



## City of Costa Mesa

### REGULAR CITY COUNCIL AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY AND HOUSING AUTHORITY

#### Agenda

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**Tuesday, May 17, 2022**

**6:00 PM**

**City Council Chambers  
77 Fair Drive**

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**\*Note: All agency memberships are reflected in the title "Council Member"  
4:00 P.M. Closed Session**

The City Council meetings are presented in a hybrid format, both in-person at City Hall and virtually via Zoom Webinar. Pursuant to the State of California Assembly Bill 361 (Gov. Code §54953(b)(3)) the City Council Members and staff may choose to participate in person or by video conference.

You may participate via the following options:

1. Attending in person: Attendees are encouraged to wear masks at their discretion. If you are feeling ill, you may still participate in the meeting via Zoom.

2. Members of the public can view the City Council meetings live on COSTA MESA TV (SPECTRUM CHANNEL 3 AND AT&T U-VERSE CHANNEL 99) or [http://costamesa.granicus.com/player/camera/2?publish\\_id=10&redirect=true](http://costamesa.granicus.com/player/camera/2?publish_id=10&redirect=true) and online at [youtube.com/costamesatv](https://www.youtube.com/costamesatv).

3. Zoom Webinar: (For both 4:00 p.m. and 6:00 p.m. meetings)

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/98376390419?pwd=dnpFelc5TnU4a3BKWVlyRVZMallZZz09>

Or sign into Zoom.com and “Join a Meeting”

Enter Webinar ID: 983 7639 0419/ Password: 905283

- If Zoom is not already installed on your computer, click “Download & Run Zoom” on the launch page and press “Run” when prompted by your browser. If Zoom has previously been installed on your computer, please allow a few moments for the application to launch automatically.
- Select “Join Audio via Computer.”
- The virtual conference room will open. If you receive a message reading, “Please wait for the host to start this meeting,” simply remain in the room until the meeting begins.
- During the Public Comment Period, use the “raise hand” feature located in the participants’ window and wait for city staff to announce your name and unmute your line when it is your turn to speak. Comments are limited to 3 minutes, or as otherwise directed.

Participate via telephone: (For both 4:00 p.m. and 6:00 p.m. meetings)

Call: 1 669 900 6833 Enter Webinar ID: 983 7639 0419/ Password: 905283

During the Public Comment Period, press \*9 to add yourself to the queue and wait for city staff to announce your name/phone number and press \*6 to unmute your line when it is your turn to speak. Comments are limited to 3 minutes, or as otherwise directed.

4. Additionally, members of the public who wish to make a written comment on a specific agenda item, may submit a written comment via email to the City Clerk at [cityclerk@costamesaca.gov](mailto:cityclerk@costamesaca.gov). Comments received by 12:00 p.m. on the date of the meeting will be provided to the City Council, made available to the public, and will be part of the meeting record.

5. Please know that it is important for the City to allow public participation at this meeting. If you are unable to participate in the meeting via the processes set forth above, please contact the City Clerk at (714) 754-5225 or [cityclerk@costamesaca.gov](mailto:cityclerk@costamesaca.gov) and staff will attempt to accommodate you. While the City does not expect there to be any changes to the above process for participating in this meeting, if there is a change, the City will post the information as soon as possible to the City’s website.

Note that records submitted by the public will not be redacted in any way and will be posted online as submitted, including any personal contact information. All pictures, PowerPoints, and videos submitted for display at a public meeting must be previously reviewed by staff to verify appropriateness for general audiences. No links to YouTube videos or other streaming services will be accepted, a direct video file will need to be emailed to staff prior to each meeting in order to minimize complications and to play the video without delay. The video must be one of the following formats, .mp4, .mov or .wmv. Only one file may be included per speaker for public comments. Please e-mail to the City Clerk at [cityclerk@costamesaca.gov](mailto:cityclerk@costamesaca.gov) NO LATER THAN 12:00 Noon on the date of the meeting.

Note regarding agenda-related documents provided to a majority of the City Council after distribution of the City Council agenda packet (GC §54957.5): Any related documents provided to a majority of the City Council after distribution of the City Council Agenda Packets will be made available for public inspection. Such documents will be posted on the city's website and will be available at the City Clerk's office, 77 Fair Drive, Costa Mesa, CA 92626.

