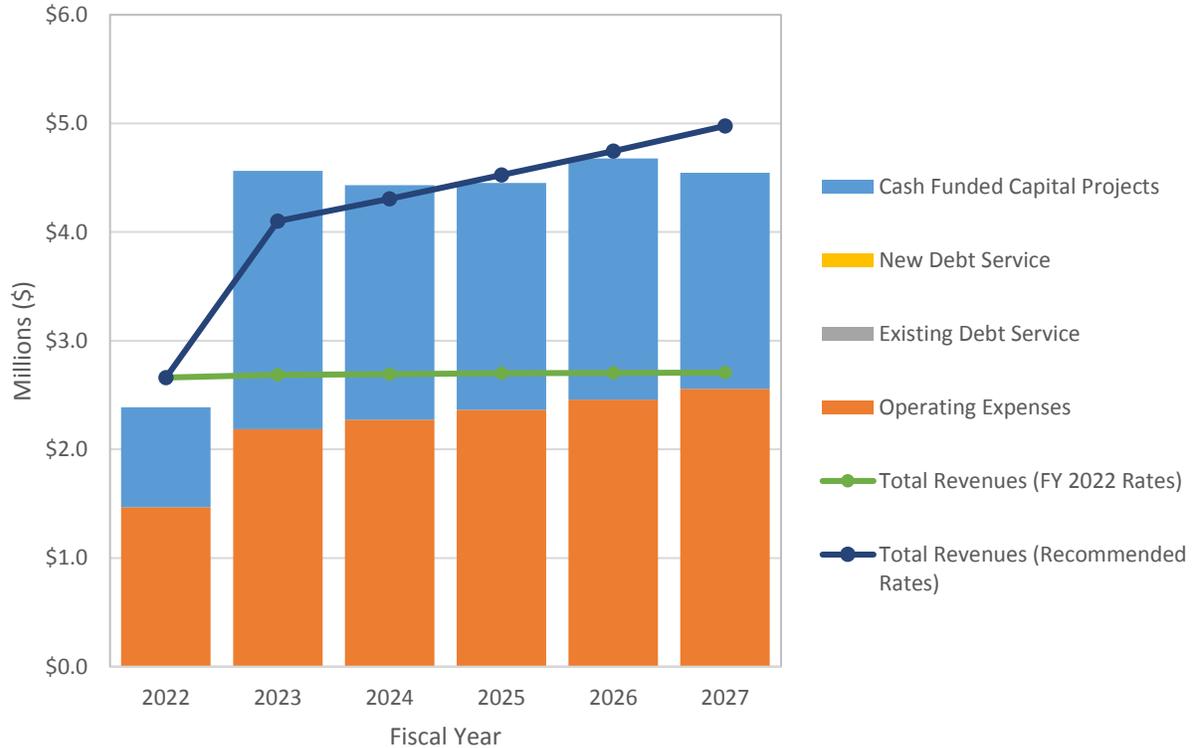
**Table 4-6
Projected Monthly Customer Bills – Recommended Rates**

Sample Customer	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Single-Family Residential	\$9.43	\$14.62	\$15.35	\$16.11	\$16.92	\$17.77
1" Meter	\$ Change	\$5.19	\$0.73	\$0.77	\$0.81	\$0.85
	% Change	55.0%	5.0%	5.0%	5.0%	5.0%
Commercial	\$75.13	\$116.45	\$122.27	\$128.39	\$134.81	\$141.55
2" Meter	\$ Change	\$41.32	\$5.82	\$6.11	\$6.42	\$6.74
	% Change	55.0%	5.0%	5.0%	5.0%	5.0%

Cash Flow Under Recommended Rate Increases

Exhibit 4-7 shows the projected expenses and revenues under the recommended rate increase plan.

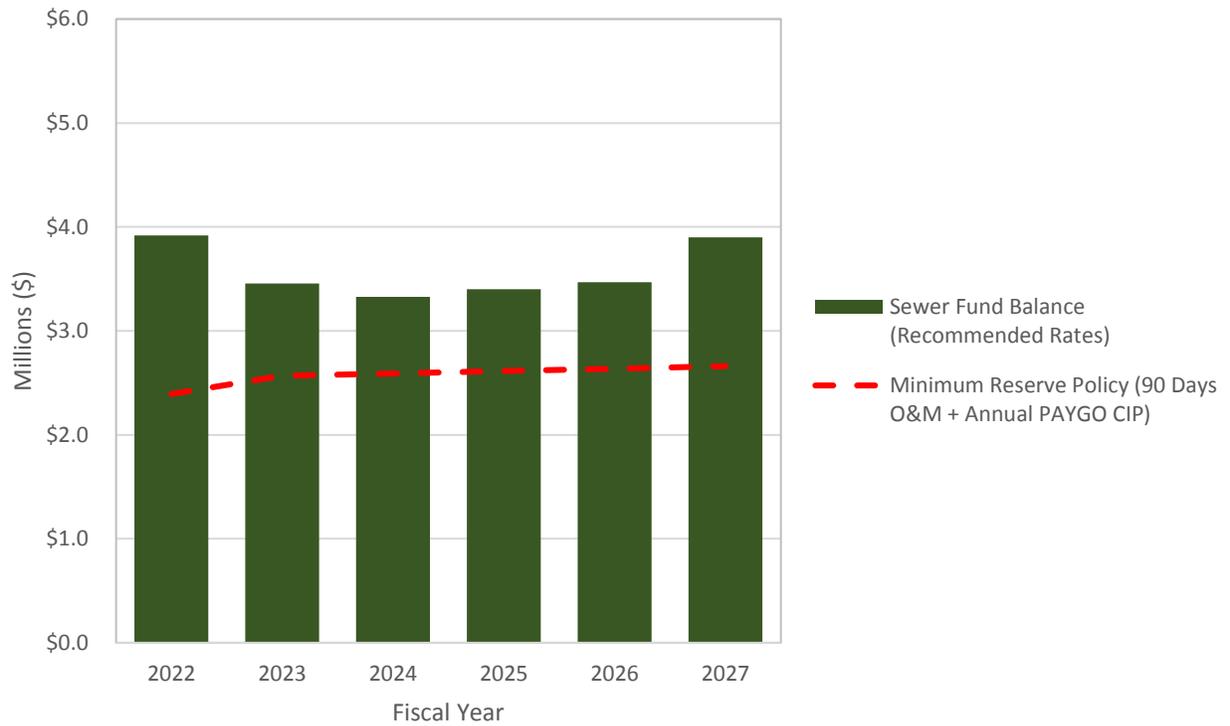
Exhibit 4-7 Expenses vs. Revenues Under Recommended Rate Increases



The revenues projected in FY 2022 through FY 2027 under the Recommended Rate Increases fully fund the annual revenue requirement and add to the City's cash reserves needed to support the system throughout the five-year projection period. The large one-year increase allows revenues to nearly keep up with expected operating expenses and cash funded capital projects. After the one-year increases, expenses and capital will be funded through consistent small increases.

Section 4

Exhibit 4-8 Projected Sewer Fund Cash Balance Under Recommended Rates



The City will draw down on Sewer Fund reserves in the near term but is still able to support the system's operations and capital improvements.

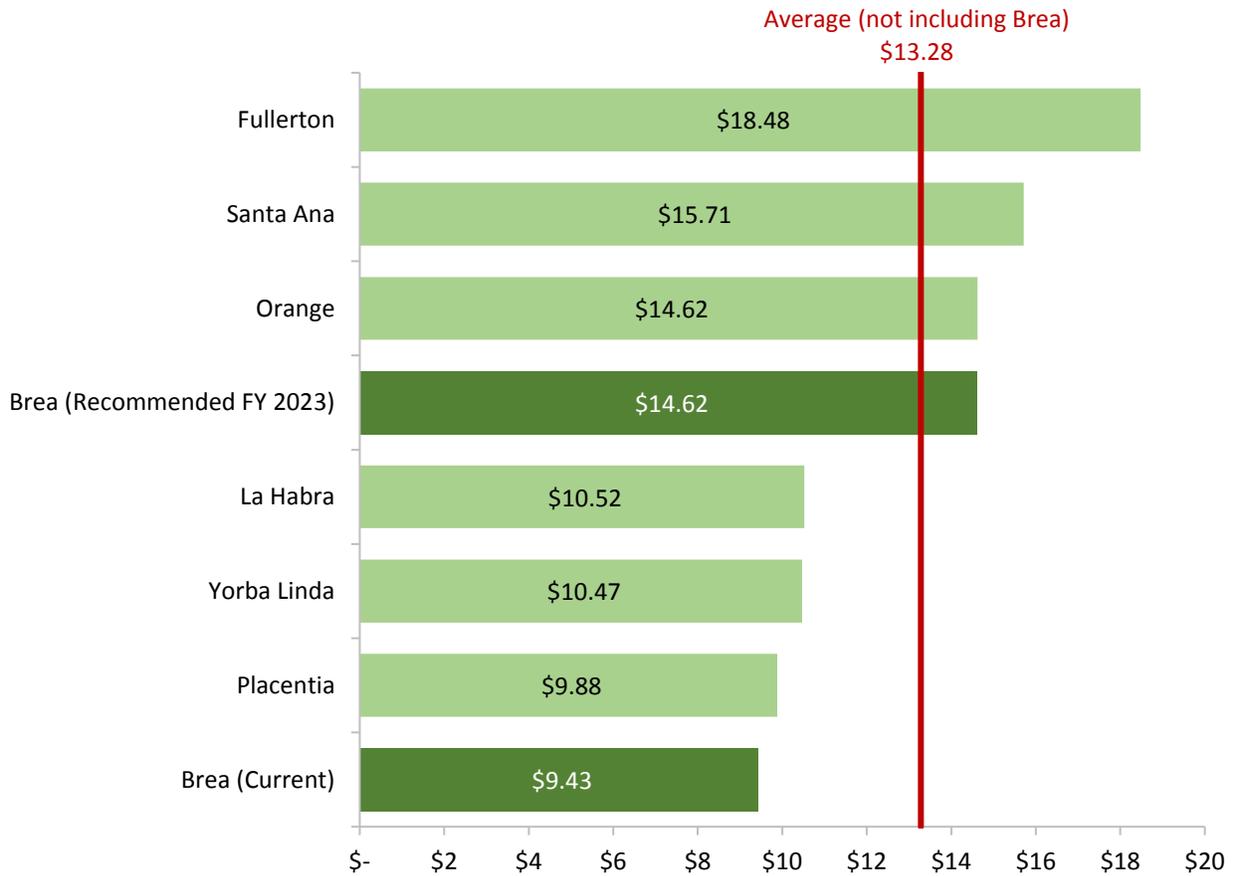
Section 5 REGIONAL BILL COMPARISON

A major consideration when developing any utility financial plan is the impact on the system’s customer bills. The recommendations detailed in this report will result in changes to customer bills, and therefore cost increases for some of the system’s customers. This section will show the impact of NewGen’s recommendations on the City’s customers and a comparison of a similar customer’s bill in surrounding utilities.

Regional Bill Comparison

The following exhibit shows a comparative monthly sewer bill for a Single-Family Residential customer (1” meter) in surrounding water service areas.

Exhibit 6-1 Sample Customer Bill, 1” Meter



While regional comparisons may provide some context, the ranking of individual customer bills is not a consideration when developing a financial plan and rate structure. The City’s cash needs are independent of the rates in the surrounding jurisdictions, and this comparison is provided for information only.





THANK YOU!



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November 15, 2022

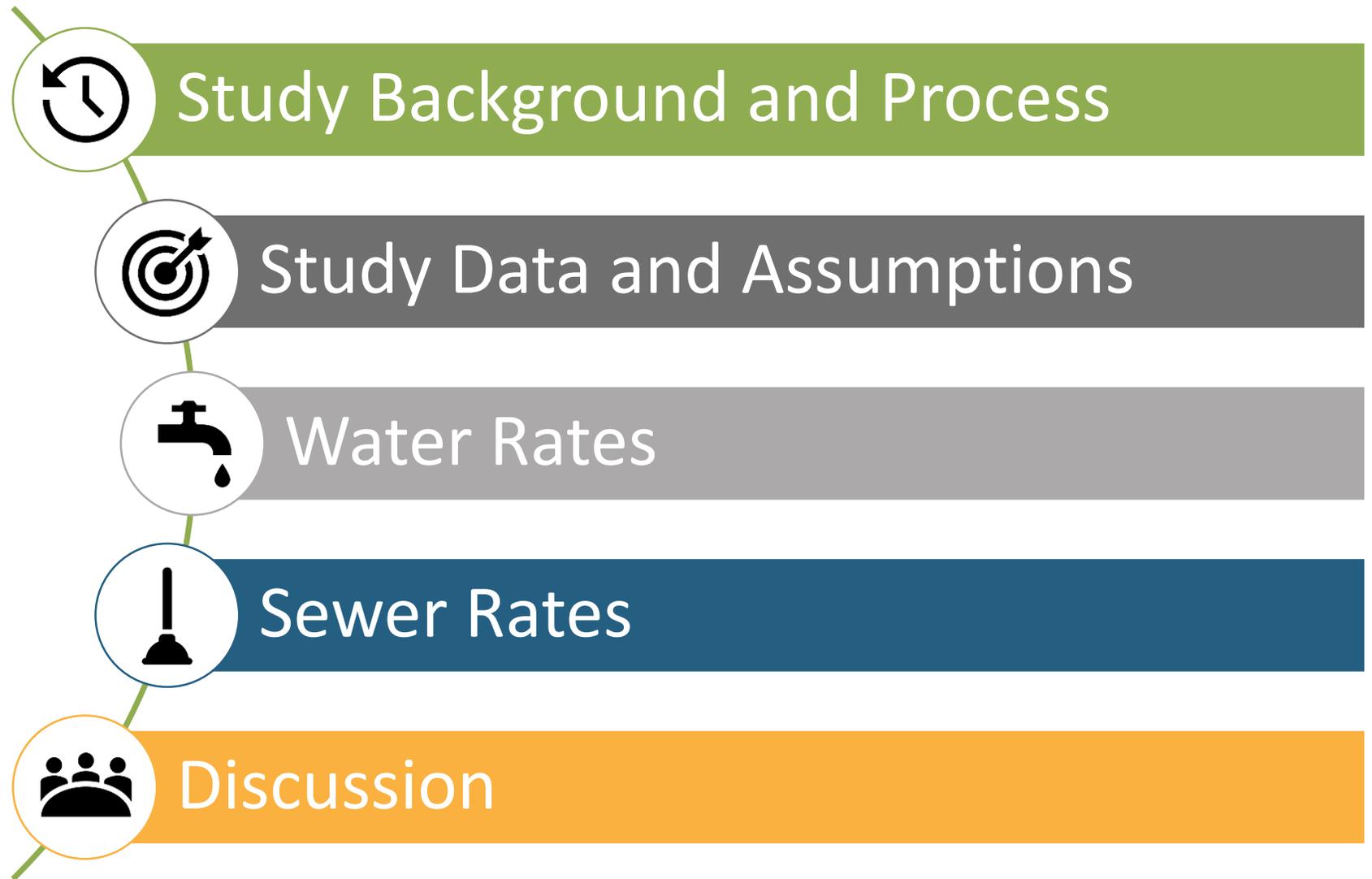
CITY OF BREA

WATER AND SEWER RATE STUDY

PUBLIC HEARING PRESENTATION

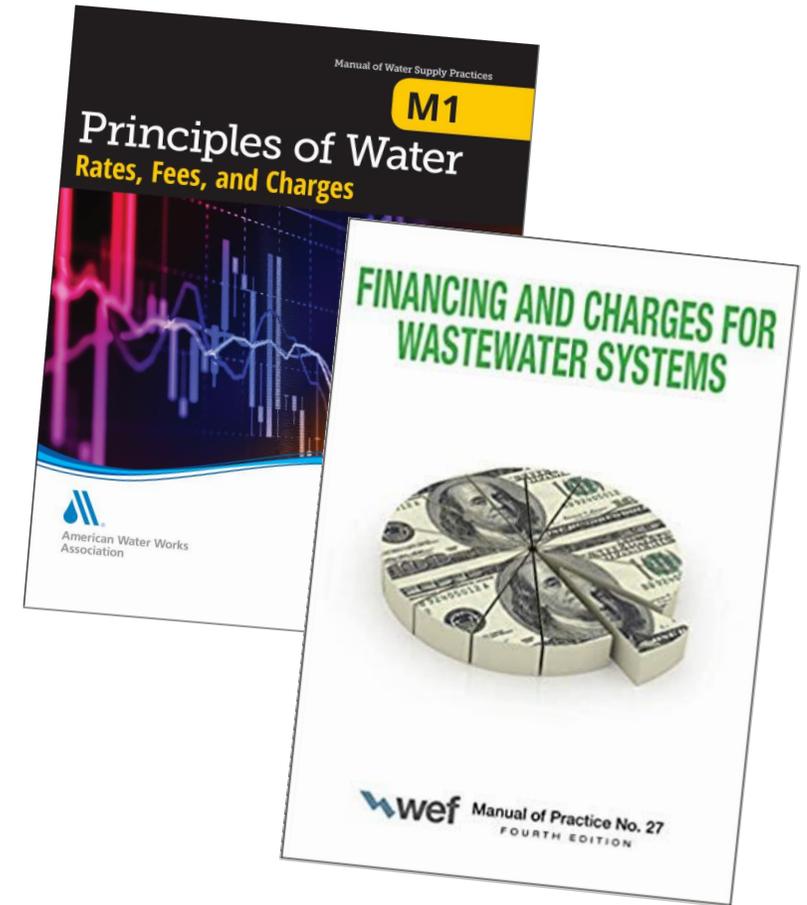
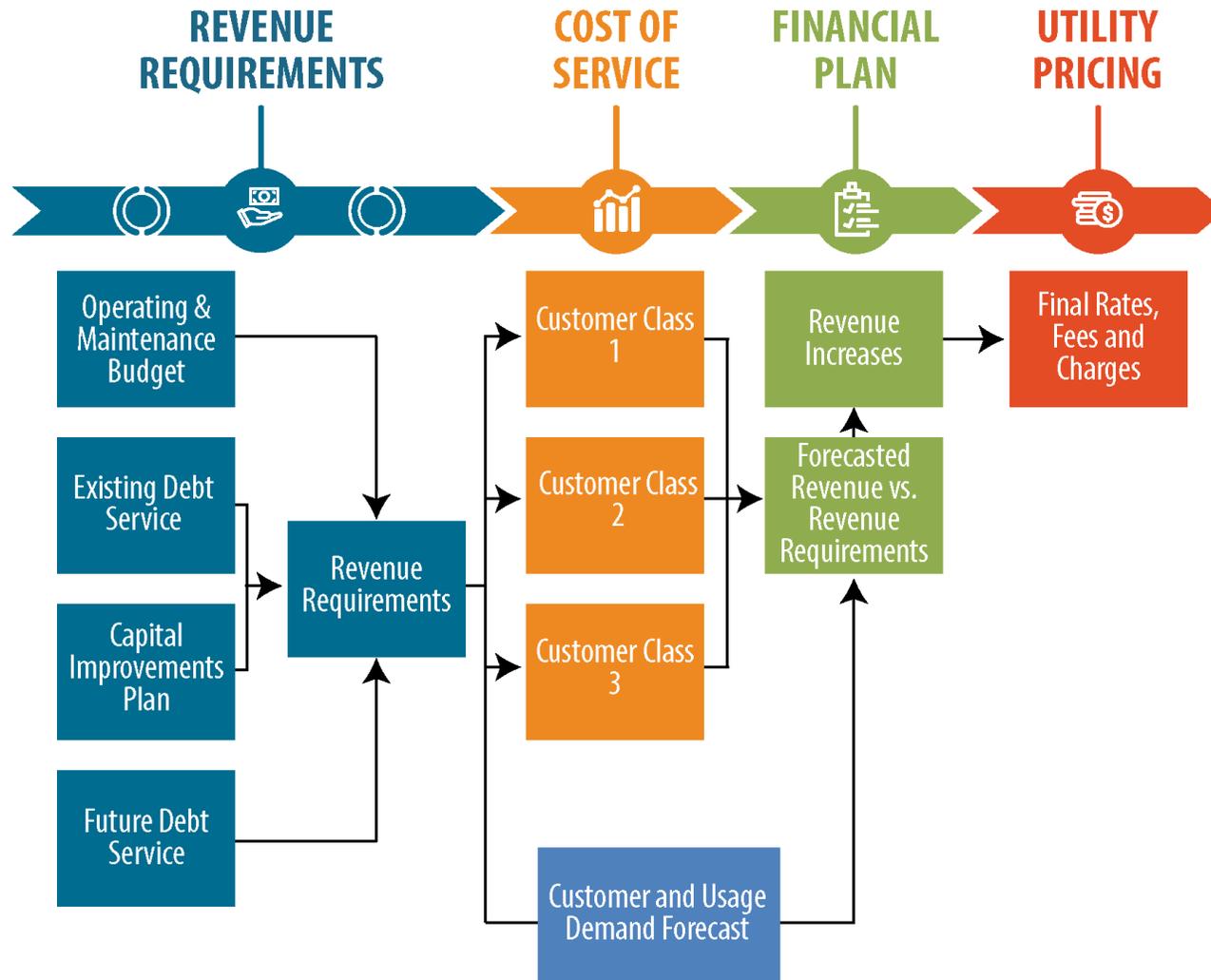


AGENDA



STUDY BACKGROUND AND PROCESS

COST OF SERVICE / RATE STUDY PROCESS



STUDY DATA AND ASSUMPTIONS

DATA AND ASSUMPTIONS

Data Relied Upon for Study Forecasts:

- FY 2021-22 water and sewer operating and maintenance budgets
- Water and Sewer system capital plans consistent with recently completed Master Plans
- Debt amortization schedule for outstanding Water Fund debt
- FY 2020-21 customer account and water demand data
- City's minimum reserve policy is 90 days of O&M plus 365 days of PAGYGO CIP

Key Study Assumptions

- Water purchases from California Domestic Water and Metropolitan Water District of Orange County escalated at 3.0% per year
- No new debt service
- Account growth consistent with planned development projects

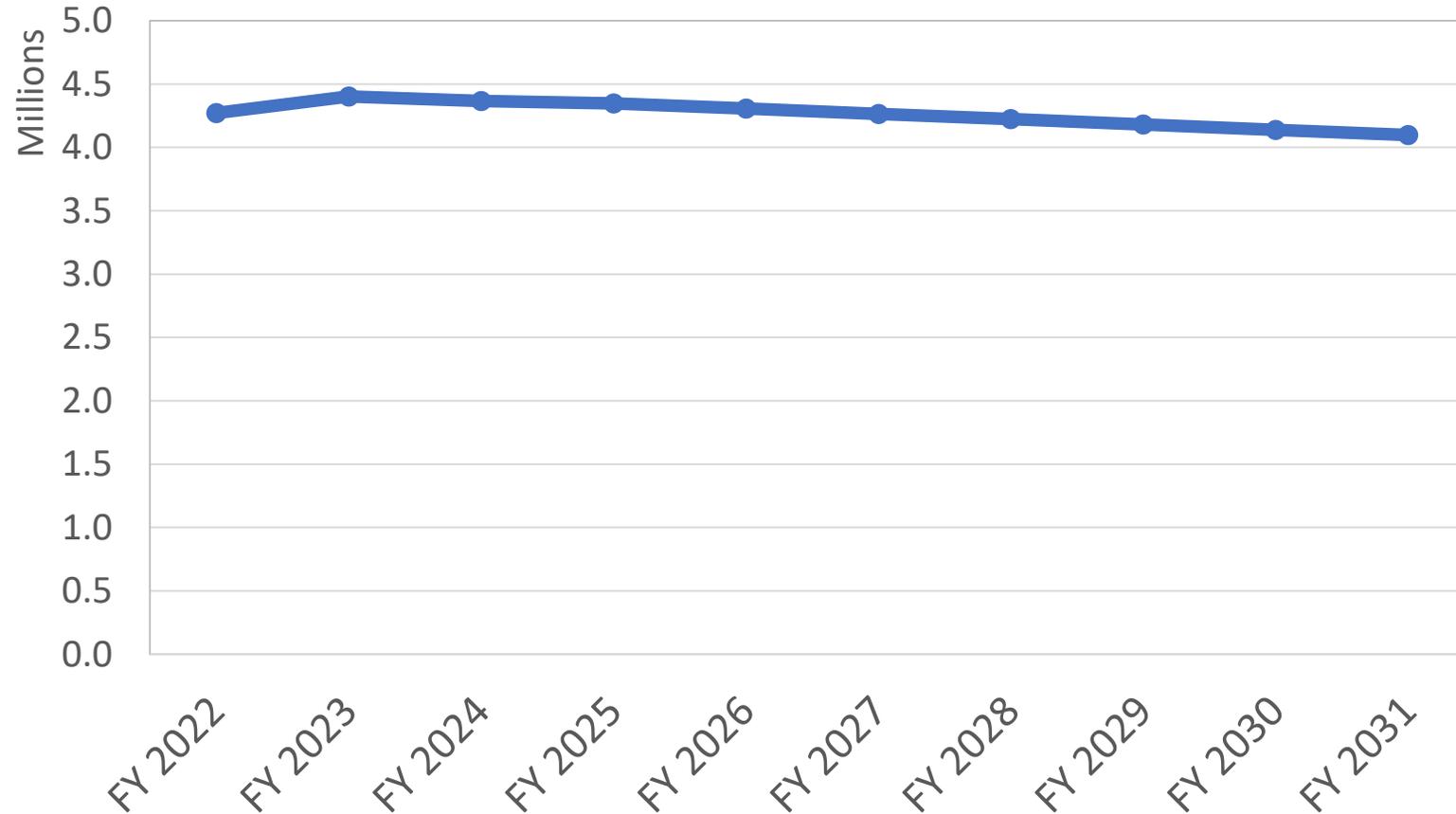
City Cost / Demand Analysis:

- The City pays appropriate rates for water and sewer service
- The Water and Sewer Funds each make a transfer to the General Fund for use of City property and rights-of-way

(rounded to nearest 1,000)	Water Fund	Sewer Fund
Annual Revenue	\$833,000	\$11,000
Annual Transfer to General Fund	\$922,000	\$473,000
Net Impact on Fund	(89,000)	(\$462,000)

CUSTOMER DEMAND FORECAST

Total Billed Water Volume (HCF)



- Additional consumption due to planned developments, with key impacts coming from Avalon Brea Place Apartments
- Assumption that all customers will use 1.0% less water per account per year over the study forecast
- Wholesale water purchases adjust with customer demand

WATER RATES

WATER RATES— INSIDE CITY SINGLE FAMILY RESIDENTIAL

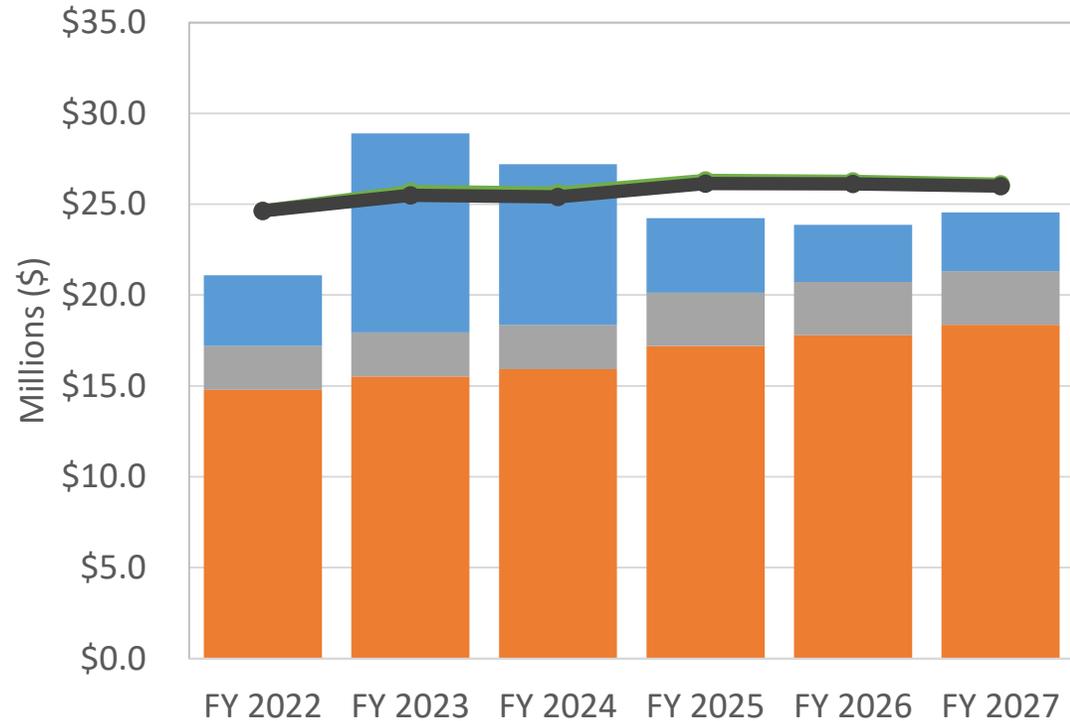
Monthly Rate	17% Fixed Revenue Current Rates	19% Fixed Revenue FY 2024	\$ Difference from Current	22% Fixed Revenue FY 2025	\$ Difference from Current	25% Fixed Revenue FY 2026	\$ Difference from Current
Fixed Charge							
5/8" – 1"	\$15.93	\$20.00	\$4.07	\$20.59	\$4.66	\$23.58	\$7.65
1 1/2"	\$59.28	\$74.43	\$15.15	\$76.61	\$17.33	\$87.73	\$28.45
2"	\$91.78	\$115.23	\$23.45	\$118.61	\$26.83	\$135.83	\$44.05
3"	\$194.72	\$244.47	\$49.75	\$251.64	\$56.92	\$288.19	\$93.47
Rate per HCF [1]							
0 – 10 HCF	\$3.59	\$3.34	(\$0.25)	\$3.30	(\$0.29)	\$3.20	(\$0.39)
11 – 20 HCF	\$4.69	\$4.36	(\$0.33)	\$4.31	(\$0.38)	\$4.17	(\$0.52)
21 – 30 HCF	\$6.18	\$5.75	(\$0.43)	\$5.69	(\$0.49)	\$5.50	(\$0.68)
31+ HCF	\$7.24	\$6.73	(\$0.51)	\$6.67	(\$0.57)	\$6.44	(\$0.80)

- Alternative #1 – Immediately implement rates with 25% fixed revenue
- Alternative #2 – Phase-in rates to generate 19%, 22%, and then 25% over three years
- In each scenario, rates of other customer types adjust accordingly

[1] Hundred Cubic Feet (CCF) = 748 gallons

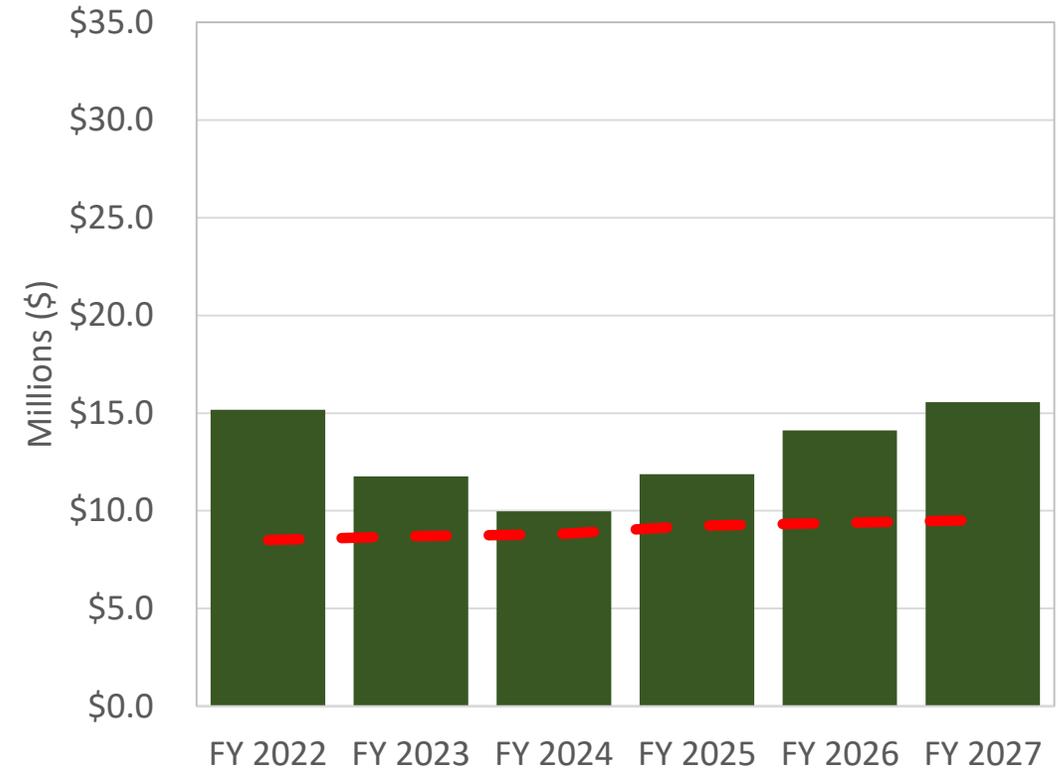
WATER FUND BALANCE FORECAST – BOTH ALTERNATIVES

Water System Expenses vs. Revenues



- Cash Funded Capital Projects
- Existing Debt Service
- Total Revenues (FY 2022 Rates)
- New Debt Service
- Operating Expenses
- Total Revenues (Projected Rates)

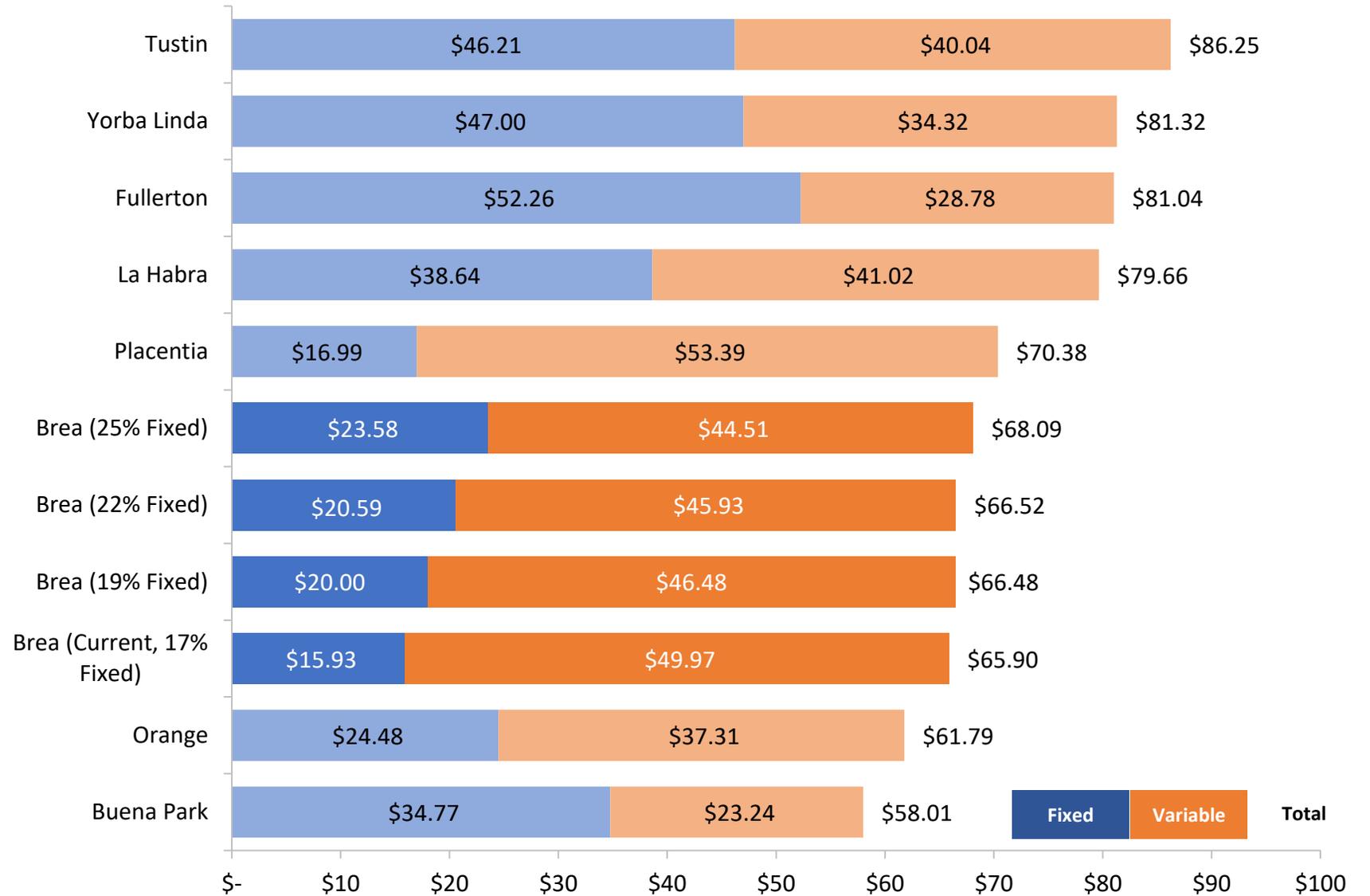
Water Operating Fund Balance



- Ending Fund Balance
- - - Minimum Reserve Policy

SAMPLE WATER BILLS

Single-Family Residential Customer
1" meter
13 HCF per month



Average Monthly Water Bill (not including Brea): \$74.06

SEWER RATES

SEWER RATE FORECASTS

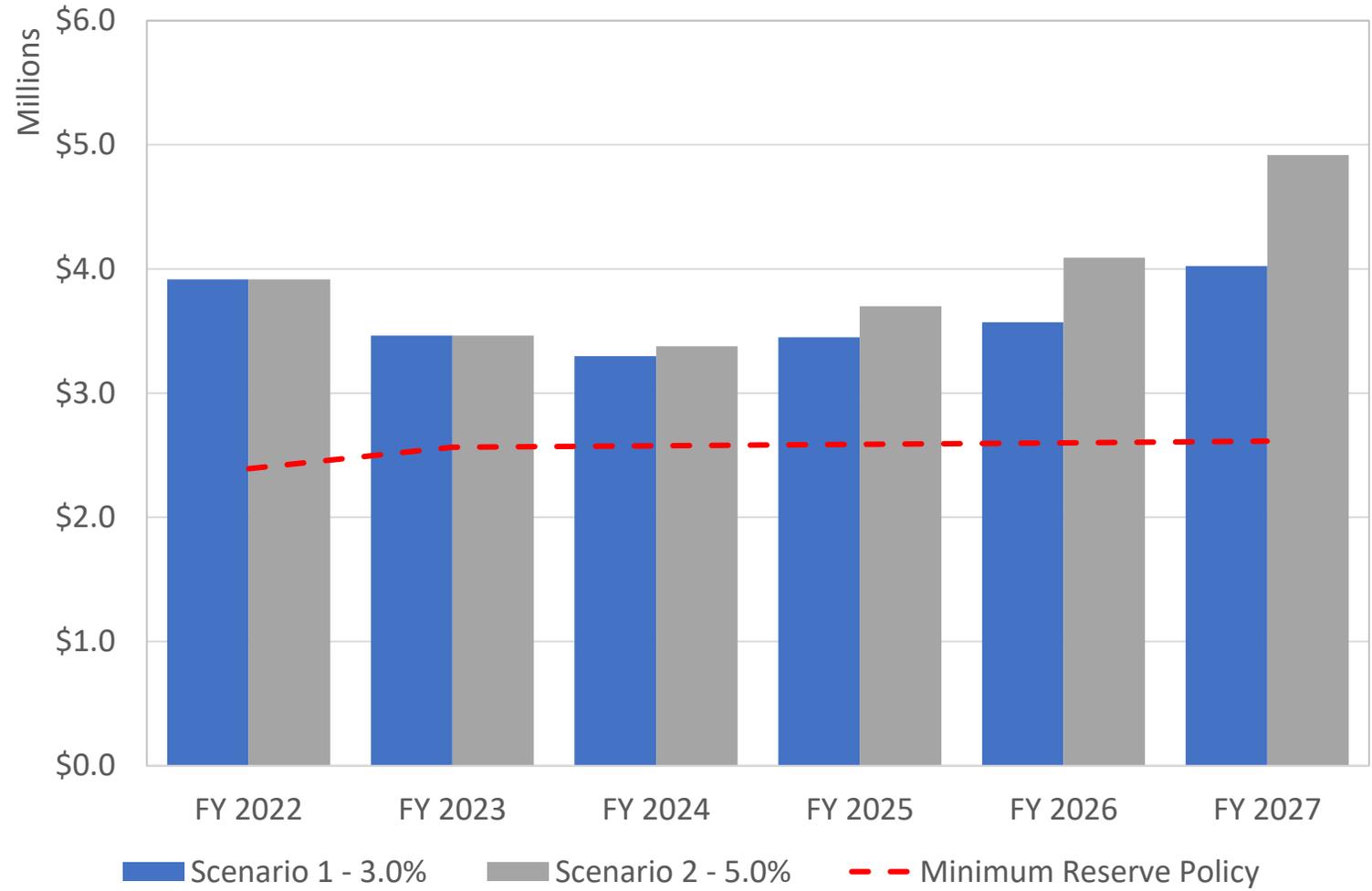
Alternative 1: Master Plan CIP with a one-time rate increase and 3% annual adjustment

Alternative 2: Master Plan CIP with a one-time rate increase and 5% annual adjustment

Each alternative aligns rates with revenue requirements while also maintaining the recommended fund balance policy.

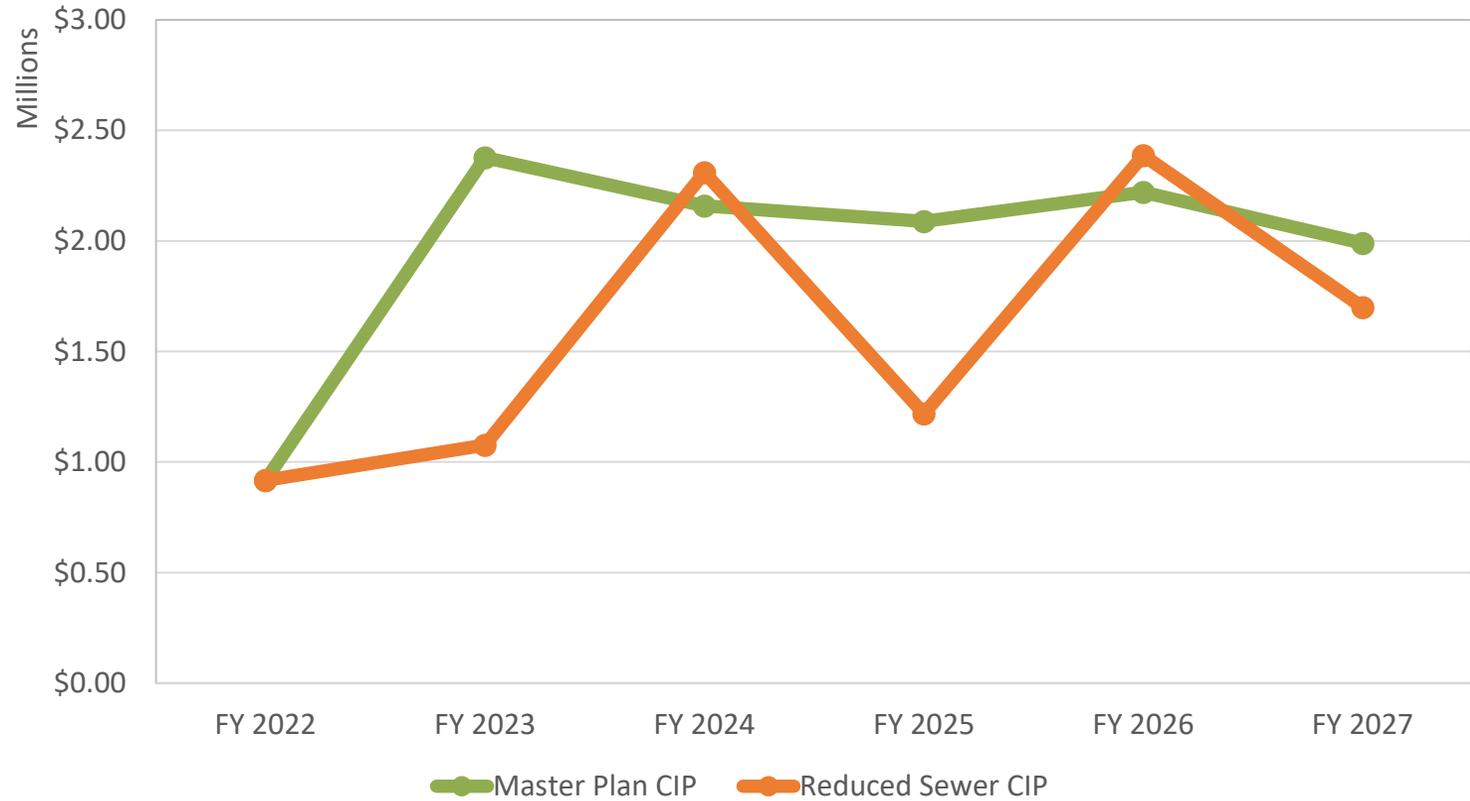
Monthly Bill	Current	FY 2023	FY 2024	FY 2025
Alternative 1				
5/8" – 1 1/2" Meter	\$9.43	\$14.62	\$15.05	\$15.51
<i>\$ Change</i>		\$5.19	\$0.44	\$0.45
<i>% Change</i>		55.0%	3.0%	3.0%
Alternative 2				
5/8" – 1 1/2" Meter	\$9.43	\$14.62	\$15.35	\$16.11
<i>\$ Change</i>		\$5.19	\$0.73	\$0.77
<i>% Change</i>		55.0%	5.0%	5.0%

SEWER OPERATING FUND FORECASTS



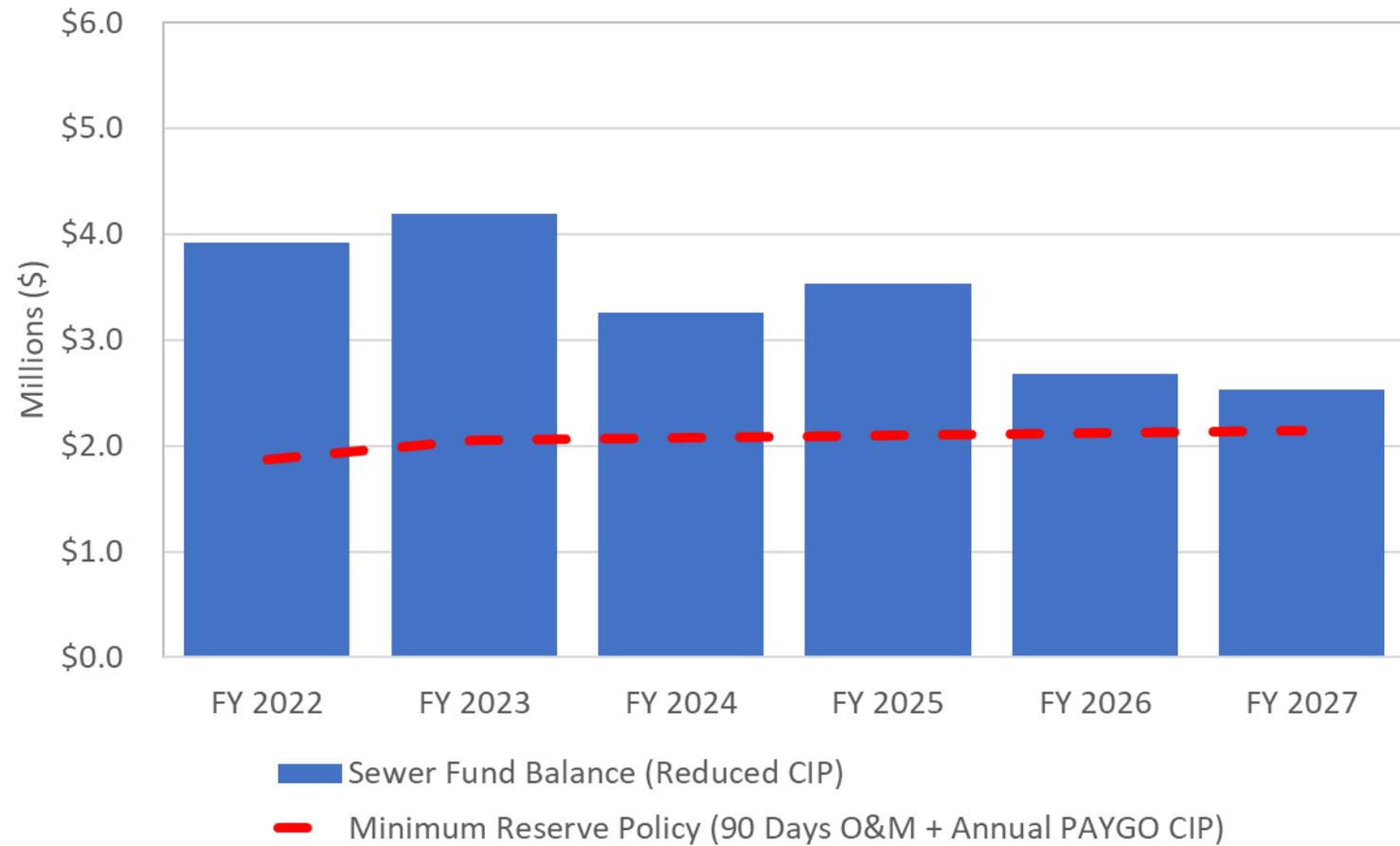
REDUCTION IN SEWER CAPITAL SPENDING

Total Sewer Capital Improvement Plan (CIP) Spending



Annual Average FY 2022 – FY 2027	
Master Plan CIP	\$2.0 million
Reduced Sewer CIP	\$1.6 million
Cumulative Five-Year reduction:	\$2.0 million

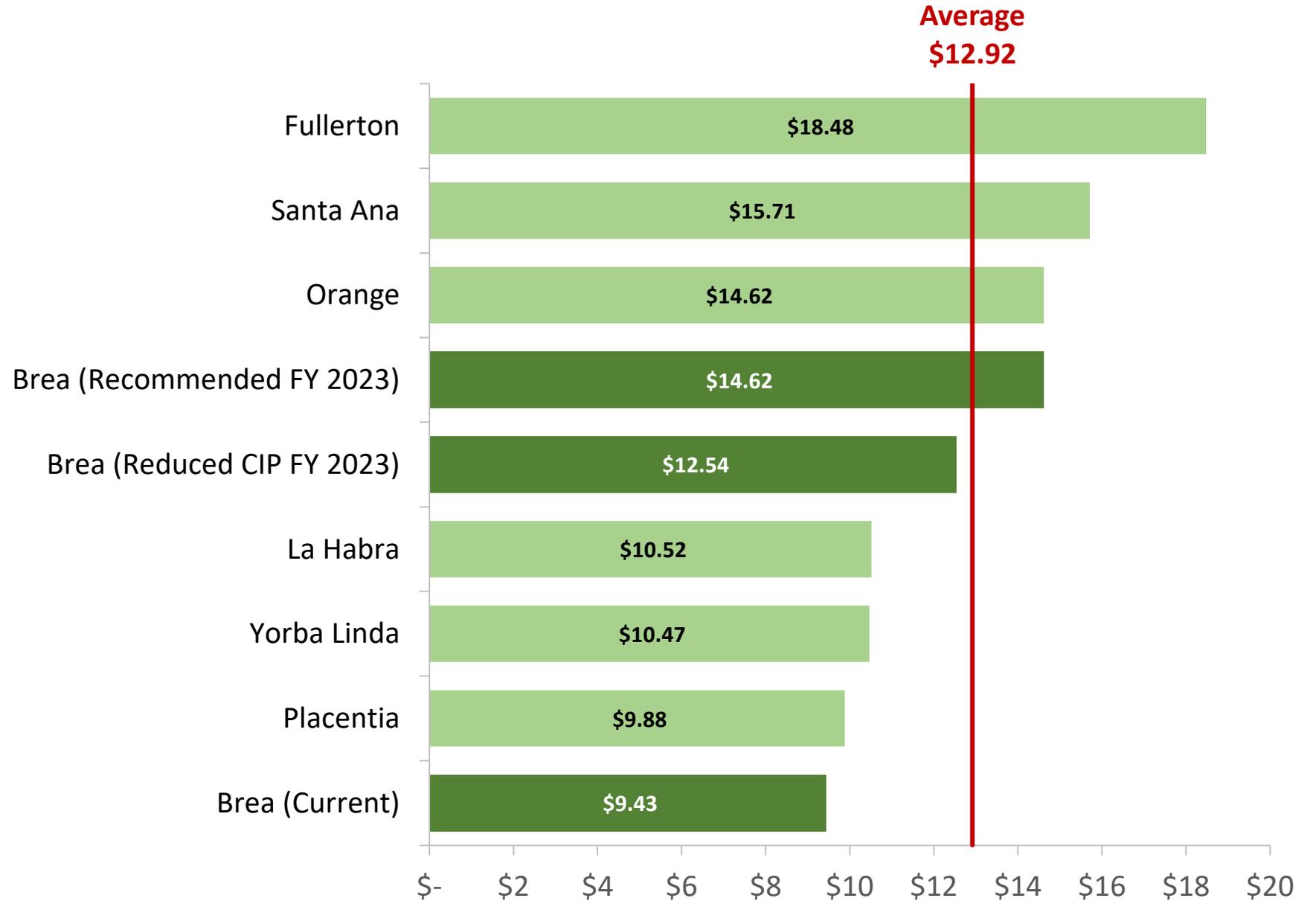
SEWER OPERATING FUND FORECAST: REDUCED CIP



Monthly Bill	Current	FY 2023	FY 2024	FY 2025
Reduced CIP Alternative 3				
5/8" – 1 ½" Meter	\$9.43	\$12.54	\$12.92	\$13.31
<i>\$ Change</i>		\$3.11	\$0.38	\$0.39
<i>% Change</i>		33.0%	3.0%	3.0%

SAMPLE SEWER BILLS

Single-Family
Residential Customer
1" meter
13 HCF per month



Water Rates^{1,2} (Two Alternatives):

Alternative 1: Adjust water fixed charges to reflect 25% of annual water revenue (December 2022). Water consumption rates will adjust accordingly.

Alternative 2: Adjust water fixed charges incrementally over three years. (December 2022; June 2023; and June 2024). Water consumption rates will adjust accordingly.

Sewer Rates¹ (Three Alternatives):

Alternative 1: Adjust monthly sewer rate charges (December 2022) – 55% or \$5.19³. 3% increase in June 2023 and 2024.

Alternative 2: Adjust monthly sewer rate charges (December 2022) – 55% or \$5.19³. 5% increase in June 2023 and 2024.

Alternative 3 (Reduced CIP): Adjust monthly sewer rate charges (December 2022) – 33% or \$3.11. 3% increase in June 2023 and 2024.

¹ Effective billing date as of December 22, 2022; June 29, 2023; June 27, 2024 or later.

² Excludes adjustments for pass-through costs and conservation rates.

³ Reflective of a 1" meter for a single family residential unit; other meter sizes and customer types will adjust accordingly.



THANK YOU!

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA AMENDING CERTAIN WATER RATES, LIFELINE PROGRAM POLICIES, CHARGES AND REGULATIONS

A. RECITALS:

(i) The City Council of the City of Brea, having amended the Code of the City of Brea by adopting Ordinance No. 763 on October 16, 1984, hereby amends the service charges established by Resolution Nos. 86-112, 89-3, 91-75, 93-66, 94-89, 95-95, 06-24, 09-22, 12-031, 15-049, and 2016-013 to bring the water rates into agreement with the City of Brea's policy of recovery of costs to operate the water utility and setting water rates accordingly to:

Pay for operations and maintenance of the water system, including salaries, wages, benefits, and the cost of all materials and supplies necessary for repairs, replacements and upgrades to the system; and

Pay interest charges and principal payments on all outstanding water loans and bonds as they become due; and

Provide reasonable cash reserves, and capital improvements funds to cover needed capital improvements and unforeseen expenses and emergencies; and

(ii) The City Council of the City of Brea finds it desirable to amend the rates, charges and regulations.

B. RESOLUTION:

NOW, THEREFORE, the City Council of the City of Brea does resolve as follows:

1. That the provisions of this resolution shall become effective on November 15, 2022, and supersedes Resolution No. 86-112, Resolution No. 89-3, Resolution No.

91-75, Resolution No. 93-66, Resolution No. 94-89, Resolution No. 95-95, Resolution No. 06-24, Resolution No. 09-22, Resolution 12-031, Resolution 15-049, Resolution No 2016-013 and all other previous resolutions, regulations, and executive orders in conflict herewith. This resolution will remain in effect until superseded.

2. That water rates, charges and regulations for water service shall be as hereinafter set out:

I. FOR ALL WATER DELIVERED BY THE CITY OF BREA

A. Fixed Charges

The fixed (“ready-to-serve”) charge recovers fixed costs associated with meter reading, meter maintenance, billing, collections and customer service. The fixed (“ready-to-serve”) charge is to be charged monthly on all meters for which service has been established, and is applied when water is first made available to the owner/occupant or occupant of the property served. The monthly fixed (“ready to serve”) charge includes the following components:

1. A billing and customer-service charge that is the same for all customers.
2. A meter charge that increases with the size of the water meter.

The fixed (“ready-to-serve”) charges are as follows:

<u>Meter Size</u>	<u>Fixed Charge</u>
5/8”, 3/4” & 1”	\$ 15.93
1-1/2”	\$59.28
2”	\$91.78
3”	\$194.72
4”	\$346.43
6”	\$709.45
8”	\$1,522.17
10”	\$2,280.70
12”	\$2,876.62

On the billing dated December 22, 2022 or later the City will increase the percentage of revenue from monthly fixed (“ready to serve”) charges from 17% to 25%. The fixed (“ready-to-serve”) charges are as follows:

<u>Meter Size</u>	<u>Fixed Charge</u>
5/8”, 3/4” & 1”	\$ 23.58
1-1/2”	\$87.73
2”	\$135.83
3”	\$288.19
4”	\$512.72
6”	\$1,049.99
8”	\$2,252.81
10”	\$3,375.44
12”	\$4,257.40

II. FOR WATER DELIVERED IN AND USED WITHIN THE CITY LIMITS OF BREA

A. Single Family Residential (“SFR”) Water Service

This service applies to water delivered to all residences within the City limits of Brea, whether condominiums, single family detached residences or multiple unit residential buildings that are individually metered and billed by the City. The SFR usage rate is billed monthly and is a four-tier inclining rate structure. The rate structure is as follows:

1 - 10 units	\$3.59 per 100 cubic feet (CCF)
11 - 20 units	\$4.69 per 100 cubic feet (CCF)
21 - 30 units	\$6.18 per 100 cubic feet (CCF)
Over 30 units	\$7.24 per 100 cubic feet (CCF)

As the revenue for fixed meter charges increases on bills dated December 22, 2022 or later the revenue for commodity charge will decrease accordingly.

On bills dated December 22, 2022 or later, the commodity rate structure is as

follows (but exclusive of any increases to wholesale water costs):

1 - 10 units	\$3.20 per 100 cubic feet (CCF)
11 - 20 units	\$4.17 per 100 cubic feet (CCF)
21 - 30 units	\$5.50 per 100 cubic feet (CCF)
Over 30 units	\$6.44 per 100 cubic feet (CCF)

B. LifeLine Rates

Water utility customers that provide information to the satisfaction of the Administrative Services Director showing proof of low income eligibility from Southern California Edison Company or Southern Californian Gas Company, or their successors, will be eligible for a discount of 20% on the fixed (“ready-to-serve”) charges and the first tier of the four-tier inclining rate structure. Qualified customers will also be eligible for a discount of 10% on the second tier and 5% of the third tier of the four-tier inclining rate structure. There is no discount offered at the fourth tier. The SFR usage rate for Lifeline customers as of bills dated December 22, 2022 or later will be as follows:

1 - 10 units	\$2.55 per 100 cubic feet (CCF)
11 - 20 units	\$3.76 per 100 cubic feet (CCF)
21 - 30 units	\$5.22 per 100 cubic feet (CCF)
Over 30 units	\$6.44 per 100 cubic feet (CCF)

Future LifeLine rate increases will include increases to wholesale water costs, if needed.

The subsidies provided to these qualified customers are not absorbed by the Water Utility Fund (420). The General Fund (110) will provide funding to cover the costs of this program.

C. Multi-Family Water Service

This service applies to customers in the classifications of multi-family residential. The Multi-Family rate is billed monthly and the rate structure on bills dated December 22, 2022 or later is as follows:

\$3.91 per 100 cubic feet (CCF)

Future Multi-Family rate adjustments will include increases to wholesale water costs, if needed.

D. Non-Residential ("NR") Water Service

This service applies to customers in the commercial, industrial, and no other classified customer classes. The Non-Residential "NR" rate is billed monthly and the rate structure on bills dated December 22, 2022 or later is as follows:

\$4.23 per 100 cubic feet (CCF)

Future Non-Residential rate adjustments will include increases to wholesale water costs, if needed.

E. Irrigation/Greenbelt Areas

This service applies to common greenbelt areas serving multiple residential, commercial and industrial units.

The Irrigation/Greenbelt rate is billed monthly and the rate structure is as follows:

\$4.63 per 100 cubic feet (CCF)

Future Irrigation/Greenbelt adjustments will include increases to wholesale water costs, if needed.

F. Golf Course Irrigation

This water service applies to all golf courses within the city limits of Brea. The rate shall be the “NR” rate. The only exception is the City owned Municipal Golf Course “Brea Creek” which is established under separate water rate contract at this time. Future Golf Course Irrigation adjustments will include increases to wholesale water costs, if needed.

G. Construction Water (Temporary Service)

Construction water service shall be defined as water used for any aspect of construction, including, but not limited to, grading purposes and testing water systems, during the construction period.

1. Metered Construction Water

This service applies to temporary water service delivered by the City as well as the use of City Equipment an “Eddy Valve”. An “Eddy Valve” must be attached to the temporary construction meter for the purpose of opening and closing the water at City fire hydrants. The use of this valve prevents “water hammer” to the City’s water mains. A deposit is required at the time of the service request. Fees for the deposit are administered through City User Fees. Meter service charges are monthly charges and may be prorated on opening and closing bills.

Charge Per Month

Rate per 100 Cubic Feet

\$140.00

\$6.73

Future Construction rate adjustments will include increases to wholesale water costs, if needed.

2. Unauthorized Use of Construction Water

Any unauthorized use of City water from fire hydrants or other City facilities will be estimated by the City as to usage and invoiced at three (3) times the rates as specified in paragraph II G-1 above.

H. Service to Governmental Agencies

1. Service to the City of Brea

Water used by the City of Brea for City parks and other facilities shall be metered.

2. Other Governmental Agencies

This service applies to water delivered to governmental agencies, other than the City, for use inside the City of Brea at facilities or areas of special benefit to the citizens of Brea. This rate shall also apply to churches. The rate shall be the "NR" rate.

Future Non-Residential (Service to Government Agencies) rate adjustments will include increases to wholesale water costs, if needed.

I. Service to Commercial and Industrial Users

This rate applies to all commercial and industrial establishments within the City of Brea. The rate shall be the "NR" rate.

Future Non-Residential (Service to Commercial and Industrial Users) rate adjustments will include increases to wholesale water costs, if needed.

J. Fire Service Charges

Fire service charges pay to maintain fire service capability in the water system. These charges will be billed separately to those users that have a private fire service connection.

<u>Connection</u>	<u>Total Monthly Service Charge</u>
5/8" -2"	\$ 8.63
3"	\$12.31
4"	\$18.66
6"	\$41.43
8"	\$80.67
10"	\$139.70
12"	\$221.69

There is no charge for water used in actual firefighting.

Fire service connections are to be utilized for firefighting purposes and for required testing of the fire protection system. If a fire service connection is found to be using three units (3 CCF's) or more per month, a penalty fee of \$250.00 will apply.

III. WATER USED OUTSIDE CITY LIMITS

This service applies to water used entirely outside Brea City limits, regardless of point of delivery and all water delivered outside Brea, regardless of point of usage. Water delivered within the Brea city limits for use partially outside the Brea city limits, by the same user, shall also be subject to these rates. The rate structure for Water Used Outside City Limits rate structure is as follows:

\$5.09 per 100 cubic feet (CCF) and,

Fixed (“ready-to-serve”) charges applicable by meter size plus 25%

Future Water used outside of city limits adjustments will include increases to wholesale water costs, if needed.

IV. CONNECTION CHARGES, COSTS AND REIMBURSEMENTS

A. Connection Charges

Connection charges are in addition to all other charges specified herein. These connection charges are buy-in fee’s used to recover the cost of the existing water system capacity including reservoir storage and delivery system. Connection charges are not refundable and they are established for residential, commercial and industrial service.

The connection fee is as follows:

1” or smaller	\$3,568.00
2”	\$11,980.00

Connection fees for high usage (greater than 2”) residential, commercial, and industrial developments to be determined on individually projected usage based on equivalent 1” meter calculations. Connection Fees are adjusted on July 1 of each year based on Construction Cost Index increase as measured by Engineering News Record.

Connection charges are applicable to all new construction, with the charge payable at the time the building permit is issued by the City. Where a single meter is to serve more than one water user (residential, commercial or industrial) an additional \$1,350.00 per unit shall be added to the connection fee. This shall apply to each dwelling unit, apartment, mobile home or trailer space, or commercial or industrial water user to be served from the same meter whether constructed at the same time or added on to the existing property.

B. Connection Fees for Developers

A reduced connection fee will be given to developers who provide their own water distribution systems. The credit is based on distribution lines and meters that will be provided by the developer. The determination if the developer falls into this rate category will solely be made by the City Engineer.

C. Fire Services Connection Fee

Fire service connection fees are buy-in fees used to recover the cost of existing reservoir storage and water system capacity for private fire systems.

The connection fee for fire service connections is as follows:

4" Connection	\$4,563.00
6" Connection	\$6,388.00
8" Connection	\$8,305.00
10" Connection	\$11,959.00
12" Connection	\$11,959.00

Connection Fees are adjusted on July 1 of each year based on Construction Cost Index increase as measured by Engineering News Record.

V. CUSTOMER DEPOSITS

Payment of a deposit, as outlined in the following schedule, or some other means of securing credit established by the Administrative Services Director will be required under the following conditions:

- A. At the time of meter installation; or
- B. When a meter is turned on under the name of a new water user, regardless of property ownership.

If a water user has had service discontinued for failure to pay, the water user shall be required to make a deposit at the Renter or Lessee deposit rate in accordance with the following schedule:

<u>Meter Size</u>	<u>Owner Deposit</u>	<u>Renter or Lessee Deposit</u>
5/8", 3/4", & 1"	\$ 75.00	\$ 150.00
1-1/2" & 2"	\$ 90.00	\$ 180.00
3" & larger	\$100.00	\$ 200.00

The deposit will be refunded in all cases by means of a credit to their bill, if the customer makes twelve (12) consecutive payments, with no record of delinquency or when a customer closes the account.

VII. ADJUSTMENT OF FUTURE RATES

A. Water Usage Rates

For a period of five (5) years commencing on July 1, 2023 there shall be an automatic adjustment of the Utility's water rate schedule commodity charges per 100 Cubic Feet whenever the cost per acre foot of water is increased or decreased

in reference to the average base year cost due to changes in the cost of water obtained from Municipal Water District of Orange County, Metropolitan Water District of Southern California, or California Domestic Water Company. For purposes of this Resolution, the base year is fiscal year 2021-22.

The adjusted rates resulting from any such change in the cost of wholesale water shall be calculated by the Administrative Services Director and shall be implemented as soon as practical provided that at least 30 days' written notice is given to the affected customers.

B. Conservation Rates

Based upon the percentage of revenue received from fixed costs is 25%, the reduction of water consumption sales due to State conservation mandates or other unforeseen circumstances may warrant a change in water consumption rates. The following rates are based upon water sales reductions at the following levels (but exclusive of any wholesale water consumption adjustments):

Single Family Residential (per 100 cubic feet CCF):

	10% Reduction	20% Reduction	30% Reduction
1 - 10 units	\$3.66	\$4.28	\$4.94
11 - 20 units	\$4.78	\$5.59	\$6.45
21 - 30 units	\$6.29	\$7.36	\$8.50
Over 30 units	\$7.37	\$8.63	\$9.96

Multi-Family Residential (per 100 cubic feet CCF):

	10% Reduction	20% Reduction	30% Reduction
Per 100 Cubic Feet (CCF)	\$4.47	\$5.23	\$6.04

Non- Residential (per 100 cubic feet CCF):

	10% Reduction	20% Reduction	30% Reduction
Per 100 Cubic Feet (CCF)	\$4.84	\$5.66	\$6.53

Irrigation/Greenbelt Areas (per 100 cubic feet CCF):

	10% Reduction	20% Reduction	30% Reduction
Per 100 Cubic Feet (CCF)	\$5.29	\$6.20	\$7.15

Outside of Brea (per 100 cubic feet CCF):

	10% Reduction	20% Reduction	30% Reduction
Per 100 Cubic Feet (CCF)	\$5.82	\$6.82	\$7.89

C. Fixed Charges and Fire Service Charges

The fixed ("ready to serve") charge and fire services charges contained in this water rate resolution effect on bills dated December 22, 2022 or later.

D. Water Connection Charges

Any subsequent water connection rate increases are to be effective July 1st of each succeeding year shall be automatically adjusted annually and without further

action of the City Council to account for inflation. The adjustment shall be based on the Engineering News Record (ENR) 20-City Construction Cost Index (CCI) for the twelve (12) months ending January of the current year. The amount of the water connection fee will be based on the date of the actual payment of the fee. For purposes of this Resolution, the base year is July 1, 2022.

APPROVED AND ADOPTED this _____ day of _____, 2022

Mayor

ATTEST: _____
City Clerk

I Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was introduced at a regular meeting of the City Council of the City of Brea, held on November 15, 2022, and was finally passed at the regular meeting of the City Council of the City of Brea on the 15th day of November 2022, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

DATED: _____

City Clerk

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA AMENDING CERTAIN WATER RATES, LIFELINE PROGRAM POLICIES, CHARGES AND REGULATIONS

A. RECITALS:

(i) The City Council of the City of Brea, having amended the Code of the City of Brea by adopting Ordinance No. 763 on October 16, 1984, hereby amends the service charges established by Resolution Nos. 86-112, 89-3, 91-75, 93-66, 94-89, 95-95, 06-24, 09-22, 12-031, 15-049, and 2016-013 to bring the water rates into agreement with the City of Brea's policy of recovery of costs to operate the water utility and setting water rates accordingly to:

Pay for operations and maintenance of the water system, including salaries, wages, benefits, and the cost of all materials and supplies necessary for repairs, replacements and upgrades to the system; and

Pay interest charges and principal payments on all outstanding water loans and bonds as they become due; and

Provide reasonable cash reserves, and capital improvements funds to cover needed capital improvements and unforeseen expenses and emergencies; and

(ii) The City Council of the City of Brea finds it desirable to amend the rates, charges and regulations.

B. RESOLUTION:

NOW, THEREFORE, the City Council of the City of Brea does resolve as follows:

1. That the provisions of this resolution shall become effective on November 15, 2022, and supersedes Resolution No. 86-112, Resolution No. 89-3, Resolution No.

91-75, Resolution No. 93-66, Resolution No. 94-89, Resolution No. 95-95, Resolution No. 06-24, Resolution No. 09-22, Resolution 12-031, Resolution 15-049, Resolution No 2016-013 and all other previous resolutions, regulations, and executive orders in conflict herewith. This resolution will remain in effect until superseded.

2. That water rates, charges and regulations for water service shall be as hereinafter set out:

I. FOR ALL WATER DELIVERED BY THE CITY OF BREA

A. Fixed Charges

The fixed (“ready-to-serve”) charge recovers fixed costs associated with meter reading, meter maintenance, billing, collections and customer service. The fixed (“ready-to-serve”) charge is to be charged monthly on all meters for which service has been established, and is applied when water is first made available to the owner/occupant or occupant of the property served. The monthly fixed (“ready to serve”) charge includes the following components:

1. A billing and customer-service charge that is the same for all customers.
2. A meter charge that increases with the size of the water meter.

The fixed (“ready-to-serve”) charges are as follows:

<u>Meter Size</u>	<u>Fixed Charge</u>
5/8”, 3/4” & 1”	\$ 15.93
1-1/2”	\$59.28
2”	\$91.78
3”	\$194.72
4”	\$346.43
6”	\$709.45
8”	\$1,522.17
10”	\$2,280.70
12”	\$2,876.62

On the billing dated December 22, 2022 or later the City will increase the percentage of revenue from monthly fixed (“ready to serve”) charges from 17% to 19%. Furthermore, on bills dated June 29, 2023 or later the City will further increase its percentage of revenue for fixed charged from 19% to 22%; and on bills dated June 27, 2024 or later, the City will further increase its percentage of revenue for fixed charged from 22% to 25%.

On bills dated December 22, 2022 or later, the fixed (“ready-to-serve”) charges are as follows:

<u>Meter Size</u>	<u>Fixed Charge</u>
5/8”, 3/4” & 1”	\$ 20.00
1-1/2”	\$74.43
2”	\$115.23
3”	\$244.47
4”	\$434.94
6”	\$890.71
8”	\$1,911.08
10”	\$2,863.42
12”	\$3,611.60

On bills dated June 29, 2023 or later, the fixed (“ready-to-serve”) charges are as follows:

<u>Meter Size</u>	<u>Fixed Charge</u>
5/8”, 3/4” & 1”	\$ 20.59
1-1/2”	\$76.61
2”	\$118.61
3”	\$251.64
4”	\$447.71
6”	\$916.85
8”	\$1,967.16
10”	\$2,947.44
12”	\$3,717.57

On bills dated June 27, 2024 or later, the fixed (“ready-to-serve”) charges are as follows:

<u>Meter Size</u>	<u>Fixed Charge</u>
5/8”, 3/4” & 1”	\$ 23.58
1-1/2”	\$87.73
2”	\$135.83
3”	\$288.19
4”	\$512.72
6”	\$1,049.99
8”	\$2,252.81
10”	\$3,375.44
12”	\$4,257.40

II. FOR WATER DELIVERED IN AND USED WITHIN THE CITY LIMITS OF BREA

A. Single Family Residential (“SFR”) Water Service

This service applies to water delivered to all residences within the City limits of Brea, whether condominiums, single family detached residences or multiple unit residential buildings that are individually metered and billed by the City. The SFR usage rate is billed monthly and is a four-tier inclining rate structure. The rate structure is as follows:

1 - 10 units	\$3.59 per 100 cubic feet (CCF)
11 - 20 units	\$4.69 per 100 cubic feet (CCF)
21 - 30 units	\$6.18 per 100 cubic feet (CCF)
Over 30 units	\$7.24 per 100 cubic feet (CCF)

As the revenue for fixed meter charges increases on bills dated December 22, 2022 or later and June 29, 2023 or later, and June 27, 2024 or later the revenue for commodity charge will decrease accordingly.

On bills dated December 22, 2022 or later, the commodity rate structure is as

1 - 10 units	\$3.34 per 100 cubic feet (CCF)
--------------	---------------------------------

11 - 20 units	\$4.36 per 100 cubic feet (CCF)
21 - 30 units	\$5.75 per 100 cubic feet (CCF)
Over 30 units	\$6.73 per 100 cubic feet (CCF)

On bills dated June 29, 2023 or later, the commodity rate structure is as follows
(but exclusive of any increases to wholesale water costs):

1 - 10 units	\$3.30 per 100 cubic feet (CCF)
11 - 20 units	\$4.31 per 100 cubic feet (CCF)
21 - 30 units	\$5.69 per 100 cubic feet (CCF)
Over 30 units	\$6.67 per 100 cubic feet (CCF)

On bills dated June 27, 2024 or later, the commodity rate structure is as follows
(but exclusive of any increases to wholesale water costs):

1 - 10 units	\$3.20 per 100 cubic feet (CCF)
11 - 20 units	\$4.17 per 100 cubic feet (CCF)
21 - 30 units	\$5.50 per 100 cubic feet (CCF)
Over 30 units	\$6.44 per 100 cubic feet (CCF)

B. LifeLine Rates

Water utility customers that provide information to the satisfaction of the Administrative Services Director showing proof of low income eligibility from Southern California Edison Company or Southern Californian Gas Company, or their successors, will be eligible for a discount of 20% on the fixed (“ready-to-serve”) charges and the first tier of the four-tier inclining rate structure. Qualified customers will also be eligible for a discount of 10% on the second tier and 5% of the third tier of the four-tier inclining rate structure. There is no discount offered at the fourth tier. The SFR usage rate for Lifeline customers as of bills dated December 22, 2022 or later will be as follows:

1 - 10 units	\$2.67 per 100 cubic feet (CCF)
11 - 20 units	\$3.92 per 100 cubic feet (CCF)
21 - 30 units	\$5.46 per 100 cubic feet (CCF)

Over 30 units \$6.73 per 100 cubic feet (CCF)

LifeLine rates will adjust accordingly on bills dated June 29, 2022 or later and June 27, 2024 or later based on the increase of revenue from fixed charges. Future LifeLine rate increases will include increases to wholesale water costs, if needed.

The subsidies provided to these qualified customers are not absorbed by the Water Utility Fund (420). The General Fund (110) will provide funding to cover the costs of this program.

C. Multi-Family Water Service

This service applies to customers in the classifications of multi-family residential. The Multi-Family rate is billed monthly and the rate structure on bills dated December 22, 2022 or later is as follows:

\$4.08 per 100 cubic feet (CCF)

Multi-Family rates will adjust accordingly for bills dated June 29, 2023 or later (\$4.04 per 100 cubic feet) and June 27, 2024 or later (\$3.91 per 100 cubic feet) based on fixed meter costs. Future Multi-Family rate adjustments will include increases to wholesale water costs, if needed.

D. Non-Residential (“NR”) Water Service

This service applies to customers in the commercial, industrial, and no other classified customer classes. The Non-Residential “NR” rate is billed monthly and the rate structure on bills dated December 22, 2022 or later is as follows:

:

\$4.42 per 100 cubic feet (CCF)

Non-Residential rates will adjust accordingly for bills dated June 29, 2023 or later (\$4.37 per 100 cubic feet) and June 27, 2024 or later (\$4.23 per 100 cubic feet) based on fixed meter costs. Future Non-Residential rate adjustments will include increases to wholesale water costs, if needed.

E. Irrigation/Greenbelt Areas

This service applies to common greenbelt areas serving multiple residential, commercial and industrial units.

The Irrigation/Greenbelt rate is billed monthly and the rate structure is as follows:

\$4.84 per 100 cubic feet (CCF)

Irrigation/Greenbelt rates will adjust accordingly for bills dated June 29, 2023 or later (\$4.78 per 100 cubic feet) and June 27, 2024 or later (\$4.63 per 100 cubic feet) based on fixed meter costs. Future Irrigation/Greenbelt adjustments will include increases to wholesale water costs, if needed.

F. Golf Course Irrigation

This water service applies to all golf courses within the city limits of Brea. The rate shall be the "NR" rate. The only exception is the City owned Municipal Golf Course "Brea Creek" which is established under separate water rate contract at this time. Future Golf Course Irrigation adjustments will include increases to wholesale water costs, if needed.

G. Construction Water (Temporary Service)

Construction water service shall be defined as water used for any aspect of construction, including, but not limited to, grading purposes and testing water systems, during the construction period.

1. Metered Construction Water

This service applies to temporary water service delivered by the City as well as the use of City Equipment an “Eddy Valve”. An “Eddy Valve” must be attached to the temporary construction meter for the purpose of opening and closing the water at City fire hydrants. The use of this valve prevents “water hammer” to the City’s water mains. A deposit is required at the time of the service request. Fees for the deposit are administered through City User Fees. Meter service charges are monthly charges and may be prorated on opening and closing bills.

<u>Charge Per Month</u>	<u>Rate per 100 Cubic Feet</u>
\$140.00	\$6.73

Future Construction rate adjustments will include increases to wholesale water costs, if needed.

2. Unauthorized Use of Construction Water

Any unauthorized use of City water from fire hydrants or other City facilities will be estimated by the City as to usage and invoiced at three (3) times the rates as specified in paragraph II G-1 above.

H. Service to Governmental Agencies

1. Service to the City of Brea

Water used by the City of Brea for City parks and other facilities shall be metered.

2. Other Governmental Agencies

This service applies to water delivered to governmental agencies, other than the City, for use inside the City of Brea at facilities or areas of special benefit to the citizens of Brea. This rate shall also apply to churches. The rate shall be the “NR” rate.

Non-Residential rates will adjust accordingly for bills dated June 29, 2023 or later (\$4.37 per 100 cubic feet) and June 27, 2024 or later (\$4.23 per 100 cubic feet) based on fixed meter costs. Future Non-Residential rate adjustments will include increases to wholesale water costs, if needed.

I. Service to Commercial and Industrial Users

This rate applies to all commercial and industrial establishments within the City of Brea. The rate shall be the “NR” rate.

Non-Residential rates will adjust accordingly for bills dated June 29, 2023 or later (\$4.37 per 100 cubic feet) and June 27, 2024 or later (\$4.23 per 100 cubic feet) based on fixed meter costs. Future Non-Residential rate adjustments will include increases to wholesale water costs, if needed.

J. Fire Service Charges

Fire service charges pay to maintain fire service capability in the water system. These charges will be billed separately to those users that have a private fire service connection.

<u>Connection</u>	<u>Total Monthly Service Charge</u>
5/8" -2"	\$ 7.32
3"	\$10.45
4"	\$15.83
6"	\$35.14
8"	\$68.44
10"	\$118.51
12"	\$188.06

Fire Service Charges will adjust accordingly for bills dated June 29, 2023 or later

<u>Connection</u>	<u>Total Monthly Service Charge</u>
5/8" -2"	\$ 7.53
3"	\$10.75
4"	\$16.30
6"	\$36.17
8"	\$70.45
10"	\$121.98
12"	\$193.58

and June 27, 2024 or later.

<u>Connection</u>	<u>Total Monthly Service Charge</u>
5/8" -2"	\$ 8.63
3"	\$12.31
4"	\$18.66
6"	\$41.43
8"	\$80.67
10"	\$139.70
12"	\$221.69

There is no charge for water used in actual firefighting.

Fire service connections are to be utilized for firefighting purposes and for required testing of the fire protection system. If a fire service connection is found to be using three units (3 CCF's) or more per month, a penalty fee of \$250.00 will apply.

III. WATER USED OUTSIDE CITY LIMITS

This service applies to water used entirely outside Brea City limits, regardless of point of delivery and all water delivered outside Brea, regardless of point of usage. Water delivered within the Brea city limits for use partially outside the Brea city limits, by the same user, shall also be subject to these rates. The rate structure for Water Used Outside City Limits rate structure is as follows:

\$5.32 per 100 cubic feet (CCF) and,

Fixed (“ready-to-serve”) charges applicable by meter size plus 25%

Water used outside of city limits rates will adjust accordingly for bills dated June 29, 2023 or later (\$5.26 per 100 cubic feet) and June 27, 2024 or later (\$5.09 per 100 cubic feet) based on fixed meter costs. Future Water used outside of city limits adjustments will include increases to wholesale water costs, if needed.

IV. CONNECTION CHARGES, COSTS AND REIMBURSEMENTS

A. Connection Charges

Connection charges are in addition to all other charges specified herein. These connection charges are buy-in fee's used to recover the cost of the existing water

system capacity including reservoir storage and delivery system. Connection charges are not refundable and they are established for residential, commercial and industrial service.

The connection fee is as follows:

1" or smaller	\$3,568.00
2"	\$11,980.00

Connection fees for high usage (greater than 2") residential, commercial, and industrial developments to be determined on individually projected usage based on equivalent 1" meter calculations. Connection Fees are adjusted on July 1 of each year based on Construction Cost Index increase as measured by Engineering News Record.

Connection charges are applicable to all new construction, with the charge payable at the time the building permit is issued by the City. Where a single meter is to serve more than one water user (residential, commercial or industrial) an additional \$1,350.00 per unit shall be added to the connection fee. This shall apply to each dwelling unit, apartment, mobile home or trailer space, or commercial or industrial water user to be served from the same meter whether constructed at the same time or added on to the existing property.

B. Connection Fees for Developers

A reduced connection fee will be given to developers who provide their own water distribution systems. The credit is based on distribution lines and meters that will be provided by the developer. The determination if the developer falls into this rate category will solely be made by the City Engineer.

C. Fire Services Connection Fee

Fire service connection fees are buy-in fees used to recover the cost of existing reservoir storage and water system capacity for private fire systems.

The connection fee for fire service connections is as follows:

4" Connection	\$4,563.00
6" Connection	\$6,388.00
8" Connection	\$8,305.00
10" Connection	\$11,959.00
12" Connection	\$11,959.00

Connection Fees are adjusted on July 1 of each year based on Construction Cost Index increase as measured by Engineering News Record.

V. CUSTOMER DEPOSITS

Payment of a deposit, as outlined in the following schedule, or some other means of securing credit established by the Administrative Services Director will be required under the following conditions:

- A. At the time of meter installation; or
- B. When a meter is turned on under the name of a new water user, regardless of property ownership.

If a water user has had service discontinued for failure to pay, the water user shall be required to make a deposit at the Renter or Lessee deposit rate in accordance with the following schedule:

<u>Meter Size</u>	<u>Owner Deposit</u>	<u>Renter or Lessee Deposit</u>
5/8", 3/4", & 1"	\$ 75.00	\$ 150.00
1-1/2" & 2"	\$ 90.00	\$ 180.00
3" & larger	\$100.00	\$ 200.00

The deposit will be refunded in all cases by means of a credit to their bill, if the customer makes twelve (12) consecutive payments, with no record of delinquency or when a customer closes the account.

VII. ADJUSTMENT OF FUTURE RATES

A. Water Usage Rates

For a period of five (5) years commencing on July 1, 2023 there shall be an automatic adjustment of the Utility's water rate schedule commodity charges per 100 Cubic Feet whenever the cost per acre foot of water is increased or decreased in reference to the average base year cost due to changes in the cost of water obtained from Municipal Water District of Orange County, Metropolitan Water District of Southern California, or California Domestic Water Company. For purposes of this Resolution, the base year is fiscal year 2021-22.

The adjusted rates resulting from any such change in the cost of wholesale water shall be calculated by the Administrative Services Director and shall be

implemented as soon as practical provided that at least 30 days' written notice is given to the affected customers.

B. Conservation Rates

Based upon the percentage of revenue received from fixed costs (19%, 22%, or 25%), the reduction of water consumption sales due to State conservation mandates or other unforeseen circumstances may warrant a change in water consumption rates. The following rates are based upon water sales reductions at the following levels (but exclusive of any wholesale water consumption adjustments):

Single Family Residential (per 100 cubic feet CCF):

	10% Reduction		20% Reduction		30% Reduction	
	Min	Max	Min	Max	Min	Max
1 - 10 units	\$3.66	\$3.83	\$4.28	\$4.62	\$4.94	\$5.33
11 - 20 units	\$4.78	\$5.01	\$5.59	\$6.04	\$6.45	\$6.97
21 - 30 units	\$6.29	\$6.60	\$7.36	\$7.95	\$8.50	\$9.18
Over 30 units	\$7.37	\$7.73	\$8.63	\$9.22	\$9.96	\$10.75

Multi-Family Residential (per 100 cubic feet CCF):

	10% Reduction		20% Reduction		30% Reduction	
	Min	Max	Min	Max	Min	Max
Per 100 Cubic Feet (CCF)	\$4.47	\$4.69	\$5.23	\$5.65	\$6.04	\$6.52

Non- Residential (per 100 cubic feet CCF):

	10% Reduction		20% Reduction		30% Reduction	
	Min	Max	Min	Max	Min	Max
Per 100 Cubic Feet (CCF)	\$4.84	\$5.07	\$5.66	\$6.11	\$6.53	\$7.05

Irrigation/Greenbelt Areas (per 100 cubic feet CCF):

	10% Reduction		20% Reduction		30% Reduction	
	Min	Max	Min	Max	Min	Max
Per 100 Cubic Feet (CCF)	\$5.29	\$5.55	\$6.20	\$6.69	\$7.15	\$7.72

Outside of Brea (per 100 cubic feet CCF):

	10% Reduction		20% Reduction		30% Reduction	
	Min	Max	Min	Max	Min	Max
Per 100 Cubic Feet (CCF)	\$5.82	\$6.11	\$6.82	\$7.36	\$7.89	\$8.49

C. Fixed Charges and Fire Service Charges

The fixed ("ready to serve") charge and fire services charges contained in this water rate resolution effect on bills dated December 22, 2022 or later; on bills dated June 29, 2023 or later; and on bills dated June 27, 2024 or later

D. Water Connection Charges

Any subsequent water connection rate increases are to be effective July 1st of each succeeding year shall be automatically adjusted annually and without further

action of the City Council to account for inflation. The adjustment shall be based on the Engineering News Record (ENR) 20-City Construction Cost Index (CCI) for the twelve (12) months ending January of the current year. The amount of the water connection fee will be based on the date of the actual payment of the fee. For purposes of this Resolution, the base year is July 1, 2022.

APPROVED AND ADOPTED this _____ day of _____, 2022

Mayor

ATTEST: _____
City Clerk

I Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was introduced at a regular meeting of the City Council of the City of Brea, held on November 15, 2022, and was finally passed at the regular meeting of the City Council of the City of Brea on the 15th day of November 2022, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

DATED: _____

City Clerk

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA AMENDING CERTAIN SEWER RATES AND CHARGES

A. RECITALS:

(i) The City Council has heretofore established and revised fees and charges applicable to the provision of sewer services in the City. Since the last revision, costs to the City for providing these services have increased.

(ii) The City Council has previously enacted Chapter 3.32 of the Brea City Code, authorizing recovery of costs incurred by the City in providing municipal services, as provided by State law.

(iii) In order to more fully fund the increased costs to the City in providing sewer services, the City Council desires to revise existing sewer service fees and charges.

(iv) State law authorizes cities to adopt fees and charges for municipal services provided such fees and charges do not exceed the estimated reasonable cost of the service. On or about September 19, 2021, the City Council caused a study to be conducted concerning the costs to the City in providing the services to which the proposed fees and charges relate.

(v) A duly noticed public hearing concerning the proposed fees and charges has been conducted and concluded prior to the adoption of this Resolution.

(vi) All legal prerequisites to the adoption of this Resolution have occurred.

B. RESOLUTION:

NOW THEREFORE, the City Council of the City of Brea hereby finds and resolves as follows:

1. All facts set forth in the Recital, Part A, of this Resolution are true and correct.

2. The fee study referred to in Recital No. (iv), above ("the fee study"), is hereby incorporated by reference herein.

3. Based on the fee study, staff reports, and data and oral comments presented to the City Council at the public hearing conducted in this matter, the City

Council hereby finds and determines that the proposed fees and charges, set forth in Sections 5 and 6, below, do not exceed the estimated reasonable costs to provide the service for which the fees are charged.

4. The fees and charges set forth in Sections 5 and 6, below, hereby are adopted and approved.

5. For bills dated December 22, 2022 or later, the monthly sewer fees and charges for sewer service shall be as follows:

Customer Type	Sewer Charge
Single Family Residential	
5/8" – 1-1/2" Meter	\$14.62
2" – 12' Meter	\$31.28
Single Family Residential – Outside	
5/8"- 1" Meter	\$22.21
1-1/2" Meter	\$47.57
2" Meter	\$49.48
3" – 12" Meter	\$415.42
Multi-Family Residential	
Per dwelling unit charge	\$9.16
Commercial & Industrial	
5/8" – 1" Meter	\$32.57
1-1/2"- 2" Meter	\$116.45
Commercial & Industrial 3" and Larger	
0-100 wwf/m	\$207.67
101-200 wwf,/m	\$298.95
201-400 wwf/m	\$689.19
401-700 wwf/m	\$938.93
701+wwf/m	\$2,070.65
Brea Olinda School District	
5/8" - 1" Meter	\$13.51
1-1/2" - 2" Meter	\$56.55
3" Meter	\$98.83
4" – 12" Meter	\$584.45
City Accounts & Other Government	
5/8" - 1" Meter	\$12.88
1-1/2" - 2" Meter	\$72.48
3" -12" Meter	\$4481.04

WWF/M = Wastewater flow per month

6. A special/high usage fee is hereby established for waste water discharge when the discharge is not related to any metered water delivery and/or for unusually

high sewer discharge, as determined by the City Engineer. The monthly sewer rate for special/high usage shall be \$2.07 per 1000 gallons of discharge.

7. Each fee and charge set forth in Sections 5 and 6, above, shall be increased 3% on bills dated June 29, 2023 or later and bills dated June 27, 2024 or later, without further action of the City Council.

8. This Resolution shall become on or after November 15, 2022.

APPROVED AND ADOPTED this 15th day of November 2022.

Mayor

ATTEST: _____
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea held on the 15th day of November 2022 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Dated: _____

City Clerk

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA AMENDING CERTAIN SEWER RATES AND CHARGES

A. RECITALS:

(i) The City Council has heretofore established and revised fees and charges applicable to the provision of sewer services in the City. Since the last revision, costs to the City for providing these services have increased.

(ii) The City Council has previously enacted Chapter 3.32 of the Brea City Code, authorizing recovery of costs incurred by the City in providing municipal services, as provided by State law.

(iii) In order to more fully fund the increased costs to the City in providing sewer services, the City Council desires to revise existing sewer service fees and charges.

(iv) State law authorizes cities to adopt fees and charges for municipal services provided such fees and charges do not exceed the estimated reasonable cost of the service. On or about September 19, 2021, the City Council caused a study to be conducted concerning the costs to the City in providing the services to which the proposed fees and charges relate.

(v) A duly noticed public hearing concerning the proposed fees and charges has been conducted and concluded prior to the adoption of this Resolution.

(vi) All legal prerequisites to the adoption of this Resolution have occurred.