All cell phones and other electronic devices are to be turned off or set to vibrate. Members of the audience are requested to step outside the Council Chambers to conduct a phone conversation.

Free Wi-Fi is available in the Council Chambers during the meetings. The network username available is: CM\_Council. The password is: cmcouncil1953.

As a LEED Gold Certified City, Costa Mesa is fully committed to environmental sustainability. A minimum number of hard copies of the agenda will be available in the Council Chambers. For your convenience, a binder of the entire agenda packet will be at the table in the foyer of the Council Chambers for viewing.

The City of Costa Mesa aims to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is currently provided, the Clerks office will attempt to accommodate in a reasonable manner. Note, Closed Captioning is available via the Zoom application. Please contact the City Clerk's office 24 hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible 714-754-5225 or at [cityclerk@costamesaca.gov](mailto:cityclerk@costamesaca.gov).

El objetivo de la Ciudad de Costa Mesa es cumplir con la ley de Estadounidenses con Discapacidades (ADA) en todos los aspectos. Si como asistente o participante en esta junta, usted necesita asistencia especial, más allá de lo que actualmente se proporciona, la oficina del Secretario de la Ciudad intentara de complacer en una forma razonable. Favor de comunicarse con la oficina del Secretario de la Ciudad con 24 horas de anticipación para informarnos de sus necesidades y determinar si alojamiento es realizable al 714-754-5225 o [cityclerk@costamesaca.gov](mailto:cityclerk@costamesaca.gov).

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS Members of the public are welcome to address the City Council only on those items on the Closed Session agenda. Each member of the public will be given a total of three minutes to speak on all items on the Closed Session agenda.

CLOSED SESSION ITEMS:

1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION – ONE CASE  
Pursuant to California Government Code Section 54956.9 (d)(1)  
Name of Case: Costa Mesa v. Newport Mesa Unified School District, Orange County Superior Court Case No. 30-2021-01179397-CU-WM-CXC.
2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION – ONE CASE  
Pursuant to California Government Code Section 54956.9 (d)(1)  
Name of Case: Insight Psychology and Addiction, Inc. v. City of Costa Mesa, U.S. District Court, Central District of California, Case No. 8:20 cv 00504 JVS JDE
3. CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION - ONE CASE  
Pursuant to California Government Code Section 54956.9(d)(4), Potential Litigation
4. THREAT TO SECURITY  
Pursuant to California Government Code Section 54957(a),  
Consultation with: City Manager and Police Chief



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**REGULAR MEETING OF THE CITY COUNCIL AND SUCCESSOR AGENCY  
TO THE REDEVELOPMENT AGENCY AND HOUSING AUTHORITY**

**MAY 17, 2022 – 6:00 P.M.**

**JOHN STEPHENS**  
Mayor

**MANUEL CHAVEZ**  
Council Member - District 4

**ANDREA MARR**  
Mayor Pro Tem - District 3

**JEFFREY HARLAN**  
Council Member - District 6

**LOREN GAMEROS**  
Council Member - District 2

**ARLIS REYNOLDS**  
Council Member - District 5

**DON HARPER**  
Council Member - District 1

**KIMBERLY HALL BARLOW**  
City Attorney

**LORI ANN FARRELL HARRISON**  
City Manager

**CALL TO ORDER**

**NATIONAL ANTHEM AND PLEDGE OF ALLEGIANCE - Mrs. McVeigh First Grade Class,  
Sonora Elementary School**

**MOMENT OF SOLEMN EXPRESSION - Pastor David Manne, Calvary Chapel, Costa Mesa**

[Per Council Policy 000-12, these presentations are made by community volunteers  
stating their own views. The City Council disclaims any intent to endorse or sponsor the  
views of any speaker.]

**ROLL CALL**

**CITY ATTORNEY CLOSED SESSION REPORT**

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**PRESENTATIONS:**

1. [Proclamation: National Emergency Medical Services Week 2022](#) [22-700](#)  
**Attachments:** [Proclamation: EMS Week](#)
2. [Proclamation: National Public Works Week 2022](#) [22-702](#)  
**Attachments:** [Proclamation: Public Works Week](#)
3. [Proclamation: Mental Health Awareness Month 2022](#) [22-703](#)  
**Attachments:** [Proclamation: Mental Health Awareness](#)

**PUBLIC COMMENTS – MATTERS NOT LISTED ON THE AGENDA**

Comments are limited to 3 minutes, or as otherwise directed.