B. RESOLUTION:

NOW THEREFORE, the City Council of the City of Brea hereby finds and resolves as follows:

1. All facts set forth in the Recital, Part A, of this Resolution are true and correct.

2. The fee study referred to in Recital No. (iv), above ("the fee study"), is hereby incorporated by reference herein.

3. Based on the fee study, staff reports, and data and oral comments presented to the City Council at the public hearing conducted in this matter, the City

Council hereby finds and determines that the proposed fees and charges, set forth in Sections 5 and 6, below, do not exceed the estimated reasonable costs to provide the service for which the fees are charged.

4. The fees and charges set forth in Sections 5 and 6, below, hereby are adopted and approved.

5. For bills dated December 22, 2022 or later, the monthly sewer fees and charges for sewer service shall be as follows:

Customer Type	Sewer Charge
Single Family Residential	
5/8" – 1-1/2" Meter	\$14.62
2" – 12' Meter	\$31.28
Single Family Residential – Outside	
5/8"- 1" Meter	\$22.21
1-1/2" Meter	\$47.57
2" Meter	\$49.48
3" – 12" Meter	\$415.42
Multi-Family Residential	
Per dwelling unit charge	\$9.16
Commercial & Industrial	
5/8" – 1" Meter	\$32.57
1-1/2"- 2" Meter	\$116.45
Commercial & Industrial 3" and Larger	
0-100 wwf/m	\$207.67
101-200 wwf,/m	\$298.95
201-400 wwf/m	\$689.19
401-700 wwf/m	\$938.93
701+wwf/m	\$2,070.65
Brea Olinda School District	
5/8" - 1" Meter	\$13.51
1-1/2" - 2" Meter	\$56.55
3" Meter	\$98.83
4" – 12" Meter	\$584.45
City Accounts & Other Government	
5/8" - 1" Meter	\$12.88
1-1/2" - 2" Meter	\$72.48
3" -12" Meter	\$4481.04

WWF/M = Wastewater flow per month

6. A special/high usage fee is hereby established for waste water discharge when the discharge is not related to any metered water delivery and/or for unusually

high sewer discharge, as determined by the City Engineer. The monthly sewer rate for special/high usage shall be \$2.07 per 1000 gallons of discharge.

7. Each fee and charge set forth in Sections 5 and 6, above, shall be increased 5% on bills dated June 29, 2023 or later and bills dated June 27, 2024 or later, without further action of the City Council.

8. This Resolution shall become on or after November 15, 2022.

APPROVED AND ADOPTED this 15th day of November 2022.

Mayor

ATTEST: _____
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea held on the 15th day of November 2022 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Dated: _____

City Clerk

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA AMENDING CERTAIN SEWER RATES AND CHARGES

A. RECITALS:

(i) The City Council has heretofore established and revised fees and charges applicable to the provision of sewer services in the City. Since the last revision, costs to the City for providing these services have increased.

(ii) The City Council has previously enacted Chapter 3.32 of the Brea City Code, authorizing recovery of costs incurred by the City in providing municipal services, as provided by State law.

(iii) In order to more fully fund the increased costs to the City in providing sewer services, the City Council desires to revise existing sewer service fees and charges.

(iv) State law authorizes cities to adopt fees and charges for municipal services provided such fees and charges do not exceed the estimated reasonable cost of the service. On or about September 19, 2021, the City Council caused a study to be conducted concerning the costs to the City in providing the services to which the proposed fees and charges relate.

(v) A duly noticed public hearing concerning the proposed fees and charges has been conducted and concluded prior to the adoption of this Resolution.

(vi) All legal prerequisites to the adoption of this Resolution have occurred.

B. RESOLUTION:

NOW THEREFORE, the City Council of the City of Brea hereby finds and resolves as follows:

1. All facts set forth in the Recital, Part A, of this Resolution are true and correct.

2. The fee study referred to in Recital No. (iv), above ("the fee study"), is hereby incorporated by reference herein.

3. Based on the fee study, staff reports, and data and oral comments presented to the City Council at the public hearing conducted in this matter, the City

Council hereby finds and determines that the proposed fees and charges, set forth in Sections 5 and 6, below, do not exceed the estimated reasonable costs to provide the service for which the fees are charged.

4. The fees and charges set forth in Sections 5 and 6, below, hereby are adopted and approved.

5. For bills dated December 22, 2022 or later, the monthly sewer fees and charges for sewer service shall be as follows:

Customer Type	Sewer Charge
<i>Single Family Residential</i>	
5/8" – 1-1/2" Meter	\$12.54
2" and above Meter	\$26.84
<i>Single Family Residential – Outside</i>	
5/8"- 1" Meter	\$19.06
1-1/2" Meter	\$40.82
2" Meter	\$42.85
3" – 12" Meter	\$356.45
<i>Multi-Family Residential</i>	
Per dwelling unit charge	\$7.86
<i>Commercial & Industrial</i>	
5/8" – 1" Meter	\$27.94
1-1/2"- 2" Meter	\$99.92
<i>Commercial & Industrial 3" and Larger</i>	
0-100 wwf/m	\$178.19
101-200 wwf,/m	\$256.52
201-400 wwf/m	\$591.37
401-700 wwf/m	\$805.66
701+wwf/m	\$1,776.75
<i>Brea Olinda School District</i>	
5/8" - 1" Meter	\$11.59
1-1/2" - 2" Meter	\$48.52
3" Meter	\$84.80
4" – 12" Meter	\$501.49
<i>City Accounts & Other Government</i>	
5/8" - 1" Meter	\$11.05
1-1/2" - 2" Meter	\$62.19
3" -12" Meter	\$412.76

WWF/M = Wastewater flow per month

6. A special/high usage fee is hereby established for waste water discharge when the discharge is not related to any metered water delivery and/or for unusually

high sewer discharge, as determined by the City Engineer. The monthly sewer rate for special/high usage shall be \$1.77 per 1000 gallons of discharge.

7. Each fee and charge set forth in Sections 5 and 6, above, shall be increased 3% on bills dated June 29, 2023 or later and bills dated June 27, 2024 or later, without further action of the City Council.

8. This Resolution shall become on or after November 15, 2022.

APPROVED AND ADOPTED this 15th day of November 2022.

Mayor

ATTEST: _____
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea held on the 15th day of November 2022 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Dated: _____

City Clerk

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members
FROM: Bill Gallardo, City Manager
DATE: 11/15/2022
SUBJECT: Brea Construction Code Triennial Adoption

RECOMMENDATION

Open and conduct a public hearing concerning Ordinance No. 1232; Approval of an exemption under the California Environmental Quality Act (Guidelines, Sec. 15061(b)(3)) and Staff's filing of a Notice of Exemption, for Ordinance No. 1232; Adopt Ordinance No. 1232 which adopts by reference certain Codes comprising the 2022 California Building Standards Code as set forth in Title 24 of the California Code of Regulations, which include, but are not limited to, the California Building, Plumbing, Electrical, Mechanical, Residential, Fire (adopted by separate ordinance), and Green Building Standards Code (collectively, "Construction Codes"); and, adopt Resolution No. 2022-068, setting forth required findings for amendments to the foregoing Codes based on local climatic, topographical and/or geological conditions.

BACKGROUND/DISCUSSION

Health and Safety Code Section 17922 and 18938 require the City to adopt by reference the Construction Codes every three (3) years together with any amendments to building standards contained in the Codes. Otherwise, all building standards contained in the California Building Standards Code (Title 24), excluding any local amendments, will become effective as to all occupancies in the City as of January 1, 2023.

This Ordinance will amend Title 15 of the Brea Municipal Code by repealing references to the prior editions of the Construction Codes and replacing them with references to the 2022 Construction Codes, together with any City amendments.

Similar to past code adoptions, the Building & Safety Division is recommending changes and modifications be made to the 2022 Construction Codes and is advising that said changes are reasonable and necessary due to local conditions in the City of Brea. Other modifications are of an administrative or procedural nature and relate to subjects that are not covered by the Construction Codes or are otherwise reasonably necessary to safeguard life and property within the City of Brea.

A detailed list of the proposed changes can be found in the Resolution along with a number of technical findings which are legally necessary in order to amend building standards contained in the new Construction Codes, and are described later in this report.

The proposed Construction Code amendments are consistent with the safeguards previously adopted in the City of Brea and are carried over from the 2019 Codes in order to maintain the higher level of safety required in Brea due to local conditions.

DISCUSSION

The proposed local amendments to the Construction Codes focus, generally, on local conditions generated by Brea's proximity to fire hazard zones, seismic faults and oil land operations. Brea is located in northern Orange County and is abutted by natural undeveloped hills to the north and Carbon Canyon Regional Park and Chino Hills State Park to the east. These open hills have historically been known for oil production, agriculture, Santa Ana winds and increasing seismic activity. Because of Brea's unique geology, topography and climate, special attention is needed in order to better safeguard buildings, occupants and residents. The State allows for enhancements to the Construction Codes, including the Building and Fire Codes, when such conditions occur.

Since the City of Brea is located near one of the more active seismic faults in California - the Whittier Fault - Brea is naturally at a higher risk level when it comes to seismic damage. Because of this proximity, Building & Safety Division staff is proposing code amendments that will enhance the safety of Brea's buildings and structures. The Building & Safety Division has carefully reviewed structural recommendations from the Structural Engineers Association of Southern California and has selected amendments that best serve the City of Brea. By incorporating the proposed structural enhancements, Brea's buildings would benefit through improved design. The changes would help verify that foundation systems are properly designed and that structural fasteners used in our buildings meet structural testing requirements. These enhancements would make future construction safer during a seismic event.

The Brea hills have been known for occasional fires but none more well-known than the November 15, 2008, "Freeway Complex Fire," a fire which originated in Corona. With the help of the dry season and the Santa Ana winds, the fire spread through Yorba Linda, south Anaheim Hills, and eventually along Carbon Canyon Road in Brea. The rapid spread of the fire, along with the difficult topography and access conditions, made the fire incident difficult to handle. The Fire Department and the Building & Safety Division have long made code changes to help reduce damages caused by such events. Currently, staff is proposing to amend the sprinkler provisions in the 2022 Code to include major remodels and additions to buildings, which would greatly enhance the safety of our residents. These proposed changes are found in Chapter Nine (9) of the Building and Fire Code and are consistent with the previous Brea Code amendments.

Along with the sprinkler provisions, code changes that enhance our High and Very High Fire Hazard Areas have been proposed. The Fire Department has long adopted and enforced a Fuel Modification Guideline for High Fire Hazard Areas which mandates that new and existing developments maintain a higher level of operation, construction types, and fire awareness in the Fire Hazard Areas.

Access of Brea fire apparatus is critical when responding to calls. That is why access road dimensions, turning radius changes are proposed to clearly document what dimensions are safe for our apparatus. Enhancements to the address identification requirement for all buildings is also amended so that identification by our emergency response staff is made effortlessly.

Along with the seismic faults, Santa Ana winds, and Fire Hazard Areas, Brea is also known for its oil production. As land becomes more and more scarce, development pushes deeper and deeper into previous oil fields. The natural oil and gas seepage has been well documented in certain areas in Brea. This gas, better known as methane, is an offset issue and is a potential hazard if not properly mitigated. Both the Fire Department and the Building & Safety Division are

aware of these potential hazards and have continually enforced the "City of Brea Combustible Soil-Gas Guideline." This guideline requires future development to address the methane gas hazard and requires mitigation measures such as methane boot barriers. The barriers are placed under buildings to prevent gases from penetrating foundations. There are other passive and active mitigation requirements that, when properly enforced and installed, greatly improve the safety of our residents and occupants. The Brea Fire Department and the Building & Safety Division work together to plan check, inspect, and develop these guidelines and are proud to continue the adoption of such Code changes which are essential for the safety of our buildings and residents.

The Brea Fire Department has carefully reviewed the proposed Code changes and has made an effort to reduce the Code changes to those only reasonably necessary to the City of Brea because of its climatic, geological or topographical conditions. The Brea Fire Department and the Building & Safety Division are confident that by the approval of the proposed Code changes, Brea will be a safer City.

The City Attorney has reviewed and approved the format of all documents associated with the 2022 California Construction Code adoption process.

Ordinance 1232 was introduced at the October 18, 2022 City Council Meeting.

Environmental Review

The proposed Ordinance has been assessed in accordance with the California Environmental Quality Act (CEQA) Guidelines and the environmental regulations of the City. Pursuant to CEQA guidelines Section 15061(b)(3), the proposed Ordinance is exempt from the requirements to prepare additional environmental documentation as it can be seen with certainty that there is no possibility that adoption of the ordinance may have a significant effect on the environment. The proposed updates to the 2022 State Construction Codes are consistent with the safeguards previously adopted in the City of Brea and are carried over from the 2019 Code in order to maintain the higher level of safety required in Brea due to local conditions and as such, it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment.

FISCAL IMPACT/SUMMARY

The approval of the 2022 California Code has no impact on the General Fund.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Christian Varela, Building and Safety Division

Concurrence: Jason Killebrew, Community Development Director

Attachments

A. Resolution

B. Ordinance 1232

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA, CALIFORNIA, SETTING FORTH FINDINGS FOR REQUIRED AMENDMENTS TO THE 2022 TITLE 24 CALIFORNIA CODE RELATIVE TO LOCAL CLIMATIC, TOPOGRAPHIC AND GEOLOGIC CONDITIONS

A. RECITALS:

(i) Health and Safety Code Section 17958 provides that the City of *Brea* shall adopt Ordinances and regulations imposing the same or modified or changed requirements as are contained in the regulations adopted by the State pursuant to Health and Safety Code Section 17922; and

(ii) the State of California is mandated by Health and Safety Code Section 17922 to impose the same requirements as are contained in the most recent edition of the California Building Code, the California Green Building Standards Code, the California Residential Code, the California Plumbing Code, the California Mechanical Code, and the California Electrical Code (hereinafter referred to collectively as “Codes”); and

(iii) Health and Safety Code Section 17958.5(a) permits the City to make modifications or changes to the Codes, which are reasonably necessary because of local climatic, geologic, or topographic conditions; and

(iv) Health and Safety Code Section 17958.7 requires that the City Council, before making any modifications or changes to the Codes, shall make an express finding that such changes or modifications are reasonably necessary because of local climatic, geologic, or topographic conditions; and

(v) the *Building & Safety Division Community Development* Department has recommended that changes and modifications be made to the Codes and have advised that certain said changes and modifications to the California Codes are reasonably necessary due to local conditions in the City of *Brea* and have further advised that the remainder of said changes and modifications are of an administrative or procedural nature, or concern themselves with subjects not covered by the Codes or are reasonably necessary to safeguard life and property within the City of *Brea*.

B. RESOLUTION:

NOW, THEREFORE, be it is found, determined and resolved by the City Council of the City of Brea as follows:

Amendments related to life and fire safety contained in Sections 105.2, 903.2, 903.2.8, 918.12, Table 1505.1, 1505.1.2, 1505.5, 1505.7, 1807.1.6, 1809.7, and 2304.10.2, Appendix B and G of the 2022 Edition of the California Building Code, and Table R301.2, Sections, R405.1, R902.1, R902.1.2, R902.2 and APPENDIX AX 115922(a) of the 2022 Edition of the California Residential Code as recommended by the *Community Development* Department are hereby found to be reasonably necessary due to the to the following local conditions:

A. Climatic Conditions

1. Orange County and the City of Brea are located in a semi-arid Mediterranean type climate which predisposes all fuels, including wood shingles, to rapid ignition and spread of fire. Therefore, there exists a need for additional fire protection measures.
2. Hot, dry Santa Ana winds are common to all areas within the City of Brea and Orange County in general. These winds, which can cause small fires to spread quickly and are a contributing factor to the high fire danger in the area, and create the need for an increased level of fire protection. This added protection will supplement normal fire department response available and provide immediate protection for life and safety of multiple occupants during fire occurrences.

B. Geologic Conditions

1. **Seismic Area.** Orange County and the City of Brea are located in a highly active seismic area. There are earthquake faults that run along both the northeastern and southwestern boundaries of Orange County. The Newport-Inglewood Fault Zone (NIFZ) which runs through Orange County was the source of the destructive 1933 Long Beach earthquake (6.3 magnitude, hypocenter off Newport Beach coast), which took 120 lives, with areas damaged from Laguna Beach to Marina del Rey and inland to Whittier, and poses one of the greatest hazards to lives and property in the nation. The **Puente Hills thrust fault**, runs from the suburbs of northern Orange County, through the San Gabriel Valley and under the skyscrapers of downtown Los Angeles before ending in Hollywood. Experts report that a major, magnitude 7.5 earthquake on the fault could do more damage to the heart of Los Angeles than the dreaded Big One on the San Andreas fault, which is on the outskirts of metropolitan Southern California.

In 1987, a "moderate" quake on that fault killed eight people and caused more than \$350 million in damage. The magnitude 5.9 Whittier Narrows quake left old brick buildings in Whittier's downtown area battered and also damaged some freeway bridges. More than 100 single-family homes and more than 1,000 apartment units were destroyed.

On March 28, 2014 at approximately 9:09 pm the City of Brea and adjacent cities experienced an earthquake with a magnitude 5.1 followed by several foreshock earthquakes of varying magnitudes. These Puente Hills fault earthquakes were severe enough to cause the activation of the City of Brea's Emergency Operation Center (EOC) and set into motion Brea's first responders. The City withstood the event well but some structures experienced some damage resulting in millions of dollars in repair cost.

These past, and future seismic events create a need for additional structural safety measures and fire protection measures for building occupants in the City of Brea.

2. **Methane gas.** The City of Brea is also known for oil deposits. Methane seepage has been detected at several locations in the city of Brea do to oil operations and natural causes. Under normal atmospheric conditions methane gas is not a hazard. However, at high concentrations it is flammable, and at concentrations between 55,000 and 140,000 ppm (parts per million), it is explosive. Although it is not toxic, it can lead to asphyxiation if it replaces oxygen in an enclosed space. Methane is lighter than air; therefore, it tends to migrate upward through permeable sediments, rock fractures, and man-made pathways. If allowed to accumulate inside buildings, dangerous explosions can result. If free of impurities, methane is colorless and odorless, making it difficult for a building's inhabitants to detect. Therefore, areas in Brea have a need for increased protection and mitigation from methane gas.
3. Areas of Brea lie within the Brea-Olinda oil field, and is known for its surface seeps of naturally occurring oil and tar since the days of the Spanish missionaries ("brea" is the Spanish word for tar). Before development, asphaltum, tar, and active oil seepage may be present. Although crude oil is not classified as a hazardous substance by the State of California, oil seeps and tar are generally viewed as unsightly and a "nuisance hazard."

C. Topographic Conditions

1. Brea is located in the heart of La Habra Valley, which stretches from East Whittier to Yorba Linda, at the northern boundary of Orange County where it joins Los Angeles County. To the northwest are the Puente Hills, the Chino Hills stretch northeastward. The Coyote Hills form the southern boundary. Brea's official elevation is 375 feet, but varies with the rolling terrain. Brea is home to the Brea Dam constructed and operated by the Corps of Engineers with a single purpose flood control project in 1942.
2. Traffic and circulation congestion presently existing in the City of Brea often places fire department response time to fire occurrences at risk. This condition can be exacerbated given the terrain and winding roads. Any major disaster, including earthquake may damage the highway system and possibly cause landslides, compromising our roads and city circulation. This topographic local condition makes the need for additional on-site protection systems to better serve property occupants.

Additional amendments have been made to Codes. On the recommendation of the Community Development Department, such amendments are hereby found to be either administrative or procedural in nature or concern themselves with subjects not covered in such Codes. The changes made include provisions making each of said Codes compatible with other Codes enforced by the City.

Amendments to the 2022 Edition of the California Codes are found reasonably necessary based on the climatic and/or geologic conditions cited in Section 1 of this resolution and are listed as follows:

Building Code Section

CBC 105.2,
CBC 903.2, 903.2.8,
CBC 918.12
CBC 1505.1, 1505.1.2, 1505.5, 1505.7
CBC 1807.1.6, 1809.7, 2304.10.2,
CBC Appendix B, G
CRC R301.2, R405.1
CRC R902.1, R902.1.2, R902.2
CRC Appendix AX 115922(a)

Findings in Section 1

B-1,
A-1, A-2, B-2, B-3
A-1, A-2, B-2
A-1, A-2, B-2,
B-1
B-1, C1
A-1, A-2, B-1, B-2, C-1,C-2
A-1, A-2, B-2
C-2

Swimming Pools

ISPSC 305.2 (a)
ISPSC 305.2 (b)

Findings in Section 1

C-2
C-2

The aforementioned amendments have been incorporated in detail in Ordinance Nos. 1232.

APPROVED and ADOPTED this day of , 2022.

Cecilia Hupp, Mayor

ATTEST: _____
Lillian Harris-Neal, City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea held on the , 2022 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

DATED: _____

Lillian Harris-Neal, City Clerk

ORDINANCE NO. 1232

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BREA ADOPTING BY REFERENCE THE 2022 EDITION OF THE CALIFORNIA ADMINISTRATIVE, BUILDING, RESIDENTIAL, MECHANICAL, PLUMBING, ELECTRICAL, GREEN BUILDING STANDARDS, ENERGY, HISTORICAL BUILDING, AND EXISTING BUILDING CODES, THE 2021 EDITION OF THE INTERNATIONAL PROPERTY MAINTENANCE CODE, AND THE 2021 EDITION OF THE INTERNATIONAL SWIMMING POOL AND SPA CODE, TOGETHER WITH APPENDICES, AMENDMENTS, DELETIONS AND PENALTIES, AND AMENDING TITLE 15 OF THE BREA CITY CODE

A. RECITALS.

(i) Section 50022.1, et seq. of the California Government Code authorizes the adoption by reference of codes comprising the California Building Standards Code.

(ii) At least one (1) copy of said Codes, certified as full, true and correct, has been filed in the office of the City Clerk of the City of Brea in accordance with the provisions of California Government Code Section 50022.6.

(iii) A duly noticed public hearing, as required by California Government Code Section 50022.3, has been conducted and concluded prior to the adoption of this Ordinance.

(iv) All legal prerequisites to the adoption of this Ordinance have occurred.

B. ORDINANCE.

NOW, THEREFORE, the City Council of the City of Brea does hereby ordain as follows:

SECTION 1. In all respects as set forth in the Recitals, Part A, of this Ordinance.

SECTION 2. Chapters 15.04, 15.08, 15.10, 15.12, 15.16, 15.20, 15.24, 15.28, 15.32, 15.34, 15.36 and 15.220 of Title 15 of the Brea City Code hereby are repealed; provided, however, that said repeal shall not affect or excuse any violation thereof occurring prior to the effective date of this Ordinance and provided further that the Codes adopted by reference and amended by Ordinance No. 1188 of this City, shall continue to be applicable to construction wherein plans have been submitted for plan check prior to the effective date of this Ordinance so long as the initial permit therefor is issued no later than ninety (90) days after the effective date of this Ordinance.

SECTION 3. A new Chapter 15.04 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.04: ADMINISTRATIVE CODE

“Section

- 15.04.010 2022 California Administrative Code Adopted
- 15.04.020 Conflicting provisions

§ 15.04.010 2022 CALIFORNIA ADMINISTRATIVE CODE ADOPTED.

Except as provided in this chapter, the ‘2022 California Administrative Code’ is hereby adopted in its entirety and shall be and become the Administrative Code of the City of Brea.

§ 15.04.020 CONFLICTING PROVISIONS.

In the event of a conflict between any provision contained in the Administrative Code and the administrative provisions of the City’s building codes, the more specific provision shall be given effect, unless another applicable provision is determined by the Building Official to more fully provide for the public health and safety and/or will more fully promote the intent of the city’s building codes.”

SECTION 4.

A new Chapter 15.08 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.08: BUILDING CODE

“Section

- “15.08.010 2022 California Building Code Adopted
- “15.08.020 2022 California Building Code-Amendments

§15.08.010 2022 CALIFORNIA BUILDING CODE ADOPTED.

The ‘2022 California Building Code’, including Appendices B and G, and incorporating the ‘2021 International Building Code’ as published by the International Code Council, hereby is adopted in its entirety as the Building Code of the City of Brea, together with the amendments, additions, deletions and exceptions set forth in this chapter.

§15.08.020 2022 CALIFORNIA BUILDING CODE-AMENDMENTS.

The California Building Code is hereby amended as follows:

SECTION 105.2 WORK EXEMPT FROM PERMIT-AMENDED

105.2 Work exempt from permit. Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any other laws or ordinances of this jurisdiction. *Permits* shall not be required for the following:

Building:

1. One-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area does not exceed 120 square feet (11.15 m²) and maximum height of 12 ft. *It is permissible that these structures still be regulated by Section 710A, despite exemption from permit.*
2. Masonry or concrete fences not over 3 feet (1524 mm) high.
3. Oil derricks.
4. Retaining walls that are not over 4 feet (1219 mm) in height measured from the bottom of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II or IIIA liquids.
5. Water tanks supported directly on grade if the capacity does not exceed 5,000 gallons (18 925 L) and the ratio of height to diameter or width does not exceed 2:1.
6. Sidewalks and driveways not more than 30 inches (762 mm) above adjacent grade, and not over any basement or *story* below and are not part of an *accessible route*.
7. Painting, papering, tiling, carpeting, cabinets, counter tops and similar finish work.
8. Temporary motion picture, television and theater stage sets and scenery.
9. Prefabricated swimming pools accessory to a Group R-3 occupancy that are less than 18 inches (457 mm) deep, do not exceed 5,000 gallons (18 925 L) and are installed entirely above ground. *It is permissible to request a building permit when pools will be placed adjacent to a retaining wall and exceeds 1,000 gallons (3,785 L).*
10. Shade cloth structures constructed for nursery or agricultural purposes, not including service systems.
11. Swings and other playground equipment accessory to detached one- and two-family *dwelling*s.
12. Window *awnings* supported by an *exterior wall* that do not project more than 54 inches (1372 mm) from the exterior wall and do not require additional support *in occupancy* Groups R-3 and U.
13. Nonfixed and movable fixtures, cases, racks, counters and partitions not over 5 feet 9 inches (1219 mm) in height.

Electrical:

Repairs and maintenance: Minor repair work, including the replacement of lamps or the connection of *approved* portable electrical equipment to *approved* permanently installed receptacles.

Radio and television transmitting stations: The provisions of this code shall not apply to electrical equipment used for radio and television transmissions, but do apply to equipment and wiring for a power supply and the installations of towers and antennas.

Temporary testing systems: A *permit* shall not be required for the installation of any temporary system required for the testing or servicing of electrical equipment or apparatus.

Gas:

1. Portable heating appliance.
2. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.

Mechanical:

1. Portable heating appliance.
2. Portable ventilation equipment.
3. Portable cooling unit.
4. Steam, hot or chilled water piping within any heating or cooling equipment regulated by this code.
5. Replacement of any part that does not alter its approval or make it unsafe.
6. Portable evaporative cooler.
7. Self-contained refrigeration system containing 10 pounds (5 kg) or less of refrigerant and actuated by motors of 1 horsepower (746 W) or less.

Plumbing:

1. The stopping of leaks in drains, water, soil, waste or vent pipe, provided, however, that if any concealed trap, drain pipe, water, soil, waste or vent pipe becomes defective and it becomes necessary to remove and replace the same with the new material, such work shall be considered as new work and a permit shall be obtained and inspection made as provided in this code.
2. The clearing of stoppages or the repairing of leaks in pipes, valves or fixtures and the removal and reinstallation of water closets, provided such repairs do not involve or require the replacement or rearrangement of valves, pipes or fixtures.

SECTION 903.2 WHERE REQUIRED-AMENDED

903.2 Where required. Approved automatic sprinkler systems in buildings and structures shall be provided in the following locations:

1. **New buildings:** Notwithstanding any applicable provisions of Sections 903.2.1 through 903.2.12 and Sections 903.2.14 through 903.2.21, an automatic fire-extinguishing system shall also be installed in all occupancies when the total building area, as defined in Section 202, exceeds 5,000 square feet (465 m²), or the building is more than two stories in height, regardless of fire areas or allowable area.

2. **New buildings in the VHFHSZ:** An automatic sprinkler system shall be provided in all new occupancies in the VHFHSZ.
3. **Existing buildings:** Notwithstanding any applicable provisions of this code, an automatic sprinkler system shall be provided in an existing building when an addition occurs and when one of the following conditions exists:
 - a. When the addition is 50% or more of the existing building area and the resulting building area, as defined in Section 202, exceeds 5,000 square feet (465 m²); or
 - b. When the addition exceeds 2,000 (185.81 m²) square feet and the resulting building area, as defined in Section 202, exceeds 5,000 square feet (465 m²); or
 - c. An additional story is added above the second floor regardless of fire areas or allowable area.

Exception: Group R-3 occupancies. Group R-3 occupancies shall comply with Section 903.2.8.

SECTION 903.2.8 GROUP R-AMENDED

903.2.8 Group R. An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area as follows:

2. **New buildings:** An automatic sprinkler system shall be installed throughout all new buildings.
3. **Existing buildings:** An automatic sprinkler system shall be installed throughout when one of the following conditions exists:
 - a. When an addition is 50% or more of the existing building area, as defined in Section 202, or greater than 1,000 square feet (92.903 m²) within a two year period; or
 - b. An addition when the existing building is already provided with automatic sprinklers; or
 - c. When an existing Group R Occupancy is being substantially renovated, and where the scope of the renovation is such that the Building Code Official determines that the complexity of installing a sprinkler system would be similar as in a new building.
4. **Existing buildings in the Very High Fire Hazard Severity Zone:** An automatic sprinkler system shall be installed throughout when one of the following conditions exists:

- a. When an addition is 33% of more of the existing building area, as defined in Section 202, or greater than 1,000 square feet (93.902 m²) within a two year period; or
- b. An addition when the existing building is already provided with automatic sprinklers; or
- c. When an existing Group R Occupancy is being substantially renovated, and where the scope of the renovation is such that the Building Code Official determines that the complexity of installing a sprinkler system would be similar as in a new building.

SECTION 918.2 EMERGENCY RESPONDER RADIO COVERAGE IN EXISTING BUILDINGS - ADDED

918.2 Emergency responder radio coverage in existing buildings.

Existing buildings that do not have approved radio coverage for emergency responders within the building, based upon the existing coverage levels of the public safety communications systems of the jurisdiction at the exterior of the building, shall be equipped with such coverage according to one of the following:

- 1. Where an existing wired communication system cannot be repaired or is being replaced, or where not approved in accordance with Section 510.1, Exception 1, of the Brea Fire Code.
- 2. Within a time frame established by the adopting authority.
- 3. The emergency responder radio coverage shall comply with the following Brea Fire Department guidance document:

‘Information for Digital Antenna Systems (DAS)/Bi-Directional Amplification (BDA) Systems’

TABLE 1505.1- AMENDED

**TABLE 1505.1^a
MINIMUM ROOF COVERING CLASSIFICATIONS
TYPES OF CONSTRUCTION**

IA	IB	IIA	IIB	IIIA	IIIB	IV	VA	VB
A	A	A	A	A	A	A	A	A

For SI: 1 foot = 304.8 mm, 1 square foot = 0.0929 m².

- a. Unless otherwise required in accordance with Chapter 7A or due to the location of the building within a fire district in accordance with Appendix D.

SECTION 1505.1.2 ROOF COVERINGS WITHIN ALL OTHER AREAS-AMENDED

1505.1.2 Roof coverings within all other areas. The entire roof covering of every existing structure where more than 25 percent of the total roof area is replaced within any one-year period, the entire roof covering of every new structure, and any roof covering applied in the alteration, repair or replacement of the roof of every existing structure, shall be a fire-retardant roof covering that is at least Class A.

SECTION 1505.5 NON-CLASSIFIED ROOFING-DELETED

SECTION 1505.7 SPECIAL PURPOSE ROOFS-DELETED

SECTION 1807.1.6 PRESCRIPTIVE DESIGN OF CONCRETE AND MASONRY FOUNDATION WALLS-AMENDED

1807.1.6 Prescriptive design of concrete and masonry foundation walls. Concrete and masonry foundation walls that are laterally supported at the top and bottom shall be permitted to be designed and constructed in accordance with this section. Prescriptive design of foundation walls shall not be used for structures assigned to Seismic Design Category D, E or F.

SECTION 1809.7 PRESCRIPTIVE FOOTINGS FOR LIGHT-FRAME CONSTRUCTION-AMENDED

1809.7 Prescriptive footings for light-frame construction. Where a specific design is not provided, concrete or masonry-unit footings supporting walls of light-frame construction shall be permitted to be designed in accordance with Table 1809.7. Prescriptive footings in Table 1809.7 shall not exceed one story above grade plane for structures assigned to Seismic Design Category D, E or F.

TABLE 1809.7
PRESCRIPTIVE FOOTINGS SUPPORTING WALLS OF
LIGHT-FRAME CONSTRUCTION^{a, b, c, d, e}

NUMBER OF FLOORS SUPPORTED BY THE FOOTING ^f	WIDTH OF FOOTING (inches)	THICKNESS OF FOOTING (inches)
1	12	6
2	15	6
3	18	8

For SI: 1 inch = 25.4 mm, 1 foot = 304.8 mm

- a. Depth of footings shall be in accordance with Section 1809.4.
- b. The ground under the floor shall be permitted to be excavated to the elevation of the top of the footing.
- c. Interior stud-bearing walls shall be permitted to be supported by isolated footings. The footing width and length shall be twice the width shown in this table, and footings shall be spaced not more than 6 feet on center.
- d. See Section 1905 for additional requirements for concrete footings of structures assigned to Seismic Design Category C, D, E or F.
- e. For thickness of foundation walls, see Section 1807.1.6.
- f. Footings shall be permitted to support a roof in addition to the stipulated number of floors. Footings supporting roof only shall be as required for supporting one floor.
- g. Plain concrete footings for Group R-3 occupancies shall be permitted to be 6 inches thick.

SECTION 2304.10.2 FASTENER REQUIREMENTS-AMENDED

2304.10.2 Fastener requirements. Connections for wood members shall be designed in accordance with the appropriate methodology in Section 2302.1. The number and size of fasteners connecting wood members shall not be less than that set forth in Table 2304.10.2. Staple fasteners in Table 2304.10.2 shall not be used to resist or transfer seismic forces in structures assigned to Seismic Design Category D, E or F.

Exception: Staples may be used to resist or transfer seismic forces when the allowable shear values are substantiated by cyclic testing performed by an approved laboratory under a licensed professional engineer and results are approved by the building official.

APPENDIX B BOARD OF APPEALS-ADOPTED.

Appendix B of the California Building Code is hereby adopted by reference in its entirety with no amendments.

APPENDIX G FLOOD-RESISTANT CONSTRUCTION-ADOPTED.

Appendix G of the California Building Code is hereby adopted by reference in its entirety with no amendments.”

SECTION 5.

A new Chapter 15.10 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.10 RESIDENTIAL CODE

Section

- 15.10.010 2022 California Residential Code Adopted
- 15.10.020 2022 California Residential Code-Amendments

§15.10.010 2022 CALIFORNIA RESIDENTIAL CODE ADOPTED.

The ‘2022 California Residential Code’, incorporating the ‘2021 International Residential Code’ as published by the International Code Council, is hereby adopted in its entirety as the Residential Building Code of the City of Brea, together with the amendments, additions, deletions and exceptions set forth in this chapter.

§15.10.020 2022 CALIFORNIA RESIDENTIAL CODE-AMENDMENTS.

The California Residential Code is hereby amended as follows:

TABLE R301.2-AMENDED

**TABLE R301.2
CLIMATIC AND GEOGRAPHIC DESIGN CRITERIA**

GROUND SNOW LOAD °	WIND DESIGN				SEISMIC DESIGN CATEGORY f	SUBJECT TO DAMAGE FROM			WINTER DESIGN TEMP e	ICE BARRIER UNDERLAYMENT REQUIRED h	FLOOD HAZARDS g	AIR FREEZING INDEX i	MEAN ANNUAL TEMP j
	Speed d (mph)	Topographic effects k	Special wind region l	Wind borne debris zone m		Weathering a	Frost line Depth b	Termite c					
Zero	100	No	No	NO	D ₂ or E	Negligible	12-24"	Very Heavy	43	No	See Exhibit B	0	65.1
MANUAL J DESIGN CRITERIA n													
Elevation	Altitude Correction factor e	Coincident Wet bulb	Indoor winter design dry-bulb temperature	Indoor winter design dry-bulb temperature	Outdoor winter design dry-bulb temperature	Heating temperature difference							
275		68											
Latitude	Daily range	Indoor summer design relative humidity	Indoor summer design relative humidity	Indoor summer design dry-bulb temperature	Outdoor summer design dry-bulb temperature	Cooling Temperature difference							
34	29												

For SI: 1 pound per square foot = 0.0479 kPa, 1 mile per hour = 0.447 m/s.

- a. Weathering may require a higher strength concrete or grade of masonry than necessary to satisfy the structural requirements of this code, the frost line depth strength required for weathering shall govern. The weathering column shall be filled in with the weathering index, "negligible," "moderate" or "severe" for concrete as determined from Figure R301.2(1). The grade of masonry units shall be determined from ASTM C 34, ASTM C 55, ASTM C 62, ASTM C 73, ASTM C 90, ASTM C 129, ASTM C 145, ASTM C 216 or ASTM C 652.
- b. The frost line depth may require deeper footings than indicated in Figure R403.1(1). The jurisdiction shall fill in the frost line depth column with the minimum depth of footing below finish grade.
- c. The jurisdiction shall fill in this part of the table to indicate the need for protection depending on whether there has been a history of local subterranean termite damage.
- d. The jurisdiction shall fill in this part of the table with the wind speed from the basic wind speed map [Figure R301.2(2)]. Wind exposure category shall be determined on a site-specific basis in accordance with Section R301.2.1.4.
- e. The jurisdiction shall fill in this section of the table to establish the design criteria using Table 10A from ACCA Manual J or established criteria determined by the jurisdiction.
- f. The jurisdiction shall fill in this part of the table with the seismic design category determined from Section R301.2.2.1.
- g. The jurisdiction shall fill in this part of the table with: the date of the jurisdiction's entry into the National Flood Insurance Program (date of adoption of the first code or ordinance for management of flood hazard areas); (b) and the title and date of the currently effective Flood Insurance Study or other hazard study and maps adopted by the authority having jurisdiction, as amended.
- h. In accordance with Sections R905.1.2, R905.4.3.1, R905.5.3.1, R905.6.3.1, R905.7.3.1 and R905.8.3.1, where there has been a history of local damage from the effects of ice damming, the jurisdiction shall fill in this part of the table with "YES." Otherwise, the jurisdiction shall fill in this part of the table with "NO."
- i. The jurisdiction shall fill in this part of the table with the 100-year return period air freezing index (BF-days) from Figure R403.3(2) or from the 100-year (99%) value on the National Climatic Data Center data table "Air Freezing Index-USA Method (Base 32°F)" at www.ncdc.noaa.gov/fpsf.html.

- j. The jurisdiction shall fill in this part of the table with the mean annual temperature from the National Climatic Data Center data table "Air Freezing Index-USA Method (Base 32°F)" at www.ncdc.noaa.gov/fpsf.html.
- k. In accordance with Section R301.2.1.5, where there is local historical data documenting structural damage to buildings due to topographic wind speed-up effects, the jurisdiction shall fill in this part of the table with "YES." Otherwise, the jurisdiction shall indicate "NO" in this part of the table.
- l. In accordance with Figure R301.2(2), where there is local historical data documenting unusual wind conditions, the jurisdiction shall fill in this part of the table with "YES" and identify any specific requirements. Otherwise, the jurisdiction shall indicate "NO" in this part of the table.
- m. In accordance with Section R301.2.1.2, the jurisdiction shall indicate the wind-borne debris wind zone(s). otherwise, the jurisdiction shall indicate "NO" in this part of the table.
- n. The jurisdiction shall fill in these sections of the table to establish the design criteria using Table 1a or 1b from ACCA Manual J or established criteria determined by the jurisdiction.
- o. The jurisdiction shall fill in this section of the table using the Ground Snow Loads in Figure R301.2(3) and R301.2(4).

SECTION R405.1 CONCRETE OR MASONRY FOUNDATIONS. EXCEPTION-DELETED

SECTION R902.1 ROOFING COVERING MATERIAL-AMENDED

R902.1 Roofing covering materials. Roofs shall be covered with materials as set forth in Sections R904 and R905. Minimum Class A roofing shall be installed in areas designated by this section or where the edge of the roof is less than 3 feet (914 mm) from a lot line. Classes A roofing required by this section to be listed shall be tested in accordance with ASTM E 108 or UL 790.

Exceptions:

1. Class A roof assemblies include those with coverings of brick, masonry and exposed concrete roof deck.
2. Class A roof assemblies also include ferrous or copper shingles or sheets, metal sheets and shingles, clay or concrete roof tile, or slate installed on noncombustible decks.

SECTION R902.1.2 ROOF COVERINGS IN ALL OTHER AREAS-AMENDED

R902.1.2 Roof coverings in all other areas. The entire roof covering of every existing structure where more than 20 percent of the total roof area is replaced within any one-year period, the entire roof covering of every new structure, and any roof covering applied in the alteration, repair or replacement of the roof of every existing structure, shall be a fire-retardant roof covering that is at least Class A.

SECTION R902.2 FIRE-RETARDANT-TREATED SHINGLES AND SHAKES-AMENDED

R902.2 Fire-retardant-treated shingles and shakes. Fire-retardant-treated wood shakes and shingles are wood shakes and shingles complying with UBC Standard 15-3 or 15-4 which are impregnated by the full-cell vacuum-pressure process with fire-retardant chemicals, and which have been qualified by UBC Standard 15-2 for use on Class A roofs."

APPENDIX AX SWIMMING POOL SAFETY ACT-ADOPTED.

Appendix AX of the California Residential Code is hereby adopted by reference in its entirety with amendments.

APPENDIX AX SWIMMING POOL SAFETY ACT-AMENDED

Authority: Health and Safety Code Section 18942 (b)

Reference: Health and Safety Code Section 18942 (b); Chapter 925, Statutes of 1996

115922

(a) Except as provided in Section 115925, when a building permit is issued for the construction of a new swimming pool or spa or the remodeling of an existing swimming pool or spa at a private single-family home, the respective swimming pool or spa shall be equipped with item # 1 and at least one additional of the following seven drowning prevention features:

1. An enclosure that meets the requirements of Section 115923 and isolates the swimming pool and spa from the private single-family home. Any walls of the residential structure or accessory structures used to complete the isolation enclosure must have door openings equipped with protection as required in 115922 (a)4 or (a)5. Any such door protection device provided for this purpose may not be used to comply with the second drowning prevention feature requirement.
2. Removable mesh fencing that meets American Society for testing and materials (ASTM) Specifications F2286 standards in conjunction with a gate that is self-closing and self-latching and can accommodate a key lockable device. The mesh fencing shall be not less than 20 inches from the water's edge.
3. An 'approved safety pool cover', as defined in subdivision (d) of Section 115921.
4. Exit alarms on the private single-family home's doors that provide direct access to the swimming pool or spa. The exit alarm may cause either an alarm noise or a verbal warning, such as a repeating notification that "the door to the pool is open."
5. A self-closing, self-latching device with a release mechanism placed no lower than 54 inches (1372 mm) above the floor on the private single-family home's doors providing direct access to the swimming pool or spa.
6. An alarm that, when placed in a swimming pool or spa, will sound upon detection of accidental or unauthorized entrance into the water.

The alarm shall meet and be independently certified to the ASTM standard F2208 “Standard Safety Specification for Residential Pool Alarms.” Which includes surface motion, pressure, sonar, laser and infrared type alarms. A swimming protection alarm feature designed for individual use, including an alarm attached to a child that sounds when the child exceeds a certain distance or becomes submerged in water, is not a qualifying drowning prevention safety feature.

7. Other means of protection, if the degree of protection afforded is equal to or greater than that afforded by any of the features set forth above and has been independently verified by an approved testing laboratory as meeting standards for those features established by the ASTM or that American Society of Mechanical Engineers (ASME).

Before the issuance of a final approval for the completion of permitted construction or remodeling work, the local building code official shall inspect the drowning safety prevention features required by this section and, if no violations are found, shall give final approval.”

SECTION 6.

A new Chapter 15.12 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.12: ELECTRICAL CODE

“Section

- 15.12.010 2022 California Electrical Code Adopted
- 15.12.020 2022 California Electrical Code-Amendments

§15.12.010 2022 CALIFORNIA ELECTRICAL CODE ADOPTED.

Except as provided in this chapter, the ‘2022 California Electrical Code’, based on the 2020 National Electrical Code as published by the National Fire Protection Association, is hereby adopted in its entirety as the Electrical Code of the City of Brea, regulating and controlling the installation, arrangement, alteration, repair, use and other operation of electrical wiring, connections, fixtures and electrical appliances on premises within the City.

“§15.12.020 CALIFORNIA ELECTRICAL CODE-AMENDMENTS.

[Reserved for future amendments]”

SECTION 7

A new Chapter 15.16 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.16: MECHANICAL CODE

“Section

- 15.16.010 2022 California Mechanical Code Adopted
- 15.16.020 2022 California Mechanical Code-Amendments

§15.16.010 2022 CALIFORNIA MECHANICAL CODE ADOPTED.

Except as provided in this chapter, the ‘2022 California Mechanical Code’, based on the ‘2021 Uniform Mechanical Code’ as published by the International Association of Plumbing and Mechanical Officials, is hereby adopted in its entirety as the Mechanical Code of the City of Brea, regulating and controlling the design, construction, installation, quality of materials, location, operation and maintenance of heating, ventilating, cooling, refrigeration systems, incinerators and other miscellaneous heat producing appliances.

§15.16.020 2019 CALIFORNIA MECHANICAL CODE-AMENDMENTS

[Reserved for future amendments]”

SECTION 8

A new Chapter 15.20 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.20: PLUMBING CODE

“Section

- 15.20.010 2022 California Plumbing Code Adopted
- 15.20.020 2022 California Plumbing Code-Amendments

§15.20.010 2022 CALIFORNIA PLUMBING CODE ADOPTED.

Except as provided in this chapter, the ‘2022 California Plumbing Code’, based on the ‘2021 Uniform Plumbing Code’ as published by the International Association of Plumbing and Mechanical Officials, is hereby adopted in its entirety as the Plumbing Code of the City of Brea, regulating erection, installation, alteration, repair, relocation, replacement, maintenance or use of plumbing systems within the City.

§15.20.020 2022 CALIFORNIA PLUMBING CODE-AMENDMENTS

[Reserved for future amendments]”

SECTION 9.

A new Chapter 15.24 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.24: GREEN BUILDING STANDARDS CODE

“Section

- 15.24.010 2022 California Green Building Standards Code Adopted
- 15.24.020 2022 California Green Building Standards Code-Amendments

§15.24.010 2022 CALIFORNIA GREEN BUILDING STANDARDS CODE ADOPTED.

Except as provided in this chapter, the ‘2022 California Green Building Standards Code’ is hereby adopted in its entirety and shall be and become the Green Building Standards Code of the City of Brea.

§15.24.020 2022 CALIFORNIA GREEN BUILDING STANDARDS CODE-AMENDMENTS

[Reserved for future amendments]”

SECTION 10.

A new Chapter 15.28 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.28: ENERGY CODE

“Section

- 15.28.010 2022 California Energy Code Adopted
- 15.28.020 2022 California Energy Code-Amendments

§15.28.010 2022 CALIFORNIA ENERGY CODE ADOPTED.

Except as provided in this chapter, the ‘2022 California Energy Code’, is hereby adopted in its entirety and shall be and become the Energy Code of the City of Brea, regulating erection, installation, alteration, repair, relocation, replacement, maintenance or use of energy systems.

§15.28.020 2022 CALIFORNIA ENERGY CODE-AMENDMENTS.

[Reserved for future amendments]”

SECTION 11.

A new Chapter 15.32 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.32: PROPERTY MAINTENANCE CODE

“Section

- 15.32.010 2021 International Property Maintenance Code adopted

§15.32.010 2021 INTERNATIONAL PROPERTY MAINTENANCE CODE ADOPTED.

The 'International Property Maintenance Code, 2021 Edition', as published by the International Code Council, is hereby adopted in its entirety as the Property Maintenance Code of the City of Brea, regulating and controlling the conditions and maintenance of all property, buildings and structures; providing the standards for supplied utilities and facilities and other physical things and conditions essential to ensure that structures are safe, sanitary and fit for occupation and use; and the condemnation of buildings and structures unfit for human occupancy and use, and the demolition of such existing structures as herein provided; providing for the issuance of permits and collection of fees therefor; provided, however, that notwithstanding the adoption of this code, the City may utilize and enforce any other provision of any code of the City relating to property maintenance.”

SECTION 12.

A new Chapter 15.34 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.34: HISTORICAL BUILDING CODE

“Section

- 15.34.010 2022 California Historical Building Code Adopted
- 15.34.020 2022 California Historical Building Code-Amendments

§15.34.010 2022 CALIFORNIA HISTORICAL BUILDING CODE ADOPTED.

Except as provided in this chapter, the '2022 California Historical Building Code', is hereby adopted in its entirety and shall be and become the Historical Building Code of the City of Brea, regulating for the preservation, restoration, rehabilitation, relocation or reconstruction of buildings or properties designated as qualified historical buildings or properties.

§15.34.020 2022 CALIFORNIA HISTORICAL BUILDING CODE-AMENDMENTS.

[Reserved for future amendments]”

SECTION 13.

A new Chapter 15.36 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.36: EXISTING BUILDING CODE

“Section

- 15.36.010 2022 California Existing Building Code Adopted
- 15.36.020 2022 California Existing Building Code-Amendments

§15.36.010 2022 CALIFORNIA EXISTING BUILDING CODE ADOPTED.

Except as provided in this chapter, the '2022 California Existing Building Code', incorporating the '2021 International Existing Building Code' as published by the

International Code Council, is hereby adopted in its entirety and shall become the Existing Building Code of the City of Brea, regulating the alteration, repair, addition and change of occupancy of existing structures. Together with the amendments, additions, deletions and exceptions set forth in this chapter.

§15.36.020 2022 CALIFORNIA EXISTING BUILDING CODE-AMENDMENTS.

[Reserved for future amendments]”

SECTION 14.

A new Chapter 15.220 is hereby added to Title 15 of the Brea City Code to read as follows:

“CHAPTER 15.220: SWIMMING POOLS

“Section

- 15.220.010 2021 International Swimming Pool and Spa Code Adopted
- 15.220.020 2021 International Swimming Pool and Spa Code-Amendments

§15.220.010 2021 INTERNATIONAL SWIMMING POOL AND SPA CODE- ADOPTED.

Except as provided in this chapter, the ‘2021 International Swimming Pool and Spa Code’, is hereby adopted in its entirety and shall be and become the Swimming Pool and Spa Code of the City of Brea, regulating the design, construction, alteration, movement, renovation, replacement, repair and maintenance of swimming pools, spas, hot tubs, aquatic facilities and relate equipment in Brea.

“§15.220.020 2021 INTERNATIONAL SWIMMING POOL AND SPA CODE - AMENDMENTS.

SECTION 305.2 (a) CONSTRUCTION PERMIT; SAFETY FEATURES REQUIRED- ADDED

305.2 (a) Construction permit; safety features required.

(a) Except as provided in Section 115925, when a building permit is issued for the construction of a new swimming pool or spa or the remodeling of an existing swimming pool or spa at a private single-family home, the respective swimming pool or spa shall be equipped with item # 1 and at least one additional of the following seven drowning prevention features:

1. An enclosure that meets the requirements of 115923 and isolates the swimming pool and spa from the private single-family home. Any walls of the residential structure or accessory structures used to complete the isolation enclosure must have door openings equipped with protection as required in 115922 (a)4 or (a)5. Any such door protection device provided for this purpose may not be used to comply

with the second drowning prevention feature requirement.

2. Removable mesh fencing that meets American Society for testing and materials (ASTM) Specifications F2286 standards in conjunction with a gate that is self-closing and self-latching and can accommodate a key lockable device. The mesh fencing shall be not less than 20 inches from the water's edge.
3. An 'approved safety pool cover', as defined in subdivision (d) of section 115921.
4. Exit alarms on the private single-family home's doors that provide direct access to the swimming pool or spa. The exit alarm may cause either an alarm noise or a verbal warning, such as a repeating notification that "the door to the pool is open."
5. A self-closing, self-latching device with a release mechanism placed no lower than 54 inches (1372 mm) above the floor on the private single-family home's doors providing direct access to the swimming pool or spa.
6. An alarm that, when placed in a swimming pool or spa will sound upon detection of accidental or unauthorized entrance into the water. The alarm shall meet and be independently certified to the ASTM standard F2208 "Standard Safety Specification for Residential Pool Alarms." Which includes surface motion, pressure, sonar, laser and infrared type alarms. A swimming protection alarm feature designed for individual use, including an alarm attached to a child that sounds when the child exceeds a certain distance or becomes submerged in water, is not a qualifying drowning prevention safety feature.
7. Other means of protection, if the degree of protection afforded is equal to or greater than that afforded by any of the features set forth above and has been independently verified by an approved testing laboratory as meeting standards for those features established by the ASTM or that American Society of Mechanical Engineers (ASME).

(b) Before the issuance of a final approval for the completion of permitted construction or remodeling work, the local building code official shall inspect the drowning safety prevention features required by this section and, if no violations are found, shall give final approval.

Authority and Reference: Health and Safety Code Section 115921, et seq.

SECTION 305.2 (b) ENCLOSURE; REQUIRED CHARACTERISTICS. AN ENCLOSURE SHALL HAVE ALL OF THE FOLLOWING CHARACTERISTICS-ADDED

305.2 (b) Enclosure; required characteristics. An enclosure shall have all of the following characteristics. An enclosure shall have all of the following characteristics:

1. Any access gates through the enclosure open away from the swimming pool and are self-closing with a self-latching device placed no lower than 60 inches (1524 mm) above the ground.
2. A minimum height of 60 inches ((1524 mm).
3. A maximum vertical clearance from the ground to the bottom of the enclosure of 2 inches (51 mm).
4. Gaps or voids, if any, do not allow passage of a sphere equal to or greater than 4 inches (102 mm) in diameter.
5. An outside surface free of protrusions, cavities or other physical characteristics that would serve as handholds or footholds that could enable a child below the age of five years to climb over.

Authority and Reference: Health and Safety Code Section 115921, et seq.

Section 305.2.1 BARRIER HEIGHT AND CLEARANCES – DELETED

Section 305.3 DOORS AND GATES - DELETED”

SECTION 15. PENALTIES.

It shall be unlawful for any person, firm, partnership, or corporation to violate any provision or to fail to comply with any of the requirements of this Ordinance or any of the Codes hereby adopted. Unless deemed to be an infraction, any person, firm, partnership or corporation violating any provision of this Ordinance or any of the Codes hereby adopted or failing to comply with any of their requirements shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding one thousand dollars (\$1,000.00), or by imprisonment not exceeding six (6) months, or by both such fine and imprisonment. In addition to the foregoing, violation of this Ordinance or the Codes adopted hereby may be punishable by administrative penalty. Each and every person, firm, partnership, or corporation shall be deemed guilty of a separate offense for each and every day or any portion thereof during which any violation of any of the provisions of this Ordinance or the Codes hereby adopted is committed, continued or permitted by such person, firm, partnership or corporation, and shall be deemed punishable therefor as provided in this Ordinance.

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members
FROM: Bill Gallardo, City Manager
DATE: 11/15/2022
SUBJECT: Brea Fire Code Triennial Adoption

RECOMMENDATION

Open and conduct a public hearing concerning Ordinance No. 1233; Approval of an exemption under the California Environmental Quality Act (Guidelines, Sec. 15061(b)(3)) and Staff's filing of a Notice of Exemption for Ordinance No. 1233; Adopt Ordinance No. 1233 which adopts by reference the 2022 California Fire Code (one of the Codes comprising the 2022 California Building Standards Code as set forth in Title 24 of the California Code of Regulations); and, adopt Resolution No. 2022-069, setting forth required findings for amendments to the foregoing Code based on local climatic, topographical and/or geological conditions. Approval of an exemption under the California Environmental Quality Act (Guidelines, Sec. 15061(b)(3)).

BACKGROUND/DISCUSSION

Health and Safety Code Section 17922 and 18938 require the City to adopt by reference Codes comprising the California Building Standards Code, which includes the California Fire Code ("Fire Code"), every three (3) years together with any amendments to building standards contained in those Codes. Otherwise, all building standards contained in those Codes, including the Fire Code, but excluding any local amendments, will become effective as to all occupancies in the City as of January 1, 2023.

This Ordinance will amend Title 16 of the Brea Municipal Code by repealing references to the prior edition of the Fire Code and replacing them with references to the 2022 Fire Code, together with any City amendments.

Similar to past code adoptions, the Fire Department is recommending changes and modifications be made to the 2022 Fire Code and is advising that said changes are reasonable and necessary due to local conditions in the City of Brea. Other modifications are of an administrative or procedural nature and relate to subjects that are not covered by the Fire Code or are otherwise reasonably necessary to safeguard life and property within the City of Brea.

A detailed list of the proposed changes can be found in the Resolution along with a number of technical findings which are legally necessary in order to amend building standards contained in the new Fire Code, and are described later in this report.

The proposed Fire Code amendments are consistent with the safeguards previously adopted in the City of Brea and are carried over from the 2019 Fire Code in order to maintain the higher level of safety required in Brea due to local conditions.

DISCUSSION

The proposed local amendments to the Fire Code focus, generally, on local conditions generated by Brea's proximity to fire hazard zones, seismic faults and oil land operations. Brea is located in northern Orange County and is abutted by natural undeveloped hills to the north and Carbon Canyon Regional Park and Chino Hills State Park to the east. These open hills have historically been known for oil production, agriculture, Santa Ana winds and increasing seismic activity. Because of Brea's unique geology, topography and climate, special attention is needed in order to better safeguard buildings, occupants and residents. The State allows for enhancements to the Fire Code when such conditions occur.

The Brea hills have been known for occasional fires but none more well-known than the November 15, 2008, "Freeway Complex Fire," a fire which originated in Corona. With the help of the dry season and the Santa Ana winds, the fire spread through Yorba Linda, south Anaheim Hills, and eventually along Carbon Canyon Road in Brea. The rapid spread of the fire, along with the difficult topography and access conditions, made the fire incident difficult to handle. The Fire Department has made code changes to help reduce damages caused by such events. Currently, staff is proposing to amend the sprinkler provision in the 2022 Fire Code to include major remodels and additions to buildings, which would greatly enhance the safety of our residents. These proposed changes are found in Chapter Nine (9) of the Fire Code and are consistent with the previous Brea Fire Code amendments.

Along with the sprinkler provisions, code changes that enhance our High and Very High Fire Hazard Areas have been proposed. The Fire Department has long adopted and enforced a Fuel Modification Guideline for High Fire Hazard Areas which mandates that new and existing developments design, install and maintain landscaping areas in order to meet safety requirements in the Fire Hazard Areas.

Access of Brea fire apparatus is critical when responding to calls. That is why access road dimensions, turning radius changes are proposed to clearly document what dimensions are safe for our apparatus. Enhancements to the address identification requirement for all buildings is also amended so that identification by our emergency response staff is made effortlessly.

Along with the seismic faults, Santa Ana winds, and Fire Hazard Areas, Brea is also known for its oil production. As land becomes more and more scarce, development pushes deeper and deeper into previous oil fields. The natural oil and gas seepage has been well documented in certain areas in Brea. This gas, better known as methane, is an offset issue and is a potential hazard if not properly mitigated. The Brea Fire Department is aware of these potential hazards and have continually enforced the "City of Brea Combustible Soil-Gas Guideline." This guideline requires future development to address the methane gas hazard and requires mitigation measures such as methane boot barriers. The barriers are placed under buildings to prevent gases from penetrating foundations. There are other passive and active mitigation requirements that, when properly enforced and installed, greatly improve the safety of our residents and occupants.

The Brea Fire Department and the Building & Safety Division work together to plan check, inspect, and develop these guidelines and are proud to continue the adoption of such Code changes which are essential for the safety of our buildings and residents.

The Brea Fire Department has carefully reviewed the proposed Fire Code changes and has

made an effort to reduce the Code changes to those only reasonably necessary to the City of Brea because of its climatic, geological or topographical conditions. The Brea Fire Department is confident that by the approval of the proposed Code changes, Brea will be a safer City.

The City Attorney has reviewed and approved the format of all documents associated with the 2022 California Fire Code adoption process.

Ordinance 1233 was introduced at the October 18, 2022 City Council Meeting.

Environmental Review

The proposed Ordinance has been assessed in accordance with the California Environmental Quality Act (CEQA) Guidelines and the environmental regulations of the City. Pursuant to CEQA guidelines Section 15061(b)(3), the proposed Ordinance is exempt from the requirements to prepare additional environmental documentation as it can be seen with certainty that there is no possibility that adoption of the ordinance may have a significant effect on the environment. The proposed updates to the 2022 Fire Code are consistent with the safeguards previously adopted in the City of Brea and are carried over from the 2019 Code in order to maintain the higher level of safety required in Brea due to local conditions and as such, it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment.

FISCAL IMPACT/SUMMARY

The approval of the 2022 Fire Code has no impact on the General Fund.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager
Prepared by: Peter Salgado, Acting Fire Marshal
Concurrence: George Avery, Fire Chief

Attachments

- A. Resolution
 - B. Ordinance 1233
-

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA, CALIFORNIA, SETTING FORTH FINDINGS FOR REQUIRED AMENDMENTS TO THE 2022 CALIFORNIA CODES RELATIVE TO LOCAL CLIMATIC, TOPOGRAPHIC AND GEOLOGIC CONDITIONS

A. RECITALS:

(i) Health and Safety Code Section 17958 provides that the City of *Brea* shall adopt Ordinances and regulations imposing the same or modified or changed requirements as are contained in the regulations adopted by the State pursuant to Health and Safety Code Section 17922; and

(ii) the State of California is mandated by Health and Safety Code Section 17922 to impose the same requirements as are contained in the most recent edition of the California Fire Code (hereinafter referred to collectively as “Code”); and

(iii) Health and Safety Code Section 17958.5(a) permits the City to make modifications or changes to the Codes, which are reasonably necessary because of local climatic, geologic, or topographic conditions; and

(iv) Health and Safety Code Section 17958.7 requires that the City Council, before making any modifications or changes to the Codes, shall make an express finding that such changes or modifications are reasonably necessary because of local climatic, geologic, or topographic conditions; and

(v) The *Brea Fire Department* have recommended that changes and modifications be made to the Codes and have advised that certain said changes and modifications to the California Codes are reasonably necessary due to local conditions in the City of *Brea* and have further advised that the remainder of said changes and modifications are of an administrative or procedural nature, or concern themselves with subjects not covered by the Codes or are reasonably necessary to safeguard life and property within the City of *Brea*.

B. RESOLUTION:

NOW, THEREFORE, be it is found, determined and resolved by the City Council of the City of Brea as follows:

Amendments related to life and fire safety contained in Sections 105.5.1, 105.5.54, 105.6.4, 108.5, 304.1.2 (7) (E), 304.1.2 (7) (F), 307.6, 307.6.1, 324-324.1.4, 325, 326.1-326.2, 327, 328, 329, 329.1, 330, 503.1, 503.2.1-503.2.4, 503.7, 505.1, 506.1, 507.5.7, 510.1, 903.2, 903.2.8, 1101.1, 1101.3, 1103.2, 1103.3-1103.3.3, 1103.7, 1103.7.3.1, 1103.7.8-1103.7.8.2, 1103.7.9-1103.7.9.10, 1103.8-1103.8.5.3, 1109.9-1103.9.1, 1107, 1113, 1114, 1115, 1116, 4911.1, 4911.2, 5609.1-5609.3, Appendix B – Table B105.2 and NFPA 13 16.2.3.3, 19.2.1.1, NFPA 13R 6.11.2, NFPA 13D 8.3.5.1.1, NFPA 14 6.4.5.4, NFPA 24 5.9.1.2 of the 2022 Edition of the California Fire Code as recommended by the *Brea Fire Department* are hereby found to be reasonably necessary due to the following local conditions:

A. Climatic Conditions

1. Orange County and the City of Brea are located in a semi-arid Mediterranean type climate which predisposes all fuels, including wood shingles, to rapid ignition and spread of fire. Therefore, there exists a need for additional fire protection measures.
2. Hot, dry Santa Ana winds are common to all areas within the City of Brea and Orange County in general. These winds, which can cause small fires to spread quickly and are a contributing factor to the high fire danger in the area, and create the need for an increased level of fire protection. This added protection will supplement normal fire department response available and provide immediate protection for life and safety of multiple occupants during fire occurrences.

B. Geologic Conditions

1. **Seismic Area.** Orange County and the City of Brea are located in a highly active seismic area. There are earthquake faults that run along both the northeastern and southwestern boundaries of Orange County. The Newport-Inglewood Fault Zone (NIFZ) which runs through Orange County was the source of the destructive 1933 Long Beach earthquake (6.3 magnitude, hypocenter off Newport Beach coast), which took 120 lives, with areas damaged from Laguna Beach to Marina del Rey and inland to Whittier, and poses one of the greatest hazards to lives and property in the nation. The **Puente Hills thrust fault**, runs from the suburbs of northern Orange County, through the San Gabriel Valley and under the skyscrapers of downtown Los Angeles before ending in Hollywood. Experts report that a major, magnitude 7.5 earthquake on the fault could do more damage to the heart of Los Angeles than the dreaded Big One on the San Andreas fault, which is on the outskirts of metropolitan Southern California.

In 1987, a "moderate" quake on that fault killed eight people and caused more than \$350 million in damage. The magnitude 5.9 Whittier Narrows quake left old brick buildings in Whittier's downtown area battered and also damaged some freeway bridges. More than 100 single-family homes and more than 1,000 apartment units were destroyed.

On March 28, 2014 at approximately 9:09 pm the City of Brea and adjacent cities experienced an earthquake with a magnitude 5.1 followed by several foreshock earthquakes of varying magnitudes. These Puente Hills fault earthquakes were severe enough to cause the activation of the City of Brea's Emergency Operation Center (EOC) and set into motion Brea's first responders. The City withstood the event well but some structures experienced some damage resulting in millions of dollars in repair cost.

These past, and future seismic events create a need for additional structural safety measures and fire protection measures for building occupants in the City of Brea.

2. **Methane gas.** The City of Brea is also known for oil deposits. Methane seepage has been detected at several locations in the city of Brea do to oil operations and natural causes. Under normal atmospheric conditions methane gas is not a hazard. However, at high concentrations it is flammable, and at concentrations between 55,000 and 140,000 ppm (parts per million), it is explosive. Although it is not toxic, it can lead to asphyxiation if it replaces oxygen in an enclosed space. Methane is lighter than air; therefore, it tends to migrate upward through permeable sediments, rock fractures, and man-made pathways. If allowed to accumulate inside buildings, dangerous explosions can result. If free of impurities, methane is colorless and odorless, making it difficult for a building's inhabitants to detect. Therefore, areas in Brea have a need for increased protection and mitigation from methane gas.
3. Areas of Brea lie within the Brea-Olinda oil field, and is known for its surface seeps of naturally occurring oil and tar since the days of the Spanish missionaries ("brea" is the Spanish word for tar). Before development, asphaltum, tar, and active oil seepage may be present. Although crude oil is not classified as a hazardous substance by the State of California, oil seeps and tar are generally viewed as unsightly and a "nuisance hazard."

C. Topographic Conditions

1. Brea is located in the heart of La Habra Valley, which stretches from East Whittier to Yorba Linda, at the northern boundary of Orange County where it joins Los Angeles County. To the northwest are the Puente Hills, the Chino Hills stretch northeastward. The Coyote Hills form the southern boundary. Brea's official elevation is 375 feet, but varies with the rolling terrain. Brea is home to the Brea Dam constructed and operated by the Corps of Engineers with a single purpose flood control project in 1942.
2. Traffic and circulation congestion presently existing in the City of Brea often places fire department response time to fire occurrences at risk. This condition can be exacerbated given the terrain and winding roads. Any major disaster, including earthquake may damage the highway system and possibly cause landslides, compromising our roads and city circulation. This topographic local condition makes the need for additional on-site protection systems to better serve property occupants.

Additional amendments have been made to the Codes. On the recommendation of the Brea Fire Department, such amendments are hereby found to be either administrative or procedural in nature or concern themselves with subjects not covered in such Codes. The changes made include provisions making each of said Codes compatible with other Codes enforced by the City.

Amendments to the 2022 Edition of the California Codes are found reasonably necessary based on the climatic and/or geologic conditions cited in Section 1 of this resolution and are listed as follows:

Fire Code Section

CAFC 105.5.1
CAFC 105.5.54
CAFC 105.6.4
CAFC 108.5
CAFC 304.1.2 (7) (E), 304.1.2 (7) (F), 307.6, 307.6.1
CAFC 324-324.1.4
CAFC 325
CAFC 326.1-326.2
CAFC 327
CAFC 328, 329, 329.1
CAFC 330
CAFC 503.1, 503.2.1-503.2.4, 503.7
CAFC 505.1
CAFC 506.1
CAFC 507.5.7, 510.1
CAFC 903.2, 903.2.8
CAFC 1101.1, 1101.3, 1103.2, 1103.3-1103.3.3, 1103.7,
1103.7.3.1, 1103.7.8-1103.7.8.2, 1103.7.9-1103.7.9.10,
1103.8-1103.8.5.3, 1109.9-1103.9.1, 1107, 1113, 1114,
1115, 1116
CAFC 4911.1, 4911.2
CAFC 5609.1-5609.3
CAFC 5707
CAFC Appendix B – Table B105.2

Findings in Section 1

A-1, A-2
A-2, B-2, B-3
A-2
C-2
A-1, A-2, C-2
A-1, A-2
A-1, A-2, C-2
B-2, B-3
A-1, A-2, C-1
A-1, A-2
A-2, C-2
A-2, C-2
A-1, C-2
A-1
A-1, A-2
A-1, A-2, C-2
A-1, A-2
A-1, A-2
A-1, A-2
A-1, A-2
A-1, A-2, C-2
A-1, A-2
A-1, A-2
A-1, A-2

Fire Code Referenced Standards Section

NFPA 13
16.2.3.3, 19.2.1.1
NFPA 13R
6.11.2
NFPA 13D
8.3.5.1.1
NFPA 14
6.4.5.4

Findings in Section 1

A-1, A-2
A-1, A-2
A-1, A-2
A-1, A-2
A-1, A-2

NFPA 24

5.9.1.2

A-1, A-2

The aforementioned amendments have been incorporated in detail in Ordinance No. 1233 respectively.

APPROVED and ADOPTED this day of , 2022.

Mayor

ATTEST: _____
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea held on the day of , 2022 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

DATED: _____

City Clerk

ORDINANCE NO. 1233

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BREA ADOPTING BY REFERENCE AND AMENDING THE 2022 CALIFORNIA FIRE CODE AND PORTIONS OF THE 2021 INTERNATIONAL FIRE CODE, AS THE CITY OF BREA FIRE CODE, TOGETHER WITH CERTAIN AMENDMENTS, ADDITIONS, DELETIONS AND EXCEPTIONS, AND AMENDING TITLE 16 (FIRE SAFETY) OF THE BREA CITY CODE.

A. Recitals.

(i) Government Code Section 50020, et seq., authorizes the adoption, by reference, of the 2022 California Fire Code.

(ii) At least one (1) copy of the Code adopted herein by reference, certified as a full, true and correct copy thereof by the City Clerk of the City of Brea, has been filed in the office of the City Clerk in accordance with the provisions of California Government Code Section 50022.6.

(iii) A duly noticed public hearing, as required by California Government Code Section 50022.3, has been conducted and was concluded prior to the adoption of this Ordinance.

(iv) All legal prerequisites to the adoption of this Ordinance have occurred.

B. Ordinance.

NOW, THEREFORE, the City Council of the City of Brea does hereby find, determine and ordain as follows:

Section 1. In all respects, as set forth in the Recitals, Part A, of this Ordinance.

Section 2. Chapter 16.04 of Title 16 of the Brea City Code is hereby repealed; provided, however that said repeal shall not apply to or excuse any violation thereof occurring prior to the effective date of this Ordinance and provided further that the 2019 California Fire Code, as adopted by reference by the City of Brea, shall continue to be applicable to construction wherein plans have been submitted for plan check prior to the effective date of this Ordinance, so long as the initial permit therefore is issued no later than ninety (90) days after such effective date.

Section 3. A new Chapter 16.04 hereby is added to Title 16 of the Brea City Code to read as follows:

“CHAPTER 16.04: BRE A FIRE CODE

Sections

16.04.010	Fire Code adopted
16.04.020	Enforcement and inspections
16.04.030	Chapter 1 Scope and Administration amendments
16.04.040	Chapter 2 Definitions amendments
16.04.050	Chapter 3 General Requirements amendments
16.04.060	Chapter 5 Fire Service Features amendments
16.04.070	Chapter 9 Fire Protection Systems amendments
16.04.080	Chapter 11 Construction Requirements For Existing Buildings amendments
16.04.090	Chapter 49 Requirements for Wildland-Urban Interface Fire Areas amendments
16.04.100	Chapter 56 Explosives and Fireworks amendments
16.04.110	Chapter 57 Flammable and Combustible Liquids amendments
16.04.120	Appendix B Fire-flow Requirements for Buildings amendments
16.04.130	Chapter 80 Referenced Standards amendments
16.04.140	Fees

§16.04.010 FIRE CODE ADOPTED.

The 2022 Edition of the California Fire Code including Appendices Chapter 4, B, BB, C, CC, D, N and O, and excluding Appendices A, E, F, G, H, I, J, K, L, M, and P, together with the following amendments, additions, deletions and exceptions, are hereby adopted by reference as the Fire Prevention Code of the City of Brea.

§16.04.020 ENFORCEMENT AND INSPECTIONS.

The California Fire Code, with amendments, shall be enforced by the Brea Fire Department. The Fire Chief of the Brea Fire Department may detail such members of the fire department as inspectors as shall be necessary from time to time.

§16.04.030 CHAPTER 1 SCOPE AND ADMINISTRATION AMENDMENTS.

SECTION 101.1 Title is hereby amended as follows:

Section 101.1 Title. This Code shall be known as the Brea Fire Code, hereinafter referred to as ‘this Code.’

SECTION 102.10 Conflicting provisions is hereby amended as follows:

Section 102.10 Conflicting provisions. Where there is a conflict between a general requirement and a specific requirement, the fire code official shall decide which requirement meets the general intent of this Code.

Section 105.5.17 Fire hydrants and valves is hereby deleted in its entirety.

SECTION 105.5.54 Additional permits is hereby amended by adding the following:

Cut Christmas trees. No person shall sell, display or store for resale, in the City of Brea, any cut Christmas tree, unless a permit therefore has been issued by the Chief.

Methane mitigation systems. A construction permit is required for the installation or modification of a methane mitigation system. Maintenance performed in accordance with the current City of Brea Combustible Soil-Gas Guideline is not considered to be a modification and does not require a construction permit.

Potentially hazardous general use. To conduct an activity or operation that is not specifically addressed by other permits, but which is likely to produce conditions hazardous to life or property.

Residential based care facilities. Including, but not limited to, care for the elderly, care for the developmentally disabled, and half-way homes shall be regulated under this section and a permit issued by the Fire Department to each business engaging in these operations.

SECTION 105.6.4 Emergency responder communication coverage system is hereby amended by adding the following:

Plans must be submitted for installation or modification of two-way emergency responder communication coverage systems and related equipment in any structure.

SECTION 105.6.25 Miscellaneous plan check is hereby added as follows:

Miscellaneous Plan Check. Request or submittal of any type of plan or necessary review of documents pertaining to operations that are covered by the Fire Department or this Code, but are not specifically listed in Chapter 1.

SECTION 107.4 Work commencing before permit issuance is hereby amended as follows:

107.4 Work commencing before permit issuance. Any person who commences any work, activity or operation regulated by this Code before obtaining the necessary permits shall be subject to an additional fee that is equal to the original permit fee, which shall be in addition to the required permit fees.

SECTION 108.5 Occupant count is hereby added as follows:

108.5 Occupant count. The supervisor of each place of assembly shall have an effective system to keep count of the number of occupants present in the assembly area. If the Chief determines at any time that an accurate count of occupants is not being maintained, the occupancy shall be cleared until an accurate count can be made.

SECTION 111.1 Board of appeals established is hereby amended to read as follows:

111.1 Board of appeals established. In order to hear and decide appeals of orders, decisions, or determinations made by the fire code official relative to the application and interpretation of this code, there shall be and is hereby created a board of appeals. The board of appeals shall be a certified Building Official and a qualified person trained in fire protection engineering, fire science or fire technology.

SECTION 112.4 Violation penalties is hereby amended to read as follows:

112.4 Violation penalties. Persons who shall violate any provision of this Code or shall fail to comply with any of its requirements, or who shall erect, install, alter, repair or do work in violation of the approved construction documents used under provisions of this Code, shall be guilty of a misdemeanor unless such violation is expressly made punishable as an infraction. Alternatively or in addition, any violation of this Code may be punished by administrative penalty and issuance of an administrative citation.

SECTION 113.4 Failure to comply is hereby amended as follows:

113.4 Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be guilty of a misdemeanor.

§16.04.040 CHAPTER 2 DEFINITIONS AMENDMENTS

SECTION 202 GENERAL DEFINITIONS is hereby amended by adding the following definitions:

FLOW-LINE. The lowest continuous elevation on a rolled curb defined by the path traced by a particle in a moving body of water at the bottom of the rolled curb.

HAZARDOUS FIRE AREA. All areas identified within Section 4906.2 and other areas as determined by the fire code official due to the presence of combustible vegetation, or the proximity of the property to an area that contains combustible vegetation.

JURISDICTIONAL AREA. Any area under the jurisdiction, including the territorial area, of the City of Brea, including all areas annexed thereto after adoption of this Code.

VEHICLE FUELING APPLIANCE. A listed natural gas compressor package not containing storage, designed for the unattended dispensing of natural gas into the fuel tanks of motor vehicles.

§16.04.050 CHAPTER 3 GENERAL REQUIREMENTS AMENDMENTS.

SECTION 304.1.2(b)(7)(E) is hereby added as follows:

- (E) 'Brea Very High Fire Hazard Severity Zone Requirements – Technical Design for New Construction Fuel Modification Plans and Maintenance Program'

SECTION 304.1.2(b)(7)(F) is hereby added as follows:

- (F) 'Brush Clearance on all Existing Properties located within the Protection Area'

SECTION 307.6 Outdoor fires in the fuel modification areas is hereby added as follows:

307.6 Outdoor fires in the fuel modification areas. Outdoor, open or recreational fires using wood or other solid fuel shall not be built, ignited or maintained in the fuel modification area.

Exceptions:

1. Occupied one and two-family dwellings where such fires are built in a permanent or portable barbeque, gas outdoor fireplace, or gas grill and are a minimum of 15 feet (4572mm) from the dwelling, structures, decks and 30 feet (9144mm) from a grass, grain, brush, or forest-covered area. Permanent barbeques, portable barbeques, outdoor fireplaces or grills shall not be used for the disposal of rubbish, trash, or combustible waste material.
2. Fires at official organized campsites or parks when located in permanent or portable barbeques or grill, incinerator, or outdoor fireplace (all equipped with some type of spark arrester) located at least 30 feet (9144mm) from combustible vegetation.

SECTION 307.6.1 Outdoor fires is hereby added as follows:

307.6.1 Outdoor fires. Outdoor, open burning and recreational fires shall not be built, ignited or maintained when the following conditions exist:

1. Predicated sustained winds exceed 8 MPH at the ground level, or a red flag condition has been declared.
2. A person age 18 or over is not present at all times to watch and tend such fire.
3. A public announcement is made that open burning is prohibited.
4. A viable water source or approved means of extinguishment is not immediately available.

Exceptions:

1. Occupied one and two-family dwellings where such fires are built in a permanent or portable barbeque, outdoor fireplace, or grill and are a minimum of 15 feet (4572mm) from any combustible material or structure. Permanent barbeques, portable barbeques, outdoor fireplaces or grills shall not be used for the disposal of rubbish, trash, or combustible waste material.
2. Fires at official organized campsites or parks when located in permanent or portable barbeques or grill, incinerator, or outdoor fireplace (all equipped with some type of spark arrester) located at least 30 feet (9144mm) 10 from combustible vegetation.

Section 308.1.4 Open-flame cooking devices is deleted in its entirety.

SECTION 324 CHRISTMAS TREE SALES is hereby added as follows:

SECTION 324

CHRISTMAS TREE SALES

324.1 General.

No person shall sell, display for sale, or store for sale in the City of Brea, any cut Christmas tree, unless a permit therefor has been obtained from the Fire Department. Applicants must comply with all rules and regulations and obtain all required permits and licenses including a City business license.

324.1.1 Permit – When issued.

Permits to sell, display for sale, or store for sale cut Christmas trees in the City of Brea may only be issued for the period from November 5th to December 31st. The applicant must show that the proposed location and method of activity will not constitute a fire hazard or violation of law.

324.1.2 Cleanup deposit.

Each applicant, if other than a permanent established year-round business, shall pay a cleanup deposit in such amount as established by Resolution to the City Council. The applicant must agree that not later than the tenth day of January following the issuance of such permit, all unsold trees, combustible waste and accumulation of sawdust will be removed from the permitted location and disposed of properly. Following the tenth day of January the City may remove and dispose of accumulations and apply the deposit to costs, including overhead expenses (30%), incurred by such removal.

324.1.3 Return of deposit.

The Fire Marshal or designated person(s) will inspect permitted sites as soon as possible after January 10th of each year. Permittees who have completed the site cleanup will receive a refund of the cleanup guarantee deposit.

324.1.4 Liability.

Each permittee shall provide general liability insurance as required by the City of Brea Risk Manager, protecting against any claim for damages caused in any manner from the use of such lot or the keeping or sale of any Christmas trees therein or otherwise in the exercise of rights granted by such permit issued pursuant to this Section. A certificate of such insurance shall be filed with the Fire Marshal showing the City as a named additional insured hereunder.

SECTION 325 PROJECTILE FIRING is hereby added as follows:

SECTION 325

PROJECTILE FIRING

No person shall, in any brush or grass-covered area or area covered with flammable material, possess or fire or cause to be fired any tracer bullets, tracer charge, flammable propellant model rockets or any type of projectile that discharged smoldering or flammable material. Nothing in this section shall apply to any law enforcement officer acting in the course of such officer's duties other than target practice.

SECTION 326 DEVELOPMENT ON OR NEAR LAND CONTAINING OR EMITTING TOXIC, COMBUSTIBLE OR FLAMMABLE GASSES OR VAPORS is hereby added as follows:

SECTION 326

DEVELOPMENT ON OR NEAR LAND CONTAINING OR EMITTING TOXIC, COMBUSTIBLE OR FLAMMABLE GASSES OR VAPORS

Section 326.1 All projects with sources of methane soil gas are subject to methane soil gas testing, passive or active mitigation, and methane detection and alarm systems. Projects shall be required to conform to the current adopted 'Brea Fire Department Combustible Soil-Gas Guideline'.

Section 326.2 Additions or modifications to a lot or existing building in any identified methane area that expands the original footprint, shall be required to add methane mitigation requirements per the current adopted 'Brea Fire Department Combustible Soil-Gas Guideline'.

SECTION 327 FUEL MODIFICATION REQUIREMENTS FOR NEW CONSTRUCTION is hereby added as follows:

SECTION 327

FUEL MODIFICATION REQUIREMENTS FOR NEW CONSTRUCTION.

All new buildings and additions to be built or installed in areas containing combustible vegetation shall comply with the following:

1. The fuel modification plans shall meet the criteria set forth in the 'Brea Very High Fire Hazard Severity Zone Requirements – Technical Design for New Construction Fuel Modification Plans and Maintenance Program'
2. Preliminary fuel modification plans shall be submitted to and approved by the fire code official concurrent with the submittal for approval of any tentative map(s).
3. Final fuel modification plans shall be submitted to and approved by the fire code official prior to the issuance of a grading permit.
4. The fuel modification plan may be altered if conditions change. Any alterations to the fuel modification areas shall have prior approval by the fire code official.
5. All elements of the fuel modification plan shall be maintained in accordance with the approved plan and are subject to the enforcement process outlined in the Fire Code.

SECTION 328 CLEARANCE OF BRUSH OR VEGETATION GROWTH FROM ROADWAYS is hereby added as follows:

SECTION 328

CLEARANCE OF BRUSH OR VEGETATION GROWTH FROM ROADWAYS

The fire code official is authorized to require areas within 10 feet (3048mm) or greater, if a higher fire hazard is present, on each side of portions of highways, roads, and private streets which are improved, designed or ordinarily used for vehicular traffic, to be cleared of flammable vegetation and other combustible growth. Measurement shall be from the flow-line or the end of the improved edge of the roadway surfaces.

Exception: Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as ground covers, provided that they do not form a means of readily transmitting fire.

SECTION 329 USE OF EQUIPMENT is hereby added as follows:

SECTION 329

USE OF EQUIPMENT

Except as otherwise provided in this section, no person shall use, operate, or cause to be operated, in, upon or adjoining any hazardous fire area any internal combustion engine which uses hydrocarbon fuels, unless the engine is equipped with a spark arrester, as specified in Section 329.1, maintained in effective working order, or the engine is constructed, equipped and maintained for the prevention of fire.

Exceptions:

1. Engines used to provide motor power for trucks, truck tractors, buses, and passenger vehicles, except motorcycles, are not subject to this section if the exhaust system is equipped with a muffler as defined in the Vehicle Code of the State of California.
2. Turbocharged engines are not subject to this section if all exhausted gases pass through the rotating turbine wheel, there is no exhaust bypass to the atmosphere, and the turbocharger is in good mechanical condition.

SECTION 329.1 Spark arrestors is hereby added as follows:

329.1 Spark arrestors. Spark arrestors shall comply with the following:

1. The device shall be constructed of nonflammable material specifically for the purpose of removing and retaining carbon and other flammable particles over 0.0232 of an inch (0.58 mm) in size from the exhaust flow of an internal combustion engine that uses hydrocarbon fuels or which is qualified and rated by the United States Forest Service.
2. Spark arrestors affixed to the exhaust system of engines or vehicles shall not be placed or mounted in such a manner as to allow flames or heat from the exhaust system to ignite any flammable material.

SECTION 330 RESTRICTED ENTRY is hereby added as follows:

SECTION 330

RESTRICTED ENTRY

The fire code official shall determine and publicly announce when hazardous fire areas shall be closed to entry and when such areas shall again be opened to entry.

Exceptions:

1. Residents and owners of private property within hazardous fire areas and their invitees and guests going to or on their own land.
2. Entry, in the course of duty, by peace or police officers, and other duly authorized public officers, members of a fire department and members of the United States Forest Service.

§16.04.060 CHAPTER 5 FIRE SERVICE FEATURES AMENDMENTS.

SECTION 503 FIRE APPARATUS ACCESS ROADS

SECTION 503.1 Where required is hereby amended as follows

503.1 Where required. Fire apparatus access roads shall be provided and maintained in accordance with Sections 503.1.1 through 503.1.3 and Appendix D, as amended.

SECTION 503.2.1 Dimensions is hereby amended as follows:

503.2.1 Dimensions. Fire apparatus access roads shall have an unobstructed width of not less than 20 feet (6096mm), exclusive of shoulders, except for approved security gates in accordance with Section 503.6, and an unobstructed vertical clearance of not less than 13 feet 6 inches (4115mm). Fire apparatus access roads in the Fire Hazard Severity Zones shall have an unobstructed width of 24 feet (2 unobstructed 12 feet travel lanes).

SECTION 503.2.3 Surface is hereby amended as follows:

503.2.3 Surface. Fire apparatus access roads shall be designed, and maintained to support the imposed loads of fire apparatus (75,000 lbs. load/25,000 point load) and shall be surfaced so as to provide all-weather driving capabilities. Alternative driving surfaces shall be designed by a registered civil engineer and shall be subject to approval by the Brea Fire Department.

SECTION 503.2.4 Turning radius is hereby amended as follows:

503.2.4 Turning radius. The required turning radius of a fire apparatus access road shall be determined by the fire code official. Width of 20 feet fire access road turns and corners shall be designed with a minimum inner radius of 17 feet and an outer radius of 38 feet.

Width of 24 feet fire access road turns and corners shall be designed with a minimum inner radius of 17 feet and an outer radius of 45 feet.

Radius must be concentric.

SECTION 503.7 Apparatus access to fire hazard severity zones is hereby added as follows:

503.7 Apparatus access to fire hazard severity zones. A minimum of two separate public access and exit roads are required in developments within a Fire Hazard Severity Zone or as approved by the fire code official.

SECTION 505.1 Address identification is hereby amended as follows:

505.1 Address identification. New and existing buildings shall have approved address numbers, building numbers or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Address numbers shall be Arabic numerals or alphabet letters. Numbers shall be a minimum of 4 inches high with a minimum stroke width of 0.5 inch for single-family residences.

All multi-family, multi-retail and multi-commercial occupancies shall have a minimum of 6 inch high numbers, with a minimum one-and-one-half inch (1 ½") stroke.

All light and heavy industrial occupancies shall have a minimum of ten (10) inch high numbers, with a minimum one-and-one-half inch (1 ½") stroke. All complexes that are three (3) stories or greater in height and/or have two (2) or more building units shall have a minimum of ten (10) inch high numbers, with a one-and-one-half inch (1 ½") stroke.

All multi-family, multi-retail and multi-industrial occupancies shall identify individual units with numbers a minimum of six (6) inches, affixed to the unit front door entrance or frame. All buildings with a rear door access shall identify that unit with the proper numbers affixed to the door or frame.

All buildings with two (2) or more units shall identify utility meters according to the unit being serviced.

SECTION 506.1 Where required is hereby amended as follows:

506.1 Where required. Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for emergency or non-emergency purposes, the fire code official is authorized to require a key box to be installed in an approved location. The key box shall be of an approved type and shall contain keys to gain necessary access as required by the fire code official.

SECTION 507.5.7 Private hydrants is hereby added as follows:

507.5.7 Private hydrants. Private hydrants shall be painted OSHA safety red.

SECTION 510.1 Emergency responder radio communication coverage in new buildings is hereby amended as follows:

510.1 Emergency responder radio communication coverage in new buildings. All new buildings shall have approved radio coverage for emergency responders within the building based upon existing coverage levels of the public safety communication systems at the exterior of the building. This section shall not require improvement of the existing public safety communication systems. The emergency responder radio communication coverage shall comply with the Brea Fire Department guidance document:

Information for Digital Antenna System (DAS)/Bi-Directional Amplification (BDA) Systems

Exceptions:

1. Where it is determined by the fire code official that the radio system is not needed.
2. In facilities where emergency responder radio communication coverage is required and such systems, components or equipment could have a negative impact on normal operations of the facility, the fire code official shall have the authority to accept an automatically activated emergency responder radio communication coverage system.

Sections 510.4 and 510.5 are deleted.

§16.04.070 CHAPTER 9 FIRE PROTECTION SYSTEMS AMENDMENTS.

SECTION 903.2 Where required is hereby amended as follows:

903.2 Where required. Approved automatic sprinkler systems in buildings and structures shall be provided in the following locations:

1. **New buildings:** Notwithstanding any applicable provisions of Sections 903.2.1 through 903.2.19, an automatic fire-extinguishing system shall also be installed in all occupancies when the total building area, as defined in Section 202, exceeds 5,000 square feet (465 m²), or more than two stories in height, regardless of fire areas or allowable area.
2. **New buildings in the VHFHSZ:** An automatic sprinkler system shall be provided in all new structures in the VHFHSZ.

3. **Existing buildings:** Notwithstanding any applicable provisions of this code, an automatic sprinkler system shall be provided in an existing building when an addition occurs and when one of the following conditions exists:

- a. When the addition is 50% or more of the existing building area and the resulting building area, as defined in Section 202, exceeds 5000 square feet (465 m²); or
- b. When the addition exceeds 2000 square feet (185.81 m²) and the resulting building area, as defined in Section 202, exceeds 5000 square feet (465 m²); or
- c. An additional story is added above the second floor regardless of fire areas or allowable area.

Exception: Group R-3 occupancies. Group R-3 occupancies shall comply with Section 903.2.8.

SECTION 903.2.8 Group R is hereby amended as follows:

903.2.8 Group R. An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area as follows:

1. **New buildings:** An automatic sprinkler system shall be installed throughout all new buildings.
2. **Existing buildings:** An automatic sprinkler system shall be installed throughout when one of the following conditions exist:
 - a. When an addition is 50% or more of the existing building area, as defined in Section 202, or greater than 1000 square feet (92.903 m²) within a two year period; or
 - b. An addition when the existing building is already provided with automatic sprinklers; or.
 - c. When an existing Group R Occupancy is being substantially renovated, and where the scope of the renovation is such that the Building Code Official determines that the complexity of installing a sprinkler system would be similar as in a new building.

3. **Existing buildings in the Very High Fire Hazard Severity Zone:** An automatic sprinkler system shall be installed throughout when one of the following conditions exists:
 - a. When an addition is 33% or more of the existing building area, as defined in Section 202, or greater than 1000 square feet (92.903 m²) within a two year period; or
 - b. An addition when the existing building is already provided with automatic sprinklers; or
 - c. When an existing Group R Occupancy is being substantially renovated, and where the scope of the renovation is such that the Building Code Official determines that the complexity of installing a sprinkler system would be similar as in a new building.

§16.04.080 CHAPTER 11 CONSTRUCTION REQUIREMENTS FOR EXISTING BUILDINGS AMENDMENTS.

Adopt only those sections and subsections below:

1101.1, 1101.3, 1103.2, 1103.3-1103.3.3, 1103.7, 1103.7.3.1, 1103.7.8-1103.7.8.2, 1103.7.9-1103.7.9.10, 1103.8-1103.8.5.3, 1103.9-1103.9.1, 1107, 1113, 1114, 1115, and 1116

SECTION 1103.2 Emergency responder radio communication coverage in existing buildings is hereby amended as follows:

1103.2 Emergency responder radio communication coverage in existing buildings. Existing buildings that do not have approved radio coverage for emergency responders within the building, based upon the existing coverage levels of the public safety communications systems of the jurisdiction at the exterior of the building, shall be equipped with such coverage according to one of the following:

1. Where an existing wired communication system cannot be repaired or is being replaced, or where not approved in accordance with Section 510.1, Exception 1.
2. Within a time frame established by the adopting authority.
3. The emergency responder radio communication coverage shall comply with the following Brea Fire Department guidance document:

'Information for Digital Antenna Systems (DAS)/Bi-Directional Amplification (BDA) Systems'

§16.04.090 CHAPTER 49 REQUIREMENTS FOR WILDLAND-URBAN INTERFACE FIRE AREAS AMENDMENTS.