Comments on Consent Calendar items may also be heard at this time.

**COUNCIL MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS**

Each council member is limited to 4 minutes. Additional comments will be heard at the end of the meeting.

1. Council Member Harlan
2. Council Member Harper
3. Council Member Reynolds
4. Council Member Chavez
5. Council Member Gameros
6. Mayor Pro Tem Marr
7. Mayor Stephens

**REPORT – CITY MANAGER**

**REPORT – CITY ATTORNEY**

**CONSENT CALENDAR (Items 1-11)**

All matters listed under the Consent Calendar are considered to be routine and will be acted upon in one motion. There will be no separate discussion of these items unless members of the City Council, staff, or the public request specific items to be discussed and/or removed from the Consent Calendar for discussion.

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1. [PROCEDURAL WAIVER: APPROVE THE READING BY TITLE ONLY 22-691  
OF ALL ORDINANCES AND RESOLUTIONS](#)

RECOMMENDATION:

City Council, Agency Board, and Housing Authority approve the reading by title only and waive full reading of Ordinances and Resolutions.

2. [READING FOLDER](#) [22-692](#)

RECOMMENDATION:

City Council receive and file Claims received by the City Clerk: Marco Camberos, Juliet Cannon, Riccardo Grad, William Henry Saylor.

3. [ADOPTION OF WARRANT RESOLUTION](#) [22-694](#)

RECOMMENDATION:

City Council approve Warrant Resolution No. 2680

**Attachments:** [Summary Check Register week of 4.25.22 .pdf](#)  
[Summary Check Register Week of 5.2.22.pdf](#)

4. [MINUTES](#) [22-696](#)

RECOMMENDATION:

City Council approve the Minutes of the Regular meeting of April 19, 2022 and the Special Study Session of April 26, 2022.

**Attachments:** [1. 04-19-2022 Draft Minutes](#)  
[2. 04-26-2022 Draft Special Study Session Minutes](#)

5. [ADOPTION OF A RESOLUTION TO ALLOW MEMBERS OF THE CITY 22-695 COUNCIL, COMMISSIONS AND COMMITTEES TO PARTICIPATE IN THE MEETINGS REMOTELY, AS NEEDED, DUE TO HEALTH AND SAFETY CONCERNS FOR THE MEMBERS AND THE PUBLIC](#)

RECOMMENDATION:

Staff recommends the City Council adopt Resolution 2022-xx to allow the members of the City Council, Commissions, and Committees to participate in the meetings remotely, as needed, via Zoom due to:

- The current State of Emergency and global pandemic, which continues to directly impact the ability of the members of the City's legislative bodies to meet safely in person.
- Federal, State and/or local officials continue to impose or recommend measures to promote social distancing.

**Attachments:** [1. Draft Resolution No. 2022-XX](#)

6. [REQUEST TO CANCEL THE REGULAR CITY COUNCIL MEETING OF 22-699 JULY 5, 2022](#)

RECOMMENDATION:

Staff recommends the City Council cancel the regular meeting of Tuesday, July 5, 2022.

7. **BUSINESS IMPROVEMENT AREA (BIA) REAUTHORIZATION, 22-681  
RESOLUTION OF INTENTION, AND REVIEW OF ANNUAL REPORT**

RECOMMENDATION:

Staff recommends the City Council:

1. Approve the 2021-2022 Annual Report for the Business Improvement Area (BIA) (Attachment 1).
2. Receive and file the audited financial report for Fiscal Years 2020 and 2021 (Attachment 2).
3. Adopt the Resolution declaring the City's intention to levy an annual assessment for Fiscal Year 2022-23 for the Business Improvement Area covering certain Costa Mesa hotels and motels and setting the time and place for a Public Hearing on the proposal (Attachment 3).