SECTION 4911 FUEL MODIFICATION REQUIREMENTS FOR NEW CONSTRUCTION is hereby added as follows:

**SECTION 4911
FUEL MODIFICATION REQUIREMENTS FOR NEW CONSTRUCTION**

4911.1 General. All new buildings or additions to be built or installed in areas containing combustible vegetation shall comply with the criteria set forth in the 'Brea Very High Fire Hazard Severity Zone Requirements – Technical Design for New Construction Fuel Modification Plans and Maintenance Program'

SECTION 4911.2 Homeowners Associations is hereby added as follows:

4911.2 Homeowners Associations. Where the Fuel Modification Zone is to be maintained by a homeowners' association the following apply:

1. The conditions, covenants and restrictions recorded against all property within the homeowners' association shall require specifically budgeted funds sufficient to meet the ongoing maintenance obligations of the applicable fuel modification requirements.
2. The Fuel Modification Zone shall be subject to an annual inspection conducted by a representative of the Fire Department in order to assure that the Fuel Modification Zone continues to be maintained in compliance with the applicable fuel modification requirements.
3. Any occupied structure on any lot which adjoins a Fire Hazard Severity Zone shall be constructed in compliance with all requirements of the City's Building Code or Fire Code (as amended).

§16.04.100 CHAPTER 56 EXPLOSIVES AND FIREWORKS AMENDMENTS.

SECTION 5609 is hereby added as follows:

**SECTION 5609
ADDITIONAL FIREWORKS REGULATIONS**

5609.1 Retail fireworks. The sale, use and display of fireworks 1.4G (commonly referred to as Safe & Sane), and the storage, use, sale, possession and handling of fireworks 1.3G is prohibited.

Exception – Fireworks 1.4G and fireworks 1.3G may be part of an electrically fired public display when permitted and conducted by a licensed pyrotechnic operator as part of a permitted public display.

5609.2 Seizure of fireworks. The fire code official shall have the authority to seize, take, and remove all fireworks stored, sold, offered for sale, used or handled in violation of the provisions of the Code and Title 19 CCR, Chapter 6. Any seizure or removal pursuant to this section shall be in compliance with all applicable statutory, constitutional, and decisional law.

5609.3 Firing. All fireworks displays must be electrically fired.

§16.04.110 CHAPTER 57 FLAMMABLE AND COMBUSTIBLE LIQUIDS AMENDMENTS.

SECTION 5707 ON-DEMAND MOBILE FUELING OPERATIONS is hereby deleted in its entirety.

§16.04.120 APPENDIX B FIRE-FLOW REQUIREMENTS FOR BUILDINGS AMENDMENTS

TABLE B105.2 of APPENDIX B FIRE-FLOW REQUIREMENTS FOR BUILDINGS is hereby amended as follows:

**TABLE B105.2
REQUIRED FIRE-FLOW FOR BUILDINGS OTHER THAN ONE-AND TWO-FAMILY DWELLINGS, GROUP R-3 AND R-4 BUILDINGS AND TOWNHOUSES**

AUTOMATIC SPRINKLER SYSTEM (Design Standard)	MINIMUM FIRE-FLOW (gallons per minute)	FLOW DURATION (hours)
No automatic sprinkler system	Value in Table B105.1(2)	Duration in Table B105.1(2)
Section 903.3.1.1 or Section 903.3.1.2 of the California Fire Code	50% of the value in Table B105.1(2) but not less than 1500	Duration in Table B105.1(2)

For SI: 1 square foot = 0.0929 m², 1 gallon per minute = 3.785 L/m

§16.04.130 CHAPTER 80 REFERENCED STANDARDS AMENDMENTS

CHAPTER 80 REFERENCED STANDARDS Is adopted in its entirety with the following amendments:

NFPA 13 2022 Edition, Installation of Sprinkler Systems, is hereby amended as follows:

SECTION 16.12.3.3 is hereby amended as follows:

16.12.3.3 Fire department connections (FDC) shall be of an approved type. The FDC shall contain a minimum of two 2 ½” inlets. The location shall be approved and be no more than 50 feet from a public hydrant. The size of piping and the number of inlets shall be approved by the fire code official. If acceptable to the water authority, it may be installed on the backflow assembly. Fire department inlet connections shall be painted OSHA safety red. When the fire sprinkler density design requires 500 gpm (including inside hose stream demand) or greater, or a standpipe system is included, four 2 ½” inlets shall be provided.

SECTION 19.2.1.1 is hereby added as follows:

19.2.1.1 When fire sprinkler systems are required in buildings of undetermined use other than warehouses, they shall be designed and installed to have a fire sprinkler density of not less than that required for an Ordinary Hazard Group 2 use, with no reduction/s in density or design area. Warehouse fire sprinkler systems shall be designed to Figure 16.2.1.3.2 (d) curve “G”. Use is considered undetermined if a specific tenant/occupant is not identified at the time the permit is issued. Where a subsequent occupancy requires a system with greater capability, it shall be the responsibility of the occupant to upgrade the system to the required density for the new occupancy.

NFPA 13R 2022 Edition, Installation of Sprinkler System in Residential Occupancies up to and Including Four Stories in Height, is hereby amended as follows:

SECTION 6.11.2 is hereby amended as follows:

6.11.2 Fire department connections shall consist of at least two 2 ½ inch female couplings.

NFPA 13D 2022 Edition, Installation of Sprinkler Systems in One and Two-Family Dwellings and Manufactured Homes, is hereby amended as follows:

SECTION 8.3.5.1.1 is hereby added as follows:

8.3.5.1.1 All attics shall be protected with an intermediate temperature quick response sprinkler which shall be located to protect attic penetrations created by the access scuttles or mechanical equipment.

NFPA 14 2019 Edition, Installation of Standpipe and Hose Systems, is hereby amended as follows:

Section 6.4.5.4. is hereby deleted in its entirety and replaced with the following:

6.4.5.4 The location of the FDC shall be approved and be no more than 50 feet from a public hydrant. If acceptable to the water authority, it may be installed on

the backflow assembly. Fire department inlet connections shall be painted OSHA safety red.

NFPA 24 2019 Edition, Installation of Private Fire Service Mains and Their Appurtenances, is hereby amended as follows:

Section 5.9.1.2 is hereby amended as follows:

5.9.1.2 The fire department connection shall be of an approved type and contain a minimum of two 2 ½ inch inlets. The location shall be approved and be no more than 50 feet from a public fire hydrant. If acceptable to the water authority, it may be installed on the backflow assembly. The supply pipe shall be painted OSHA safety red.

§16.04.140 FEES.

- A. Fee schedules for any permits, licenses, inspections, plan check or other related work or services provided by the Fire Department in connection with the application of this chapter or the Code adopted hereby ('fire service fee') shall be as established by resolution of the City Council as the same may be amended from time to time.
- B. Unless otherwise provided by this Code, fire service fees established pursuant to paragraph 'A' of this Section are due and payable upon receipt of an invoice therefor from the City. It is a violation of this Section to fail to pay any fire service fee when due. Any fire service fee is delinquent if it remains unpaid thirty (30) days after the date of invoice. Any fire service fee that becomes delinquent shall be subject to the following monetary penalty. Thirty-one (31) days after the date of invoice, a penalty of ten percent (10%) of the fire service fee shall be added, and each month thereafter, an additional penalty of ten percent (10%) of the original fire service fee shall be added, up to a maximum penalty amount not to exceed the original invoiced amount."

Section 4. Penalties. It shall be unlawful for any person, firm, partnership, or corporation to violate any provision or to fail to comply with any of the requirements of this Ordinance or the Code hereby adopted. Unless a violation is deemed therein to be an infraction, any person, firm, partnership, or corporation violating any provision of the Ordinance or the Code hereby adopted or failing to comply with any of their requirements shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding One Thousand Dollars (\$1,000.00) or by imprisonment not exceeding six (6) months, or by both such fine and imprisonment. Alternatively or in addition to the foregoing, violation of this Ordinance or the Code adopted hereby may be punishable by administrative penalty. Each such person, firm, partnership, or corporation shall be deemed guilty of a separate offense for each and every day or any portion thereof during which any violation of any of the provisions of this Ordinance or the Code hereby adopted is committed, continued or permitted by such person, firm,

partnership or corporation, and shall be deemed punishable therefore as provided in this Ordinance.

Section 5. Civil Remedies Available. The violation of any of the provisions of this Ordinance or the Code hereby adopted shall constitute a nuisance and may be abated by the City through civil process by means of restraining order, preliminary or permanent injunction or in any other manner provided by law for the abatement of such nuisances.

Section 6. Severability. The City Council hereby declares that should any provision, section, paragraph, sentence, or word of this Ordinance or the Code hereby adopted be rendered or declared invalid by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and works of this Ordinance and the Code hereby adopted shall remain in full force and effect.

Section 7. This Ordinance shall become operative on the later of thirty (30) days after adoption, or January 1, 2023.

Section 8. The City Clerk shall certify to the adoption of this Ordinance.

APPROVED AND ADOPTED this _____ day of _____, 2022.

Mayor

ATTEST: _____
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Brea, held on the _____ day of _____, 2022, and was finally passed at a regular meeting of the City Council of the City of Brea on the _____ day of _____, 2022, by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAINED: COUNCILMEMBERS:

City Clerk of the City of Brea

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Bill Gallardo, City Manager

DATE: 11/15/2022

SUBJECT: GENERAL PLAN AMENDMENT NO. 2021-02 AND ZONE CHANGE NO. 2021-01: TO AMEND THE GENERAL PLAN LAND USE AND ZONING DESIGNATIONS OF THREE HOUSING OPPORTUNITY SITES AND THREE ADDITIONAL POTENTIAL SITES IDENTIFIED IN THE CITY'S 6th CYCLE HOUSING ELEMENT, AS PART OF THE HOUSING ELEMENT IMPLEMENTATION EFFORT.

RECOMMENDATION

Staff recommends that the City Council take the following actions:

1. Adopt a Resolution (Attachment A) adopting the addendum to the previously certified Environmental Impact Report (EIR) for the 2003 General Plan (Attachment B) and determine that an addendum to the previously certified Environmental Impact Report (EIR) for the 2003 General Plan is the appropriate environmental documentation for the Project under the California Environmental Quality Act (CEQA) and that the addendum adequately analyzed all potential impacts of the Project;
2. Adopt a Resolution (Attachment C) approving General Plan Amendment No. 2021-02 to amend the General Plan Land Use designations of the six Project sites;
3. Introduce by title only and waive further reading of an Ordinance (Attachment D) approving Zone Change No. 2021-01 to amend the zoning designations of the six Project sites; and
4. Schedule adoption of aforementioned Ordinance at the next regular City Council meeting.

BACKGROUND/DISCUSSION

As part of the City's 6th Cycle Housing Element implementation, this is a City initiated request to amend the General Plan Land Use and zoning designations of six housing sites identified in the City's 6th Cycle Housing Element (Housing Element). The subject housing sites include three Housing Opportunity Sites (Focused Development Sites #7, 10 and 13) and all three Additional Potential Sites (southern portion of 275 Valencia Avenue, 200 S. Associated Road, and 480 N. State College Boulevard). The following entitlements are required:

1. General Plan Amendment (GPA) No. 2021-02: to amend the General Plan Land Use designations of the subject six housing sites; and
2. Zone Change (ZC) No. 2021-01: to amend the zoning designations of the subject six housing sites.

On October 18, 2022, the City Council received staff presentations, opened the public hearing on the proposed GPA and ZC, received public testimony, closed the public hearing, requested additional information, and continued the review of the proposed GPA and ZC to the future meeting. The comprehensive staff report package from the October 18, 2022 City Council

meeting, which provides detailed overview of the proposed GPA and ZC, the environmental assessment completed for the proposed GPA and ZC, and the Planning Commission recommendation, is provided as Attachment E and also can be accessed from the following link: <http://weblink.cityofbrea.net/WebLink/0/doc/146372/Page1.aspx>.

Since then, City staff met with the State Department of Housing and Community Development (HCD) in an effort obtain clarification on the applicable State law, and prepared a memo that provides the additional information requested by the City Council at the October 18, 2022 meeting, which can be accessed from the following link: <https://www.ci.brea.ca.us/DocumentCenter/View/13881/City-Council-QA---For-Public>.

COMMISSION/COMMITTEE RECOMMENDATION

On September 27, 2022, the Planning Commission, on 5-0 vote, approved a resolution recommending approval of the proposed GPA and ZC.

FISCAL IMPACT/SUMMARY

The costs to process and implement the Project are included in the FY2022/2023 Community Development Department budget.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Joanne Hwang, ACIP, City Planner

Concurrence: Jason Killebrew, Community Development Director

Attachments

- A. CEQA Resolution
 - B - Addendum (Exhibit A of Attachment A)
 - C - GPA Resolution
 - D - Zone Change Ordinance
 - E - October 18, 2022 City Council Staff Report Package
-

RESOLUTION NO. XXX

**A RESOLUTION OF THE BREA CITY COUNCIL ADOPTING AN
ADDENDUM TO THE 2003 GENERAL PLAN FINAL ENVIRONMENTAL
IMPACT REPORT**

A. RECITALS.

(i) On August 19, 2003, pursuant to the California Environmental Quality Act (“CEQA”), the City Council adopted Resolution No. 03-73 certifying Final Environmental Impact Report No. EIR 01-01 (“General Plan EIR”) (State Clearinghouse Number 2002061051) for the City of Brea General Plan Project.

(ii) The City has caused a General Plan EIR Addendum (“Addendum”) to be prepared for proposed General Plan Amendment No. 2021-02 and proposed Zone Change No. 2021-01 (collectively, the “Project”) in connection with a rezoning program required to implement the Sixth Cycle Housing Element. The Addendum is attached as Exhibit A and incorporated herein by reference.

(iii) All legal prerequisites to the adoption of this Resolution have occurred.

B. RESOLUTION.

NOW THEREFORE, the City Council finds, determines, and resolves as follows:

1. All facts set forth in the Recitals are true and correct.
2. The findings made in this Resolution are based upon substantial evidence that has been presented to the City Council in the record of proceedings. The documents, staff reports, technical studies, appendices, plans, specifications, and other materials that constitute the record of proceedings on which this Resolution is based are on file and available for public examination during normal business hours in City Hall through the office of the City Clerk, who serves as the custodian of these records.
3. Based on the evaluation contained in the Addendum, there are no substantial changes proposed which will require major revisions of the General Plan EIR,

there are no substantial changes in circumstances which will require major revisions of the General Plan EIR, and there is no new information of substantial importance that was not known to the City at the time the General Plan EIR was certified, that necessitate preparation of a subsequent environmental impact report under the CEQA Guidelines.

4. The Addendum is the appropriate environmental documentation for the Project under the CEQA Guidelines, and the Addendum adequately analyzes all potential impacts of the Project and properly documents the changes to the General Plan EIR to explain the City's decision to not prepare a subsequent EIR.

5. The City Council has independently reviewed and considered the contents of the Addendum prior to deciding whether to approve the Project.

6. The City Council adopts the Addendum.

7. City staff is hereby directed to file a Notice of Determination regarding the Addendum with the County of Orange within five working days of final Project approval.

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

APPROVED AND ADOPTED this _____ day of _____, 2022.

Cecilia Hupp
Mayor

ATTEST: _____
Lillian Harris-Neal
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea, held on the ___ day of _____, 2022 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

Dated: _____

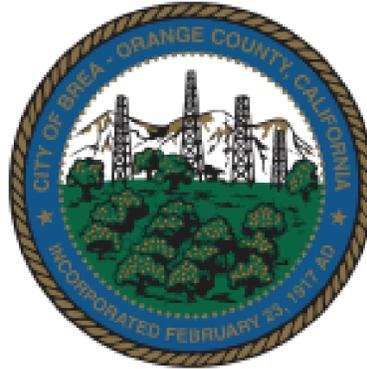
Lillian Harris-Neal
City Clerk

DRAFT

**EXHIBIT A
Addendum**

(Placeholder – See Attachment B to the 11/15/2022 City Council Staff Report)

DRAFT



**Addendum to the City of Brea General Plan
Environmental Impact Report
(State Clearinghouse Number 2002061051)
for the
Housing Element Opportunity Sites
General Plan Amendment and Zone Change Project**

LEAD AGENCY:

City of Brea
Community Development-Planning Division
1 Civic Center Circle
Brea, CA 92821
Contact: Joanne Hwang, AICP, City Planner
714-990-7674

PREPARED BY:

Michael Baker International
3760 Kilroy Airport Way, Suite 270
Long Beach, California 90806
Contact: Brent Schleck
562-200-7181

August 2022

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1.0 INTRODUCTION

In 2003, the City of Brea adopted the City of Brea General Plan and certified the 2003 General Plan Environmental Impact Report (EIR), pursuant to the California Environmental Quality Act (CEQA) and adopted corresponding EIR Findings, a Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program. The 2003 General Plan EIR analyzed the environmental impacts associated with proposed buildout over the General Plan planning period throughout the City's boundary and sphere of influence.

The City of Brea's incorporated City limits encompasses approximately 12 square miles, and the City is home to approximately 46,000 residents. Approximately one-fifth of the City's acreage is composed of hillsides and open space, much of which has historically been used for oil production on the eastern side of the City. The City's 2014-2021 Housing Element established mixed-use districts in the City's older, more centrally located areas to provide opportunities for people to live, work, shop, and recreate without having to use their cars. There are three mixed-use districts in the City, designated MU-I, MU-II, and MU-III. Downtown Brea and the Birch Street Corridor are designated MU-I, providing for residential densities of up to 50 units/acre. MU-II provides for up to 40 units/acre and applies to the former Unocal Research property on the east side of the City and similar larger properties that would benefit from an integrated approach to development. The MU-III designation is designed to facilitate the revitalization of commercial corridors, such as South Brea Boulevard and portions of Imperial Highway, by allowing the integration of residential uses at densities of up to 18 units/acre.

The City of Brea's 2021-2029 Housing Element (Imagine Brea), originally adopted on September 21, 2021 and re-adopted on August 16, 2022, addresses a variety of housing needs and constraints and identifies strategies to achieve the housing production targets identified in the Regional Housing Needs Assessment (RHNA). The 2021-2029 Housing Element recognizes approximately 104 acres as MU-I, 227 acres as MU-II, and 29 acres as MU-III; however, the inventory of mixed-use parcels that are either vacant or developed with improvements greater than 30 years of age (and, therefore, more likely to be redeveloped) is much smaller in size, at 31 acres designated as MU-I, 11.7 acres designated as MU-II, and 20 acres designated as MU-III. Because of the comparatively smaller inventory of sites likely to be redeveloped, the City seeks to increase the allowable density of some parcels in order to accommodate the amount of housing that the City has been allocated under the RHNA plan. The Housing Element identifies "Focused Development Sites" located within mixed-use areas from groupings of contiguous parcels, which meet one or more of the following criteria: development sites are anchored by City-owned or vacant parcels; sites include a high ratio of surface parking lots; City is aware of development interest on the site; a single parcel is of significant size (> 1 acre); and/or existing uses are particularly underutilized and marginal (as measured by an improvement-to-land value ratio of less than 1.0).¹ The City's 6th Cycle 2021-2029 Housing Element identifies 17 focused development sites as opportunity sites for new housing development, 15 of which are located within the City's mixed-use districts and two located within the City's General Commercial (C-G) zone. In addition, the City's 6th Cycle 2021-2029 Housing Element also identifies three "Additional Potential Sites," which were identified to have strong potential for residential development within the planning period.

As an early action to begin implementing the Housing Element strategies, the City is proposing to amend the General Plan land use designations and rezone three of the focused development sites (Site Nos. 7, 10, and 13), as well as three Additional Potential Sites identified by the City (200 South Associated Road, 275 Valencia Avenue, and 480 North State College Boulevard)

¹ City of Brea, Imagine Brea, General Plan Housing Element 2021-2029, page 3-119, July 2022.

(Proposed Project). As discretionary legislative actions, these are subject to review under CEQA, and the City of Brea, as the lead agency, is required to consider the potential environmental consequences of the revised General Plan land use and zoning designations of these six sites. This addendum to the 2003 General Plan addresses the proposed changes in accordance with the requirements of CEQA and the CEQA Guidelines.

2.0 STATUTORY BACKGROUND

In accordance with CEQA, when a lead agency considers further discretionary approval on a previously approved project, the lead agency is required to consider if the previously certified/adopted CEQA document provides adequate basis for rendering a decision on the proposed discretionary action. When making such a decision, the lead agency must consider any changes to the approved project or its circumstances that have occurred and any new information of substantial importance that has become available since the approved project's CEQA document was adopted/certified.

In accordance with CEQA Guidelines Section 15164(a), an addendum to a previously certified EIR shall be prepared by a lead agency if some changes or additions are necessary but none of the conditions described in CEQA Guidelines Section 15162 calling for preparation of a subsequent EIR have occurred. Per CEQA Guidelines Section 15162, if substantial changes to a project or its circumstances occur or new information of substantial importance becomes available after adoption of an EIR, the lead agency shall prepare a subsequent negative declaration or subsequent environmental impact report. More specifically, CEQA Guidelines Section 15162 states:

- (a) When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:
 - (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
 - (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
 - (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:
 - (A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
 - (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more

significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

- (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

As stated above, an addendum to a certified EIR may be prepared if some changes or additions are necessary but none of the conditions described in CEQA Guidelines Section 15162 calling for a subsequent EIR have occurred. The addendum need not be circulated for public review but can be attached to the final EIR (CEQA Guidelines Section 15164(c)).

3.0 SUMMARY OF 2003 GENERAL PLAN EIR

As stated above, the 2003 General Plan EIR (State Clearinghouse Number 2002061051) was prepared for the 2003 General Plan, which was intended to guide development in the City of Brea and the City's sphere of influence. This section summarizes the findings of the 2003 General Plan EIR associated with the adoption and long-term implementation of the General Plan.

The EIR determined that implementation of the 2003 General Plan would result in significant, unavoidable environmental impacts for following environmental topic areas:

- **Traffic:** Traffic volumes associated with ambient growth and potential future development within the Carbon Canyon area would result in exceedance of the roadway capacity of Carbon Canyon Road between Valencia Avenue and the eastern border of the City of Brea.
- **Air Quality:** Buildout of the General Plan and an associated increase in emissions from new vehicle trips and stationary sources would result in an exceedance of emission levels for reactive organic compounds and particulate matter with a diameter of 10 microns or less associated with vehicles and stationary sources. Additionally, the General Plan EIR determined that traffic associated with General Plan implementation could create carbon monoxide hot spots at the intersections of Berry Street at Central Avenue, Puente Street at Central Avenue, Brea Boulevard at Imperial Highway, and State College Boulevard at Lambert Road.

The EIR determined that implementation of the 2003 General Plan would result in potentially significant environmental impacts for following environmental topic areas; however, the environmental impacts associated with each of these topics could be mitigated to less-than-significant levels:

- **Noise:** Over the long term, increasing traffic volumes would increase ambient noise levels to levels exceeding those considered appropriate for residential land uses along portions of Puente Street, Lambert Road, Valencia Avenue, and Carbon Canyon Road. Mitigation measures include requiring developers to incorporate noise control measures in new developments that are adjacent to roadways with heavy noise pollution.
- **Biological Resources:** Introduction of residential and commercial development to undisturbed areas of the City would result in modification or elimination of sensitive vegetation communities, individual plant species, sensitive wildlife species, and wildlife corridors. Mitigation measures would be developed at the project level to minimize development impacts.
- **Aesthetics, Light, and Glare:** Introduction of structures and activities in previously undeveloped areas has the potential to introduce substantial amount of light or glare from

building materials and nighttime lighting. Mitigation measures include requiring new structures to use building materials to reduce glare and limit new nighttime lighting.

- **Cultural Resources:** Long-term implementation of the General Plan could unearth previously unknown archaeological sites, structures, and fossils. Mitigation measures establish protections for previously undocumented archaeological and paleontological resources.
- **Hazards and Hazardous Materials:** The General Plan permits oil and natural gas industrial land uses within General Industrial or Light Industrial land use zones. The 2003 General Plan EIR states that human health and safety impacts could arise from the introduction of hillside residential development adjacent to a natural gas plant or soil gas seepage zone. Mitigation measures include establishing a buffer distance between new residential development and operating and abandoned wells, required soil gas surveys, and compliance with Brea Fire Department and Orange County Fire Department guidelines for remediation of soil gases.
- **Hydrology:** A portion of the General Plan area is included within a 100-year flood zone. Mitigation measures are project-specific and apply to projects located within the 100-year flood zone.
- **Population/Housing:** Buildout of the General Plan was anticipated to increase population in the Planning Area by 37 percent, which was determined to result in a significant impact. However, according to the 2003 General Plan EIR, accommodation of increased population is the basic purpose of the General Plan and that mitigation measures throughout the General Plan in the form of goals and policies are intended to reduce impacts of population growth on the urban systems and the natural environment. Compliance with these goals and policies would reduce the effects of population growth to less-than-significant levels.

The EIR determined that implementation of the 2003 General Plan would result in less-than-significant or no impacts related to transportation (impacts at 13 studied intersections other than those on Carbon Canyon Road identified above under Significant and Unavoidable Impacts); aesthetics (impacts associated with hillside development and compliance with hillside development regulations); land use compatibility and consistency with regional plans; geology and soils; wildland fires; utilities and service systems; population and housing; and public services and recreation.

Finally, the following environmental factors were determined to have no significant impact by the Initial Study prepared as part of the General Plan EIR and, therefore, were not analyzed in the EIR:

- Agricultural Resources
- Air Quality: impacts related to conflicting with an applicable Air Quality Plan or creating objectional odor
- Historic Resources
- Geology and Soils: impacts related to septic tanks
- Hazards and Hazardous Materials: impacts related to proximity to an airport and emergency response plan
- Hydrology: impacts related to drainage patterns, water quality, and inundation
- Land use: impacts related to dividing an established community or conflicting with an applicable land use plan
- Noise: impacts related to conflicting with an airport or private airstrip
- Population and Housing: impacts related to displacing substantial number of existing housing or people

- Transportation and Traffic: impacts related to conflicting with air traffic patterns and adopted regional plans
- Utilities and Service Systems: impacts related to violating wastewater treatment and solid waste regulations

The previously certified General Plan EIR serves as the primary environmental compliance document for the Proposed Project, and this Addendum provides minor changes and additions to the General Plan EIR. This Addendum should be considered with the full text of the previously certified 2003 General Plan EIR. All applicable mitigation measures from the General Plan EIR would be applicable to the Proposed Project.

4.0 PROJECT DESCRIPTION

4.1 EXISTING CONDITIONS

As stated above, the City is proposing to amend the General Plan land use designations and rezone three of the 17 focused development sites identified in the 2021-2029 Housing Element (sites No. 7, No. 10, and No. 13), as well as three additional sites identified by the City as "Additional Potential Sites" (200 South Associated Road, 275 Valencia Avenue, and 480 North State College Boulevard), collectively referred to as the Project Sites. As shown in **Figure 1** and **Figure 2**, three of the Project Sites are located along North and South Brea Boulevard between Lambert Road to the north and Rolling Hills Drive to the south. The remaining three sites are generally located in the central and western portions of the City. Each Project Site is described in detail below.

Focused Development Site No. 7

Site No. 7 is located on the southwestern corner of Cypress Street and North Brea Boulevard and consists of two parcels (Assessor Parcel Numbers [APN] 296-333-09 and -10) with addresses of 239 North Brea Boulevard and 275 North Brea Boulevard. The site is approximately 1.43 acres in size and is bounded by North Brea Boulevard to the east, West Cypress Street to the north, Madrona Avenue to the west, and Bracken Street to the south. Site No. 7 is currently developed with a bank building on the 275 North Brea Boulevard parcel and a vacant commercial building on the 239 North Brea Boulevard parcel. The bank building is constructed in a Spanish mission style and is two stories tall with an architectural treatment on the south side of the structure that resembles a bell tower that extends to a third story. The northwest portion of the site is characterized by a surface parking lot, decorative landscaping, including decorative trees, turf grass, and shrubs, and a drive-through ATM structure. The south side of the site includes a vacant commercial structure, which is one story in height and is surrounded by decorative landscaping and a small surface parking lot on the north side of the structure. As shown in **Figure 3**, Site No. 7 is surrounded by a mix of land uses, including commercial land uses that have a General Plan land use designation of General Commercial and zoning designation of General Commercial (C-G) to the east across North Brea Boulevard; commercial land uses that have a General Plan land use designation of Mixed Use I and zoning designation of Mixed-Use I (MU-I) to the north across West Cypress Street and to the south across Bracken Street; and single-family residential land uses that have a General Plan land use designation of Low Density Residential and a zoning designation of R-1 to the west across Madrona Avenue. Currently, Site No. 7 has a General Plan land use designation of General Commercial and zoning designation of C-G.

Considering the residential restriction and floor area ratio (FAR) limits of the existing General Plan land use and zoning designation of the site, a potential development on the 1.43-acre parcel under existing zoning would likely consist of no residential units (residential is prohibited in the General Commercial zone) and would allow a maximum commercial development, consisting of a 35-foot-

tall building, with a 10-foot front yard setback, and 50 percent lot coverage. Parking could be provided at surface, below grade, or podium level, or a combination thereof.

Focused Development Site No. 10

Site No. 10 is located on the northwestern corner of West Fir Street and South Brea Boulevard and consists of one parcel (APN 284-282-06) with an address of 685 South Brea Boulevard. The site is approximately 1.0 acre in size and is bounded by South Brea Boulevard to the east, West Fir Street to the south, the Brea Veterinary Hospital (675 South Brea Boulevard) to the north, and South Walnut Avenue to the west. Site No. 10 is currently developed with a shoe store fronting South Brea Boulevard on the east side of the site, with a surface parking lot located on the north, south, and western sides of the site. The building is single story and rectangular in shape with minimal decorative landscaping in the parking area and on the South Brea Boulevard frontage. As shown in **Figure 4**, Site No. 10 is surrounded by a mix of land uses, including commercial land uses that have a General Plan land use designation of Mixed Use III and zoning designation of Mixed-Use III (MU-III) to the north of the eastern portion of the site, to the south across West Fir Street, and to the east across South Brea Boulevard; single-family residential land uses, as well as a church, that have a General Plan land use designation of Low Density Residential and a zoning designation of R-1 to the west across South Walnut Avenue; and single-family residential land uses that have a General Plan land use designation of High Density Residential and a zoning designation of R-3 to the southwest and north of the western portion of the site. Currently, Site No. 10 has a General Plan land use designation of Mixed Use III and zoning designation of MU-III.

Considering the residential density and FAR limits of the existing General Plan land use designation and zoning of the site, a potential mixed-use development under existing zoning on the 1-acre parcel would likely consist of residential units totaling between 6.1 to 18 units per acre (up to 18 units) and 43,560 square feet of commercial space. Building heights would likely be up to three stories and 35 feet tall for multifamily, mixed-use, and commercial buildings. Parking could be provided in below grade, surface, or podium parking, or a combination thereof.

Focused Development Site No. 13

Site No. 13 is located east of South Brea Boulevard between East Date Street and East Elm Street and consists of 12 parcels (APNs 284-243-01 through -06; -08 through -12; and -26) with an address of 450 South Brea Boulevard for the southern portion and 104 East Date Street for the north portion. As shown in **Figure 5**, the site is approximately 1.99 acres in size and is bounded by South Brea Boulevard to the west, East Date Street to the north, East Elm Street to the south, and single-family residential land uses across an alley to the east. Site No. 13 is currently developed with multiple land use types. Beginning at the southern end, 450 South Brea Boulevard is developed with a single-story restaurant use and small surface parking lot located immediately north of the structure. A two-story commercial use is located immediately north of this surface parking lot at 440 South Brea Boulevard and is characterized by Spanish-style architecture, low decorative landscaping along the South Brea Boulevard frontage, and a surface parking lot on the north and east sides of the building. North of this commercial use is a medical clinic at 432 South Brea Boulevard, which is developed in a Spanish style and includes decorative landscaping along the South Brea Boulevard frontage and parking in the rear (east side of the structure). The structures located at 424 and 420 South Brea Boulevard are two single-family residential, single-story structures that are constructed in a Craftsman style with landscaped front yards characterized by turf grass and low decorative shrubs. The front yard of the residence located at 420 South Brea Boulevard is slightly elevated above the South Brea Boulevard sidewalk and is separated from the sidewalk by a small masonry block wall. A dentist office is located north of these residential structures at 418 South Brea Boulevard. This structure is

designed to appear similar to a residential home and is elevated above South Brea Boulevard, separated from the sidewalk by a short brick and masonry block wall topped with an iron fence. A surface parking lot is located north of the dentist office, accessible via the alleyway running along the eastern boundary of Site No. 13. Continuing north, three single-story, single-family residential structures at 406, 408, and 410 South Brea Boulevard are characterized by wood siding; deep, narrow home layouts; and decorative wooden accents located under the gabled roofline. The South Brea Boulevard frontages of these three residences are characterized by turf grass, mature trees, and decorative shrubs that are elevated above South Brea Boulevard and connected to the sidewalk by concrete stairs in between segments of masonry block wall topped with an iron fence. The northernmost extent of Site No. 13 includes a residential building containing two units at 104 and 108 East Date Street. The structure is located on the eastern portion of the parcel and is three stories tall, contemporary in design, and clad in wood siding with stone accents. In short, Site No. 13 includes a mix of land-uses, including commercial land uses and non-conforming residential land uses.

As shown in **Figure 5**, Site No. 13 is surrounded by a mix of land uses, including commercial land uses that have a General Plan land use designation of Mixed Use III and zoning designation of MU-III to the north and northwest across East Date Street and to the south and southwest across East Elm Street; City Hall Park that has a General Plan land use designation of Parks/Recreation/Open Space and zoning designation of Parks/Recreation/Open Space - Parks/Recreation (PRO – P/R) across South Brea Boulevard to the west; single-family residential land uses that have a General Plan land use designation of Low Density Residential and a zoning designation of R-1 farther to the west across South Walnut Avenue; and single-family residential land uses that have a General Plan land use designation of Low Density Residential and a zoning designation of R-1 to the east, northeast, and southeast. Currently, Site No. 13 has a General Plan land use designation of General Commercial and zoning designation of C-G.

Considering the residential restriction and FAR limits of the existing General Plan land use and zoning designation of the site, a potential development on the 1.99-acre parcel under existing zoning would likely consist of no residential units (residential is prohibited in the General Commercial zone) and would allow a maximum commercial development consisting of a 35-foot-tall building, with a 10-foot front yard setback, and 50 percent lot coverage. Parking could be provided at surface, below grade, or podium level, or a combination thereof.

Additional Potential Site - 200 South Associated Road

The 200 South Associated Road site is located on the southeastern corner of South Associated Road and East Birch Street and consists of one parcel with an address of 200 South Associated Road (APN 320-043-01). The site is approximately 4.0 acres in size and is bounded by East Birch Street to the north, South Associated Road to the west, East Eucalyptus Lane to the south, and Amberwick Circle to the east. The site is currently developed with a religious facility and a private day school that were constructed in the 1970s. The facility consists of single-story buildings with angled rooflines connected by concrete patios and walking paths. The site includes a surface parking lot on the northwest and north sides; basketball courts and a playground on the south side; and play equipment, lawn, and classrooms on the east side. Decorative landscaping is located along the site's frontage with Amberwick Circle and East Eucalyptus Lane to the east and south. As shown in **Figure 6**, this site is primarily surrounded by residential land uses, including single-family residential land uses that have a General Plan land use designation of Low Density Residential and zoning designation of R-1 to the east and south of the site; single-family residential land uses that have a General Plan land use designation of Low Density Residential and a zoning designation of R-2 to the west across South Associated Road; and multifamily residential land uses that have a General Plan land use designation of High Density Residential

and a zoning designation of R-3 to the northwest, across East Birch Street. Currently, the 200 South Associated Road site has a General Plan land use designation of Low Density Residential and zoning designation of R-1.

Considering the residential density limits of the existing General Plan land use and zoning designation of the site, a potential residential development on the 4-acre parcel under existing zoning would likely consist of approximately 24 single-family homes. Building heights would likely be up to two stories and 30 feet tall.

Additional Potential Site - 275 Valencia Avenue

The 275 Valencia Avenue site is located west of South Valencia Road, between East Nasa Street to the south and East Birch Street to the north, and consists of multiple parcels (APNs 320-301-11 and -12, and 320-233-17). Combined, the site is approximately 31.0 acres in size and is bounded by commercial development and East Birch Street to the north, South Valencia Avenue to the west, a commercial building and Surveyor Avenue to the east, and East Nasa Street to the south. The site was most recently utilized and owned by Bank of America, where the 637,503-square-foot, 60-foot-high building operated as a call center and regional office for the financial institution. The site is characterized by large expanses of surface parking on the southern, eastern, and northern portions of the project site and a large, three-story commercial office building with articulated elevations with light grey exterior walls and rows of rectangular windows. Some decorative landscaping (i.e., trees and groundcover) is located throughout the surface parking areas and along the Valencia Avenue frontage. As shown in **Figure 7**, this site is primarily surrounded by light industrial and commercial office land uses, including such uses with a General Plan land use designation of Light Industrial and zoning designation of (M-1) to the south, west, and north. Across South Valencia Boulevard to the east is a single- and multifamily residential development with a General Plan land use designation of Mixed Use II and zoning designation of Mixed-Use II (MU-II). Currently, the 275 Valencia Avenue site has a General Plan land use designation of Light Industrial and zoning designation of M-1.

Considering the residential restrictions of the existing General Plan land use and zoning designation of the site, this site would not support residential units as they are not permitted within an M-1 zone. A potential development on the 31-acre parcel under existing zoning would allow a maximum commercial office or light industrial building up to 60 feet tall with 50 percent lot coverage. Parking could be provided at surface, below grade, or podium level, or a combination thereof.

Additional Potential Site - 480 North State College Boulevard

The 480 North State College Boulevard site is located north of East Lambert Road between the Orange Freeway (SR 57) to the east and North State College Boulevard to the west (APN 319-041-14). Specifically, the site is approximately 3.0 acres in size and is bounded by single-family residential development to the north and east, a surface parking lot to the southeast, East Lambert Road to the south, and North State College Boulevard to the west. This site is currently developed with a religious facility and accessory buildings that were constructed in the 1970s and 1980s. The site is characterized by two-story brick church building in the north central portion of the site, surface parking located along the site's western frontage with North State College Boulevard, a brick tower structure with a cross on the south side of the site, and decorative landscaping along the North State College Boulevard and East Lambert Road site frontages. There is a small lawn located north of the church building and a rectangular patch of bare earth on the south side of the site. As shown in **Figure 8**, this site is primarily surrounded by residential land uses, including single-family residential land uses that have a General Plan land use of Low Density residential and zoning designation of R-1 to the north of the site and to the south across East Lambert Road.

Across North State College Boulevard to the west is a single-family residential development with a General Plan land use designation of Mixed Use II and zoning designation of MU-II. The parking lot to the southeast of the site, which is operated as a park and ride site, has a General Plan land use designation of Public Facilities and zoning designation of Public Facilities (PF). Currently, the 480 North State College Boulevard site has a General Plan land use designation of Low Density Residential and zoning designation of R-1.

Considering the residential density limits of the existing General Plan land use designation of the site, a potential residential development on the 3-acre parcel under existing zoning would likely consist of approximately 18 homes. Building heights would likely be up to two stories and 30 feet tall.

4.2 PROPOSED REVISIONS

The Proposed Project would amend the General Plan and zoning designations of the six Project Sites identified above in order to be consistent with surrounding land uses and to accommodate development of additional residential units in support of the City's housing unit targets under the RHNA. Site Nos. 7 and 10 would be rezoned to MU-I to accommodate a shortfall of sites needed to meet the City's lower-income housing unit target under the RHNA. Specifically, rezoning of Site No. 7 to MU-1 would be consistent with the zoning designation of existing properties to the north across West Cypress Street and to the south across Bracken Street and rezoning of Site No. 10 to MU-1 would allow a greater number of residential units, while maintaining consistency with the mixed-use zoning designations to the south across West Fir Street and east across South Brea Boulevard. Site No. 13 would be rezoned to MU-III to permit more dense development and to be consistent with the zoning designations of existing properties to the north across East and West Date Street and to the south across East and West Elm Street. The 200 South Associated Road site would be rezoned to R-3 to permit more dense development along the busy Associated Road and Birch Street corridors and to be consistent with zoning designations of existing properties to the west across South Associated Road (zoned R-2) and to the north across East Birch Street (R-3). The southern 7-acre portion of 275 Valencia Avenue site would be rezoned to MU-II to permit residential and mixed-use development and to be consistent with the zoning designation of the existing La Floresta Master Plan community to the east, across Valencia Avenue. The 480 North State College Boulevard site would be rezoned to MU-II to permit more dense development along the busy East Lambert Road corridor and to be consistent with zoning designations of existing mixed-use properties to the west across the Orange Freeway (the Olen Properties Mixed Use Project [MU-II zone] and the Avalon/Hines project one block to the south [MU-I zone]). A narrative description of the proposed changes at each Project Site is provided in the following paragraphs and summarized in **Table 1**, below.

Focused Development Site No. 7

The Proposed Project would change Site No. 7's zoning designation from C-G to MU-I and the General Plan land use designation from General Commercial to Mixed Use I. With these changes, potential development on the Project Site would likely consist of intense, mixed-use urban environments that offer opportunities for people to live, work, shop, and recreate without having to use their vehicles, such as construction of up to 50 dwelling units per acre and a maximum FAR of 3.0 for commercial uses (i.e., approximately 62,290 square feet of commercial space). The maximum permitted building height would be 100 feet for multifamily, mixed-use, and commercial buildings. Based on the existing conditions and context of surrounding area, the anticipated residential unit potential for this Project Site is 57 units. Parking could be provided at surface, below grade, or podium level, or a combination thereof.

Focused Development Site No. 10

The Proposed Project would change Site No. 10's zoning designation from MU-III to MU-I and the General Plan land use designation from Mixed Use III to Mixed Use I. With these changes, potential development on the Project Site would likely consist of intense, mixed-use urban environments that offer opportunities for people to live, work, shop, and recreate without having to use their vehicles, such as construction of up to 50 dwelling units per acre and a maximum FAR of 3.0 for commercial uses (i.e., approximately 43,560 square feet of commercial space). The maximum permitted building height would be 100 feet for multifamily, mixed-use, and commercial buildings. Based on the existing conditions and context of surrounding area, the anticipated residential unit potential for this Project Site is 32 units. Parking could be provided at surface, below grade, or podium level, or a combination thereof.

Focused Development Site No. 13

The Proposed Project would change Site No. 13's zoning designation from C-G to MU-III and the General Plan land use designation from General Commercial to Mixed Use III. Rezoning this site as MU-III with a General Plan designation of Mixed Use III would be consistent with adjacent uses along Brea Boulevard, and may encourage redevelopment of the site, which is currently comprised of a mix of commercial and non-conforming residential land uses. With these changes, potential development on the Project Site would likely consist of multifamily residential uses complemented by commercial space at the ground floor, such as construction of up to 18 dwelling units per acre and a maximum FAR of 1 FAR for commercial uses (i.e. 86,684 square feet of commercial space). Based on the existing conditions and context of surrounding area, the anticipated residential unit potential for this Project Site is 33 units. Building heights could be up to three stories and 35 feet. Parking could be provided in below grade, surface, or podium parking, or a combination thereof.

200 South Associated Road

The Proposed Project would change the 200 South Associated Road site's zoning designation from R-1 to R-3 and the General Plan land use designation from Low Density Residential to High Density Residential. With these changes, potential development on the Project Site may consist of residential urban environments that would be located along two highly utilized transportation corridors (Associated Road and Birch Street) with access to public transit opportunities (Orange County Transit Authority [OCTA] stop #129). The R-3 zoning would have the potential of producing a maximum of approximately 100 units on the site. However, the City recognizes that this property would be a transition from traditional single-family residences on Eucalyptus Lane, and sees this site as more of a transition site. Therefore, staff has assigned the lower-density range of the R-3 zone to conservatively forecast the net unit potential at 60 units.

275 Valencia Avenue

The Proposed Project would change the zoning designation and General Plan land use designation of an approximately 7-acre portion of the 275 Valencia Avenue site from M-1 to MU-II and from Light Industrial to Mixed Use II, respectively. This 7-acre portion of the 275 Valencia Avenue site proposed for zoning and General Plan designation changes is located on the south side of the site, north of Nasa Street (see **Figure 7**). With these changes, potential development on the Project Site may consist of mixed-use urban environments that offer opportunities for people to live, work, shop, and recreate without having to use their vehicles. The site has recently changed owners and the new owner (Amazon) has indicated that the existing building may be demolished for an approximate 181,500-square-foot, 44-foot-high warehouse building to be used as a parcel delivery facility. Given the size of the site, even if the owner was to construct a

181,500-square-foot building, additional development potential would still exist on 7-acre, southern portion of the site. Construction could yield up to 40 dwelling units per acre on this 7-acre portion of the site. Based on the existing conditions and context of surrounding area, the anticipated residential unit potential for this Project Site is 75 units. The new owner of the property has indicated that they may construct workforce housing for employees of the potential 181,500-square-foot warehouse and delivery facility. The maximum permitted building height would be 60 feet. Parking could be provided at surface, below grade, or podium level, or a combination thereof.

480 North State College Boulevard

The Proposed Project would change the 480 North State College Boulevard site's zoning designation from R-1 to MU-II and the General Plan land use designation from Low Density Residential to Mixed-Use II. With these changes, potential development on the Project Site may consist of mixed-use urban environments that offer opportunities for people to live, work, shop, and recreate without having to use their vehicles, such as construction of up to 40 dwelling units per acre and a maximum FAR of 2.0 for commercial. However, given that this site would serve as a transition from traditional single-family residences of Buttonwood Drive and Olive Avenue, the City estimates that development would occur within the middle of the density range of the MU-II zone, with an anticipated residential density of the Project Site being 54 units. The maximum permitted building height would be 60 feet. Parking could be provided at surface, below grade, or podium level, or a combination thereof.

**Table 1
Proposed Site Development Standards Compared with 2003 General Plan**

Focused Development Site No. 7		
Property Development Standards	2003 General Plan Zoning: C-G General Plan: General Commercial	Proposed Project Zoning: MU-I General Plan: Mixed Use I
Commercial Density (maximum FAR)	FAR 0.5	FAR 3
Residential Density		
<i>Permitted</i>	No residential uses are permitted in C-G zone	12.1–50 dwelling units per acre
<i>Anticipated</i> ¹	N/A	40 dwelling units per acre
Building Height	35 feet	100 feet
	Net Residential Unit Potential	57 units
Focused Development Site No. 10		
Property Development Standards	2003 General Plan Zoning: MU-III General Plan: Mixed Use III	Proposed Project Zoning: MU-I General Plan: Mixed Use I
Commercial Density (maximum FAR)	FAR 1.00	FAR 3

Residential Density		
<i>Permitted</i>	6.1–18 dwelling units per acre	12.1–50 dwelling units per acre
<i>Anticipated</i> ¹	N/A	32 dwelling units per acre
Building Height	35 feet	100 feet
Net Residential Unit Potential		32 units
Focused Development Site No. 13		
Property Development Standards	2003 General Plan Zoning: C-G General Plan: General Commercial	Proposed Project Zoning: MU-III General Plan: Mixed Use III
Commercial Density (maximum FAR)	FAR 0.5	FAR 1
Residential Density		
<i>Permitted</i>	No residential uses are permitted in C-G zone	6.1–18 dwelling units per acre
<i>Anticipated</i> ¹	N/A	16.5 dwelling units per acre
Building Height	35 feet	35 feet
Net Residential Unit Potential		33 units
200 South Associated Road		
Property Development Standards	2003 General Plan Zoning: R-1 General Plan: Low Density Residential	Proposed Project Zoning: R-3 General Plan: High Density Residential
Commercial Density (maximum FAR)	N/A	N/A
Residential Density		
<i>Permitted</i>	Up to 6 dwelling units per acre	Up to 25 dwelling units per acre
<i>Anticipated</i> ¹	N/A	15 dwelling units per acre
Building Height	30 feet	35 feet when on a property located 100 feet from any land zoned R-1, R-2, or RH
Net Residential Unit Potential		60 units
275 Valencia Avenue		
Property Development Standards	2003 General Plan Zoning: M-1 General Plan: Light Industrial	Proposed Project Zoning: MU-II General Plan: Mixed Use II
Commercial Density (maximum FAR)	FAR 0.75	FAR 2

Residential Density		
<i>Permitted</i>	No residential uses are permitted in M-1 zone	6.1–40 dwelling units per acre
<i>Anticipated</i> ¹	N/A	10.7 dwelling units per acre
Building Height	60 feet	60 feet
Net Residential Unit Potential		75 units
480 North State College Boulevard		
Property Development Standards	2003 General Plan Zoning: R-1 General Plan: Low Density Residential	Proposed Project Zoning: MU-II General Plan: Mixed Use II
Commercial Density (maximum FAR)	N/A	FAR 2.00
Residential Density		
<i>Permitted</i>	Up to 6 dwelling units per acre	6.1–40 dwelling units per acre
<i>Anticipated</i> ¹	N/A	18 dwelling units per acre
Building Height	30 feet	60 feet
Net Residential Unit Potential		54 units

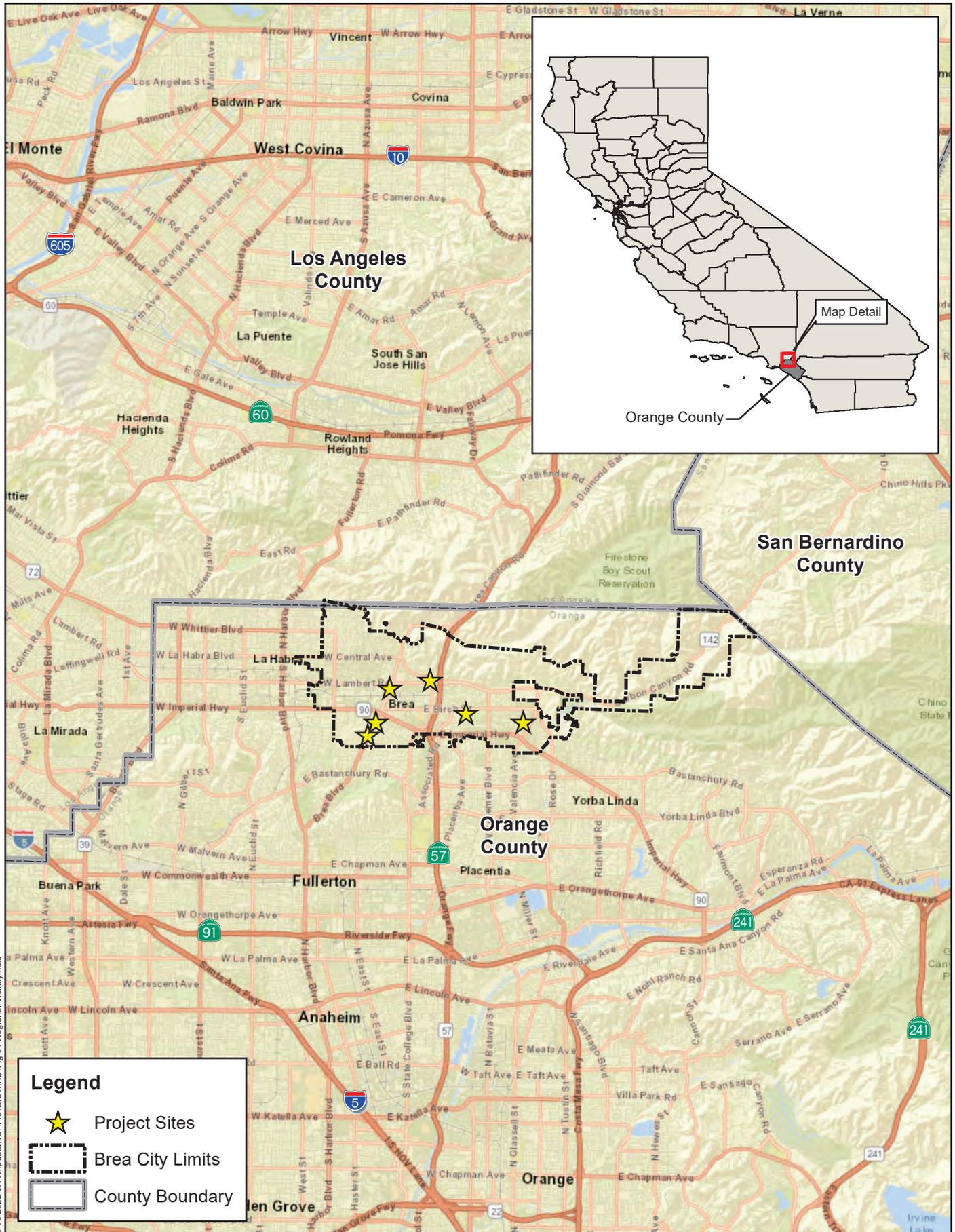
¹ Per 6th Cycle Housing Element (Adopted August 16, 2022)

Source: City of Brea General Plan; City of Brea Municipal Code, Title 20 Zoning Code

4.3 LEAD AGENCY AND DISCRETIONARY APPROVALS

This Addendum and the previously certified General Plan EIR are intended to serve as the environmental documentation for the changes under the proposed General Plan amendment and zone change. The City of Brea is the lead agency under CEQA and maintains authority to approve the Addendum for the Proposed Project. Discretionary approvals being sought as part of the Proposed Project include the following:

- General Plan Amendment (GPA) and General Plan Land Use Map amendment to change each Project Site's General Plan land use designation;
- Zone Change (ZC) and Zoning Map amendment to change each Project Site's zoning designation;

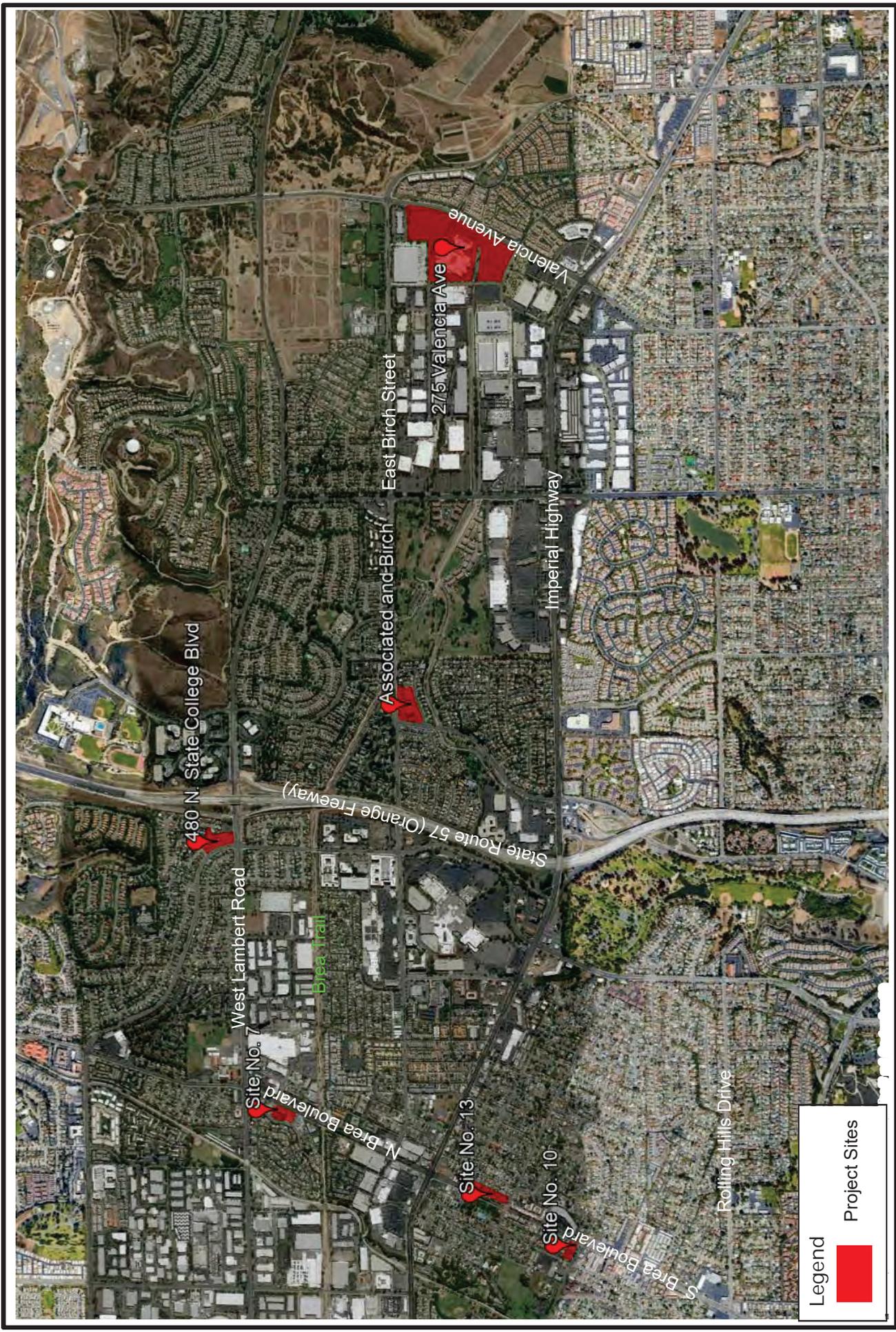


Source: ArcGIS Online

FIGURE 1
Regional Project Map



2.5 Miles



Source: Google Earth



2,000 Feet

FIGURE 2

Project Location Map



Legend

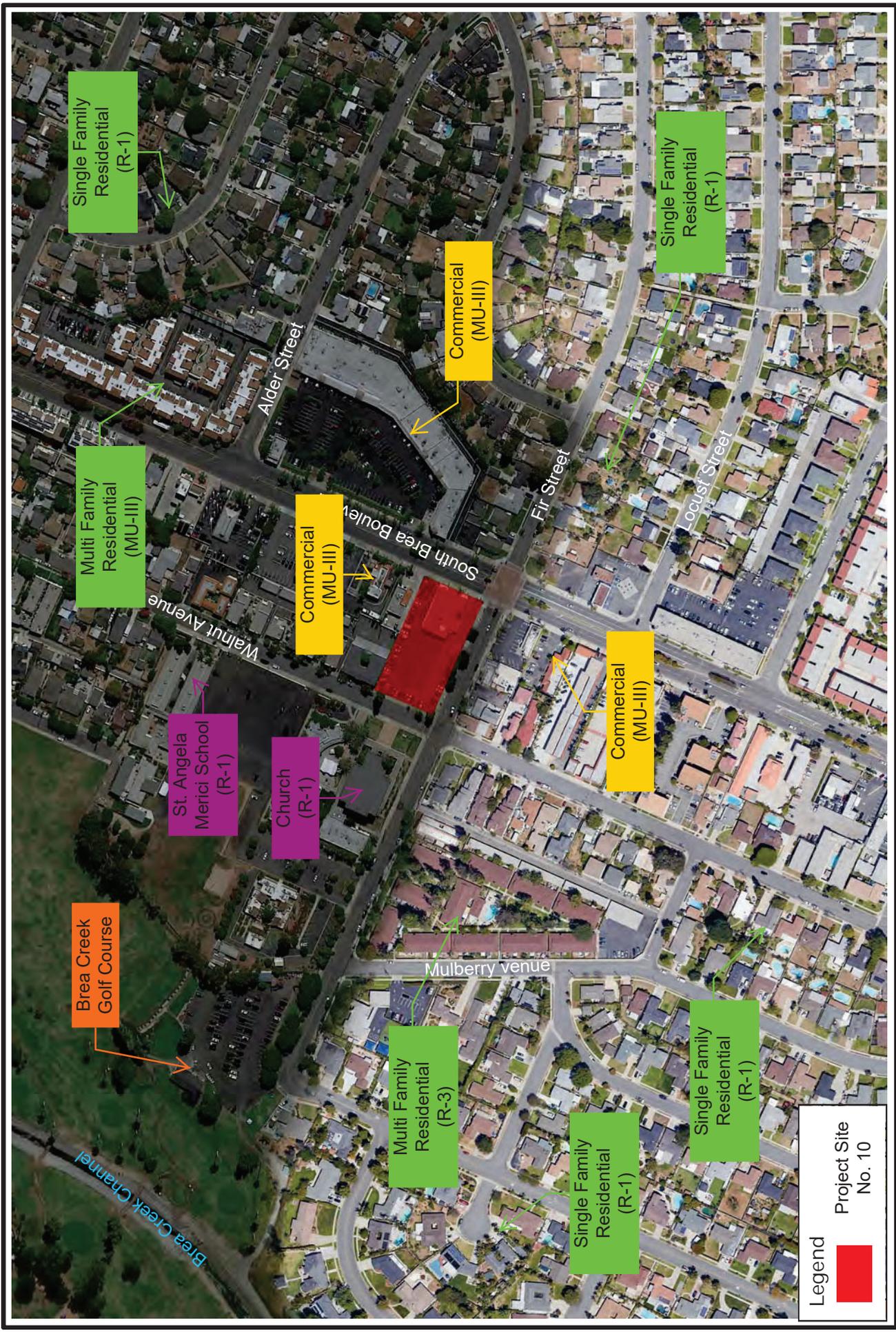
Project Site No. 7

FIGURE 3

Site No. 7 and Surrounding Land Uses

Source: Google Earth





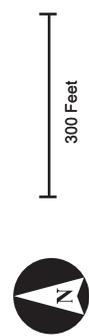
Legend

Project Site
No. 10

FIGURE 4

Site No. 10 and Surrounding Land Uses

Source: Google Earth





Legend
 Project Site No. 13

Source: Google Earth

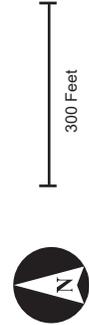


FIGURE 5

Site No. 13 and Surrounding Land Uses



FIGURE 6
 200 South Associated Road Site and Surrounding Land Uses

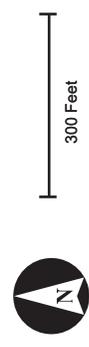




FIGURE 7
 275 Valencia Site and Surrounding Land Uses

Legend

- Project Site
- 275 Valencia
- Proposed Area of Revision

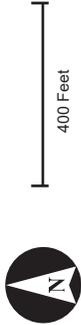
Source: Google Earth





FIGURE 8
480 North State College Boulevard Site and Surrounding Land Uses

Source: Google Earth



5.0 ENVIRONMENTAL ANALYSIS

This section discusses the environmental factors potentially affected based on current information and the proposed revisions to the Project Sites' General Plan land use and zoning designations. The analysis presented herein compares the impacts of the proposed revisions, described above, with the impacts identified in the 2003 certified General Plan EIR. Specifically, the following subsections address environmental topics that were evaluated in the 2003 General Plan EIR to determine if the impacts associated with the proposed revisions would be similar to, less than, or substantially greater than the impacts discussed in the 2003 General Plan EIR (i.e., would the proposed revisions involve new significant environmental effects, a substantial increase in the severity of previously identified significant effects, or new information of substantial importance).

5.1 LAND USE COMPATIBILITY

According to the 2003 General Plan EIR, although the General Plan did not propose any substantial alteration to existing land use patterns, it did modify the land use designation on South Brea Boulevard from High Density Residential and Retail Commercial to Mixed Use I. Consequently, land use compatibility concerns were raised because development along South Brea Boulevard, which encompasses Site Nos. 10 and 13, abuts low-density residential development and is within Historic Brea, which is a neighborhood in Southwest Brea that contains a concentration of homes dating from the early twentieth century. Site No. 7 is outside of the South Brea Boulevard corridor and Historic Brea; however, it has a similar setting i.e., surrounded by retail commercial uses and abutting low-density residential development. The 200 South Associated Road, 275 Valencia Avenue, and 480 North State College Boulevard sites are located outside of the South Brea Boulevard corridor and Historic Brea, as these sites are generally located on the north and west sides of the City. As identified in the 2003 General Plan EIR, to minimize the potential conflict between the mixed-use designation and Historic Brea, action programs in the General Plan call for the City to establish streetscape/landscape design plans for South Brea Boulevard and Historic Brea that complement the existing historic environment and resources; ensure plans are consistent with the Public Realm Urban Design Palette; and amend the Brea Towne Plaza Specific Plan to include updated standards on design guidelines for commercial development for South Brea Boulevard, including those addressing orientation, height, bulk, and the relationship of new development to adjacent residential uses, that respect and complement the historic character of surrounding neighborhoods.² Accordingly, it was determined that application of the General Plan implementation program would ensure that compatibility would be achieved between the residential uses in Historic Brea and the mixed-use development on South Brea Boulevard and that impacts would be less than significant.

Similarly, action programs in the General Plan call for the City to assess development proposals for potential impacts to significant natural resources pursuant to CEQA and associated state and federal regulations and to require appropriate mitigation for all significant impacts if impact avoidance is not possible. The 2003 General Plan EIR determined that application of the General Plan implementation program would ensure the preservation of natural habitat and vegetation communities that support sensitive wildlife species and animals in the Planning Area and that the General Plan is compatible with the focus of the Natural Community Conservation Planning (NCCP) Program. Accordingly, impacts were also determined to be less than significant.

² The Brea Towne Plaza Specific Plan was eliminated in approximately 2006. Therefore, the design guidelines included within the Specific Plan would no longer apply to development projects within this specific plan area.

Generally, the Proposed Project would modify the land use and zoning designations for the six Project Sites. The proposed modifications to the City’s General Plan and Zoning Designations are included in **Table 2**, below., as follows:

Table 2
Proposed Modification to the General Plan Land Use and Zoning Designations

Project Site	General Plan Land Use Designation		Zoning Designation	
	Existing	Proposed	Existing	Proposed
Focused Development Site No. 7	General Commercial	Mixed Use I	C-G	MU-I
Focused Development Site No. 10	Mixed Use III	Mixed Use I	MU-III	MU-I
Focused Development Site No. 13	General Commercial	Mixed Use III	C-G	MU-III
Additional Potential Site – 200 South Associated Road	Low Density Residential	High Density Residential	R-1	R-3
Additional Potential Site – 275 Valencia Avenue	Light Industrial	Light Industrial & Mixed Use II	M-1	M-1 & MU-II
Additional Potential Site – 480 North State College Boulevard	Low Density Residential	Mixed Use II	R-1	MU-II

The primary objective of these modifications is to accommodate the development of additional residential uses in support of meeting the City’s housing unit allocation under the RHNA. Per the City’s General Plan, Project Site Nos. 7, 10, and 13 are located within the Brea Towne Plaza Specific Plan Area; however, the Brea Towne Plaza Specific Plan, was eliminated in approximately 2006. Therefore, the design guidelines included within the Specific Plan would no longer apply to buildout of Project Site Nos. 7, 10, and 13. While the Specific Plan would no longer apply, any development proposed on the six Project Sites would be subject to the design standards included within the City’s zoning code (Title 20 of the Brea City Code), as well as the action programs in the General Plan related to minimizing conflict between new mixed-use development and adjacent residential uses, particularly those located in Historic Brea (i.e., for Site Nos. 10 and 13). Therefore, there are no material changes in circumstances, and adoption of the proposed General Plan Amendments and Zone Changes would not result in any new significant or substantially more severe environmental impacts than those previously identified in the 2003 General Plan EIR regarding land use compatibility. Likewise, there is no new information of substantial importance requiring new analysis or verification. The project does not propose

substantial changes that require major revisions to the 2003 General Plan EIR, and no new mitigation measures are required.

Regarding the NCCP Program, all six Project Sites are located in a fully urbanized portion of the Planning Area at sufficient distances from sensitive biological areas (please see Section 5.5, Biological Resources, below for further discussion) and have been previously developed with commercial, institutional, and residential uses. Accordingly, no impacts to sensitive plant and wildlife habitat would occur as a result of future redevelopment of the six Project Sites under the Proposed Project. Therefore, there are no material changes in circumstances, and adoption of the proposed General Plan Amendments and Zone Changes would not result in any new significant or substantially more severe environmental impacts than those previously identified in the 2003 General Plan EIR regarding the NCCP program. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Project does not propose substantial changes that require major revisions to the 2003 General Plan EIR, and no new mitigation measures are required.

5.2 TRANSPORTATION/TRAFFIC

As stated in the 2003 General Plan EIR, the City of Brea is largely built out and, therefore, growth anticipated to occur through implementation of the General Plan would be the result of recycling of existing land uses and growth in the undeveloped areas of Brea's sphere of influence. The 2003 General Plan EIR analyzed anticipated future traffic conditions at 36 intersections located throughout the City and determined that 13 intersections would exceed their level of service (LOS) standard with implementation of the General Plan (LOS D for City of Brea intersections and LOS E for Orange County Congestion Management Program [CMP] intersections). Further, the 2003 General Plan EIR states that future traffic volumes associated with ambient growth and potential future growth in the Carbon Canyon Specific Plan area, on the east side of the City, are anticipated to result in average daily volume of over 35,000 trips on the portion of Carbon Canyon Road between Valencia Avenue and the eastern edge of the City (which has a capacity of 20,000 daily trips). This additional traffic would exceed existing and planned roadway capacity and such traffic volumes cannot be accommodated without substantial improvements to Carbon Canyon Road, which would be exceedingly difficult to accomplish given the steep canyon that the roadway traverses and the limited area for potential roadway expansion/improvements. Thus, the 2003 General Plan EIR states that this traffic impact to Carbon Canyon Road would be significant and unavoidable.

Regarding the LOS impacts associated with implementation of the General Plan, the 2003 General Plan EIR states that the Circulation Element of the General Plan plans for long-term improvements to the City's circulation system, such as roadway widening, intersection improvements, streetscape improvements, and traffic safety projects. The City established a Nexus Program with the intent to facilitate widening of roadways to their full width designated in the General Plan and to make intersection improvements in response to peak-hour capacity needs. Through this Nexus Program, the City collects impact fees on new development within the City and the City's Sphere of Influence to fund specific intersection improvements at the 13 intersections identified within the EIR as exceeding their LOS standard with implementation of the General Plan. These improvements may include intersection restriping, adding left-turn lanes or through lanes to an intersection, signal coordination, and other roadway enhancements. The 2003 EIR determined that implementation of the Nexus Program and resulting intersection improvements would ensure that traffic flow would meet the City's LOS standards and the County's CMP LOS standards in the future and that traffic impacts to intersections studied in the analysis would be less than significant.

As stated above, the only significant and unavoidable traffic impact identified within the 2003 General Plan EIR is the anticipated increase in the traffic volume utilizing Carbon Canyon Road. The nearest Project Site to this segment of Carbon Canyon Road is 275 Valencia Avenue, which is located approximately 2,100 feet south of the intersection of Valencia Avenue and Carbon Canyon Road. While the proposed modifications to the Project Sites' General Plan land use and zoning designations would result in greater number of residential units than what was anticipated under the 2003 General Plan, in general, buildout of the Project Sites following implementation of the Proposed Project would result in a net reduction in the number of trips when compared with existing conditions. This finding is further explained in the Transportation Assessment prepared for the Project, available as Appendix A of this Addendum, as well as in the paragraphs below.³

Trip generation rates from the *Institute of Transportation Engineers (ITE) Trip Generation Manual, 11th Edition* were used to estimate the number of daily and peak hour trips associated with the six Project Sites. **Table 3**, below, summarizes the anticipated trip generation that would result from buildout of the Project Sites following implementation of the Proposed Project.

Table 3: Trip Generation Summary

Land Use	Site	Intensity	Daily Trips	AM Peak Hour Trips			PM Peak Hour Trips				
				Total	In	Out	Total	In	Out		
Site 7											
Multi-Family Housing (Build-out)	7	57 Units	441	41	10	:	31	45	28	:	17
Bank (Existing)		9,700 SF	973	97	56	:	41	204	102	:	102
Net New Trips (Build-out minus Existing)			-532	-56	-46	:	-10	-159	-74	:	-85
Site 10											
Affordable Housing (Build-out)	10	32 Units	259	24	7	:	17	23	14	:	9
Apparel Store (Existing)		6,750 SF	448	7	5	:	2	28	14	:	14
Net New Trips (Build-out minus Existing)			-189	17	2	:	15	-5	0	:	-5
Site 13											
Multi-Family Housing (Build-out)	13	33 Units	287	33	8	:	25	35	22	:	13
Medical-Dental Office Building (Existing)		7,400 SF	266	23	18	:	5	29	9	:	20
Small Office Building (Existing)		1,500 SF	22	3	2	:	1	3	1	:	2

³ Michael Baker International, City of Brea General Plan Amendment and Rezone – Transportation Assessment, June 20, 2022.

Clinic (Existing)		2,000 SF	75	6	4	:	2	7	2	:	5
High-Turnover (Sit-Down) Restaurant (Existing)		1,700 SF	182	16	9	:	7	15	9	:	6
Single-Family Detached Housing (Existing)		6 Units	76	6	1	:	5	7	4	:	3
Total Existing Trips			621	54	34	:	20	61	25	:	36
Net New Trips (Build-out minus Existing)			-334	-21	-26	:	5	-26	-3	:	-23
200 South Associated Road											
Multi-Family Housing (Build-out)	200 South Associated Road	60 Units	460	41	9	:	32	46	29	:	17
Elementary School (Existing)		225 Students	511	167	90	:	77	36	17	:	19
Net New Trips (Build-out minus Existing)			-51	-126	-81	:	-45	10	12	:	-2
275 Valencia Avenue											
Multi-Family Housing (Build-out)	275 Valencia Avenue	75 Units	556	46	11	:	35	53	33	:	20
High-Cube Parcel Hub Warehouse (Build-out)		180,000 SF	833	126	63	:	63	115	78	:	37
Corporate Headquarters Building (Existing)		637,503 SF	4,390	778	724	:	54	773	70	:	703
Net New Trips (Build-out minus Existing)			-3,001	-606	-650	:	44	-605	41	:	-646
480 North State College Boulevard											
Multi-Family Housing (Build-out)	480 North State College	54 Units	421	40	10	:	30	44	28	:	16
Church (Existing)		200 Seats	180	14	8	:	6	20	9	:	11
Net New Trips (Build-out minus Existing)			241	26	2	:	24	24	19	:	5

As shown in **Table 3**, above, buildout scenarios for all of the Project Sites, except for 480 North State College Boulevard, would result in a net decrease in the number of daily trips associated with each site, as compared with the uses present on these sites under existing conditions. The anticipated net new trips that would occur through buildout of 54 residential units at 480 North State College Boulevard would be 241 daily trips, when considering removal of the existing church use. In total, buildout of the six Project Sites following implementation of the Proposed Project

would result in a net decrease of 3,866 daily trips. Therefore, given the overall reduction in trips, the Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the impact determination in the 2003 General Plan EIR.

The 2003 EIR did not analyze impacts associated with implementation of the General Plan related to vehicle miles traveled (VMT), as this was not a common practice in 2003. As of July 1, 2020, transportation impact assessments prepared in accordance with CEQA are required to determine if a Proposed Project would conflict with CEQA Guidelines Section 15064.3(b), which outlines a new set of criteria for analyzing transportation impacts using VMT as the primary measure of transportation impact. LOS and other measurements of traffic delay can no longer be considered significant impacts pursuant to CEQA. VMT is generally defined as the amount and the distance of automobile travel associated with a Project. Recommendations regarding VMT analysis pursuant to CEQA Guidelines Section 15064.3(b) are provided by the California Governor’s Office of Planning and Research (OPR) Technical Advisory, which includes recommendations regarding assessment of VMT, screening criteria, thresholds of significance, and mitigation measures.⁴ Consistent with these recommendations, the City’s current Transportation Impact Assessment guidelines (September 2020) provide three screening criteria to determine if a project is anticipated to result in a less-than-significant transportation impact related to VMT impacts. These three screening criteria are provided in **Table 4**, below. Projects that meet one or more of the VMT screening criteria are assumed to result in a less-than-significant transportation impact under CEQA and do not require a detailed quantitative VMT assessment.

Table 4: VMT Screening Criteria

Transit Priority Area (TPA)	Low VMT Area	Project Type
<p>Projects located within a TPA may be presumed to have a less-than-significant impact absent substantial evidence to the contrary. TPAs are designated by the Southern California Association of Governments. This less-than-significant presumption may NOT be appropriate if the project:</p> <ol style="list-style-type: none"> 1. Has a Floor Area Ratio of less than 0.75; 2. Includes more parking for use by residents, customers, or employees than required by the City 3. Is inconsistent with the applicable RTP/SCS; or 4. Replaces affordable residential units with a similar number of moderate- or high-income residential units. 	<p>Residential and office projects located within a low VMT-generating area may be presumed to have a less-than-significant impact absent substantial evidence to the contrary. The Low VMT Area Map is provided in the City’s Traffic Impact Assessment Guidelines.</p>	<p>The following uses can be presumed to have a less-than-significant impact absent substantial evidence to the contrary as their uses are local serving in nature:</p> <ol style="list-style-type: none"> a. Local parks; b. Local-serving retail uses less than 50,000sf; c. Community institutions (public libraries, fire stations, etc.); d. Affordable, supportive, or transitional housing; and e. Project generating less than 110 daily vehicle trips

⁴ California Governor’s Office of Planning and Research, Technical Advisory on Evaluating Transportation Impacts in CEQA, December 2018.

An evaluation of the VMT screening criteria for each of the Project Sites is provided in **Table 5**, below.

Table 5: VMT Screening Criteria for the Project Sites.

Project Site	Screening Criteria			
	Transit Priority Area (TPA)	Low VMT Area	Project Type	VMT screening criteria met?
Site 7	This site is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Does not meet Criterion.	This site is not located within a Low VMT generating area. Does not meet Criterion.	Buildout of this site is expected to generate 532 fewer daily vehicle trips when compared with existing conditions. Criterion is Met	Yes
Site 10	This site is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Does not meet Criterion.	This site is located within a Low VMT generating area. Criterion is Met.	Buildout of this site is anticipate to include affordable residential units. Further, buildout would result in 189 fewer daily trips when compared with existing conditions. Criterion is Met	Yes
Site 13	This site is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Does not meet Criterion.	This site is located within a Low VMT generating area. Criterion is Met.	Buildout of this site is expected to generate 334 fewer daily vehicle trips when compared with existing conditions. Criterion is Met	Yes
200 South Associated Road	This site is located within a future TPA (according to SCAG's High Quality Transit Area 2045 map); however, buildout of the site would need to meet the four additional requirements identified within the screening threshold in order to be screened from further VMT analysis. May meet Criterion.	This site is not located within a Low VMT Generating area. Does not meet Criterion.	Buildout of this site is expected to generate 51 fewer daily vehicle trips when compared with existing conditions. Criterion is Met	Yes

<p>275 Valencia Avenue</p>	<p>This site is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Does not meet Criterion.</p>	<p>This site is not located within a Low VMT Generating area. Does not meet Criterion.</p>	<p>Buildout of this site is expected to generate 3,001 fewer daily vehicle trips when compared with existing conditions. Criterion is Met</p>	<p>Yes</p>
<p>480 North State College Boulevard</p>	<p>This site is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Does not meet Criterion.</p>	<p>This site is not located within a Low VMT generating area. Does not meet Criterion.</p>	<p>The residential portion of 480 North State College is not considered local serving. In addition, buildout of 54 multi-family dwelling units are expected to generate 241 net new daily vehicle trips which exceeds the threshold of 110 daily vehicle trips. Does not meet Criterion</p>	<p>No</p>

As shown in **Table 5**, above, all of the Project Sites would meet one or more of the VMT screening criteria, except for the 480 North State College Boulevard site, which is not located within a TPA or a low VMT generating area. The future redevelopment of the site following the proposed zoning and General Plan land use designation change is expected to generate more than 110 daily trips, and, therefore, this site does not meet the screening criteria provided in **Table 4**. In a Transportation Impacts Analysis worksheet prepared by the City of Brea Public Works Department, the City’s traffic engineer determined that when the site is redeveloped (replacing a 200-seat church with 54 units of multi-family residential housing), the 480 North State College Boulevard site would generate 24.0 daily VMT per service population, which is 21.67 percent below the VMT generation rate of 29.2 VMT per service population calculated to occur with buildout of the General Plan.⁵ Further, as buildout of this site would increase the number of residential dwelling units, more residents would be able to live near jobs located within the City. Therefore, the City’s traffic engineer determined that buildout of the 480 North State College Boulevard site would result in no probable VMT impact.

Additionally, the Transportation Assessment prepared for this Project performed an intersection operations analysis, which studied transportation impacts at 10 intersections located in close proximity to the six Project Sites. Exhibit 10 in the Transportation Assessment shows the location of the nine study intersections in relation to the focused development sites 7, 10, and 13 along Brea Boulevard and near 480 North State College Boulevard, 200 South Associated Road, and 275 Valencia Avenue. These 10 intersections were analyzed in the *City of Brea General Plan Traffic Analysis* prepared for the 2003 General Plan EIR. Weekday AM and PM peak hour traffic generated by the six focused development sites were distributed and assigned to the roadway

⁵ City of Brea, Transportation Impacts Analysis Worksheet, July 11, 2022.

network based on existing travel patterns, proximity to SR-57 and local attractions such as shopping centers and schools. Lane configurations at study intersections identified in the 2003 General Plan Traffic Analysis under Long-Range Conditions were reviewed and compared to the current lane configurations in 2022. Based on this review, current lane configurations at eight of the 10 study intersections were found to be consistent with the lane configurations assumed in the Long-Range Conditions. The intersection of Brea Boulevard/State College Boulevard currently provides one additional northbound through lane, one dedicated southbound right-turn lane, one dedicated eastbound right-turn lane and one dedicated westbound right-turn lane compared to the 2003 General Plan EIR conditions. These additional turn lanes at this location are included in the Long-Range Plus Focused Development Site analysis. At Associated Road and Birch Street, the intersection currently provides two left-turn lanes, one through lane and one right-turn lane in the northbound approach. However, the Long-Range conditions in the 2003 General Plan show the northbound approach providing one left-turn lane, two through lanes and no dedicated right-turn lane. For analysis purposes, the Transportation Assessment prepared for the Project evaluated the current lane geometry at this location in the Long-Range Plus Focused Development Site analysis.

Study intersections were analyzed under Long-Range Conditions and Long-Range Plus Focused Development Site Conditions. Weekday AM and PM peak hour traffic volumes from the Long-Range Plus Proposed Circulation Network in the City of Brea General Plan Traffic Analysis were used in this analysis. To provide a conservative analysis, only traffic from the potential new residential developments were evaluated and the existing trip credits (i.e., the credit from removal of existing uses on each of the Project Sites following redevelopment) were not included in this analysis. **Table 6** compares the intersection capacity utilization (ICU) and LOS results from the Long-Range Conditions and Long-Range Plus Focused Development Site at each study intersection. As shown, three study intersections operate at LOS D or better and seven study intersections operate at LOS E and F.

Table 6: Long-Range and Long-Range plus Project Sites Intersection Level of Service (LOS) Summary

Study Intersection	Traffic Control	Long-Range Conditions ¹		Long-Range Plus Project Sites		Change in ICU		Improv. Required
		AM	PM	AM	PM	AM	PM	
		ICU ² - LOS	ICU ² - LOS	ICU ² - LOS	ICU ² - LOS	AM	PM	
1 Brea Blvd & State College Blvd	Signal	0.888 - E	1.047 - F	0.891 - E	1.050 - F	0.003	0.003	No
2 Brea Blvd & Lambert Rd	Signal	0.820 - D	0.908 - E	0.825 - D	0.913 - E	0.005	0.005	No
3 Brea Blvd & Birch St	Signal	0.656 - B	0.994 - E	0.661 - B	0.999 - E	0.005	0.005	No
4 Brea Blvd & Imperial Highway	Signal	1.032 - F	0.966 - E	1.039 - F	0.972 - E	0.007	0.006	No
5 Lambert Rd & State College Blvd	Signal	0.903 - E	1.035 - F	0.908 - E	1.039 - F	0.005	0.004	No
6 SR-57 SB Ramps & Lambert Rd	Signal	0.907 - E	0.885 D	0.910 E	0.888 D	0.003	0.003	No
7 SR-57 NB Ramps & Lambert Rd	Signal	0.848 D	0.941 E	0.850 D	0.944 E	0.002	0.003	No
8 Birch St & State College Blvd	Signal	0.644 B	0.803 D	0.646 B	0.807 D	0.002	0.004	No
9 Birch St & Associated Rd	Signal	0.665 - B	0.665 - B	0.669 - B	0.673 - B	0.004	0.008	No
10 Birch St & Valencia Ave	Signal	0.756 - C	0.644 - B	0.758 - C	0.647 - B	0.002	0.003	No

¹ ICU values consistent with Table 3-4 (Long-Range ICU Summary – General Plan Land Use) in the City of Brea General Plan Traffic Analysis, Jan 2003

² ICU = Intersection Capacity Utilization

OWSC = One-Way Stop Control

Bold indicates intersection operates below the City's LOS standard (D or better).

LOS = level of service.

ICU = intersection capacity utilization

According to the City's Transportation Impact Assessment Guidelines in effect during preparation of the 2003 General Plan, the need for potential project-related improvements is based on the following criteria:

- The project causes an intersection operating at LOS D or better to degrade to LOS E or F, or
- The project increases traffic demand at a signalized study intersection by 0.020 or greater and the intersection is forecast to operate at LOS E or F.

As shown in **Table 6**, the change in ICU at Brea Boulevard/State College Boulevard, Brea Boulevard/Lambert Road, Brea Boulevard/Birch Street, Brea Boulevard/Imperial Highway, Lambert Road/State College Boulevard, State Route 57/Lambert Road (northbound and southbound ramps), does not exceed the 0.020 threshold. Therefore, improvements at these seven study intersections are not required.

Therefore, given that the buildout of the Project Sites following implementation of the Proposed Project would not result in significant impacts related to VMT or LOS, the Proposed Project would not result in any new significant or substantially more severe transportation or traffic impacts than those previously identified in the 2003 General Plan EIR and no new mitigation measures would be necessary.

5.3 AIR QUALITY

According to the 2003 General Plan EIR, development pursuant to General Plan policy would generate additional emissions from stationary sources and vehicle trips, resulting in significant air quality impacts. However, goals and policies in the General Plan would assist to manage and minimize air quality impacts within the City. To accomplish these goals and policies, the General Plan Implementation Guide requires the City to continue to implement various transportation demand management (TDM) methods to reduce trips and influence travel models. Implementation of the General Plan goals, policies, and programs would facilitate the reduction of air pollutant emissions over the long term. Nonetheless, the 2003 General Plan EIR determined that long-term reactive organic compounds and particulate matter air pollutant emissions were anticipated to increase, and, thus, air quality impacts associated with these two pollutants would be significant and unavoidable even with implementation of the required mitigation measures, such as incorporation of energy conservation techniques, as well as bus stands, bicycle racks, bicycle lanes, and other alternative transportation related infrastructure in new developments.

However, despite the 2003 General Plan EIR determination that long-term reactive organic compounds and particulate matter air pollutant emissions were anticipated to increase, emissions of some air quality pollutants have decreased over the last 20 years, likely due to implementation of energy efficiency regulations pertaining to new development and electricity generation, as well as the increasing energy efficiency standards of new automobiles. For example, in comparing air quality data published by the South Coast Air Quality Management District (SCAQMD) for the time period of 2003 (adoption of the General Plan EIR) to 2020 (the latest year of data available), the SCAQMD shows that emissions of suspended particulate matter (PM10), fine particulate matter (PM2.5), and carbon monoxide have decreased.⁶

While the proposed modifications to the Project Sites' General Plan land use and zoning designations would result in denser development than that anticipated under the 2003 General Plan, development of the Project Sites would also be required to implement the mitigation measures. In addition, as a result of the overall improving trend in air quality and the continually expanding air quality regulatory framework, buildout of the involved parcels would not result in the generation of air pollutant emissions in excess of those identified in the certified General Plan EIR. Therefore, there are no material changes in circumstances, and the Proposed Project would not result in any new significant or substantially more severe air quality impacts than those previously identified in the 2003 General Plan EIR. Likewise, there is no new information of substantial importance requiring new analysis or verification. The Project does not propose substantial changes that require major revisions to the 2003 General Plan EIR, and no new mitigation measures are required.

5.4 NOISE

According to the 2003 General Plan EIR, development pursuant to General Plan policy would result in development of underutilized land and more intensive development in some areas of the City, which would generate additional traffic that would increase noise levels along the roadways. Goals and policies in the General Plan Public Safety Chapter are intended to substantially lessen noise impacts on new and existing development to acceptable levels. To accomplish these goals and policies, the General Plan Implementation Guide requires new development within the 60 CNEL contour to conduct acoustical analyses and to incorporate noise control measures into the

⁶ South Coast Air Quality Management District (SCAQMD), 2020 Air Quality, accessed June 6, 2022, https://www.aqmd.gov/docs/default-source/air-quality/historical-data-by-year/aq2020card_final.pdf?sfvrsn=4; 2003 Air Quality, accessed June 6, 2022, <https://www.aqmd.gov/docs/default-source/air-quality/historical-data-by-year/2003-air-quality-data-tables.pdf>.

proposed development to reduce noise to acceptable levels. However, the 2003 General Plan EIR determined that even with implementation of the goals, policies, and programs, noise levels are expected to increase as a result of traffic increases on arterial streets associated with new development, and increasing population and development density would increase community disturbance from people and their activities. Although noise impacts within the City as a result of additional growth, locally and regionally, would be significant, North and South Brea Boulevards, North State College Boulevard, Associated Road, and East Birch Street were not identified as roadway segments that would experience increases in noise levels that would result in unacceptable noise levels. Valencia Road, between Imperial Boulevard and East Birch Street, is listed as a road segment that would experience significant noise impacts associated with increased traffic from implementation of the General Plan. However, the 2003 General Plan EIR states that implementation of goals and policies within the General Plan and a mitigation measure stating that future development of sensitive uses along Valencia Avenue would be required to prepare acoustical analyses and include noise attenuating design features, as needed, would reduce the long-term impacts of noise levels on noise-sensitive land uses along Valencia Avenue to a less than significant level.

With regard to stationary noise, the 2003 General Plan EIR determined that stationary noise generated by future developments would be controlled through a site design review process. Stationary noise generation and potential impacts to surrounding development would continue to be considered as part of the City's review of individual future projects. Compliance with existing City standards and regulations would avoid creating significant impacts related to stationary noise.

As stated above, Valencia Avenue, between Imperial Boulevard and East Birch Street, which would include the segment of Valencia Avenue that fronts the 275 Valencia site, is listed as a road segment that would experience increased sound levels associated with increased traffic volumes resulting from current and future residential use located along this roadway segment. In the 2003 General Plan EIR's 2001 Noise Contours map (Figure 4) and Future Noise Contours map (Figure 5), the portion of the 275 Valencia Avenue site abutting Valencia Avenue is located within the 65 CNEL contour, with the western portion of the site located in the below 60 CNEL contour. As stated above, the 2003 General Plan EIR includes a mitigation measure stating that the City will require applicants/developers to perform site-specific acoustical analyses for future residential, mixed-use, and other noise-sensitive land uses proposed to be located along this segment of Valencia Avenue and, consistent with the noise analyses and as directed by City staff, incorporate sound-attenuating architectural designs and construction methods.

Although the proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential dwelling units than what was anticipated under the 2003 General Plan, all six Project Sites are located within the 60-65 CNEL noise contours on the 2003 General Plan EIR's 2001 Noise Contours map (Figure 4) and the Future Noise Contours map (Figure 5). Given these locations, and given that some of the Project Sites (Site No. 7, Site No. 10, Site No. 13, and 275 Valencia Avenue) are located in close proximity to existing or proposed commercial and industrial uses, new development projects on all six sites would be required, per the General Plan Implementation Guide, to conduct acoustical analyses to incorporate noise control measures into a proposed development to reduce noise to acceptable levels.

With regard to off-site operational noise, development would cause an incremental increase in noise levels on local streets in the vicinity when the proposed development generates more trips than the existing uses. When considering the combined effects of operational noise sources, noise levels cannot be added by arithmetic means because decibels are expressed in logarithmic units. In general, doubling the traffic volume on a street would only produce a 3 dB increase in

the sound pressure level.⁷ In addition, as discussed in Section 5.2, Transportation, of this Addendum, the trips that would be generated by the addition of up to 311 dwelling units throughout the City would be largely offset by the existing uses that occupy the Project Sites. Further, as the Project Sites are located along major thoroughfares, such as Brea Boulevard, Valencia Avenue, East Birch Street, and East Lambert Road, the trips generated by development would not double traffic volumes. Therefore, potential redevelopment of the six Project Sites is not anticipated to increase noise levels by 3 dBA, which is the smallest change in noise level that would be perceptible by humans. Therefore, there are no material changes in circumstances, and the Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR for North and South Brea Boulevards, Valencia Avenue, Associated Road, Birch Street, and North State College Boulevard.

5.5 BIOLOGICAL RESOURCES

According to the 2003 General Plan EIR, the majority of sensitive biological resources, including sensitive plant and animal species and important wildlife corridors, occur in Tonner Canyon (approximately 1 mile north of 480 North College Canyon Boulevard site) in the northern portion of the Planning Area, primarily in the Sphere of Influence, and the canyons of Chino Hills State Park—particularly Carbon Canyon (approximately 1.5 miles east of the 275 Valencia Avenue site), Telegraph Canyon (approximately 6.5 miles east of the 275 Valencia Avenue site), Sonome Canyon (approximately 8 miles east of the 275 Valencia Avenue site), and Soquel Canyon (approximately 9.5 miles east of the 275 Valencia Avenue site)—in the eastern portion of the Planning Area. The majority of impacts to sensitive biological resources would occur primarily in these areas as a result of project-specific activities developed pursuant to buildout of the General Plan. The 2003 General Plan EIR identified mitigation measures for implementation at the project level to minimize impacts of development on sensitive biological resources and determined that implementation of the required mitigation measures would reduce the potential project-level impacts in sensitive communities and wildlife corridors or in areas containing animal species to a less-than-significant level.

The Project Sites are located along North and South Brea Boulevard in the western portion of the Planning Area, as well as along major corridors such as Valencia Avenue, Birch Street, and State College Boulevard. The Project Sites are currently developed with urban and suburban and uses and are surrounded by urbanized land uses. There are no native plant communities located on the Project Sites. Further, given the distances between the sensitive biological resources identified in the General Plan and the proposed Project Sites, changing the zoning and General Plan designations of the proposed Project Sites would not directly impact any biologically sensitive environments located more than 1 mile away from the nearest Project Site. Accordingly, although the proposed modifications to the Project Sites' General Plan land use and zoning designations could, in some cases, result in more dense development than those anticipated under the 2003 General Plan, adoption of the proposed GPA and ZC would not result in any new significant or substantially more severe environmental impacts associated with biological resources than those previously identified in the 2003 General Plan EIR. Therefore, there are no material changes in circumstances and the proposed revisions would not result in any new significant or substantially more severe environmental impacts that would affect the determination of less-than-significant impact with mitigation in the 2003 General Plan EIR.

⁷ US Dept. of Transportation, Federal Highway Administration, Highway Traffic Noise Analysis and Abatement Policy and Guidance, accessed March 3, 2020, https://www.fhwa.dot.gov/Environment/noise/regulations_and_guidance/polguide/polguide02.cfm.

5.6 AESTHETICS

According to the 2003 General Plan EIR, Brea has a unique visual character as it is bordered by the natural backdrop of the Puente and Chino Hills, which offer scenic resources such as open space areas, ridgelines, creeks and riparian areas, corridors and canyons, vista points, and vegetation and natural landscaping. However, many of these scenic resources are found in the eastern and northern portions of the Planning Area. General Plan policy encourages and facilitates infill development within Brea's urban areas to protect hillside scenic resources (among other objectives) to the maximum extent possible. The 2003 General Plan EIR determined that with stringent enforcement of objectives and programs, significant impact on scenic resources throughout the Planning Area as a whole can be avoided. In addition, light levels within Brea would not substantially increase with implementation of the General Plan since the City is largely urbanized. However, new structures could create glare effects if they incorporate reflective building materials. Therefore, the 2003 General Plan EIR determined that depending on the location and scope of development, impact related to glare could be significant at a localized level. Thus, the 2003 General Plan EIR includes a mitigation measure to be imposed for implementation at the individual project level to avoid potential new glare effects, which requires the City to examine each individual project and associated structures and on-site activities to ensure that features are incorporated into projects to avoid any adverse glare impacts.

Although the proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential units than those anticipated under the 2003 General Plan, the Project Sites are infill sites within urbanized areas of the City and, as such, would not affect the hillside scenic resources in the Planning Area. As with the determination in the 2003 General Plan EIR, implementation of the proposed modifications would not substantially increase light levels on and around the Project Sites since they are located in an urbanized area of the City and are currently developed. In addition, all new development would also be required to implement the mitigation measure related to minimizing the effects of glare from new development. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact with mitigation determination in the 2003 General Plan EIR.

5.7 CULTURAL RESOURCES

According to the 2003 General Plan EIR, archaeologists and ethnologists consider the Puente and Carbon Canyon hills, on the west side of the City's sphere of influence, to have been prehistorically inhabited by the Gabrieleño people. Further, the 2003 General Plan EIR states that adoption of the General Plan would not directly affect any archaeological or paleontological resources; however, long-term implementation of the General Plan would permit development in the hills on the northern and western portions of the City's sphere of influence, where unknown archaeological sites and paleontological deposits may be present and unearthed during excavation and grading activities for individual projects. The 2003 General Plan EIR determined that if previously undiscovered artifacts or remains are uncovered during excavation or construction of development projects implementing the General Plan, impacts could be significant. As such, mitigation measures were identified that would minimize impacts to archaeological and paleontological resources, including requiring that applicants provide studies to document the presence/absence of archeological and/or paleontological resources; requiring applicants preparing such studies to also provide detailed mitigation and monitoring plans; and stating that all archaeological resources shall be subject to the provisions of CEQA (Section

21083.2 of the Public Resources Code). With implementation of these mitigation measures, the 2003 General Plan EIR determined that impacts would be less than significant.

Although the proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential units than those anticipated under the 2003 General Plan, the Project Sites are previously disturbed, infill sites within an urbanized area of the City and, as such, would not affect the hillside areas that the 2003 General Plan EIR identifies as having sensitivity for paleontological or archaeological resources. In addition, residential and/or mixed-use development of the Project Sites in accordance with the proposed General Plan land use and zoning designations is not expected to result in more grading than what was evaluated in the 2003 General Plan EIR. To that end, as stated in the 2003 General Plan EIR, all archaeological resources on future development sites shall be subject to the provisions of CEQA (Section 21083.2 of the Public Resources Code). As such, if redevelopment of the proposed Project Sites were to occur following the Proposed Project's modifications to their land use and zoning designations, then future project applicants would be required to comply with the mitigation measures identified in the 2003 General Plan EIR. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact with mitigation determination in the 2003 General Plan EIR.

5.8 GEOLOGY AND SOILS

Seismic Groundshaking, Liquefaction, and Landslides

According to the 2003 General Plan EIR, projects developed pursuant to General Plan policies would expose additional people and structures to groundshaking hazards associated with earthquakes. Any groundshaking that would occur is expected to be similar throughout the Planning Area and is not considered an unusual risk that is unique to specific areas of the City, or the City in general (as seismic groundshaking is a hazard throughout Southern California). Pursuant to City and state building codes, all new development projects would be required to incorporate appropriate design and construction measures to guard against groundshaking hazards. More specifically, all projects and structures would be constructed in compliance with existing seismic safety regulations of the California Uniform Building Code, which requires the use of specific engineering and construction standards identified for each class of seismic hazards, including liquefaction. In addition, the City requires geological and geotechnical investigations of all new development in seismic and geologic hazard areas. Accordingly, it was determined that because groundshaking is not an unusual risk and development projects pursuant to the General Plan would comply with all requisite state and local seismic safety standards, groundshaking impacts would be less than significant.

Similarly, projects developed following the Proposed Zone Change and General Plan amendments of the six Project Sites could expose additional people and structures to groundshaking hazards associated with earthquakes. However, all new development projects would also be required to comply with applicable seismic safety regulations to reduce impacts related to groundshaking to less-than-significant levels. Further, as each of the Project Sites are currently developed with existing uses, the Project Sites are already exposing occupants to seismic hazards and new construction complying with the most up-to-date seismic safety regulations would represent an increase in building safety over existing conditions. Additionally, none of the six Project Sites are located within identified liquefaction areas, Alquist-Priolo Earthquake Fault Zones, or landslide areas identified in 2003 General Plan EIR (see Figure 7 of the 2003 General Plan EIR). Therefore, there are no material changes in circumstances, and

there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

Erosion

According to the 2003 General Plan EIR, during the construction phase of individual projects, grading and earthwork would be necessary to prepare sites for development, which may increase the potential for soil erosion if exposed rocks and soils are left unprotected during periods of high winds and rain. However, it was determined that continued implementation of standard erosion control and engineering techniques during construction would reduce the impact to a less-than-significant level.

Similarly, projects developed following the proposed modification of the Project Sites' land use and zoning designations may increase the potential for soil erosion during periods of high winds and rain during construction. However, all new development projects would also be required to implement standard erosion control and engineering techniques during construction that are mandated by AQMD Rule 403 and the National Pollutant Discharge Elimination System of the Clean Water Act to reduce the impact related to erosion to a less than significant level. Further, the six Project Sites are located within already developed, relatively flat urban/suburban environments and do not include any ridgelines or hillsides that would result in an abnormally large amount of grading during any future redevelopment. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

Geology and Soils

According to the 2003 General Plan EIR, Brea is underlain with weak, semi-consolidated sedimentary bedrock and loose, unconsolidated and often saturated alluvial sediments. These soil types have the potential for liquefaction and collapse. The fine-grained components of the bedrock units are moderately to highly expansive. However, it was determined that compliance with the City's current requirement for geological and geotechnical investigations of all new development in seismic and geologic hazard areas would continue to reduce impacts related to geology and soils to a less-than-significant level.

According to the California Earthquake Hazards Zone Application, which is an online map that locates earthquake hazards zones, including fault rupture, liquefaction and landslides, the six Project Sites are not located in any earthquake hazards zones.⁸ Further, as noted above, none of the six Project Sites are located within identified liquefaction areas, Alquist-Priolo Earthquake Fault Zones, or landslide areas identified in 2003 General Plan EIR (see Figure 7 of the 2003 General Plan EIR). As such, any future redevelopment of the six sites would not be subject to liquefaction. However, the six Project Sites may be underlain by moderately to highly expansive soils. Regardless, projects developed following the proposed modification of the zoning and land use designations of the six Project Sites would be required to comply with the City's current requirement for geological and geotechnical investigations for all new development in seismic and geologic hazard areas to reduce impacts related to geology and soils to a less-than-significant level. Therefore, there are no material changes in circumstances, and there is no new information

⁸ California Geological Survey, EQ Zapp: California Earthquake Hazards Zone Application, updated September 23, 2021, accessed March 25, 2022, <https://www.conservation.ca.gov/cgs/geohazards/eq-zapp>.

of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

5.9 HAZARDS AND HAZARDOUS MATERIALS

Hazardous Materials

The 2003 General Plan EIR focused on the impacts related to hazardous conditions associated with oil and natural gas production. According to the 2003 General Plan EIR, hazardous conditions associated with new oil and natural gas production would not increase with implementation of the General Plan because expansion of existing operations was not anticipated. Wherever alternative uses are proposed on or adjacent to former oil field operations, the applicant/developer would be required to conduct extensive environmental analysis and provide mitigation to reduce impacts to a less-than-significant level. One area of concern is the explosion of methane gases, which are commonly found at high concentrations in oil and gas seepage zones. Given the potential for combustible gases to accumulate in or under buildings or structures, the Orange County Fire Authority (OCFA) established guidelines for minimum procedures to mitigate the hazard posed by these gases. The 2003 General Plan EIR identified mitigation measures that would be applied to any development project located within the blast zone of a natural gas plant or soil gas seepage zone. These mitigation measures include prohibiting construction of residential structures within 10 feet of an abandoned well or 100 feet of an operating well; obtaining grading permits and a soil gas survey per OCFA guidelines; and conducting soil sampling for methane gas concentrations, and installation, of sub-slab venting and gas extraction systems for future development, if necessary. In addition, the 2003 General Plan EIR states that implementation and compliance with existing federal, state, and local regulations provide a level of protection to current safety standards. Accordingly, it was determined that impacts related to hazardous conditions would be less than significant.

None of the six Project Sites are located within a methane buffer zone, and no extraction wells are located on any of the sites.⁹ However, a well is located at the southwestern corner of the intersection of Valencia Avenue and East Birch Street, according to the Brea Methane Zone Map. This well is located approximately 275 feet north of the northern boundary of the 275 Valencia Avenue site and is, therefore, greater than 100 feet away from any future residential development that would occur on the 275 Valencia Avenue site. Further, future development would need to implement the mitigation measures documented within the 2003 General Plan EIR, as discussed above. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

Wildfire

The 2003 General Plan EIR focused the discussion of wildfire hazards on the significant portion of Brea's sphere of influence that remains undeveloped and consists of rugged topography. Such areas of rugged topography are often considered high fire hazard areas due to the steep terrain, lack of fire protection infrastructure (i.e., fire suppression water systems or roadways), and the abundance of dense, natural vegetation/fuel. Orange County has designated much of the hillsides within the City's sphere of influence as Special Fire Protection Areas (SFPA), as they are conducive to uncontrollable fires due to topography, native vegetation, and weather. The 2003 General Plan EIR states that development occurring through implementation of the General Plan

⁹ City of Brea, Brea Methane Zone Map, December 20, 2016.

would increase development within the sphere of influence, including in designated SFPAs. The 2003 General Plan includes several policies designed to protect the community from wildfire risks, such as policies regarding vegetation management plans, encouraging use of fire-resistant plants in landscaping, ensuring provision of adequate fire equipment access to all developed and open space areas, and requiring new development to ensure that the City's 5-minute fire response time is maintained. The 2003 General Plan EIR determined that since new development would provide appropriate and adequate fire safeguards and may be required to fund new fire facilities toward this end, impacts associated with wildfire would be less than significant and no mitigation measures are necessary.

None of the six Project Sites are located within a High Fire Hazard Area (per the City of Brea Fire Department). Further, none of the sites are located within a Very High Fire Hazard Severity Zone, as designated by the California Department of Forestry and Fire Protection.¹⁰ Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

5.10 HYDROLOGY

According to the 2003 General Plan EIR, flood insurance rate maps prepared by the Federal Emergency Management Agency (FEMA) show potential flood zones in the western portion of the City between Puente Street and Brea Boulevard. However, the 2003 General Plan EIR concluded that implementation of the General Plan would not put structures at risk of flooding or inundation and that impacts would be less than significant with mitigation measures required for development within the 100-year flood zone.

As shown in Figure 9 in Section 3.10, Hydrology, of the 2003 General Plan EIR, only the 275 Valencia Avenue site is located within a 500-year floodplain. None of the remaining five Project Sites are located within a 100-year or 500-year floodplain or within a dam/reservoir failure inundation pathway. However, according to FEMA's Flood Insurance Rate Map panel, which was updated in 2009, the 275 Valencia Avenue site is no longer included within a 500-year floodplain.¹¹ The 100-year floodplain is contained within a flood-control structure that appears to run underneath the 275 Valencia Avenue site, emerging approximately 500 feet west of the site. As such, the site is not located within a Special Flood Hazard Area, as designated by FEMA. Accordingly, any future development of the six sites following the proposed modifications to their land use and zoning designations would not be subject to potential risk of flooding or inundation during storm events. Similarly, implementation of the Proposed Project would not put structures at risk of flooding or inundation and would not redirect flood flows within a floodplain. Therefore, there are no material changes in circumstances, and the Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

5.11 UTILITIES AND SERVICE SYSTEMS

Water Supply

According to the 2003 General Plan EIR, the City's Water-Conserving Landscape Ordinance would be amended to require the use of drought-resistant plant species in landscaping for private and public areas, including parks. Implementation actions called for the City to conserve water by

¹⁰ California Department of Forestry and Fire Protection, Very High Fire Hazard Severity Zone in LRA, Brea, July 2011.

¹¹ Federal Emergency Management Agency, Flood Insurance Rate Map 06059C0061J, December 3, 2009.

encouraging the Maintenance Services Department to expand the production of recycled water and work with the Metropolitan Water District (MWD) and the California Domestic Water Company (Cal Domestic) to develop both new uses for recycled water and new water sources to serve the Planning Area. The City would also require the incorporation of water conservation devices and a dual system when reclaimed water is available in new residential and nonresidential development, public projects, and rehabilitation projects. The 2003 General Plan EIR determined that although implementation of the General Plan would result in new development, water conservation measures would balance demand and, through the MWD, there would be sufficient supply to meet demand for water at buildout of the City's General Plan. As such, impacts related to water supply were determined to be less than significant.

Although the proposed modifications to the Project Sites' General Plan land use and zoning designations would likely result in a greater number of residential units than what was anticipated under the 2003 General Plan, development of the Project Sites would also be required to incorporate water conservation devices and measures and comply with current water conservation and efficiency requirements mandated by Title 24 of the California Code of Regulations (CCR), including the requirements of the California Green Building Standards (CALGreen) Code and the California Plumbing Code, to reduce water consumption. As the Project Sites are characterized by existing development that ranges in age from relatively contemporary to greater than 50 years old, redevelopment that may result from modifying each site's zoning and land use designation would replace aging structures with new construction that would comply with modern building codes. As a result, water demand associated with this redevelopment would be largely offset by the removal of the existing structures on these sites and their dated water fixtures. In addition, developers of future development projects under the Proposed Project would be required to fund fair-share costs associated with the City provision of water service pursuant to General Plan Policy CD-13.3. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

Wastewater

According to the 2003 General Plan EIR, implementation of the Capital Improvement Program recommended in the City's Sewer Master Plan would provide for adequate wastewater capacity at buildout of the General Plan. Further, the 2003 General Plan EIR states that the Orange County Sanitation District's (OCS) Strategic Plan and Capital Improvement Plan set forth sewer system improvements to convey wastewater runoff flows to the District's treatment plants through the year 2020. The General Plan action program called for the City to implement the recommendations of the Sewer Master Plan to ensure a less-than-significant impact from new development on the wastewater system.

The OCS's Capital Improvement Plan is continuously updated with the 2021 Capital Improvements Plan Annual Report, stating that OCS plans to spend \$5.8 billion over the next 20 years to upgrade the existing network of pipelines, pump stations, and treatment/recycling facilities.¹² Planning studies and reports are continuously prepared by OCS to review the condition of equipment and assets and ensure level of service requirements are met. Although the proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential units than those anticipated under the 2003 General Plan, development of the Project Sites would be required to incorporate water conservation

¹² Orange County Sanitation District, Capital Improvement Plan, Annual Report, FY 2020-2021, September 2021.

devices and measures and comply with current water conservation and efficiency requirements mandated by CCR Title 24, including the requirements of the CALGreen Code and the California Plumbing Code, which would reduce wastewater generation. Further, wastewater generation from future development would be offset by the removal of the existing structures on each of the six Project Sites, which, given the age of the buildings, would likely have less efficient water fixtures and greater wastewater generation per capita when compared with new construction. In addition, developers of future development projects under the Proposed Project would be required to fund fair-share costs associated with the City's provision of sewer service pursuant to General Plan Policy CD-13.3. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

Solid Waste

According to the 2003 General Plan EIR, implementation of the General Plan would result in an increase in development in the Planning Area and a related increase in solid waste generation. However, the City would continue to implement solid waste reduction programs in compliance with Assembly Bill (AB) 939, which was determined to reduce impacts on landfill capacity to a less-than-significant level.

Although the proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential units than those anticipated under the 2003 General Plan, development of the Project Sites would also be required to comply with AB 939, as well as other state requirements, such as AB 341, which addresses recycling requirements for businesses that generate four or more cubic yards of commercial solid waste per week and multifamily residential dwellings with five or more units, regardless of the amount of waste generated; AB 1826, which requires mandatory recycling of organic waste generated by certain commercial uses, such as restaurants and grocery stores; AB 1327, which requires local jurisdictions to adopt an ordinance requiring any commercial, industrial, or institutional building, marina, or residential building having five or more living units to provide an adequate storage area for the collection and removal of recyclable materials; and the CALGreen Code, which requires diversion of construction wastes from landfills. Compliance with these regulations would ensure a less-than-significant impact on landfill capacity. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

5.12 POPULATION AND HOUSING

According to the 2003 General Plan EIR, buildout of the General Plan would result in approximately 13,600 new residents and 6,213 new dwelling units in the Planning Area for a total projected population and housing of 50,483 and 19,079, respectively, in 2020. Although impacts associated with population growth without commensurate housing units, such as overcrowding, were not expected, the population was anticipated to increase by 35 percent during the planning period, which was identified to be a significant impact. However, as determined in the 2003 General Plan EIR, accommodation of an increased population is the basic purpose of the General Plan and the General Plan allowed for moderate, balanced, and manageable growth supported by adequate infrastructure. Mitigation measures throughout the General Plan in the form of goals and policies were intended to reduce impacts of population growth on the urban systems and the

natural environment. Accordingly, impacts were determined to be less than significant after implementation of the policies established in the General Plan.

The proposed modifications to the Project Sites' General Plan land use and zoning designations would result in more intensive residential development than that anticipated under the 2003 General Plan. More specifically, future redevelopment of the Project Sites would add a maximum population and housing of 846 people and 311 dwelling units.¹³ However, according to the population and housing estimates compiled by the California Department of Finance for 2022, the City has a population of 46,872 and 17,997 housing units,¹⁴ which are lower than the buildout projections in the General Plan. Accordingly, the addition of 846 new residents and 311 housing units would remain within the buildout projections presented in the 2003 General Plan EIR. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

5.13 PUBLIC SERVICES/RECREATION

Fire Protection

According to the 2003 General Plan EIR, buildout of the General Plan would increase demand for fire protection services and facilities, as well as water resources for fire protection and other emergencies. However, with implementation of the goals and policies in the General Plan, as well as a Nexus Program that the City has adopted (ensuring payment of fees to fund enhancements to the City's fire department facilities, personnel, and equipment, if required), buildout of the General Plan would not result in the need for a new fire station. More specifically, all new development would be required to pay a fire impact fee at the time of building permit issuance to offset the cost of providing additional services. At the time that individual development projects are proposed, the City imposes conditions of approval to ensure that development does not proceed in advance of the City having adequate fire response capabilities; the payment of fees funds enhancements to fire stations, equipment, and personnel to ensure adequate response. Therefore, the 2003 General Plan EIR determined that implementation of the General Plan would result in a less-than-significant impact on fire protection services.

Although the proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential units than those anticipated under the 2003 General Plan, development of the Project Sites would also be required to comply with the goals and policies in the General Plan and pay a fire impact fee at the time of building permit issuance to ensure adequate fire protection services. Further, as there is existing development on each of the six Project Sites, and considering that the maximum height of 100 feet in the MU-1 zone (the greatest maximum height proposed on the six Project Sites) is similar to other uses within the City of Brea (such as the 6-story Embassy Suites hotel at 904 East Birch Street or the approximately 95-foot-high office buildings located at 135 South State College Boulevard), the City's Fire Department currently serves the six Project Sites and has the equipment to serve the potential mixed-use or residential projects that may occur through future redevelopment of the six Project Sites. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project

¹³ Based on a persons per household rate of 2.72 as identified by the California Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State, May 2022. Based on estimates provided by the City of Brea.

¹⁴ California Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State, May 2022.

would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

Police Protection

According to the 2003 General Plan EIR, buildout of the General Plan would increase demand for police protection services and facilities, including demand for additional personnel and possibly for an additional police substation. However, with implementation of the goals and policies in the General Plan, as well as action programs that call for the City to evaluate the need for additional police facilities to serve new development, buildout of the General Plan was determined to have a less-than-significant impact on police protection services. Additional facilities would be provided when warranted, and separate environmental reviews would be required at such time.

Although the proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential units than those anticipated under the 2003 General Plan, development of the Project Sites would also be required to comply with the goals and policies in the General Plan. Further, each of the six Project Sites is developed with uses that already receive police protection services from the City and there is nothing inherent with residential or mixed-use development on these Project Sites that would suggest a greater need for police protection services than typical residential development elsewhere in the City. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

Schools

According to the 2003 General Plan EIR, buildout of the General Plan would result in the addition of approximately 13,600 new residents and 5,430 new dwelling units within the Planning Area, which would result in an additional 7,616 students that would potentially attend schools in the Brea Olinda Unified School District (BOUSD).¹⁵ While the City acknowledged that buildout of the General Plan would result in the increased need for school facilities, the City is precluded to consider impact to schools to be significant for the purpose of CEQA pursuant to the provision of SB 50, codified in California Government Code Section 65996. The payment of development fees would offset the costs to the BOUSD of providing educational facilities to the additional students. Therefore, the impacts associated with implementation of the General Plan were determined to be less than significant. The 2003 General Plan EIR further notes that the environmental effects of construction and operation of additional school facilities will be evaluated by the BOUSD separately when planning for new schools or expansion of existing facilities. As such, the 2003 EIR determined that impacts to schools associated with implementation of the General Plan would be less than significant.

The proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential units than those anticipated under the 2003 General Plan. More specifically, redevelopment of the Project Sites following implementation of the proposed land use and zoning designation modifications would add up to approximately 311 dwelling units to the 5,430 additional dwelling units originally envisioned at buildout of the General Plan, which would

¹⁵ The 2003 General Plan EIR anticipates an additional 7,616 students as a result of implementation of the General Plan; however, this number is calculated incorrectly by multiplying the BOUSD's student generate rate of 0.56 students per dwelling unit by the anticipated number of new residents (13,600), not the anticipated number of new dwelling units (5,430). The correct number of new students resulting from implementation of the General Plan would be 3,041 ($5,430 * 0.56 = 3,041$).

potentially generate approximately 174 additional students.¹⁶ However, most recent BOUSD enrollment data available indicate that, with the exception of Mariposa Elementary School and Olinda Elementary School, student enrollment between 2017 and 2019 is lower than 2002 enrollment, as presented in the 2003 General Plan EIR. As shown in **Table 7** some of the schools that were experiencing overcrowding in 2002 now have available capacity.¹⁷ In addition, future redevelopment of the Project Sites would also require the payment of development fees to offset the costs of providing educational facilities to the additional students. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

**Table 7
School Enrollment Comparison**

School	2002 Enrollment	School Facility Plan Capacity	Most Recent Enrollment
Arovista Elementary School ^a	646	500	447
Brea Country Hills Elementary School ^a	618	475	557
Laurel Elementary School ^b	533	450	450
Mariposa Elementary School ^b	549	475	598
Olinda Elementary School ^a	158	150 ^e	639
William E. Fanning Elementary School ^{b,c}	552	550	491
Brea Junior High School ^d	979	1,026	965
Brea Canyon High School ^a	119	120	49
Brea Olinda High School ^a	1,917	1,917	1,788

Notes:
^a School Accountability Report Card for School Year 2017-2018.
^b School Accountability Report Card for School Year 2018-2019.
^c Now known as Falcon Academy of Science & Technology.
^d School Accountability Report Card for School Year 2019-2020.
^e The 2003 General Plan EIR indicated that there were plans to increase student capacity at Olinda Elementary with the addition of portable classrooms to accommodate the Olinda Ranch development area.

Source: Brea Olinda Unified School District, Schools, School Accountability Report Cards, accessed March 31, 2022, https://www.bousd.us/apps/pages/index.jsp?uREC_ID=1185641&type=d&pREC_ID=1430038.

Libraries

According to the 2003 General Plan EIR, buildout of the General Plan would increase demand for library services and facilities. However, all new development, particularly developers of new housing, would be required to pay Orange County Public Libraries (OC Public Libraries) impact fees prior to the issuance of building permits to offset the cost of providing additional library resources for new residents and employees of local businesses. Therefore, the impact of implementation of the General Plan would be less than significant. The environmental effects of construction and operation of additional library facilities will be evaluated by OC Public Libraries separately when planning for new libraries or expansion of existing facilities.

The proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential dwelling units than those anticipated under the 2003 General Plan. More specifically, redevelopment of the six Project Sites could generate approximately

¹⁶ The number of students potentially added by redevelopment of the proposed Project Sites uses the BOUSD's student generation rate of 0.56 students per dwelling unit, provided in the 2003 General Plan EIR.

¹⁷ Brea Olinda Unified School District, Schools, School Accountability Report Cards, accessed March 31, 2022, https://www.bousd.us/apps/pages/index.jsp?uREC_ID=1185641&type=d&pREC_ID=1430038.

846 new residents in addition to the projected population in the 2003 General Plan EIR. However, as previously discussed, according to the population and housing estimates compiled by the California Department of Finance for 2022, the City has a population of 46,872 and 17,997 housing units,¹⁸ which are lower than the buildout projections in the General Plan (a projected population of 50,483 in 2020). As such, while redevelopment of the proposed Project Sites would result in an increase in population of the City of Brea, this population increase would still be less than the projected population analyzed in the 2003 General Plan EIR. Further, redevelopment of the Project Sites would require the payment of development fees to offset the costs of providing library resources to new residents and employees of local businesses. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

Recreation

According to the 2003 General Plan EIR, buildout of the General Plan would result in approximately 13,600 new residents for a total projected population 50,483 in 2020. Based on this projected population, there would be 6.6 acres of parkland per 1,000 residents. As such, Brea would still exceed its park service of 5 acres per 1,000 residents with the implementation of the General Plan. In addition, all new residential development would be required to dedicate park facilities, pay an in-lieu fee, or do a combination of both pursuant to the Quimby Act. Accordingly, impacts to parks and recreation were determined to be less than significant.

The proposed modifications to the Project Sites' General Plan land use and zoning designations would result in a greater number of residential units than those anticipated under the 2003 General Plan. More specifically, the future redevelopment of the six Project Sites would add a maximum population of 846 people. Even with this addition, because the population of the City of Brea is 46,872 as of 2022, the total population when considering the potential redevelopment of the six Project Sites would be less than the projected population (50,483) analyzed in the 2003 General Plan EIR. As such, there would be greater than 6.6 acres of parkland per 1,000 residents identified in the 2003 General Plan EIR, which would still exceed Brea's park service of 5 acres per 1,000 residents. Therefore, there are no material changes in circumstances, and there is no new information of substantial importance requiring new analysis or verification. The Proposed Project would not result in any new significant or substantially more severe environmental impacts that would affect the less-than-significant impact determination in the 2003 General Plan EIR.

6.0 CONCLUSION

CEQA Guidelines Section 15164(b) states that the lead agency shall prepare an addendum to a previously certified EIR if only minor technical changes or additions are necessary but none of the conditions described in CEQA Guidelines Section 15162 calling for the preparation of a subsequent negative declaration have occurred. The Proposed Project described above does not result in significant modifications or have any occurrences within the conditions described in CEQA Guidelines Section 15162. In addition, the impact comparison provided above demonstrates that no new potentially significant impacts would occur and that no substantial increase in the severity of impacts would occur upon implementation of the Proposed Project.

On the basis of the evaluation contained in this document, there are no changes in the circumstances under which the Proposed Project is being undertaken, or any new information of substantial importance that was not known to the lead agency at the time the 2003 General Plan

¹⁸ California Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State, May 2022.

EIR was certified, that trigger any of the conditions identified in CEQA Guidelines Section 15162, which would require a subsequent CEQA document. Therefore, pursuant to CEQA Guidelines Sections 15162 and 15164, this addendum has been prepared to document the changes to the certified 2003 General Plan EIR to explain the lead agency's decision not to prepare a subsequent CEQA document.

TECHNICAL MEMORANDUM

To: Joanne Hwang, AICP – City of Brea

From: Jacob Swim, TE - Michael Baker International
Dawn Wilson, PE TE – Michael Baker International

Date: August 2, 2022

Subject: City of Brea General Plan Amendment and Rezone – Transportation Assessment

Introduction

Michael Baker International (Michael Baker) prepared this technical memorandum to provide a Transportation Assessment of six proposed re-zoned sites located in the City of Brea, California. The City's Draft 2021-2029 Housing Element Update identified a total of seventeen (17) focused development sites that are candidates for the development of new housing throughout the City. As an early action to begin implementing the Draft Housing Element Update strategies, the City is proposing to amend the General Plan land use designations and re-zone three of the focused development sites and three additional potential sites.

Exhibit 1 shows the location of the focused development sites within the City as part of the Housing Element update. Focused development sites 7, 10, and 13 from the Housing Element Update along with three new sites located at 275 Valencia Avenue, 480 N. State College, and 200 South Associated Road were evaluated in this technical memo. The purpose of this Transportation Assessment is to evaluate the potential environmental impacts associated with the proposed buildout scenarios for each focused development site and compare those impacts to the findings of the 2003 General Plan Environmental Impact Report (GPEIR).

A vehicle miles traveled (VMT) assessment was prepared to comply with the California Environmental Quality Act (CEQA) requirements and a level of service (LOS) operational analysis has been evaluated to address consistency with the GPEIR (2003). Findings of this analysis will be included in the Addendum to the previously approved 2003 GPEIR. The approach and methodology outlined in this technical memorandum is consistent with the *City of Brea Transportation Impact Analysis (TIA) Guidelines dated September 2020*.

Focused Development Sites

Table 1 provides key information regarding the six sites evaluated in this memorandum. **Exhibits 2 through 7** show the location of all six sites.

Figure 9.2

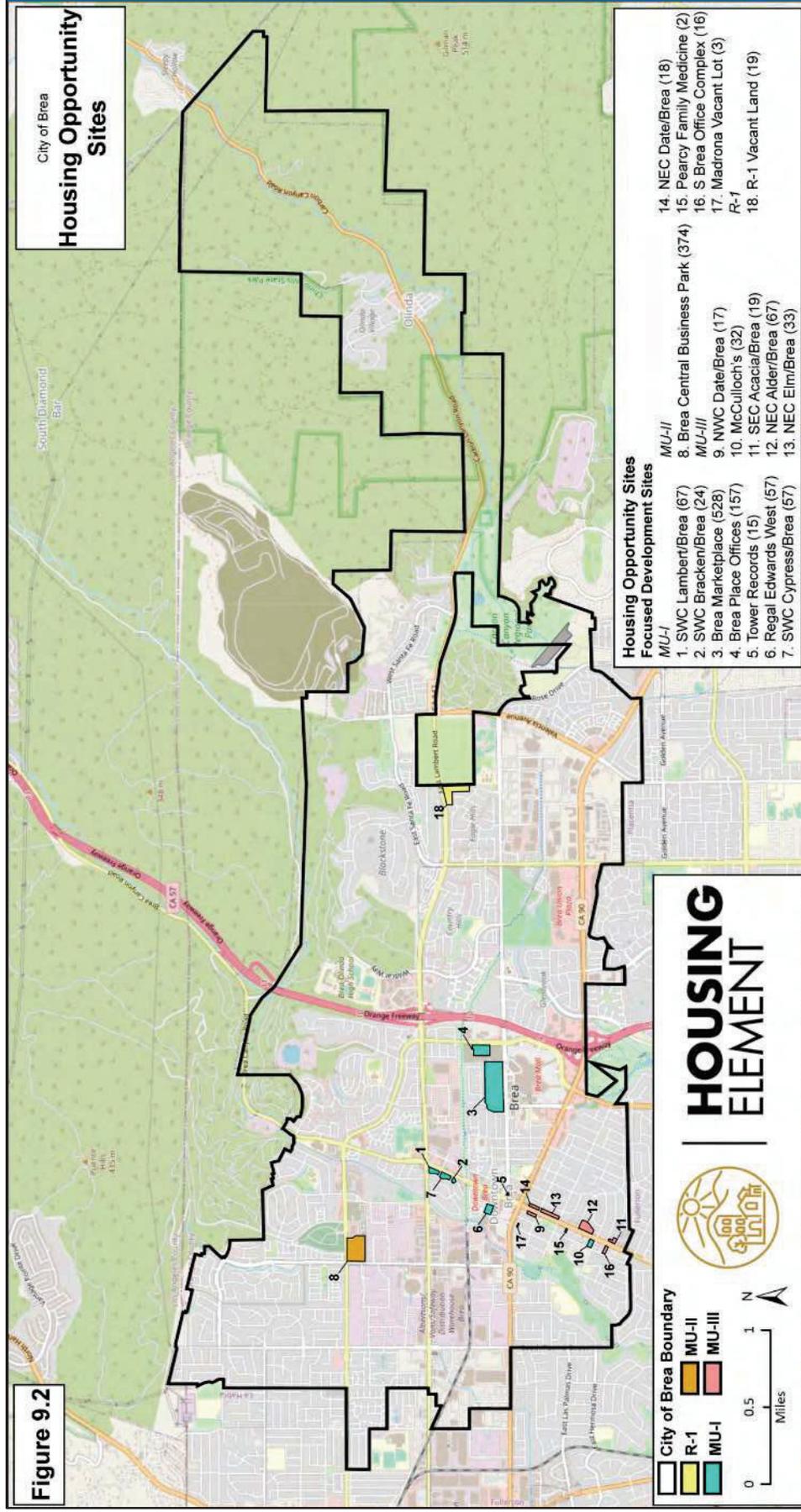


EXHIBIT 1: Focused Development Sites

Table 1: Focused Development Site Information

Focused Development Site	Site Acreage	Current Zoning	Proposed Zoning	Net Unit Potential	Site Description
Site 7	1.43	General Commercial (G-C)	Mixed-Use I (MU-1)	57 Multi-Family Units	Site 7 is currently occupied by an empty building and by Pacific Western Bank on the southwest corner of Brea Blvd and Cypress St.
Site 10	1.00	Mixed-Use III (MU-III)	Mixed-Use I (MU-I)	32 Affordable Units	This property is currently home to McCulloch's Shoe Store and is located at the northwest corner of Brea Blvd and Fir St. In addition to having a low improvement-to-land value ratio of 0.21, this site is being considered by a non-profit developer for redevelopment with 32 affordable units.
Site 13	1.99	General Commercial (G-C)	Mixed-Use III (MU-III)	33 Multi-Family Units	This site encompasses 12 parcels along the east side of Brea Blvd between Elm St and Date St. The site includes a mix of uses including single-family residential, medical offices, office space, and a restaurant. Property owners and potential investors have expressed interest in multi-family residential, condos, and mixed-use projects along this corridor.

Focused Development Site	Site Acreage	Current Zoning	Proposed Zoning	Net Unit Potential	Site Description
<p>200 South Associated Road</p>	<p>4.00</p>	<p>Residential (R-1)</p>	<p>Residential (R-3)</p>	<p>60 Multi-Family Units</p>	<p>This site is currently owned by the Church of Evangelical Friends which currently operates a private day school. The site is developed with a religious facility and school buildings that were constructed in the 1970s. Although the site is currently not for sale, this property could see transition from its current use to residential within this housing element planning cycle. The site is currently zoned R-1 which with the existing density could support approximately 24 homes. Given the site's proximity to R-2 zoning located directly across Associated Blvd. to the west, and R-3 zoning located directly across Birch to the north, there is a potential for a change of zone to R-3 zoning for additional units on the site. The R-3 zoning would have the potential of producing a maximum of approximately 100 units on the site. However, the City recognizes that this property would be a transition from traditional single-family residences on Eucalyptus Lane and sees this site as more of a transition site. Therefore, staff has assigned the lower density range of the R-3 zone to conservatively forecast the net unit potential at 60 units.</p> <p>The site currently takes access from Birch Street and is served by all utilities and is relatively flat. The site's location at the intersection of Birch Street and Associated Road, two busy corridors that include transit bus stop (OCTA #129) are factors that would further support the addition of housing at this site.</p>

Focused Development Site	Site Acreage	Current Zoning	Proposed Zoning	Net Unit Potential	Site Description
275 Valencia Avenue	31.00	Light Industrial (M-1)	Mixed-Use II (MU-II)	75 Multi-Family Units	<p>The site was most recently utilized and owned by Bank of America, where the approximately 637,503 square foot building operated as a call center and regional office for the financial institution. Bank of America has indicated vacating the site, and Amazon, the new owner has indicated this existing building would be demolished for an approximate 180,000 square foot industrial building. Given the site is 31 acres, even if Amazon were to construct the proposed 180,000 square foot industrial building, additional development potential would still exist.</p> <p>The Mercury Village Apartments, referenced in this Housing Element, has started a trend of converting Light Industrial land use designations to High-Density residential uses. In this case, respecting the Amazon proposal and operation, and given the sites proximity to the La Floresta Master Plan community directly to the east, across Valencia Avenue, the City recognizes the potential for residential units towards the southerly portion of this site, just north of Nasa Street. This area of the site is approximately 7 acres and could take access from Nasa Street or Surveyor Street. Staff would propose the MU-II zone for this area, which is consistent with the La Floresta development’s zoning which is also MU-II. The La Floresta community has an average density of 9.2, staff has conservatively forecasted the net unit potential at 75 units.</p>

Focused Development Site	Site Acreage	Current Zoning	Proposed Zoning	Net Unit Potential	Site Description
480 N. State College	3.00	Residential (R-1)	Mixed-Use II (MU-II)	54 Multi-Family Units	<p>This site is currently owned by the Brea United Methodist Church developed with a religious facility and accessory buildings that were constructed in the 1970s and 1980s. The site could see a transition from its current use to the residential use intended by the existing General Plan. The Existing R-1 zoning could support approximately 18 units without any density bonus. Factor in Density Bonus provisions and the site could support approximately 24 dwelling units. Given the sites location on two major corridors (Lambert Road and State College Blvd.) and the proximity across the freeway to the Olen Properties Mixed-Use Project (MU-II zone) and the Avalon/Hines project one block to the south (MU-I zone) and the adjacent Park and Ride lot, there is a potential for a change of zone to MU-II or MU-III for additional residential units on the site.</p> <p>However, the City recognizes that this property would be a transition from traditional single-family residences on Buttonwood Drive and Olive Avenue and sees this site as more of a transition site. Therefore, staff has assigned the lower density range of the MU-II (6.1-40 du/acre) zone or the higher density range of the MU-III (6.1 – 18 du/acre) zone to conservatively forecast the net unit potential at 54 units.</p> <p>The site currently takes access from State College Blvd. and is served by all utilities and is relatively flat. The site’s location at the intersection of Lambert Road and Associated State College Blvd., two busy corridors that include transit bus stop (Foothill Transit #286) are factors that would further support the addition of housing at this site.</p>



EXHIBIT 2: Focused Development Site 7

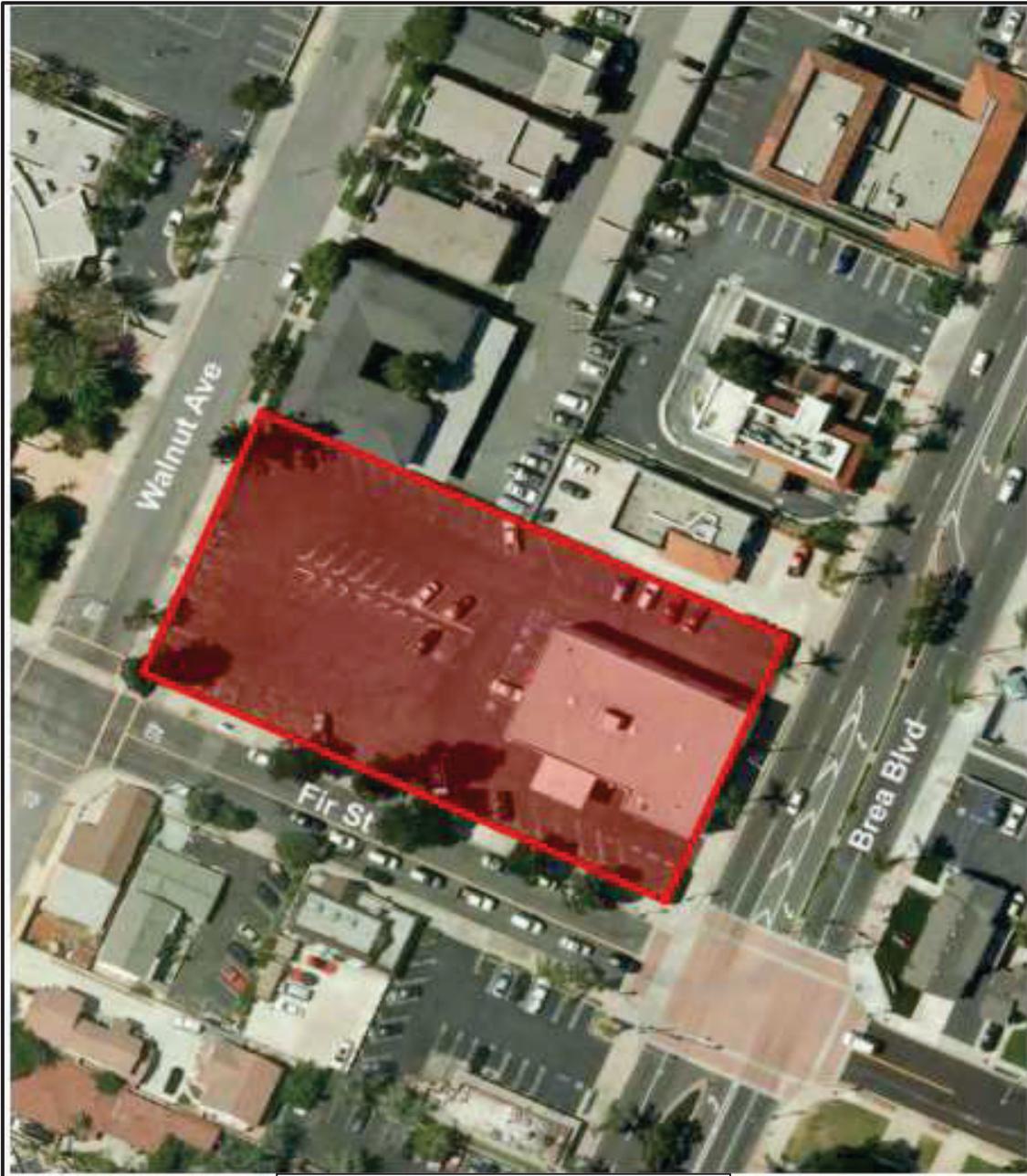


EXHIBIT 3: Focused Development Site 10

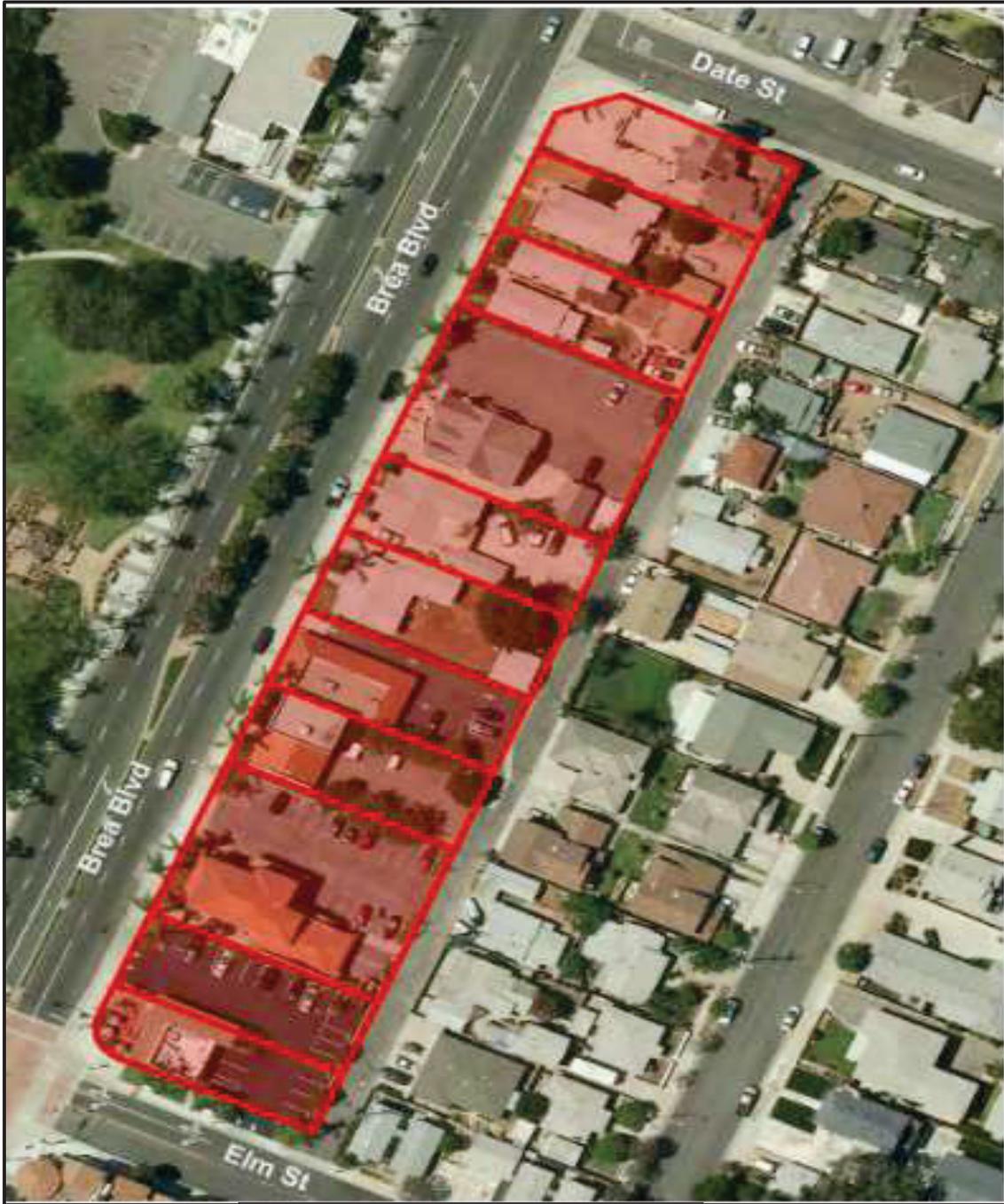


EXHIBIT 4: Focused Development Site 13



EXHIBIT 5: Additional Potential Site – 200 South Associated Road



EXHIBIT 6: Additional Potential Site - 275 Valencia Avenue



EXHIBIT 7: Additional Potential Site - 480 N. State College

Trip Generation Summary

Trip generation rates from the *Institute of Transportation Engineers (ITE) Trip Generation Manual, 11th Edition* were used to estimate the number of daily and peak hour trips associated with the six focused development sites. **Table 2** provides the trip generation rates used for each development site. As shown, Sites 7 and 13 assume multi-family trip generation rates and site 10 assumes affordable housing rates. The remaining trip generation rates are used to estimate existing traffic generated at the six focused development sites.

Table 2: ITE Trip Generation Rates

Land Use	ITE Code	Daily Trip Rate	AM Peak Hour			PM Peak Hour				
			Total	In	Out	Total	In	Out		
Multi-Family Housing	220	$T=6.41(X)+75.31$	$T=0.31(X)+22.85$	24%	:	76%	$T=0.43(X)+20.55$	63%	:	37%
Affordable Housing	223	$T=3.73(X)+139.4$	$T=0.21(X)+17.21$	29%	:	71%	$\ln(T)=0.72\ln(X)+0.64$	59%	:	41%
Bank	912	100.35 / KSF	9.95 / KSF	58%	:	42%	21.01 / KSF	50%	:	50%
Apparel Store	876	66.40 / KSF	1 / KSF	80%	:	20%	4.12 / KSF	51%	:	49%
Medical-Dental Office Building	720	36.00 / KSF	3.10 / KSF	79%	:	21%	3.93 / KSF	30%	:	70%
Small Office Building	712	14.39 / KSF	1.67 / KSF	82%	:	18%	2.16 / KSF	34%	:	66%
Clinic	630	37.60 / KSF	2.75 / KSF	81%	:	19%	3.69 / KSF	30%	:	70%
High Turnover Sit Down Restaurant	932	107.20 / KSF	9.75 / KSF	55%	:	45%	9.05 / KSF	61%	:	39%
Single-Family Detached Housing	210	$\ln(T)=0.92\ln(X)+2.68$	$\ln(T)=0.91\ln(X)+0.12$	26%	:	74%	$\ln(T)=0.94\ln(X)+0.27$	63%	:	37%
Elementary School	520	2.27 / Student	0.74 / Student	54%	:	46%	0.16 / Student	46%	:	54%
Corporate Headquarters Building	714	$T=6.16(X)+462.5$	$\ln(T)=0.89\ln(X)+0.91$	93%	:	7%	$\ln(T)=0.94\ln(X)+0.58$	9%	:	91%
Church	560	0.90 / Seat	0.07 / Seat	60%	:	40%	0.10 / Seat	45%	:	55%
High-Cube Parcel Hub Warehouse	156	4.63 / KSF	0.7 / KSF	50%	:	50%	0.64 / KSF	68%	:	32%

Source: ITE Trip Generation Manual, 11th Edition.
KSF = 1,000 Square Feet

Table 3 summarizes the Project trip generation using the rates shown in Table 2. As shown, site 7 with the proposed 57 residential units and the demolition of the existing bank is expected to generate 532 fewer daily trips with 56 fewer AM and 159 fewer PM peak hour trips. Site 10 with 32 affordable housing units and the demolition of the existing retail store is expected to generate 189 fewer daily trips with 17 additional AM and 5 fewer PM peak hour trips. Site 13 with an additional 33 multi-family dwelling units and the removal of several buildings is expected to generate 334 fewer daily trips with 21 fewer AM and 26 fewer PM peak hour trips. The 200 South Associated Road Site with an additional 60 multi-family dwelling units and the removal of the existing private school (K – 4th Grade) is expected to generate 51 fewer daily trips with 126 fewer AM and 10 additional PM peak hour trips. The Birch Street Friends Church is not included in the trip generation calculation to provide a conservative analysis. At the 275 Valencia Avenue site, an additional 75 multi-family dwelling units and 180,000 SF of warehouse with the demolition of the existing Bank of America headquarters building is expected to generate 3,001 fewer daily trips with 606 fewer AM and 605 fewer PM peak hour trips. At the 480 N. State College site, an additional 54 multi-family dwelling units and demolition of the Brea United Methodist Church is expected to generate 241 net new daily trips with 26 AM and 24 PM peak hour trips.

Table 3: Project Trip Generation Summary

Land Use	Site	Intensity	Daily Trips	AM Peak Hour Trips			PM Peak Hour Trips		
				Total	In	: Out	Total	In	: Out
Multi-Family Housing (Proposed)	7	57 Units	441	41	10	: 31	45	28	: 17
Bank (Existing)		9,700 SF	973	97	56	: 41	204	102	: 102
Site 7 Net New Trips (Proposed minus Existing)			-532	-56	-46	: -10	-159	-74	: -85
Affordable Housing (Proposed)	10	32 Units	259	24	7	: 17	23	14	: 9
Apparel Store (Existing)		6,750 SF	448	7	5	: 2	28	14	: 14
Site 10 Net New Trips (Proposed minus Existing)			-189	17	2	: 15	-5	0	: -5
Multi-Family Housing (Proposed)	13	33 Units	287	33	8	: 25	35	22	: 13
Medical-Dental Office Building (Existing)		7,400 SF	266	23	18	: 5	29	9	: 20
Small Office Building (Existing)		1,500 SF	22	3	2	: 1	3	1	: 2
Clinic (Existing)		2,000 SF	75	6	4	: 2	7	2	: 5
High-Turnover (Sit-Down) Restaurant (Existing)		1,700 SF	182	16	9	: 7	15	9	: 6
Single-Family Detached Housing (Existing)		6 Units	76	6	1	: 5	7	4	: 3
Total Existing Trips (Site 13)			621	54	34	: 20	61	25	: 36
Site 13 Net New Trips (Proposed minus Existing)			-334	-21	-26	: 5	-26	-3	: -23
Multi-Family Housing (Proposed)	200 S. Associated Rd	60 Units	460	41	9	: 32	46	29	: 17
Elementary School (Existing)		225 Students	511	167	90	: 77	36	17	: 19
200 S. Associated Rd Net New Trips (Proposed minus Existing)			-51	-126	-81	: -45	10	12	: -2
Multi-Family Housing (Proposed)	275 Valencia Avenue	75 Units	556	46	11	: 35	53	33	: 20
High-Cube Parcel Hub Warehouse (Proposed)		180,000 SF	833	126	63	: 63	115	78	: 37
Corporate Headquarters Building (Existing)		637,503 SF	4,390	778	724	: 54	773	70	: 703
275 Valencia Avenue Net New Trips (Proposed minus Existing)			-3,001	-606	-650	: 44	-605	41	: -646
Multi-Family Housing (Proposed)	480 N. State College	54 Units	421	40	10	: 30	44	28	: 16
Church (Existing)		200 Seats	180	14	8	: 6	20	9	: 11
480 N. State College Net New Trips (Proposed minus Existing)			241	26	2	: 24	24	19	: 5

VMT Screening Criteria

According to the City’s current TIA Guidelines (September 2020), CEQA analysis requires an evaluation of project impacts related to VMT. Screening criteria to determine if a project is anticipated to result in a less-than-significant transportation impact along with VMT metrics and thresholds of significance are included in the City’s TIA Guidelines. Projects that meet the VMT screening criteria are assumed to result in a less-than-significant transportation impact under CEQA and do not require a detailed quantitative VMT assessment. Michael Baker has conducted an evaluation of the VMT screening criteria for each of the focused development sites.

Table 4 presents the screening criteria for focused development site 7 which includes an additional 57 multi-family units. **As shown, the residential portion of focused development site 7 meets one of the VMT screening criteria. Therefore, a project specific VMT assessment for focused development site 7 is not required, and the additional residential dwelling units is considered less-than-significant on the environment.**

Table 4: Screening Criteria for Focused Development Site 7

Screening Criteria	Screening Criteria Description	Site 7 Evaluation	Result
TRANSIT PRIORITY AREA (TPA)¹	Projects located within a TPA may be presumed to have a less-than-significant impact absent substantial evidence to the contrary. This presumption may NOT be appropriate if the project: 1.) Has a Floor Area Ratio (FAR) of less than 0.75; 2.) Includes more parking for use by residents, customers, or employees of the project than required by the City; 3.) Is inconsistent with the applicable Sustainable Communities Strategy (as determined by the City of Brea, with input from SCAG; or 4.) Replaces affordable residential units with a smaller number of moderate- or high-income residential units.	Site 7 is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Refer to Exhibit 8 .	Does Not Meet Criteria
LOW VMT AREA	Residential and office projects located within a low VMT-generating area may be presumed to have a less-than-significant impact absent substantial evidence to the contrary as presented in Attachment C Low VMT Area Map.	Site 7 is not located within a Low VMT- generating area per Attachment C (Low VMT Area Map) included in the City’s TIA Guidelines. Refer to Exhibit 9 .	Does Not Meet Criteria
PROJECT TYPE	The following uses can be presumed to have a less-than-significant impact absent substantial evidence to the contrary as their uses are local serving in nature: <ul style="list-style-type: none"> • Local parks • Local-serving retail uses less than 50,000 SF • Community institutions (public libraries, fire stations, local government) • Affordable, supportive, or transitional housing • Project generating less than 110 daily vehicle trips 	Site 7 is expected to generate 532 fewer daily vehicle trips which means the project generates less than 110 daily vehicle trips.	Criteria Is Met

¹ Transit Priority Areas (TPA) is defined as a half mile area around a well-served transit stop or a transit corridor with 15-minute or less service frequency during peak commute hours. TPA’s are identified on SCAG’s GIS-based High Quality Transit Area (HQTA) 2045 Maps.

Table 5 presents the screening criteria for focused development site 10 which includes an additional 32 affordable housing units. **As shown, the residential portion of focused development site 10 meets two of the VMT screening criteria. Therefore, a project specific VMT assessment for focused development site 10 is not required, and the affordable housing units are considered less-than-significant on the environment.**

Table 5: Screening Criteria for Focused Development Site 10

Screening Criteria	Screening Criteria Description	Site 10 Evaluation	Result
TRANSIT PRIORITY AREA (TPA)	Projects located within a TPA may be presumed to have a less-than-significant impact absent substantial evidence to the contrary. This presumption may NOT be appropriate if the project: 1.) Has a Floor Area Ratio (FAR) of less than 0.75; 2.) Includes more parking for use by residents, customers, or employees of the project than required by the City; 3.) Is inconsistent with the applicable Sustainable Communities Strategy (as determined by the City of Brea, with input from SCAG; or 4.) Replaces affordable residential units with a smaller number of moderate- or high-income residential units.	Site 10 is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Refer to Exhibit 8 .	Does Not Meet Criteria
LOW VMT AREA	Residential and office projects located within a low VMT-generating area may be presumed to have a less-than-significant impact absent substantial evidence to the contrary as presented in Attachment C Low VMT Area Map.	Site 10 is located within a Low VMT generating area per Attachment C (Low VMT Area Map) included in the City's TIA Guidelines. Refer to Exhibit 9 .	Criteria Is Met
PROJECT TYPE	The following uses can be presumed to have a less-than-significant impact absent substantial evidence to the contrary as their uses are local serving in nature: <ul style="list-style-type: none"> • Local parks • Local-serving retail uses less than 50,000 SF • Community institutions (public libraries, fire stations, local government) • Affordable, supportive, or transitional housing • Project generating less than 110 daily vehicle trips 	Site 10 assumes all 32 residential units will be designated as affordable housing units. In addition, Site 10 is expected to generate 189 fewer daily trips which means the project generates less than 110 daily vehicle trips.	Criteria Is Met

Table 6 presents the screening criteria for focused development site 13 which includes an additional 33 multi-family units. **As shown, the residential portion of focused development site 13 meets one of the VMT screening criteria. Therefore, a project specific VMT assessment for focused development site 13 is not required, and the additional residential dwelling units is considered less-than-significant on the environment.**

Table 6: Screening Criteria for Focused Development Site 13

Screening Criteria	Screening Criteria Description	Site 13 Evaluation	Result
TRANSIT PRIORITY AREA (TPA)	<p>Projects located within a TPA may be presumed to have a less-than-significant impact absent substantial evidence to the contrary. This presumption may NOT be appropriate if the project:</p> <ol style="list-style-type: none"> 1.) Has a Floor Area Ratio (FAR) of less than 0.75; 2.) Includes more parking for use by residents, customers, or employees of the project than required by the City; 3.) Is inconsistent with the applicable Sustainable Communities Strategy (as determined by the City of Brea, with input from SCAG; or 4.) Replaces affordable residential units with a smaller number of moderate- or high-income residential units. 	<p>Site 13 is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Refer to Exhibit 8.</p>	Does Not Meet Criteria
LOW VMT AREA	<p>Residential and office projects located within a low VMT-generating area may be presumed to have a less-than-significant impact absent substantial evidence to the contrary as presented in Attachment C Low VMT Area Map.</p>	<p>Site 13 is located within a Low VMT generating area per Attachment C (Low VMT Area Map) included in the City's TIA Guidelines. Refer to Exhibit 9.</p>	Criteria Is Met
PROJECT TYPE	<p>The following uses can be presumed to have a less-than-significant impact absent substantial evidence to the contrary as their uses are local serving in nature:</p> <ul style="list-style-type: none"> • Local parks • Local-serving retail uses less than 50,000 SF • Community institutions (public libraries, fire stations, local government) • Affordable, supportive, or transitional housing • Project generating less than 110 daily vehicle trips 	<p>Site 13 is expected to generate 334 fewer daily vehicle trips which means the project generates less than 110 daily vehicle trips.</p>	Does Not Meet Criteria

Table 7 presents the screening criteria for an additional potential site at 200 South Associated Road which includes an additional 60 multi-family units. **As shown, the residential portion of the additional potential site meets one of the VMT screening criteria. Therefore, a project specific VMT assessment for the 200 South Associated Road site is not required and the additional residential dwelling units is considered less-than-significant on the environment.**

Table 7: Screening Criteria for Additional Potential Site – 200 South Associated Road

Screening Criteria	Screening Criteria Description	Associated/Birch Evaluation	Result
TRANSIT PRIORITY AREA (TPA)	<p>Projects located within a TPA may be presumed to have a less-than-significant impact absent substantial evidence to the contrary. This presumption may NOT be appropriate if the project:</p> <ol style="list-style-type: none"> 1.) Has a Floor Area Ratio (FAR) of less than 0.75; 2.) Includes more parking for use by residents, customers, or employees of the project than required by the City; 3.) Is inconsistent with the applicable Sustainable Communities Strategy (as determined by the City of Brea, with input from SCAG; or 4.) Replaces affordable residential units with a smaller number of moderate- or high-income residential units. 	<p>200 South Associated Road is located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Refer to Exhibit 8. However, the site will need to meet additional criteria such as a FAR more than 0.75, provide less parking than required by the City and consistency with the SCS. Additional project information would be needed to determine if this screening criteria is met.</p>	May Not Meet Criteria
LOW VMT AREA	<p>Residential and office projects located within a low VMT-generating area may be presumed to have a less-than-significant impact absent substantial evidence to the contrary as presented in Attachment C Low VMT Area Map.</p>	<p>200 South Associated Road is not located within a Low VMT generating area per Attachment C (Low VMT Area Map) included in the City's TIA Guidelines. Refer to Exhibit 9.</p>	Does Not Meet Criteria
PROJECT TYPE	<p>The following uses can be presumed to have a less-than-significant impact absent substantial evidence to the contrary as their uses are local serving in nature:</p> <ul style="list-style-type: none"> • Local parks • Local-serving retail uses less than 50,000 SF • Community institutions (public libraries, fire stations, local government) • Affordable, supportive, or transitional housing • Project generating less than 110 daily vehicle trips 	<p>The 200 South Associated Road site is expected to generate 51 fewer daily vehicle trips which means the project generates less than 110 daily vehicle trips.</p>	Criteria Is Met

Table 8 presents the screening criteria for an additional potential site at 275 Valencia Avenue which includes an additional 75 multi-family units and 180,000 SF of warehouse. **As shown, this additional potential site meets one of the VMT screening criteria. Therefore, a project specific VMT assessment for the 275 Valencia Avenue site is not required and the additional residential dwelling units and warehouse is considered less-than-significant on the environment.**

Table 8: Screening Criteria for Additional Potential Site – 275 Valencia Avenue

Screening Criteria	Screening Criteria Description	275 Valencia Avenue Evaluation	Result
TRANSIT PRIORITY AREA (TPA)	<p>Projects located within a TPA may be presumed to have a less-than-significant impact absent substantial evidence to the contrary. This presumption may NOT be appropriate if the project:</p> <ol style="list-style-type: none"> 1.) Has a Floor Area Ratio (FAR) of less than 0.75; 2.) Includes more parking for use by residents, customers, or employees of the project than required by the City; 3.) Is inconsistent with the applicable Sustainable Communities Strategy (as determined by the City of Brea, with input from SCAG; or 4.) Replaces affordable residential units with a smaller number of moderate- or high-income residential units. 	<p>275 Valencia Avenue is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Refer to Exhibit 8.</p>	Does Not Meet Criteria
LOW VMT AREA	<p>Residential and office projects located within a low VMT-generating area may be presumed to have a less-than-significant impact absent substantial evidence to the contrary as presented in Attachment C Low VMT Area Map.</p>	<p>275 Valencia Avenue is not located within a Low VMT generating area per Attachment C (Low VMT Area Map) included in the City's TIA Guidelines. Refer to Exhibit 9.</p>	Does Not Meet Criteria
PROJECT TYPE	<p>The following uses can be presumed to have a less-than-significant impact absent substantial evidence to the contrary as their uses are local serving in nature:</p> <ul style="list-style-type: none"> • Local parks • Local-serving retail uses less than 50,000 SF • Community institutions (public libraries, fire stations, local government) • Affordable, supportive, or transitional housing • Project generating less than 110 daily vehicle trips 	<p>The 275 Valencia Avenue site is expected to generate 3,001 fewer daily vehicle trips which means the project generates less than 110 daily vehicle trips.</p>	Criteria Is Met

Table 9 presents the screening criteria for an additional potential site at 480 N. State College which includes an additional 54 multi-family units. As shown, the residential portion of the 480 N. State College site does not meet any of the VMT screening criteria. A project specific VMT assessment for this site is provided below Table 9.

Table 9: Screening Criteria for Additional Potential Site – 480 N. State College

Screening Criteria	Screening Criteria Description	480 N. State College Evaluation	Result
TRANSIT PRIORITY AREA (TPA)	<p>Projects located within a TPA may be presumed to have a less-than-significant impact absent substantial evidence to the contrary. This presumption may NOT be appropriate if the project:</p> <ol style="list-style-type: none"> 1.) Has a Floor Area Ratio (FAR) of less than 0.75; 2.) Includes more parking for use by residents, customers, or employees of the project than required by the City; 3.) Is inconsistent with the applicable Sustainable Communities Strategy (as determined by the City of Brea, with input from SCAG; or 4.) Replaces affordable residential units with a smaller number of moderate- or high-income residential units. 	<p>480 N. State College is not located within a TPA in accordance with the Southern California Association of Governments (SCAG) High Quality Transit Area maps. Refer to Exhibit 8.</p>	Does Not Meet Criteria
LOW VMT AREA	<p>Residential and office projects located within a low VMT-generating area may be presumed to have a less-than-significant impact absent substantial evidence to the contrary as presented in Attachment C Low VMT Area Map.</p>	<p>480 N. State College is not located within a Low VMT generating area per Attachment C (Low VMT Area Map) included in the City's TIA Guidelines. Refer to Exhibit 9.</p>	Does Not Meet Criteria
PROJECT TYPE	<p>The following uses can be presumed to have a less-than-significant impact absent substantial evidence to the contrary as their uses are local serving in nature:</p> <ul style="list-style-type: none"> • Local parks • Local-serving retail uses less than 50,000 SF • Community institutions (public libraries, fire stations, local government) • Affordable, supportive, or transitional housing • Project generating less than 110 daily vehicle trips 	<p>The residential portion of 480 N. State College is not considered local serving. In addition, the 54 multi-family dwelling units are expected to generate 241 net new daily vehicle trips which exceeds the threshold of 110 daily vehicle trips.</p>	Does Not Meet Criteria

480 N. State College Boulevard VMT Assessment

The 480 N. State College Boulevard site would demolish an existing 200-seat church and construct 54 multi-family residential units. The estimate of daily trips, VMT, and service population for the site is derived from the OCTAM model. The site is forecast to generate 24.0 daily VMT per service population, which is 21.67% below the VMT generation rate of 29.2 VMT per service population at General Plan Buildout. Therefore, based on this review it is determined that the site would have no project generated VMT impact.

The 480 N. State College Boulevard property requires rezoning the site from the current R-1 zoning to MU-II. The site is therefore inconsistent with the current General Plan land use assumptions for the site, and the project's effect on VMT must be evaluated. This secondary assessment compares how the project site changes VMT on the network within the City compared to the no project condition.

The site will increase the number of residential dwelling units, resulting in an improved jobs-housing balance. The OCTAM model assumes the City has approximately 42,300 residents and more than 47,300 jobs. As more residents will be able to live near the jobs located within the City, it is expected that the average commute trip lengths will become shorter, resulting in a decrease in VMT on the network. Therefore, it is reasonable to conclude that the site's effect on VMT compared to the VMT at General Plan Buildout will have no probable VMT impact.

Additional VMT information used to evaluate the 480 N. State College Boulevard site can be found in **Appendix A** of this document.

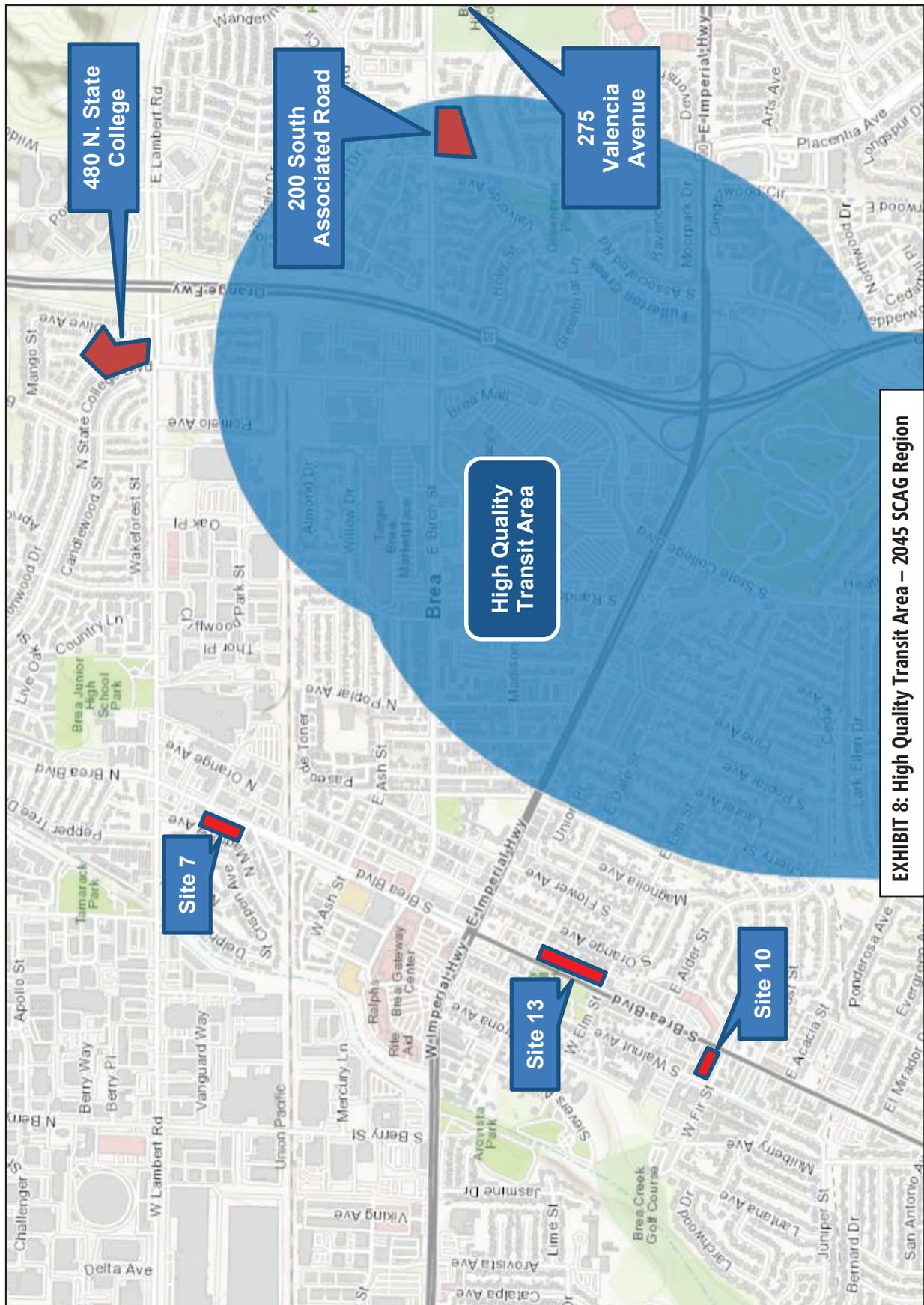
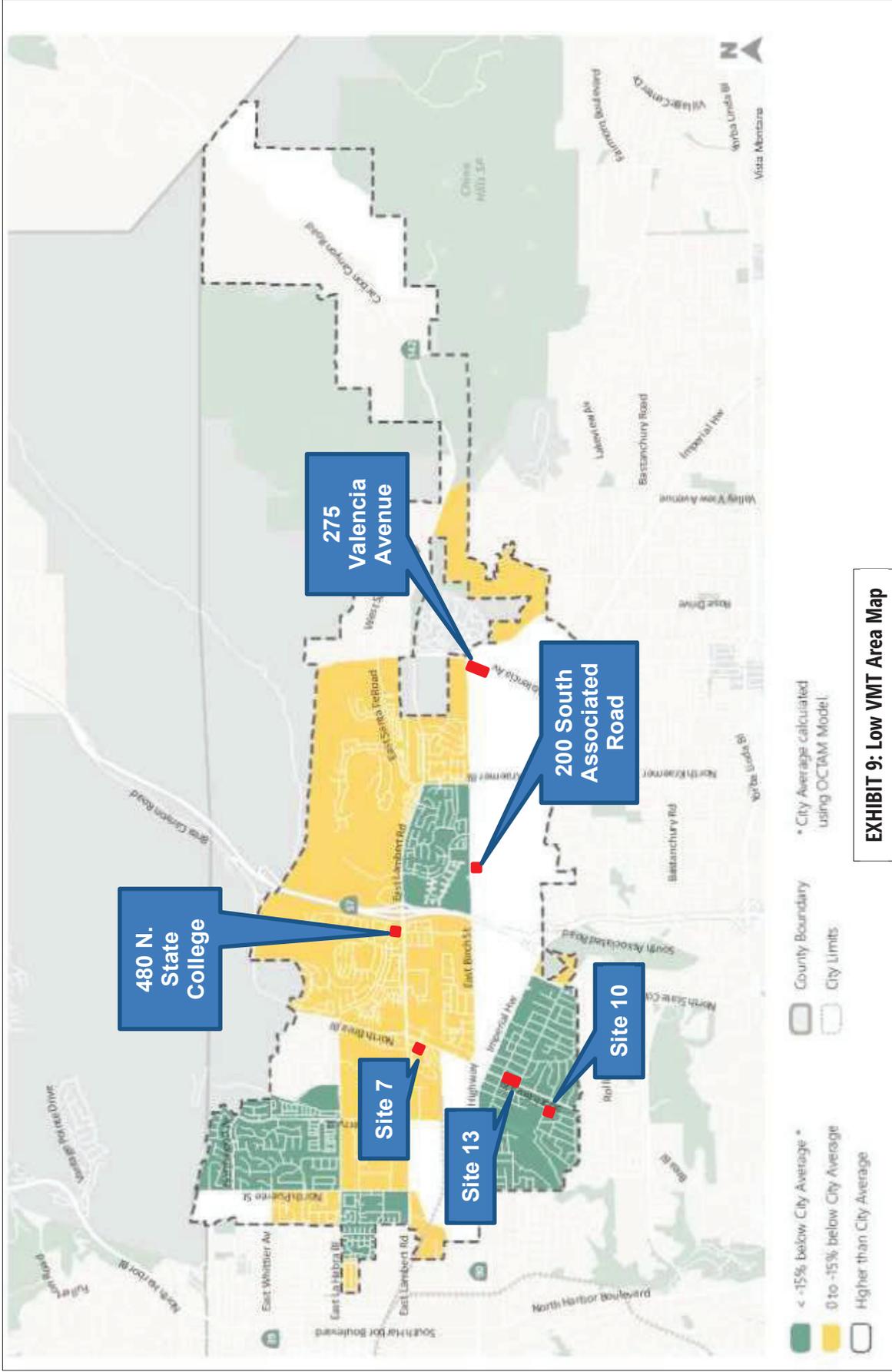


EXHIBIT 8: High Quality Transit Area – 2045 SCAG Region



Source: Attachment C - Low VMT Area Map, City TIA Guidelines (Sept 2020)

Intersection Operations Analysis

Transportation impacts in the 2003 GP EIR focused on LOS at key intersections throughout the City. Although LOS is no longer the metric used to evaluate impacts under CEQA, LOS was the metric considered when the GPEIR was completed in 2003. To demonstrate the change in land use would result in no change in the findings of the 2003 GPEIR, an operational analysis was conducted at key intersections along Brea Boulevard and near the three additional potential sites. A total of ten intersections were selected as the sites will generate traffic at these locations resulting in the greatest potential for change in LOS compared to the GPEIR.

Exhibit 10 shows the location of the ten (10) study intersections in relation to the focused development sites 7, 10, and 13 along Brea Boulevard and near 480 N. State College, 200 South Associated Road, and 275 Valencia Avenue, which are consistent with the intersections analyzed in the *City of Brea General Plan Traffic Analysis* prepared for the GPEIR (2003) dated January 2003 prepared by Austin-Foust Associates, Inc (2003 Traffic Study).

Weekday AM and PM peak hour operating conditions for the signalized intersections were evaluated using the Intersection Capacity Utilization (ICU) methodology. The ICU technique is intended for signalized intersection analysis and estimates the volume to capacity (V/C) relationship for an intersection based on the individual V/C ratios for key conflicting traffic movements. Per the City’s requirements, ICU calculations use a lane capacity of 1,700 vehicles per hour (vph) for through and all turn lanes. Dual left-turn lanes assumed a capacity of 3,400 vph. A clearance adjustment factor of 0.05 for yellow and red time is added to each LOS calculation. The ICU value translates to a LOS estimate, which is a relative measure of the intersection performance. The ICU value is the sum of the critical V/C ratios at an intersection. The LOS categories and corresponding ICU value range is shown in **Table 10**. The City of Brea considers LOS D or better acceptable operating conditions and LOS E or F deficient operations.

Table 10: ICU Range of Values and LOS

V/C Ratio	LOS
≤.60	A
.61 to .70	B
.71 to .80	C
.81 to .90	D
.91 to 1.0	E
>1.0	F

Weekday AM and PM peak hour traffic generated by the six sites were distributed and assigned to the roadway network based on existing travel patterns, proximity to SR-57 and local attractions such as shopping centers and schools. Lane configurations at study intersections identified in the 2003 General Plan Traffic Analysis under Long-Range Conditions were reviewed and compared to the current lane configurations in 2022. Based on this review, current lane configurations at eight of the ten study intersections were found to be consistent with the lane configurations assumed in the Long-Range Conditions. The intersection of Brea Boulevard/State College Boulevard currently provides one additional northbound through lane, one dedicated southbound right-turn lane, one dedicated eastbound right-turn lane and one dedicated westbound right-turn lane compared to the Existing (2001) conditions. These additional turn lanes at this location are included in the Long-Range Plus Focused Development Site analysis.



Not to Scale

At Associated Rd/Birch St, the intersection currently provides two left-turn lanes, one through lane and one right-turn lane in the northbound approach. However, the Long-Range conditions in the General Plan show the northbound approach providing one left-turn lane, two through lanes and no dedicated right-turn lane. For analysis purposes, the current lane geometry at this location was evaluated in the Long-Range Plus Focused Development Site analysis.

At Valencia Ave/Birch St, the intersection currently provides two left-turn lanes and two through lanes in the eastbound approach. However, the Long-Range conditions in the General Plan show the eastbound approach providing one left-turn lane, two through lanes and one dedicated right-turn lane. Currently, the northbound approach does not have a dedicated right-turn lane but a dedicated right-turn lane is assumed in the Long-Range Conditions with only 40 AM and 10 PM peak hour volume forecast. For analysis purposes, the current lane geometry at this location was evaluated in the Long-Range Plus Focused Development Site analysis.

LONG-RANGE CONDITIONS AND LONG RANGE PLUS FOCUSED DEVELOPMENT SITE CONDITIONS

Study intersections were analyzed under Long-Range Conditions and Long-Range Plus Focused Development Site Conditions. Weekday AM and PM peak hour traffic volumes from the Long-Range Plus Proposed Circulation Network in the City of Brea General Plan Traffic Analysis were used in this analysis. To provide a conservative analysis, only traffic from the new residential developments were evaluated and the existing trip credits were not assumed in this analysis. **Table 11** compares the ICU and LOS results from the Long-Range Conditions and Long-Range Plus Focused Development Site at each study intersection. As shown, three study intersections operate at LOS D or better and seven study intersections operate at LOS E and F.

Table 11: Long-Range & Long-Range Plus Focused Development Sites Intersection Level of Service Summary

Study Intersection	Traffic Control	Long-Range Conditions ¹		Long-Range Plus Focused Development Sites		Change in ICU		Improv. Required
		AM	PM	AM	PM	AM	PM	
		ICU ² - LOS	ICU ² - LOS	ICU ² - LOS	ICU ² - LOS	AM	PM	
1 Brea Blvd & State College Blvd	Signal	0.888 - E	1.047 - F	0.891 - E	1.050 - F	0.003	0.003	No
2 Brea Blvd & Lambert Rd	Signal	0.820 - D	0.908 - E	0.825 - D	0.913 - E	0.005	0.005	No
3 Brea Blvd & Birch St	Signal	0.656 - B	0.994 - E	0.661 - B	0.999 - E	0.005	0.005	No
4 Brea Blvd & Imperial Highway	Signal	1.032 - F	0.966 - E	1.039 - F	0.972 - E	0.007	0.006	No
5 Lambert Rd & State College Blvd	Signal	0.903 - E	1.035 - F	0.908 - E	1.039 - F	0.005	0.004	No
6 SR-57 SB Ramps & Lambert Rd	Signal	0.907 - E	0.885 - D	0.910 - E	0.888 - D	0.003	0.003	No
7 SR-57 NB Ramps & Lambert Rd	Signal	0.848 - D	0.941 - E	0.850 - D	0.944 - E	0.002	0.003	No
8 Birch St & State College Blvd	Signal	0.644 - B	0.803 - D	0.646 - B	0.807 - D	0.002	0.004	No
9 Birch St & Associated Rd	Signal	0.665 - B	0.665 - B	0.669 - B	0.673 - B	0.004	0.008	No
10 Birch St & Valencia Ave	Signal	0.756 - C	0.644 - B	0.758 - C	0.647 - B	0.002	0.003	No

¹ ICU values consistent with Table 3-4 (Long-Range ICU Summary – General Plan Land Use) in the City of Brea General Plan Traffic Analysis, Jan 2003

² ICU = Intersection Capacity Utilization

OWSC = One-Way Stop Control

Bold indicates intersection operates below the City’s LOS standard (D or better).

LOS = level of service.

According to the City's prior TIA Guidelines in effect when the 2003 General Plan EIR was prepared (January 2003), the need for potential project-related improvements is based on the following criteria:

- The project causes an intersection operating at LOS D or better to degrade to LOS E or F, **OR**
- The project increases traffic demand at a signalized study intersection by 0.020 or greater and the intersection is forecast to operate at LOS E or F.

As shown in **Table 11**, the change in ICU at all ten study intersections does not exceed the 0.020 threshold. Therefore, improvements at these ten study intersections are not required. ICU and LOS calculations under Long-Range Conditions and Long-Range Plus Focused Development Sites are contained in **Appendix B** of this memorandum.

City of Brea Nexus Program

The City developed a Nexus Program as part of the adoption of the General Plan, which is intended to fund future street system improvements identified in the General Plan. The result of the Nexus Program is that the implementation of the Land Use Element and Circulation Element results in a less than significant impact. This analysis demonstrates the additional traffic generated by the six focused development sites would maintain the previous LOS results and would not result in new transportation impacts. Therefore, the improvements identified in the Nexus Program would continue to be sufficient to address deficiencies and no further improvements are necessary.

Appendix A - VMT Information



North Orange County Collaborative VMT Traffic Study Screening Tool

Project Information

Project Name Opening Year

Parcel Number (OCTAM TAZ#40)

Screening Criteria for Brea

Is the project location in a Transit Priority Area?

Is the project location in a low VMT generating zone?

Is the Project one of these land use types? (show land use types)

Does the project generate fewer than 250 daily trips? (enter project land use in the section below)

The Project does not meet screening criteria. Please Continue

Project Land Use Information

	Unit
Residential : Single Family Homes	0
Residential : MultiFamily Homes	54
Office	0.000
Retail	0.000
Industrial	0.000
Private School	0
University	0
Entertainment	0.000
Hotel	0

Project Trips and VMT Information

VMT Methodology

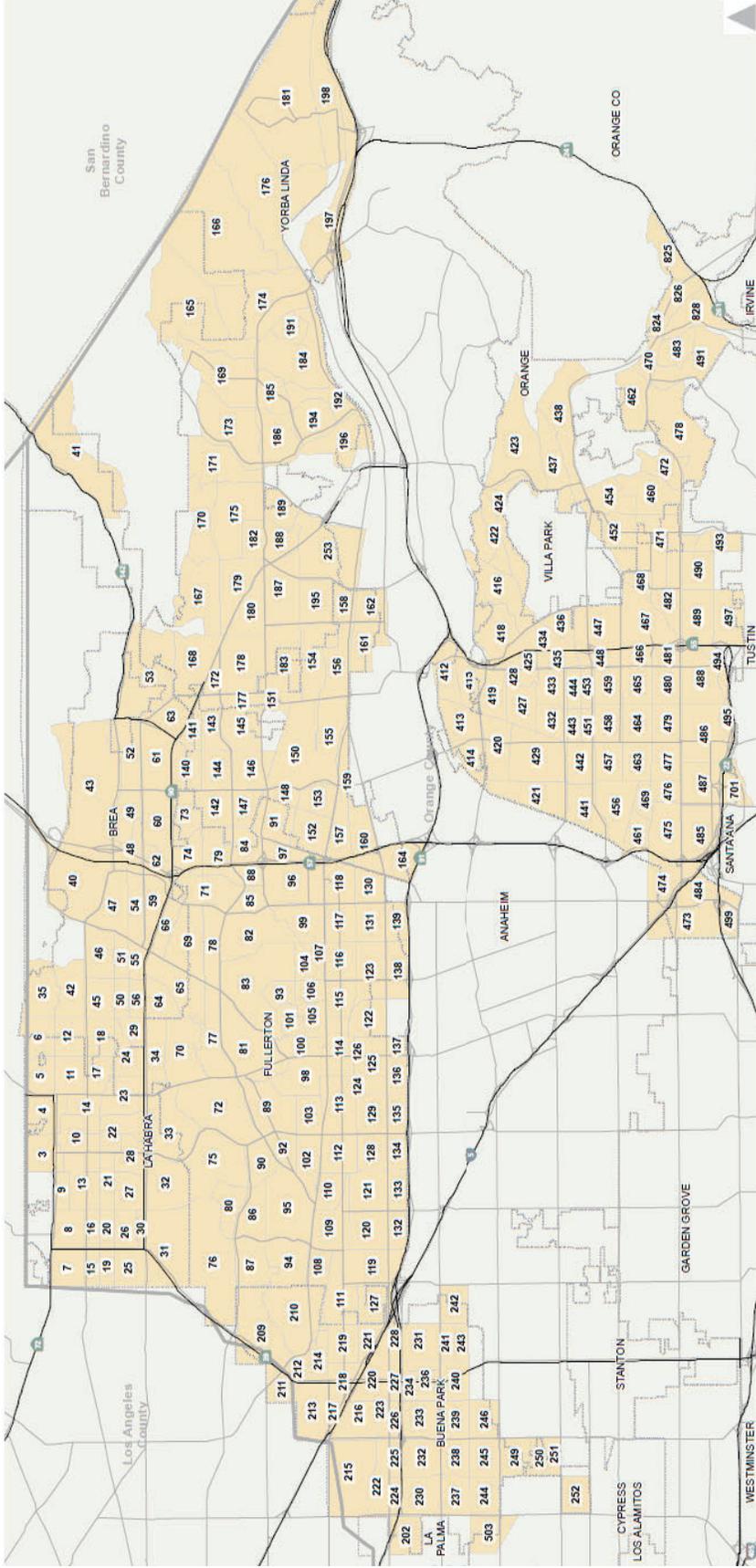
Daily Trips: 356 Average Trip Length: 9.1 Service Population: 135

VMT per service population 24.0

Project VMT Thresholds Comparison

- OPR Guidance (15% Below Existing)
- GHG Reduction Targets (14.3% Below Existing)
- Below Existing
- Better than General Plan Buildout





Traffic Analysis Zone (TAZ)
 County Boundary
 City Limits



OCTAM Model
 North Orange County Traffic Analysis Zone (TAZ)

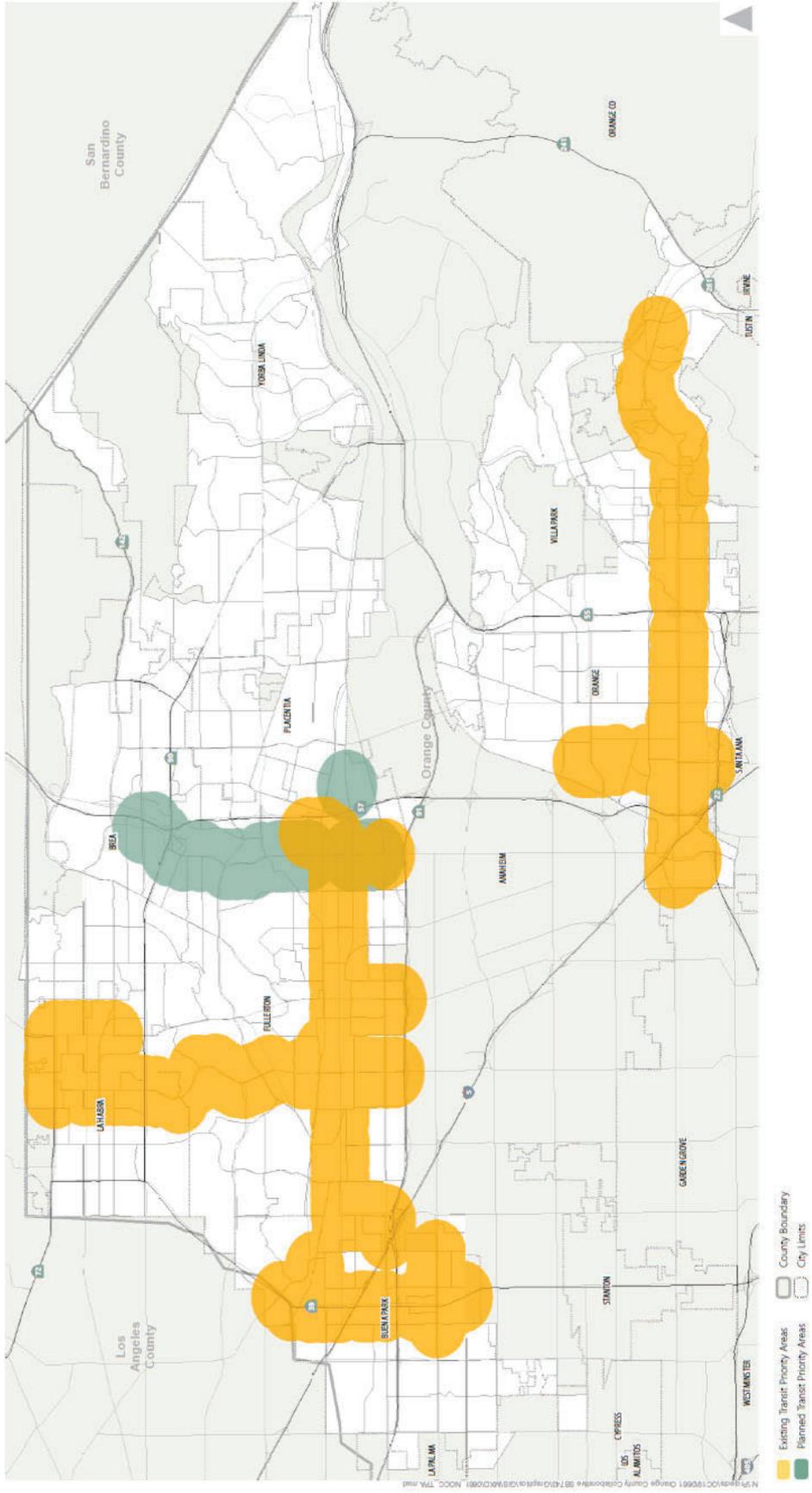


Figure X
 North Orange County Cities
 Transit Priority Areas (TPA)



Note: Reflective of existing and planned transit service in late 2019. Temporary changes in transit service due to COVID-19 are considered temporary in nature and are not reflected in this figure.