**Attachments:** [1. Travel Costa Mesa Annual Report 2021-22](#)  
[2. Audit Fiscal Year Ending June 2021](#)  
[3. Resolution of Intent 2022-23 BIA Authorization](#)

8. **DESIGNATION OF CITY NEGOTIATORS FOR THE COSTA MESA 22-697  
POLICE ASSOCIATION (CMPA) MEET AND CONFER AND  
AUTHORIZATION TO PROCEED WITH THE FINANCIAL ANALYSIS  
OF THE CURRENT MOU PER THE TRANSPARENCY IN LABOR  
NEGOTIATIONS COUNCIL POLICY**

RECOMMENDATION:

Staff recommends the City Council:

1. Designate Liebert Cassidy Whitmore Partner Peter Brown as the Principal Negotiator and City Manager Lori Ann Farrell Harrison, Assistant City Manager Susan Price, Assistant to the City Manager Alma Reyes, Human Resources Manager Kasama Lee, and Finance Director Carol Molina as the City's representatives in negotiations with the CMPA.
2. Authorize staff to have the independent fiscal analysis of the current CMPA 2018-2024 Memorandum of Understanding (MOU) completed per the requirements of the Transparency In Labor Negotiations Council Policy (hereinafter policy).

9. [APPROVAL FOR THE PURCHASE OF SERVERS FOR LAND 22-642 MANAGEMENT SYSTEM WITH DELL MARKETING, L.P.](#)

RECOMMENDATION:

Staff recommends the City Council:

1. Authorize the use of NASPO ValuePoint Master Price Agreement (State of California) No. 15-70-34-003 with Dell Marketing, L.P. for the purchase of servers for the new Land Management System (LMS).
2. Approve and authorize the City Manager and City Clerk to execute the necessary documents to purchase servers for the new LMS System from Dell Marketing, L.P.

**Attachments:** [1. Dell Quote for Replacement Servers \(LMS\)](#)

10. [RESOLUTION ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 22-680 2022-23 FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017](#)

RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 2022-xx, approving Sunflower Avenue Pavement Rehabilitation Project for funding with Road Maintenance and Rehabilitation Account (RMRA) revenues for Fiscal Year 2022-23.

**Attachments:** [1. SB 1 Resolution](#)

11. [APPROVAL OF A STREET CLOSURE AND ALCOHOL SERVICE FOR 22-684 THE 2022 COSTA MESA-NEWPORT HARBOR LIONS CLUB FISH FRY EVENT TO BE HELD AT LIONS PARK, 570 W. 18th STREET ON JUNE 3-5, 2022.](#)

RECOMMENDATION:

Staff recommends the City Council:

1. Adopt Resolution No. 2022-xx, approving the closure of a portion of Park Avenue between 18th Street and 19th Street for the Costa Mesa-Newport Harbor Lions Club 2022 Fish Fry event beginning June 3 and ending June 6, 2022 (Attachment 1).
2. Approve a request from the Costa Mesa-Newport Harbor Lions Club to sell wine and beer at Lions Park, 570 W. 18th Street, for the 2022 Fish Fry event to be held on June 3-5, 2022.

**Attachments:** [1. Resolution No. 2022-XX](#)  
[2. License Agreement with Costa Mesa-Newport Harbor Lions Club 9.17.2022](#)  
[3. ABC License | Form - 221](#)

**AT THIS TIME COUNCIL WILL ADDRESS ANY ITEMS PULLED FROM THE CONSENT CALENDAR**

-----**END OF CONSENT CALENDAR**-----

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**PUBLIC HEARINGS:**

(Pursuant to Resolution No. 05-55, Public Hearings begin at 7:00 p.m.)

1. [CONDUCT TAX EQUITY AND FISCAL RESPONSIBILITY ACT 22-678 \(TEFRA\) HEARING, ADOPT A RESOLUTION APPROVING THE ISSUANCE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY REVENUE OBLIGATIONS FOR THE BENEFIT OF VANGUARD UNIVERSITY OF SOUTHERN CALIFORNIA IN AN AMOUNT NOT-TO-EXCEED \\$30,000,000](#)

**RECOMMENDATION:**

Staff recommends the City Council:

1. Conduct a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 to receive comments relating to the issuance by the California Enterprise Development Authority (the "Authority") of not to exceed \$30,000,000 in the Authority's Revenue Obligations (the "Obligations") for the benefit of Vanguard University of Southern California, a California nonprofit public benefit corporation (the "Borrower").
2. Adopt a Resolution approving the issuance of the Obligations by the Authority to finance and refinance the Facilities for the benefit of the Borrower.

**Attachments:** [1. Resolution](#)

**OLD BUSINESS: NONE.**



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**NEW BUSINESS:**

1. [INTRODUCTION OF AN ORDINANCE ADDING CHAPTER XV 22-683 \(UNLAWFUL POSSESSION OF A CATALYTIC CONVERTER\) TO TITLE 11 \(OFFENSES-MISCELLANEOUS\) OF THE COSTA MESA MUNICIPAL CODE TO ESTABLISH REGULATIONS PROHIBITING THE UNLAWFUL POSSESSION OF CATALYTIC CONVERTERS IN THE CITY](#)

**RECOMMENDATION:**

Staff recommends the City Council:

Introduce for first reading, by title only, Ordinance No. 2022-xx, adding Chapter XV (Unlawful Possession of a Catalytic Converter) to Title 11 (Offenses-Miscellaneous) of the Costa Mesa Municipal Code to establish regulations prohibiting the unlawful possession of catalytic converters in the City.

**Attachments:** [1. Draft Ordinance](#)

2. [TERMINATION OF JAIL SERVICES CONTRACT BETWEEN ALLIED 22-705 UNIVERSAL AND THE CITY OF COSTA MESA](#)

**RECOMMENDATION:**

Staff recommends the City Council:

1. Terminate the Professional Services Agreement for jail services between Allied Universal, assignor of G4S Secure Solutions (USA) Inc. and the City of Costa Mesa.
2. Authorize the City Manager or her designee to negotiate an agreement with the City of Huntington Beach for temporary jail services and/or to hire temporary staffing to operate the Costa Mesa Jail.

**Attachments:** [1. Amendment 1 to PSA with G4S Secure Solutions \(USA\) Inc.](#)

**ADDITIONAL COUNCIL/BOARD MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS**

**ADJOURNMENT**



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-700

**Meeting Date:** 5/17/2022

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**TITLE:**

Proclamation: National Emergency Medical Services Week 2022

**DEPARTMENT:** City Manager's Office



CITY OF COSTA MESA, CALIFORNIA

# Proclamation

**WHEREAS**, emergency medical services are a vital public service; and

**WHEREAS**, the City of Costa Mesa's emergency medical services system consists of first responders, emergency medical technicians, paramedics, emergency medical dispatchers, firefighters, police officers, educators, administrators, pre-hospital nurses, emergency physicians, trained members of the public, and other out of hospital care providers; and

**WHEREAS**, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

**WHEREAS**, the members of Costa Mesa Fire & Rescue engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

**WHEREAS**, Costa Mesa Fire & Rescue has responded to a dynamic and heightened extreme volume of emergency calls never experienced before in the city, county, and state; and

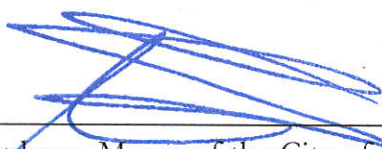
**WHEREAS**, EMS week will be observed nationally, May 15-21, 2022; and

**WHEREAS**, this year's EMS Week theme is: *Rising to the Challenge*, to remind people that every day EMS personnel are faced with so many new challenges in their lives, and yet they still rise above them all and continue to respond, support, and care for the needs of our communities; and

**WHEREAS**, it is appropriate to recognize the value and accomplishments of Costa Mesa Fire & Rescue emergency medical services provided by designating Emergency Medical Services Week with the EMS Strong theme, *Rising to the Challenge*.

**NOW, THEREFORE**, I, John B. Stephens, Mayor of the City of Costa Mesa, do hereby proclaim the week of May 15 -21, 2022 to be **National Emergency Medical Services Week** in the City of Costa Mesa, in honor of the professionals whose contributions keep our City and residents safe.