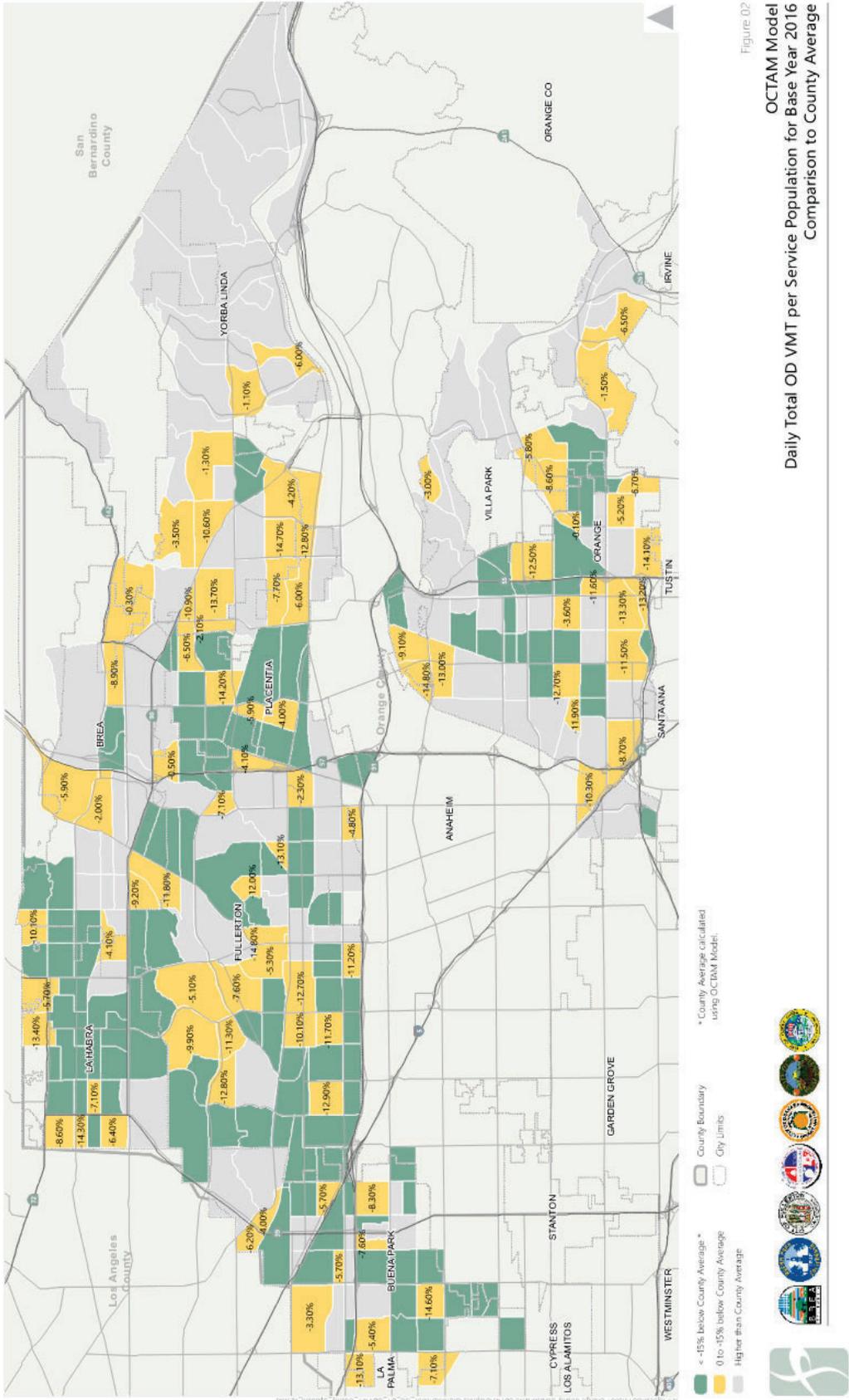


Figure 02

OCTAM Model
Daily Total OD VMT per Service Population for Base Year 2016
Comparison to County Average

**TRANSPORTATION IMPACT ANALYSIS WORKSHEET
CITY OF BREA PUBLIC WORKS DEPARTMENT**

PROJECT NAME	2022 Housing Element Update – Focused Development Site
PROJECT LOCATION	480 North State College Boulevard
PARCEL NUMBER(S)	319-041-14
PROPOSED LAND USES	54 multi-family housing units
EXISTING LAND USES TO BE REMOVED	200-seat church
<p>VMT SCREENING</p> <p><input type="checkbox"/> Project is exempt from CEQA; therefore, a VMT Analysis is not required.</p> <p><input type="checkbox"/> Project passes Primary and Secondary Screening; therefore, a VMT Analysis is not required.</p> <p><input checked="" type="checkbox"/> Project fails screening; therefore, a VMT Analysis is required.</p>	<p><u>Primary Screening</u> The Proposed Project:</p> <p><input type="checkbox"/> Located in a Transit Priority Area</p> <p><input type="checkbox"/> Located in a Low VMT-generating area</p> <p><input type="checkbox"/> Project type is presumed to have a less than significant impact</p> <p><input type="checkbox"/> Project generates less than 250 Daily Trips – See VMT Analysis</p> <p><i>If any of the above boxes are checked, the project passes Primary Screening and then is further assessed through Secondary Screening.</i></p>
	<p><u>Secondary Screening – Transit Priority Area</u> The Proposed Project:</p> <p><input type="checkbox"/> Has a Floor Area Ratio (FAR) of less than 0.75</p> <p><input type="checkbox"/> Is overparked in relation to City Code.</p> <p><input type="checkbox"/> Is inconsistent with the applicable Sustainable Communities Strategy</p> <p><input type="checkbox"/> Replaces affordable residential units with a smaller number of moderate- or high-income residential units.</p> <p><i>If any of the above boxes are checked, the project fails Secondary Screening.</i></p>
	<p><u>Secondary Screening – Low VMT-generating Area</u> The Proposed Project:</p> <p><input type="checkbox"/> Is inconsistent with the existing land use in the vicinity.</p> <p><input type="checkbox"/> Has a unique attribute that would otherwise be misrepresented utilizing the data from the travel demand model.</p> <p><i>If any of the above boxes are checked, the project fails Secondary Screening.</i></p>

**TRANSPORTATION IMPACT ANALYSIS WORKSHEET
CITY OF BREA PUBLIC WORKS DEPARTMENT**

<p>VMT ANALYSIS</p> <p><input checked="" type="checkbox"/> Preliminary project analysis reveals no probable VMT impact, therefore, no further study is required.</p> <p><input type="checkbox"/> Project may have a VMT impact and thus a VMT Analysis is required.</p>	<p>Existing Improvements¹:</p> <p>Estimated Daily Trip Credit: 180</p> <p>Estimated VMT Credit: 1,638</p> <p>The Proposed Project:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Estimated Daily Trips:</td> <td style="width: 20%;">356</td> <td style="width: 30%;">Net Daily Trips: 176</td> </tr> <tr> <td>Estimated VMT:</td> <td>3,240</td> <td>Net Daily VMT: 1,602</td> </tr> <tr> <td>Average Trip Length:</td> <td>9.1</td> <td></td> </tr> <tr> <td>Service Population</td> <td>135</td> <td></td> </tr> <tr> <td>VMT per Service Population:</td> <td>24.0</td> <td></td> </tr> </table> <p>Target VMT per Service Population Threshold: 29.2</p> <p>Percentage above/below VMT Target: -21.67%</p> <p>City Traffic Engineer’s Finding:</p> <p><i>The proposed project demolishes an existing 200-seat church and constructs 54 multi-family residential units. The estimate of daily trips, VMT, and service population for the proposed project, as outlined above, is derived from the OCTAM model. The proposed project is forecast to generate 24.0 daily VMT per service population, which is 21.67% below the VMT generation rate of 29.2 VMT per service population at General Plan Buildout. Therefore, based on this review it is determined that the project would have no project generated VMT impact.</i></p> <p><i>The proposed project requires rezoning the site from the current R-1 zoning to MU-II. The proposed project is therefore inconsistent with the current General Plan land use assumptions for the site, and the project’s effect on VMT must be evaluated. This secondary assessment compares how the project changes VMT on the network within the City compared to the no project condition.</i></p> <p><i>The proposed project will increase the number of residential dwelling units, resulting in an improved jobs-housing balance. The OCTAM model assumes the City has approximately 42,300 residents and more than 47,300 jobs. As more residents will be able to live near the jobs located within the City, it is expected that the average commute trip lengths will become shorter, resulting in a decrease in VMT on the network. Therefore, it is reasonable to conclude that the project’s effect on VMT compared to the VMT at General Plan Buildout will have no probable VMT impact.</i></p>	Estimated Daily Trips:	356	Net Daily Trips: 176	Estimated VMT:	3,240	Net Daily VMT: 1,602	Average Trip Length:	9.1		Service Population	135		VMT per Service Population:	24.0	
Estimated Daily Trips:	356	Net Daily Trips: 176														
Estimated VMT:	3,240	Net Daily VMT: 1,602														
Average Trip Length:	9.1															
Service Population	135															
VMT per Service Population:	24.0															

¹ Based on trip generation provided by Michael Baker International, City of Brea General Plan Amendment and Rezone – Transportation Assessment, June 20, 2022, and the average trip length for the TAZ provided by the NOCC+ VMT Traffic Study Screening Tool.

**Appendix B -
Traffic Volumes,
Distribution Percentage,
and ICU Calculations**

1 Study Intersection: Brea Blvd / State College Blvd
 North/South: Brea Blvd
 East/West: State College Blvd

Brea GPU Trip Generation									
Site	ADT	AM Peak Hour			PM Peak Hour				
		Total	In	Out	Total	In	Out		
Site 7	441	41	10	31	45	28	17		
Site 10	259	24	7	17	23	14	9		
Site 13	287	33	8	25	35	22	13		

	Existing (2001 Counts)		Project Only (Site 7)				Project Only (Site 10)				Project Only (Site 13)				Long-Range Conditions		Long-Range Plus Focused Dev Sites					
	AM	PM	Dist. %		AM	PM	Dist. %		AM	PM	Dist. %		AM	PM	AM	PM	AM	PM	AM	PM	AM	PM
			IN	OUT			IN	OUT			IN	OUT										
NBL	280	540		10%	3	2		5%	1	0		5%	1	1	290	800	295	803				
NBT	250	800		15%	4	3		7%	1	1		7%	2	1	260	840	267	845				
NBR	160	90		5%	2	1		1%	0	0		1%	0	0	180	100	182	101				
SBL	250	180			0	0			0	0			0	0	310	190	310	190				
SBT	810	400		15%	2	4	7%		0	1	7%		1	2	1,070	490	1,073	497				
SBR	580	570			0	0			0	0			0	0	590	580	590	580				
EBL	60	670			0	0			0	0			0	0	70	680	70	680				
EBT	720	970			0	0			0	0			0	0	820	1,120	820	1,120				
EBR	40	250		10%	1	3	5%		0	1	5%		0	1	50	260	51	265				
WBL	250	40		5%	1	1	1%		0	0	1%		0	0	310	40	311	41				
WBT	850	840			0	0			0	0			0	0	970	920	970	920				
WBR	150	280			0	0			0	0			0	0	160	330	160	330				

4 Study Intersection: Brea Blvd / Imperial Highway

North/South: Brea Blvd

East/West: Imperial Highway

Brea GPU Trip Generation									
Site	ADT	AM Peak Hour			PM Peak Hour				
		Total	In	Out	Total	In	Out		
Site 7	441	41	10	31	45	28	17		
Site 10	259	24	7	17	23	14	9		
Site 13	287	33	8	25	35	22	13		

	Existing (2001 Counts)		Project Only (Site 7)				Project Only (Site 10)				Project Only (Site 13)				Long-Range Conditions		Long-Range Plus Focused Dev Sites					
	AM	PM	Dist. %		AM	PM	Dist. %		AM	PM	Dist. %		AM	PM	AM	PM	AM	PM	AM	PM	AM	PM
			IN	OUT			IN	OUT			IN	OUT										
NBL	470	450			0	0			3	2	18%	18%	5	2	480	470	488	474				
NBT	550	930	20%		2	6			6	3	37%	37%	9	5	570	950	587	964				
NBR	110	250			0	0			2	1	10%	10%	3	1	110	270	115	272				
SBL	300	370		7%	2	1			0	0			0	0	310	390	312	391				
SBT	900	650		20%	6	3		37%	3	5			3	8	1,020	670	1,032	686				
SBR	150	470		3%	1	1			0	0			0	0	170	500	171	501				
EBL	160	380	3%		0	1			0	0			0	0	180	400	180	401				
EBT	2,100	2,050			0	0			0	0			0	0	2,280	2,150	2,280	2,150				
EBR	650	560			0	0	18%		1	3		18%	1	4	690	580	692	587				
WBL	300	340			0	0	10%		1	1		10%	1	2	320	350	322	353				
WBT	1,850	2,160			0	0			0	0			0	0	1,980	2,360	1,980	2,360				
WBR	100	390		7%	1	2			0	0			0	0	100	420	101	422				

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Study Intersection: State College Blvd / Lambert Rd
 North/South: State College Blvd
 East/West: Lambert Rd

Brea GPU Trip Generation									
Site	ADT	AM Peak Hour			PM Peak Hour				
		Total	In	Out	Total	In	Out		
480 N. State College	421	40	10	30	44	28	16		

	Existing			Project Only				Long-Range Conditions		Long-Range Plus Focused Dev Site		AM Peak Hour		PM Peak Hour	
	AM	PM	PM	Dist. %		AM	PM	AM	PM	AM	PM	AM	PM	AM	PM
				IN	OUT										
NBL	0	0	0			0	0	240	350	240	350				
NBT	0	0	0	25%		3	7	210	720	213	727				
NBR	0	0	0			0	0	240	720	240	720				
SBL	0	0	0		60%	18	10	980	820	998	830				
SBT	0	0	0		25%	8	4	520	400	528	404				
SBR	0	0	0		5%	2	1	20	10	22	11				
EBL	0	0	0		5%	1	1	10	30	11	31				
EBT	0	0	0			0	0	1,370	1,680	1,370	1,680				
EBR	0	0	0			0	0	450	330	450	330				
WBL	0	0	0			0	0	710	370	710	370				
WBT	0	0	0			0	0	1,610	2,040	1,610	2,040				
WBR	0	0	0		60%	6	17	680	770	686	787				

Distribution assumes 90% of site traffic will travel south on State College Blvd towards the State College/Lambert intersection due to the proximity to the SR-57/State College interchange.
 Southbound on State College Blvd, 60% turn left, 25% go through, and 5% turn right at State College/Lambert intersection.

6 Study Intersection: SR-57 SB Ramps / Lambert Rd
 North/South: SR-57 SB Ramps
 East/West: Lambert Rd

Brea GPU Trip Generation									
Site	ADT	AM Peak Hour			PM Peak Hour				
		Total	In	Out	Total	In	Out		
480 N. State College	421	40	10	30	44	28	16		

	Existing		Project Only				Long-Range Conditions		Long-Range Plus Focused Dev Site		AM		PM	
	AM	PM	Dist. %		AM	PM	AM	PM	AM	PM	AM	PM	AM	PM
			IN	OUT										
NBL	0	0			0	0	0	0	0	0				
NBT	0	0			0	0	0	0	0	0				
NBR	0	0			0	0	0	0	0	0				
SBL	0	0			0	0	1,250	430	1,250	430				
SBT	0	0			0	0	0	0	0	0				
SBR	0	0	24%		2	7	790	710	792	717				
EBL	0	0			0	0	0	0	0	0				
EBT	0	0		42%	13	7	1,900	2,300	1,913	2,307				
EBR	0	0		18%	5	3	710	1,200	715	1,203				
WBL	0	0			0	0	250	330	250	330				
WBT	0	0	36%		4	10	2,220	2,470	2,224	2,480				
WBR	0	0			0	0	0	0	0	0				

Distribution assumes 60% of site traffic will travel eastbound on State College Blvd towards the SR-57 interchange.
 In the EB approach, 18% turn right and 42% travel through.
 Southbound approach, 24% turn right.
 WB approach, 36 % travels through the intersection.

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Study Intersection: SR-57 NB Ramps / Lambert Rd
 North/South: SR-57 NB Ramps
 East/West: Lambert Rd

Brea GPU Trip Generation									
Site	ADT	AM Peak Hour			PM Peak Hour				
		Total	In	Out	Total	In	Out		
480 N. State College	421	40	10	30	44	28	16		

	Existing			Project Only				Long-Range Conditions		Long-Range Plus Focused Dev Site		AM Peak Hour		PM Peak Hour	
	AM	PM	PM	Dist. %		AM	PM	AM	PM	AM	PM	AM	PM	AM	PM
				IN	OUT										
NBL	0	0	0	26%	3	7	0	0	980	840	983	847			
NBT	0	0	0		0	0	0	0	0	0	0	0			
NBR	0	0	0		0	0	0	0	370	350	370	350			
SBL	0	0	0		0	0	0	0	0	0	0	0			
SBT	0	0	0		0	0	0	0	0	0	0	0			
SBR	0	0	0		0	0	0	0	0	0	0	0			
EBL	0	0	0		10%	3	2	720	660	723	662				
EBT	0	0	0		32%	10	5	2,390	2,040	2,400	2,045				
EBR	0	0	0			0	0	0	0	0	0	0			
WBL	0	0	0			0	0	0	0	0	0	0			
WBT	0	0	0	10%	1	3	1,700	1,940	1,701	1,943					
WBR	0	0	0		0	0	330	1,120	330	1,120					

Distribution based on future volumes from EIR.

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Study Intersection: Associated Rd / Birch St
 North/South: Associated Rd
 East/West: Birch St

Brea GPU Trip Generation									
Site	ADT	AM Peak Hour			PM Peak Hour				
		Total	In	Out	Total	In	Out		
Associated/Birch	460	41	9	32	46	29	17		

	Existing			Project Only				Long-Range Conditions		Long-Range Plus Focused Dev Site		AM Peak Hour		PM Peak Hour	
	AM	PM	PM	Dist. %		AM	PM	AM	PM	AM	PM	AM	PM	AM	PM
				IN	OUT										
NBL	0	0	0		35%	11	6	280	430	291	436				
NBT	0	0	0		5%	2	1	30	30	32	31				
NBR	0	0	0		30%	10	5	290	360	300	365				
SBL	0	0	0			0	0	40	10	40	10				
SBT	0	0	0	5%		0	2	50	30	50	32				
SBR	0	0	0			0	0	20	10	20	10				
EBL	0	0	0			0	0	10	30	10	30				
EBT	0	0	0			0	0	1,030	1,010	1,030	1,010				
EBR	0	0	0	35%		3	10	370	300	373	310				
WBL	0	0	0	30%		3	9	270	270	273	279				
WBT	0	0	0			0	0	920	970	920	970				
WBR	0	0	0			0	0	10	30	10	30				

Assumed 70% of traffic uses site driveways on Associated Road leading to the signal at Associated/Birch since RTs are only permitted onto Birch St.
 Northbound on Associated, the 70% is distributed 35% turn left, 5% go through, and 30% turn right.

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Study Intersection: Valencia Ave / Birch St
 North/South: Valencia Ave
 East/West: Birch St

Brea GPU Trip Generation									
Site	ADT	AM Peak Hour			PM Peak Hour				
		Total	In	Out	Total	In	Out		
275 Valencia Ave	556	46	11	35	53	33	20		

	Existing			Project Only				Long-Range Conditions		Long-Range Plus Focused Dev Site		AM Peak Hour		PM Peak Hour	
	AM	PM	PM	Dist. %		AM	PM	AM	PM	AM	PM	AM	PM	AM	PM
				IN	OUT										
NBL	0	0	0	6%	2	1	150	52	151						
NBT	0	0	0	18%	6	4	890	166	894						
NBR	0	0	0	6%	2	1	40	42	11						
SBL	0	0	0		0	0	500	500	160						
SBT	0	0	0	18%	2	6	1,250	1,252	56						
SBR	0	0	0		0	0	120	120	30						
EBL	0	0	0		0	0	40	40	170						
EBT	0	0	0		0	0	790	790	720						
EBR	0	0	0	6%	1	2	120	121	62						
WBL	0	0	0	6%	1	2	10	11	12						
WBT	0	0	0		0	0	510	510	330						
WBR	0	0	0		0	0	200	200	670						

Assumed 30% travel North from project site on Valencia Ave towards Valencia/Birch
 Assumed 70% travel South from project site on Valencia Ave towards Imperial Highway
 Project turn percentages based on future peak hour volume distribution.



PROJECT NAME: **Brea GPU**

Job Number: 187415

Date: 5-Apr-22

North-South Street: Brea Blvd

East-West Street: State College Blvd

Peak Hour: AM

Intersection: 1

INTERSECTION: Brea Blvd / State College Blvd

EXISTING YEAR 2001 CONDITIONS					LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	280	2	3400	0.0824	NB Left	290	2	3,400	0.0853	NB Left	295	2	3,400	0.0868
NB Thru	250	2	3400	0.0735	NB Thru	260	2	3,400	0.0765	NB Thru	267	3	5,100	0.0524
NB Right	160	0	0	0.0000	NB Right	180	1	1,700	0.1059	NB Right	182	0	0	0.0000
SB Left	250	1	1700	0.1471	SB Left	310	2	3,400	0.0912	SB Left	310	2	1,700	0.1824
SB Thru	810	2	3400	0.4088	SB Thru	1,070	2	3,400	0.3147	SB Thru	1,073	2	3,400	0.3156
SB Right	580	0	0	0.0000	SB Right	590	1	1,700	0.3471	SB Right	590	1	1,700	0.3471
EB Left	60	2	2400	0.0250	EB Left	70	2	2,400	0.0292	EB Left	70	2	2,400	0.0292
EB Thru	720	2	3400	0.2118	EB Thru	820	2	3,400	0.2559	EB Thru	820	2	3,400	0.2562
EB Right	40	0	0	0.0000	EB Right	50	0	0	0.0000	EB Right	51	1	1,700	0.0300
WB Left	250	1	1700	0.1471	WB Left	310	1	1,700	0.1824	WB Left	311	1	1,700	0.1829
WB Thru	850	2	3400	0.2500	WB Thru	970	2	3,400	0.2853	WB Thru	970	2	3,400	0.2853
WB Right	150	0	0	0.0000	WB Right	160	0	0	0.0000	WB Right	160	1	1,700	0.0941
Clearance Interval				0.0500	Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.9001	ICU				0.8883	ICU				0.8915
LOS				E	LOS				D	LOS				D

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.

Capacity expressed in vehicles per hour of green

Maximum capacity per lane is 1,700

Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Brea Blvd / State College Blvd

EXISTING YEAR 2001 CONDITIONS					LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	540	2	3400	0.1588	NB Left	800	2	3,400	0.2353	NB Left	803	2	3,400	0.2362
NB Thru	800	2	3400	0.2353	NB Thru	840	2	3,400	0.2471	NB Thru	845	3	5,100	0.1657
NB Right	90	0	0	0.0000	NB Right	100	1	1,700	0.0588	NB Right	101	0	0	0.0000
SB Left	180	1	1700	0.1059	SB Left	190	2	3,400	0.0559	SB Left	190	2	1,700	0.1118
SB Thru	400	2	3400	0.2853	SB Thru	490	2	3,400	0.1441	SB Thru	497	2	3,400	0.1462
SB Right	570	0	0	0.0000	SB Right	580	1	1,700	0.3412	SB Right	580	1	1,700	0.3412
EB Left	670	2	3400	0.1971	EB Left	680	2	3,400	0.2000	EB Left	680	2	3,400	0.2000
EB Thru	920	2	3400	0.3441	EB Thru	1,120	2	3,400	0.4059	EB Thru	1,120	2	3,400	0.3294
EB Right	250	0	0	0.0000	EB Right	260	0	0	0.0000	EB Right	265	1	1,700	0.1559
WB Left	40	1	1700	0.0235	WB Left	40	1	1,700	0.0235	WB Left	41	1	1,700	0.0241
WB Thru	840	2	3400	0.3294	WB Thru	920	2	3,400	0.3676	WB Thru	920	2	3,400	0.3676
WB Right	280	0	0	0.0000	WB Right	330	0	0	0.0000	WB Right	330	1	1,700	0.1941
Clearance Interval				0.0500	Clearance Interval				0.0500	Clearance Interval				0.0500
Right Turn Adjustment (SBR)				0.0500	Right Turn Adjustment (SBR)				0.0500	Right Turn Adjustment (SBR)				0.0500
ICU				1.0206	ICU				1.0470	ICU				1.0500
LOS				F	LOS				F	LOS				F

Notes:

- Key conflicting movements as a part of ICU indicated in **bold**.
- Capacity expressed in vehicles per hour of green
- Maximum capacity per lane is 1,700
- Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F



PROJECT NAME: **Brea GPU**

Job Number: 187415

Date: 5-Apr-22

North-South Street: Brea Blvd

East-West Street: Lambert Rd

Peak Hour: AM

Intersection: 2

INTERSECTION: Brea Blvd / Lambert Rd

EXISTING YEAR 2001 CONDITIONS					LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	240	2	3400	0.0706	NB Left	360	2	3,400	0.1059	NB Left	370	2	3,400	0.1088
NB Thru	250	2	3400	0.0735	NB Thru	260	2	3,400	0.0765	NB Thru	274	2	3,400	0.0806
NB Right	130	1	1700	0.0765	NB Right	130	1	1,700	0.0765	NB Right	133	1	1,700	0.0782
SB Left	90	1	1700	0.0529	SB Left	270	1	1,700	0.1588	SB Left	270	1	1,700	0.1588
SB Thru	720	2	3400	0.2118	SB Thru	750	2	3,400	0.2206	SB Thru	755	2	3,400	0.2221
SB Right	200	1	1700	0.1176	SB Right	300	1	1,700	0.1765	SB Right	300	1	1,700	0.1765
EB Left	110	1	1700	0.0647	EB Left	120	1	1,700	0.0706	EB Left	120	1	1,700	0.0706
EB Thru	1,020	3	5100	0.2000	EB Thru	1,400	3	5,100	0.2745	EB Thru	1,400	3	5,100	0.2745
EB Right	370	1	1700	0.2176	EB Right	660	1	1,700	0.3882	EB Right	664	1	1,700	0.0000
WB Left	210	1	1700	0.1235	WB Left	220	1	1,700	0.1294	WB Left	221	1	1,700	0.1300
WB Thru	1,200	3	5100	0.2353	WB Thru	1,300	3	5,100	0.2647	WB Thru	1,300	3	5,100	0.2549
WB Right	0	0	0	0.0000	WB Right	50	0	0	0.0000	WB Right	50	0	0	0.0000
Clearance Interval				0.0500	Clearance Interval				0.0500	Clearance Interval				0.0500
					Right Turn Adjustment (EBR)				0.0400	Right Turn Adjustment (EBR)				0.0400
ICU				0.6559	ICU				0.8204	ICU				0.8254
LOS				B	LOS				D	LOS				D

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.

Capacity expressed in vehicles per hour of green

Maximum capacity per lane is 1,700

Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F



PROJECT NAME: **Brea GPU**

Job Number: 187415

Date: 5-Apr-22

North-South Street: Brea Blvd

East-West Street: Lambert Rd

Peak Hour: PM

Intersection: 2

INTERSECTION: Brea Blvd / Lambert Rd

EXISTING YEAR 2001 CONDITIONS					LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	440	2	3400	0.1294	NB Left	720	2	3,400	0.2118	NB Left	725	2	3,400	0.2132
NB Thru	680	2	3400	0.2000	NB Thru	690	2	3,400	0.2029	NB Thru	698	2	3,400	0.2053
NB Right	120	1	1700	0.0706	NB Right	320	1	1,700	0.1882	NB Right	321	1	1,700	0.1888
SB Left	50	1	1700	0.0294	SB Left	70	1	1,700	0.0412	SB Left	70	1	1,700	0.0412
SB Thru	360	2	3400	0.1059	SB Thru	370	2	3,400	0.1088	SB Thru	383	2	3,400	0.1126
SB Right	50	1	1700	0.0294	SB Right	130	1	1,700	0.0765	SB Right	130	1	1,700	0.0765
EB Left	140	1	1700	0.0824	EB Left	250	1	1,700	0.1471	EB Left	250	1	1,700	0.1471
EB Thru	1,330	3	5100	0.2608	EB Thru	1,340	3	5,100	0.2627	EB Thru	1,340	3	5,100	0.2627
EB Right	360	1	1700	0.2118	EB Right	430	1	1,700	0.2529	EB Right	439	1	1,700	0.2582
WB Left	200	1	1700	0.1176	WB Left	210	1	1,700	0.1235	WB Left	211	1	1,700	0.1241
WB Thru	1,350	3	5100	0.2647	WB Thru	1,570	3	5,100	0.3902	WB Thru	1,570	3	5,100	0.3902
WB Right	0	0	0	0.0000	WB Right	420	0	0	0.0000	WB Right	420	0	0	0.0000
Clearance Interval				0.0500	Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.6637	ICU				0.9079	ICU				0.9131
LOS				B	LOS				E	LOS				E

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.

Capacity expressed in vehicles per hour of green

Maximum capacity per lane is 1,700

Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Brea Blvd / Birch St

EXISTING YEAR 2001 CONDITIONS					LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	10	1	1700	0.0059	NB Left	10	1	1,700	0.0059	NB Left	12	1	1,700	0.0071
NB Thru	400	3	5100	0.1294	NB Thru	410	3	5,100	0.1490	NB Thru	423	3	5,100	0.1525
NB Right	260	0	0	0.0000	NB Right	350	0	0	0.0000	NB Right	355	0	0	0.0000
SB Left	420	2	3400	0.1235	SB Left	650	2	3,400	0.1912	SB Left	653	2	3,400	0.1921
SB Thru	1,080	3	5100	0.2176	SB Thru	1,090	3	5,100	0.2471	SB Thru	1,103	3	5,100	0.2500
SB Right	30	0	0	0.0000	SB Right	170	0	0	0.0000	SB Right	172	0	0	0.0000
EB Left	50	1	1700	0.0294	EB Left	80	1	1,700	0.0471	EB Left	81	1	1,700	0.0476
EB Thru	60	1	1700	0.0471	EB Thru	90	1	1,700	0.1412	EB Thru	90	1	1,700	0.1412
EB Right	20	0	0	0.0000	EB Right	150	0	0	0.0000	EB Right	150	0	0	0.0000
WB Left	310	2	3400	0.0912	WB Left	390	2	3,400	0.1147	WB Left	392	2	3,400	0.1153
WB Thru	40	1	1700	0.0235	WB Thru	70	1	1,700	0.0412	WB Thru	70	1	1,700	0.0412
WB Right	260	1	1700	0.1529	WB Right	290	1	1,700	0.1706	WB Right	291	1	1,700	0.1712
Clearance Interval				0.0500	Clearance Interval				0.0500	Clearance Interval				0.0500
Right Turn Adjustment (NBR)				0.0100	Right Turn Adjustment (NBR)				0.0100	Right Turn Adjustment (NBR)				0.0100
ICU				0.4412	ICU				0.6561	ICU				0.6611
LOS				A	LOS				B	LOS				B

Notes:

- Key conflicting movements as a part of ICU indicated in **bold**.
- Capacity expressed in vehicles per hour of green
- Maximum capacity per lane is 1,700
- Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F



PROJECT NAME: **Brea GPU**

Job Number: 187415

Date: 5-Apr-22

North-South Street: Brea Blvd

East-West Street: Birch St

Peak Hour: PM

Intersection: 3

INTERSECTION: Brea Blvd / Birch St

EXISTING YEAR 2001 CONDITIONS					LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	60	1	1700	0.0353	NB Left	90	1	1,700	0.0529	NB Left	90	1	1,700	0.0529
NB Thru	840	3	5100	0.2471	NB Thru	850	3	5,100	0.2902	NB Thru	863	3	5,100	0.2931
NB Right	420	0	0	0.0000	NB Right	630	0	0	0.0000	NB Right	632	0	0	0.0000
SB Left	730	2	3400	0.2147	SB Left	740	2	3,400	0.2176	SB Left	742	2	3,400	0.2182
SB Thru	730	3	5100	0.1745	SB Thru	740	3	5,100	0.1922	SB Thru	753	3	5,100	0.1949
SB Right	160	0	0	0.0000	SB Right	240	0	0	0.0000	SB Right	241	0	0	0.0000
EB Left	80	1	1700	0.0471	EB Left	180	1	1,700	0.1059	EB Left	181	1	1,700	0.1065
EB Thru	130	1	1700	0.1118	EB Thru	140	1	1,700	0.1529	EB Thru	140	1	1,700	0.1535
EB Right	60	0	0	0.0000	EB Right	120	0	0	0.0000	EB Right	121	0	0	0.0000
WB Left	430	2	3400	0.1265	WB Left	660	2	3,400	0.1941	WB Left	663	2	3,400	0.1950
WB Thru	180	1	1700	0.1059	WB Thru	240	1	1,700	0.1412	WB Thru	240	1	1,700	0.1412
WB Right	750	1	1700	0.4412	WB Right	830	1	1,700	0.4882	WB Right	833	1	1,700	0.4900
Clearance Interval				0.0500	Clearance Interval				0.0500	Clearance Interval				0.0500
Right Turn Adjustment (WBR)				0.0900	Right Turn Adjustment (WBR)				0.0900	Right Turn Adjustment (WBR)				0.0900
ICU				0.8401	ICU				0.9948	ICU				0.9998
LOS				D	LOS				E	LOS				E

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.

Capacity expressed in vehicles per hour of green

Maximum capacity per lane is 1,700

Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F



PROJECT NAME: **Brea GPU**

Job Number: 187415

Date: 5-Apr-22

North-South Street: Brea Blvd

East-West Street: Imperial Highway

Peak Hour: AM

Intersection: 4

INTERSECTION: Brea Blvd / Imperial Highway

EXISTING YEAR 2001 CONDITIONS					LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	470	2	3400	0.1382	NB Left	480	2	3,400	0.1412	NB Left	488	2	3,400	0.1435
NB Thru	550	3	5100	0.1078	NB Thru	570	3	5,100	0.1118	NB Thru	587	3	5,100	0.1151
NB Right	110	1	1700	0.0647	NB Right	110	1	1,700	0.0647	NB Right	115	1	1,700	0.0676
SB Left	300	2	3400	0.0882	SB Left	310	2	3,400	0.0912	SB Left	312	2	3,400	0.0918
SB Thru	900	2	3400	0.2647	SB Thru	1,020	2	3,400	0.3000	SB Thru	1,032	2	3,400	0.3035
SB Right	150	1	1700	0.0882	SB Right	170	1	1,700	0.1000	SB Right	171	1	1,700	0.1006
EB Left	160	2	3400	0.0471	EB Left	180	2	3,400	0.0529	EB Left	180	2	3,400	0.0529
EB Thru	2,100	3	5100	0.4118	EB Thru	2,280	3	5,100	0.4471	EB Thru	2,280	3	5,100	0.4471
EB Right	650	1	1700	0.3824	EB Right	690	1	1,700	0.4059	EB Right	692	1	1,700	0.4071
WB Left	300	2	3400	0.0882	WB Left	320	2	3,400	0.0941	WB Left	322	2	3,400	0.0947
WB Thru	1,850	3	5100	0.3627	WB Thru	1,980	3	5,100	0.3882	WB Thru	1,980	3	5,100	0.3882
WB Right	100	1	1700	0.0588	WB Right	100	1	1,700	0.0588	WB Right	101	1	1,700	0.0594
Clearance Interval				0.0500	Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.9529	ICU				1.0324	ICU				1.0388
LOS				E	LOS				F	LOS				F

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.

Capacity expressed in vehicles per hour of green

Maximum capacity per lane is 1,700

Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F



PROJECT NAME: **Brea GPU**
 Job Number: 187415
 Date: 5-Apr-22
 North-South Street: Brea Blvd
 East-West Street: Imperial Highway
 Peak Hour: PM
 Intersection: 4

INTERSECTION: Brea Blvd / Imperial Highway

EXISTING YEAR 2001 CONDITIONS					LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	450	2	3400	0.1324	NB Left	470	2	3,400	0.1382	NB Left	474	2	3,400	0.1394
NB Thru	930	3	5100	0.1824	NB Thru	950	3	5,100	0.1863	NB Thru	964	3	5,100	0.1890
NB Right	250	1	1700	0.1471	NB Right	270	1	1,700	0.1588	NB Right	272	1	1,700	0.1600
SB Left	370	2	3400	0.1088	SB Left	390	2	3,400	0.1147	SB Left	391	2	3,400	0.1150
SB Thru	650	2	3400	0.1912	SB Thru	670	2	3,400	0.1971	SB Thru	686	2	3,400	0.2018
SB Right	470	1	1700	0.2765	SB Right	500	1	1,700	0.2941	SB Right	501	1	1,700	0.2947
EB Left	380	2	3400	0.1118	EB Left	400	2	3,400	0.1176	EB Left	401	2	3,400	0.1179
EB Thru	2,050	3	5100	0.4020	EB Thru	2,150	3	5,100	0.4216	EB Thru	2,150	3	5,100	0.4216
EB Right	560	1	1700	0.3294	EB Right	580	1	1,700	0.3412	EB Right	587	1	1,700	0.3453
WB Left	340	2	3400	0.1000	WB Left	350	2	3,400	0.1029	WB Left	353	2	3,400	0.1038
WB Thru	2,160	3	5100	0.4235	WB Thru	2,360	3	5,100	0.4627	WB Thru	2,360	3	5,100	0.4627
WB Right	390	1	1700	0.2294	WB Right	420	1	1,700	0.2471	WB Right	422	1	1,700	0.2482
Clearance Interval				0.0500	Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.9089	ICU				0.9656	ICU				0.9718
LOS				E	LOS				E	LOS				E

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.
 Capacity expressed in vehicles per hour of green
 Maximum capacity per lane is 1,700
 Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Lambert Rd & State College Blvd

LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	240	1.5	0	0.0000	NB Left	240	1.5	0	0.0000
NB Thru	210	1.5	5,100	0.0882	NB Thru	213	1.5	5,100	0.0888
NB Right	240	1	1,700	0.1412	NB Right	240	1	1,700	0.1412
SB Left	980	2	3,400	0.2882	SB Left	998	2	3,400	0.2935
SB Thru	520	1.5	3,400	0.1529	SB Thru	528	1.5	3,400	0.1553
SB Right	20	1.5	0	0.0000	SB Right	22	1.5	0	0.0000
EB Left	10	2	3,400	0.0029	EB Left	11	2	3,400	0.0032
EB Thru	1,370	4	6,800	0.2676	EB Thru	1,370	4	6,800	0.2676
EB Right	450	0	0	0.0000	EB Right	450	0	0	0.0000
WB Left	710	2	3,400	0.2088	WB Left	710	2	3,400	0.2088
WB Thru	1,610	3	5,100	0.3157	WB Thru	1,610	3	5,100	0.3157
WB Right	680	1	1,700	0.4000	WB Right	686	1	1,700	0.4035
Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.9028	ICU				0.9087
LOS				E	LOS				E

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.

Capacity expressed in vehicles per hour of green

Maximum capacity per lane is 1,700

Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Lambert Rd & State College Blvd

LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	350	1.5	0	0.0000	NB Left	350	1.5	0	0.0000
NB Thru	720	1.5	5,100	0.2098	NB Thru	727	1.5	5,100	0.2112
NB Right	720	1	1,700	0.4235	NB Right	720	1	1,700	0.4235
SB Left	820	2	3,400	0.2412	SB Left	830	2	3,400	0.2441
SB Thru	400	1.5	3,400	0.1176	SB Thru	404	1.5	3,400	0.1188
SB Right	10	1.5	0	0.0000	SB Right	11	1.5	0	0.0000
EB Left	30	2	3,400	0.0088	EB Left	31	2	3,400	0.0091
EB Thru	1,680	4	6,800	0.2956	EB Thru	1,680	4	6,800	0.2956
EB Right	330	0	0	0.0000	EB Right	330	0	0	0.0000
WB Left	370	2	3,400	0.1088	WB Left	370	2	3,400	0.1088
WB Thru	2,040	3	5,100	0.4000	WB Thru	2,040	3	5,100	0.4000
WB Right	770	1	1,700	0.4529	WB Right	787	1	1,700	0.4629
Clearance Interval				0.0500	Clearance Interval				0.0500
Right Turn Adjustment				0.1300	Right Turn Adjustment				0.1300
ICU				1.0354	ICU				1.0397
LOS				F	LOS				F

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.

Capacity expressed in vehicles per hour of green

Maximum capacity per lane is 1,700

Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Lambert Rd & SR-57 SB Ramps

LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	0	0	0	0.0000	NB Left	0	0	0	0.0000
NB Thru	0	0	0	0.0000	NB Thru	0	0	0	0.0000
NB Right	0	0	0	0.0000	NB Right	0	0	0	0.0000
SB Left	1,250	1.5	0	0.0000	SB Left	1,250	1.5	0	0.0000
SB Thru	0	0	5,100	0.4000	SB Thru	0	0	5,100	0.4004
SB Right	790	1.5	0	0.0000	SB Right	792	1.5	0	0.0000
EB Left	0	0	0	0.0000	EB Left	0	0	0	0.0000
EB Thru	1,900	2.5	6,800	0.3838	EB Thru	1,913	2.5	6,800	0.3865
EB Right	710	1.5	0	0.0000	EB Right	715	1.5	0	0.0000
WB Left	250	2	3,400	0.0735	WB Left	250	2	3,400	0.0735
WB Thru	2,220	3	5,100	0.4353	WB Thru	2,224	3	5,100	0.4361
WB Right	0	0	0	0.0000	WB Right	0	0	0	0.0000
Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.9073	ICU				0.9104
LOS				E	LOS				E

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.
 Capacity expressed in vehicles per hour of green
 Maximum capacity per lane is 1,700
 Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Lambert Rd & SR-57 SB Ramps

LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	0	0	0	0.0000	NB Left	0	0	0	0.0000
NB Thru	0	0	0	0.0000	NB Thru	0	0	0	0.0000
NB Right	0	0	0	0.0000	NB Right	0	0	0	0.0000
SB Left	430	1.5	0	0.0000	SB Left	430	1.5	0	0.0000
SB Thru	0	0	5,100	0.2235	SB Thru	0	0	5,100	0.2249
SB Right	710	1.5	0	0.0000	SB Right	717	1.5	0	0.0000
EB Left	0	0	0	0.0000	EB Left	0	0	0	0.0000
EB Thru	2,300	2.5	6,800	0.5147	EB Thru	2,307	2.5	6,800	0.5162
EB Right	1,200	1.5	0	0.0000	EB Right	1,203	1.5	0	0.0000
WB Left	330	2	3,400	0.0971	WB Left	330	2	3,400	0.0971
WB Thru	2,470	3	5,100	0.4843	WB Thru	2,480	3	5,100	0.4863
WB Right	0	0	0	0.0000	WB Right	0	0	0	0.0000
Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.8853	ICU				0.8882
LOS				D	LOS				D

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.
 Capacity expressed in vehicles per hour of green
 Maximum capacity per lane is 1,700
 Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Lambert Rd & SR-57 NB Ramps

LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	980	2	3,400	0.2882	NB Left	983	2	3,400	0.2891
NB Thru	0	0	0	0.0000	NB Thru	0	0	0	0.0000
NB Right	370	1	1,700	0.2176	NB Right	370	1	1,700	0.2176
SB Left	0	0	0	0.0000	SB Left	0	0	0	0.0000
SB Thru	0	0	0	0.0000	SB Thru	0	0	0	0.0000
SB Right	0	0	0	0.0000	SB Right	0	0	0	0.0000
EB Left	720	2	3,400	0.2118	EB Left	723	2	3,400	0.2126
EB Thru	2,390	3	5,100	0.4686	EB Thru	2,400	3	5,100	0.4706
EB Right	0	0	0	0.0000	EB Right	0	0	0	0.0000
WB Left	0	0	0	0.0000	WB Left	0	0	0	0.0000
WB Thru	1,700	2.5	6,800	0.2985	WB Thru	1,701	2.5	6,800	0.2987
WB Right	330	1.5	0	0.0000	WB Right	330	1.5	0	0.0000
Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.8485	ICU				0.8504
LOS				D	LOS				D

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.
 Capacity expressed in vehicles per hour of green
 Maximum capacity per lane is 1,700
 Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Lambert Rd & SR-57 NB Ramps

Movement	LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
	Volume	Lanes	Capacity	V/C Ratio		Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	840	2	3,400	0.2471		NB Left	847	2	3,400	0.2491
NB Thru	0	0	0	0.0000		NB Thru	0	0	0	0.0000
NB Right	350	1	1,700	0.2059		NB Right	350	1	1,700	0.2059
SB Left	0	0	0	0.0000		SB Left	0	0	0	0.0000
SB Thru	0	0	0	0.0000		SB Thru	0	0	0	0.0000
SB Right	0	0	0	0.0000		SB Right	0	0	0	0.0000
EB Left	660	2	3,400	0.1941		EB Left	662	2	3,400	0.1947
EB Thru	2,040	3	5,100	0.4000		EB Thru	2,045	3	5,100	0.4010
EB Right	0	0	0	0.0000		EB Right	0	0	0	0.0000
WB Left	0	0	0	0.0000		WB Left	0	0	0	0.0000
WB Thru	1,940	2.5	6,800	0.4500		WB Thru	1,943	2.5	6,800	0.4504
WB Right	1,120	1.5	0	0.0000		WB Right	1,120	1.5	0	0.0000
Clearance Interval				0.0500		Clearance Interval				0.0500
ICU				0.9412		ICU				0.9442
LOS				E		LOS				E

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.
 Capacity expressed in vehicles per hour of green
 Maximum capacity per lane is 1,700
 Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: State College Blvd & Birch St

LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	70	2	3,400	0.0206	NB Left	70	2	3,400	0.0206
NB Thru	240	2	3,400	0.0706	NB Thru	241	2	3,400	0.0709
NB Right	200	1	1,700	0.1176	NB Right	201	1	1,700	0.1182
SB Left	590	2	3,400	0.1735	SB Left	594	2	3,400	0.1747
SB Thru	420	2	3,400	0.2118	SB Thru	422	2	3,400	0.2129
SB Right	300	1	1,700	0.2529	SB Right	302	1	1,700	0.2547
EB Left	130	2	3,400	0.0382	EB Left	131	2	3,400	0.0385
EB Thru	690	2	3,400	0.2382	EB Thru	691	2	3,400	0.2385
EB Right	120	1	1,700	0.2941	EB Right	120	1	1,700	0.2959
WB Left	380	2	3,400	0.1118	WB Left	383	2	3,400	0.1126
WB Thru	600	2	3,400	0.2912	WB Thru	605	2	3,400	0.2938
WB Right	390	1	1,700	0.2294	WB Right	394	1	1,700	0.2318
Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.6441	ICU				0.6467
LOS				B	LOS				B

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.

Capacity expressed in vehicles per hour of green

Maximum capacity per lane is 1,700

Maximum Capacity for Dual Left-Turn Lanes is 3,400

Used existing lane configuration for analysis.

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: State College Blvd & Birch St

LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	130	2	3,400	0.0382	NB Left	130	2	3,400	0.0382
NB Thru	680	2	3,400	0.2000	NB Thru	682	2	3,400	0.2006
NB Right	180	1	1,700	0.1059	NB Right	183	1	1,700	0.1076
SB Left	460	2	3,400	0.1353	SB Left	465	2	3,400	0.1368
SB Thru	480	2	3,400	0.2412	SB Thru	482	2	3,400	0.2421
SB Right	340	1	1,700	0.3529	SB Right	341	1	1,700	0.3547
EB Left	260	2	3,400	0.0765	EB Left	262	2	3,400	0.0771
EB Thru	850	2	3,400	0.3294	EB Thru	854	2	3,400	0.3306
EB Right	270	1	1,700	0.3353	EB Right	270	1	1,700	0.3365
WB Left	300	2	3,400	0.0882	WB Left	302	2	3,400	0.0888
WB Thru	890	2	3,400	0.3676	WB Thru	893	2	3,400	0.3700
WB Right	360	1	1,700	0.2118	WB Right	365	1	1,700	0.2147
Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.8029	ICU				0.8068
LOS				D	LOS				D

Notes:

Key conflicting movements as a part of ICU indicated in **bold**.

Capacity expressed in vehicles per hour of green

Maximum capacity per lane is 1,700

Maximum Capacity for Dual Left-Turn Lanes is 3,400

Used existing lane configuration for analysis.

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Associated Rd & Birch St

LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	280	2	3,400	0.0824	NB Left	291	2	3,400	0.0856
NB Thru	30	1	1,700	0.0176	NB Thru	32	1	1,700	0.0188
NB Right	290	1	1,700	0.1706	NB Right	300	1	1,700	0.1765
SB Left	40	1	1,700	0.0235	SB Left	40	1	1,700	0.0235
SB Thru	50	1	1,700	0.0412	SB Thru	50	1	1,700	0.0412
SB Right	20	0	0	0.0000	SB Right	20	0	0	0.0000
EB Left	10	1	1,700	0.0059	EB Left	10	1	1,700	0.0059
EB Thru	1,030	2	3,400	0.4118	EB Thru	1,030	2	3,400	0.4126
EB Right	370	0	0	0.0000	EB Right	373	0	0	0.0000
WB Left	270	2	3,400	0.0794	WB Left	273	2	3,400	0.0803
WB Thru	920	2	3,400	0.2735	WB Thru	920	2	3,400	0.2735
WB Right	10	0	0	0.0000	WB Right	10	0	0	0.0000
Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.6648	ICU				0.6697
LOS				B	LOS				B

Notes:

- Key conflicting movements as a part of ICU indicated in **bold**.
- Capacity expressed in vehicles per hour of green
- Maximum capacity per lane is 1,700
- Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Associated Rd & Birch St

LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
Movement	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio
NB Left	430	2	3,400	0.1265	NB Left	436	2	3,400	0.1282
NB Thru	30	1	1,700	0.0176	NB Thru	31	1	1,700	0.0182
NB Right	360	1	1,700	0.2118	NB Right	365	1	1,700	0.2147
SB Left	10	1	1,700	0.0059	SB Left	10	1	1,700	0.0059
SB Thru	30	1	1,700	0.0235	SB Thru	32	1	1,700	0.0247
SB Right	10	0	0	0.0000	SB Right	10	0	0	0.0000
EB Left	30	1	1,700	0.0176	EB Left	30	1	1,700	0.0176
EB Thru	1,010	2	3,400	0.3853	EB Thru	1,010	2	3,400	0.3882
EB Right	300	0	0	0.0000	EB Right	310	0	0	0.0000
WB Left	270	2	3,400	0.0794	WB Left	279	2	3,400	0.0821
WB Thru	970	2	3,400	0.2941	WB Thru	970	2	3,400	0.2941
WB Right	30	0	0	0.0000	WB Right	30	0	0	0.0000
Clearance Interval				0.0500	Clearance Interval				0.0500
ICU				0.6647	ICU				0.6732
LOS				B	LOS				B

Notes:
 Key conflicting movements as a part of ICU indicated in **bold**.
 Capacity expressed in vehicles per hour of green
 Maximum capacity per lane is 1,700
 Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Valencia Ave & Birch St

Movement	LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	
NB Left	50	1	1,700	0.0294	NB Left	52	1	1,700	0.0306	
NB Thru	160	2	3,400	0.0588	NB Thru	166	2	3,400	0.0612	
NB Right	40	0	0	0.0000	NB Right	42	0	0	0.0000	
SB Left	500	1	1,700	0.2941	SB Left	500	1	1,700	0.2941	
SB Thru	1,250	2	3,400	0.4029	SB Thru	1,252	2	3,400	0.4035	
SB Right	120	0	0	0.0000	SB Right	120	0	0	0.0000	
EB Left	40	2	3,400	0.0118	EB Left	40	2	3,400	0.0118	
EB Thru	790	2	3,400	0.2676	EB Thru	790	2	3,400	0.2679	
EB Right	120	0	0	0.0000	EB Right	121	0	0	0.0000	
WB Left	10	1	1,700	0.0059	WB Left	11	1	1,700	0.0065	
WB Thru	510	2	3,400	0.1500	WB Thru	510	2	3,400	0.1500	
WB Right	200	1	1,700	0.1176	WB Right	200	1	1,700	0.1176	
Clearance Interval				0.0500	Clearance Interval				0.0500	
ICU				0.7558	ICU				0.7585	
LOS				C	LOS				C	

Notes:

- Key conflicting movements as a part of ICU indicated in **bold**.
- Capacity expressed in vehicles per hour of green
- Maximum capacity per lane is 1,700
- Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

INTERSECTION: Valencia Ave & Birch St

Movement	LONG-RANGE CONDITIONS					LONG-RANGE WITH PROJECT				
	Volume	Lanes	Capacity	V/C Ratio	Movement	Volume	Lanes	Capacity	V/C Ratio	
NB Left	150	1	1,700	0.0882	NB Left	151	1	1,700	0.0888	
NB Thru	890	2	3,400	0.2647	NB Thru	894	2	3,400	0.2662	
NB Right	10	0	0	0.0000	NB Right	11	0	0	0.0000	
SB Left	160	1	1,700	0.0941	SB Left	160	1	1,700	0.0941	
SB Thru	50	2	3,400	0.0235	SB Thru	56	2	3,400	0.0253	
SB Right	30	0	0	0.0000	SB Right	30	0	0	0.0000	
EB Left	170	2	3,400	0.0500	EB Left	170	2	3,400	0.0500	
EB Thru	720	2	3,400	0.2294	EB Thru	720	2	3,400	0.2300	
EB Right	60	0	0	0.0000	EB Right	62	0	0	0.0000	
WB Left	10	1	1,700	0.0059	WB Left	12	1	1,700	0.0071	
WB Thru	330	2	3,400	0.0971	WB Thru	330	2	3,400	0.0971	
WB Right	670	1	1,700	0.3941	WB Right	670	1	1,700	0.3941	
Clearance Interval				0.0500	Clearance Interval				0.0500	
ICU				0.6441	ICU				0.6474	
LOS				B	LOS				B	

Notes:

- Key conflicting movements as a part of ICU indicated in **bold**.
- Capacity expressed in vehicles per hour of green
- Maximum capacity per lane is 1,700
- Maximum Capacity for Dual Left-Turn Lanes is 3,400

V/C Ratio	LOS
≤.60	A
.61 to .7	B
.71 to .8	C
.81 to .9	D
.91 to 1.0	E
>1.0	F

RESOLUTION NO. XXX

A RESOLUTION OF THE BREA CITY COUNCIL APPROVING GENERAL PLAN AMENDMENT NO. 2021-02 FOR IMPLEMENTATION OF THE SIXTH CYCLE HOUSING ELEMENT

A. RECITALS.

(i) On August 19, 2003, the City Council adopted Resolution Nos. 03-73 and 03-74 in connection with General Plan Amendment (“GPA”) No. 01-02 for a comprehensive update of the General Plan. Resolution No. 03-73 certified the General Plan Final Environmental Impact Report (State Clearinghouse Number 2002061051) (General Plan EIR), and Resolution No. 03-74 adopted the General Plan.

(ii) A Housing Element is one of eight General Plan elements mandated by the State of California pursuant to Government Code Section 65302. The City of Brea must comply with state law in updating its Housing Element every eight years. The current eight-year cycle, known as the Sixth Cycle, covers the 2021-2029 planning period.

(iii) On August 24, 2021, the Planning Commission adopted Resolution No. PC 21-10, recommending City Council approval of GPA No. 2021-01 for the Sixth Cycle Housing Element.

(iv) On September 21, 2021, the City Council adopted Resolution No. 2021-053 approving GPA No. 2021-01 to adopt the Sixth Cycle Housing Element.

(v) On August 16, 2022, the City Council adopted Resolution No. 2022-061 approving GPA No. 2022-03 to amend and readopt the Sixth Cycle Housing Element with revisions requested by the California Department of Housing and Community Development (“HCD”).

(vi) On September 8, 2022, HCD certified the readopted Sixth Cycle Housing Element.

(vii) Pursuant to Government Code Section 65583, the City is required to complete a rezoning program for housing sites identified in the Sixth Cycle Housing Element because the City's inventory of housing sites does not provide for sufficient density to fully accommodate the City's Regional Housing Needs Assessment allocation.

(viii) The required rezoning program involves amendments to the General Plan land use designation and the zoning designation of six housing sites ("Project Sites") identified in the Sixth Cycle Housing Element. The Project Sites consist of three Focused Development Sites (# 7, 10, and 13) and three Additional Potential Sites:

a. The three Focused Development sites are generally located in the City as follows:

- #7: Southwest corner of Cypress Street and Brea Boulevard.
- #10: Northwest corner of Fir Street and Brea Boulevard.
- #13: Northeast block of Elm Street and Brea Boulevard.

b. The three Additional Potential Sites are generally located in the City as follows:

- 200 South Associated Road.
- 480 North State College Boulevard.
- A southern portion of 275 Valencia Avenue.

(ix) The required rezoning program will be implemented by proposed GPA No. 2021-02 and by proposed Zone Change ("ZC") No. 2021-01 (collectively, the "Project").

(x) GPA No. 2021-02 will amend the General Plan land use designation of the Project Sites as follows:

	<u>Existing General</u> <u>Plan Land Use</u> <u>Designation</u>	<u>Proposed General</u> <u>Plan Land Use</u> <u>Designation</u>
• Focused Development Site #7	General Commercial	Mixed Use I
• Focused Development Site #10	Mixed Use III	Mixed Use I
• Focused Development Site #13	General Commercial	Mixed Use III
• Additional Potential Site (200 South Associated Rd.)	Low Density Residential	High Density Residential
• Additional Potential Site (480 North State College Blvd.)	Low Density Residential	Mixed Use II
• Additional Potential Site (Southern Portion of 275 Valencia Ave.)	Light Industrial	Mixed Use II

(xi) On September 27, 2022, the Planning Commission adopted Resolution No. PC 2022-XX recommending City Council approval of the Project.

(xii) On October 18, 2022, the City Council held a duly noticed public hearing on the Project during which it received and considered all evidence and testimony presented.

(xiii) On November 15, 2022, the City Council further considered all evidence and testimony presented.

(xiv) Pursuant to California Environmental Quality Act Guidelines, an Addendum to the General Plan EIR has been prepared for the Project. By adoption of a separate resolution, the City Council has adopted the Addendum prepared for the Project.

(xv) All legal prerequisites to the adoption of this Resolution have occurred.

B. RESOLUTION.

NOW THEREFORE, the City Council finds, determines, and resolves as follows:

1. All facts set forth in the Recitals are true and correct.

2. Based on the facts set forth above, and based on the entirety of the evidence presented at the above-referenced public hearings, the City Council finds as follows:

a. GPA No. 2021-02 implements the Sixth Cycle Housing Element by amending the General Plan land use designation of the Project Sites in order to align the permitted uses and densities of the Project Sites with the Housing Element, thereby providing expanded opportunities for potential housing developments at the Project Sites, which can include affordable housing. As such, GPA No. 2021-02 is consistent with the following goals, policies, and provisions of the General Plan:

i. General Plan Goal CD-1: "Provide a balance of land uses to meet the present and future needs of all residents."

ii. General Plan Policy CD-1.5: "Provide opportunities for development of housing that responds to diverse community needs in terms of density, size, location, design, and cost."

iii. General Plan Housing Element Goal 2.0: "Assist in the provision of adequate housing to meet the needs of the community. Establish a balanced approach to meeting housing needs that includes the needs of both renter and owner households."

iv. General Plan Housing Element Goal 3.0: "Provide adequate housing sites through appropriate land use, zoning, and specific plan designations to accommodate Brea's share of regional housing growth needs."

b. Approval of GPA 2021-02 would not be detrimental to the public interest, health, safety, convenience, or welfare of the City. During the Sixth Cycle Housing Element adoption process, the Project Sites have been thoroughly analyzed for

their suitability to accommodate future housing developments, where various factors and constraints were considered pursuant to state law. In addition, any future projects that are proposed at the Project Sites will require a separate City review.

c. Approval of GPA 2021-02 would be in the public interest and would not be detrimental to the use of land in any adjacent zone, as the proposed General Plan land use designation changes are to encourage future housing developments, which would consist of different forms of residential uses. The surrounding areas of the Project Sites consist of other residential uses and other mixes of uses such as neighborhood serving commercial, which are compatible with residential uses that the proposed GPA is intended to encourage.

3. Based on the findings set forth above, the City Council hereby approves GPA 2021-02 to change the General Plan land use designation of the Project Sites as specified in Paragraph (x) of Section A of this Resolution.

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

APPROVED AND ADOPTED this _____ day of _____, 2022.

Cecilia Hupp
Mayor

ATTEST:

Lillian Harris-Neal
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea, held on the ___ day of _____, 2022 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

Dated: _____

Lillian Harris-Neal
City Clerk

DRAFT

ORDINANCE NO. XXXX

**AN ORDINANCE OF THE CITY OF BREA APPROVING ZONE CHANGE
NO. 2021-01 FOR IMPLEMENTATION OF THE SIXTH CYCLE HOUSING
ELEMENT**

THE CITY COUNCIL OF THE CITY OF BREA DOES ORDAIN AS FOLLOWS:

A. RECITALS.

(i) On August 19, 2003, the City Council adopted Resolution Nos. 03-73 and 03-74 in connection with General Plan Amendment (“GPA”) No. 01-02 for a comprehensive update of the General Plan. Resolution No. 03-73 certified the General Plan Final Environmental Impact Report (State Clearinghouse Number 2002061051) (General Plan EIR), and Resolution No. 03-74 adopted the General Plan.

(ii) A Housing Element is one of eight General Plan elements mandated by the State of California pursuant to Government Code Section 65302. The City of Brea must comply with state law in updating its Housing Element every eight years. The current eight-year cycle, known as the Sixth Cycle, covers the 2021-2029 planning period.

(iii) On August 24, 2021, the Planning Commission adopted Resolution No. PC 21-10, recommending City Council approval of GPA No. 2021-01 for the Sixth Cycle Housing Element.

(iv) On September 21, 2021, the City Council adopted Resolution No. 2021-053 approving GPA No. 2021-01 to adopt the Sixth Cycle Housing Element.

(v) On August 16, 2022, the City Council adopted Resolution No. 2022-061 approving GPA No. 2022-03 to amend and readopt the Sixth Cycle Housing Element with revisions requested by the California Department of Housing and Community Development (“HCD”).

(vi) On September 8, 2022, HCD certified the readopted Sixth Cycle Housing Element.

(vii) Pursuant to Government Code Section 65583, the City is required to complete a rezoning program for housing sites identified in the Sixth Cycle Housing Element because the City's inventory of housing sites does not provide for sufficient density to fully accommodate the City's Regional Housing Needs Assessment allocation.

(viii) The required rezoning program involves amendments to the General Plan land use designation and the zoning designation of six housing sites ("Project Sites") identified in the Sixth Cycle Housing Element. The Project Sites consist of three Focused Development Sites (# 7, 10, and 13) and three Additional Potential Sites:

- a. The three Focused Development sites are generally located in the City as follows:
 - #7: Southwest corner of Cypress Street and Brea Boulevard.
 - #10: Northwest corner of Fir Street and Brea Boulevard.
 - #13: Northeast block of Elm Street and Brea Boulevard.
- b. The three Additional Potential Sites are generally located in the City as follows:
 - 200 South Associated Road.
 - 480 North State College Boulevard.
 - A southern portion of 275 Valencia Avenue.

(ix) The required rezoning program will be implemented by proposed GPA No. 2021-02 and by proposed Zone Change ("ZC") No. 2021-01 (collectively, the "Project").

(x) ZC No. 2021-01 will amend the zoning designation of the Project Sites as follows:

	<u>Existing Zoning</u>	<u>Proposed Zoning</u>
	<u>Designation</u>	<u>Designation</u>
• Focused Development Site #7	C-G	MU-I
• Focused Development Site #10	MU-III	MU-I
• Focused Development Site #13	C-G	MU-III
• Additional Potential Site (200 South Associated Rd.)	R-1	R-3
• Additional Potential Site (480 North State College Blvd.)	R-1	MU-II
• Additional Potential Site (Southern Portion of 275 Valencia Ave.)	M-1	MU-II

(xi) On September 27, 2022, the Planning Commission adopted Resolution No. PC 2022-XX recommending City Council approval of the Project.

(xii) On October 18, 2022, the City Council held a duly noticed public hearing on the Project during which it received and considered all evidence and testimony presented.

(xiii) On November 15, 2022, the City Council further considered all evidence and testimony presented.

(xiv) Based on the entirety of the evidence presented at the above-referenced public hearings, the City Council finds as follows:

a. The proposed zoning designation of the Project Sites is in conformity with the General Plan as amended by GPA No. 2021-02. Approval of ZC No. 2021-01 will therefore align the Zoning Map with the General Plan. The Project also is consistent with other goals, policies, and provisions of the General Plan as set forth in the resolution approving GPA No. 2021-02.

b. The Project Sites are suitable for the uses permitted in the proposed zones. During the City's Sixth Cycle Housing Element adoption process, the Project Sites have been thoroughly analyzed for their suitability to accommodate future housing

developments, where various factors and constraints were considered pursuant to the State law requirements related to housing sites.

c. Approval of ZC No. 2021-01 would not be detrimental to the use of land in any adjacent zone, as the proposed zoning designation changes are to encourage future housing developments, which would consist of different forms of residential uses. The surrounding areas of the Project Sites consist of other residential uses and other mixes of uses such as neighborhood serving commercial, which are compatible with residential uses that the proposed Zone Change is intended to encourage.

(xv) Pursuant to California Environmental Quality Act Guidelines, an Addendum to the General Plan EIR has been prepared for the Project. By adoption of a separate resolution, the City Council has adopted the Addendum prepared for the Project.

(xvi) All legal prerequisites to the adoption of this Ordinance have occurred.

B. ORDINANCE.

1. All facts set forth in the Recitals are true and correct.
2. The City Council approves ZC No. 2021-01 to change the zoning designation of the Project Sites as specified in Paragraph (x) of Section A of this Ordinance. The Zoning Map is hereby amended to incorporate the approval of ZC No. 2021-01.
3. The City Clerk shall certify to the adoption of this Ordinance.

APPROVED AND ADOPTED this _____ day of _____, 2022.

Cecilia Hupp
Mayor

ATTEST: _____
Lillian Harris-Neal

City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Brea, held on the ___ day of _____, 2022, and was finally passed at a regular meeting of the City Council of the City of Brea on the ___ day of _____, 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAINED: COUNCIL MEMBERS:

Dated: _____

Lillian Harris-Neal
City Clerk

DRAFT

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Bill Gallardo, City Manager

DATE: 10/18/2022

SUBJECT: GENERAL PLAN AMENDMENT NO. 2021-02 AND ZONE CHANGE NO. 2021-01: TO AMEND THE GENERAL PLAN LAND USE AND ZONING DESIGNATIONS OF THREE HOUSING OPPORTUNITY SITES AND THREE ADDITIONAL POTENTIAL SITES IDENTIFIED IN THE CITY'S 6th CYCLE HOUSING ELEMENT, AS PART OF THE HOUSING ELEMENT IMPLEMENTATION EFFORT.

RECOMMENDATION

Staff recommends that the City Council take the following actions:

1. Adopt a Resolution (Attachment A) adopting the addendum to the previously certified Environmental Impact Report (EIR) for the 2003 General Plan and determine that an addendum to the previously certified Environmental Impact Report (EIR) for the 2003 General Plan is the appropriate environmental documentation for the Project under the California Environmental Quality Act (CEQA) and that the addendum adequately analyzed all potential impacts of the Project;
2. Adopt a Resolution (Attachment B) approving General Plan Amendment No. 2021-02 to amend the General Plan Land Use designations of the six Project sites;
3. Introduce by title only and waive further reading of an Ordinance (Attachment C) approving Zone Change No. 2021-01 to amend the zoning designations of the six Project sites; and
4. Schedule adoption of aforementioned Ordinance at the next regular City Council meeting.

BACKGROUND/DISCUSSION

The Housing Element is a State-mandated chapter of the Brea General Plan that addresses the City's identified housing needs. The Housing Element describes, identifies, and analyzes the City's housing needs and addresses the maintenance and expansion of the housing supply to accommodate the households that currently live and/or may live in Brea in an eight-year planning period. The current planning period is referred to as 6th Cycle, and covers the period between 2021 and 2029. The City's 6th Cycle Housing Element was certified by the State on September 8, 2022.

The Project proposes to amend the General Plan and Zoning designations of six housing sites identified in the City's 6th Cycle Housing Element. The subject housing sites include three Housing Opportunity Sites (Focused Development Sites #7, 10 and 13) and all three Additional Potential Sites (southern portion of 275 Valencia Avenue, 200 S. Associated Road, and 480 N. State College Boulevard). The purpose of the proposed General Plan Amendment and Zone Change is to implement the City's 6th Cycle Housing Element and comply with the State law, which requires jurisdictions to complete a rezoning Program if a jurisdiction's identified housing

sites do not provide for sufficient density to fully accommodate its Regional Housing Needs Allocation obligation to implement the City's Housing Element. The proposed project requires the following entitlements:

1. General Plan Amendment No. 2021-02: to amend the General Plan Land Use designations of the subject six housing sites; and
2. Zone Change No. 2021-01: to amend the zoning designations of the subject six housing sites.

Attachment 1 to this report is a comprehensive staff report that describes details of the proposed General Plan Amendment and Zone Change.

COMMISSION/COMMITTEE RECOMMENDATION

On September 27, 2022, the Planning Commission, on 5-0-0 vote, approved a resolution recommending approval of the Project. A total of 13 local residents spoke at this Planning Commission public hearing. Majority of the speakers spoke in opposition of the Project, mainly citing concerns related to potential impacts on traffic, water supply, schools, quality of life, and noise.

FISCAL IMPACT/SUMMARY

The costs to process and implement the Project are included in the FY2022/2023 Community Development Department budget.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Joanne Hwang, ACIP, City Planner

Concurrence: Jason Killebrew, Community Development Director

Attachments

1. Staff Report
 - A. CEQA Resolution
 - B. GPA Resolution
 - C. Zone Change Ordinance
 - D. Summary of 6th Cycle HE Process
 - E. Project Sites Details
 - F. Addendum
 - G. September 27, 2022 Planning Commission Draft Meeting Minutes
 - H. Public Hearing Notice
-

City of Brea

City Council

Staff Report

Meeting Date: 10/18/2022

TO: Honorable Mayor and Council Members

FROM: Jason Killebrew, Community Development Director

SUBJECT: GENERAL PLAN AMENDMENT NO. 2021-02 AND ZONE CHANGE NO. 2021-01: TO AMEND THE GENERAL PLAN LAND USE AND ZONING DESIGNATIONS OF THREE HOUSING OPPORTUNITY SITES AND THREE ADDITIONAL POTENTIAL SITES IDENTIFIED IN THE CITY'S 6th CYCLE HOUSING ELEMENT, AS PART OF THE HOUSING ELEMENT IMPLEMENTATION EFFORT.

EXECUTIVE SUMMARY

As part of the City's 6th Cycle Housing Element implementation, this is a City initiated request to amend the General Plan Land Use and zoning designations of six housing sites identified in the City's 6th Cycle Housing Element (Housing Element). The subject housing sites include three Housing Opportunity Sites (Focused Development Sites #7, 10 and 13) and all three Additional Potential Sites (southern portion of 275 Valencia Avenue, 200 S. Associated Road, and 480 N. State College Boulevard). The following entitlements are required:

- 1) General Plan Amendment No. 2021-02: to amend the General Plan Land Use designations of the subject six housing sites; and
- 2) Zone Change No. 2021-01: to amend the zoning designations of the subject six housing sites.

Collectively, the aforementioned entitlements herein are referred to as the "Project."

RECOMMENDATION

Staff recommends that the City Council take the following actions:

1. Adopt a Resolution (Attachment A) adopting the addendum to the previously certified Environmental Impact Report (EIR) for the 2003 General Plan and determine that an addendum to the previously certified Environmental Impact Report (EIR) for the 2003 General Plan is the appropriate environmental documentation for the Project under the California Environmental Quality Act (CEQA) and that the addendum adequately analyzed all potential impacts of the Project;
2. Adopt a Resolution (Attachment B) approving General Plan Amendment No. 2021-02 to amend the General Plan Land Use designations of the six Project sites;
3. Introduce by title only and waive further reading of an Ordinance (Attachment C) approving Zone Change No. 2021-01 to amend the zoning designations of the six Project sites; and
4. Schedule adoption of aforementioned Ordinance at the next regular City Council meeting.

BACKGROUND

Housing Element

The Housing Element is a State-mandated chapter of the Brea General Plan that addresses the City's identified housing needs. The Housing Element describes, identifies, and analyzes the City's housing needs and addresses the maintenance and expansion of the housing supply to accommodate the households that currently live and/or may live in Brea in an eight-year planning period. The current planning period is referred to as 6th Cycle, and covers the period between 2021 and 2029. In compliance with the State law, the City Council adopted the City's 6th Cycle Housing Element on September 21, 2021. Subsequently, the City's Housing Element was revised to address HCD's comments, and the City Council re-adopted the Housing Element on August 16, 2022. On September 8, 2022, the City received HCD's final certification on the re-adopted Housing Element. The City's final certified Housing Element and the HCD's certification letter can be found on the City's website: <https://shapebrea.net/housing-element-update>. Overall, the City's 6th Cycle Housing Element update process, which was conducted concurrently with the Safety Element update, was a two-year process that was community based, which included multiple activities and opportunities for the Brea community to be involved and provide input. Summary of the Housing Element update process is Attachment D.

One of the main purposes of the Housing Element is to identify available housing sites, or "Housing Opportunity Sites," to accommodate the City's Regional Housing Needs Assessment (RHNA) allocation. The RHNA allocation represents the number of housing units that is determined to be necessary to accommodate the City's projected population growth in a planning period. In identifying such sites, the City is required to analyze various factors, which includes, but not limited to, existing condition of the sites (i.e. vacant vs. non-vacant), realistic density assumptions based on past development history and development potential and parcel sizes. The City also must demonstrate that the selected housing sites are consistent with the Affirmatively Furthering Fair Housing (AFFH) law by conducting an assessment of fair housing (i.e. segregation and integration, racially and ethnically concentrated areas of poverty and affluence, access to opportunity, etc.). Generally, the selected housing sites must be reasonably dispersed throughout the City and cannot be concentrated in one area. As such, during the 6th Cycle Housing Element update process, the City carefully analyzed all potential housing sites pursuant to all applicable State laws and ultimately identified 22 Housing Opportunity Sites and three Additional Potential Sites. As evidenced by HCD's certification, the City's Housing Element complies with various State law requirements (including AFFH) related to housing sites with these 25 housing sites identified in the Housing element.

In addition to identifying housing sites, the City's Housing Element includes 25 housing programs that is intended to implement the Housing Element. Among the 25 programs, Program No. 17 specifically addresses Fair Housing and AFFH, and includes action items such as adopting rezoning to provide geographically dispersed sites in 2022 to foster a more inclusive community, and providing new housing opportunities in the City's high resource area (eastern Brea).

Required Rezoning Program

If a jurisdiction's identified Housing Opportunity Sites do not provide for sufficient density to fully accommodate its RHNA obligation, the State law requires such jurisdiction to amend the General Plan Land Use and/or zoning designations of such housing sites to increase allowable density within certain timeline. This requirement is commonly referred to as Housing Element rezone program (Rezone Program). For the current planning period (6th Cycle), the statutory deadline for the City to complete the required Rezoning Program is February 15, 2025 as the City received HCD's certification on its adopted Housing Element prior to October 15, 2022. However, it is staff's intent to complete the required Rezoning Program in an expedited manner in an effort to reaffirm

the City’s commitment in providing opportunities for housing production and to comply with the timeline identified in the Housing Element.

Project Sites

The City’s Housing Element includes 22 Housing Opportunity Sites to accommodate the City’s RHNA allocation. In identifying the housing sites, the Housing Element also assumed anticipated net unit potential for each site based on existing conditions and context of the surrounding neighborhood. Among the 22 Housing Opportunity Sites, 17 sites are identified as “Focused Development Sites,” which are groupings of contiguous parcels that were determined to have high potential for development during the current planning period. These 17 sites are either located in or would be rezoned to one of mixed-use zoning districts. Three of the Focused Development Sites (#s 7, 10 and 13) currently do not have a mixed-use General Plan and zoning designations and therefore require amendments to their General Plan and zoning designations. In addition, the Housing Element identifies three additional housing sites called “Additional Potential Sites,” which are determined to have strong potential for residential development based on available information. These three sites are located at southern portion of 275 Valencia Avenue (separate parcel), 200 S. Associated Road, and 480 N. State College Boulevard, and also require amendments to their General Plan and Zoning designations to support the anticipated density. Combined, the housing sites listed in the Housing Element were identified to demonstrate City’s commitment to encourage housing and furthering AFFH.

The existing General Plan and Zoning designations of the Project sites, along with land uses and zoning designations of surrounding area are provided in Table 1 below. A detailed description of the Project sites, including vicinity maps, is provided as Attachment E.

Table 1. Surrounding Land Uses and Zoning Designations

	Project Sites			Surrounding Areas	
	Address/Location	Type	Existing General Plan and Zoning Designation	Surrounding Land Uses	Surrounding Zoning Designations
1	SW corner of Cypress Street and Brea Boulevard	Focused Development Site 7	General Commercial; C-G	Mix of commercial and residential uses	C-G; MU-I; R-1; R-3
2	NW corner of Fir Street and Brea Boulevard	Focused Development Site 10	Mixed Use III; MU-III	Mix of commercial and residential uses	MU-III; R-1; R-3
3	NE block of Elm Street and Brea Boulevard	Focused Development Site 13	General Commercial; C-G	City Hall park, mix of commercial and residential uses	P/R/OS-PR; MU-III; R-1; R-2
4	Southern portion of 275 Valencia Avenue	Additional Potential Site	Light Industrial; M-1	Mix of light industrial and residential uses, Brea Sports Park	P/R/OS-PR; M-1; MU-II
5	200 S. Associated Road	Additional Potential Site	Low Density Residential; R-1	Residential uses, Birch Hills Golf Course	R-1; R-2; R-3
6	480 N. State College Boulevard	Additional Potential Site	Low Density Residential; R-1	Mix of light industrial, residential, commercial and office uses	R-1, PF, MU-II, M-1

DISCUSSION

The Project proposes to amend the General Plan and Zoning designations of three Focused Development Sites and three Additional Potential Sites. The purpose of the Project is to comply

with the State law, which requires jurisdictions to complete a Rezoning Program if a jurisdiction's identified Housing Opportunity Sites do not provide for sufficient density to fully accommodate its RHNA obligation to implement the City's Housing Element. The details of the impacted housing sites, the proposed General Plan amendment and Zone change and the anticipated net unit potential for such sites as identified in the Housing Element are provided in Table 2 below.

Table 2: Proposed Project

	Site		Existing General Plan Land Use and Zoning Designations	Proposed General Plan Land Use and Zoning Designations	Anticipated Net Unit Potential per the Housing Element
	Address	Type			
1	SW corner of Cypress Street and Brea Boulevard	Focused Development Site 7*	General Commercial; General Commercial (C-G)	Mixed Use I; Mixed-Use I (MU-I)	57
2	NW corner of Fir Street and Brea Boulevard	Focused Development Site 10*	Mixed Use III; Mixed-Use III (MU-III)	Mixed Use I; Mixed-Use I (MU-I)	32
3	NE block of Elm Street and Brea Boulevard	Focused Development Site 13	General Commercial; General Commercial (C-G)	Mixed Use III; Mixed-Use III (MU-III)	33
4	Southern portion of 275 Valencia Avenue	Additional Potential Site	Light Industrial; Light Industrial (M-1)	Mixed-Use; Mixed-Use II (MU-II)	75
5	200 S. Associated Road	Additional Potential Site	Low Density Residential; Single Family Residential (R-1)	High Density Residential; Multiple Family Residential (R-3)	60
6	480 N. State College Boulevard	Additional Potential Site	Low Density Residential; Single Family Residential (R-1)	Mixed Use II; Mixed-Use II (MU-II)	54

*Focused Development Sites #s 7 and 10 are identified to be suitable to address Brea's lower income RHNA

It should be noted that the Project does not include any housing development project proposal at this time. The Project is limited to amending the General Plan and Zoning designations of these sites, with an intent to facilitate future housing developments. Any future development on these sites will require a separate City review.

ANALYSIS

General Plan Amendment No. 2021-02 and Zone Change 2021-01: Housing Element Rezone Program

The Project proposes to amend the General Plan Land Use and Zoning designations of the Project sites as described under the Project Descriptions section above. The Project is consistent with the City's General Plan goals and policies. Specifically, the Project is consistent with Goal 3.0 of the Housing Element, to "provide adequate housing sites through appropriate land use, zoning, and specific plan designations to accommodate Brea's share of regional housing growth needs." In addition, the Project implements the Housing Program #8: Housing Opportunity Sites and Rezone Program of the City's Housing Element, which requires the City to adopt the zone changes identified in the Housing Element to address RHNA shortfall by the end of 2022. As proposed, the Project is not anticipated to negatively affect the health and safety of the surrounding neighborhood of the respective Project sites. The proposed General Plan Land Use and zoning designations of the Project sites are compatible with existing General Plan Land Use

and Zoning designations and land uses within the surrounding areas of the Project sites, which include a mix of residential and commercial uses. In addition, the Housing Element considered the existing conditions and context of surrounding area when determining the anticipated net unit potential for each housing site to ensure compatibility with the surrounding areas.

ENVIRONMENTAL ASSESSMENT

The Project has been assessed in accordance with the California Environmental Quality Act (CEQA) Guidelines and the environmental regulations of the City. In 2003, the City Council certified Final Environmental Impact Report (EIR) for the 2003 General Plan (State Clearinghouse Number 2002061051). Pursuant to CEQA Guidelines Sections 15162 and 15164, an addendum to the previously certified EIR for the 2003 General Plan has been prepared to evaluate the potential environmental effects of the proposed General Plan Amendment and Zone Change for the six Project sites, including the impact of the anticipated net unit potential for each site. An addendum to a previously certified EIR may be prepared if only minor technical changes or additions are necessary but none of the conditions described in CEQA Guidelines Section 15162 calling for a subsequent EIR have occurred.

The Addendum analyzed whether the environmental effects from the Project would be any different from those disclosed by the 2003 General Plan EIR. The Addendum concluded that based on the analysis conducted, there are no changes in the circumstances under which the Proposed Project is being undertaken, or any new information of substantial importance that was not known to the lead agency at the time the 2003 General Plan EIR was certified, that trigger any of the conditions identified in CEQA Guidelines Section 15162, which would require a subsequent CEQA document. Most importantly, the Addendum concluded that the Project would not result in any environmental impacts beyond those identified in the previously certified EIR. The Addendum prepared for the Project is Attachment F to this report.

PLANNING COMMISSION RECOMMENDATION

On September 27, 2022, the Planning Commission, on 5-0-0 vote, approved a resolution recommending approval of the Project. A total of 13 local residents spoke at this Planning Commission public hearing. Majority of the speakers spoke in opposition of the Project, mainly siting concerns related to potential impacts on traffic, water supply, schools, quality of life, and noise. The September 27, 2022 Planning Commission meeting minutes is Attachment G.

PUBLIC NOTICE

This Project was noticed in accordance with the City's public noticing requirements, which involved mailed notices sent to property owners within 500-feet of the Project sites, and publication in the Brea Star-Progress. The public hearing notice for this Project is provided as Attachment H. As of the writing of this report, staff has received several inquiries requesting additional information.

FISCAL IMPACT/SUMMARY

The costs to process and implement the Project are included in the FY2022/2023 Community Development Department budget.

CONCLUSION

For the reasons discussed above and the information attached to this report, the Project implements the City's recently adopted 6th Cycle Housing Element, complies with the State law requirements, and is consistent with goals and policies of the General Plan, and therefore would not have an adverse effect on the public health, safety, or general welfare. Therefore, staff recommends approval of the Project.

RESPECTFULLY SUBMITTED:

Prepared by: Joanne Hwang, AICP, City Planner
Concurrence: Jason Killebrew, Community Development Director

ATTACHMENTS

- A. Draft Resolution for addendum
- B. Draft Resolution for GPA No. 2021-02
- C. Draft Ordinance for ZC No. 2021-01
- D. Summary of Housing Element Adoption Process
- E. Project Site Details
- F. Addendum to the 2003 General Plan EIR
- G. September 27, 2022 Planning Commission Meeting Minutes
- H. Notice of Public Hearing

RESOLUTION NO. XXX

A RESOLUTION OF THE BREA CITY COUNCIL ADOPTING AN ADDENDUM TO THE 2003 GENERAL PLAN FINAL ENVIRONMENTAL IMPACT REPORT

A. RECITALS.

(i) On August 19, 2003, pursuant to the California Environmental Quality Act (“CEQA”), the City Council adopted Resolution No. 03-73 certifying Final Environmental Impact Report No. EIR 01-01 (“General Plan EIR”) (State Clearinghouse Number 2002061051) for the City of Brea General Plan Project.

(ii) The City has caused a General Plan EIR Addendum (“Addendum”) to be prepared for proposed General Plan Amendment No. 2021-02 and proposed Zone Change No. 2021-01 (collectively, the “Project”) in connection with a rezoning program required to implement the Sixth Cycle Housing Element. The Addendum is attached as Exhibit A and incorporated herein by reference.

(iii) All legal prerequisites to the adoption of this Resolution have occurred.

B. RESOLUTION.

NOW THEREFORE, the City Council finds, determines, and resolves as follows:

1. All facts set forth in the Recitals are true and correct.
2. The findings made in this Resolution are based upon substantial evidence that has been presented to the City Council in the record of proceedings. The documents, staff reports, technical studies, appendices, plans, specifications, and other materials that constitute the record of proceedings on which this Resolution is based are on file and available for public examination during normal business hours in City Hall through the office of the City Clerk, who serves as the custodian of these records.
3. Based on the evaluation contained in the Addendum, there are no substantial changes proposed which will require major revisions of the General Plan EIR,

there are no substantial changes in circumstances which will require major revisions of the General Plan EIR, and there is no new information of substantial importance that was not known to the City at the time the General Plan EIR was certified, that necessitate preparation of a subsequent environmental impact report under the CEQA Guidelines.

4. The Addendum is the appropriate environmental documentation for the Project under the CEQA Guidelines, and the Addendum adequately analyzes all potential impacts of the Project and properly documents the changes to the General Plan EIR to explain the City's decision to not prepare a subsequent EIR.

5. The City Council has independently reviewed and considered the contents of the Addendum prior to deciding whether to approve the Project.

6. The City Council adopts the Addendum.

7. City staff is hereby directed to file a Notice of Determination regarding the Addendum with the County of Orange within five working days of final Project approval.

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

APPROVED AND ADOPTED this _____ day of _____, 2022.

Cecilia Hupp
Mayor

ATTEST: _____
Lillian Harris-Neal
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea, held on the ___ day of _____, 2022 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

Dated: _____

Lillian Harris-Neal
City Clerk

DRAFT

**EXHIBIT A
Addendum**

(attached)

DRAFT

RESOLUTION NO. XXX

A RESOLUTION OF THE BREA CITY COUNCIL APPROVING GENERAL PLAN AMENDMENT NO. 2021-02 FOR IMPLEMENTATION OF THE SIXTH CYCLE HOUSING ELEMENT

A. RECITALS.

(i) On August 19, 2003, the City Council adopted Resolution Nos. 03-73 and 03-74 in connection with General Plan Amendment (“GPA”) No. 01-02 for a comprehensive update of the General Plan. Resolution No. 03-73 certified the General Plan Final Environmental Impact Report (State Clearinghouse Number 2002061051) (General Plan EIR), and Resolution No. 03-74 adopted the General Plan.

(ii) A Housing Element is one of eight General Plan elements mandated by the State of California pursuant to Government Code Section 65302. The City of Brea must comply with state law in updating its Housing Element every eight years. The current eight-year cycle, known as the Sixth Cycle, covers the 2021-2029 planning period.

(iii) On August 24, 2021, the Planning Commission adopted Resolution No. PC 21-10, recommending City Council approval of GPA No. 2021-01 for the Sixth Cycle Housing Element.

(iv) On September 21, 2021, the City Council adopted Resolution No. 2021-053 approving GPA No. 2021-01 to adopt the Sixth Cycle Housing Element.

(v) On August 16, 2022, the City Council adopted Resolution No. 2022-061 approving GPA No. 2022-03 to amend and readopt the Sixth Cycle Housing Element with revisions requested by the California Department of Housing and Community Development (“HCD”).

(vi) On September 8, 2022, HCD certified the readopted Sixth Cycle Housing Element.

(vii) Pursuant to Government Code Section 65583, the City is required to complete a rezoning program for housing sites identified in the Sixth Cycle Housing Element because the City's inventory of housing sites does not provide for sufficient density to fully accommodate the City's Regional Housing Needs Assessment allocation.

(viii) The required rezoning program involves amendments to the General Plan land use designation and the zoning designation of six housing sites ("Project Sites") identified in the Sixth Cycle Housing Element. The Project Sites consist of three Focused Development Sites (# 7, 10, and 13) and three Additional Potential Sites:

a. The three Focused Development sites are generally located in the City as follows:

- #7: Southwest corner of Cypress Street and Brea Boulevard.
- #10: Northwest corner of Fir Street and Brea Boulevard.
- #13: Northeast block of Elm Street and Brea Boulevard.

b. The three Additional Potential Sites are generally located in the City as follows:

- 200 South Associated Road.
- 480 North State College Boulevard.
- A southern portion of 275 Valencia Avenue.

(ix) The required rezoning program will be implemented by proposed GPA No. 2021-02 and by proposed Zone Change ("ZC") No. 2021-01 (collectively, the "Project").

(x) GPA No. 2021-02 will amend the General Plan land use designation of the Project Sites as follows:

	<u>Existing General</u> <u>Plan Land Use</u> <u>Designation</u>	<u>Proposed General</u> <u>Plan Land Use</u> <u>Designation</u>
• Focused Development Site #7	General Commercial	Mixed Use I
• Focused Development Site #10	Mixed Use III	Mixed Use I
• Focused Development Site #13	General Commercial	Mixed Use III
• Additional Potential Site (200 South Associated Rd.)	Low Density Residential	High Density Residential
• Additional Potential Site (480 North State College Blvd.)	Low Density Residential	Mixed Use II
• Additional Potential Site (Southern Portion of 275 Valencia Ave.)	Light Industrial	Mixed Use II

(xi) On September 27, 2022, the Planning Commission adopted Resolution No. PC 2022-XX recommending City Council approval of the Project.

(xii) On October 18, 2022, the City Council held a duly noticed public hearing on the Project during which it received and considered all evidence and testimony presented.

(xiii) Pursuant to California Environmental Quality Act Guidelines, an Addendum to the General Plan EIR has been prepared for the Project. By adoption of a separate resolution, the City Council has adopted the Addendum prepared for the Project.

(xiv) All legal prerequisites to the adoption of this Resolution have occurred.

B. RESOLUTION.

NOW THEREFORE, the City Council finds, determines, and resolves as follows:

1. All facts set forth in the Recitals are true and correct.

2. Based on the facts set forth above, and based on the entirety of the evidence presented at the above-referenced public hearings, the City Council finds as follows:

a. GPA No. 2021-02 implements the Sixth Cycle Housing Element by amending the General Plan land use designation of the Project Sites in order to align the permitted uses and densities of the Project Sites with the Housing Element, thereby providing expanded opportunities for potential housing developments at the Project Sites, which can include affordable housing. As such, GPA No. 2021-02 is consistent with the following goals, policies, and provisions of the General Plan:

i. General Plan Goal CD-1: “Provide a balance of land uses to meet the present and future needs of all residents.”

ii. General Plan Policy CD-1.5: “Provide opportunities for development of housing that responds to diverse community needs in terms of density, size, location, design, and cost.”

iii. General Plan Housing Element Goal 2.0: “Assist in the provision of adequate housing to meet the needs of the community. Establish a balanced approach to meeting housing needs that includes the needs of both renter and owner households.”

iv. General Plan Housing Element Goal 3.0: “Provide adequate housing sites through appropriate land use, zoning, and specific plan designations to accommodate Brea’s share of regional housing growth needs.”

b. Approval of GPA 2021-02 would not be detrimental to the public interest, health, safety, convenience, or welfare of the City. During the Sixth Cycle Housing Element adoption process, the Project Sites have been thoroughly analyzed for their suitability to accommodate future housing developments, where various factors and constraints were considered pursuant to state law. In addition, any future projects that are proposed at the Project Sites will require a separate City review.

c. Approval of GPA 2021-02 would be in the public interest and would not be detrimental to the use of land in any adjacent zone, as the proposed General Plan land use designation changes are to encourage future housing developments, which would consist of different forms of residential uses. The surrounding areas of the Project Sites consist of other residential uses and other mixes of uses such as neighborhood serving commercial, which are compatible with residential uses that the proposed GPA is intended to encourage.

3. Based on the findings set forth above, the City Council hereby approves GPA 2021-02 to change the General Plan land use designation of the Project Sites as specified in Paragraph (x) of Section A of this Resolution.

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

APPROVED AND ADOPTED this _____ day of _____, 2022.

Cecilia Hupp
Mayor

ATTEST:

Lillian Harris-Neal
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea, held on the ___ day of _____, 2022 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

Dated: _____

Lillian Harris-Neal
City Clerk

DRAFT

ORDINANCE NO. XXXX

**AN ORDINANCE OF THE CITY OF BREA APPROVING ZONE CHANGE
NO. 2021-01 FOR IMPLEMENTATION OF THE SIXTH CYCLE HOUSING
ELEMENT**

THE CITY COUNCIL OF THE CITY OF BREA DOES ORDAIN AS FOLLOWS:

A. RECITALS.

(i) On August 19, 2003, the City Council adopted Resolution Nos. 03-73 and 03-74 in connection with General Plan Amendment (“GPA”) No. 01-02 for a comprehensive update of the General Plan. Resolution No. 03-73 certified the General Plan Final Environmental Impact Report (State Clearinghouse Number 2002061051) (General Plan EIR), and Resolution No. 03-74 adopted the General Plan.

(ii) A Housing Element is one of eight General Plan elements mandated by the State of California pursuant to Government Code Section 65302. The City of Brea must comply with state law in updating its Housing Element every eight years. The current eight-year cycle, known as the Sixth Cycle, covers the 2021-2029 planning period.

(iii) On August 24, 2021, the Planning Commission adopted Resolution No. PC 21-10, recommending City Council approval of GPA No. 2021-01 for the Sixth Cycle Housing Element.

(iv) On September 21, 2021, the City Council adopted Resolution No. 2021-053 approving GPA No. 2021-01 to adopt the Sixth Cycle Housing Element.