**DATED** this 17<sup>th</sup> of May, 2022.



John B. Stephens, Mayor of the City of Costa Mesa



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-702

**Meeting Date:** 5/17/2022

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**TITLE:**

Proclamation: National Public Works Week 2022

**DEPARTMENT:** City Manager's Office



The seal of the City of Costa Mesa, California, is circular. It features a central illustration of a cityscape with a bridge, a lighthouse, and a ship. The text "CITY OF COSTA MESA CALIFORNIA" is written around the top inner edge, and "INCORPORATED 1953" is at the bottom. The words "CITY OF THE ARTS" are written across the center of the seal.

# **P** CITY OF COSTA MESA, CALIFORNIA **Proclamation**

**WHEREAS**, public works professionals focus on infrastructure, facilities, emergency management, and services that are of vital importance to sustainable and resilient communities and the public health, high quality of life, and well-being of the people of the City of Costa Mesa; and

**WHEREAS**, the year 2022 marks the 62nd annual National Public Works Week sponsored by the American Public Works Association; and

**WHEREAS**, this year's National Public Works Week theme is: *Ready and Resilient*, to showcase the superheroes that are within each and every public works professional; always ready to serve their communities and resilient in their abilities to pick themselves up off the ground after encountering challenges; and

**WHEREAS**, the support of an understanding and informed community is vital to the efficient delivery and operation of public works systems and programs, such as transportation infrastructure, stormwater management, flood control management, wastewater treatment and collection, solid waste handling, facility management, transit services, and fleet maintenance; and

**WHEREAS**, the health, safety, welfare, and quality of life of City of Costa Mesa residents greatly depend on these services; and

**WHEREAS**, the City of Costa Mesa's award-winning Public Works Department completed several sustainable projects, reflecting our City Council's goals and objectives, by advancing environmental sustainability and climate resiliency, such as replacing over 6,000 street lights with LED and planting over 175 trees in City parks and parkways; and

**WHEREAS**, the City of Costa Mesa's Public Works Department accomplished numerous projects such as rehabilitating 9.6 million square feet of pavement, reconstructing 300,000 square feet of alleys, and 13,000 feet of medians; and

**WHEREAS**, the City's Public Works Department maintained approximately 24,000 City-owned trees, 463 acres of City parks, fields, parkways & medians, and a fleet of over 330 vehicles.



# CITY OF COSTA MESA, CALIFORNIA Proclamation

**NOW, THEREFORE,** I, John B. Stephens, Mayor of the City of Costa Mesa, do hereby proclaim May 15-21, 2022, as **National Public Works Week** in the City of Costa Mesa. I encourage all Costa Mesa residents to pay tribute to our public works professionals, engineers, managers, and employees and recognize their substantial contributions to protecting our national health, safety, and quality of life.

**DATED** this 17th day of May 2022.

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John B. Stephens, Mayor of the City of Costa Mesa



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-703

**Meeting Date:** 5/17/2022

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**TITLE:**

Proclamation: Mental Health Awareness Month 2022

**DEPARTMENT:** City Manager's Office





CITY OF COSTA MESA, CALIFORNIA

# Proclamation

**Whereas**, mental health is essential to everyone's overall health and well-being; and

**Whereas**, mental health refers to our emotional and social well-being and affects how we think, feel, and behave. It plays a role in connecting with others, making decisions, handling stress, and many other aspects of daily life; and

**Whereas**, mental health conditions are very common and affect 21% of people living in the U.S.; and

**Whereas**, stigma and fear of discrimination keep many who would benefit from mental health services from seeking help; and

**Whereas**, Mental Health Awareness Month is observed the month of May, was first celebrated in 1949, commemorated by the Mental Health America organization, and represented by a green ribbon; and

**Whereas**, this year's 2022 Mental Health Awareness Month theme is: *Back to Basics*, to provide foundational knowledge about mental health & mental health conditions and information about what people can do if their mental health is a cause for concern; and

**Whereas**, the City of Costa Mesa joins the national movement to raise awareness about mental health through public education and working together to improve the lives of individuals and families affected by mental illness; and

**Whereas**, Project Hope Alliance, a community organization, is committed to providing a holistic approach to solving challenges and address all aspects of life; and

**Whereas**, creating positive habits is a great way to support your mental health and helps you build skills to use if you face symptoms of a mental health condition; and

**Whereas**, good mental health is critical to the well-being of our families, communities, schools, and businesses; and

**Whereas**, greater public awareness about mental health and mental health conditions can change negative attitudes and behaviors towards people with mental illnesses.