(v) On August 16, 2022, the City Council adopted Resolution No. 2022-061 approving GPA No. 2022-03 to amend and readopt the Sixth Cycle Housing Element with revisions requested by the California Department of Housing and Community Development (“HCD”).

(vi) On September 8, 2022, HCD certified the readopted Sixth Cycle Housing Element.

(vii) Pursuant to Government Code Section 65583, the City is required to complete a rezoning program for housing sites identified in the Sixth Cycle Housing Element because the City's inventory of housing sites does not provide for sufficient density to fully accommodate the City's Regional Housing Needs Assessment allocation.

(viii) The required rezoning program involves amendments to the General Plan land use designation and the zoning designation of six housing sites ("Project Sites") identified in the Sixth Cycle Housing Element. The Project Sites consist of three Focused Development Sites (# 7, 10, and 13) and three Additional Potential Sites:

- a. The three Focused Development sites are generally located in the City as follows:
 - #7: Southwest corner of Cypress Street and Brea Boulevard.
 - #10: Northwest corner of Fir Street and Brea Boulevard.
 - #13: Northeast block of Elm Street and Brea Boulevard.
- b. The three Additional Potential Sites are generally located in the City as follows:
 - 200 South Associated Road.
 - 480 North State College Boulevard.
 - A southern portion of 275 Valencia Avenue.

(ix) The required rezoning program will be implemented by proposed GPA No. 2021-02 and by proposed Zone Change ("ZC") No. 2021-01 (collectively, the "Project").

(x) ZC No. 2021-01 will amend the zoning designation of the Project Sites as follows:

	<u>Existing Zoning</u>	<u>Proposed Zoning</u>
	<u>Designation</u>	<u>Designation</u>
• Focused Development Site #7	C-G	MU-I
• Focused Development Site #10	MU-III	MU-I
• Focused Development Site #13	C-G	MU-III
• Additional Potential Site (200 South Associated Rd.)	R-1	R-3
• Additional Potential Site (480 North State College Blvd.)	R-1	MU-II
• Additional Potential Site (Southern Portion of 275 Valencia Ave.)	M-1	MU-II

(xi) On September 27, 2022, the Planning Commission adopted Resolution No. PC 2022-XX recommending City Council approval of the Project.

(xii) On October 18, 2022, the City Council held a duly noticed public hearing on the Project during which it received and considered all evidence and testimony presented.

(xiii) Based on the entirety of the evidence presented at the above-referenced public hearings, the City Council finds as follows:

a. The proposed zoning designation of the Project Sites is in conformity with the General Plan as amended by GPA No. 2021-02. Approval of ZC No. 2021-01 will therefore align the Zoning Map with the General Plan. The Project also is consistent with other goals, policies, and provisions of the General Plan as set forth in the resolution approving GPA No. 2021-02.

b. The Project Sites are suitable for the uses permitted in the proposed zones. During the City's Sixth Cycle Housing Element adoption process, the Project Sites have been thoroughly analyzed for their suitability to accommodate future housing developments, where various factors and constraints were considered pursuant to the State law requirements related to housing sites.

c. Approval of ZC No. 2021-01 would not be detrimental to the use of land in any adjacent zone, as the proposed zoning designation changes are to encourage future housing developments, which would consist of different forms of residential uses. The surrounding areas of the Project Sites consist of other residential uses and other mixes of uses such as neighborhood serving commercial, which are compatible with residential uses that the proposed Zone Change is intended to encourage.

(xiv) Pursuant to California Environmental Quality Act Guidelines, an Addendum to the General Plan EIR has been prepared for the Project. By adoption of a separate resolution, the City Council has adopted the Addendum prepared for the Project.

(xv) All legal prerequisites to the adoption of this Ordinance have occurred.

B. ORDINANCE.

1. All facts set forth in the Recitals are true and correct.

2. The City Council approves ZC No. 2021-01 to change the zoning designation of the Project Sites as specified in Paragraph (x) of Section A of this Ordinance. The Zoning Map is hereby amended to incorporate the approval of ZC No. 2021-01.

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

APPROVED AND ADOPTED this _____ day of _____, 2022.

Cecilia Hupp
Mayor

ATTEST:

Lillian Harris-Neal
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Brea, held on the ___ day of _____, 2022, and was finally passed at a regular meeting of the City Council of the City of Brea on the _____ day of _____, 2022, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTAINED:	COUNCIL MEMBERS:

Dated: _____

Lillian Harris-Neal
City Clerk

DRAFT

6th Cycle Housing Element Update Process Summary

Date	Type of Engagement	Description
September 22, 2020	Planning Commission – Study Session	Introduction to Housing Element
November 10, 2020	Planning Commission and City Council – Joint Study Session	Introduction to Housing Element
February 11, 2021	Stakeholder Workshop	Solicit input from community stakeholders
March 23, 2021	Community Workshop	Solicit input from all members of the public
January 19, 2021 to April 18, 2021	Online Survey	Solicit input on the City’s housing priorities and strategies
March 2021	Dream Home Challenge	An activity with community youth to solicit feedback on housing
June 1, 2021	Planning Commission and City Council – Joint Study Session	Solicit feedback on the draft Housing Plan of the Housing Element
June 1, 2021	Release of the draft Housing Element for public review	Solicit comments on the draft Housing Element
July 27, 2021	Planning Commission – Study Session	Informational update on Safety Element
August 16, 2021	Release of the revised draft Housing Element for public review	Solicit comments on the revised draft Housing Element
August 24, 2021	Planning Commission – Public Hearing	Review and recommend an action to the City Council on the Housing Element and Safety Element
August 31, 2021	Planning Commission – Public Hearing	Continued review of Safety Element
September 21, 2021	City Council – Public Hearing	Review and adopt the Housing Element and Safety Element
July 27, 2022	Release of the revised adopted Housing Element for public review	Solicit comments on the revised adopted Housing Element
August 16, 2022	City Council – Public Hearing	Review and re-adoption of the revised Housing Element
Throughout the Process	City Website – www.shapebrea.net	Interactive City website established specifically for Housing Element update process
Throughout the Process	Advertisement	Promotion for the Housing Element update process (water bill inserts, transit shelter ads, downtown kiosks, BreaTV)
Throughout the Process	Public noticing	Public notices for study sessions, community workshops, and public hearings (City website, project webpage, City’s social media accounts, City Manager’s Report, direct emails to interested parties/subscribers,

		announcements at Planning Commission and City Council meetings, newspaper)
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PROJECT SITE DETAILS

1. Focused Development Site 7 – Southwest Corner of Cypress St and Brea Blvd

Site 7 is currently occupied by an empty building and by Pacific Western Bank on the southwest corner of Brea Blvd and Cypress St.

- Site Acreage: 1.43 acres
- Current General Plan: General Commercial
- Current Zoning: C-G
- Proposed General Plan: Mixed Use I
- Proposed Zoning: MU-I
- Net Unit Potential: 57



2. Focused Development Site 10 – Northwest Corner of Fir St and Brea Blvd

This property was home to McCulloch's Shoe Store and is located at the northwest corner of Brea Boulevard and Fir Street, and has a low improvement-to-land value ratio of 0.21.

- Site Acreage: 1.0 acre
- Current General Plan: Mixed Use III
- Current Zoning: MU-III
- Proposed General Plan: Mixed Use I
- Proposed Zoning: MU-I
- Net Unit Potential: 32



3. Focused Development Site 13 – Northeast Corner of Elm St and Brea Blvd

This site encompasses 12 parcels along the east side of Brea Blvd between Elm St and Date St, and is comprised of a mix of uses including single-family residential, medical offices, office space, and a restaurant.

- Site Acreage: 1.99 acres
- Current General Plan: General Commercial
- Current Zoning: C-G
- Proposed General Plan: Mixed Use III
- Proposed Zoning: MU-III
- Net Unit Potential: 33



4. Additional Potential Site – Southern Portion of 275 Valencia Ave

This site is currently comprised of surface parking lot and internal driveways that supports the larger 31-acre site, which is developed with a 600,000 square foot office building and was utilized by Bank of America as a regional office and call center.

- Site Acreage: 7 acres
- Current General Plan: Light Industrial
- Current Zoning: M-1
- Proposed General Plan: Mixed Use II
- Proposed Zoning: MU-II
- Net Unit Potential: 75



5. Additional Potential Site – 200 S. Associated Road

This site is currently owned by the Church of Evangelical Friends, and the site is developed with a religious facility and school buildings that were constructed in the 1970s.

- Site Acreage: 4 acres
- Current General Plan: Low Density Residential
- Current Zoning: R-1
- Proposed General Plan: High Density Residential
- Proposed Zoning: R-3
- Net Unit Potential: 60



6. Additional Potential Site – 480 N. State College Boulevard

This three-acre site is currently owned by the Brea United Methodist Church and developed with a religious facility and accessory buildings that were constructed in the 1970s and 1980s.

- Site Acreage: 3 acres
- Current General Plan: Low Density Residential
- Current Zoning: R-1
- Proposed General Plan: Mixed Use II
- Proposed Zoning: MU-II
- Net Unit Potential: 54



PLACEDHOLDER FOR

**Addendum to the City of Brea General Plan
Environmental Impact Report
(State Clearinghouse Number 2002061051)
for the
Housing Element Opportunity Sites
General Plan Amendment and Zone Change Project**

***REMOVED TO ELIMINATE REDUNDANCY - REFER
TO ATTACHMENT B OF THE 11/15/2022 CITY
COUNCIL STAFF REPORT***

DRAFT

PLANNING COMMISSION MEETING MINUTES STUDY SESSION September 27, 2022

STUDY SESSION 6:00 p.m. - Council Chambers, Plaza Level

CALL TO ORDER / ROLL CALL

Present: Chair Brattain; Vice Chair Madden; Commissioner Phu; Commissioner Schlotterbeck; Commissioner Chandel

1. MATTERS FROM THE AUDIENCE

None.

2. PLANNING COMMISSION COMPENSATION RESOLUTION UPDATE

Management Analyst Melissa Davis provided a presentation regarding the Planning Commission Compensation Resolution adopted by the City Council. The Commission inquired whether the training offered by the League of the California Cities is the only qualified training, and requested that PDA OC or APA OC trainings to also be considered.

3. BREA MALL MIXED-USE PROJECT - PROJECT PREVIEW

Chair Brattain stated the Commission will offer no opinions, decisions, or considerations on this project and that the project will be scheduled for a public hearing at a future date. Contract Planner Kim Zuppiger provided a presentation.

The Commission asked questions and provided comments on the following topics:

- Public use of the fitness center
- Potential impact on existing fitness centers
- Final Environmental Impact Report process
- Potential impacts of new state law related to transit hubs and parking
- Impacts of the project on the mall traffic
- Affordable housing
- Potential tenants
- Innovative mobility strategies
- Changes made to the Project due to Covid-19

- Examples of other similar projects

4. **AGENDA ITEMS / CLARIFY REGULAR MEETING TOPICS**

None.

Study Session adjourned at 6:34 p.m.

PLANNING COMMISSION PUBLIC HEARINGS

7:00 p.m. - Council Chambers, Plaza Level

5. **CALL TO ORDER / ROLL CALL - COMMISSION**

Present: Commissioner Brattain; Commissioner Madden; Commissioner Phu;
Commissioner Schlotterbeck; Commissioner Chandel

6. **INVOCATION** - Pastor Doug Green of North Hills Church provided the Invocation.

7. **PLEDGE OF ALLEGIANCE**

Vice Chair Madden led the Pledge of Allegiance.

8. **MATTERS FROM THE AUDIENCE**

None.

9. **APPROVAL OF MINUTES**

Approval of Planning Commission Meeting Minutes of August 23, 2022.

Motion was made by Commissioner Schlotterbeck, seconded by Commissioner (?)
to approve the Planning Commission Meeting Minutes of August 23, 2022.

AYES: Commissioner Brattain, Commissioner Madden, Commissioner Phu,
Commissioner Schlotterbeck, Commissioner Chandel

Passed

PUBLIC HEARINGS *This portion of the meeting is for matters that legally require an opportunity for public input. Audience participation is encouraged and is limited to 3 minutes per speaker.*

- 10.** Conditional Use Permit No. 2022-09: Amendment to Conditional Use Permit No. 97-13 to allow an approximate 2,142 square foot expansion of on-site sale and consumption of beer and wine service at an existing restaurant (De Oro La Puerta) located at 171 S. Kraemer Boulevard, Suite D-1, D-2, D-3.

Commissioner Chandel recused himself. Associate Planner, Cecilia Madrigal-Gonzalez, provided a presentation. Chair Brattain opened the public hearing and one representative from the applicant team, Ernesto Martinez, spoke.

Hearing no further testimony Chair Brattain closed the public hearing.

Motion was made by Commissioner Phu, seconded by Commissioner Schlotterbeck

AYES: Commissioner Brattain, Commissioner Madden, Commissioner Phu, Commissioner Schlotterbeck

Other: Commissioner Chandel (RECUSE)

Passed

- 11.** Conditional Use Permit No. 2022-08: to allow a medical aesthetics training and education facility located at 910 East Birch Street, Suite 380.

Contract Planner, Kim Zuppiger, provided a presentation. The Commission had questions related to type of licenses required for instructors and students, any additional licensed required from the County or State, whether the treatments are open to the general public, length of training and hours of operation. Chair Brattain opened the public hearing and one representative from the applicant team, Enoch Kwok, spoke.

Hearing no public testimony, Chair Brattain closed the public hearing.

Motion was made by Commissioner Schlotterbeck, seconded by Commissioner Phu to approve Conditional Use Permit No. 2022-08.

AYES: Commissioner Brattain, Commissioner Madden, Commissioner Phu, Commissioner Schlotterbeck, Commissioner Chandel

Passed

- 12.** Tentative Tract Map No. 16423: to allow subdivision of lands for residential, parks, and open space uses to implement The Brea 265 Specific Plan.

City Planner, Joanne Hwang, provided a presentation.

Chair Brattain opened the public hearing.

- Irene Bill - Had a question regarding the project site and expressed her concerns with water shortage and animal preservation.
- William Ward - Express concerns regarding the oil land and the required remediation, along with potential lawsuits that may occur in the future.
- Ted Gribble - Had questions Rose Drive widening.

The Commission asked staff to provide information regarding the required oil remediation for the project site and City Planner Hwang responded. The Commission had questions regarding conditions of approval related to obtaining all necessary permits from local, State and Federal agencies and road improvements on Rose Drive.

Hearing no further testimony, Chair Brattain closed the Public Hearing.

Motion was made by Commissioner Schlotterbeck, seconded by Commissioner Phu to approve Tentative Tract Map No. 16423.

AYES: Commissioner Brattain, Commissioner Madden, Commissioner Phu,
Commissioner Schlotterbeck, Commissioner Chandel

Passed

- 13.** General Plan Amendment No. 2021-02 and Zone Change No. 2021-01: to amend the General Plan Land Use and Zoning Designations of three housing opportunity sites and three additional potential sites identified in the City's 6th cycle Housing Element, as part of the Housing Element implementation effort.

City Planner, Joanne Hwang, provided a presentation. The Commissioner had questions regarding the following items:

- Required timeline for the State mandated rezoning requirements
- Outreach conducted for owners and/or operators of the housing sites identified in the Housing Element
- Impacts on existing land use and possibility of creating a non-conformity
- How the subject sites would count towards the City's RHNA

Chair Brattain opened the public hearing.

- Terry Luxembourger - Commented that it is important that the existing church continues to operate.
- John (?) - Had a question regarding continuation of the existing churches and the rezoning process.
- Paul Predum - Had a question regarding how many houses the State is requiring Brea to add.
- Patty Thompson - Expressed her concerns with the sites in regard to overcrowding in the schools and traffic as well as water usage.
- David (?) - Expressed opposition to rezoning and concerns related to water usage.
- Mary Martinez - Expressed opposition to any zoning change without actual development plan and stated that the City should require higher percentage for affordable housing.
- Ted Gribble - Commented on the Housing Element and rezoning in the future.
- William Ward - Expressed traffic concerns for residents near 480 N. State College Avenue site.
- Linda Chapman - Expressed opposition to the rezoning and concerns with water usage.
- Blair Gillespie - Expressed concerns regarding inconsistencies and lack of information within the Addendum and concerns related to the capacity to the

school system.

- Irene Bill - Expressed opposition to the rezoning.
- Darsy Webster, Pastor of Birch Street Friends Church - Stated they were unaware of rezoning notification; and that the church plans to stay.
- Rebecca Hyleigh - Expressed opposition to the rezoning and concerns with lack of trust with City staff and future developers.

Director Killebrew briefly addressed the public questions and comments

Hearing no further public testimony, Chair Brattain closed the public hearing.

Motion was made by Commissioner Phu, seconded by Commissioner Chandel to approve the General Plan Amendment No. 2021-02 and Zone Change No. 2021-01.

AYES: Commissioner Brattain, Commissioner Madden, Commissioner Phu,
Commissioner Schlotterbeck, Commissioner Chandel

Passed

ADMINISTRATIVE ITEMS - *This agenda category is for Commission consideration of a wide variety of topics. Public comments regarding items in this section should be presented during "Matters from the Audience."*

14. PLANNING DIVISION UPDATES

City Planner Hwang introduced Planning Division's two new staff, Senior Planner Jessica Newton and Planning Technician Kathrine Kuo, to the Commission.

15. COMMITTEE REPORTS

Commissioner Schlotterbeck reported that her group is in the process of proposing an ordinance for the City of Fullerton's Housing Element related to congregational overlay for land uses in Fullerton.

Commissioner Brattain reported on the status of the new statue to be placed at the new Marriott Residents Inn.

16. INFORMATIONAL / PROJECT UPDATES

None.

17. ADJOURNMENT

Chair Brattain adjourned the meeting at 9:31 p.m.

Respectfully submitted,

The foregoing minutes are hereby
approved this ____ day of _____

Joanne Hwang, AICP
City Planner

Gary Brattain, Chair

CITY OF BREA

CITY COUNCIL NOTICE OF PUBLIC HEARING FOR GENERAL PLAN AMENDMENT NO. 2021-02 AND ZONE CHANGE NO. 2021-01: TO AMEND THE GENERAL PLAN LAND USE AND ZONING DESIGNATIONS OF THREE HOUSING OPPORTUNITY SITES AND THREE ADDITIONAL POTENTIAL SITES IDENTIFIED IN THE CITY'S 6TH CYCLE HOUSING ELEMENT, AS PART OF REQUIRED HOUSING ELEMENT IMPLEMENTATION.

NOTICE IS HEREBY GIVEN, pursuant to State Law, that a public hearing will be held by the City Council to determine whether or not the subject request shall be approved under the provisions of State Law and the Brea City Code as follows:

DATE AND TIME OF HEARING: **Tuesday, October 18, 2022, 7:00 p.m.**
All interested persons may appear and be heard at that time.

PLACE OF HEARING: Brea Civic & Cultural Center, Council Chambers
 1 Civic Center Circle, Brea, CA 92821

FURTHER INFORMATION MAY BE OBTAINED BY CALLING THE PLANNING DIVISION AT (714) 990-7674 OR BY EMAILING PLANNER@CITYOFBREA.NET. ALL PERSONS WISHING TO PARTICIPATE BY TELECONFERENCE SHOULD CONTACT THE CITY CLERK'S OFFICE NO LATER THAN 2:00 P.M. ON OCTOBER 18, 2022 BY EMAILING CITYCLERKSGROUP@CITYOFBREA.NET OR BY CALLING (714) 990-7756.

REQUEST: The City is proposing the following entitlement in order to implement the City's 6th Cycle Housing Element (Housing Element): General Plan Amendment No. 2021-02 and Zone Change No. 2021-01 to amend the General Plan Land Use and Zoning designations of the three Housing Opportunity Sites and three Additional Potential Sites identified in the City's Housing Element, as follows:

	Site		General Plan Land Use Designation		Zoning Designation	
	Address/Location	Type	Existing	Proposed	Existing	Proposed
1	SW corner of Cypress Street and Brea Boulevard	Housing Opportunity Site (Focused Development Site 7)	General Commercial	Mixed Use I	General Commercial (C-G)	Mixed-Use I (MU-1)
2	NW corner of Fir Street and Brea Boulevard	Housing Opportunity Site (Focused Development Site 10)	Mixed Use III	Mixed Use I	Mixed-Use III (MU-III)	Mixed-Use I (MU-1)
3	NE block of Elm Street and Brea Boulevard	Housing Opportunity Site (Focused Development Site 13)	General Commercial	Mixed Use III	General Commercial (C-G)	Mixed-Use III (MU-III)
4	Southern portion of 275 Valencia Avenue	Additional Potential Site	Light Industrial	Mixed Use II	Light Industrial (M-1)	Mixed-Use II (MU-II)
5	200 S. Associated Road	Additional Potential Site	Low Density Residential	High Density Residential	Single Family Residential (R-1)	Multiple Family Residential (R-3)
6	480 N. State College Boulevard	Additional Potential Site	Low Density Residential	Mixed Use II	Single Family Residential (R-1)	Mixed-Use II (MU-II)

LOCATION: The Project includes six sites identified in the Housing Element. Refer to the table above for the addresses/locations of the subject sites and their existing and proposed General Plan Land Use and Zoning designations.

ENVIRONMENTAL: The Project has been assessed in accordance with the California Environmental Quality Act (CEQA) Guidelines and the environmental regulations of the City. Pursuant to CEQA Guidelines Section 15164, an addendum to the previously certified Environmental Impact Report (EIR) for the 2003 General Plan has been prepared to evaluate the potential environmental effects of the proposed General Plan Amendment and Zone Change for the six sites. An addendum to a previously certified EIR may be prepared if some changes or additional are necessary but none of the conditions described in CEQA Guidelines Section 15162 calling for a subsequent EIR have occurred.

IF YOU CHALLENGE THE PROJECT AND RELATED ENVIRONMENTAL DETERMINATIONS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED AT THE PUBLIC HEARING DESCRIBED IN THIS NOTICE, OR IN WRITTEN CORRESPONDENCE, DELIVERED TO THE COUNCIL AT, OR PRIOR TO, THE PUBLIC HEARING.

FOR FURTHER INFORMATION ON THIS SUBJECT, PLEASE CONTACT THE PLANNING DIVISION AT (714) 990-7674.



 Lillian Harris-Neal, MMC, City Clerk

CITY OF BREA
notice of public hearing

AREA MAPS

Site #1: SW corner of Cypress Street and Brea Boulevard



Site #2: NW corner of Fir Street and Brea Boulevard



Site #3: NE corner of Elm Street and Brea Boulevard



Site #4: Southern portion of 275 Valencia Avenue



Site #5: 200 S. Associate Road



Site #6: 480 N. State College Boulevard



NAME
ADDRESS
CITY STATE ZIP

Office of the City Clerk
City of Brea
1 Civic Center Circle
Brea CA 92821



City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Bill Gallardo, City Manager

DATE: 11/15/2022

SUBJECT: Second Reading of Ordinance No. 1235 regarding Reserve Fund Transparency and Amending the Brea City Code Chapter 2.00 of Title 2 by adding Section 2.00.140

RECOMMENDATION

Adopt Ordinance No. 1235 regarding Reserve Fund Transparency and Amending the Brea City Code Chapter 2.00 of Title 2 by adding Section 2.00.140.

BACKGROUND/DISCUSSION

Reserves can be simply defined as the “savings account” within the various City funds. The savings are the result of revenues exceeding expenditures and the surplus each year remains within the respective fund as reserves. The General Fund, by City Council policy direction, maintains a 25% minimum reserve fund (Savings) of annual operating expenses in case of extreme need or hardship. The City has on occasion obligated reserves in various funds to complete specific capital improvement projects. For example, funds from Fund 130 Community Benefit Economic Development Fund (CBED), have been set aside each year with its intended purpose to be used for the completion of “legacy projects”. The City Council earlier this year transferred funds from CBED to begin the long-awaited improvements to Arovista Park.

In 2009, during the great recession reserves were used to maintain City operations and a small amount of reserves were used during the onset of the Covid-19 pandemic. The use of these reserves was all done with the knowledge and support of the City Council.

The proposal as presented would serve if a project or operations required the use of reserves outside established programs.

For example, using Fund 182 Fixed Asset Replacement Funds (FARP) for the completion of a Fund 420 Water Utility Project would require a process as described below. If FARP used its own funds or reserves to complete a project within the FARP program no extra measures or process would be required.

The recommended process would be as follows:

- Require a City Council resolution acknowledging the use of reserves for an identified purpose.
- Indicate in the resolution if the City Council’s intention is to pay back or replenish the fund, staff will come back within 60 days with a plan for repayment.

- If the intended purpose or their use does not need to be repaid or returned to the fund that statement must be in the adopting resolution.

- Nothing shall prohibit the City Council from changing the terms of repayment or no longer requiring the funds to be repaid

- Any approved payment plans shall be added as an appendix to the City's adopted budget

The ordinance was introduced at the November 1, 2022 regular City Council meeting.

FISCAL IMPACT/SUMMARY

There is no fiscal impact on the General Fund.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Yerika Ambriz, Management Analyst

Concurrence: Kristin Griffith, Administrative Services Director

Attachments

Operational Agreement

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BREA REGARDING RESERVE FUND TRANSPARENCY AND AMENDING THE BREA CITY CODE

THE CITY COUNCIL OF THE CITY OF BREA DOES ORDAIN AS FOLLOWS:

A. RECITALS:

(i) The City utilizes reserve fund accounts to fund capital improvement projects and fixed asset maintenance and replacement.

(ii) In extreme circumstances, such as the Great Recession and the COVID-19 Pandemic, reserve funds must be expended for an alternative use such as balancing the general fund or continuation of City operations.

(iii) The City Council desires to provide for additional transparency when there is an expenditure of reserve funds on an alternative use.

(iv) This Ordinance is not intended to limit, and shall not be interpreted as limiting, the City Council's discretion to expend reserve funds on an alternative use and discretion to establish, modify, or cancel a repayment plan.

B. ORDINANCE:

SECTION 1. The facts set forth in the Recitals, Part A of this Ordinance, are true and correct.

SECTION 2. Chapter 2.00 (General Regulations) of Title 2 (Administration and Personnel) of the Brea City Code is amended by adding a new Section 2.00.140 to read as follows:

“§ 2.00.140 Reserve Fund Transparency.

A. *Alternative Use Resolution.* The City shall not use reserve funds to balance

November 15, 2022

ORD. _____

the general fund budget, or for a project or operations unrelated to the purpose of the reserve funds account, unless the City Council adopts a resolution authorizing such alternative use.

B. *Statement of Intent Regarding Repayment.* A resolution authorizing an alternative use of reserve funds shall state whether the City Council does or does not intend to replenish the reserve funds account with the amount of the reserve funds being used for the alternative purpose.

C. *Repayment Plan Approval.* If City Council intends to replenish a reserve funds account that is used for an alternative purpose, then the City Manager shall submit a proposed repayment plan to the City Council for consideration within 60 days of adoption of the resolution authorizing such use. The City Council may approve a repayment plan by minute order. Any approved payment plans shall be added as an appendix to the City's adopted budget.

D. *Repayment Plan Modification / Cancellation.* The City Council may change the terms of an approved repayment plan, or may cancel an approved repayment plan, at any time by minute order.”

SECTION 3. The City Council finds that it can be seen with certainty that there is no possibility the adoption of this Ordinance may have a significant effect on the environment because it has no potential for resulting in a direct or reasonably foreseeable indirect physical change in the environment. It is therefore exempt from California Environmental Quality Act review pursuant to Title 14, Sections 15060(c)(2) and 15061(b)(3) of the California Code of Regulations.

SECTION 4. The City Council declares that, should any provision, section, paragraph,

November 15, 2022
ORD. _____

sentence, or word of this Ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences, and words of this Ordinance shall remain in full force and effect.

SECTION 5. The City Clerk shall certify to the adoption of this Ordinance.

APPROVED AND ADOPTED this 15th day of November, 2022.

Cecilia Hupp, Mayor

ATTEST: _____
Lillian Harris-Neal, City Clerk

November 15, 2022
ORD. _____

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Brea held on the 1st day of November, 2022, and was finally passed at a regular meeting of the City Council of the City of Brea held on the 15th day of November, 2022, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:

DATED: _____, 2022

Lillian Harris-Neal, City Clerk

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members
FROM: Bill Gallardo, City Manager
DATE: 11/15/2022
SUBJECT: November 1, 2022 City Council Regular Meeting Minutes

RECOMMENDATION

Approve.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager
Prepared by: Victoria Popescu, Deputy City Clerk
Concurrence: Lillian Harris-Neal, City Clerk

Attachments

Draft Minutes

DRAFT

BREA CITY COUNCIL SUCCESSOR AGENCY TO THE BREA REDEVELOPMENT AGENCY MEETING

MINUTES NOVEMBER 1, 2022

CLOSED SESSION 5:30 p.m. - Executive Conference Room Level Three

CALL TO ORDER / ROLL CALL - COUNCIL

The Mayor called the Closed Session to order at 5:30 p.m., all members were present.

Present: Hupp, Parker, Marick, Vargas, Simonoff

- 1. Public Comment**
None.

Closed Session may convene to consider matters of purchase / sale of real property (G. C. §54956.8), pending litigation [G.C. §54956.9(d)(1)], potential litigation [G.C. §54956.9(d)(2)(3) or (4)], liability claims (G. C. §54961) or personnel items (G.C. §54957.6). Records not available for public inspection.

- 2. Conference with Legal Counsel Pursuant to Government Code Section 54956.9(d)(2) - Anticipated Litigation. Significant Exposure to Litigation: 1 potential case. Facts and Circumstances: Brea Firefighters Association FLSA Matter**
- 3. Conference with City's Labor Negotiator Pursuant to Government Code §54957.6 Regarding the Brea Management Association (Non-Safety); Brea City Employees' Association (BCEA); Administrative and Professional Employees' Association (APEA); Brea Fire Association (BFA); Brea Fire Management Association (BFMA); Brea Police Association (BPA); Brea Management Association (BMA); the Brea Police Management Association (BPMA); Executive and Part-Time Employees - Bill Gallardo, Negotiator and Laura Kalty, LCW Attorney**
- 4. Public Employee Performance Evaluation Pursuant to Government Code Section 54957(b). Title: City Manager**
- 5. Conference with Labor Negotiator Pursuant to Government Code Section 54957.6 Regarding City Manager. City Attorney Terence Boga, Negotiator for City of Brea**

Mayor Hupp adjourned the Closed Session at 6:51 p.m.

GENERAL SESSION
7:00 p.m. - Council Chamber
Plaza Level

CALL TO ORDER/ ROLL CALL - COUNCIL

Mayor Hupp called the General Session to order at 7:02 p.m., all members were present.

6. Pledge of Allegiance

Boy Scout Troop 707 led the Pledge of Allegiance.

7. Invocation

Pastor Steve Chang, Living Hope Community Church, delivered the Invocation.

8. Presentation: Congresswoman Young Kim

Congresswoman Young Kim spoke about her ongoing commitment to Brea residents.

Mayor Hupp thanked Congresswoman Young Kim for everything she has done for the City of Brea.

9. Community Announcements

Councilmember Vargas announced that 48 Electrical Vehicle Chargers were recently added in the Brea Downtown, located in Parking Structure #2 on level B1. He indicated that a co-funding opportunity from the Mobile Source Air Pollution Reduction Review Committee and Tesla Motors has provided the Brea Downtown area with Level III V3 superchargers and Level II chargers.

Mayor Hupp invited the community to the City's annual Veterans Day Ceremony at the Brea War Memorial on Friday, November 11 at 10:00 a.m. She announced that the City will pay tribute to all military heroes, veterans, retired and active duty, and honor those Breans who have made the ultimate sacrifice for their country.

Councilmember Marick announced that OC Waste & Recycling is hosting a Compost Giveaway at the Olinda Alpha Landfill on Saturday, November 5 and that Orange County residents are able to pick up free compost between 9:00 a.m. and 3:00 p.m., while supplies last.

Mayor Pro Tem Parker announced that the Brea Fire Department is offering a free Community Emergency Situational Awareness Training on Friday, November 4th, from 6:00 to 8:00 p.m. for Brea residents. He noted that the training will consist of videos, lectures, and hands-on training, as well as hands-only CPR, choking, strokes/seizures, sudden cardiac arrest, and more.

Councilmember Simonoff announced that Election Day is Tuesday, November 8th, and voting for the 2022 General Election has already begun. He outlined the various options for voting in the City.

10. Matters from the Audience

Craig Allred spoke about Councilmember Vargas' comments at a previous Planning Commission meeting.

Bev Perry spoke about claims she believes are false made by Steven Vargas via his campaign.

11. Response to Public Inquiries - Mayor / City Manager

Councilmember Vargas and City Attorney Boga responded to public inquiries.

ADMINISTRATIVE ITEMS - *This agenda category is for City Council consideration of a wide variety of topics related to the City's operations. Public comments regarding items in this section should be presented during "Matters from the Audience."*

12. Reserve Fund Transparency Ordinance

Administrative Services Director Griffith provided a Powerpoint presentation on the item and spoke about City reserves; current practice for the use of City reserves; and recommendation.

Mayor Pro Tem Parker requested clarification on the process of the documentation of the transactions.

City Manager Gallardo clarified that the manner in which the documentation of transactions outside established programs will be maintained, will be an appendix to the annual budget document.

City Attorney Boga read the full title of the Ordinance.

Motion was made by Council Member Simonoff, seconded by Council Member Vargas to introduce Ordinance No. 1235 regarding Reserve Fund Transparency and amending the Brea City Code Chapter 2.00 of Title 2 by adding Section 2.00.140, by title only, and waive further reading.

AYES: Mayor Hupp, Mayor Pro Tem Parker, Council Member Marick, Council Member Vargas, Council Member Simonoff

Passed

13. Appoint Proxy Holder and Nominate for the Office of Director at the Annual Meeting of Stockholders of Cal Domestic Water Company

City Manager Gallardo provided a brief report on the item, noting Christopher Blake has been serving on the Cal Domestic Board since 2016, and noted that the recommendation is to authorize Thomas J. Prenevost, Jr., or in his absences, Richard J. Rich to vote all shares at the Annual Meeting of Shareholders; and nominate Christopher Blake to serve a two (2)-year term.

Motion was made by Council Member Marick, seconded by Council Member Simonoff to authorize Thomas J. Prenevost, Jr., or in his absence, Richard J. Rich, to vote all shares of the undersigned in California Domestic Water Company at the Annual Meeting of Shareholders to be held on Friday, November 18, 2022, for purposes of electing the members of the Board of Directors and transacting any other such business as may properly come before the meeting, or any adjournments thereof; and Nominate Christopher D. Blake to serve as a member of the Board of Directors for a two-year term commencing in November 2022 and ending in November 2024, or until his respective successor is duly qualified and elected.

AYES: Mayor Hupp, Mayor Pro Tem Parker, Council Member Marick, Council Member Vargas, Council Member Simonoff

Passed

CONSENT CALENDAR - *The City Council/Successor Agency approves all Consent Calendar matters with one motion unless Council/Agency or Staff requests further discussion of a particular item. Items of concern regarding Consent Calendar matters should be presented during "Matters from the Audience."*

CITY COUNCIL - CONSENT

14. October 18, 2022 City Council Regular Meeting Minutes

The City Council approved the October 18, 2022 City Council Regular Meeting Minutes.

15. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings

The City Council made the following findings: (1) the City Council has reconsidered the circumstances of the COVID-19 state of emergency; and (2) the COVID-19 state of emergency continues to directly impact the ability of the members of the City's legislative bodies (including commissions and committees) to meet safely in person.

16. City Manager authorization to execute certificates of acceptance for real estate interests and easements

The City Council adopted Resolution No. 2022-071 authorizing the City Manager to execute certificates of acceptance for real estate interests and easements that are dedicated to the City.

17. October 21 and 28, 2022 City Disbursement Registers

The City Council received and filed October 21 and 28, 2022 City Disbursement Registers.

Motion was made by Council Member Simonoff, seconded by Council Member Vargas to approve City Council Consent Items 14 - 17.

AYES: Mayor Hupp, Mayor Pro Tem Parker, Council Member Marick, Council Member Vargas, Council Member Simonoff

Passed

ADMINISTRATIVE ANNOUNCEMENTS

18. City Manager

None.

19. City Attorney

None.

20. Council Requests

None.

COUNCIL ANNOUNCEMENTS

Councilmember Vargas spoke about the upcoming election.

ADJOURNMENT

Mayor Hupp adjourned the General Session at 7:30 p.m.

Respectfully submitted,

The foregoing minutes are hereby approved this 15 day of November, 2022.

Lillian Harris-Neal, City Clerk

Cecilia Hupp, Mayor

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members
FROM: Bill Gallardo, City Manager
DATE: 11/15/2022
SUBJECT: November 7, 2022 City Council Special Meeting Minutes

RECOMMENDATION

Approve.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager
Prepared by: Victoria Popescu, Deputy City Clerk
Concurrence: Lillian Harris-Neal, City Clerk

Attachments

Draft Minutes

DRAFT

BREA CITY COUNCIL SUCCESSOR AGENCY TO THE BREA REDEVELOPMENT AGENCY SPECIAL MEETING

MINUTES NOVEMBER 7, 2022

CLOSED SESSION
8:00 a.m. - Executive Conference Room
Level Three

CALL TO ORDER / ROLL CALL - COUNCIL

Mayor Hupp called the Closed Session to order at 8:00 a.m., all members were present, with Councilmember Marick attending via Zoom teleconference.

Present: Hupp, Parker, Marick, Vargas, Simonoff

Public Comment

None.

Closed Session may convene to consider matters of purchase / sale of real property (G. C. §54956.8), pending litigation [G.C. §54956.9(d)(1)], potential litigation [G.C. §54956.9(d)(2)(3) or (4)], liability claims (G. C. §54961) or personnel items (G.C. §54957.6). Records not available for public inspection.

- 1. Conference with City's Labor Negotiator Pursuant to Government Code §54957.6 Regarding the Brea Police Association (BPA) - Bill Gallardo, Negotiator and Laura Kalty, LCW Attorney**

ADJOURNMENT

Mayor Hupp adjourned the Closed Session at 8:40 a.m.

Respectfully submitted,

The foregoing minutes are hereby
approved this 15 day of November, 2022

Lillian Harris-Neal, City Clerk

Cecilia Hupp, Mayor

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

DATE: 11/15/2022

SUBJECT: AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings

RECOMMENDATION

Make the following findings: (1) the City Council has reconsidered the circumstances of the COVID-19 state of emergency; and (2) the COVID-19 state of emergency continues to directly impact the ability of the members of the City's legislative bodies (including commissions and committees) to meet safely in person.

BACKGROUND/DISCUSSION

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. This proclamation is still in effect. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings. The special rules included provisions allowing local public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment; without having to use teleconference locations that are publicly accessible; and without having to identify teleconference locations on the agenda. Those special rules expired on September 30, 2021.

On September 16, 2021, in anticipation of the then-imminent expiration of his special rules for teleconference meetings, Governor Newsom signed AB 361. In key part, this bill amended the Brown Act to establish special requirements for teleconference meetings if a legislative body of a local public agency makes two findings pursuant to Government Code Section 54953(e)(3). Like the special rules in the Governor's executive orders, the special Brown Act requirements in AB 361 include provisions allowing public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment; without having to use teleconference locations that are publicly accessible; and without having to identify teleconference locations on the agenda. The AB 361 special Brown Act requirements are scheduled to be repealed on January 1, 2024.

In order for a local public agency to be subject to the AB 361 special Brown Act requirements for teleconference meetings, a legislative body of a local public agency first must make a finding that it has "reconsidered" the circumstances of a declared state of emergency. Second, there must be a finding that such emergency continues to directly impact the ability of legislative body.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Lillian Harris-Neal, City Clerk

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Bill Gallardo, City Manager

DATE: 11/15/2022

SUBJECT: Professional Services Agreement (PSA) with Bucknam Infrastructure Group, Inc. for Pavement Management Plan Update and Inspection

RECOMMENDATION

Approve the Agreement with Bucknam Infrastructure Group, Inc. to provide pavement inspection and pavement management plan services in an amount not-to-exceed \$31,028.00.

BACKGROUND/DISCUSSION

For the past several years, Bucknam Infrastructure Group, Inc. has provided the City of Brea with a pavement management system to assist staff with managing pavement needs including forecasting budgetary needs, planning rehabilitation projects, tracking rehabilitation histories, and providing information that meets OCTA funding requirements for paving projects.

OCTA guidelines require a Pavement Management Plan update every two years for arterial streets and every six years for residential streets. Spreading the residential street inspection over a six-year period is more cost-effective since there are many more residential street miles than arterial streets. The last arterial and residential street survey was completed in the Fall of 2020. To comply with OCTA requirements, the pavement survey work must be completed before June 2023. The pavement survey follows the Army Corps of Engineers standards in defining the pavement condition rating index (PCI) and the area of the streets (square footage).

Bucknam Infrastructure Group takes this information and provides staff with a breakdown of recommended maintenance and rehabilitation methods, locations, and cost estimates for future street maintenance/improvement projects. Bucknam Infrastructure Group worked with OCTA in developing the Countywide Pavement Management Program in 2008 and has met the OCTA's pre-qualified pavement inspection requirements. Staff recommends using this vendor based on their extensive knowledge of the County reporting requirements. This experience will ensure the City meets the Renewed M2 requirements and continues to be eligible for Measure M funds.

Preparing the Pavement Management Plan update requires extensive fieldwork to survey street conditions, followed by entry into the program database. Public Works has considered performing this work but does not have the expertise, equipment, or manpower to complete this type of work without hiring additional staff or purchasing additional equipment. OCTA has specialized reporting and inspection requirements making contracting this service the most economical choice. Bucknam Infrastructure Group provides PMP services and has worked with over half of Orange County's local agencies including Brea, Costa Mesa, Cypress, Orange, Huntington Beach, and Irvine, to name a few.

COMMISSION/COMMITTEE RECOMMENDATION

The Finance Committee reviewed the staff's recommendation at the October 25, 2022 meeting and recommended to proceed.

FISCAL IMPACT/SUMMARY

A total of \$50,000 is budgeted in the Measure M Fund (260-51-5121-4249) for the Pavement Management Plan update. There is no impact on the General Fund.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Will Wenz, Public Works Superintendent

Concurrence: Michael Ho, Public Works Director/City Engineer

Attachments

PMP Agreement

Exhibit A - Proposal

Approved COI

PROFESSIONAL SERVICES AGREEMENT # 2022092201
for Pavement Inspection and Pavement Management Plan Services (“Services”)

This Agreement is dated **September 22, 2022** for reference purpose and is executed by the **City of Brea** (“City”), a California municipal corporation, and **Bucknam Infrastructure Group, Inc.**, a **California Corporation** (“Contractor”).

City and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement

RECITALS

A. City requires provision of the Services, all as more fully described in this Agreement.

B. Contractor submitted its proposal dated **September 8, 2022**, attached hereto as **Exhibit A** and incorporated by reference herein (“Proposal”).

C. Contractor represents that is is duly licensed and/or otherwise fully authorized by law and has the necessary experience and qualifications to provide such Services, City enters this Agreement in substantial reliance on such experience and qualifications.

D. The Parties enter this Agreement in order to set forth terms and conditions governing Contractor’s performance of the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Scope of Services

A. Contractor shall perform the Services more specifically described in the Proposal, and as otherwise required by this Agreement, all to City’s satisfaction (collectively, “Services” herein.)

2. Term

A. Contractor shall commence performance of the Services **upon being given a written notice to proceed from City** and shall continue until **acceptance and final payment for the Services**, unless sooner terminated as provided herein (“Term”).

B. This Agreement may not be extended except by written amendment executed by both parties.

3. Compensation

A. Subject to the limitations herein, City shall pay Contractor for Services satisfactorily rendered according to prices set forth in **the Proposal** and in the manner set forth in **Section 8, Payment**.

B. The Parties agree that full and complete payment for all Services satisfactorily performed shall be the TOTAL, NOT-TO-EXCEED amount of **\$31,028.00** including any and all reimbursables (“Contract Amount”).

C. Any work performed in excess of the Services, as set forth in **Section 1, Scope of Services**, without City’s prior written approval shall be deemed to have been performed in fulfillment of the requirements of this Agreement and included within the not-to-exceed Contract Amount.

D. Payment for any approved additional work is set forth in **Section 8, Payment**.

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4. Minimum Insurance Requirements

A. **Section 21, Insurance** shall govern in the event of any conflict with the following requirements.

- i. A.M. Best’s Rating minimum of A:VII
- ii. \$2,000,000 Commercial General Liability (per occurrence)^{1,2}
- iii. \$2,000,000 Automobile Liability (per occurrence)^{1,2,3}
- iv. Statutory Limits Workers’ Compensation^{1,2,4}
- v. \$1,000,000 Employer’s Liability (per occurrence)^{1,2,4}
- vi. \$1,000,000 Professional Liability (per claim)
- vii. Not required Cyber General Liability (per occurrence)^{1,2}

B. Stipulations for the preceding requirements: ¹ Additional Insured required; ² Waiver of Subrogation required; ³ not required if no vehicles are used for Services; ⁴ not required if sole proprietor or if no employees used for Services.

5. Compliance with Law and Industry Standards

A. Contractor shall forthwith undertake and complete Services in accordance with this Agreement, including all attached Exhibits, all Federal, State and City statutes, regulations, ordinances and guidelines, and industry standards, and to the reasonable satisfaction of City.

6. Documents, Reports, Photographs, Drawings

A. Contractor shall supply copies of all required maps, surveys, reports, plans and documents (hereinafter collectively referred to as “documents”), as described in **Exhibit A**, to City within the time specified by City and in such numbers as required by City.

7. Subcontracting

A. Contractor shall not subcontract any required performance without City’s prior, written consent. In the event any such other persons are authorized by the City to be retained by Contractor, Contractor hereby warrants that such persons shall be fully qualified to perform the Services. Contractor further agrees that Contractor shall remain fully responsible for the performance of this Agreement, whether or not any subcontractor is utilized by Contractor.

8. Payment

A. City agrees to pay Contractor up to the Contract Amount for the satisfactory performance of the Services. This sum shall cover the cost of all staff time and all other direct and indirect costs or fees, including the work of employees and subcontractors to Contractor. Payment to Contractor shall be made in accordance with the schedule set forth below. Notwithstanding any other provision herein, City shall retain five percent (5%) of each invoiced amount, pending receipt of all deliverables.

B. Payments to Contractor shall be made by City in accordance with the invoices submitted by Contractor, on a monthly basis for work satisfactorily performed, and such invoices shall be paid within a reasonable time after said invoices are received by City. All charges shall be in accordance with Contractor’s proposal either with respect to hourly rates or lump sum amounts for individual tasks. Notwithstanding any provision herein, (i) in no event shall the total of said invoices exceed the Contract Amount; and (ii) further provided that in no event shall Contractor, or any person claiming by or through Contractor be paid an aggregate amount in excess of the Contract Amount.

PROFESSIONAL SERVICES AGREEMENT # 2022092201
for Pavement Inspection and Pavement Management Plan Services (“Services”)

C. Final payment shall be made not later than 60 days after presentation of final documents and acceptance thereof by the City.

D. Additional Services: Any agreement to provide additional services must be in writing, executed by both parties, prior to any work being initiated. Charges for additional services shall be invoiced on a monthly basis and shall be paid by City within a reasonable time after said invoices are received by City.

9. Information and Assistance

A. City will provide: (i) information and assistance as reasonably requested by Contractor; (ii) photographically reproducible copies of maps and other publicly available documents which Contractor considers necessary in order to perform the Services; (iii) such information as is generally available from City files applicable to the Services; and (iv) assistance, if necessary, in obtaining information from other governmental agencies and/or private parties. However, it shall be Contractor’s responsibility to make all initial contact with respect to the gathering of such information.

10. Ownership of Work Product

A. Unless otherwise agreed upon in writing, all concepts, ideas, reports, documents, plans, specifications, and/or other original written material, including any original images, photographs, video files, digital files, and/or other media created or developed for the City by Contractor in the performance of this Agreement, including any and all known and unknown intellectual and/or proprietary rights arising from their creation (collectively, “Work Product”) shall be considered to be “works made for hire” for the benefit of City. All Work Product and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of City without restriction or limitation upon their use, duplication or dissemination by City upon final payment being made. Any use of the Work Product by City outside of the scope of this Agreement, shall be at City’s risk. Contractor shall not obtain or attempt to obtain copyright or other protection as to any of the Work Product.

B. Contractor hereby assigns to City all ownership rights, including any and all known and unknown intellectual property rights, to the Work Product that are not otherwise vested in the City pursuant to **subsection A**, above.

C. Contractor warrants and represents that it has secured all necessary licenses, consents or approvals to use any instrumentality, thing or component as to which any intellectual property right exists, including computer software, used in the rendering of the Services and the production of all Work Product produced under this Agreement, and that City has full legal title to and the right to reproduce the Work Product. Contractor shall defend, indemnify and hold City, and its elected officials, officers, employees, servants, attorneys, designated volunteers, and agents serving as independent contractors in the role of City officials, harmless from any loss, claim or liability in any way related to a claim that City’s use of any of the Work Product is violating federal, state or local laws, or any contractual provisions, or any laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and/or interests in products or inventions. Contractor shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the Services and Work Product produced under this Agreement. In the event the use of any of the Work Product or other deliverables hereunder by City is held to constitute an infringement and the use of any of the same is enjoined, Contractor, at its expense, shall: (a) secure for City the right to continue using the Work Product and other deliverables by suspension of any injunction,

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or by procuring a license or licenses for City; or (b) modify the Work Product and other deliverables so that they become non-infringing while remaining in compliance with the requirements of this Agreement. This covenant shall survive the termination of this Agreement.

11. Termination

A. This Agreement may be terminated by City upon the giving of a written “Notice of Termination” to Contractor at least fifteen (15) days prior to the date of termination specified in said Notice. In the event this Agreement is so terminated, Contractor shall be paid for services satisfactorily rendered up to the date of service of the Notice, and for any documented out of pocket expenses reasonably incurred by Contractor pursuant to this Agreement. In no event, however, shall Contractor receive more than the Contract Amount. Contractor shall provide to City any and all documents, data, studies, surveys, drawings, maps, models, photographs and reports, whether in draft or final form, prepared by Contractor as of the date of termination. Contractor may not terminate this Agreement except for cause.

12. Indemnity

A. Contractor and City agree that City, its elected officials, officers employees, agents and volunteers should, to the fullest extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys’ fees, litigation costs, defense costs, court costs or any other cost arising out of, pertaining to or relating to the negligence, recklessness or willful misconduct in performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to the City.

B. **For Other Than Design-Professional Services.** To the fullest extent permitted by law, Contractor shall defend (with counsel reasonably approved by City), indemnify and hold the City, its elected and appointed officials, officers, attorneys, agents, employees, servants, designated volunteers, successors, assigns and those City agents serving as independent contractors in the role of City officials (collectively “Indemnitees” in this subsection free and harmless with respect to any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages, stop notices and/or injury of any kind, in law or equity, to property or persons, including bodily injury, wrongful death, personal injury and property damage, in any manner arising out of, pertaining to, or incidental to any acts, errors, omissions, or willful misconduct of Contractor, its owners, officials, officers, employees, servants, subcontractors, consultants or agents in connection with the performance of the Contractor’s Services, and/or this Agreement, including, without limitation, the payment of all damages, expert witness fees and attorney’s fees and other related costs and expenses. Contractor’s obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor, or by the City or any of the other Indemnitees.

C. **For Design Professional Services.** If Contractor’s Services hereunder include the performance of design professional services by a “design professional”, (as defined below), then to the extent permitted by law, Contractor shall, at its sole cost and expense, indemnify and hold the City and other Indemnitees, and each of them, harmless with respect to any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants and other professionals, and all costs associated therewith, and reimbursement of attorneys’ fees and costs of defense, to the extent arising out of, pertaining to, or relating to, in whole or in part, the negligence, recklessness, or willful misconduct of the Contractor, and/or its officers, agents, employees, servants, subcontractors, contractors or their officers, agents, employees, servants, contractors or subcontractors (or any entity or individual for whom the Contractor shall bear legal liability) in the performance of design professional services under this

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for Pavement Inspection and Pavement Management Plan Services (“Services”)

Agreement. **Notwithstanding the foregoing and as required by Civil Code Section 2782.8(a), in no event shall the cost to defend the Indemnitees that is charged to Contractor pursuant to this subsection, exceed Contractor’s proportionate percentage of fault.**

D. For purposes of **subsection C**, above, and in accordance with Civil Code Section 2782.8(a), “design professional” means only the following and only while performing professional design services: (i) an individual licensed as an architect pursuant to Business and Professions Code Section 5500, et seq., and a business entity offering architectural services in accordance with that Code section; (ii) an individual licensed as a landscape architect pursuant to Business and Professions Code Section 5615, et seq., and a business entity offering landscape architectural services in accordance with that Code section; (iii) an individual registered as a professional engineer pursuant to Business and Professions Code Section 6700, et seq., and a business entity offering professional engineering services in accordance with that Code section; and (iv) an individual licensed as a professional land surveyor pursuant to Business and Professions Code Section 8700, et seq., and a business entity offering professional land surveying services in accordance with that Code section.

E. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. The indemnification obligations set forth herein are binding on the successors, assigns or heirs of Contractor and shall survive the termination of this Agreement or this Section.

F. These Indemnification provisions are independent of and shall not in any way be limited by the Insurance Requirements of this Agreement. City approval of the Insurance contracts required by this Agreement does not in any way relieve the Contractor from liability under this Section.

13. Assignment and Subcontracting

A. No assignment of this Agreement or of any part or obligation of performance hereunder shall be made, nor shall any required performance be subcontracted, either in whole or in part, by Contractor without the prior written consent of City.

14. Work Delays

A. In the event that Contractor fails to submit to City all required deliverables, together with all documents and supplemental material required hereunder, in public hearing form to the reasonable satisfaction of City, within the time required herein, or as may be extended by written consent of the parties hereto, then Contractor shall be in default.

15. Independent Contractor

A. Contractor is retained as an independent contractor and is not an employee of City. No employee or agent of Contractor is or shall become an employee of City. The work to be performed shall be in accordance with the Scope of Services described in this Agreement, subject to such directions and amendments from City as herein provided.

B. All work and other Services provided pursuant to this Agreement shall be performed by Contractor or by Contractor’s employees or other personnel under Contractor’s supervision, and Contractor and all of Contractor’s personnel shall possess the qualifications, permits, and licenses required by State and local law to perform the Services, including, without limitation, a City of Brea business license as required by the Brea City Code. Contractor will determine the means, methods, and details by which Contractor’s personnel will perform the Services. Contractor shall be solely responsible for the satisfactory work performance of all

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personnel engaged in performing the Services and compliance with the customary professional standards.

C. All of Contractor’s employees and other personnel performing any of the Services under this Agreement on behalf of Contractor shall also not be employees of City and shall at all times be under Contractor’s exclusive direction and control. Contractor and Contractor’s personnel shall not supervise any of City’s employees; and City’s employees shall not supervise Contractor’s personnel. Contractor’s personnel shall not wear or display any City uniform, badge, identification number, or other information identifying such individual as an employee of City; and Contractor’s personnel shall not use any City e-mail address or City telephone number in the performance of any of the Services under this Agreement. Contractor shall acquire and maintain at its sole cost and expense such vehicles, equipment and supplies as Contractor’s personnel require to perform any of the Services required by this Agreement. Contractor shall perform all Services off of City premises at locations of Contractor’s choice, except as otherwise may from time to time be necessary in order for Contractor’s personnel to receive projects from City, review plans on file at City, pick up or deliver any work product related to Contractor’s performance of any Services under this Agreement, or as may be necessary to inspect or visit City locations and/or private property to perform such Services. City may make a computer available to Contractor from time to time for Contractor’s personnel to obtain information about or to check on the status of projects pertaining to the Services under this Agreement.

D. Contractor shall be responsible for and pay all wages, salaries, benefits and other amounts due to Contractor’s personnel in connection with their performance of any Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, other retirement or pension benefits, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance. Notwithstanding any other agency, State, or federal policy, rule, regulation, statute or ordinance to the contrary, Contractor and its officers, employees, agents, and subcontractors providing any of the Services under this Agreement shall not become entitled to, and hereby waive any claims to, any wages, salaries, compensation, benefit or any incident of employment by City, including but not limited to, eligibility to enroll in, or reinstate to membership in, the California Public Employees Retirement System (“PERS”) or any other retirement program, as an employee of City, and entitlement to any contribution to be paid by City for employer contributions or employee contributions for PERS benefits or any other retirement benefits.

E. To the maximum extent permitted by law, Contractor shall indemnify, defend and hold harmless the City, its elected officials, officers employees, agents and volunteers, from any and all liabilities, damages, claims, costs and expenses of any nature to the extent arising from, caused by, or relating to Contractor’s violation of any provision of this Section, or any of Contractor’s personnel practices. In addition to all other remedies at law, City shall have the right to offset against the amount of any fees due to Contractor under this Agreement any amount due to City from Contractor as a result of Contractor’s failure to promptly pay to City any reimbursement or indemnification obligation arising under this Section. The duty of indemnification set forth in this Section is in addition to all other indemnification provisions of this Agreement.

16. PERS Compliance and Indemnification

A. The Parties acknowledge that City is a local agency member of PERS, and as such has certain pension reporting and contribution obligations to PERS on behalf of qualifying employees. Contractor agrees that, in providing its employees and any other

PROFESSIONAL SERVICES AGREEMENT # 2022092201
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personnel to City to perform any work or other Services under this Agreement, Contractor shall assure compliance with the Public Employees’ Retirement Law, commencing at Government Code § 20000, the regulations of PERS, and the Public Employees’ Pension Reform Act of 2013, as amended. Without limitation to the foregoing, Contractor shall assure compliance with regard to personnel who have active or inactive membership in PERS and to those who are retired annuitants and in performing this Agreement shall not assign or utilize any of its personnel in a manner that will cause City to be in violation of the applicable retirement laws and regulations.

B. To the maximum extent permitted by law, Contractor shall defend, indemnify and hold harmless City, its elected officials, officers employees, agents and volunteers from any and all liabilities, damages, claims, costs and expenses of any nature to the extent arising from, caused by, or relating to Contractor’s violation of any provision of this Section.

17. Governing Law and Venue

A. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue for any legal action arising out this Agreement shall be the Superior Court of the County of Orange, California.

18. Attorneys’ Fees

A. In the event any legal proceeding is instituted to enforce any term or provision of this Agreement, the prevailing party shall be entitled to recover attorneys’ fees, experts’ fees, and all other costs of litigation from the opposing party in an amount determined by the court to be reasonable.

19. Entire Agreement

A. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties with respect to the subject matter herein. Each party to this Agreement acknowledges that no representation by any party which is not embodied herein nor any other agreement, statement, or promise not contained in this Agreement shall be valid and binding. Any modification of this Agreement shall be effective only if it is in writing signed by all parties. The following order of documents shall govern in the event of any inconsistency or conflict between this Agreement and any Exhibit: this Agreement, then Exhibits.

20. Accounting Records of Contractor

A. During performance of this Agreement and for a period of three (3) years after completing all Services and Additional Services hereunder, Contractor shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of Contractor’s costs for all Services and Additional Services performed under this Agreement and records of Contractor’s Reimbursable Expenses, in accordance with generally accepted accounting practices, and shall keep and make the records available for inspection and audit by representatives of the City upon reasonable written notice.

21. Insurance

A. General

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

PROFESSIONAL SERVICES AGREEMENT # 2022092201
for Pavement Inspection and Pavement Management Plan Services (“Services”)

ii. Without limiting the Agreement Indemnity provisions, Contractor shall procure and maintain in full force and effect for the Term of Contract, the following policies of insurance.

iii. For all insurance required in this contract, if a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

iv. If the Contractor maintains broader coverage and/or higher limits than the minimums required herein, the City requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor.

B. Coverages

i. Commercial General Liability (CGL)

a. CGL affords coverage at least as broad as Insurance Services Office “occurrence” form CG 00 01, including products and completed operations, property damage, bodily injury, and personal & advertising injury.

b. Limits shall be no less than \$2,000,000 per occurrence unless otherwise stated in **Section 4, Minimum Insurance Requirements**.

ii. Products-Completed Operations (PCO)

a. Contractor shall procure and submit to City evidence of insurance for a period of at least ten (10) years from the time that all work under this Agreement is completed.

iii. Automobile Liability Insurance (ALI) if required in **Section 4, Minimum Insurance Requirements**.

a. ALI with coverage at least as broad as Insurance Services Office Form CA 0001 covering “Any Auto” (Symbol 1) for each accident for bodily injury and property damage with limit no less than \$2,000,000 per occurrence unless otherwise stated in **Section 4, Minimum Insurance Requirements**.

b. If Contractor does not own any vehicles, Contractor may satisfy this requirement by providing the following:

i) A personal automobile liability policy for the contractor’s own vehicle; and

ii) A non-owned & hired auto liability endorsement to the commercial general liability policy if the contractor may lease, hire, rent, borrow, or use vehicles of others (e.g., employee-owned vehicles).

iv. Workers’ Compensation (WC) if required in **Section 4, Minimum Insurance Requirements**.

a. Workers’ Compensation as required by the State of California with statutory limits, and Employer’s Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury or disease.

b. If Contractor does not have any employees who will be performing work on behalf of the City, Contractor must provide the following:

i) A Self-Employment Affidavit Letter that Contractor is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers’ compensation or to undertake self-insurance

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in accordance with the provisions of that code, and that Contractor will comply with such provisions before commencing the performance of the work of this contract; and

ii) A certification that Contractor does not employ any individual(s) in the course and scope of business operations.

v. Professional Liability Insurance (PLI)

a. Covered Professional Services shall specifically include all work to be performed under this contract and delete any exclusion that may potentially affect the work to be performed.

b. Limits shall be no less than \$2,000,000 per claim; \$2,000,000 aggregate unless otherwise stated in **Section 4, Minimum Insurance Requirements**.

vi. Cyber Liability if required in **Section 4, Minimum Insurance Requirements**.

a. Cyber liability insuring against any and all financial loss to the City or any other of the Additional Insureds, including bank charges, resulting from unauthorized access to, or theft or destruction of, City data including financial information of any kind, and/or personally identifiable information (PII) controlled, processed, stored, handled, or otherwise utilized by Contractor, with limits not less than \$1,000,000 per occurrence unless otherwise stated in **Section 4, Minimum Insurance Requirements**. This coverage may be provided as part of a professional liability policy.

C. Endorsements

i. Insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The insurance policies shall contain or be endorsed to contain, the following provisions:

ii. Commercial General Liability

a. Additional Insured

i) The City, its elected officials, officers, employees, volunteers, boards, agents and representatives shall be additional insureds with regard to liability and defense of suits or claims arising out of the work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations.

ii) Additional Insured Endorsements shall not:

a) Be limited to “Ongoing Operations”

b) Exclude “Contractual Liability”

c) Restrict coverage to the “Sole” liability of

Contractor

d) Exclude “Third-Party-Over Actions”

e) Contain any other exclusion contrary to the

Agreement

iii) Additional Insured Endorsements shall be at least as broad as ISO Form(s) CG 20 10 11 85; or CG 2010 and CG 20 37.

b. Primary Insurance

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

iii. Auto Liability

a. Additional Insured

i) The City, its elected officials, officers, employees, volunteers, boards, agents and representatives) shall be additional insureds with regard to liability and defense of suits or claims arising out of the work or operations performed by or on behalf of the Contractor.

b. Primary Insurance

i) This insurance shall be primary and any other insurance whether primary, excess, umbrella or contingent insurance, including deductible, or self-insurance available to the insureds added by endorsement shall be in excess of and shall not contribute with this insurance.

iv. Workers' Compensation

a. A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.

D. Insurance Obligations of Contractor

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

E. Notice of Cancellation

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

F. Waiver of Subrogation

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

G. Evidence of Insurance

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

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ii. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

H. Deductible or Self-Insured Retention

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

I. Contractual Liability

i. The coverage provided shall apply to the obligations assumed by the Contractor under the indemnity provisions of this Agreement.

J. Failure to Maintain Coverage

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

ii. In the event that the Contractor's operations are suspended for failure to maintain required insurance coverage, the Contractor shall not be entitled to an extension of time for completion of the Work because of production lost during suspension.

K. Acceptability of Insurers

i. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law. Any other rating must be approved in writing by the City.

L. Claims Made Policies

i. If “design professional” services include structural design services, and professional liability coverage, including coverage for Construction Defect claims, is written on a claims-made basis, then the retroactive date on such insurance and all subsequent insurance shall coincide or precede the effective date of the initial Contractor's Agreement with the City and an extended reporting period shall be provided for a period of at least 10 years from termination or expiration of this Agreement. For all other professional liability coverage provided on a claims-made basis, the extended reporting period shall be not less than three (3) years following termination or expiration, or such other period as approved in writing by the City's Risk Manager.

M. Insurance for Subcontractors

i. Contractor shall be responsible for causing Subcontractors to purchase the same types and limits of insurance in compliance with the terms of this

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Agreement, including adding the City as an Additional Insured, providing Primary and Non-Contributory coverage and Waiver of Subrogation to the Subcontractor’s policies. The Commercial General Liability Additional Insured Endorsement shall be on a form at least as broad as CG 20 38 04 13.

22. California Labor Code Compliance

A. If the Services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with the Prevailing Wage Laws. Contractor is aware of the requirements of California Labor Code Sections 1720, et seq. and 1770, et seq., which require the payment of prevailing wages and the performance of other requirements on certain “public works” and “maintenance” projects (“Prevailing Wage Laws”). These rates may be obtained at: <http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>.

i. Contractor shall post a copy of such wage rates at the job site and shall pay the adopted prevailing wage rates as a minimum. Contractor shall comply with the provisions of Sections 1775, 1776, 1777.5, 1777.6, and 1813 of the Labor Code. Pursuant to the provisions of 1775 of the Labor Code, Contractor shall forfeit to the City, as a penalty, not more than \$200.00 for each calendar day, or portion thereof, for each laborer, worker, or mechanic employed, paid less than the stipulated prevailing rates for any work done under this Agreement, by Contractor or by any subcontractor under Contractor, in violation of the provisions of this Agreement.

ii. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Contractor and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code Section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

B. If the Services are being performed as part of an applicable “public works” or “maintenance” project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Contractor and all subcontractors performing such Services must be registered with the Department of Industrial Relations. Contractor shall maintain registration for the duration of this Agreement and require the same of any subcontractors, as applicable. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

C. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Contractor’s sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor’s performance of the Services, including any delay, shall be Contractor’s sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay and shall not be compensable by the City. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and

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harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

23. Notices and Designated Representatives

A. Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the below individuals and shall be effective upon receipt thereof:

City OF BREa - Project Manager:

Michael Ho
Public Works Director
1 Civic Center Circle
Brea, CA 92821
(714) 990-7698 phone
MichaelH@CityofBrea.net

City OF BREa - City Clerk (if over \$25,000):

Lillian Harris-Neal, MMC
City Clerk
1 Civic Center Circle
Brea, CA 92821
(714) 990-7757 phone
LillianHN@CityofBrea.net

Contractor - Representative:

Peter Bucknam - President
Bucknam Infrastructure Group, Inc.
3548 Seagate Way, Suite 230
Oceanside, CA 92056
(760) 216-6529
peter@bucknam-inc.com

[SIGNATURES ON FOLLOWING PAGE]

**PROFESSIONAL SERVICES AGREEMENT # 2022092201
for Pavement Inspection and Pavement Management Plan Services (“Services”)**

TO EXECUTE THIS AGREEMENT, the parties have caused their authorized representatives to sign below. Digital Signatures are acceptable if they conform to all requirements of California Government Code Section 16.5.

Bucknam Infrastructure Group, Inc.

[use this signature block if contractor is a corporation]

Signature

- Chairperson
- President
- Vice President

Signature

- Secretary
- Asst. Secretary
- Chief Finance Officer
- Asst. Treasurer

[Pursuant to California Corporations Code Section 313, both signature lines must be executed unless the signatory holds at least one of the offices designated on each line.]

[use this signature block if contractor is a limited liability company]

Signature

- Manager

Signature

- Manager

[Pursuant to California Corporations Code Section 17703.01(d), both signature lines must be executed unless the articles of incorporation state the firm is managed by only one manager.]

City of Brea

By: _____

Mayor

Attest: _____

City Clerk

PROFESSIONAL SERVICES AGREEMENT # 2022092201
for *Pavement Inspection and Pavement Management Plan Services* (“Services”)

EXHIBIT A
CONTRACTOR’S PROPOSAL

September 8, 2022

Mr. Will Wenz
Public Works Superintendent
City of Brea
1 Civic Center Circle
Brea, CA 92821-5732

Subject: Proposal for Pavement Management Program Services (FY 2022-2023)

Dear Will:

It is our pleasure to submit our proposal to assist the City of Brea in the continued, proactive management of your Pavement Management Program (PMP). With the City seeking to move toward stronger infrastructure management methodologies through advanced pavement inspections, neighborhood maintenance scheduling, Capital Improvement reporting (CIP), and GIS management, *Bucknam Infrastructure Group, Inc.* has identified a proactive and cost efficient method to assist the City in updating a successful PMP. Our team will focus our long-term PMP knowledge, extensive Brea - Orange County experience and GIS/GPS technologies to optimize the City's maintenance dollars by applying a manageable and reliable PMP methodology.

With Bucknam assisting the City with PMP services since 2012, our project staff, again, can be relied upon to provide continued, outstanding service to the City. This will be accomplished by assisting the City in implementing a common-sense neighborhood M&R schedule, formulating a proactive Arterial CIP budget and providing realistic maintenance recommendations. Our firm is unique in that we provide:

- ❖ Relevant and accurate PMP services based on our ongoing work with numerous Los Angeles, Orange County and San Diego local agencies such as:
 - **20 Orange County local agencies; 57% of Orange County local agencies (e.g., Brea, Fountain Valley, Costa Mesa, Placentia, Huntington Beach, Rancho Santa Margarita, Fullerton, Buena Park, Laguna Beach)**
 - 30 Los Angeles County local agencies;
 - 12 San Diego/Inland Empire local agencies; and
 - Army Corps of Engineers ASTM D6433-20 compliant surveying, reporting and pavement analysis on an annual basis;

- ❖ Our project manager has worked within the SoCal Pavement Management industry for over twenty-four (24) years and has worked extensively with MicroPAVER and StreetSaver PMP software's through turn-key data conversion projects to long-term, proactive pavement CIP scheduling that relies on accurate and cost-efficient bid documentation;



3548 Seagate Way, Suite 230
Oceanside, CA 92056
T: (760) 216-6529
www.bucknam-inc.com

- ❖ Project/engineering experience that brings the understanding that MicroPAVER results are not set in stone; we proactively use the available data to enhance budget forecasting and CIP/O&M project planning;

As Project Manager, my goal is not just to meet the requirements of this project but establish a living document (Arterial & Local pavement CIP submittal) that will be used throughout the term of the CIP as well as implement achievable long-term infrastructure management goals in coordination with City schedules.

Offeror: Bucknam Infrastructure Group, 3548 Seagate Way, Suite 230, Oceanside, CA 92056; Company FID # 45-2723662

Mr. Peter Bucknam (Project Manager) will be providing day-to-day operational and management services; he is authorized to sign the agreement for this contract. He can be contacted at 760-216-6529 (work) 714-501-1024 (cell) or email at peter@bucknam-inc.com. Mr. Steve Bucknam, P.E. (Principal) will be responsible for project oversight (steve@bucknam.net).

By selecting *Bucknam Infrastructure Group, Inc.*, the City of Brea will continue to receive a strong, knowledgeable, innovative, and communicative team with the experience to update a cost-effective pavement management program. Our handpicked pavement management professionals are committed to delivering quality services to the City. We have already scheduled time for your project and eagerly await our kick-off meeting with City staff and you.

Respectfully submitted,

Bucknam Infrastructure Group, Inc.



Peter J. Bucknam
President/Project Manager



Project Understanding / Approach

As the City of Brea infrastructure matures, the City's staff is striving to update the City's Pavement Management Program (PMP) through cost effective condition surveys, engineering cost evaluation, Arterial CIP and "neighborhood" budgetary reporting and work history updates within the PMP database. **Bucknam's experience through adherence to scope, schedule and cost have proven itself over the past eighteen (18) years of PMP service to Brea Public Works.**

The City requires a team that will continue to not only resurvey the defined sections using cost-conscious methodologies but will create a comprehensive program that includes the enhancement of your multi-year PMP CIP, neighborhood maintenance, essential data for PS&E bid document preparation, stewardship of the PMP, MyRoads®, and the knowledge of the inner workings of the PMP software.

Bucknam will provide these services through our proactive and accurate implementation of your PMP; we will address the City's primary goals of:

- Updating MicroPAVER with 2022 inspections, work history and maintenance data;
- Enhancing the Brea PMP database with 2020 to 2022 work history data entries;
- Surveying 29.5 miles of Arterial, Collector (MPAH) and 33.5 Local and Alley streets; provide variance PCI reporting based upon 2020 PCI's vs. 2022;
 - Verifying / Updating pavement centerline and metric data (PMP vs. GIS);
 - Generating 2022 Pavement Condition Index (PCI) ratings for each segment;
- Developing a proactive preventative slurry seal / overlay maintenance schedules based on existing capital funding;
- Establishing solid recommendations for current / future maintenance needs;
- Utilizing the City's existing funding to generate a baseline seven (7) year Capital Improvement Program (CIP);
- Recommending alternative maintenance budgets that demonstrate realistic return-on-investments (ROI), i.e. Scenarios 1, 2, 3, "actual" budget model, maintain PCI model, etc.

We have defined detailed phases to the scope of work in accordance to the City's RFP;

1. Project Implementation
2. Client Satisfaction
3. Project Schedule
4. Scope of Work (Major Tasks)



1) Project Implementation

TASK 1.1: Project Kickoff

The first step in implementing a successful pavement management program truly resides in frequent communication and timely scheduled data updates. For the City of Brea it will be essential to establish, up front, the Public Works Division (Engineering/Maintenance) pavement management priorities. Our team will set a Project Kickoff meeting with the Public Works Superintendent (Mr. Will Wenz) to further discuss and review in detail the expectations of the project, technical approach, section ID / GIS management & surveys, district/quadrant maintenance, software upgrades & use, deliverables within the scope of work and the review of schedule.

This effort will build consensus between the Maintenance and Public Works staff as well as build stronger ARTERIAL CIP and LOCAL neighborhood maintenance programs that complement large Public Works CIP projects and annual maintenance projects.

The first key topics to be discussed will include the review and assessment of the existing MicroPAVER pavement plan/data; its current and future use, survey areas based on recent maintenance work and schedules, new construction, data quality and condition, current pavement procedures, historical expenditure levels, software implementation and desired service levels.

Deliverable: Meeting minutes, revised project schedule (if necessary)

TASK 1.2: Project Status Meetings - Quality Control Program

Status Meetings and Progress Reports

- Minimum of three meetings during the project (kickoff, field, and status meetings) – minimum of eight (8) hours; Field review meetings; Monthly progress status reports will be delivered to City project manager.

Quality Control (QC)

We will use a statistical sampling approach for measuring the quality of our field technician's work. In this manner, 10 percent of the original annual surveys will be re-surveyed by an independent survey crew, supervised by a field supervisor, and the results will be compared to the original surveys (this will include 6 miles of arterial/local/alley QC). Our QC process involves checking the field crews' work in a "blind study" fashion. Quality control checks will be performed at the end of each survey week. This will ensure that all field personnel are properly collecting distresses and pavement quantities for all street segments.

PCI variance reporting will be performed where previous PCI data will be compared to newly inspected 2022 PCI data; if PCI's vary more than ten (10) points per year Bucknam staff will assess the potential cause through unrecorded work history, accelerated pavement deterioration, etc. Bucknam will record/log any discrepancies between the previous and current PMP databases (any corrections/changes to the database shall not be made without prior City staff approval).

Project Understanding / Scope of Work



Since we are collecting distress information on our field Tablets with the Brea PMP database live, our staff will perform several quality control tests within the pavement management software using a sample set of the City of Brea’s street distress data.

This will ensure that all system and analysis settings as well as City recommendations and standards are being followed. **Over the past two years, Bucknam has submitted fifty (50) METRO/OCTA compliant reports for LA and Orange County municipalities, they include:**

Los Angeles County PMP Clients		
Long Beach	Alhambra	El Segundo
Duarte	Culver City	Lomita
Rancho Palos Verdes	Palmdale	Glendora
Signal Hill	Pomona	Sierra Madre
Monterey Park	Hermosa Beach	South Pasadena
Compton	Lynwood	Norwalk
Monrovia	Rosemead	Bellflower
Lawndale	Covina	Beverly Hills
La Verne	South Gate	La Habra Heights
Gardena		
Orange County PMP Clients (Current)		
Brea	La Palma	RSM
Costa Mesa	Orange	Tustin
Laguna Hills	Laguna Beach	Westminster
Fountain Valley	San Juan Capistrano	La Habra
Huntington Beach	Laguna Woods	Fullerton
Seal Beach	Santa Ana	Placentia
Buena Park		

Our surveys follow the accepted ASTM D6433 procedure requirements. A copy of the QA/QC plan utilized by our staff during the project will be submitted along with the PMP certification documents. Our staff attends the OCTA PMP Distress Training Classes held in each year, 2011 thru 2022.

In February 2022 our staff was acknowledged as “qualified inspectors and firm” to prepare PMP’s compliant with the OCTA Countywide Pavement Management Guidelines (this certification/compliance runs through June 2024).

Additionally, Bucknam was selected by the Orange County Transportation Authority (OCTA) in July, 2021 to perform a 10-year Pavement Management Plan analysis on ALL 35 Orange County local agencies PMP’s.

Project Understanding / Scope of Work



2) Client Satisfaction

TASK 2.1: Project Deliverables

Shown throughout our Scope of Work, each Task is summarized with project deliverables. Client satisfaction will derive from frequent communication with the Project Manager and key staff members from the Engineering and Public Services departments. Project success is created by delivering on three main factors;

- 1) Adherence to scope tasks and deliverables
- 2) Performing to the standard set by the Project Schedule; and
- 3) Controlling costs. Our Project Manager will follow each of these factors throughout the duration of the project

Deliverable: Project Status Updates, as stated in Task 1.2

3) Project Schedule

TASK 3.1: Work Flow / Project Schedule

Our project schedule shows each major task identified in our scope of work, as well as quality control milestones and meetings. Bucknam currently has ample staff to apply to this project in order to meet an aggressive schedule (3 field technicians will drive the proactive schedule).

Task Name	20-Sep	4-Oct	18-Oct	31-Oct	14-Nov	28-Nov	12-Dec	25-Dec	8-Jan	22-Jan	5-Feb	18-Feb	4-Mar	18-Mar
BASE SCOPE OF WORK														
1) Project Implementation														
Task 1.1 - Project Kickoff	X													
Assess PMP data / Establish Survey														
Task 1.2 - Project Status Meetings - Quality Control														
Project Status Meetings					X						X			X
2) Client Satisfaction														
Task 2.1 - Project Deliverables					X						X			X
3) Project Schedule														
Task 3.1 - Work Flow/Project Schedule	X													
4) Scope of Work														
Task 4.1 - Update Maintenance and Rehabilitation History														
Assessment of MicroPAVER - Work History														
Task 4.2 - Pavement Condition Surveys														
PCI Reporting						30%		60%		100%				
Quality Control Checks														
Develop Recommended Improvement Program														
Task 4.3 - Maintenance & Rehabilitation and Decision Tree														
Update Maintenance & Rehab Activities														
Task 4.4 - Citywide CIP / OCTA Compliance Reports														
City Review of Draft Final Report														
Project Status Meeting					X						X			X
Delivery of Final CIP Report														
Task 4.5 - PMP-GIS ArcMAP / Mapping														
Task 4.6 - Brea MyRoads PMP Web Portal														
Task 4.7 - As-Needed PMP-GIS Services (Annual)														

With a completed survey, our team will work with you to establish a PMP that provides specific, manageable pavement segments, detailed maintenance schedules of needed repairs and cost conscious maintenance recommendations that will assist you in preparing budget estimates required to complete the scheduled work for fiscal year 2022-23 and beyond.



4) Scope of Work (Major Tasks)

TASK 4.1: Update Maintenance and Rehabilitation History

The City will provide Bucknam a complete listing of all major work (overlay, slurry, etc.) in order to update specific section work histories and PCI ratings. Bucknam will review all maintenance and rehabilitation projects completed and/or scheduled by the City since the last update in 2020; this will include work history updates on arterial, locals and alleys.

Our staff will enter the necessary work history updates as mentioned above (i.e. data entry of maintenance / rehabilitation activities) into your MicroPAVER software. Once the project is completed, our staff will upload the necessary PMP database files at the City.

Deliverable: Update PMP data, Work History report

TASK 4.2: Pavement Condition Surveys

First and foremost, the assessment of the City's pavement segmentation is one of the key priorities for this project. With two years between major inspections it will be essential to verify that all Arterial, Collector and Local segmentation is up-to-date and that section SF quantities are verified, accurate and reliable. This will be completed by utilizing the Bucknam-Fusco cloud-based learning technology (AI) to correct quantify square footages for each pavement section (see sample below).

Bucknam (powered by Fuscoe's unique use of cloud-based learning technology) allows our staff to provide the AI with the City of Brea's most recent aerial image; in doing so, all AC and PCC pavement areas are immediately calculated. This instant calculation is possible due to the cloud-based learning tech's inherent working knowledge of how to recognize pavement surfaces and asphalt types.



This instant calculation is possible due to the cloud-based learning tech's inherent working knowledge of how to recognize pavement surfaces and asphalt types.

This ability will allow Bucknam to obtain the necessary quality control measurements for all Brea PMP segments and to perform segment SF variance reports. This will in turn create a more accurate total centerline / square footage of the Brea network as well as for each unique pavement segments. This AI task is an optional service that can be performed at any time during the project; we have demonstrated the optional task in our proposed fee below.

We will review/assess new and/or missing streets previously excluded from the last PMP update and create the necessary segmentation within the Brea PMP database + GIS links (this AI effort can be applied through our optional services (see proposed fee)).

Project Understanding / Scope of Work



Once the pavement segmentation has been assessed and verified, the necessary 60 miles of Arterial, Collector, Local and Alley inspections will be performed. It is the City's desire to survey all pavement sections this fiscal year.

Our survey methodology will include the following approach based on the ASTM D6433 guidelines:

1. **Walking** - All sections are surveyed through "two-pass test" walking methodologies. AC/PCC distress types will be collected based upon actual surface conditions and physical characteristics of the segment.

Surveying methods will be conducted by remaining consistent with ASTM D6433-20 & the Army Corp of Engineers AC/PCC sampling guidelines while being flexible to current City requirements.

All sample locations are observed through walking surveys; samples areas will cover a minimum of 20% of the total section area and will be 2,500 SF +/- 1,000 SF in size. According to the City's RFP the following pavement sections are to be surveyed for the upcoming 2022 PMP update:

- The inspection of approximately 29.5 centerline miles of Arterial / Collector (MPAH) and 33.5 miles of Local and Alley segments will be performed;
- Recent overlay rehabilitation will reduce total mileage of survey – TBD;

Our use of Tablet-based units allows our staff to collect pavement data with the City of Brea's PMP database live in the field. At the end of the day all electronic data is transferred to our office for quality control and management.

Roadway Verification Survey - A listing of the field attribute data that is updated/verified during the survey for the pavement management database is listed below:

2. **Field Attribute Data (updated and/or verified)**

- ❖ From/to, indicating the assigned limits of the section, sample test areas, street name
- ❖ Historical PCI tracking from previous inspections and 2022 PCI inspections
- ❖ Segment rank, length, width, and total true area of the section

3. **Conditional data will be evaluated for all street segments and will include:**

- ❖ MicroPAVER 20 AC & 19 PCC distresses by type, severity and sample area
- ❖ Sampling/conditional data pulled from within edge-of-pavement to edge-of pavement
- ❖ PCI ratings (0-100), taking into account the surface condition, level of distress

4. **Section Distress and PCI Reporting**

Once inspections are completed, we will generate a draft Pavement Condition Index (PCI) Report for City staff to review. The City and our staff will review these reports to ensure that all inventory data is correct and the project is running smoothly.



Our submittal will include:

1. PCI Variance report comparing 2020 PCI's to 2022 PCI's
2. Street centerline miles, lane miles, and pavement area
 - a. Reported as an entire network
 - b. Reported by functional classification (arterial, collector, local)
3. Current street network Pavement Condition Index ratings
 - a. Report as an entire network
 - b. Reported by functional classification (arterial, collector, local)
4. Pavement segment tabular listing for the entire street network
 - a. PCI Report – sorted by PCI (worst to best)
 - b. PCI Report – sorted alphabetically

Deliverable: Citywide PCI Reports (30%, 65% and 100% status PCI reports), PCI Variance report

DEVELOP RECOMMENDED IMPROVEMENT PROGRAM

TASK 4.3: Maintenance and Rehabilitation, History and Decision Tree

We will assist the City in developing the most cost-effective preventative maintenance and rehabilitation strategies necessary to achieve the desired level of serviceability. This will be accomplished by meeting with the City to discuss and strategize maintenance activities that are currently being used by the City. Based on the City's current AC & PCC applications and other maintenance practices used we will conduct an historical and prospective analysis on the conditional and financial impact these practices have on the pavement network.

We will establish/update the Brea MicroPAVER maintenance "decision tree" that will be used to generate pavement recommendations that match current fiscal year maintenance approaches/City practices. This will be accomplished by assessing/updating the unique and individual PCI ranges and deterioration curves within PMP software based on functional class (i.e. arterial, collector, local) and age. Our staff will review the Brea deterioration curves that have been developed based on historical pavement condition, inspection, surface type, and road class data.

All maintenance practices/unit costs will be integrated into the PMP and will be derived from the most recent construction bids for pavement rehabilitation. We will account for inflation rates when long-term revenue projections are made. Our Project Manager and Principal will work closely with the City in defining repair and rehabilitation strategies for each fiscal year as well as establish PMP zones for the street/alley networks. Once the repair/rehabilitation strategies have been defined, the identification of a seven year Forecasted Maintenance schedule will be generated.

Project Understanding / Scope of Work



The recommended budget scenarios will be identified on the basis of several criteria:

- Assessment and review of the City's Pavement CIP
- Present pavement conditions; Desired levels of service and available resources
- Projected / Forecasted PCI's per section
- Cost benefit of individual strategies (minimum of three (3) scenarios)
- Scheduling with the City's major CIP projects (water, sewer, etc.)
- Budgetary recommendations that satisfy OCTA guidelines
- Local "Neighborhood" fiscal year reporting/improvement scheduling
- Future routine maintenance needs based on projected deterioration rates

The primary emphasis of this task is to maximize the scheduling of street maintenance using the most cost-effective strategies available and taking into account a life-cycle cost analysis.

TASK 4.4: Citywide CIP / OCTA Compliance Budget Reports

We will deliver the Final Report to the City which will be essential for staff reference / use as well as presented in a way that is beneficial for elected officials/upper management. **This report will assist the City in complying with OCTA.**

The report will be prepared in a format that uses the information delivered by the PMP database in conjunction with the information and analysis performed by our team. The report will provide the City with information on:

- Current inventory and pavement conditions indices (PCI) for all road classes
- Projected annual rehabilitation programs for street maintenance for a 7-yr period (ARTERIAL, LOCAL and ALLEY Forecast Maintenance Reports) that show the largest return on investment and acceptable levels of service;
- Modeling and comparison of at least three (3) budget scenarios that typically include:
 - Future PMP conditions based upon historical funding levels;
 - Identification of annual funding to maintain current after 7-years;
 - Increase current PCI within 7-years;
 - Gradual, Frontloaded, Constrained and Unlimited funding analysis;
- Strategies and recommendations for the City's maintenance programs and procedures, including a preventative maintenance schedule;
- Publication of three budget scenarios within MyRoads® (Bucknam web-portal/dashboard);
- Supporting documentation required by OCTA;
- A detailed breakdown of deferred maintenance (backlog); and

Project Understanding / Scope of Work



- Quality Management Plan document.

Our recommendations will provide guidance to the City on how to implement better preventative maintenance / rehabilitation strategies and/or increase funding through PMP data examples. We will make a presentation of the results from the 2022 PMP update to City personal and/or City Council if necessary-pro bono.

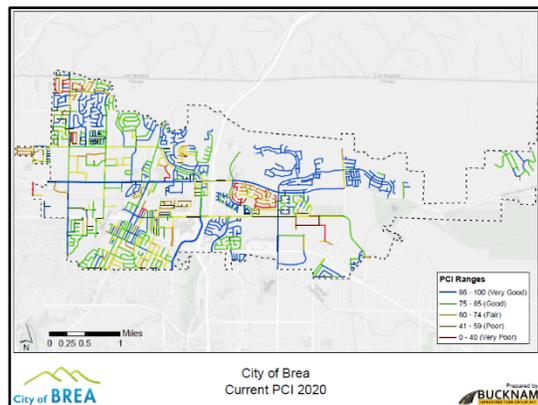
Registered Engineer

Mr. Steve Bucknam, P.E. will review all completed data and sign a final report incorporating the results of our pavement evaluation and conditions. We will provide recommendations for pavement rehabilitation and replacement design based upon field data and analysis.

Deliverable: Two (2) copies of the approved Final PMP Report, OCTA compliance form and digital delivery of final project files.

TASK 4.5: PMP – GIS Link / Mapping

As an enhancement and proactive approach to this project, our staff will update the existing Pavement-GIS link between MicroPAVER and the City's GIS system. Bucknam currently has the 2020 PMP-GIS shapefile in-hand; this allows our staff to immediately utilize the file and prepare for internal PMP editing, survey and reporting. Our staff will review, with City staff, all ongoing upcoming capital projects that may impact the GIS mapping delivered for this project. The maps described below will be incorporated into the City's Final PMP report:



- PCI values for every section
- Work History identifications
- 7-yr Arterial / Local Rehabilitation and Slurry Seal Programs
- Functional classification maps

Once the City has approved the Pavement Condition Report, we will update the necessary MicroPAVER-GIS linkages (street names will be shown on all maps). By using the unique ID's within the PMP and the City's ESRI street shapefile ID's, we will update the one-to-one match for each pavement section in the GIS. Our staff will coordinate all project deliveries with the Public Works and the GIS division to ensure that the most current and accurate PMP-GIS maps are represented within the City's GIS enterprise.

Deliverable: Complete GIS files/themes based on list above (project .mxd/shapefiles).



TASK 4.6: Brea MyRoads® PMP Web-Portal

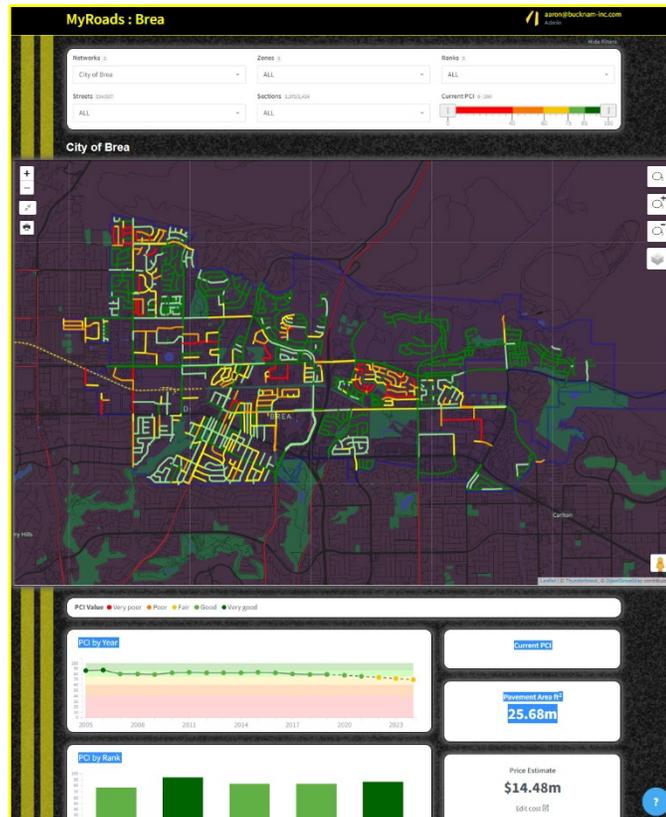
Brea My Roads Web-Portal - Bucknam's proprietary MyRoads® is a great match for the Brea PMP today and the future. **This brings your PMP data to life within a dynamic PMP dashboard!**

Bucknam now provides all our PMP clients with a unique and agency driven "MyRoads®" web-portal that provides instantaneous access to your pavement management database.

This "dashboard" allows users to toggle through individual sections via GIS mapping selections, zone queries, rank selection, PCI ranges, etc. to review all section metrics, latest/previous inspections, work histories generate filtered PCI reports and identify potential maintenance costs based upon your unique needs.

Bucknam has shown the current Brea MyRoads® account actively working!

This tool will be accessed by City staff simply through a Username/Password methodology. As changes are made to the Brea PMP database the MyRoads® dataset is changed to reflect work history edits, PCI inspections and section changes.



In summary, MyRoads® allows the user perform the following dynamic functions:

- Query specific pavement segment(s) to view current/historic PCI, work history inspection;
- Filter for pavement sections within a defined zone, PCI range and/or functional class;
- Select a pavement section or grouping of section through the on-board GIS tool;
- Enter slurry, overlay & reconstruction unit costs to determine preliminary cost of maintenance and resulting citywide PCI
 - Display critical street / sidewalk / ROW assets along pavement section(s) that are critical to Engineering Bid development and solicitation (ADA ramps, utilities, manholes, trees, etc.)
- Displays all final GIS project maps (PCI, work history, 7-yr forecasted maintenance, etc.)
- Bucknam will train Brea staff on the simply use of the MyRoads® dashboard.



Optionals Services

TASK 4.7: As-Needed PMP – GIS Services

Pavement Management Program Support

With the City implementing a biennial PMP management schedule Bucknam will provide annual PMP support that will cover data previously submitted by our staff. If additional services outside the identified scope of work above are requested Bucknam will provide timely and proactive services to the City. Our typical As-Needed services include:

- Additional budget scenarios, general reporting, deterioration studies
- Additional visual inspections above the mileage amount indicated in Task 4.2
- Additional pavement management – GIS mapping
- MicroPAVER / MyRoads® training, operational use
- GIS Enterprise assessment, management, implementation, support

The agreement will include the provision of onsite and telephone support for the City staff.

Deliverable: Remote and on-site technical support

TASK 4.8: Citywide Sidewalk Management Services

Sidewalk Management Program Support

With the City continuing its biennial PMP requirement Bucknam will provide optional Sidewalk Management services at a volume-based reduced fee based on the combined PMP and sidewalk survey schedule. Bucknam will initially need to develop a clear and accurate citywide Sidewalk GIS layer that represents where known sidewalk locations are. This will require Bucknam to digitize sidewalk locations that will be represented by GIS polylines. This first effort will be to update the existing citywide sidewalk polyline layer that will in turn support our sidewalk inspections.

Our staff will utilize the City's available street segmentation data within MicroPAVER to establish the sidewalk segmentation, survey and schedule. Our staff will utilize additional data such as the City's GIS centerline, aerial imagery and other viable data that will assist our internal sidewalk GIS layer development and field operations.

All sidewalk inventory and distress data will be collected through the use of our hand-held GPS units. Through the use of ArcPad, our Trimble GPS unit utilizes a data capture screen to record all inventory and inspection data define by the scope of work. Once the street/pavement segmentation has been assessed and verified, the inspection of approximately 203 miles of sidewalk segments will be performed (based on 80% of each segment having sidewalk on both sides). Bucknam will coordinate the sidewalk and pavement management surveys together for efficiency.

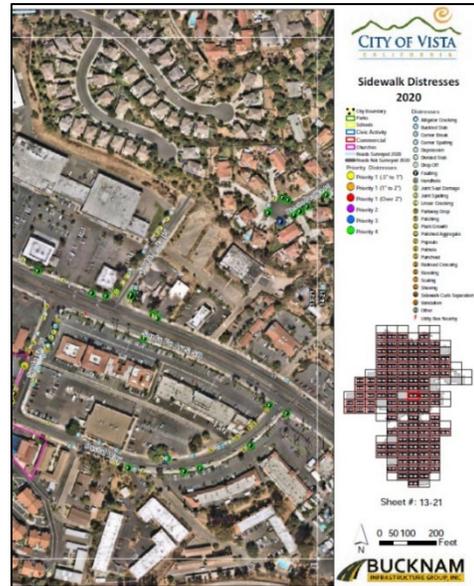
Project Understanding / Scope of Work



Based on previous sidewalk management programs performed for various cities, we have provided the list below demonstrating typical layers and attributes collected during sidewalk inspections:

Sidewalk Distresses Attributes / GIS Data

- House Number – House number closest to distress, if applicable;
- Street Name – Street Name;
- Surface Type – i.e. AC, Brick, Paver, PCC;
- Distress Material Location – sidewalk, C&G, Ramp;
- Vertical displacement – i.e. 1/2" to 1", 1" to 2", 2" or higher
 - Displacement ranges – Defined by City's current Sidewalk Inspection Program (may be changed per discussions with City);
 - Distress Type – i.e. joint faulting, linear cracking, divided slab, buckled slab;
- Sensitive Location – Schools, Parks, City Facilities, etc. Locations to be determined by City Staff;
- Tree – If distress is caused by a tree;
- Utility Box – If distress is caused by a utility box;
 - Utility label/type, if any;
- Length – Length of distress, if applicable;
- Recommended Work – i.e. Grind, Ramp, Replace;
- MicroPAVER ID – Unique ID that corresponds with PMP Street GIS Layer;
- Any hazards or sidewalk damage that may not meet requirements of repair to be noted for future inspections;
- Field notes (if applicable) and inspection date associated with distress priority location;
- Comments – Field for any necessary comments about the distress.



Our use of mobile **GPS Handheld/Tablet units allows our staff to collect sidewalk data with the City of Brea's database live in the field.** At the end of the day all electronic data is transferred to our office for quality control and management. We can produce Sidewalk GIS Distress locations at any time during the survey for City QC and/or review.

Section Distress and Condition Reporting

At 50% and 100% Bucknam will generate Sidewalk / ADA Ramp Location / Distress Reports for City staff review. The City and our staff will review these reports to ensure that all inventory data is correct and the project is running smoothly.

Deliverable: Defined Priority criteria, updated citywide Sidewalk GIS layer, Citywide Sidewalk Distress Reports, Recommended repairs; GIS Distress/Deficiency maps.

Project Understanding / Scope of Work



Proposed Fee

Task Items 1 through 4 can be accomplished on a **time and materials not to exceed** basis in accordance with the standard hourly rate schedule attached. Our anticipated fee including labor and reimbursable expenses is projected to be \$31,028 for a five-month period. Should the City desire to increase the service level above the hours outlined above for the Task items 1 through 4 or require other services not described herein, a fee adjustment would be negotiated and mutually agreed upon by both parties. We have included our fee schedule below for the City's consideration.

	Description	Principal	Project Manager	GIS Manager	Senior Technician	Field Technician(s)	Admin	Total by Task
	2022 Base Fee	\$295/hr	\$195/hr	\$150/hr	\$150/hr	\$98/hr	\$85/hr	
Task 1	Project Implementation							
Task 1.1	Project Kickoff		2		1			\$540
Task 1.2	Project Status Meetings - Quality Control	1	2		6	16		\$3,153
Task 2	Client Satisfaction							
Task 2.1	Project Deliverables		2	1	2		1	\$925
Task 3	Project Schedule							
Task 3.1	Work Flow / Project Schedule		2		4			\$990
Task 4	Scope of Work							
Task 4.1	Update Maintenance and Rehabilitation History		1		8			\$1,395
Task 4.2	Pavement Condition Survey (approx. 63 miles)		6		12	110		\$13,750
Task 4.3	Maintenance and Rehabilitation and Decision Tree		2					\$390
Task 4.4	Citywide CIP / OCTA Compliance Reports	1	24	1	2		1	\$5,510
Task 4.5	PMP - GIS Link / Mapping		1	10	2			\$1,995
Task 4.6	Brea My Roads PMP Web-Portal							\$700
	Reimbursables (mileage, printing, materials)							\$1,680
	All deliverables will become property of the City of Brea							
	All Tasks are negotiable							
	Total Hours per Staff	2	42	12	37	126	2	
	2022 Total Base Fee	\$ 590	\$ 8,190	\$ 1,800	\$ 5,550	\$ 12,348	\$ 170	\$31,028
	Optional Services							
Task 4.2a	AI SF Calculation of AC/PCC segments (Citywide - 127 miles)							\$7,350
Task 4.7	As-Needed PMP -GIS Services (Annual)							T&M
Task 4.8	Sidewalk Inventory Services (approx. 203 miles of sidewalks)							(Projected cost per mile - \$225) \$46,700
Additional services outside of this contract will be negotiated with the City where we will use the Standard Hourly Rate Schedule shown here.								
	*Notes / Assumptions:							
	All Tasks - Bucknam will utilize own MicroPAVER 7.0.11 license for project tasks							
	Task 4.2 - Bucknam will utilize minimum 20% sampling rate during surveys							
	All Tasks - Bucknam and inspectors are qualified through ASTM D64333 / OCTA until FY 2024							

Project Understanding / Scope of Work



Standard Hourly Rate Schedule

Category	Rate
Principal	\$ 295
Senior Project Manager	215
Senior Engineer / Planner	195
Construction Manager	195
Pavement Management Project Manager	195
Management Analyst	170
Project Engineer / Planner	160
Sr. Engineer / Sr. Technician / GIS Manager / Sr. Inspector	150
Assistant Engineer / Technician / GIS Analyst / Inspector	140
CADD Operator	110
Administrative Assistant	105
Field Technician	98
Clerical / Word Processing	85
Forensic Services	Quote
<u>Reimbursables</u>	
Mileage	\$0.72/mile
Subconsultant Services	Cost + 15%
Reproduction	Cost + 15%
Travel & Subsistence	Cost + 15%
Fees & Permits	Cost + 15%
Computer Services (External)	Cost + 15%

Rates Effective 1/1/22



BUCKNAM
INFRASTRUCTURE GROUP, INC

3548 Seagate Way, Suite 230
Oceanside, CA 92056
T: (760) 216-6529
www.bucknam-inc.com

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL LIABILITY SUPPLEMENTARY ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

A. Additional Insured by Contract, Agreement or Permit

The following is added to **SECTION II - LIABILITY, C. Who Is An Insured:**

Additional Insured by Contract, Agreement or Permit

a. Any person or organization with whom you agreed in a written contract, written agreement or permit that such person or organization to add as an additional insured on your policy is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by your acts or omissions, or the acts or omissions of those acting on your behalf, but only with respect to:

- (1) "Your work" for the additional insured(s) designated in the contract, agreement or permit including "bodily injury" or "property damage" included in the "products - completed operations hazard" only if this Coverage Part provides such coverage.
- (2) Premises you own, rent, lease or occupy; or
- (3) Your maintenance, operation or use of equipment leased to you.

b. The insurance afforded to such additional insured described above:

- (1) Only applies to the extent permitted by law; and
- (2) Will not be broader than the insurance which you are required by the contract, agreement or permit to provide for such additional insured.
- (3) Applies on a primary basis if that is required by the written contract, written agreement or permit.
- (4) Will not be broader than coverage provided to any other insured.
- (5) Does not apply if the "bodily injury", "property damage" or "personal and advertising injury" is otherwise excluded from coverage under this Coverage Part, including any endorsements thereto.

c. This provision does not apply:

- (1) Unless the written contract or written agreement was executed or permit was issued prior to the "bodily injury", "property damage", or "personal

injury and advertising injury".

- (2) To any person or organization included as an insured by another endorsement issued by us and made part of this Coverage Part.
- (3) To any lessor of equipment:
 - (a) After the equipment lease expires; or
 - (b) If the "bodily injury", "property damage", or "personal and advertising injury" arises out of sole negligence of the lessor
- (4) To any:
 - (a) Owners or other interests from whom land has been leased if the "occurrence" or offense takes place or the offense is committed after the lease for the land expires; or
 - (b) Managers or lessors of premises if:
 - (i) The "occurrence" takes place or the offense is committed after you cease to be a tenant in that premises; or
 - (ii) The "bodily injury", "property damage", "personal injury" or "advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.
- (5) To "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" or the offense which caused the "personal and advertising injury" involved the rendering of or failure to render any professional services by or for you.

d. With respect to the insurance afforded to these additional insureds, the following is added to **SECTION II - LIABILITY, D. Liability and Medical Expense Limits of Insurance:**

The most we will pay on behalf of the additional insured for a covered claim is the lesser of the amount of insurance:

1. Required by the contract, agreement or permit described in Paragraph a.; or
2. Available under the applicable Limits of Insurance shown in the Declarations.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations

B. Aggregate Limits of Insurance per Project or per Location

The following changes are made to **SECTION II - LIABILITY**:

1. The following is added to **SECTION II - LIABILITY, D. Liability and Medical Expenses Limits of Insurance**, paragraph 4:

The Aggregate Limits of Insurance apply separately to each of "your projects" or each "location" listed in the Declarations.

2. For the purpose of coverage provided by this endorsement only, the following is

added to **SECTION II - LIABILITY, F. Liability And Medical Expenses Definitions**:

1. "Your project" means:
 - a. Any premises, site or "location" at, on, or in which "your work" is not yet completed; and
 - b. Does not include any "location" listed in the Declarations.
2. "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.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

insured's rights against all those other insurers.

- c. When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

- d. We will share the remaining loss, if any, with any other insurance that is not described in this provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations for this Coverage.

e. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable Limit of Insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable Limit of Insurance to the total applicable limits of insurance of all insurers.

- f. When this insurance is excess, we will have no duty under Business Liability Coverage to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so; but we will be entitled to the insured's rights against all those other insurers.

I. Premiums

1. The first Named Insured shown in the Declarations:

a. Is responsible for the payment of all premiums; and

b. Will be the payee for any return premiums we pay.

2. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation or anniversary of the effective date of this policy, we will compute the

premium in accordance with our rates and rules then in effect.

3. With our consent, you may continue this policy in force by paying a continuation premium for each successive one-year period. The premium must be:

a. Paid to us prior to the anniversary date; and

b. Determined in accordance with paragraph 2. above.

Our forms then in effect will apply. If you do not pay the continuation premium, this policy will expire on the first anniversary date that we have not received the premium.

4. Undeclared exposures or change in your business operation, acquisition or use of locations may occur during the policy period that is not shown in the Declarations. If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

J. Premium Audit

1. This policy is subject to audit if a premium designated as an advance premium is shown in the Declarations. We will compute the final premium due when we determine your actual exposures.

2. Premium shown in this policy as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

3. The first Named Insured must keep records of the information we need for premium computation and send us copies at such times as we may request.

K. Transfer of Rights of Recovery Against Others to Us

1. Applicable to **SECTION I - PROPERTY** Coverage:

If any person or organization to or for whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- a. Prior to a loss to your Covered Property.
- b. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - (1) Someone insured by this insurance;
 - (2) A business firm:
 - (a) Owned or controlled by you; or
 - (b) That owns or controls you; or
 - (3) Your tenant.

You may also accept the usual bills of lading or shipping receipts limiting the liability of carriers.

This will not restrict your insurance.

2. Applicable to **SECTION II - LIABILITY** Coverage:

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair such rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

We waive any right of recovery we may have against any person or organization with whom you have a written contract, permit or agreement to waive any rights of recovery against such person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard".

This condition does not apply to Medical Expenses Coverage.

L. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured. If you die, your rights and duties will be transferred to your legal representative but only while that legal representative is acting within the scope of their duties as your legal representative. Until your legal representative is appointed, anyone with proper temporary custody of your property will have your rights and duties but only with respect to that property.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT-CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2% % of the California workers' compensation premium otherwise due on such remuneration.

Schedule

Person or Organization

Job Description

BLANKET AS REQUIRED BY

C O N T R A C T

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated. (The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No. WZC-A399946-08

Endorsement No.

Insurance Company THE HANOVER AMERICAN INSURANCE COMPANY

Countersigned By _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO DESIGNATED ENTITY(S)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
HANOVER COMMERCIAL FOLLOW FORM EXCESS AND UMBRELLA POLICY
COMMERCIAL PROPERTY COVERAGE PART
BUSINESS AUTO COVERAGE FORM
BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Name of Designated Entity Mailing Address or Email Address	Number Days Notice
CITY OF BREA 1 CIVIC CENTER CIRCLE BREA, CA 92821	30

(Information required to complete this Schedule, if not shown above, will be shown in the Declarations.)

If we cancel this policy for any reason other than nonpayment of premium, we will give written notice of such cancellation to the Designated Entity(s) shown in the Schedule. Such notice may be delivered or sent by any means of our choosing. The notice to the Designated Entity(s) will state the effective date of cancellation.

Unless otherwise noted in the Schedule above, such notice will be provided to the Designated Entity(s) no more than the number of days in advance of the effective date of cancellation that we are required to provide to the Named Insured for such cancellation.

Such notice of cancellation is solely for the purpose of informing the Designated Entity(s) of the effective date of cancellation and does not grant, alter, or extend any rights or obligations under this policy.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Bill Gallardo, City Manager

DATE: 11/15/2022

SUBJECT: Authorize Mayor to Execute Electric Vehicle Charging Station License Agreement with Carbon Solutions Group LLC

RECOMMENDATION

Execute License Agreement.

BACKGROUND/DISCUSSION

During the Study Session on July 19, 2022, the City Council directed staff to work with Carbon Solutions Group LLC (CSG) on a new agreement. The City Council requested that the additional renewable extensions be shortened from a five (5) year term to a one (1) year term, with up to three (3) extensions only, and that a revenue sharing feature be added in the agreement. The new agreement contains both of these items. With the variable revenue sharing feature that has been added to this agreement, the City will generate \$8,775 over the next five years based on an average utilization of 44% for each charging station. CSG will charge the electric vehicle (EV) user affordable charging rates based on the fair market value taking into consideration the seasonal costs of the electrical rates. This agreement also includes reimbursing the City quarterly for all electricity costs for all the charging sessions.

City staff worked with Clipper Creek to install three Level II EV chargers in the parking structure at the Civic & Cultural Center, which replaced several first generation non-universal EV chargers that were only able to charge a specific vehicle. As EV car manufacturing technology has advanced, a universal charging plug was incorporated into all the new vehicles being built. The Clipper Creek manufacturer offered this new technology, which allowed the City to continue to provide public EV charging at the Civic & Cultural Center. However, when the City installed the Clipper Creek units, technology was limited and there wasn't the ability to charge EV users for their charging sessions. It is a common practice to charge EV users for their usage throughout Southern California.

Over the past few years, there has been a significant increase in EV users on the road. With the increase in EV users, chargers located at City Hall have been used more frequently. Now that it has become common practice to charge the EV user for their charging session, staff is recommending removing the three (3) free chargers and replacing them with three (3) Level 2 ChargePoint CT4000 units. These new EV chargers would be managed by Carbon Solutions Group LLC (CSG). Staff is recommending CSG because there were no out-of-pocket costs from the City to upgrade these EV chargers. GSC would be responsible for all the installation costs to upgrade the chargers and manage the charger interface to charge the EV user for their charging session.

To extend the agreement, both parties would have to agree to extend the additional terms mutually. If either party does not extend the term, then both parties would need to discuss either the removal of the stations or for the units to be sold to the City for fair market value at the time of termination. The City Attorney has reviewed the agreement and is amenable to the terms.

COMMISSION/COMMITTEE RECOMMENDATION

The Finance Committee reviewed staff's recommendation at their November 8, 2022 meeting and recommended for Council approval.

FISCAL IMPACT/SUMMARY

CSG will be responsible for reimbursing the City for electricity consumed quarterly at a rate equivalent to the City's commodity cost of electricity. CSG will also pay the City the variable revenue share annually based on the chargers' utilization. Approval of this agreement will result in cost savings to the General Fund for electricity costs.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager
Prepared by: Brian M. Ingallinera, Environmental Services Coordinator
Michael Ho, Public Works Director / City Engineer

Attachments

CSG Agreement

ELECTRIC VEHICLE CHARGING STATION LICENSE AGREEMENT

This ELECTRIC VEHICLE CHARGING STATION LICENSE AGREEMENT (this “Agreement”), dated as of _____, 2022 (the “Effective Date”), is between Carbon Solutions Group LLC, a Delaware limited liability company, d/b/a (“CSG”), and the City of Brea, a California municipal corporation (“Host”). Each of CSG and Host is a “party,” and together they are the “parties,” to this Agreement.

BACKGROUND

- A. CSG provides a variety of vehicle charging and support services to owners of electric plug-in vehicles (“EVs”);
- B. Having Electric Vehicle Charging Stations onsite allows Host to promote sustainable and environmentally-sound transportation;
- C. Host desires to participate in CSG’s network of Electric Vehicle Charging Stations; and
- D. This Agreement sets forth the parties’ agreement with respect to Host’s grant of a revocable license to CSG.

AGREEMENT

In consideration of mutual benefits and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. LICENSE;

- 1.1. Host Property. Host is the Owner of the property described in Exhibit A, attached hereto and made a part hereof (the “Host Property”).
- 1.2. Grant of License. Host, for good and valuable consideration, the sufficiency of which is acknowledged, grants to CSG a revocable license (the “License”) to use a certain portion of Host Property specifically identified in Schedule I of Exhibit A and herein referred to as (the “Licensed Space”) for the purposes described in this Agreement, including but not limited to those described in Section 1.3 below.
- 1.3. Utilization Bonus.
 - 1.3.1. The Host will receive a Utilization Bonus for each charging station with average Annual Utilization at each percent above a 5% threshold. The Utilization Bonus is calculated according to table included in Exhibit B, which is determined by the following formula:
 - (a) Take the Multiplier Rate representative of the Annual Percent Utilization and multiply it by the dollar value shown in the tier.
- 1.4. Use of Licensed Space. The License includes use of the Licensed Space and the areas of Host Property that are reasonably necessary to provide ingress and egress to and from the Licensed Space and the Electric Vehicle Charging Stations (as defined below) for the purposes of the construction, installation, maintenance, repair and operation of the grid integrated Electric Vehicle Charging Stations by CSG; and for any ancillary uses permitted herein, all in accordance with this Agreement) (collectively the “Necessary Space”);
- 1.5. Host Obligations. Subject to limitations contained herein, Host agrees to, at all times, make the Licensed Space and Necessary Space available to CSG, its subcontractors and vendors, and all users of the Electric Vehicle Charging Stations.

2. TERM; TERMINATION

- 2.1. License Term.
 - 2.1.1. The term of the License (“License Term”) shall commence on the Effective Date and, subject to the provisions of Section 2.2 below, end on the date that is five (5) years from the Commencement Date (as extended from time to time, the “License Expiration Date”). The “Commencement Date” shall mean the date on which a CSG Electric Vehicle Charging Station is first operational on the Host Property. Within one (1) day after the Commencement Date, CSG shall give Host written notice of such date.
 - 2.1.2. Host and CSG shall have the right to extend the Term of this Agreement for two (2) consecutive terms of five (5) years each in accordance with the terms and provisions of this Agreement

(collectively “Extended License Term”) by mutual consent, which consent may be granted or denied in each party’s absolute discretion, within one hundred eighty (180) days of the end of the existing License Term. The Extended License Term shall begin immediately following the end of the 5-year term.

2.2. Termination.

2.2.1. Upon Certain Events. This Agreement may be terminated upon thirty (30) days’ written notice to either party without penalty or fee in any of the following circumstances:

2.2.1.1. In the case of termination by CSG, in the event that the Commencement Date has not yet occurred.; and

2.2.1.2. In the case of termination by Host, in the event the Commencement Date has not occurred within twenty-four (24) months following the Effective Date; provided that the foregoing right shall terminate upon the Commencement Date.

2.2.2. For Cause. This Agreement may be immediately terminated for cause by either party in the event of the following circumstances:

2.2.2.1. *Breaches*. The other party breaches or fails to perform any of its obligations in any material respect, and such breach or failure continues uncured for forty-five (45) business days after receipt of written notice.

2.2.2.2. *Assigns*. The other party attempts to assign or otherwise transfer its rights, obligations, or duties under this Agreement except as provided in Section 8.6 below.

2.2.3. Licensed Space on Termination. Within a reasonable time following the expiration of the License Term or termination under Section 2.2, CSG shall remove the Electric Vehicle Charging Stations and any other supporting or ancillary equipment installed by CSG from the Licensed Space and restore the affected area to its former condition, excluding ordinary wear and tear; *provided, however,* that any underground electrical wiring shall be capped off and secured, but not removed. For the avoidance of doubt, CSG will not remove any equipment installed by a utility, which may include but may not be limited to: transformers, junction boxes, primary cable and conduit and electric meters and panels.

2.2.4. No Further Obligations. Upon any termination pursuant to this ARTICLE 2, both parties are relieved of any further obligations contained in this Agreement, except for those that by their nature survive or may require performance after termination (e.g., indemnity).

3. ELECTRIC VEHICLE CHARGING STATIONS

3.1. Electric Vehicle Charging Stations; Ancillary Facilities.

3.1.1. The design, make, model, and manufacturer of the Electric Vehicle Charging Stations (each an “Electric Vehicle Charging Station” or “Charging Station”) and their number and approximate locations are specified in Exhibit A. CSG, at any time and for any reason during the License Term, may elect to upgrade, revise, alter, or swap any Charging Station installed in the Licensed Space at its sole discretion and Host shall provide CSG access to the Licensed Property as necessary to do so.

3.1.2. For purposes of this Agreement, “Electric Vehicle Charging Station” shall mean all electrical equipment, hardware, and software installed by CSG, the Charging Stations, all CSG signage and all supporting equipment and structures, including without limitation concrete pads and protective bollards.

3.2. Access. CSG, its subcontractors, vendors and customers shall have access to the Licensed Space and Necessary Space twenty-four (24) hours per day, seven (7) days per week, and 365/366 days per year. CSG and its employees and vendors may, at any time during the Term, access the Licensed Space and Host Property to maintain, inspect, repair or replace any portion of the Electric Vehicle Charging Stations pursuant to its obligations under this Agreement. Signage at minimum will include what is legally required per law for electric vehicle charging stalls. Additionally, CSG may paint, place, erect, or project signs, marks, or advertising devices in, on, or about the Licensed Space or elsewhere on the Host Property upon obtaining Host’s written consent (which may be granted or denied in Host’s absolute discretion). CSG shall, at its own cost and expense, obtain any and all permits necessary for the installation of its signs, and CSG shall be solely responsible for all costs and expenses associated with such permitting, the erection of such sign(s), and the maintenance and operation thereof. Further, CSG and Host also agree to place signage on or around the Electric Vehicle Charging Station, designating the area as “Electric Vehicle Charging Only,” and will take reasonable measures to discourage non-EVs from parking in the Licensed Space, including, without limitation, towing. Host agrees that it shall not place

any signs, marks or advertising devices on any portion of the Electric Vehicle Charging Station or in the Licensed Space without CSG's prior written consent (which may be granted or denied in CSG's commercially reasonable discretion).

3.3. Installation.

3.3.1. CSG, at its sole cost, is solely responsible for supervising or conducting the construction and installation activities for the Electric Vehicle Charging Stations, and, as between the parties, has sole control over construction, construction schedule, and installation means, methods, techniques, sequences, and procedures, including the coordination of all work.

3.3.2. Host warrants that the site includes an existing 32 Amp electrical supply with a 40 Amp breaker that CSG will utilize for the new stations to be installed.

3.3.3. Before beginning activities to install the Electric Vehicle Charging Stations in the Licensed Space, CSG shall give a copy of the tentative construction schedule and installation plans to Host. No work will begin until all applicable permits and certifications have been obtained. Once all insurance coverages required by this Agreement are in place, CSG will oversee and manage the installation of the Electric Vehicle Charging Stations, including the hiring and coordination of all vendors and contractors; the installation of electrical equipment, utility lines, hardware, and software; site preparation, trenching, repaving, and landscaping; and installation of all CSG branded signage.

3.3.4. CSG, at its sole cost, will obtain from applicable governmental authorities all licenses, permits, or other approvals required to install the Electric Vehicle Charging Stations, and Host will reasonably cooperate upon request with CSG's efforts to do so.

3.3.5. Host grants to CSG and its employees and vendors the non-exclusive right to use and occupy the Licensed Space and Host's adjacent property for the construction and installation of the Electric Vehicle Charging Station. CSG shall confine its operations strictly to those sites permitted by applicable law, ordinances, permits, Host, and the terms of this Agreement. Only those materials and equipment that are being used directly in the construction and installation of Electric Vehicle Charging Stations shall be brought to and stored on the Licensed Space and its adjacent areas. CSG shall ensure that, subject to reasonable and unavoidable interruptions, all work is performed in a manner that affords continuous, reasonable access to Host Property.

3.3.6. CSG will not permit or suffer any mechanic's or materialmen's liens to attach to the Host Property as a result of the installation of the Electric Vehicle Charging Stations. If such a lien attaches to the Host Property, CSG shall remove or bond over such lien at CSG's sole cost and expense, within twenty (20) days of CSG receiving written notice thereof from Host.

3.3.7. Ownership of Intellectual Property and Charging Stations. CSG owns all worldwide right, title, and interest in and to its Electric Vehicle Charging Stations, their related hardware, software, commodities and all derivatives thereof; any processes, relationships, and contracts associated therewith; all related graphics, user interfaces, logos, and trademarks reproduced during their operation; and all Intellectual Property rights therein. Host hereby assigns all such rights to CSG and agrees to execute any documents desirable to effectuate or evidence the foregoing. The foregoing rights shall vest with CSG upon the Effective Date and shall remain with CSG in perpetuity absent CSG's disposing or transferring of such rights at its sole discretion. CSG shall have the right to temporarily remove all or a portion of the Electric Vehicle Charging Stations at any time during the License Term, whether or not such items are considered fixtures and attachments to the Licensed Space under applicable laws. CSG shall have sole right and title to any government grants, rebates, incentives and credits awarded as a result of the construction and/or operation of the Electric Vehicle Charging Stations.

3.4. Operation and Maintenance. CSG will, at its sole cost and expense, maintain and operate the Electric Vehicle Charging Stations, including making all necessary repairs, arrange for appropriate remote monitoring, and obtaining and installing appropriate software and hardware upgrades. CSG shall, other than expressly stated herein, be the sole beneficiary of all revenues and costs associated with the foregoing.

3.5. Host Obligations. Host shall, at its sole cost and expense, take all actions necessary to maintain the Licensed Space in a clean, safe, and orderly condition, to at least the same standard as it customarily maintains the common areas at the Host Property, including, without limitation, parking lot sweeping, parking lot repaving and restriping, and maintenance and repair of curbs, gutters and landscaping features within the Licensed Space. In addition, Host shall take reasonable precautions to protect the Electric Vehicle Charging Stations from graffiti and other vandalism. For the avoidance of doubt, Host shall be under no obligation to maintain the Electric Vehicle Charging Stations, signage or any other equipment

installed by CSG within the Licensed Space. To the extent Host has actual knowledge of the same, Host shall promptly notify CSG and, as appropriate, emergency response personnel regarding any malfunction of the Electric Vehicle Charging Stations. Host shall make commercially reasonable efforts to accommodate any reasonable request by CSG in connection with the operation of the Charging Station.

3.6. Utility Availability.

3.6.1. CSG shall be responsible for all electricity costs of the Electric Vehicle Charging Stations. CSG will reimburse Host for the electricity used by the Electric Vehicle Charging Station according to the Electricity Cost Reimbursement table in Exhibit A. Electricity usage shall be determined based on the charger internal metering devices which measure in kWh the electricity used by the Electric Vehicle Charging Stations.

3.6.2. Host shall reasonably cooperate with CSG to obtain electricity and any other utilities necessary to operate the Electric Vehicle Charging Stations, including by granting appropriate easements to local utility providers and/or obtaining necessary easements from adjacent property owners for the location of necessary utilities; *provided, however*, that Host is not required to pay money to satisfy the requirements of the utility, the adjoining landowner or CSG associated with the provision of such utilities.

3.6.3. Neither Host nor CSG has any responsibility or liability for interruption, curtailment, failure, or defect in the supply or character of utilities furnished to facilities or equipment located in the Licensed Space, unless the cause of the interruption is covered by the party's indemnity provided for in ARTICLE 7.

3.7. Taxes. CSG is solely responsible for personal property taxes imposed on the Electric Vehicle Charging Stations, and any other equipment installed by it, that is located in the Licensed Space. All other real or personal property taxes related to the Licensed Space, including any increase in real estate taxes on the real property on which the Licensed Space is located which arise from CSG's improvements and/or CSG's use of the Licensed Space, are the sole obligation of Host. Each party is responsible for its own income, franchise and similar taxes.

4. INTELLECTUAL PROPERTY; PUBLICITY

4.1. Intellectual Property. As used in this Agreement, "Intellectual Property" means all copyrights, patents, trademarks and service marks, names, logos, designs, domain names, generic Top-Level Domain names, all registrations for copyrights, patents, trademarks and service marks/names, domain names, generic Top-Level Domain names, trade secrets, know-how, and all unique concepts, information, data and knowledge that is eligible for legal protection under applicable laws as intellectual property, whether protected through confidentiality, registration or pending registration, regardless of form, whether disclosed in writing, electronically, orally or through visual means, whether learned or obtained orally, through observation, through the discharge of responsibilities under this Agreement, or through analysis of that information, data or knowledge.

4.1.1. *Host Intellectual Property*. The parties agree that, as between them, Host has and retains ownership of all of Host's Intellectual Property, and CSG has no right, and shall not obtain any right, in any Host Intellectual Property.

4.1.2. *CSG Intellectual Property*. The parties agree that, as between them, CSG has and retains ownership of all of CSG's Intellectual Property, and Host has no right, and shall not obtain any right, in any CSG Intellectual Property.

4.2. Ownership of Drawings and Other Documents. All documents prepared by or under the direction of CSG pursuant to this Agreement, including, without limitation, drawings, surveys, technical drawings, specifications, and other documents, including those in electronic format, are solely and exclusively CSG Intellectual Property, and CSG retains all common law, statutory and other reserved rights, including the copyright.

4.3. Publicity.

4.3.1. CSG and Host may make general press releases and statements, hold press conferences, both through traditional and electronic media, including websites created by CSG or other third parties, regarding the execution of this Agreement and the status of the activities contemplated herein, *provided* each has the ability to review and approve in advance any use of its Intellectual Property by the other party in connection therewith.

4.3.2. Notwithstanding anything to the contrary within this Agreement, CSG may advise mapping services, the manufacturers of vehicle navigation systems, map data providers, and other third-parties of the existence, location, and other details of the Electric Vehicle Charging Stations

at the Licensed Space so that such services and manufacturers may include such information in connection with their mapping and listing services and navigation systems; and CSG may disclose to the public information about the location of the Electric Vehicle Charging Stations and the progress of their construction as required by governmental authorities. In addition, the parties may provide copies of this Agreement or portions hereof to utility providers, governmental authorities, and/or third parties as reasonably necessary or desirable to facilitate or effectuate the intents and purposes of this Agreement.

5. REPRESENTATIONS AND WARRANTIES; COVENANTS

5.1. Representations and Warranties. Each of Host and CSG hereby represents and warrants to the other as of the Effective Date that: (a) it has all necessary power and authority to execute, deliver, and perform its obligations hereunder; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary action and do not violate any of the terms or conditions of its governing documents, any contract to which it is a party, or any law, rule, regulation, order, judgment, or other legal or regulatory determination applicable to it; (c) there is no pending or, to its knowledge, threatened litigation or administrative proceeding that may materially adversely affect its ability to perform this Agreement; (d) it is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing; (e) this Agreement constitutes a legal, valid and binding obligation of such party, except as the enforceability of this Agreement may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity; and (f) at all times during the License Term, it will comply with all federal, state, and local laws, rules, regulations (including, without limitation, all zoning ordinances and building codes) in performing its obligations under this Agreement.

5.2. Rights to Host Property. Permitted Uses on Host Property.

5.2.1. Host further represents, warrants and covenants that it has obtained or it shall obtain any and all consents, permits or approvals required in order for Host to grant the License and other rights and perform its obligations under this Agreement, and for CSG to take the actions with respect to the Licensed Space contemplated in this Agreement, from any third parties: (i) with an interest in the Host Property (including, without limitation, any owner, lender, lessee, ground lessor, or any party to any reciprocal easement agreement); (ii) whose consent is otherwise required under conditions, covenants and restrictions documents, declarations or similar agreements affecting the Host Property: or who exercise governmental or regulatory jurisdiction over the Host Property, including local and state governments. When obtaining consent, permit or permissions is required, Host and CSG shall use cooperative commercially reasonable efforts to contact and educate the applicable third parties of the terms, conditions, and benefits of the activities proposed to be taken pursuant to this Agreement. As part of that effort, the parties will, on request, include applicable necessary third parties as additional named insureds on the insurance policies required by ARTICLE 6, offer appropriate indemnities on terms similar to those stated in ARTICLE 7, satisfy reasonable third party requests and concerns regarding the Electric Vehicle Charging Stations and related items, and take other commercially reasonable steps required to obtain any required consent, permits or permissions of those third parties that is consistent with this Agreement.

5.2.2. Host further represents and warrants that there are no liens, judgments, encumbrances or other impediments of title on the Host Property that would adversely affect the use or occupancy of the Licensed Space by CSG pursuant to this Agreement, and during the License Term covenants to maintain the Host Property free of any such liens, judgments, encumbrances or other impediments.

6. INSURANCE; CASUALTY AND CONDEMNATION

6.1. CSG Insurance.

6.1.1. During the License Term, CSG shall maintain in full force and effect, at its cost and expense, the following coverages and amounts of insurance:

6.1.1.1. Full replacement cost Property Insurance (written on a "special perils" basis) for the Electric Vehicle Charging Stations and all other personal property, machinery, equipment and trade fixtures owned by CSG;

- 6.1.1.2. Statutory Worker's Compensation Insurance, and Employer's Liability limits of \$1,000,000.00 per accident/per employee;
 - 6.1.1.3. Commercial General Liability Insurance, written on an occurrence basis, covering bodily injury (including death), personal injury, and property damage, with limits of not less than \$1,000,000.00 per occurrence, that includes coverage for contractual liability, independent contractors, premises/operations, products/completed operations, and cross liabilities/separation of insureds; CSG shall consider its own insurance primary, and shall not seek contribution from similar insurance being maintained by Host, but only as to the negligent acts or omissions of CSG or the CSG Parties.
 - 6.1.1.4. Automobile Liability with a combined single limit of \$1,000,000.00 that includes coverage for owned, non-owned and hired vehicles; and
 - 6.1.1.5. \$5,000,000.00 in excess liability coverage per occurrence, for injuries, losses, claims for damages to persons or property occurring on the Licensed Space, and resulting from the use of the Electric Vehicle Charging Stations, the occupancy of the Licensed Space and/or the negligence of CSG and its agents, contractors, employees or invitees, which coverage shall sit excess of the scheduled underlying General Liability, and Automobile Liability and Employer's Liability Insurance policies with exclusions that are no more broad than those contained in the underlying policies.
 - 6.1.2. With respect to CSG's Commercial General Liability Insurance, Automobile Liability Insurance and Excess Liability Insurance, include Host as an additional insured with respect to liability arising out of the ownership, maintenance or use of the Electric Vehicle Charging Station or the Licensed Space.
 - 6.1.3. Annually, CSG shall provide Host with a certificate of insurance and endorsement, evidencing the required coverages.
 - 6.2. Host Insurance
 - 6.2.1. During the License Term, Host shall maintain insurance in the following amounts:
 - 6.2.1.1. Full replacement cost Property Insurance (written on an "special perils" basis) for (1) the Host Property and all improvements thereon (including without limitation the Licensed Space and all electrical infrastructure for the Electric Vehicle Charging Station); and (2) all personal property, machinery, equipment and trade fixtures located at the Host Property or owned by Host; and
 - 6.2.1.2. Commercial General Liability insurance with a minimum combined single limit of liability of at least \$2,000,000 for personal injuries or deaths of persons occurring in or about the Licensed Space and Host Property.
 - 6.2.2. Annually, Host shall provide CSG with a certificate of insurance and endorsement, evidencing the required coverages, stating that the insurance is primary with regard to Host and naming CSG as an additional insured.
 - 6.3. Policy Requirements. The insurance policies required under Sections 6.1 and 6.2 shall:
 - 6.3.1. be issued by insurance companies licensed to do business in the state in which the Host Property is located, with a general policyholder's ratings of at least "A-" and a financial rating of at least "Class VIII," in the most current Best's Insurance Reports available on the Commencement Date; if the Best's ratings are changed or discontinued, the parties shall agree to a comparable method of rating insurance companies;
 - 6.3.2. contain provisions whereby each party's insurers waive all rights of subrogation against the other party on each of the coverages required herein.
 - 6.4. Waiver. Anything in this Agreement to the contrary notwithstanding, to the extent covered by any property insurance maintained (or required to be maintained) hereunder, each party hereby waives every right or cause of action for any and all loss of, or damage to (whether or not such loss or damage is caused by the fault or negligence of the other party or anyone for whom said other party may be responsible) the Host Property, the Licensed Space, the Electric Vehicle Electric Vehicle Charging Stations, or any improvements on any of the foregoing, or to the personal property of either party, or their respective affiliates, representatives, agents, officers, directors, managers, members, shareholders, partners, contractors, or employees, regardless of cause or origin. These waivers and releases shall apply between the parties and they shall also apply to any claims under or through either party as a result of any asserted right of subrogation.
 - 6.5. Casualty and Condemnation.
 - 6.5.1. Damage. If any portion of the Licensed Space is damaged by fire or other casualty; or any portion of the Host Property is damaged by fire or other casualty caused by the negligent act or omission

of CSG, CSG will have thirty (30) days from date of such fire or casualty to elect to repair the property with notice of such intent delivered in writing to Host. If no written notice is received by Host within that thirty-day period, then either party may, within forty-five (45) days of the date of such fire or other casualty elect to terminate the License on written notice to the other party. If CSG elects to repair such property, it shall restore, rebuild, or replace those portions of the Electric Vehicle Charging Station in the Licensed Space and any other property damaged as a result of such fire or other casualty to its prior or better condition as necessary, and all property insurance proceeds of Host applicable to the Licensed Space shall be made available to CSG in connection with such repair and restoration. If CSG elects to terminate the License, it shall remove all of CSG's property from the Licensed Space in accordance with Section 2.2.2 of this Agreement. Any repair and restoration required by CSG under this Section 6.5.1 shall commence within sixty (60) days of the date CSG elects to repair and restore the Licensed Space and shall be completed no later than 180 days thereafter.

6.5.2. Condemnation/Taking. If any portion of the Licensed Space or Host Property is condemned or taken in any manner for a public or quasipublic use that could adversely affect the use of the Electric Vehicle Charging Stations, then CSG may elect to terminate this Agreement effective as of the date title to the condemned portion of the Host Property is transferred to the condemning authority. If CSG does not elect to terminate, the parties will use commercially reasonable efforts to find an alternate location for the Electric Vehicle Charging Stations elsewhere on Host Property. The costs of the relocation of the Electric Vehicle Charging Stations shall be shared by CSG and Host. CSG may file a separate claim to the condemning authority for any relocation award made as a result of such condemnation. All relocation awards made as a result of such condemnation shall be paid to CSG to the extent that the Necessary Space is affected.

7. INDEMNITY; LIMITATION OF LIABILITY

- 7.1. CSG. Subject to Sections 6.4, and 7.3, CSG shall indemnify and hold harmless Host, its elected and appointed officials, employees, and agents (individually, "Host Party" and, collectively, the "Host Parties") from and against all claims, demands, causes of action, liabilities, costs, damages, losses, penalties, fines, judgments or expenses, including reasonable attorneys' fees and costs of collection (collectively, "Losses") that arise out of or result from (i) any breach by CSG of its obligations, representations or warranties under this Agreement, or (ii) the willful misconduct or negligence of CSG, except to the extent arising out of or resulting from any willful misconduct or negligence of any Host Party or any installation or other activities conducted by a contractor, or other service provider designated by Host or by CSG per the express instructions of Host; and excepting any claims arising out of Host's active negligence or willful misconduct. The obligations of CSG under this Section shall survive the expiration, cancellation, or termination of this Agreement and the License Term.
- 7.2. Host. Subject to Sections 6.4 and 7.3 hereof, Host shall indemnify and hold harmless CSG, its affiliates, and their respective representatives, agents, officers, directors, shareholders, partners and employees (individually, "CSG Party" and collectively, the "CSG Parties") from and against all Losses that arise out of or result from (i) any willful misconduct or negligence of any Host Party in connection with this Agreement or (ii) any breach by Host of its obligations, representations or warranties under this Agreement; and excepting any claims arising out of CSG's active negligence or willful misconduct. The obligations of Host under this Section shall survive the expiration, cancellation, or termination of this Agreement and the Term.
- 7.3. Limitation of Liability. In no event shall either party be liable (in contract or in tort, including negligence and strict liability) to such other party or its related parties for any special, indirect or consequential damages relating to the Agreement. The entire liability of each party for any and all claims of any kind arising from or relating to the Agreement will be subject in all cases to an affirmative obligation on the part of the other party to mitigate its damages. Each party's total liability for any and all liability to the other party and to such other party's affiliates or their respective representatives, agents, officers, directors, shareholders, partners or employees (on an aggregate basis) arising out of or in connection with this Agreement whether in contract or in tort (including negligence and strict liability) shall not exceed the greater of FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) or, if insurance coverage is applicable, the insurance coverage limits required under this Agreement. The provisions of this Section 7.3 shall apply to the full extent permitted by law and shall survive expiration or termination of this Agreement. The limits of this Section 7.3 shall not apply to a party's obligations pursuant to Section 7.2, to the Liquidated Damages calculation in Section 5.2.

8. MISCELLANEOUS

- 8.1. Brokers. CSG hereby represents to Host that CSG has dealt with no broker in connection with this Agreement. Host hereby represents to CSG that Host has dealt with no broker in connection with this Agreement. Each party agrees to indemnify and hold the other party, its members, principals, beneficiaries, partners, officers, directors, employees, and agents, and the respective principals and members of any such agents harmless from all claims of any brokers claiming to have represented such party in connection with this Agreement.
- 8.2. Independent Agreements. The parties acknowledge and agree that the rights and obligations under the Agreement are separate and independent from, and shall not be conditioned on or affected by the performance or non-performance of the terms of, any other agreement between CSG and Host.
- 8.3. Survival of Covenants. The covenants, representations and agreements of Sections 2.2.3, 2.2.4, 3.5, 3.6, 4.1, 4.2, 4.3.2, 5.1, and 6.4, ARTICLE 7, and ARTICLE 8 shall survive the expiration, termination or cancellation of this Agreement, regardless of reason.
- 8.4. Ancillary Services. CSG shall hold all right and title to any ancillary services related to the production or consumption of electricity connected to the operation of the charging stations.
- 8.5. Notice. Any notice provided or permitted to be given under this Agreement must be in writing and be served either by (i) deposit in the mail, addressed to the party to be notified, postage prepaid, and registered or certified, with a return receipt requested, or (ii) deposit with an internationally-recognized overnight delivery carrier, with notice of delivery to the recipient party. Notice given by registered or certified mail or overnight carrier shall be deemed delivered and effective on the date of delivery shown on the return receipt or proof of receipt. For purposes of notice the addresses of the parties shall be as follows:

If to CSG:

CSG EV LLC
600 B Street Suite 300
San Diego, CA 92101
Attn: Kory Trapp, V.P. Project Development

If to Host:

City of Brea
1 Civic Center Circle
Brea, CA 92821-5732
Attn: _____

Each party may change its address for notice by giving notice thereof to the other party.

- 8.6. Assignment. This Agreement is binding on and inures to the benefit of the parties and their respective heirs, successors, assigns, and personal representatives. Neither party may assign its rights and obligations in and under this Agreement without first obtaining prior written consent of the other party, which shall not be unreasonably withheld.
- 8.7. Independent Entities. The parties shall act as and remain independent entities in the performance of this Agreement. Nothing in the Agreement shall be deemed or construed to create a joint venture, partnership, fiduciary, or agency relationship between the parties for any purpose, and the employees of one party shall not be deemed to be the employees of the other party. Except as otherwise stated in this Agreement, neither party has any right to act on behalf of the other, nor represent that it has such right or authority.
- 8.8. Host Consents. Host's City Manager is authorized to grant or deny consents required of Host under this Agreement.
- 8.9. Governing Law. This Agreement shall be governed by and interpreted in accordance with the internal laws of the State of California without giving effect to conflict of law rules. The parties further agree that all actions brought under this Agreement shall be brought in the courts located in Orange County, California.

- 8.10. Further Assurances. Each party agrees to execute (and acknowledge, if requested) and deliver additional documents and instruments and to perform additional acts as may be reasonably necessary or appropriate to effectuate, carry out, and perform all of the terms, provisions and conditions of this Agreement.
- 8.11. Force Majeure. Change in Law. Neither party is responsible for any delay or failure in performance of any part of the Agreement to the extent that delay or failure is caused by fire, flood, explosion, war, embargo, government requirement, civil or military authority, act of God, act, or omission of carriers, suppliers or other similar causes including delays or cancellations by vendors of technology, materials or components related to the project beyond the party's control. If any rule, directive, order, decision or law adversely impacts the ability for CSG to perform its obligations under the Agreement without becoming licensed or otherwise regulated by a public utility commission or analogous agency in the relevant jurisdiction, CSG may, at its option, immediately suspend performance under the Agreement and/or terminate the Agreement upon notice to Host and without penalty.
- 8.12. Attorneys' Fees; Waiver of Jury Trial. If either party institutes a suit against the other for violation of or to enforce any covenant, term or condition of this Agreement, the prevailing party shall be entitled to reimbursement of all of its costs and expenses, including, without limitation, reasonable attorneys' fees. The parties hereby waive any and all rights which either party may have to request or require that a jury determine any fact, matter, controversy, dispute or litigation between them, or render any judgment or decision, in any way concerning this Agreement, and agree that any and all litigation between them arising from or in connection with this Agreement shall be determined by a judge sitting without a jury.
- 8.13. No Waiver. The failure of a party to insist on strict performance of any provision of the Agreement does not constitute a waiver of, or estoppel against asserting, the right to require performance in the future. A waiver or estoppel given in any one instance does not constitute a waiver or estoppel with respect to a later obligation or breach.
- 8.14. No Third Party Beneficiaries. This Agreement does not confer any rights or remedies on any person other than the parties and their respective successors and permitted assigns.
- 8.15. Remedies. The rights and remedies provided by this Agreement are cumulative, and the use of any right or remedy by any party does not preclude or waive its right to use any or all other remedies. These rights and remedies are given in addition to any other rights a party may have under applicable law, in equity or otherwise.
- 8.16. Integration; Amendments. It is agreed and understood that this Agreement contains all agreements, promises and understandings between the parties, and that there are no verbal or oral agreements, promises or understandings between the parties. Any amendment, modification or other change to this Agreement shall be ineffective unless made in a writing signed by the parties hereto.
- 8.17. Severability. If any term of this Agreement is held by any court of competent jurisdiction to contravene, or to be invalid under, the laws of any political body having jurisdiction over this subject matter, that contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as reformed to the extent necessary to render valid the particular provision or provisions held to be invalid, consistent with the original intent of that provision and the rights and obligations of the parties shall be construed and enforced accordingly, and this Agreement shall remain in full force and effect as reformed.
- 8.18. Counterpart Execution. This Agreement may be executed in any number of counterparts with the same effect as if all the parties had signed the same document; all counterparts shall be construed together and shall constitute one and the same instrument. The delivery of an executed counterpart to this Agreement by electronic means (including via email) shall be as effective as the delivery of a manually executed counterpart.
- 8.19. Construction. The headings in this Agreement are inserted for convenience and identification only. When the context requires, the number of all words shall include the singular and the plural. In this Agreement, words importing any gender include the other genders and the words including, includes and include shall be deemed to be followed by the words without limitation. All documents or items attached to, or referred to in, this Agreement are incorporated into this Agreement as fully as if stated within the body of this
- 8.20. Agreement. The Agreement expresses the mutual intent of the parties to this Agreement and the rule of construction against the drafting party has no application to this Agreement.

Effective as of the date first set forth above.

HOST:

City of Brea,
a California municipal corporation

By: _____
Cecilia Hupp, Mayor

CSG:

CARBON SOLUTIONS GROUP LLC,
a Delaware limited liability company

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: Manager

Title: Manager

[Pursuant to California Corporations Code Section 17703.01(d), both signature lines must be executed unless the articles of incorporation state that the firm is managed by only one manager.]

EXHIBIT A

DESCRIPTION OF HOST PROPERTY

Description of Host Property: See table below

Count	Location
1	City of Brea City Hall

Number and Type of Electric Vehicle Charging Stations to be located on Licensed Space:

Charger Type	Charger Capacity	Quantity
Level 2 ChargePoint CT4000	7.2 kW or similar	03

Electricity Cost Reimbursement table:

Unit	Unit cost
kWh	CSG will reimburse Host for electricity consumed on a quarterly basis at a rate equivalent to the City's Commodity Cost of Electricity, where the Commodity Cost of Electricity includes delivery and generation charges and excludes all demand charges.

EXHIBIT B

UTILIZATION BONUS LEVEL 2 CHARGER

Annual Percent Utilization	Multiplier Rate	Tier	Compensation Per Charger
0%	0%	\$0.00	\$0.00
1%	1%	\$0.00	\$0.00
2%	2%	\$0.00	\$0.00
3%	3%	\$0.00	\$0.00
4%	4%	\$0.00	\$0.00
5%	5%	\$0.00	\$0.00
6%	6%	\$15.00	\$15.00
7%	7%	\$15.00	\$30.00
8%	8%	\$15.00	\$45.00
9%	9%	\$15.00	\$60.00
10%	10%	\$15.00	\$75.00
11%	11%	\$15.00	\$90.00
12%	12%	\$15.00	\$105.00
13%	13%	\$15.00	\$120.00
14%	14%	\$15.00	\$135.00
15%	15%	\$15.00	\$150.00
16%	16%	\$15.00	\$165.00
17%	17%	\$15.00	\$180.00
18%	18%	\$15.00	\$195.00
19%	19%	\$15.00	\$210.00
20%	20%	\$15.00	\$225.00
>20%	>20%	\$15.00	(Annual Utilization - 5%) x \$15.00

Formula: Take the Multiplier Rate representative of the Annual Percent Utilization and multiply it by the dollar value shown in the tier.

Schedule I

**IDENTIFICATION OF LOCATION OF LICENSED SPACE AND ELECTRIC VEHICLE
CHARGING STATIONS**

Charger stations will be installed in place of existing stations at City Hall.

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members
FROM: Bill Gallardo, City Manager
DATE: 11/15/2022
SUBJECT: Authorization to Purchase Common Stock Shares in California Domestic Water Company

RECOMMENDATION

Approve the Common Stock Purchase Agreement to purchase 112 shares of California Domestic Water Company (CDWC) Common Stock for \$15,250 per share to increase the City's rights to access water and appropriate \$1,708,000 from the Water Utility Fund (420) for the purchase of these shares.

BACKGROUND/DISCUSSION

The City of Brea (City) plans to purchase approximately 95% of its water, about 9,636 acre feet, from CDWC in FY 2022-23 and in the future. The City currently has rights to 4,864.92 acre feet of water per year, based on Common Stock shares and Preferred Stock shares owned in CDWC and based on the City's own water rights. Any water the City purchases from CDWC in excess of its rights (Excess Water) is at a higher cost. Additionally, the City purchases the remaining 5% of its water, about 500 acre feet, from Municipal Water District of Orange County (MWDOC). The cost of water per acre foot from these various sources for FY 2022-23 is as follows:

Description	Cost per Acre Foot FY 2022-23
City-owned water rights ⁽¹⁾	\$270
CDWC – Preferred Stock Water	\$270
CDWC – Common Stock Water	\$385
CDWC – Excess Water	\$1,132
MWDOC (effective 01-01-2023)	\$1,209

(1) The City leases its prescriptive pumping rights to CDWC for \$1 each year in order for CDWC to pump and deliver the water to the City.

On September 16, 2022, the Board of Directors of CDWC authorized the issuance of 375 shares of Common Stock at a price of \$15,250 to existing shareholders: the City of Brea, the City of La Habra, and Suburban Water Systems based on their current respective ownership percentages.

Due to timing constraints, on or before October 31, 2022, the City Manager expressed to CDWC interest in acquiring additional Common Stock shares. Attached is a purchase agreement for City Council's consideration of this acquisition. On September 30, 2022, staff received a proposed Common Stock Purchase Agreement to purchase one hundred twelve (112) shares of CDWC Common Stock at a price of \$15,250 for a total purchase price of \$1,708,000.

At this time, the request is for 112 shares. Should the other CDWC shareholders not wish to purchase their entire proportional share, the City of Brea may have the opportunity to purchase additional shares. If this opportunity arises, staff will bring this additional purchase to the City Council.

The acquisition of additional CDWC Common Stock shares would give the City the right to purchase more water at the lower cost Common Stock Water Rate and lower the City's annual water supply cost. With this purchase, the number of Common Stock owned by the City will be 2,320.25 shares. The Common Stock Water Rate of \$385/AF as compared to the Excess Water Rate of \$1,132/AF is a savings of \$747/AF. Based on the current entitlement rate of 1.45 acre feet of water per Common Stock share, the savings per Common Stock share purchased is \$747 (adjusted for rounding). The purchase of one hundred twelve (112) Common Stock shares results in a projected annual savings of \$83,664 (112 X \$747/Common Stock share). Based on the purchase price of \$1,708,000 and the projected annual savings of \$83,664, the return on investment is calculated to be 4.9% with a payback of 20.4 years.

The cost of water from MWDOC is currently \$1,143/AF and will be \$1,209/AF, effective January 1, 2023. When compared to the cost of Excess Water or water purchased from MWDOC, the purchase of additional Common Stock shares is projected to result in a less expensive long-term water supply. In addition to the immediate savings and the long-term reduction in water supply costs, CDWC has also identified the following benefits:

- The City also has the option to lease unused water entitlements from Common Stock shares, if any, to other shareholders.
- The issuance of Common Stock helps CDWC in generating capital without having to acquire debt and plan for the cost of debt service payments, which would be costs ultimately borne by the shareholders, and their rate payers.
- Less reliance on the more expensive water supply from MWDOC.

The City Attorney has reviewed and approved the Common Stock Purchase Agreement as to its terms. Therefore, staff recommends the City Council authorize the purchase of one hundred twelve (112) shares of Common Stock from CDWC at a price of \$15,250 per share for a total of \$1,708,000 and execute the Common Stock Purchase Agreement as presented.

FISCAL IMPACT/SUMMARY

The Water Enterprise Fund has sufficient capital reserves to fund the purchase price. The annual cost savings will offset future cost increases in the City's water system operating costs, including the wholesale cost of water. There is no impact to the City's General Fund.

The purchase of one hundred twelve (112) additional Common Stock shares in CDWC at \$15,250 per share for a total cost of \$1,708,000 will reduce the City's cost of supply by increasing

the City's entitlement to lower the cost of water through CDWC and avoids the higher cost Excess Water and/or water from MWDOC. The purchase is projected to save the City approximately \$83,664 annually based on the current cost of water from CDWC.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Faith Madrazo, Financial Services Manager, Revenue

Concurrence: Kristin Griffith, Administrative Services Director

Attachments

2022 Issuance of Common Stock to Shareholders

Common Stock Purchase Agreement



California Domestic Water Company

September 30, 2022

Mr. Bill Gallardo, City Manager
City of Brea
1 Civic Center Circle
Brea, Ca 92821

SUBJECT: AUTHORIZATION TO ISSUE 375 SHARES OF COMMON STOCK

Mr. Gallardo,

At its meetings on September 16, 2022, the Board of Directors of California Domestic Water Company (Company) authorized the sale of 375 shares of common stock at the price of \$15,250 per share to existing shareholders. The Board of Directors determined that price is the current fair market value for such shares based on recent sales transactions of Company common stock. These shares of common stock would add to a shareholder's current entitlement to receive water from the Company.

If you are interested in buying any of these shares of common stock, please inform the Company in writing **on or before October 31, 2022** of your interest and the number of shares you desire to purchase. If multiple shareholders desire to purchase those shares and express an interest to purchase more than the 375 shares being issued, the Company will calculate and determine the amount to be apportioned to each shareholder based on that shareholder's current ownership. Please note that any shares to be issued must be issued in whole and not fractional shares. Thus, those existing shareholders with a small number of shares may not be able to acquire any of the shares to be issued if the issuance is oversubscribed such that their current ownership will not result in at least one (1) share being allocated to them. All purchases will be memorialized through the Common Stock Purchase Agreement enclosed with this letter.

We look forward to hearing from you, and please contact me at (562) 947-3811 if you have any questions regarding this matter.

Sincerely,

CALIFORNIA DOMESTIC WATER COMPANY

A handwritten signature in blue ink, appearing to read "Lynda Noriega".

Lynda Noriega
President

COMMON STOCK PURCHASE AGREEMENT

This Common Stock Purchase Agreement (“Agreement”) is made as of **{DATE}**, 2022 by and between California Domestic Water Company, a California corporation (the “**Company**”), and **{NAME}** (the “**Purchaser**”).

RECITALS

WHEREAS, the Purchaser currently owns shares of the Company’s common stock; and

WHEREAS, the Company’s Board of Directors recently authorized the issuance and sale of 375 shares of the Company’s common stock; and

WHEREAS, the Purchaser desires to purchase **{#}** shares of the Company’s common stock now being sold by the Company in accordance with the terms and conditions of this Agreement (the “**Purchased Shares**”);

NOW, THEREFORE, in consideration of the foregoing premises and the mutual representations, warranties, covenants and undertakings contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Subscription; Purchase Price. For the consideration set forth in Section 2 and other valuable consideration, and upon the terms and subject to the conditions of this Agreement, the Purchaser shall purchase at the Closing (as defined below) and the Company agrees to sell and issue to such Purchaser at such Closing, all right, title and interest in and to the Purchased Shares.

2. Consideration. In consideration for the Purchased Shares, the Purchaser shall: (a) pay to the Company Fifteen Thousand Two Hundred and Fifty Dollars (\$15,250) (the “**Purchase Price**”) by wire transfer of immediately available funds or other mutually agreeable payment method; and (b) complete all of the conditions set forth in Section 3.2. By its execution of this Agreement, the Purchaser acknowledges and agrees that its Purchased Shares are assessable.

3. Closing; Closing Deliverables.

3.1 Subject to the terms and conditions of this Agreement, the closing of the sale by the Company and purchase by the Purchaser of the Purchased Shares shall take place at a closing (a “**Closing**”) on **{DATE}**, 2022 (the “**Closing Date**”) by exchange of appropriate documentation between the parties (via overnight delivery, facsimile, electronic transmission and/or other similar means for exchanging documentation), and the parties will not be required to be in attendance at the same location on the Closing Date. The Closing shall be deemed to have become effective as of 12:01 a.m., Pacific time, on the Closing Date.

3.2 Prior to or at the Closing, the Purchaser shall deliver to the Company all of the following:

(a) a signed and completed counterpart signature page to this Agreement

(b) the Purchase Price, which shall be delivered via the wire instructions set forth on the Purchaser's signature page hereto, or by other mutually agreeable payment method; and

(c) such other agreements, consents, documents, instruments and writings as are reasonably required to be delivered by the Company pursuant to this Agreement or otherwise reasonably required to consummate the transactions contemplated hereby.

4. Representations and Warranties of the Company. As an inducement to the Purchaser to enter into this Agreement and to consummate the transaction contemplated hereby, the Company hereby represents and warrants to the Purchaser, as of the Closing Date, as follows:

4.1 Organization, Good Standing and Qualification; No Subsidiaries. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of California. The Company has all required power and authority necessary to own and operate its property, to carry on its business as now conducted and presently proposed to be conducted.

4.2 Authorization. All corporate action on the part of the Company, its Board of Directors and its shareholders necessary for the authorization, execution and delivery of this Agreement and the issuance of the Purchased Shares has been taken or will be taken prior to the Closing. This Agreement constitutes a valid and legally binding obligation of the Company, enforceable in accordance with its respective terms, except as such enforcement may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application relating to or affecting the enforcement of creditors' rights generally, or (b) the effect of rules of law governing the availability of specific performance, injunctive relief or other equitable remedies. The Company has the corporate power and authority to execute and deliver this Agreement, to issue the Purchased Shares, and to carry out and perform all its obligations under this Agreement.

4.3 No Conflict. The execution and delivery of this Agreement and the consummation of transaction contemplated hereunder will not: (i) conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any encumbrance upon any of the Purchased Shares or any assets or properties of the Company, under (1) the articles of incorporation or bylaws of the Company, (2) any governmental order to which the Company is a party or any of the Purchased Shares are subject or by which the Company is bound, or (3) any applicable laws affecting the Company, the Purchased Shares, the business or the assets of the Company; or (ii) require the approval, consent, authorization or act of, or the making by the Company of any declaration, filing or registration with, any person or entity (including any governmental authority).

4.4 Capitalization. There are no outstanding rights, options and warrants, preemptive rights, rights of first refusal, or similar rights for the purchase or acquisition from the Company of any securities of the Company nor are there any commitments to issue or execute any such rights, options, warrants, preemptive rights or rights of first refusal.

4.5 Title to Assets. The Company owns or licenses all of the real or personal properties (whether owned or leased) necessary for the conduct of its business as presently conducted, free and clear of all encumbrances, except as disclosed in writing to Purchaser.

5. Representations and Warranties of the Purchaser. As an inducement to the Company to enter into this Agreement and to consummate the transaction contemplated hereby, the Purchaser hereby represents and warrants to the Company, as of the Closing Date, as follows:

5.1 Authorization. The Purchaser has full power and authority to enter into this Agreement, and this Agreement constitutes Purchaser's valid and legally binding obligation, enforceable by the Company in accordance with its terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, or (b) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

5.2 Purchase Entirely for Own Account. The Purchased Shares will be acquired for investment for the Purchaser's own account, and not with a view to the public resale or distribution thereof within the meaning of the Securities Act, and the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing any of the Purchased Shares.

5.3 Disclosure of Information. The Purchaser has received or has had full access to all the information the Purchaser considers necessary or appropriate to make an informed investment decision with respect to the Purchased Shares. Furthermore, the Purchaser has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Purchased Shares and to obtain additional information (to the extent the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify any information furnished to the Purchaser or to which the Purchaser had access.

5.4 Investment Experience. The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D of the Securities Act and understands that the purchase of the Purchased Shares involves substantial risk. The Purchaser (a) has experience as an investor in securities of companies and acknowledges that the Purchaser is able to fend for itself, can bear the economic risk of its investment in the Purchased Shares, and has such knowledge and experience in financial or business matters that the Purchaser is capable of evaluating the merits and risks of this investment in the Purchased Shares and protecting Purchaser's own interests in connection with this investment, or (b) has a preexisting personal or business relationship with the Company and certain of its directors, shareholders or controlling persons of a nature and duration that enables the Purchaser to be aware of the character, business acumen and financial circumstances of such persons.

5.5 Restricted Securities. The Purchaser understands that the Purchased Shares are characterized as "restricted securities" under the Securities Act and Rule 144 promulgated thereunder ("**Rule 144**") inasmuch as they are being acquired from the Company in a transaction not involving a public offering, and that under the Securities Act and applicable regulations thereunder such securities may be resold without registration under the Securities Act only in

certain limited circumstances. The Purchaser understands that the Company is under no obligation and has no present intention to register any of the Purchased Shares sold hereunder.

5.6 No General Solicitation. At no time was the Purchaser presented with or solicited by any publicly issued or circulated newspaper, mail, radio, television or other form of general advertising or solicitation in connection with the offer, sale and purchase of the Purchased Shares.

5.7 Independent Investigation. The Purchaser has conducted to its satisfaction an independent investigation and verification of the financial condition, results of operations, assets, liabilities, properties and projected operations of the Company and, in making its determination to purchase the Purchased Shares and to otherwise proceed with the transactions contemplated by this Agreement, the Purchaser has relied solely on the results of its own independent investigation and verification, and the representations and warranties of the Company expressly and specifically set forth in Section 4.

6. Miscellaneous.

6.1 Governing Law. This Agreement shall be governed by the internal law of the State of California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

6.2 Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to be an adequate and sufficient notice if given in writing and service is made either by (i) personal delivery, in which case the service shall be deemed received on the date of such personal delivery, (ii) nationally recognized overnight air courier service, next day delivery, prepaid, in which case the notice shall be deemed to have been received one (1) business day following delivery to such nationally recognized overnight courier service, (iii) facsimile, in which case at the time of being sent by facsimile if delivery thereof is confirmed by sender's receipt of transmission report, generated by sender's facsimile machine, which confirms that the facsimile was successfully transmitted in its entirety and provided the facsimile was forwarded prior to 5:00 p.m. local time, or (iv) email, in which case the notice shall be deemed received at the time of delivery. Notwithstanding the foregoing, all notices given by mail shall be effective three (3) days after deposit in the United States mail, postage prepaid, return-receipt requested; other notices given in accordance with this Agreement shall be effective upon receipt at the address of the addressee. All notices are to be sent to or made at the addresses set forth on the Purchaser's signature page hereto.

6.3 Amendments and Waivers. This Agreement may be amended, modified or terminated and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by the Company and the Purchaser. Any amendment, modification, termination or waiver so effected shall be binding upon the Company and the Purchaser and all of their respective successors and permitted assigns whether or not such party, assignee or other Purchaser entered into or approved such amendment, modification, termination or waiver. No waivers of or exceptions to any term, condition or provision of this Agreement, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such term, condition or provision.

6.4 Severability. If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, and such invalidity and enforceability does not destroy the basis of the bargain between the parties, then the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by applicable law.

6.5 Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof, and all other prior agreements are superseded hereby.

6.6 Non-Reliance. The Purchaser acknowledges that it is not relying upon any person, firm or corporation, other than the Company, its officers and other employees, in making its investment or decision to invest in the Company.

6.7 Counterparts; Electronic Signatures. This Agreement may be executed in several counterparts (including via electronic communication), each of which shall be an original of this Agreement, but all of which, taken together, shall constitute one and the same agreement. This Agreement may be executed by signatures transmitted by facsimile or electronically and such facsimile or electronic signatures shall be deemed as valid as an original, “wet” signature.

6.8 Indemnification. The Purchaser agrees to and shall indemnify, hold harmless, protect and defend the Company and all of the Company’s directors, officers, agents, shareholders, employees, consultants, members, partners, successors and assigns (collectively, the “**Company Indemnified Parties**”) from and against any and all claims, demands, suits, actions, liabilities, costs, damages, and/or expenses (including, without limitation, attorneys’ fees, expert witness fees and costs at the pretrial, trial, and appellate levels (collectively, “**Claims**”)) of any manner to the extent related to, arising out of, or resulting from the Purchaser’s actions or omissions in connection with this Agreement, including, without limitation, the Purchaser’s breach of this Agreement, negligence or willful misconduct; provided, however, these indemnification obligations shall not apply to the extent any Claims arise solely or primarily from the Company’s or any of the Company Indemnified Parties’ reckless or willful misconduct. All representations and warranties set forth in Section 5 shall terminate as of the Closing Date and all covenants made hereunder shall survive the Closing Date and continue until such time as they are fully performed.

6.9 Fees and Expenses. Each party shall pay its own fees and expenses in connection with this Agreement and the transactions contemplated hereby.

6.10 Consent to Jurisdiction. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY FEDERAL AND STATE COURT IN CALIFORNIA SITTING IN LOS ANGELES COUNTY. EACH PARTY HERETO IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING IN ANY SUCH COURT AND HEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY HERETO CONSENTS TO PROCESS BEING SERVED IN ANY

SUCH ACTION OR PROCEEDING BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL.

6.11 Non-Reliance. The representations and warranties made by the Company in Section 4 hereof constitute the sole and exclusive representations, warranties, and statements of any kind of the Company in connection with the transactions contemplated hereby, and the Company hereby disclaims all other representations, warranties, and statements of any kind or nature, whether express or implied (including any relating to the respective future or historical financial condition, results of operations, prospects, assets or liabilities of the Company).

6.12 Confidential Information. To the extent permitted by applicable law, the Purchaser shall keep confidential any and all non-public information obtained from the Company concerning the Company's properties, operations and business (unless readily ascertainable from public or published information or trade sources) until the same ceases to be non-public (or becomes so ascertainable).

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Common Stock Purchase Agreement on the date first written above.

PURCHASER:

By: _____

Print Name:

Title:

Business Address:

Email Address:

Taxpayer Identification Number:

WIRE INSTRUCTIONS

For Purchase of Common Stock in the Company:

Account Name: _____

Account Number: _____

Bank: _____

ABA Number: _____

IN WITNESS WHEREOF, the parties have executed this Common Stock Purchase Agreement on the date first written above.

COMPANY:

**CALIFORNIA DOMESTIC WATER
COMPANY**

By: _____
Lynda Noriega, President

COMMON STOCK PURCHASE AGREEMENT

This Common Stock Purchase Agreement (“Agreement”) is made as of November 15, 2022 by and between California Domestic Water Company, a California corporation (the “**Company**”), and the City of Brea (the “**Purchaser**”), a California municipal corporation

RECITALS

WHEREAS, the Purchaser currently owns shares of the Company’s common stock; and

WHEREAS, the Company’s Board of Directors recently authorized the issuance and sale of 375 shares of the Company’s common stock; and

WHEREAS, the Purchaser desires to purchase 112 shares of the Company’s common stock now being sold by the Company in accordance with the terms and conditions of this Agreement (the “**Purchased Shares**”);

NOW, THEREFORE, in consideration of the foregoing premises and the mutual representations, warranties, covenants and undertakings contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Subscription; Purchase Price. For the consideration set forth in Section 2 and other valuable consideration, and upon the terms and subject to the conditions of this Agreement, the Purchaser shall purchase at the Closing (as defined below) and the Company agrees to sell and issue to such Purchaser at such Closing, all right, title and interest in and to the Purchased Shares.

2. Consideration. In consideration for the Purchased Shares, the Purchaser shall: (a) pay to the Company Fifteen Thousand Two Hundred and Fifty Dollars (\$15,250) per share for a total purchase of price of \$1,708,000 (the “**Purchase Price**”) by wire transfer of immediately available funds or other mutually agreeable payment method; and (b) complete all of the conditions set forth in Section 3.2. By its execution of this Agreement, the Purchaser acknowledges and agrees that its Purchased Shares are assessable.

3. Closing; Closing Deliverables.

3.1 Subject to the terms and conditions of this Agreement, the closing of the sale by the Company and purchase by the Purchaser of the Purchased Shares shall take place at a closing (a “**Closing**”) on April 4, 2023 (the “**Closing Date**”) by exchange of appropriate documentation between the parties (via overnight delivery, facsimile, electronic transmission and/or other similar means for exchanging documentation), and the parties will not be required to be in attendance at the same location on the Closing Date. The Closing shall be deemed to have become effective as of 12:01 a.m., Pacific time, on the Closing Date.

3.2 Prior to or at the Closing, the Purchaser shall deliver to the Company all of the following:

(a) a signed and completed counterpart signature page to this Agreement

(b) the Purchase Price, which shall be delivered via the wire instructions set forth on the Purchaser's signature page hereto, or by other mutually agreeable payment method; and

(c) On the Closing Date, the Company will issue and deliver the Purchased Shares to Purchaser; and

(d) such other agreements, consents, documents, instruments and writings as are reasonably required to be delivered by the Company pursuant to this Agreement or otherwise reasonably required to consummate the transactions contemplated hereby.

4. Representations and Warranties of the Company. As an inducement to the Purchaser to enter into this Agreement and to consummate the transaction contemplated hereby, the Company hereby represents and warrants to the Purchaser, as of the Closing Date, as follows:

4.1 Organization, Good Standing and Qualification; No Subsidiaries. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of California. The Company has all required power and authority necessary to own and operate its property, to carry on its business as now conducted and presently proposed to be conducted.

4.2 Authorization. All corporate action on the part of the Company, its Board of Directors and its shareholders necessary for the authorization, execution and delivery of this Agreement and the issuance of the Purchased Shares has been taken or will be taken prior to the Closing. This Agreement constitutes a valid and legally binding obligation of the Company, enforceable in accordance with its respective terms, except as such enforcement may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application relating to or affecting the enforcement of creditors' rights generally, or (b) the effect of rules of law governing the availability of specific performance, injunctive relief or other equitable remedies. The Company has the corporate power and authority to execute and deliver this Agreement, to issue the Purchased Shares, and to carry out and perform all its obligations under this Agreement.

4.3 No Conflict. The execution and delivery of this Agreement and the consummation of transaction contemplated hereunder will not: (i) conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any encumbrance upon any of the Purchased Shares or any assets or properties of the Company, under (1) the articles of incorporation or bylaws of the Company, (2) any governmental order to which the Company is a party or any of the Purchased Shares are subject or by which the Company is bound, or (3) any applicable laws affecting the Company, the Purchased Shares, the business or the assets of the Company; or (ii) require the approval, consent, authorization or act of, or the making by the Company of any declaration, filing or registration with, any person or entity (including any governmental authority).

4.4 Capitalization. There are no outstanding rights, options and warrants, preemptive rights, rights of first refusal, or similar rights for the purchase or acquisition from the Company of any securities of the Company nor are there any commitments to issue or execute any such rights, options, warrants, preemptive rights or rights of first refusal.

4.5 Title to Assets. The Company owns or licenses all of the real or personal properties (whether owned or leased) necessary for the conduct of its business as presently conducted, free and clear of all encumbrances, except as disclosed in writing to Purchaser.

5. Representations and Warranties of the Purchaser. As an inducement to the Company to enter into this Agreement and to consummate the transaction contemplated hereby, the Purchaser hereby represents and warrants to the Company, as of the Closing Date, as follows:

5.1 Authorization. The Purchaser has full power and authority to enter into this Agreement, and this Agreement constitutes Purchaser's valid and legally binding obligation, enforceable by the Company in accordance with its terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, or (b) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

5.2 Purchase Entirely for Own Account. The Purchased Shares will be acquired for investment for the Purchaser's own account, and not with a view to the public resale or distribution thereof within the meaning of the Securities Act, and the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing any of the Purchased Shares.

5.3 Disclosure of Information. The Purchaser has received or has had full access to all the information the Purchaser considers necessary or appropriate to make an informed investment decision with respect to the Purchased Shares. Furthermore, the Purchaser has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Purchased Shares and to obtain additional information (to the extent the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify any information furnished to the Purchaser or to which the Purchaser had access.

5.4 Investment Experience. The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D of the Securities Act and understands that the purchase of the Purchased Shares involves substantial risk. The Purchaser (a) has experience as an investor in securities of companies and acknowledges that the Purchaser is able to fend for itself, can bear the economic risk of its investment in the Purchased Shares, and has such knowledge and experience in financial or business matters that the Purchaser is capable of evaluating the merits and risks of this investment in the Purchased Shares and protecting Purchaser's own interests in connection with this investment, or (b) has a preexisting personal or business relationship with the Company and certain of its directors, shareholders or controlling persons of a nature and duration that enables the Purchaser to be aware of the character, business acumen and financial circumstances of such persons.

5.5 Restricted Securities. The Purchaser understands that the Purchased Shares are characterized as "restricted securities" under the Securities Act and Rule 144 promulgated thereunder ("**Rule 144**") inasmuch as they are being acquired from the Company in a transaction not involving a public offering, and that under the Securities Act and applicable regulations thereunder such securities may be resold without registration under the Securities Act only in

certain limited circumstances. The Purchaser understands that the Company is under no obligation and has no present intention to register any of the Purchased Shares sold hereunder.

5.6 No General Solicitation. At no time was the Purchaser presented with or solicited by any publicly issued or circulated newspaper, mail, radio, television or other form of general advertising or solicitation in connection with the offer, sale and purchase of the Purchased Shares.

5.7 Independent Investigation. The Purchaser has conducted to its satisfaction an independent investigation and verification of the financial condition, results of operations, assets, liabilities, properties and projected operations of the Company and, in making its determination to purchase the Purchased Shares and to otherwise proceed with the transactions contemplated by this Agreement, the Purchaser has relied solely on the results of its own independent investigation and verification, and the representations and warranties of the Company expressly and specifically set forth in Section 4.

6. Miscellaneous.

6.1 Governing Law. This Agreement shall be governed by the internal law of the State of California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

6.2 Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to be an adequate and sufficient notice if given in writing and service is made either by (i) personal delivery, in which case the service shall be deemed received on the date of such personal delivery, (ii) nationally recognized overnight air courier service, next day delivery, prepaid, in which case the notice shall be deemed to have been received one (1) business day following delivery to such nationally recognized overnight courier service, (iii) facsimile, in which case at the time of being sent by facsimile if delivery thereof is confirmed by sender's receipt of transmission report, generated by sender's facsimile machine, which confirms that the facsimile was successfully transmitted in its entirety and provided the facsimile was forwarded prior to 5:00 p.m. local time, or (iv) email, in which case the notice shall be deemed received at the time of delivery. Notwithstanding the foregoing, all notices given by mail shall be effective three (3) days after deposit in the United States mail, postage prepaid, return-receipt requested; other notices given in accordance with this Agreement shall be effective upon receipt at the address of the addressee. All notices are to be sent to or made at the addresses set forth on the Purchaser's signature page hereto.

6.3 Amendments and Waivers. This Agreement may be amended, modified or terminated and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by the Company and the Purchaser. Any amendment, modification, termination or waiver so effected shall be binding upon the Company and the Purchaser and all of their respective successors and permitted assigns whether or not such party, assignee or other Purchaser entered into or approved such amendment, modification, termination or waiver. No waivers of or exceptions to any term, condition or provision of this Agreement, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such term, condition or provision.

6.4 Severability. If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, and such invalidity and enforceability does not destroy the basis of the bargain between the parties, then the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by applicable law.

6.5 Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof, and all other prior agreements are superseded hereby.

6.6 Non-Reliance. The Purchaser acknowledges that it is not relying upon any person, firm or corporation, other than the Company, its officers and other employees, in making its investment or decision to invest in the Company.

6.7 Counterparts; Electronic Signatures. This Agreement may be executed in several counterparts (including via electronic communication), each of which shall be an original of this Agreement, but all of which, taken together, shall constitute one and the same agreement. This Agreement may be executed by signatures transmitted by facsimile or electronically and such facsimile or electronic signatures shall be deemed as valid as an original, “wet” signature.

6.8 Indemnification. The Purchaser agrees to and shall indemnify, hold harmless, protect and defend the Company and all of the Company’s directors, officers, agents, shareholders, employees, consultants, members, partners, successors and assigns (collectively, the “**Company Indemnified Parties**”) from and against any and all claims, demands, suits, actions, liabilities, costs, damages, and/or expenses (including, without limitation, attorneys’ fees, expert witness fees and costs at the pretrial, trial, and appellate levels (collectively, “**Claims**”)) of any manner to the extent related to, arising out of, or resulting from the Purchaser’s actions or omissions in connection with this Agreement, including, without limitation, the Purchaser’s breach of this Agreement, negligence or willful misconduct; provided, however, these indemnification obligations shall not apply to the extent any Claims arise solely or primarily from the Company’s or any of the Company Indemnified Parties’ reckless or willful misconduct. All representations and warranties set forth in Section 5 shall terminate as of the Closing Date and all covenants made hereunder shall survive the Closing Date and continue until such time as they are fully performed.

6.9 Fees and Expenses. Each party shall pay its own fees and expenses in connection with this Agreement and the transactions contemplated hereby.

6.10 Consent to Jurisdiction. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY FEDERAL AND STATE COURT IN CALIFORNIA SITTING IN LOS ANGELES COUNTY. EACH PARTY HERETO IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING IN ANY SUCH COURT AND HEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY HERETO CONSENTS TO PROCESS BEING SERVED IN ANY

SUCH ACTION OR PROCEEDING BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL.

6.11 Non-Reliance. The representations and warranties made by the Company in Section 4 hereof constitute the sole and exclusive representations, warranties, and statements of any kind of the Company in connection with the transactions contemplated hereby, and the Company hereby disclaims all other representations, warranties, and statements of any kind or nature, whether express or implied (including any relating to the respective future or historical financial condition, results of operations, prospects, assets or liabilities of the Company).

6.12 Confidential Information. To the extent permitted by applicable law, the Purchaser shall keep confidential any and all non-public information obtained from the Company concerning the Company's properties, operations and business (unless readily ascertainable from public or published information or trade sources) until the same ceases to be non-public (or becomes so ascertainable).

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Common Stock Purchase Agreement on the date first written above.

PURCHASER:

By: _____

Print Name:

Title:

Business Address:

City of Brea

1 Civic Center Circle

Brea, CA 92821

Email Address:

Taxpayer Identification Number:

WIRE INSTRUCTIONS

For Purchase of Common Stock in the Company:

Account Name: _____

Account Number: _____

Bank: _____

ABA Number: _____

IN WITNESS WHEREOF, the parties have executed this Common Stock Purchase Agreement on the date first written above.

COMPANY:

**CALIFORNIA DOMESTIC WATER
COMPANY**

By: _____
Lynda Noriega, President

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Bill Gallardo, City Manager

DATE: 11/15/2022

SUBJECT: Adoption of a new job description and salary table for the position of Building Official and amending the position allocation list for FY 2022/23 to reflect the changes, and placing the new classification in the Administrative and Professional Employees' Association Bargaining Unit for representation purposes

RECOMMENDATION

Approve the Resolution: 1) adopting a new job description and salary table for the classification of Building Official; 2) placing the new classification in the Administrative and Professional Employees' Association (APEA) bargaining unit for representation purposes; and 3) amending the Position Allocation List to include this position in the Community Development Department Administrative Division.

BACKGROUND/DISCUSSION

For City Council consideration is a resolution authorizing the creation of a new Building Official position to provide services under the Community Development Department. Under administrative direction from the Community Development Director, this position will be responsible for planning, organizing, overseeing and coordinating the technical staff and operations of the Building & Safety Division within the Community Development Department. It will involve interpreting building codes, plan review, inspection, and code compliance. This is an advanced journey-level classification and is distinguished from the Plan Checker and/or the Senior Building Inspector in that it is responsible for the administration and interpretation of the Municipal Code as it relates to this position.

The Community Development Department identified a need to add the job description of Building Official within its structure to respond to current operational changes. Recently, the department encountered vacancies in multiple positions and would like to seize this unique opportunity to strengthen the department's organizational structure to enhance services to the community. Currently, the Building and Safety Division has the following vacancies: Building and Safety Manager, Senior Building Inspector, and Building Inspector. Given these vacancies, the Community Development Director is serving temporarily as the City's Building Official, and inspections are conducted utilizing contract staff. The Building Official is a critical and necessary technical role for the City. Given the need for the Building Official position, the Department is seeking to reclassify the vacant Senior Building Inspector position to Building Official.

Historically, the Senior Building Inspector has served as a combination inspector overseeing building inspections and Code Enforcement and acting as the Building Official on an as needed basis. With the recent onboarding of a part-time Code Enforcement Officer, the Department has

reevaluated the Senior Building Inspector position within the Building and Safety Division framework. The Building Official, assigned to the Building and Safety Division, would be responsible for planning, organizing, reviewing, and evaluating the Division's staff, operations, and activities. The Building Official would oversee code interpretation, plan review, inspection, and compliance; coordinate the Division's emergency disaster response and investigations; oversee the effective use of Division resources to improve organizational productivity and customer service; provide complex and responsible support to the Community Development Director in areas of expertise.

A labor market analysis was conducted to determine compensation levels for this proposed classification. We were unable to find sufficient comparable positions within Brea's ten-city labor market at this time. However, we found several positions in our market requiring knowledge, skills and abilities that would fall slightly "above" and slightly "below" what we are looking for in a civilian position for Brea. These salaries are in a range that could be used to set our position "in-between". This fits well with what was anticipated for a position of this advanced specialization and is consistent with our compensation practices. Therefore, based on available data, we recommend setting the salary range of \$8,622.35 – \$11,037.34 per month for the Building Official.

Based on the nature of duties outlined in the job description, it is proposed that the City Council assign this position to be included within the Administrative and Professional Employees' Association for representation purposes and approve the recommended compensation plan. The City has consulted with the Association, and they agree with the proposed assignment to their unit. Lastly, the City's Master Salary Schedule will also be updated to add this change and comply with CalPERS regulations.

In order to implement the proposed changes, it is also required that the Position Allocation List, which authorizes staffing levels, be amended to include the new Building Official position in the Community Development Department.

FISCAL IMPACT/SUMMARY

The recommended salary range and benefits for the Building Official position would result in approximately \$183,937.04 annual cost to the General Fund based upon the top step. There will be no fiscal impact on the General Fund to add the classification of Building Official to the allocation list and to hire a Building Official. One-time and ongoing operating costs for this position are already budgeted within the Building and Safety Division's operating budget for FY 2022-23.

No additional funding is needed for the current fiscal year as the department has realized salary savings due to vacancies for the Building and Safety Manager, Senior Building Inspector, and Building Inspector positions. The ongoing salary and benefit costs associated with the Building Official position will need to be programmed in future General Fund budget cycles. Moreover, the creation of a new Building Official position will not create an increase in Full-Time Employees (FTEs) for the Community Development Department, given that the Building Official would be a reclassification of the existing vacant Senior Building Inspector position.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Yerika Ambriz, Management Analyst. Meliisa Davis, Management Analyst

Concurrence: Jason Killebrew, Community Development Director

Mario E. Maldonado, Human Resources Manager

Attachments

Resolution - Building Official

Exhibit A - Building Official Job Description

Exhibit B - Building Official Salary Schedule

RESOLUTION NO. 2022-072

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA 1) AMENDING THE EXISTING CLASSIFICATION PLAN, AS AMENDED, AS ADOPTED FOR CITY EMPLOYEES, TO INCLUDE THE CLASSIFICATION SPECIFICATIONS AND SALARY RANGE FOR THE POSITION OF BUILDING OFFICIAL; 2) ASSIGNING THE CLASSIFICATION TO THE ADMINISTRATIVE AND PROFESSIONAL EMPLOYEES' ASSOCIATION FOR PURPOSES OF REPRESENTATION; AND 3) AMENDING THE POSITION ALLOCATION LIST TO ADD BUILDING OFFICIAL WITHIN THE COMMUNITY DEVELOPMENT DEPARTMENT.

A. Recitals.

- (i) Section 2.08 of the Brea Municipal Code provides that the City Council shall prepare, revise and maintain a position classification plan covering all positions within the classified services, including employment standards and qualifications for each classification.
- (ii) The Brea Municipal Code provides that the City Council shall approve a plan of compensation directly correlated to the position classification plan and a rate or range of pay for each classification.
- (iii) It is necessary, from time to time, to review and adjust the classification and compensation plan to reflect the changing organizational responsibilities of the City and to insure the efficient economical operation of the various City departments.
- (iv) In order to most effectively implement and monitor the position classification plan, it is necessary, from time to time, to amend the Position Allocation List which specifies the actual number and distribution of authorized positions within the City.

RESO NO. 2022-072
November 15, 2022

B. Resolution.

NOW THEREFORE, it is found, determined and resolved by the City Council of the City of Brea to:

- (i) Amend the City's existing classification plan to include the full-time classification specifications for Building Official, as attached hereto as Exhibit A and incorporated herein by reference.
- (ii) Adopt the salary range for Building Official, as attached hereto as Exhibit B and incorporated herein by reference
- (iii) Assign the position of Building Official to the Administrative Professional Employees' Association for purposes of employee representation.
- (iv) Amend the Position Allocation List for FY 2022/23 to add one Building Official position to the Community Development Department.

APPROVED and ADOPTED THIS 15th. day of November 2022.

Cecilia Hupp, Mayor

ATTEST: _____
Lillian Harris-Neal, City Clerk

RESO NO. 2022-072
November 15, 2022

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing resolution was introduced at a regular meeting of the City Council of the City of Brea, held on the 15th of November 2022, and was adopted by the following votes:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAINED: COUNCILMEMBERS:

DATED: _____

Lillian Harris-Neal, City Clerk

RESO NO. 2022-072
November 15, 2022

CITY OF BREA

BUILDING OFFICIAL

DEFINITION

Under general direction, this position plans, organizes, oversees, and coordinates the staff and operations of the Building & Safety Division within the Community Development Department. Typical operations include code interpretation, plan review, inspection, and compliance; coordination of the division's emergency disaster response and investigations; providing complex and responsible support to the Community Development Director in areas of expertise; and performs related duties, as assigned.

DISTINGUISHING CHARACTERISTICS

This is an advanced journey-level classification and distinguished from the Plan Checker in that is responsible for the administration and interpretation of the Municipal Code as it relates to this position. Work involves the application of specialized knowledge and administrative skills associated with the design checking of commercial, industrial, multiple dwelling and residential building plans for structural soundness and conformity with pertinent building and safety codes, State and Federal code requirements to be enforced at the local level, ordinances and regulations.

SUPERVISION RECEIVED AND EXERCISED

General direction is provided by the Community Development Director.

Responsibilities may include direct and indirect supervision of professional and technical engineering personnel.

EXAMPLES OF ESSENTIAL JOB FUNCTIONS - Essential job functions include, but are not limited to, the following: (These functions may not be present in all positions in this classification. When a position is to be filled, the essential functions will be noted in the announcement of position availability. Management reserves the right to add, modify, change or rescind work assignments as needed.)

Assist in planning and overseeing the daily functions, operations, and activities of the Building & Safety Division, including but not limited to: code interpretation, plan review, inspection, and compliance, natural disaster response, and fire investigation and mitigation; ensure the appropriate administration and enforcement of the City's building, permitting, and related codes.

Participate in the development, administration, and oversight of the division budget; determines funding needed for staffing, equipment, materials, and supplies; ensure compliance with budgeted funding.

CITY OF BREA
(Building Official continued)

Train staff in proper inspection practices and methods and evaluates field practices; assess needs for additional educational development; coordinate and provide training and education programs for contractors and the public related to building codes and compliance.

Conduct, supervise, coordinate, schedule, and review plans and specifications for buildings and related construction alteration to determine the practicability of plans, compliance with regulations, and validity of permits; oversee construction inspections requiring permits to enforce building, zoning, mechanical, plumbing, electrical, fire prevention and investigation, housing, accessibility, and related codes and regulations for a wide variety of construction types.

Provide staff assistance to management; prepares and present staff reports and other written materials; supervise the establishment and maintenance of reports, records and files; ensure the proper documentation of operations and activities.

Appear and testify in court cases regarding code violations and property maintenance matters; represents the City at code development hearings.

Represent the City in meetings with members of other public and private organizations, community groups, contractors, developers, and the public.

Answer questions and provide information to the public; investigate and respond to complaints and inquiries from citizens, other departments, and agencies; recommend corrective actions to resolve issues, including field, counter, and plan check problems.

Ensure staff compliance with City and mandated safety rules, regulations, and protocols.

May supervise, train, and evaluate professional and technical subordinates: plan, coordinate and oversee work.

Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

Applicable federal, state, and local laws, regulatory codes, ordinances, and procedures relevant to assigned areas of responsibility, including the Uniform Building, Plumbing, and Mechanical Codes and the National Electrical Code.

Principles and practices of building inspection, permit issuance, plan examining, and neighborhood preservation programs, practices, and techniques.

CITY OF BREA
(Building Official continued)

Methods, materials, techniques, and equipment used in the construction of facilities.

Research methods and sources of information related to structural, mechanical, and electrical engineering and building code enforcement.

Occupational hazards and standard safety practices necessary in the area of work, including OSHA, CAL/OSHA, and industrial relations regulations; safe driving principles and practices.

Fire prevention methods related to building construction and fire investigation techniques.

City and mandated safety rules, regulations, and protocols.

Principles and practices of organization, administration, budget and personnel management.

Techniques for providing a high level of customer service by effectively dealing with the public, vendors, contractors, and City staff.

Modern equipment and communication tools used for business functions and program, project, and task coordination, including computers and software programs relevant to work performed.

Ability to:

Interpret, explain and apply pertinent federal, state and local laws, codes, ordinances and rules and regulations.

Evaluate and develop improvements in operations, procedures, policies, or methods.

Plan, organize, assign, review, and evaluate the work of staff; train staff in work procedures.

Analyze data, recognize problems, make decisions, and use resourcefulness and tact in resolving problems.

Participate in the development and administration of division goals, objectives and procedures.

Participate in the development and administration and oversight of the division budget.

CITY OF BREA
(Building Official continued)

Prepare and present written and oral information clearly, concisely, and accurately, and make presentations.

Establish and maintain working relationships with City staff, City officials, representatives from community groups and other agencies, and the general public.

Supervise, train, and evaluate professional and technical subordinates.

Experience and Education:

To qualify for this classification, an individual must possess any combination of experience and education that would likely produce the required knowledge and abilities and enable the individual to successfully perform the duties of the position. A typical combination is:

Experience

Five years of progressively responsible work experience in, construction management, architecture, civil or structural engineering or a closely related field in a public agency or private practice in the, design or construction field.

Experience must include two years of direct supervisory and management responsibilities.

Education

Equivalent to a bachelor's degree from an accredited college or university with major coursework in Civil, Architectural or Structural Engineering or a closely-related field. A Certified Building Official certificate may substitute the requirement for a bachelor's degree.

A master's degree in Civil or Structural Engineering or a closely-related field is desirable.

Licenses and Certificates

Possession of a valid California driver's license issued by California Department of Motor Vehicles, to be maintained throughout employment. Revocation of license during employment may result in disciplinary action.

Registration as a Professional Civil, Structural, Mechanical or Electrical Engineer with the California Board for Professional Engineers and Land Surveyors or as an Architect with the California Architects Board.

CITY OF BREA
(Building Official continued)

OR

Possession of, or the ability to obtain, a combination building inspector and plans examiner certificate from the International Conference of Building Officials (ICBO) or International Code Council (ICC), which includes the building, electrical, plumbing, and mechanical certifications within one year of hire.

International Code Council (ICC) certification as a Certified Building Official (CBO), and/or International Code Council certification as a Master Code Professional is highly desirable.

PHYSICAL TASKS AND ENVIRONMENTAL CONDITIONS include, but are not limited to the following:

Ability to:

Sit, bend, stoop, reach, turn and twist while operating computer or office equipment or to access files and reports within work areas.

Input data into a computer, typewriter, and calculator for prolonged periods of time.

Hear and speak to the general public and co-workers.

Read written instructions and diagrams.

When occasionally on construction sites: walk on slippery/even surfaces.

Exposure to:

Vibration and pitch of computer and office equipment, including computer monitor and video screen glare.

When occasionally on construction sites: dust, fumes, solvents, chemicals, soil, electrical hazards, extreme noise, vehicular traffic and outside weather conditions, including wet and/or other inclement conditions.

Exhibit B**Building Official**

CITY OF BREA SALARY TABLE

Effective pay period beginning 11/01/2022

STEP	HOURLY	APPROX MONTHLY	APPROX ANNUAL
1	\$49.74	\$8,622.35	\$103,468.24
2	\$50.99	\$8,837.91	\$106,054.94
3	\$52.26	\$9,058.86	\$108,706.32
4	\$53.57	\$9,285.33	\$111,423.98
5	\$54.91	\$9,517.46	\$114,209.58
6	\$56.28	\$9,755.40	\$117,064.82
7	\$57.69	\$9,999.29	\$119,991.44
8	\$59.13	\$10,249.27	\$122,991.22
9	\$60.61	\$10,505.50	\$126,066.00
10	\$62.12	\$10,768.14	\$129,217.65
11	\$63.68	\$11,037.34	\$132,448.09

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Terence Boga, City Attorney

DATE: 11/15/2022

SUBJECT: City Manager Employment Agreement Amendment No.2 - Adoption of Resolution No. 2022-073

RECOMMENDATION

Adopt Resolution No. 2022-073 approving amendment No.2 to the City Manager's Employment Agreement.

BACKGROUND/DISCUSSION

On July 21, 2015, the City Council promoted William Gallardo to the position of City Manager and approved a three-year employment agreement. On February 20, 2018, the City Council extended his contract for an additional term of five years to June 30, 2023. The City Council recently reviewed the current agreement's terms on November 1, 2022. Following the meeting, the City Attorney prepared an amendment to the City Manager employment agreement as follows:

- Five-Year Term Extension. The contract is currently set to expire on June 30, 2023. The proposed amendment will change the expiration date to June 30, 2028.
- Monthly base salary adjustment of 3% effective November 26, 2022
- Monthly base salary adjustment shall further be increased by 3% on November 18, 2023
- City will make a contribution match into employee's 401 plan or 457. A match up to 8% of employee's base salary, up from the current City contribution match of 5%, effective November 26, 2022.

FISCAL IMPACT/SUMMARY

The proposed contract amendment will adjust the City Manager's base salary by 3% this year and 3% a year from now. In addition, an increase to the employee's 401 Plan match from 5% to 8%. The fiscal impact in FY 2022-23 is \$19,676, and the fiscal impact in FY 2023-24 is \$12,114. The current budget projected a base salary increase of 3%; therefore these costs have been included and will be factored into the current and future City Budgets.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager
Prepared by: Terence Boga, City Attorney
:

Attachments

Resolution

RESOLUTION NO. 2022-073

A RESOLUTION OF THE BREA CITY COUNCIL APPROVING AMENDMENT NO. 2 TO THE CITY MANAGER'S EMPLOYMENT AGREEMENT

A. RECITALS:

(i) On July 21, 2015, the City Council unanimously promoted William Gallardo to the position of City Manager and approved a three-year Employment Agreement. A copy of the City Manager's Employment Agreement is attached as Exhibit A.

(ii) On March 20, 2018, the City Council unanimously approved Amendment No. 1 to the City Manager's Employment Agreement. A copy of Amendment No. 1 is attached as Exhibit B.

(iii) On November 1, 2022, the City Council completed a performance evaluation of the City Manager and directed the City Attorney to prepare an amendment to the City Manager's Employment Agreement. The proposed Amendment No. 2 is attached as Exhibit C and will: (a) extend the term; (b) increase Employee's salary; and (c) increase City's match of Employee's deferred compensation contribution.

(iv) All legal prerequisites to the adoption of this Resolution have occurred.

B. RESOLUTION:

NOW, THEREFORE, it is found, determined and resolved by the Brea City Council as follows:

1. The City Council approves the attached Amendment No. 2 to the Employment Agreement and authorizes the Mayor to execute such Amendment No. 2 on the City's behalf.

RESO NO. 2022-073
November 15, 2022

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

APPROVED AND ADOPTED this 15th day of November, 2022.

Cecilia Hupp, Mayor

ATTEST: _____
Lillian Harris-Neal, City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a meeting of the City Council of the City of Brea held on the 15th day of November, 2022, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

DATED: _____

Lillian Harris-Neal, City Clerk

EXHIBIT A
City Manager Employment Agreement

(attached)

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into as of the 21ST day of July 2015, by and between the CITY OF BREA, California, a Municipal Corporation, hereinafter called the "City," and WILLIAM GALLARDO, hereinafter called "Employee."

RECITALS

A. City desires to retain the services of Employee in the position of City Manager, and Employee desires employment as City Manager of the City;

B. The City Council desires to:

- (1) Retain the services of Employee;
- (2) Encourage the highest standards of fidelity and public service on the part of Employee; and
- (3) Provide a just means for terminating Employee's employment and this Agreement when City may desire to do so.

C. The parties further desire to establish the Employee's conditions of employment.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained the parties agree as follows:

1. Duties. City hereby employs Employee as City Manager of City and Executive Director of the City of Brea Successor Agency to perform the functions and duties of the City Manager and Executive Director as specified in City's Municipal Code and to perform such other legally permissible and proper duties and functions as the City Council may from time to time assign to Employee. Employee agrees to devote Employee's full time and effort to the performance of this Agreement and to remain in the exclusive employ of City and not to become otherwise employed while this Agreement is in effect without the prior written approval of the City Council.

2. Hours of Work. Employee shall maintain a regular work schedule consistent with that approved by the City Council for other management employees of the City. Employee's duties may involve expenditures of time in excess of nine (9) hours per day and/or forty (40) hours per week, and may also include time outside normal office hours such as attendance at City Council meetings. Employee shall not be entitled to additional compensation for such time.

3. Term. This Agreement shall be effective July 4, 2015, and will remain in force and effect until close of business on June 30, 2018 unless the term hereof is extended by mutual agreement of City and Employee.

4. Salary. City shall pay Employee for the performance of Employee's duties under this Agreement a starting monthly base salary of \$17,777.75, less customary and legally required

payroll deductions, provided that effective July 2, 2016, Employee's salary shall be adjusted if necessary to be set and then shall be permanently maintained at a level at least ten (10) percent greater than the base salary of any other City employee. Salary and/or benefit adjustments shall be considered by the City Council annually in conjunction with Employee's annual performance evaluation pursuant to paragraph 9. of this Agreement. City shall not, at any time during the term of this Agreement, reduce Employee's salary or benefits unless such reduction is imposed across-the-board for all Executive Management employees of the City.

5. Benefits. Employee shall make the same P.E.R.S. contribution and receive the same benefits, including leave accruals and cash out provisions, holidays and other benefits on the same terms and conditions as provided to other Executive Management employees, with the following exceptions:

- a. *Deferred Compensation* – City shall contribute a match of Employee's contribution up to 5% of Employee's base salary into employee's 401 plan or his 457 plan.
- b. Employee shall be provided up to 60 hours per year of administrative leave.

6. General Expenses and Business Equipment. City recognizes that certain expenses of a non-personal and job-related nature may be incurred by Employee. City agrees to reimburse Employee for reasonable expenses which are authorized by the City budget and which are supported by expense receipts, statements or personal affidavits, and audit thereof in like manner as other demands against the City.

7. Official and Professional Development Expenses. City shall pay reasonable sums for professional dues and subscriptions for Employee necessary in the judgment of the City Council for Employee's continued participation in associations and organizations, which memberships are necessary and desirable for the continued professional development of Employee and for the good of the City, such as the League of California Cities, International City/County Management Association, American Society for Public Administration, and California City Management Foundation. Notwithstanding the foregoing, the City Council shall have discretion to establish appropriate amounts, in the annual City budget or otherwise, for official and professional development expenses and travel costs.

8. Provision of Automobile. Employee's duties require the exclusive and unrestricted use at all times during the duration of this Agreement of an automobile provided by the City, by either lease or purchase of the vehicle. City shall be responsible for paying liability, property damage and comprehensible insurance, all operation, maintenance, repair and replacement costs of such an automobile. Any automobile supplied to Employee during the term hereof shall be approved by the City Council.

9. Performance Evaluation. The City Council shall review and evaluate Employee's performance on or before July 1, 2016 and then at least once annually. The City Council and

Employee shall annually develop mutually agreeable performance goals and criteria which the City Council shall use in reviewing Employee's performance in the following year. It shall be Employee's responsibility to initiate this review each year. Employee shall be afforded an adequate opportunity to discuss each evaluation with the City Council and may request, in advance of the evaluation, that the City retain a facilitator mutually acceptable to the City and Employee, paid for by City, to conduct the evaluation.

10. Indemnification. City shall defend, hold harmless and indemnify Employee against any claim, demand, judgment, or action of any type or kind arising within the course and scope of Employee's employment to the extent required by Government Code Sections 825 and 995.

11. Other Terms and Conditions of Employment.

(A) The City Council may from time to time fix other terms and conditions of employment relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provision of this Agreement, the Municipal Code, or other applicable law.

(B) The provisions of the City's Personnel Rules and Regulations ("Rules") shall apply to Employee to the extent they explicitly apply to the position of City Manager, except that if the specific provisions of this Agreement conflict with the Rules, the terms of this Agreement shall prevail. Without limiting the generality of the exception noted in the previous sentence, however, no provision of the Rules or this Agreement shall confer upon Employee a property right in Employee's employment or a right to be discharged only upon cause during Employee's tenure as City Manager. At such times as Employee is serving as City Manager, Employee is an at-will employee serving at the pleasure of the Council and may be dismissed at any time with or without cause, subject only to the provisions of this Agreement.

(C) Employee shall be exempt from paid overtime compensation and from Social Security taxes other than the mandatory Medicare portion of such taxes.

12. General Provisions.

(A) This Agreement constitutes the entire agreement between the parties. City and Employee hereby acknowledge that they have neither made nor accepted any other promise or obligation with respect to the subject matter of this Agreement. This Agreement may be amended only by a writing signed by Employee, approved by the City Council, and executed on behalf of the City.

(B) If any provision or any portion of this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of the Agreement shall be deemed severable and shall not be affected and shall remain in full force and effect.

(C) This Agreement may be terminated by City upon delivery of notice to Employee, with or without cause subject only to the requirements of paragraph 13 below. Notice of termination (Employee's resignation) to City shall be given in writing to City, either by personal service or by registered or certified mail, postage prepaid, addressed to City as follows:

Mayor
City of Brea
One Civic Center Circle
Brea, CA 92821

Any notice to Employee shall be given in a like manner, and, if mailed, shall be addressed to Employee at the address then shown in City's personnel records. For the purpose of determining compliance with any time limit stated in this Agreement, a notice shall be deemed to have duly given (a) on the date of delivery, if served personally on the party to whom notice is to be given, or (b) on the second (2nd) calendar day after mailing, if mailed in the manner provided in this section to the party to whom notice is to be given. Notwithstanding the forgoing, this Agreement shall automatically terminate on the death or permanent disability of Employee and Employee agrees to give City not less than 30 calendar days' written notice of his resignation. The City also agrees to provide Employee written notice of intent to terminate not less than 30 calendar days of the effective date of his termination. Further, Employee shall not be removed from office, other than for cause or a ground or grounds delineated in Exhibit "A" hereto, during or within a period of one hundred twenty days succeeding any general or special municipal election in which a new city councilmember is elected, or when a new city councilmember is appointed.

(D) If an action at law or in equity is necessary to enforce or interpret this Agreement, the prevailing party in that action shall be entitled to reasonable and actual attorneys' fees and costs with respect to the prosecution or defense of the action.

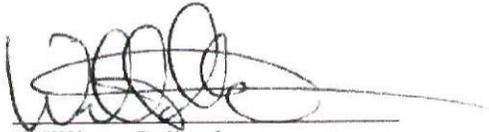
(E) A waiver of any of the terms and conditions of this Agreement shall not be construed as a general waiver by the City and the City shall be free to enforce any term or condition of this Agreement with or without notice to Employee notwithstanding any prior waiver of that term or condition.

13. Termination and Severance. City may terminate this contract without cause only upon a three-fifths vote of the entire City Council. If City terminates this Contract without such cause as hereinafter defined, then City shall pay Employee an amount equal to six (6) months base salary plus the value of benefits and CALPERS retirement service credit accrual for six months as severance if such notice is given prior January 1, 2018. If given thereafter, the amount of severance shall be based upon the provisions of California Government Code Section 53260(a). City may terminate this contract with cause at any time upon a three-fifths vote of the entire City Council, upon any of the grounds delineated in Exhibit "A" hereto. Employee shall have no right to receive any severance if terminated for cause.

14. Option to Return to Prior Position; Legal Defense. If any initiative measure adopted in City is finally determined in a Judgment of a Court of competent jurisdiction to reduce any salary or benefit afforded to Employee in this Agreement or to restrict Employee's residential location of his choice, Employee may opt in writing filed with the City Clerk within sixty (60) days of the entry of said Final Court Judgment to resume his functions as City's Assistant City Manager and Finance Director forthwith. In any litigation referred to in this section 14, City shall provide to Employee all legal services necessary to protect Employee's rights conferred in this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

EMPLOYEE



William Gallardo
CITY MANAGER

CITY OF BREA



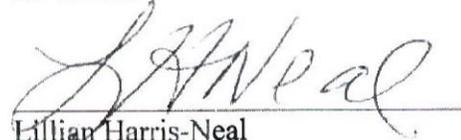
Marty Simonoff
MAYOR

Approved as to form:



James Markman
CITY ATTORNEY

ATTEST:



Lillian Harris-Neal
CITY CLERK

EXHIBIT "A"

GROUNDS FOR TERMINATION

1. Incompetency such as failure to comply with the minimum standards for Employee's position for a significant period of time.
2. Neglect of duty, such as failure to timely perform the duties required of Employee's position or failure to implement policy directions of the City Council.
3. Dishonesty involving employment.
4. Being under the influence of alcohol or intoxicating drugs while on duty.
5. Addiction to or habitual use of alcoholic beverages, narcotics or any habit forming non-prescription drug which renders it more difficult for Employee to deliver public service.
6. Absence without leave.
7. Conviction of a crime or conduct constituting a violation of state law which renders it more difficult for Employee to deliver public service.
8. Improper or unauthorized use of City property.
9. Employee's failure to resolve a physical or mental infirmity(s) or defect(s) affecting job performance when it is within the capacity of the employee to do so.
10. Acceptance from any source of any emolument, reward, gift or other form of remuneration in addition to Employee's regular compensation, as a personal benefit to the employee for actions performed in the normal course of Employee's assigned duties.
11. Falsification of any City report or record or of any report or record required to be, or, filed by Employee.
12. A breach of Employee's employment agreement.

EXHIBIT B
Amendment No. 1 to City Manager Employment Agreement

(attached)

**AMENDMENT NO. 1 TO
EMPLOYMENT AGREEMENT**

THIS AMENDMENT NO. 1 (“First Amendment”) to the July 21, 2015 Employment Agreement (“Agreement”) executed by the City of Brea, a California municipal corporation (“City”), and William Gallardo (“Employee”), is dated March 20, 2018 for reference purposes.

RECITALS

A. The parties executed the Agreement to: provide for City’s retention of the services of Employee in the position of City Manager for a three-year term; encourage the highest standards of fidelity and public service on the part of Employee; provide a just means for terminating Employee’s employment and the Agreement when City may desire to do so; and establish Employee’s conditions of employment.

B. The parties desire to amend the Agreement to: extend the term by five years; establish a procedure by which Employee may waive an automatic salary adjustment that otherwise would maintain a 10% separation between Employee’s salary and the highest base salary of any other City employee; and authorize Employee to select a replacement City-provided automobile having similar equipment and specifications as the current City-provided automobile.

NOW, THEREFORE, the parties agree as follows:

1. Amendment of Section 3. Section 3 (“Term”) of the Agreement is amended to read as follows:

“3. Term. This Agreement shall be effective July 4, 2015, and will remain in force and effect until close of business on June 30, 2023 unless the term hereof is extended by mutual agreement of City and Employee.”

2. Amendment of Section 4. Section 4 (“Salary”) of the Agreement is amended to read as follows:

“4. Salary.

(A) Subject to adjustment as provided in this paragraph 4, City shall pay Employee for the performance of Employee’s duties under this Agreement a starting monthly base salary of \$19,402.93, less customary and legally required payroll deductions.

(B) Effective July 2, 2018, Employee’s monthly base salary shall automatically be adjusted if necessary to be set, and then shall automatically be permanently maintained, at a level at least ten (10) percent greater than the maximum base salary specified in the executive compensation plan established by City Council resolution unless Employee waives a particular adjustment. Any such waiver shall: (i) be delivered in a notice to the City Council within ten (10) days of the effective date of a City Council resolution increasing the maximum base salary in the executive compensation plan; and (ii) apply only to the particular automatic

adjustment referenced in the notice.

(C) Salary and/or benefit adjustments shall be considered by the City Council annually in conjunction with Employee's annual performance evaluation pursuant to paragraph 9 below. City shall not, at any time during the term of this Agreement, reduce Employee's salary or benefits unless such reduction is imposed across-the-board for all Executive Management employees of the City."

3. Amendment of Section 8. Section 8 ("Provision of Automobile") is amended to read as follows:

"8. Provision of Automobile. Employee's duties require the exclusive and unrestricted use at all times during the duration of this Agreement of an automobile provided by the City, by either lease or purchase of the vehicle. City shall be responsible for paying liability, property damage and comprehensible insurance, all operation, maintenance, repair and replacement costs of such an automobile. Automobile replacement shall be in accordance with the annual Council approved budget for equipment and vehicle replacement, and any replacement automobile shall satisfy both of the following criteria: (i) has similar equipment and operating specifications as the current City-provided automobile; and (ii) does not have equipment that is only commonly found in public safety vehicles."

4. Preservation of Agreement. Except as expressly modified or supplemented by this First Amendment, all of the provisions of the Agreement shall remain unaltered and in full force and effect.

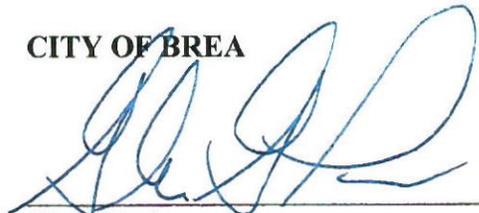
EXECUTED:

EMPLOYEE



William Gallardo
CITY MANAGER

CITY OF BREA



Glenn Parker
MAYOR

Approved as to form:


James Markman
CITY ATTORNEY

Attest:


Lillian Harris-Neal
CITY CLERK

EXHIBIT C
Amendment No. 2 to City Manager Employment Agreement

(attached)

**AMENDMENT NO. 2 TO
EMPLOYMENT AGREEMENT**

THIS AMENDMENT NO. 2 (“Second Amendment”) to the July 21, 2015 Employment Agreement (“Agreement”) executed by the City of Brea, a California municipal corporation (“City”), and William Gallardo (“Employee”), is dated November 15, 2022 for reference purposes.

RECITALS

A. The parties executed the Agreement to: provide for City’s retention of the services of Employee in the position of City Manager for a three-year term; encourage the highest standards of fidelity and public service on the part of Employee; provide a just means for terminating Employee’s employment and the Agreement when City may desire to do so; and establish Employee’s conditions of employment.

B. The parties executed a March 20, 2018 Amendment No. 1 (“First Amendment”) to the Agreement to: extend the term by five years; establish a procedure by which Employee may waive an automatic salary adjustment that otherwise would maintain a 10% separation between Employee’s salary and the highest base salary of any other City employee; and authorize Employee to select a replacement City-provided automobile having similar equipment and specifications as the current City-provided automobile.

C. The parties desire to amend the Agreement to: extend the term by five years; increase Employee’s salary; and increase City’s match of Employee’s deferred compensation contribution.

NOW, THEREFORE, the parties agree as follows:

1. Amendment of Section 3. Section 3 (“Term”) of the Agreement is amended to read as follows:

“3. Term. This Agreement shall be effective July 4, 2015, and will remain in force and effect until close of business on June 30, 2028 unless the term hereof is extended by mutual agreement of City and Employee.”

2. Amendment of Section 4. Section 4 (“Salary”) of the Agreement is amended by adding a new paragraph (D) to read as follows:

“(D) Effective November 26, 2022, Employee’s monthly base salary shall be increased three percent. Effective November 18, 2023, Employee’s monthly base salary shall further be increased three percent.”

3. Amendment of Section 5. Paragraph (a) of Section 5 (“Benefits”) of the Agreement is amended to read as follows:

“a. *Deferred Compensation* — City shall contribute a match of Employee’s

contribution up to 5% of Employee's base salary into Employee's 401 plan or his 457 plan. Effective November 26, 2022, City's contribution match shall be up to 8% of Employee's base salary."

4. Preservation of Agreement. Except as expressly modified or supplemented by this Second Amendment, all of the provisions of the Agreement (as amended by the First Amendment) shall remain unaltered and in full force and effect.

EXECUTED:

EMPLOYEE

CITY OF BREA

William Gallardo
CITY MANAGER

Cecilia Hupp
MAYOR

Approved as to form:

Attest:

Terence Boga
CITY ATTORNEY

Lillian Harris-Neal
CITY CLERK

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members

FROM: Bill Gallardo, City Manager

DATE: 11/15/2022

SUBJECT: Approval of the Executive compensation plan as amended – Adopt a Resolution approving changes to Executive Compensation Plan.

RECOMMENDATION

Adopt resolution approving the Executive Compensation Plan salaries and benefit policy.

BACKGROUND/DISCUSSION

Executive compensation is established by City Council resolution and may be modified from time to time by additional resolutions. Periodically the City Council updates the Executive Compensation Plan and Benefits Policy to reflect changes in salaries and benefits affecting our Executive employees. At times updates are implemented based on changes required by law or when circumstances come to the City's attention that certain provisions can be restructured to the Executives benefit without financially impacting the City and/or based on adjustments made to agreements with represented city labor groups. The last salary adjustment for Executives was implemented in September 2021 and it reflected a cost of living adjustment (COLA) of 3%.

Pursuant to City Council policy, the City Council may consider annual adjustments to Executive salary ranges and benefits in recognition of changes in the cost of living, labor market conditions, and internal relationships and salary and benefit adjustments granted to other City employees. However, Executives shall not be eligible for salary merit adjustments or performance awards until their next anniversary date.

In the attached executive compensation plan, a three percent (3%) cost of living adjustment to the salary range would become effective November 26, 2022. This adjustment is consistent with what other bargaining groups received this year in July pursuant to agreements that were reached in 2021. In addition, the resolution also includes an update to compensation plan language on how Executives are able to use their maximum annual sick leave accruals of personal sick leave per calendar year to deal with medical and/or dental needs of immediately family members. This is consistent with same benefit available to all labor groups. The resolution also includes clean up language on CalPERS retirement benefits to reflect current contributions by employer and employee. Other benefits will remain unchanged for this group.

FISCAL IMPACT/SUMMARY

This compensation adjustment is needed for the City to stay competitive in the current labor market if Brea is going to continue to attract and maintain quality executives. This action authorizes the City to implement salary adjustment to the salary ranges of Executives effective November 26, 2022.

The net financial impact is \$162,438 to the General Fund and \$20,784 to the Non-General Fund for a total of \$183,222. There is no fiscal impact to the adopted budget for FY 2022-23 due to built in budget projections. However, on-going costs related to this adjustment will be programmed in the FY 2023-24 budget projections as applicable. There are sufficient funds in revenues over expenditures projected to cover these costs.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager

Prepared by: Mario E. Maldonado, Human Resources Manager

Concurrence: Kristin Griffith, Administrative Services Director

Attachments

Resolution

RESOLUTION NO. 2022-074

AMENDMENT NO. 21 TO RESOLUTION NO. 92-124 OF THE CITY OF BREA AMENDING THE EXECUTIVE COMPENSATION PLAN AS AMENDED

A. Recitals.

(i) On November 25, 1992, as amended October 5, 1993, November 7, 1995, December 19, 1995, May 7, 1996, February 17, 1998, September 7, 1999, February 6, 2001, October 16, 2001, September 17, 2002, September 20, 2005, September 5, 2006, August 21, 2007, April 17, 2010, June 7, 2011, June 17, 2014, November 17, 2015, May 7, 2019, September 21, 2021, and July 19, 2022 the CITY OF BREA, a municipal corporation (“CITY” hereinafter) adopted and approved Resolution 92-124, a “Resolution of the Council of the City of Brea Amending the Executive Compensation Plan as Amended.”

(ii) It is the desire of the CITY to further amend said Resolution.

(iii) It is necessary from time to time to review and adjust the compensation plan to reflect the changing organizational responsibilities of the City of Brea, to ensure the efficient and economical operation of the various departments, and when possible, to provide compensation which is competitive in the comparable labor market.

(iv) It is recognized that preparing for succession of key management employees is a critically important component of the Executive Compensation Plan, and that a dynamic and flexible succession plan will promote long-term stability and assist in both the attraction and retention of senior staff.

(v) All amendments set forth in this Resolution shall be effective November 26, 2022, unless specifically provided herein.

B. Resolution.

NOW, THEREFORE, be it found, determined and resolved by the City Council of the City of Brea, as follows:

1. Amend Section 1, “Executive Compensation Plan,” item E, “Salary” shall be amended to read as follows:

E. SALARY

Effective November 26, 2022, salary ranges shall be as follows:

Class Title	Monthly Salary Range		Annual Salary Range	
	Minimum	Maximum	Minimum	Maximum
Administrative Services Director	\$15,395	\$18,029	\$184,736.64	\$216,347.22
Community Development Director	\$14,354	\$16,915	\$172,247.72	\$202,979.88
Community Services Director	\$14,528	\$16,851	\$174,335.58	\$202,216.03
Fire Chief	\$17,108	\$19,897	\$205,296.88	\$238,766.15
Police Chief	\$17,466	\$20,587	\$209,587.16	\$247,041.17
Public Works Director	\$14,975	\$17,671	\$179,695.24	\$212,056.94

2. Amend Section 2, “Benefits,” item B, “Public Employee’s Retirement System (CalPERS)” shall be amended to read as follows:

B. Public Employee’s Retirement System (CalPERS)

All employees covered under this Resolution shall be members of the State of California Public Employees' Retirement System and are subject to all applicable provisions of the City's contract with CalPERS, as amended. As regards to Classic

employees hired on or before City Council adoption of this Resolution, into Executive Management classifications, effective the first payroll period commencing on or after July 1, 2021, or the date of City Council adoption of this Resolution, whichever is later. The above City-funded Classic safety employee CalPERS contributions shall be 12% of CalPERS reportable compensation for safety Executive Management employees. The above City-funded Classic miscellaneous employee CalPERS contributions shall be 7% of CalPERS reportable compensation for miscellaneous Executive Management employees.

The CalPERS plan in effect for miscellaneous Executive Management employees hired on or before December 31, 2012 is the 2% @ 55 formula based on the three highest years. The CalPERS plan in effect for Safety Executive Management employees hired on or before June 30, 2011 is 3% @ 50 formula based on single highest year. Safety employees hired between July 1, 2011 and December 21, 2012 shall be on the 2% @ 50 formula. All new Safety employees with no prior CalPERS service hired after January 1, 2013 or with a break in CalPERS service of more than six (6) months will fall under the new PEPRA formula as required by law. This new Safety Executive Management employees shall be on the 2.7% @ 57 formula. Pursuant to PEPRA, “new employees” or “new members” hired on or after January 1, 2013, shall individually pay at least fifty percent (50%) of the total normal cost of pension as is determined each year by CalPERS to be the employee contribution rate. (PEPRA normal cost rate for safety employees in 2022 is 13%).

All new miscellaneous Executive Management employees with no prior CalPERS service hired after January 1, 2013 or with a break in CalPERS service of more than six (6) months will fall under the new PEPRA formula as required by law. These new employees shall be on the 2% @ 62 formula. Pursuant to PEPRA, “new employees” or “new members” hired on or after January 1, 2013, shall individually pay at least fifty percent (50%) of the total normal cost of pension as is determined each year by CalPERS to be the employee contribution rate. (PEPRA normal cost rate for miscellaneous employees in 2022 is 6.25%).

3. Amend Section 3, “Leave Time Benefits,” item C1, “Sick Leave and Bereavement Leave” shall be amended to read as follows:

C. Sick Leave and Bereavement Leave

1.-Sick Leave. Executives shall earn eight (8) hours of sick leave per month. Sick leave shall be earned, commencing on the first day of employment, and shall accrue on a bi-weekly basis. Sick leave utilization for dental appointments, medical examinations and/or due to death or serious illness in the immediate family shall be limited to a maximum of ninety-six (96) hours per calendar year.

APPROVED AND ADOPTED this 15th day of November, 2022

Cecilia Hupp, Mayor

ATTEST: _____
Lillian Harris-Neal, City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing resolution was introduced at a regular meeting of the City Council of the City of Brea, held on the 15th day of November, 2022, and was adopted by the following votes:

AYES: COUNCIL MEMBERS: Vargas, Marick, Simonoff, Hupp, Parker

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

Dated: _____

Lillian Harris-Neal, City Clerk

RESO NO. 2022-074
November 15, 2022

City of Brea

COUNCIL COMMUNICATION

TO: Honorable Mayor and City Council Members
FROM: Bill Gallardo, City Manager
DATE: 11/15/2022
SUBJECT: November 4 and 11, 2022 City Disbursement Registers

RECOMMENDATION

Receive and file.

RESPECTFULLY SUBMITTED:

William Gallardo, City Manager
Prepared by: Anthony Godoy, Management Analyst II
Concurrence: Kristin Griffith, Director of Administrative Services

Attachments

11-04-2022 City Disbursement Register
11-11-2022 City Disbursement Register

City Disbursement Register

Between Oct 31, 2022 12:00 AM and Nov 4, 2022 11:59 PM

Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
191516	AMERICAN WRECKING	11/04/2022	32032	420000000	CLOSED WATER ACCOUNT	\$1,747.95
AMERICAN WRECKING					Total Check Amount:	\$1,747.95
191517	AMP'D ENTERTAINMENT, INC.	11/04/2022	32030	110404542	REPL LIGHTNG FIXTURES	\$813.58
AMP'D ENTERTAINMENT, INC.					Total Check Amount:	\$813.58
191518	ATLAS TECHNICAL CONSULTANTS, LLC	11/04/2022	30469	510707322	C.HILLS COMPACTN TEST	\$16,096.00
ATLAS TECHNICAL CONSULTANTS, LLC					Total Check Amount:	\$16,096.00
191519	BREA ROTARY CLUB	11/04/2022	1338	110222211	QTRLY DUES FD 2022 Q4	\$285.00
		11/04/2022	1338	110212111	QTRLY DUES PD 2022 Q4	\$285.00
BREA ROTARY CLUB					Total Check Amount:	\$570.00
191520	BUSINESS CARD	11/04/2022	18749	420515131	BSCARD 1283 DEFAULT	\$10.73
		11/04/2022	18749	950000000	BSCARD 5901 DEFAULT	\$654.17
		11/04/2022	18749	110141481	BSCARD 4819 DEFAULT	\$827.90
		11/04/2022	18749	110212111	BSCARD 102322 DEFAULT	\$801.41
		11/04/2022	18749	110222223	BSCARD 102322 FIRE	\$57.67
		11/04/2022	18749	110404311	BSCARD 102322 DEFAULT	\$873.49
		11/04/2022	18749	110212134	BSCARD 092322 PD TRNG	(\$160.00)
		11/04/2022	18749	110212134	BSCARD 102322 DEFAULT	\$283.30
BUSINESS CARD					Total Check Amount:	\$3,348.67
191521	CALIFORNIA SHOW FREIGHT	11/04/2022	32039	420000000	CLOSED WATER ACCOUNT	\$63.24
CALIFORNIA SHOW FREIGHT					Total Check Amount:	\$63.24
191522	CHING CHAN	11/04/2022	32036	420000000	CLOSED WATER ACCOUNT	\$58.71
CHING CHAN					Total Check Amount:	\$58.71
191523	CITY OF BREA - WATER DEPT	11/04/2022	2039	490515151	WATER 9/7-10/6	\$176.31
CITY OF BREA - WATER DEPT					Total Check Amount:	\$176.31
191524	DELTA DENTAL INSURANCE COMPANY	11/04/2022	26074	110	05-79395 DNTL HMO NOV	\$2,115.20
DELTA DENTAL INSURANCE COMPANY					Total Check Amount:	\$2,115.20
191525	SOUTHERN CALIFORNIA EDISON	11/04/2022	3343	110515121	ELECTRICITY OCT 2022	\$2,949.83
		11/04/2022	3343	490515151	ELECTRICITY OCT 2022	\$11.31
SOUTHERN CALIFORNIA EDISON					Total Check Amount:	\$2,961.14
191526	FRONTIER COMMUNICATIONS	11/04/2022	26183	420515131	5621820146 9/28-10/27	\$191.80
FRONTIER COMMUNICATIONS					Total Check Amount:	\$191.80
191527	FRONTIER COMMUNICATIONS	11/04/2022	26183	420515131	5621821023 1016-1115	\$63.28
FRONTIER COMMUNICATIONS					Total Check Amount:	\$63.28
191528	FRANCIS GERARD BUSA GACAD	11/04/2022	31521	110404542	SONDHEIM PROJ/PHOTOS	\$600.00
FRANCIS GERARD BUSA GACAD					Total Check Amount:	\$600.00
191529	GOLDEN BELL PRODUCTS, INC.	11/04/2022	1411	430515123	LIFT STN DEGREASER	\$1,150.23
GOLDEN BELL PRODUCTS, INC.					Total Check Amount:	\$1,150.23
191530	JAN HOLUBOWICZ	11/04/2022	32034	420000000	CLOSED WATER ACCOUNT	\$64.40

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
JAN HOLUBOWICZ						Total Check Amount: \$64.40
191531	JACOB GREEN & ASSOCIATES	11/04/2022	32038	960000000	OCCMA SPONSOR REFUND	\$1,000.00
JACOB GREEN & ASSOCIATES						Total Check Amount: \$1,000.00
191532	LAKEMAN CHASSIS	11/04/2022	12885	480515161	WELD REPAIR	\$20.00
LAKEMAN CHASSIS						Total Check Amount: \$20.00
191533	SANG LEE	11/04/2022	23975	420000000	CLOSED WATER ACCOUNT	\$370.03
SANG LEE						Total Check Amount: \$370.03
191534	XIA LIU	11/04/2022	32041	420000000	CLOSED WATER ACCOUNT	\$36.00
XIA LIU						Total Check Amount: \$36.00
191535	CRAIG MCDONNELL	11/04/2022	32040	420000000	CLOSED WATER ACCOUNT	\$31.38
CRAIG MCDONNELL						Total Check Amount: \$31.38
191536	HEE NA	11/04/2022	32033	420000000	CLOSED WATER ACCOUNT	\$19.88
HEE NA						Total Check Amount: \$19.88
191537	OCTMA	11/04/2022	12600	110212111	2022 OCTMA DUES	\$100.00
OCTMA						Total Check Amount: \$100.00
191538	ORANGE CTY CHIEFS' & SHERIFFS' ASSN	11/04/2022	1351	110212111	22/23 SIC MEMB DUES	\$250.00
ORANGE CTY CHIEFS' & SHERIFFS' ASSN						Total Check Amount: \$250.00
191539	RENNE SLOAN HOTLZMAN SAKAI, LLP	11/04/2022	27580	110141481	2021 TOTALCOMP SURVEY	\$3,758.00
RENNE SLOAN HOTLZMAN SAKAI, LLP						Total Check Amount: \$3,758.00
191540	SILICON FORENSICS INC.	11/04/2022	32028	110212121	EQUIPMENT (DB)	\$936.26
SILICON FORENSICS INC.						Total Check Amount: \$936.26
191541	TRANSUNION RISK AND ALTERNATIVE	11/04/2022	31923	110212121	INVESTIGATIONS	\$170.00
TRANSUNION RISK AND ALTERNATIVE						Total Check Amount: \$170.00
191542	UNIFIRST CORPORATION	11/04/2022	27988	110212131	PD LAUNDRY SVCS 8/29	\$24.88
UNIFIRST CORPORATION						Total Check Amount: \$24.88
191543	CF UNITED LLC	11/04/2022	30700	480515161	CARWASH (53) SEPT22	\$296.80
CF UNITED LLC						Total Check Amount: \$296.80
191544	VERIZON WIRELESS	11/04/2022	21122	110212121	9917292160 10/4-11/3	\$50.87
VERIZON WIRELESS						Total Check Amount: \$50.87
191545	KELLY WALKER	11/04/2022	19627	110000000	STARTUP:NUTCRACKERBTQ	\$2,000.00
KELLY WALKER						Total Check Amount: \$2,000.00
191546	ANASTASIA WASHINGTON	11/04/2022	32031	110404542	50 SHADES OF MIXED 22	\$1,000.00
ANASTASIA WASHINGTON						Total Check Amount: \$1,000.00
191547	ROSANNE WEATHERSPOON	11/04/2022	32035	420000000	CLOSED WATER ACCOUNT	\$19.96
ROSANNE WEATHERSPOON						Total Check Amount: \$19.96
191548	WEST COAST PAGEANT PRODUCTIONS LLC	11/04/2022	32029	110	RENTAL DEPOSIT RETURN	\$755.00
WEST COAST PAGEANT PRODUCTIONS LLC						Total Check Amount: \$755.00

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
Check Subtotal						\$40,859.57
V49735	AFLAC-ACCOUNT #EZA73	11/04/2022	22923	110	ACC/CANCER INS OCT22	\$1,159.14
AFLAC-ACCOUNT #EZA73						Total Check Amount: \$1,159.14
V49736	ANAHI LIZBETH ALFEREZ	11/04/2022	31484	110212132	TRAINING EXPENSES	\$27.63
ANAHI LIZBETH ALFEREZ						Total Check Amount: \$27.63
V49737	ALLSTAR FIRE EQUIPMENT	11/04/2022	8353	110222221	UNIFORMS	\$130.03
		11/04/2022	8353	110222221	FM UNIFORM	\$80.54
ALLSTAR FIRE EQUIPMENT						Total Check Amount: \$210.57
V49738	OMAR F. BRIOSO	11/04/2022	15737	110212132	TRAINING MILEAGE	\$6.00
OMAR F. BRIOSO						Total Check Amount: \$6.00
V49739	CABINET MAGIC, INC.	11/04/2022	19581	110222223	FS2 BC OFFICECABINETS	\$4,873.98
		11/04/2022	19581	510707923	FS1 RR CABINETS	\$2,400.00
CABINET MAGIC, INC.						Total Check Amount: \$7,273.98
V49740	MIRSA CHAVEZ GRIEGO	11/04/2022	31295	110212111	TRAINING EXPENSES	\$16.00
MIRSA CHAVEZ GRIEGO						Total Check Amount: \$16.00
V49741	RYAN COOPER	11/04/2022	25532	110212111	TRAINING MILEAGE	\$29.31
RYAN COOPER						Total Check Amount: \$29.31
V49742	CORELOGIC	11/04/2022	25542	280323215	REAL EST LSTNG SEPT22	\$185.00
CORELOGIC						Total Check Amount: \$185.00
V49743	DELTA DENTAL INSURANCE COMPANY	11/04/2022	26074	110	05-79395 DNTL HMO AUG	\$2,075.28
DELTA DENTAL INSURANCE COMPANY						Total Check Amount: \$2,075.28
V49744	ENTENMANN ROVIN COMPANY	11/04/2022	3457	110212111	BADGES	\$288.76
ENTENMANN ROVIN COMPANY						Total Check Amount: \$288.76
V49745	RAY GONZALEZ	11/04/2022	31019	110404424	UMPIRE FEES 10/24/22	\$102.00
RAY GONZALEZ						Total Check Amount: \$102.00
V49746	GABRIEL HANNAH	11/04/2022	17533	110404424	UMPIRE FEES 10/24/22	\$102.00
GABRIEL HANNAH						Total Check Amount: \$102.00
V49747	DYLAN HARRIS	11/04/2022	28097	110212111	TRAINING EXPENSES	\$164.00
DYLAN HARRIS						Total Check Amount: \$164.00
V49748	ADAM C HAWLEY	11/04/2022	5028	110212111	TRAINING EXP (IACPAC)	\$2,539.83
ADAM C HAWLEY						Total Check Amount: \$2,539.83
V49749	WESLEY HUANG	11/04/2022	26144	110212111	TRAINING EXPENSES	\$26.38
WESLEY HUANG						Total Check Amount: \$26.38
V49750	INLAND ROUND BALL OFFICIALS INC.	11/04/2022	31906	110404424	REFEREE FEE 10/20-24	\$720.00
INLAND ROUND BALL OFFICIALS INC.						Total Check Amount: \$720.00
V49751	IPARQ	11/04/2022	21583	110323241	PERMIT SYST FEE OCT22	\$100.00
		11/04/2022	21583	110323241	PERMIT FEES SEPT 2022	\$752.18
IPARQ						Total Check Amount: \$852.18

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V49752	DAVID TAEKEK KANG	11/04/2022	29475	110212111	TRAINING EXPENSES	\$24.00
DAVID TAEKEK KANG						Total Check Amount: \$24.00
V49753	KEYSER MARSTON ASSOCIATES, INC.	11/04/2022	25482	84032323E	BM MIXED USE PR JUL22	\$630.00
		11/04/2022	25482	84032323E	BM MIXED USE PR AUG22	\$280.00
KEYSER MARSTON ASSOCIATES, INC.						Total Check Amount: \$910.00
V49754	LEIGHTON CONSULTING, INC	11/04/2022	22203	510707453	GEOTECH SVCS AUG 2022	\$1,375.80
LEIGHTON CONSULTING, INC						Total Check Amount: \$1,375.80
V49755	LIFE-ASSIST, INC.	11/04/2022	10530	174222222	PM SUPPLIES FS2	\$1,021.32
LIFE-ASSIST, INC.						Total Check Amount: \$1,021.32
V49756	LINEGEAR	11/04/2022	23894	110222221	UNIFORMS	\$2,204.57
LINEGEAR						Total Check Amount: \$2,204.57
V49757	MARY E LOGUE	11/04/2022	16039	110212122	MILEAGE OCT 2022	\$40.63
MARY E LOGUE						Total Check Amount: \$40.63
V49758	CECILIA MADRIGAL-GONZALEZ	11/04/2022	32026	110323231	APA CONF EXPENSES	\$80.85
CECILIA MADRIGAL-GONZALEZ						Total Check Amount: \$80.85
V49759	MINER, LTD	11/04/2022	27173	490515151	YARD LUNCHRM DOOR RPR	\$1,736.59
MINER, LTD						Total Check Amount: \$1,736.59
V49760	MUNICIPAL WATER DISTRICT	11/04/2022	3784	420515131	WATER DELIVERY SEPT22	\$13,699.11
MUNICIPAL WATER DISTRICT						Total Check Amount: \$13,699.11
V49761	JESSICA NEWTON	11/04/2022	32025	110323231	APA CONF EXPENSES	\$119.56
JESSICA NEWTON						Total Check Amount: \$119.56
V49762	PARACLETE FIRE AND SAFETY, INC.	11/04/2022	17760	110222221	FIRE EXTINGUISHER MNT	\$1,588.92
PARACLETE FIRE AND SAFETY, INC.						Total Check Amount: \$1,588.92
V49763	PLACEWORKS, INC.	11/04/2022	26720	840141412	BREA MALL CEQA SEPT22	\$1,397.55
		11/04/2022	26720	84032323E	BREA MALL CEQA SEPT22	\$12,632.18
PLACEWORKS, INC.						Total Check Amount: \$14,029.73
V49764	QUARTECH CORRECTIONS LLC	11/04/2022	29933	950000000	ILJAOC BAILMTN AUG22	\$750.00
		11/04/2022	29933	951000000	ILJAOC PCDEC AUG22	\$825.00
QUARTECH CORRECTIONS LLC						Total Check Amount: \$1,575.00
V49765	RICHARDS, WATSON & GERSHON	11/04/2022	8978	840141412	0116 REIMB WORK AUG22	\$8,320.50
RICHARDS, WATSON & GERSHON						Total Check Amount: \$8,320.50
V49766	STAGELIGHT FAMILY PRODUCTIONS	11/04/2022	7825	110404542	BYT22:LITTLEMERMAID 1	\$30,450.00
STAGELIGHT FAMILY PRODUCTIONS						Total Check Amount: \$30,450.00
V49767	THOMSON REUTERS - WEST	11/04/2022	22020	110111112	431851 LEGAL/RWG 10/4	\$204.73
		11/04/2022	22020	110111112	431851 LEGAL/RWG 9/4	\$1,333.97
THOMSON REUTERS - WEST						Total Check Amount: \$1,538.70
V49768	TOWNSEND PUBLIC AFFAIRS, INC.	11/04/2022	18881	110111145	ADVOC CONSULT OCT22	\$1,375.00
		11/04/2022	18881	430111145	ADVOC CONSULT OCT22	\$1,375.00

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V49768	TOWNSEND PUBLIC AFFAIRS, INC.	11/04/2022	18881	410111145	ADVOC CONSULT OCT22	\$1,375.00
		11/04/2022	18881	420111145	ADVOC CONSULT OCT22	\$1,375.00
		11/04/2022	18881	410111145	ADVOC CONSULT AUG22	\$1,375.00
		11/04/2022	18881	420111145	ADVOC CONSULT AUG22	\$1,375.00
		11/04/2022	18881	110111145	ADVOC CONSULT AUG22	\$1,375.00
		11/04/2022	18881	430111145	ADVOC CONSULT AUG22	\$1,375.00
TOWNSEND PUBLIC AFFAIRS, INC.					Total Check Amount:	\$11,000.00
V49769	VALVERDE CONSTRUCTION, INC.	11/04/2022	14201	430515123	SWR MNHL RING+LID RPR	\$3,600.00
VALVERDE CONSTRUCTION, INC.					Total Check Amount:	\$3,600.00
V49770	MATTHEW ERIC WENDLING	11/04/2022	27564	110212111	TRAINING EXPENSES	\$164.00
MATTHEW ERIC WENDLING					Total Check Amount:	\$164.00
V49771	WILLDAN ENGINEERING	11/04/2022	12445	110000000	INSP SVCS THRU 7/29	(\$3,358.00)
		11/04/2022	12445	510707454	INSP SVCS THRU 7/29	\$348.00
		11/04/2022	12445	110515171	INSP SVCS THRU 7/29	\$812.00
		11/04/2022	12445	840515171	INSP SVCS THRU 7/29	\$16,350.00
WILLDAN ENGINEERING					Total Check Amount:	\$14,152.00
V49772	ZOLL MEDICAL CORPORATION	11/04/2022	23538	174222222	PM SUPPLIES FS1	\$616.59
ZOLL MEDICAL CORPORATION					Total Check Amount:	\$616.59
Voucher Subtotal						\$124,025.93
TOTAL						\$164,885.50

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
191549	ACCO ENGINEERED SYSTEMS, INC.	11/10/2022	30994	490515151	COOLINGTOWER SVC 9/10	\$1,168.00
					ACCO ENGINEERED SYSTEMS, INC. Total Check Amount:	\$1,168.00
191550	AMERICAN PUBLIC WORKS ASSOC/APWA	11/10/2022	3665	110515111	22/23 APWA MEMB DUES	\$1,387.50
					AMERICAN PUBLIC WORKS ASSOC/APWA Total Check Amount:	\$1,387.50
191551	AT&T CALNET	11/10/2022	20391	361515142	CALNET OCT 2022	\$116.62
		11/10/2022	20391	360515147	CALNET OCT 2022	\$27.68
		11/10/2022	20391	360515145	CALNET OCT 2022	\$51.69
		11/10/2022	20391	420515131	CALNET OCT 2022	\$286.67
		11/10/2022	20391	475141471	CALNET OCT 2022	\$7,615.17
					AT&T CALNET Total Check Amount:	\$8,097.83
191552	BEARINGS & DRIVES INC	11/10/2022	8461	480515161	BEARINGS	\$69.61
					BEARINGS & DRIVES INC Total Check Amount:	\$69.61
191553	AVA BECCACCIO	11/10/2022	32043	110404523	VOLUNTEEN22 STIPEND	\$145.50
					AVA BECCACCIO Total Check Amount:	\$145.50
191554	CITY OF LA HABRA - NORTH SPA	11/10/2022	3517	280323215	21/22 CITY PROG COSTS	\$12,838.00
					CITY OF LA HABRA - NORTH SPA Total Check Amount:	\$12,838.00
191555	COMMERCIAL AQUATIC SERVICES, INC.	11/10/2022	25513	490515151	PLUNGE PUMP SYSTM RPR	\$3,748.72
					COMMERCIAL AQUATIC SERVICES, INC. Total Check Amount:	\$3,748.72
191556	COUNTY OF ORANGE TREASURER/	11/10/2022	1928	420515131	2223 SECURED PROP TAX	\$2,126.06
		11/10/2022	1928	490515151	2223 SECURED PROP TAX	\$35,347.04
					COUNTY OF ORANGE TREASURER/ Total Check Amount:	\$37,473.10
191557	CRASH CHAMPIONS-BREA	11/10/2022	31635	480515161	ACCIDENT REPAIR #1321	\$1,391.91
					CRASH CHAMPIONS-BREA Total Check Amount:	\$1,391.91
191558	DENALYN DAVID	11/10/2022	31642	110404215	YOGA	\$112.00
					DENALYN DAVID Total Check Amount:	\$112.00
191559	DELTA T HVAC, INC.	11/10/2022	28265	490515151	HVAC SERVICE 10/20/22	\$770.00
					DELTA T HVAC, INC. Total Check Amount:	\$770.00
191560	SOUTHERN CALIFORNIA EDISON	11/10/2022	3343	110515141	ELECTRICITY OCT 2022	\$6,887.46
		11/10/2022	3343	341515112	ELECTRICITY OCT 2022	\$162.34
		11/10/2022	3343	343515112	ELECTRICITY OCT 2022	(\$226.98)
		11/10/2022	3343	345515112	ELECTRICITY OCT 2022	\$132.72
		11/10/2022	3343	346515112	ELECTRICITY OCT 2022	(\$173.43)
		11/10/2022	3343	360515145	ELECTRICITY OCT 2022	(\$224.90)
		11/10/2022	3343	110515121	ELECTRICITY OCT 2022	\$79,747.01
		11/10/2022	3343	110515144	ELECTRICITY OCT 2022	\$74.07
		11/10/2022	3343	490515151	ELECTRICITY OCT 2022	\$2,205.80
					SOUTHERN CALIFORNIA EDISON Total Check Amount:	\$88,584.09

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount	
191561	EMERGENCY POWER CONTROLS	11/10/2022	12002	420515131	ATS MNT TONER PUMPSTN	\$950.00	
		11/10/2022	12002	490515151	ATS MNT FS2	\$950.00	
		11/10/2022	12002	490515151	ATS MNT FS3	\$950.00	
		11/10/2022	12002	430515123	ATS MNT LF LIFT STN	\$950.00	
		11/10/2022	12002	490515151	ATS MNT CITY YARD	\$950.00	
		11/10/2022	12002	490515151	ATS MNT FS1	\$950.00	
		11/10/2022	12002	420515131	ATS MNT PUMP HOUSE	\$950.00	
		11/10/2022	12002	490515151	ATS MNT FS4	\$950.00	
		11/10/2022	12002	490515151	ATS MNT CCC	\$950.00	
					EMERGENCY POWER CONTROLS	Total Check Amount:	\$8,550.00
191562	FAIRWAY FORD	11/10/2022	28263	480515161	2020 FORD RANGER	\$35,227.46	
					FAIRWAY FORD	Total Check Amount:	\$35,227.46
191563	FRANCHISE TAX BOARD/ST OF CALIF	11/10/2022	12043	110	571810253 110422 PR	\$30.00	
					FRANCHISE TAX BOARD/ST OF CALIF	Total Check Amount:	\$30.00
191564	FRONTIER COMMUNICATIONS	11/10/2022	26183	475141471	5621820146 1016-1115	\$45.41	
					FRONTIER COMMUNICATIONS	Total Check Amount:	\$45.41
191565	GALVEZ QUALITY AUTO GLASS	11/10/2022	27010	480515161	WINDSHIELD REPAIR	\$285.00	
					GALVEZ QUALITY AUTO GLASS	Total Check Amount:	\$285.00
191566	GIFTPRENEURS	11/10/2022	32024	110404421	CHRISTMAS22 ORNAMENT	\$463.68	
					GIFTPRENEURS	Total Check Amount:	\$463.68
191567	INTIME SOLUTIONS INC.	11/10/2022	20876	950000000	ILJAO ISE TEXT OCT22	\$4,047.76	
					INTIME SOLUTIONS INC.	Total Check Amount:	\$4,047.76
191568	MANHOLE ADJUSTING INC	11/10/2022	31621	420515131	RAISE/REPL VALVEBOXES	\$16,150.00	
					MANHOLE ADJUSTING INC	Total Check Amount:	\$16,150.00
191569	MEALS ON WHEELS ORANGE COUNTY	11/10/2022	30682	110404521	22/23 Q1 SENIORSERV	\$5,000.00	
					MEALS ON WHEELS ORANGE COUNTY	Total Check Amount:	\$5,000.00
191570	MS. AMERICA PAGEANT INC.	11/10/2022	32044	110	BCC CREDIT BAL REFUND	\$276.25	
					MS. AMERICA PAGEANT INC.	Total Check Amount:	\$276.25
191571	NATIONWIDE	11/10/2022	20975	110	4436 PET INS OCT 2022	\$1,203.34	
					NATIONWIDE	Total Check Amount:	\$1,203.34
191572	OC YOUTH SPORTS LLC	11/10/2022	31859	110404145	MULTI-SPORT/SPORTBALL	\$414.00	
					OC YOUTH SPORTS LLC	Total Check Amount:	\$414.00
191573	PATRICK'S MUSIC SCHOOL	11/10/2022	31858	110404145	MUSIC CLASSES	\$1,494.90	
					PATRICK'S MUSIC SCHOOL	Total Check Amount:	\$1,494.90
191574	PUENTE HILLS FORD	11/10/2022	25742	480515161	SPARK PLUGS	\$185.91	
					PUENTE HILLS FORD	Total Check Amount:	\$185.91
191575	TRANSUNION RISK AND ALTERNATIVE	11/10/2022	31923	110212121	DATA SEARCH OCT 2022	\$170.00	
					TRANSUNION RISK AND ALTERNATIVE	Total Check Amount:	\$170.00

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount	
191576	TURNOUT MAINTENANCE COMPANY, LLC	11/10/2022	19898	110222221	TURNOUT MNT 10/20	\$258.90	
TURNOUT MAINTENANCE COMPANY, LLC						Total Check Amount:	\$258.90
191577	UNIFIRST CORPORATION	11/10/2022	27988	110515125	UNIFORM SVCS OCT 2022	\$30.75	
		11/10/2022	27988	360515145	UNIFORM SVCS OCT 2022	\$30.08	
		11/10/2022	27988	440515126	UNIFORM SVCS OCT 2022	\$13.35	
		11/10/2022	27988	480515161	UNIFORM SVCS OCT 2022	\$159.43	
		11/10/2022	27988	110515121	UNIFORM SVCS OCT 2022	\$65.22	
		11/10/2022	27988	110515141	UNIFORM SVCS OCT 2022	\$91.80	
		11/10/2022	27988	110515148	UNIFORM SVCS OCT 2022	\$2.88	
		11/10/2022	27988	420515131	UNIFORM SVCS OCT 2022	\$167.55	
		11/10/2022	27988	490515151	UNIFORM SVCS OCT 2022	\$259.91	
		11/10/2022	27988	110515143	UNIFORM SVCS OCT 2022	\$23.24	
		11/10/2022	27988	110515144	UNIFORM SVCS OCT 2022	\$62.35	
		11/10/2022	27988	361515148	UNIFORM SVCS OCT 2022	\$2.88	
		11/10/2022	27988	430515123	UNIFORM SVCS OCT 2022	\$51.95	
UNIFIRST CORPORATION						Total Check Amount:	\$961.39
191578	UNITED RENTALS NORTHWEST, INC.	11/10/2022	7051	110222213	RR RENTAL OLINDA PL	\$570.48	
UNITED RENTALS NORTHWEST, INC.						Total Check Amount:	\$570.48
Check Subtotal						\$231,120.74	
V49773	ACADEMY 831, LLC	11/10/2022	28694	110404145	GROWN-UP+ME DANCE	\$65.00	
ACADEMY 831, LLC						Total Check Amount:	\$65.00
V49774	ADAMSON POLICE PRODUCTS	11/10/2022	4023	110212131	UNIFORM/SAFETY VEST	\$989.15	
ADAMSON POLICE PRODUCTS						Total Check Amount:	\$989.15
V49775	ADMINISTRATIVE & PROF	11/10/2022	3344	110	4010 APEA MEMB 110422	\$480.00	
ADMINISTRATIVE & PROF						Total Check Amount:	\$480.00
V49776	THE ADVANTAGE GROUP	11/10/2022	24539	110	808B FSADEPCAR 110422	\$1,535.87	
		11/10/2022	24539	110141481	FLEX/ADM PROC SEPT22	\$473.50	
		11/10/2022	24539	110	808C FSA URMED 110422	\$5,892.85	
THE ADVANTAGE GROUP						Total Check Amount:	\$7,902.22
V49777	ANNA CHAVEZ AGUSTIN	11/10/2022	31862	110404215	ZUMBA	\$254.00	
ANNA CHAVEZ AGUSTIN						Total Check Amount:	\$254.00
V49778	ALL CITY MANAGEMENT SERVICES INC	11/10/2022	6604	110212132	CRSNG GRDS 10/2-10/15	\$3,221.25	
ALL CITY MANAGEMENT SERVICES INC						Total Check Amount:	\$3,221.25
V49779	JUDY ALLEN	11/10/2022	20447	110404215	BODY PUMP/PILATES/SS	\$308.00	
JUDY ALLEN						Total Check Amount:	\$308.00
V49780	ALTA LANGUAGE SERVICES, INC	11/10/2022	25953	110141481	LANGUAGE TEST OCT22	\$110.00	
ALTA LANGUAGE SERVICES, INC						Total Check Amount:	\$110.00

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V49781	AMERICAN VETERAN LIGHTING, INC.	11/10/2022	31163	490515152	LED LAMPS	\$48.22
		11/10/2022	31163	490515151	LED DIMMERS	\$290.93
AMERICAN VETERAN LIGHTING, INC.					Total Check Amount:	\$339.15
V49782	ASBURY ENVIRONMENTAL SERVICES	11/10/2022	9144	110515121	ABSORBENT DISPOSAL	\$237.19
ASBURY ENVIRONMENTAL SERVICES					Total Check Amount:	\$237.19
V49783	BAB STEERING HYDRAULICS INC.	11/10/2022	18365	480515161	SUSPENSION REPAIR	\$4,748.49
		11/10/2022	18365	480515161	BRAKE REPAIR	\$4,887.17
BAB STEERING HYDRAULICS INC.					Total Check Amount:	\$9,635.66
V49784	THE BANK OF NEW YORK MELLON	11/10/2022	16062	930141424	CONTROL ACCT 2022 Q3	\$3,018.28
THE BANK OF NEW YORK MELLON					Total Check Amount:	\$3,018.28
V49785	BAY AREA DRIVING SCHOOL	11/10/2022	29122	110404145	ONLINE DRIVER'S ED	\$30.00
BAY AREA DRIVING SCHOOL					Total Check Amount:	\$30.00
V49786	BEST LAWN MOWER SERVICE	11/10/2022	16230	480515161	SMALL EQUIPMENT	\$413.08
BEST LAWN MOWER SERVICE					Total Check Amount:	\$413.08
V49787	CHRISTINE BOATNER	11/10/2022	18460	110404215	BODY PUMP/S.SNEAKERS	\$56.00
CHRISTINE BOATNER					Total Check Amount:	\$56.00
V49788	ALFRED-ANDREW BOWEN	11/10/2022	31372	110404215	KINSTRETCH	\$224.00
ALFRED-ANDREW BOWEN					Total Check Amount:	\$224.00
V49789	BPSEA MEMORIAL FOUNDATION	11/10/2022	14990	110	4050 MEMORIAL 110422	\$145.50
BPSEA MEMORIAL FOUNDATION					Total Check Amount:	\$145.50
V49790	BREA CITY EMPLOYEES ASSOCIATION	11/10/2022	3236	110	4005 BCEA MEMB 110422	\$684.00
BREA CITY EMPLOYEES ASSOCIATION					Total Check Amount:	\$684.00
V49791	BREA FIREFIGHTERS ASSOCIATION	11/10/2022	3237	110	4016 ASSOCMEMB 110422	\$2,474.00
BREA FIREFIGHTERS ASSOCIATION					Total Check Amount:	\$2,474.00
V49792	BREA POLICE ASSOCIATION	11/10/2022	3769	110	4030 BPA REG 110422	\$3,250.00
BREA POLICE ASSOCIATION					Total Check Amount:	\$3,250.00
V49793	BREA POLICE ATHLETIC LEAGUE	11/10/2022	1068	110	5010 B.P.A.L. 110422	\$122.50
BREA POLICE ATHLETIC LEAGUE					Total Check Amount:	\$122.50
V49794	BREA POLICE MANAGEMENT ASSOCIATION	11/10/2022	21189	110	4019 LDF MEMB 110422	\$9.50
		11/10/2022	21189	110	4020 PMA MEMB 110422	\$162.50
BREA POLICE MANAGEMENT ASSOCIATION					Total Check Amount:	\$172.00
V49795	BREA TOWING	11/10/2022	16399	110212121	TOWING (TFC) OCT22	\$979.20
		11/10/2022	16399	110212132	TOWING (INV) OCT22	\$1,042.40
BREA TOWING					Total Check Amount:	\$2,021.60
V49796	KATHY A BREAU	11/10/2022	5320	110404145	PENCILS + PASTELS	\$178.50
KATHY A BREAU					Total Check Amount:	\$178.50
V49797	BUTLER CHEMICALS, INC.	11/10/2022	6515	490515151	SR CTR D/W SVC SEPT22	\$188.56
BUTLER CHEMICALS, INC.					Total Check Amount:	\$188.56

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V49798	CALIFORNIA DOMESTIC WATER CO	11/10/2022	3388	420515131	WTR CONSUMPTION OCT22	\$367,277.32
CALIFORNIA DOMESTIC WATER CO						Total Check Amount:
						\$367,277.32
V49799	ANDREW P CATOR	11/10/2022	6646	460141474	CP PROTECTIVE COVER	\$19.82
		11/10/2022	6646	460141474	MILEAGE OCT 2022	\$227.50
ANDREW P CATOR						Total Check Amount:
						\$247.32
V49800	CENTRALSQUARE TECHNOLOGIES, LLC	11/10/2022	29643	420141421	UTIL BILLING TRNG SEP	\$208.00
CENTRALSQUARE TECHNOLOGIES, LLC						Total Check Amount:
						\$208.00
V49801	CHANDLER ASSET MANAGEMENT, INC.	11/10/2022	4375	875141424	INV MGMT SVCS OCT22	\$43.36
		11/10/2022	4375	930141424	INV MGMT SVCS OCT22	\$6,274.40
CHANDLER ASSET MANAGEMENT, INC.						Total Check Amount:
						\$6,317.76
V49802	MIRSA CHAVEZ GRIEGO	11/10/2022	31295	110212111	FLD TRNG OFFICER CRSE	\$40.00
MIRSA CHAVEZ GRIEGO						Total Check Amount:
						\$40.00
V49803	CLINICAL LABORATORY OF	11/10/2022	3390	420515131	WATER SAMPLING SEPT22	\$1,221.30
CLINICAL LABORATORY OF						Total Check Amount:
						\$1,221.30
V49804	COMLOCK SECURITY-GROUP	11/10/2022	13625	490515151	LOCK SERVICE	\$410.65
COMLOCK SECURITY-GROUP						Total Check Amount:
						\$410.65
V49805	CORE & MAIN LP	11/10/2022	27049	420515131	WATER METERS+ENCODERS	\$25,956.72
CORE & MAIN LP						Total Check Amount:
						\$25,956.72
V49806	CPS HR CONSULTING	11/10/2022	2971	110141481	RECRUITMNT SVCS SEP22	\$93.75
CPS HR CONSULTING						Total Check Amount:
						\$93.75
V49807	CSG CONSULTANTS	11/10/2022	25540	110000000	PLANCHECK SVCS SEPT22	\$391.50
		11/10/2022	25540	84032324P	PLANCHECK SVCS SEPT22	\$5,046.00
CSG CONSULTANTS						Total Check Amount:
						\$5,437.50
V49808	DARTCO TRANSMISSION SALES	11/10/2022	17719	480515161	SERVICE CALL #1830	\$310.00
DARTCO TRANSMISSION SALES						Total Check Amount:
						\$310.00
V49809	MYRA DUVALL	11/10/2022	18083	110404215	YOGA	\$588.00
MYRA DUVALL						Total Check Amount:
						\$588.00
V49810	EWING IRRIGATION PRODUCTS, INC.	11/10/2022	5807	420515131	PLUMBING SUPPLIES	\$175.89
EWING IRRIGATION PRODUCTS, INC.						Total Check Amount:
						\$175.89
V49811	FIDELITY SECURITY LIFE INSURANCE	11/10/2022	23035	110	9827288 VISION OCT22	\$2,961.92
FIDELITY SECURITY LIFE INSURANCE						Total Check Amount:
						\$2,961.92
V49812	ERIC FRANK	11/10/2022	16005	110212111	TRAINING EXPENSES	\$164.00
ERIC FRANK						Total Check Amount:
						\$164.00
V49813	FUN WITH HORSES	11/10/2022	15171	110404145	HORSE FUN FOR KIDS	\$783.75
FUN WITH HORSES						Total Check Amount:
						\$783.75
V49814	DESTINY ANGEL GARCIA	11/10/2022	32045	110212111	TFC COLLISION INV	\$40.00
DESTINY ANGEL GARCIA						Total Check Amount:
						\$40.00

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V49815	MELISSA GIFFORD	11/10/2022	10645	110404215	B.PUMP/CIRCUIT/TRX	\$431.70	
					MELISSA GIFFORD	Total Check Amount:	\$431.70
V49816	MARY M. GRAHAM	11/10/2022	31478	110404215	YOGA	\$280.00	
					MARY M. GRAHAM	Total Check Amount:	\$280.00
V49817	GRAINGER	11/10/2022	13634	490515151	FS2 COMPRESSOR	\$49.27	
		11/10/2022	13634	110222211	BATTERIES	\$219.81	
		11/10/2022	13634	480515161	SPILL KIT	\$342.61	
					GRAINGER	Total Check Amount:	\$611.69
V49818	CHRISTOPHER M HARVEY	11/10/2022	10364	110212111	IAPRO2022 ANNUAL CONF	\$24.00	
					CHRISTOPHER M HARVEY	Total Check Amount:	\$24.00
V49819	HCI SYSTEMS INC	11/10/2022	25112	490515151	CCC FIRE SPRNKLER SVC	\$4,530.00	
		11/10/2022	25112	490515151	CCC FIRE SYSTEM SVC	\$639.00	
		11/10/2022	25112	490515151	REPL CCC GAUGES (13)	\$1,185.00	
					HCI SYSTEMS INC	Total Check Amount:	\$6,354.00
V49820	MONA HERNANDEZ	11/10/2022	23114	110404215	MASSAGE THERAPY	\$492.53	
					MONA HERNANDEZ	Total Check Amount:	\$492.53
V49821	HOLLY ELECTRIC INC.	11/10/2022	27530	346515112	LIGHT REPAIR POLE #12	\$187.95	
		11/10/2022	27530	346515112	LIGHT REPAIR POLE #35	\$220.45	
		11/10/2022	27530	346515112	LIGHT REPAIR POLE #50	\$187.95	
		11/10/2022	27530	341515112	LIGHTRPR 548SILVERCYN	\$287.50	
		11/10/2022	27530	342515112	LIGHT REPAIR POLE #2	\$516.46	
		11/10/2022	27530	343515112	LIGHT REPAIR POLE #48	\$392.95	
		11/10/2022	27530	343515112	LIGHT REPAIR POLE #53	\$450.45	
		11/10/2022	27530	346515112	LIGHT REPAIR POLE #42	\$195.00	
		11/10/2022	27530	346515112	LIGHT RPR 1053 MALIBU	\$187.95	
		11/10/2022	27530	346515112	LIGHT RPR 816 DRIFTWD	\$207.86	
		11/10/2022	27530	342515112	LIGHT REPAIR POLE #5	\$445.49	
		11/10/2022	27530	344515112	LIGHT REPAIR POLE#131	\$220.45	
		11/10/2022	27530	345515112	LIGHT RPR 250 ECHOCYN	\$1,640.00	
		11/10/2022	27530	346515112	LIGHT REPAIR POLE #3	\$220.45	
		11/10/2022	27530	346515112	LIGHT REPAIR POLE #38	\$337.50	
		11/10/2022	27530	346515112	LIGHT REPAIR POLE #45	\$420.00	
		11/10/2022	27530	346515112	LIGHT REPAIR POLE #5	\$402.50	
		11/10/2022	27530	346515112	LIGHT REPAIR POLE #8	\$187.95	
		11/10/2022	27530	346515112	LIGHT RPR 418 OAK CYN	\$187.50	
		11/10/2022	27530	346515112	LIGHT RPR 418CYNCNTRY	\$460.00	
					HOLLY ELECTRIC INC.	Total Check Amount:	\$7,356.36
V49822	HOUSING PROGRAMS	11/10/2022	26542	290323215	HSG REHAB SEPT/OCT22	\$1,000.00	

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HOUSING PROGRAMS						Total Check Amount:
						\$1,000.00
V49823	INK LINK INC	11/10/2022	22423	110111151	CITY PROMO BANNERS	\$191.80
		11/10/2022	22423	110323214	CITY PROMO BANNERS	\$191.79
INK LINK INC						Total Check Amount:
						\$383.59
V49824	INLAND ROUND BALL OFFICIALS INC.	11/10/2022	31906	110404424	REFEREE FEE 1027-1101	\$960.00
INLAND ROUND BALL OFFICIALS INC.						Total Check Amount:
						\$960.00
V49825	SARA JACKSON	11/10/2022	31840	110404215	BODY PUMP	\$224.00
SARA JACKSON						Total Check Amount:
						\$224.00
V49826	JANE JAMES	11/10/2022	31161	110404215	YOGA	\$56.00
JANE JAMES						Total Check Amount:
						\$56.00
V49827	PAMELA JOHNSTON	11/10/2022	28025	110404215	ZUMBA	\$420.00
PAMELA JOHNSTON						Total Check Amount:
						\$420.00
V49828	KRISTI L KANEL	11/10/2022	22868	110404215	CYCLE/LOW IMP/SS	\$448.00
KRISTI L KANEL						Total Check Amount:
						\$448.00
V49829	KIMBALL MIDWEST	11/10/2022	23053	480515161	DRILL BITS	\$94.32
KIMBALL MIDWEST						Total Check Amount:
						\$94.32
V49830	KIMLEY-HORN AND ASSOCIATES, INC.	11/10/2022	26302	110323231	SB2 PGP GRANT AUG22	\$4,450.25
		11/10/2022	26302	110323231	SB2 PGP GRANT SEPT22	\$740.25
KIMLEY-HORN AND ASSOCIATES, INC.						Total Check Amount:
						\$5,190.50
V49831	MAHNAZ KOHSARI	11/10/2022	12368	460141474	MILEAGE OCT 2022	\$1.87
MAHNAZ KOHSARI						Total Check Amount:
						\$1.87
V49832	DAVID KUSSMAN	11/10/2022	31446	110212132	TRAINING EXPENSES	\$99.00
DAVID KUSSMAN						Total Check Amount:
						\$99.00
V49833	LEIGHTON CONSULTING, INC	11/10/2022	22203	510707457	GEOTECH DEC21-JUL22	\$11,644.60
LEIGHTON CONSULTING, INC						Total Check Amount:
						\$11,644.60
V49834	BERRY LIANG	11/10/2022	25640	110404215	PERSONAL TRAINER	\$501.60
		11/10/2022	25640	110404215	CYCLE/HIIT/TRX/BM	\$590.60
BERRY LIANG						Total Check Amount:
						\$1,092.20
V49835	LIFE-ASSIST, INC.	11/10/2022	10530	174222222	PM SUPPLIES FS3	\$847.99
LIFE-ASSIST, INC.						Total Check Amount:
						\$847.99
V49836	MONICA LO	11/10/2022	31530	110141431	CSMFO TRAVEL EXPENSES	\$343.45
MONICA LO						Total Check Amount:
						\$343.45
V49837	TANYA LOSCUTOFF	11/10/2022	22092	110404215	SUPER SCULPT	\$112.00
		11/10/2022	22092	110404215	PERSONAL TRAINER	\$810.39
TANYA LOSCUTOFF						Total Check Amount:
						\$922.39
V49838	ELIZABETH A. LUSK	11/10/2022	16911	110212111	CIVILIAN LDRSHP INST	\$98.00
ELIZABETH A. LUSK						Total Check Amount:
						\$98.00
V49839	LORI MAIER	11/10/2022	31187	110404215	ZUMBA	\$478.00

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LORI MAIER						Total Check Amount:
						\$478.00
V49840	MAR-CO EQUIPMENT COMPANY	11/10/2022	20329	480515161	HOPPER SCREEN	\$1,499.69
		11/10/2022	20329	480515161	MOTOR	\$809.26
MAR-CO EQUIPMENT COMPANY						Total Check Amount:
						\$2,308.95
V49841	ANDREA MCGRANAHAN	11/10/2022	26046	110404215	PERSONAL TRAINER	\$135.72
		11/10/2022	26046	110404215	BARRE/CYCLE/TRX	\$1,064.00
ANDREA MCGRANAHAN						Total Check Amount:
						\$1,199.72
V49842	METRO CITIES FIRE AUTHORITY	11/10/2022	23145	110222223	FIRE MOBILE LIC/MNT	\$2,023.00
METRO CITIES FIRE AUTHORITY						Total Check Amount:
						\$2,023.00
V49843	MINER, LTD	11/10/2022	27173	490515151	APP BAY DOOR RPR-FS4	\$2,129.39
MINER, LTD						Total Check Amount:
						\$2,129.39
V49844	JENNIFER MONZON-SCROFINI	11/10/2022	20158	110404215	CYCLE/FS/HIIT/YOGA/BM	\$308.00
JENNIFER MONZON-SCROFINI						Total Check Amount:
						\$308.00
V49845	NATASHA MOORE	11/10/2022	10711	110404215	BODY PUMP	\$280.00
NATASHA MOORE						Total Check Amount:
						\$280.00
V49846	MUNICIPAL DENTAL POOL	11/10/2022	30638	110	DELTA DENTAL NOV22	\$15,954.04
MUNICIPAL DENTAL POOL						Total Check Amount:
						\$15,954.04
V49847	MUNICIPAL WATER DISTRICT	11/10/2022	3784	420515131	INSPECTIONS SEPT 2022	\$222.00
MUNICIPAL WATER DISTRICT						Total Check Amount:
						\$222.00
V49848	WILLIAM PAN	11/10/2022	20311	460141474	CP PROT COVER/SC PROT	\$24.98
WILLIAM PAN						Total Check Amount:
						\$24.98
V49849	IRACEMA PERDOMO	11/10/2022	14135	110404215	CYCLE	\$252.00
IRACEMA PERDOMO						Total Check Amount:
						\$252.00
V49850	PETROLEUM MARKETING EQUIPMENT	11/10/2022	9282	480515161	FUEL BREAKAWAY	\$179.26
PETROLEUM MARKETING EQUIPMENT						Total Check Amount:
						\$179.26
V49851	PTS COMMUNICATIONS, INC.	11/10/2022	31947	475141471	7147920398 NOV 2022	\$75.00
PTS COMMUNICATIONS, INC.						Total Check Amount:
						\$75.00
V49852	R.J. NOBLE COMPANY	11/10/2022	1076	420515131	ASPHALT	\$1,194.95
R.J. NOBLE COMPANY						Total Check Amount:
						\$1,194.95
V49853	KAYLA RABJOHNS	11/10/2022	28472	110404215	CIRCUIT	\$26.00
KAYLA RABJOHNS						Total Check Amount:
						\$26.00
V49854	RICHARDS, WATSON & GERSHON	11/10/2022	8978	510707914	0001 GEN LGL SVCS AUG	\$95.00
		11/10/2022	8978	110111112	0001 GEN LGL SVCS AUG	\$8,936.73
		11/10/2022	8978	110111112	9999 GEN LGL SVCS AUG	\$9,496.00
		11/10/2022	8978	110515141	9999 GEN LGL SVCS AUG	\$112.00
		11/10/2022	8978	420515131	9999 GEN LGL SVCS AUG	\$253.00
		11/10/2022	8978	510707321	0001 GEN LGL SVCS AUG	\$133.00
		11/10/2022	8978	510707946	0001 GEN LGL SVCS AUG	\$627.00

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V49854	RICHARDS, WATSON & GERSHON	11/10/2022	8978	440515122	9999 GEN LGL SVCS AUG	\$230.00
		11/10/2022	8978	510707322	0001 GEN LGL SVCS AUG	\$150.00
		11/10/2022	8978	420515131	0001 GEN LGL SVCS AUG	\$19.00
		11/10/2022	8978	440515122	0001 GEN LGL SVCS AUG	\$1,501.00
RICHARDS, WATSON & GERSHON					Total Check Amount:	\$21,552.73
V49855	ALFRED ANTHONY RODRIGUEZ	11/10/2022	27489	110212134	TRAINING EXPENSES	\$146.00
ALFRED ANTHONY RODRIGUEZ					Total Check Amount:	\$146.00
V49856	RUSSELL SIGLER INC.	11/10/2022	21638	490515151	HVAC PART	\$17.97
		11/10/2022	21638	490515151	HVAC PARTS CCC	\$55.45
		11/10/2022	21638	490515151	HVAC TOOL	\$9.61
RUSSELL SIGLER INC.					Total Check Amount:	\$83.03
V49857	SAN GABRIEL BASIN WATER	11/10/2022	25882	420515131	22/23 PUMPNG RGHTS #2	\$9,016.32
SAN GABRIEL BASIN WATER					Total Check Amount:	\$9,016.32
V49858	JACI SCHORK	11/10/2022	31823	110404215	PERSONAL TRAINER	\$238.70
JACI SCHORK					Total Check Amount:	\$238.70
V49859	LAURENE SCHULZE	11/10/2022	18034	110404215	YOGA	\$26.00
LAURENE SCHULZE					Total Check Amount:	\$26.00
V49860	RUBEN SEGURA	11/10/2022	32037	110111152	TRAINING EXPENSES	\$62.82
RUBEN SEGURA					Total Check Amount:	\$62.82
V49861	SHAMBHALA MARTIAL ARTS INC	11/10/2022	28430	110404145	KIDS TAE KWON DO	\$75.00
SHAMBHALA MARTIAL ARTS INC					Total Check Amount:	\$75.00
V49862	SHRED-IT USA	11/10/2022	7438	470141483	DOC SHRED AUG/SEPT	\$10.66
		11/10/2022	7438	110212122	DOC SHRED AUG/SEPT	\$186.68
		11/10/2022	7438	110212122	DOC SHRED SEPT/OCT22	\$280.02
		11/10/2022	7438	470141483	DOC SHRED SEPT/OCT22	\$15.99
		11/10/2022	7438	110111161	DOC SHRED AUG/SEPT	\$10.66
		11/10/2022	7438	110111161	DOC SHRED SEPT/OCT22	\$15.99
SHRED-IT USA					Total Check Amount:	\$520.00
V49863	SOOTHING ESCAPE MASSAGE LLC	11/10/2022	31650	110404215	MASSAGE THERAPY	\$47.40
SOOTHING ESCAPE MASSAGE LLC					Total Check Amount:	\$47.40
V49864	SOUTHERN CALIFORNIA NEWS GROUP	11/10/2022	26287	420515131	LEGAL NOTICE SEPT22	\$228.90
		11/10/2022	26287	110111161	LEGAL NOTICE SEPT22	\$383.34
SOUTHERN CALIFORNIA NEWS GROUP					Total Check Amount:	\$612.24
V49865	STAPLES TECHNOLOGY SOLUTIONS	11/10/2022	22888	110323212	TONER	\$214.09
STAPLES TECHNOLOGY SOLUTIONS					Total Check Amount:	\$214.09
V49866	STOTZ EQUIPMENT	11/10/2022	24388	480515161	ELECTRICAL REPAIR #1624	\$951.03
		11/10/2022	24388	480515161	PBM500G WATER TRAILER	\$10,263.19
STOTZ EQUIPMENT					Total Check Amount:	\$11,214.22

City Disbursement Register

Between Nov 7, 2022 12:00 AM and Nov 11, 2022 11:59 PM

Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V49867	TECHNICOLOR PRINTING	11/10/2022	24354	110	ADULT SPORTS SH S/TX	(\$5.43)
		11/10/2022	24354	110404422	AQUATICS STAFF SHIRTS	\$513.43
		11/10/2022	24354	110404424	ADULT SPORTS AWARDS	\$4,516.13
		11/10/2022	24354	110404424	ADULT SPORTS SHIRTS	\$75.43
TECHNICOLOR PRINTING					Total Check Amount:	\$5,099.56
V49868	TRUE TINT WINDOW TINTING	11/10/2022	28281	110515125	TINTSVC-GRAFFITI FILM	\$1,120.00
TRUE TINT WINDOW TINTING					Total Check Amount:	\$1,120.00
V49869	TURBO DATA SYSTEMS, INC.	11/10/2022	1472	110212122	CITE HH TPM LSE OCT22	\$312.48
TURBO DATA SYSTEMS, INC.					Total Check Amount:	\$312.48
V49870	EDEN TURNER	11/10/2022	21951	110404215	BODY PUMP	\$140.00
EDEN TURNER					Total Check Amount:	\$140.00
V49871	UNICORN METALS	11/10/2022	17181	480515161	METAL STOCK	\$45.47
UNICORN METALS					Total Check Amount:	\$45.47
V49872	UNITED ROTARY BRUSH CORPORATION	11/10/2022	16649	480515161	SWEEPER BROOMS	\$1,360.84
UNITED ROTARY BRUSH CORPORATION					Total Check Amount:	\$1,360.84
V49873	WALTERS WHOLESALE ELECTRIC	11/10/2022	1667	110515125	ELECTRICAL PARTS	\$78.78
		11/10/2022	1667	110515125	LIGHT REPAIR @ PS1	\$309.46
		11/10/2022	1667	490515151	FS2 SENSOR	\$188.00
WALTERS WHOLESALE ELECTRIC					Total Check Amount:	\$576.24
V49874	WEST COAST ARBORISTS, INC.	11/10/2022	1556	110515142	TREE TRIM/REM 10/1-15	\$15,582.69
		11/10/2022	1556	110515142	TREE TRIM/REM 8/1-15	\$6,627.06
		11/10/2022	1556	110515142	TREE TRIM/REM 9/16-30	\$8,383.69
		11/10/2022	1556	347515112	STUMP REMOVAL 9/16-30	\$75.36
		11/10/2022	1556	510707978	PARK TREE MNT 8/16-31	\$4,413.00
		11/10/2022	1556	110515125	TREE TRIMMING 7/16-31	\$1,765.20
		11/10/2022	1556	110515142	PARK TREE MNT 8/16-31	\$2,789.85
		11/10/2022	1556	110515142	TRIM/EMERG REM 9/1-15	\$3,686.49
		11/10/2022	1556	341515112	TREE TRIMMING 9/1-15	\$85.02
		11/10/2022	1556	343515112	TREE TRIMMING 8/16-31	\$42.51
		11/10/2022	1556	110515142	HZMAT/WATERING 7/1-15	\$5,350.78
		11/10/2022	1556	110515142	TREE TRIM/REM 8/16-31	\$4,665.85
WEST COAST ARBORISTS, INC.					Total Check Amount:	\$53,467.50
V49875	WESTCOAST SHIRTWORKS, INC.	11/10/2022	22572	110515171	DEPT APP EMBROIDERY	\$664.51
WESTCOAST SHIRTWORKS, INC.					Total Check Amount:	\$664.51
V49876	WESTERN GOLF PROPERTIES, LLC	11/10/2022	29071	465515149	BREA CREEK CGS OCT22	\$5,372.09
		11/10/2022	29071	465000000	BIRCH HLLS TIPS OCT22	\$8,248.38
		11/10/2022	29071	465515149	BIRCH HLLS MGMT OCT22	\$146,981.25

City Disbursement Register

Between Nov 7, 2022 12:00 AM and Nov 11, 2022 11:59 PM

Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount	
V49876	WESTERN GOLF PROPERTIES, LLC	11/10/2022	29071	465000000	BIRCH HLLS S/TX OCT22	\$4,827.89	
		11/10/2022	29071	465000000	BREA CREEK S/TX OCT22	\$833.54	
		11/10/2022	29071	465515149	BIRCH HILLS CGS OCT22	\$22,087.62	
		11/10/2022	29071	465515149	BREA CREEK MGMT OCT22	\$60,542.30	
					WESTERN GOLF PROPERTIES, LLC	Total Check Amount:	\$248,893.07
V49877	SARA L. WOODWARD	11/10/2022	26083	110212122	MILEAGE OCT 2022	\$87.13	
					SARA L. WOODWARD	Total Check Amount:	\$87.13
V49878	REBECCA YOUNT	11/10/2022	31473	110404215	SILVER SNEAKERS	\$28.00	
					REBECCA YOUNT	Total Check Amount:	\$28.00
						Voucher Subtotal	\$870,388.35
W23005	UNION BANK	11/07/2022	14102	930	LAIF CONTRIBUTION	\$2,000,000.00	
					UNION BANK	Total Check Amount:	\$2,000,000.00
						Wire Subtotal	\$2,000,000.00
TOTAL							\$3,101,509.09

City of Brea

COUNCIL AND COMMISSION COMMUNICATION

TO: Honorable Mayor/Chair and City Council/Commission Members
FROM: Bill Gallardo
DATE: 11/15/2022
SUBJECT: Brea Arts Corporation Annual Report for Fiscal Year 2021-22

RECOMMENDATION

Receive and file.

BACKGROUND/DISCUSSION

The Brea Arts Corporation was formed on June 17, 1997, for the purpose of disseminating information to the public about cultural activities in the City of Brea; to host Brea Fest; and to participate in and encourage other events or activities related to this purpose.

The Brea Arts Corporation is a tax-exempt 501[c](3) organization for Federal and State income tax purposes. The organization did not incur expenditures within the legally established threshold required to file annual reports with the taxing agencies. This report has been prepared in lieu of such reports to provide a summary of activities. By using its tax-exempt status to mail information about its cultural activities, the Brea Arts Corporation avoided incurring approximately \$4,476.53 in postage costs during the year. This amount represents the savings in postage from using the standard mail nonprofit rate versus the standard mail regular rate (\$0.131 savings per piece x 34,172 pieces). The Brea Arts Corporation also secured permits from the California Department of Alcoholic Beverage Control (ABC) for various cultural events hosted by the Curtis Theatre, the Gallery and lastly, for Brea Fest. The total cost for the permits was \$2,757.00.

The annual report for Fiscal Year July 1, 2021 through June 30, 2022 was prepared by the Administrative Services Department with the assistance of the Community Services Department. The annual report includes two exhibits. Exhibit A, the Statement of Program Service Accomplishments, provides a description of activities during the past fiscal year. Exhibit B, the Summary of Promotional Activities for Program Events, gives a breakdown of the items mailed, postage costs, and attendance for each event as well as summary of costs incurred for the ABC permits. The filing requirement deadline is typically on or before the 15th day of the 5th month after the close of the City's tax year. The only action required by the Board is to receive and file.

SUMMARY/FISCAL IMPACT

No fiscal impact.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Alicia Brenner, Senior Fiscal Analyst

Reviewed by: Carrie Hernandez, Community Services Manager

Concurrence: Kristin Griffith, Administrative Services Director

Attachments

Exhibit A - Statement of Program Service Accomplishments

Exhibit B - Summary of Promotional Activities for Program Events

**Brea Arts Corporation
FY 2021-22 Annual Report**

Statement of Program Service Accomplishments

1. The primary purpose of the Brea Arts Corporation is to disseminate information to the public about cultural activities in the City of Brea, and to host the “Brea Fest,” which is an annual gathering in the City of Brea dedicated to the promotion of cultural arts.
2. During Fiscal Year 2021-22, the Brea Arts Corporation participated in the promotion of four different cultural functions held at the Brea Gallery. The Brea Arts Corporation, promoting cultural events at the Brea Gallery, mailed a total of 5,995 items during the reporting year.
 - a. The first exhibit was called “Applied Practice: Constructing Notions on the Contemporary Craft Process” and was held from July 17, 2021 through September 10, 2021. The exhibit held one opening and closing reception, two virtual artist in residence weekend events and two virtual curator tours. A total of 642 people attended the exhibition.
 - b. The second exhibit was the “Drawn to Paper: Fresh Perspectives in Mixed Media,” and occurred between October 9, 2021 and December 10, 2021. The exhibit held one opening and closing reception, three art workshops, one virtual artist in residence weekend event and two virtual curator tours. A total of 684 people attended the exhibition.
 - c. The third exhibit was “Nature vs Nurture,” and occurred between January 29, 2022 and March 25, 2022. The exhibit held one opening and closing reception, three Instagram Live artist studio visits, one virtual artist panel event and two virtual curator tours. A total of 642 people attended the exhibition.
 - d. The fourth exhibit was “37th Annual Made in California Juried Exhibition” and occurred between April 30, 2022 and June 24, 2022. The exhibit held one opening and closing reception, two virtual artist in residence weekend events and two virtual curator tours. A total of 1,024 people attended the exhibition.
3. The Brea Arts Corporation also participated in mailing the annual seasonal program for the Curtis Theatre. A total of 11,047 brochures were mailed. There were 14 different theatrical productions that together held 55 performances throughout fiscal year 2021-22. The total attendance for the year was 6,176. Additionally, there were 59 volunteers who participated in the productions, working approximately 236 hours.
4. The Brea Arts Corporation secured the permit from the California Department of Alcoholic Beverage Control for “Brea Fest,” held on August 12, 2022 at the Brea Civic and Cultural Center. There were approximately 5,300 people in attendance.

**Brea Arts Corporation
FY 2021-22 Annual Report**

Summary of Promotional Activities for Program Events

POSTAGE COSTS	QTY	TOTAL	ATTENDANCE
Gallery			
Applied Practice: Constructing Notions on the Contemporary Craft Process Exhibition	-	\$ -	642
Drawn to Paper: Fresh Perspective in Mixed Media Exhibition	-	\$ -	684
Nature vs Nurture Exhibition (announcement postcard)	5,995	\$ 1,517.00	504 ¹
37th Annual Made in California Juried Exhibition	-	\$ -	1,024
Sub-Total	5,995	\$ 1,517.00	2,854
Theatre			
Annual Season Program Brochures	11,047	\$ 3,994.29	6,176 ²
Other direct mail (postcards)	17,130	\$ 4,946.49	N/A
Sub-Total	28,177	\$ 8,940.78	6,176
TOTAL	34,172	\$ 10,457.78 ³	9,030
OTHER COSTS ⁴			
	QTY	TOTAL	ATTENDANCE
Theatre Events/Shows (ABC Permits)	12	\$ 2,500.00	N/A
Gallery Events (ABC Permits)	4	\$ 200.00	N/A
BreaFest (ABC Permits)	1	\$ 57.00	N/A
Sub-Total	17	\$ 2,757.00	-
TOTAL	17	\$ 2,757.00 ³	N/A

¹ = An announcement card was used to market all gallery exhibitions. Social media and other marketing efforts were also used

² = Total season attendance; excludes Rental Engagements & Performances

³ = Postage costs are paid by the City of Brea on behalf of the Brea Arts Corporation

⁴ = Other costs includes permits secured from the California Department of Alcoholic Beverage Control (ABC)