CITY OF COSTA MESA, CALIFORNIA

# Proclamation

**NOW, THEREFORE,** I, John B. Stephens, Mayor of the City of Costa Mesa, do hereby proclaim the month of May 2022 as **Mental Health Awareness Month** in the City of Costa Mesa, and I urge our community to increase awareness and understanding of mental illnesses, reduce stigma and discrimination, and promote appropriate and accessible services for all people with mental illnesses.

**DATED** this 17<sup>th</sup> day of May, 2022.



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John B. Stephens, Mayor of the City of Costa Mesa



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-691

**Meeting Date:** 5/17/2022

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**TITLE:**

PROCEDURAL WAIVER: APPROVE THE READING BY TITLE ONLY OF ALL ORDINANCES AND RESOLUTIONS

**RECOMMENDATION:**

City Council, Agency Board, and Housing Authority approve the reading by title only and waive full reading of Ordinances and Resolutions.



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-692

**Meeting Date:** 5/17/2022

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**TITLE:**

READING FOLDER

**DEPARTMENT:** City Manager's Office/City Clerk's Division

**RECOMMENDATION:**

City Council receive and file Claims received by the City Clerk: Marco Camberos, Juliet Cannon, Riccardo Grad, William Henry Saylor.



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-694

**Meeting Date:** 5/17/2022

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**TITLE:**

ADOPTION OF WARRANT RESOLUTION

**DEPARTMENT:** Finance Department

**PRESENTED BY:** Carol Molina, Finance Director

**CONTACT INFORMATION:** Carol Molina at (714) 754-5243

**RECOMMENDATION:**

City Council approve Warrant Resolution No. 2680

**BACKGROUND:**

In accordance with Section 37202 of the California Government Code, the Director of Finance or their designated representative hereby certify to the accuracy of the following demands and to the availability of funds for payment thereof.

**FISCAL REVIEW:**

Funding Payroll Register No. 22-09 On Cycle for \$ 2,811,914.95 and City operating expenses for \$2,371,479.64

Report ID: CCM2001V

City of Costa Mesa Accounts Payable  
CCM VOID CHECK LISTINGPage No. 1  
Run Date Apr 28, 2022  
Run Time 3:56:31 PMBank: CITY  
Cycle: AWKLY

Payment Ref	Cancel Date	Status	Remit To	Remit ID	Payment Date	Payment Amt
0236374	4/28/2022	V	Community SeniorServ	0000018540	03/04/22	(7,500.00)
Line Description: Vendor did not received payment.						
TOTAL						(\$7,500.00)

7,500.00 -  
1,601,219.14 +  
357.43 +  
18,595.77 +  
002  
1,612,672.34 \*

End of Report

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237208	04/29/22	P	All American Asphalt	0000000971	64,732.94
			<i>Line Description:</i> Retention Proj #20-16		
0237209	04/29/22	P	Avaya Inc	0000009044	30,625.12
			<i>Line Description:</i> Maintenance Agreement		
			Maintenance Agreement		
			Maintenance Agreement		
			Maintenance Agreement		
			Maintenance Agreement		
			Maintenance Agreement		
			Maintenance Agreement		
0237210	04/29/22	P	BrightView Landscape Services Inc	0000026055	247,078.57
			<i>Line Description:</i> Plans Replacement-PlacentiaAve		
			Plants Replacement-TWAC Prkng		
			Backflow Repair-1480 1/2 Adams		
			Backflow Repair-360 Wilson St		
			Backflow Repair-1975 Balearic		
			Backflow Repair-2310 Placentia		
			Backflow Repair-2000 Adams Ave		
			Repair Irrigation Controller		
			Plants Replacement AdamsMedon		
			City Monument Sign Replacement		
			Backflow Repair-420 1/2 W 19th		
			Backflow Repair-1940 Placentia		
			Backflow Repair-257 E 16th St		
			Gare Valve Installation-JH Pk		
			Backflow Repair@1965 Park Ave		
			Irrigation Repair-Feb 2022		
			Landscape Maint-Mar 22		
			Backflow Repair-1860 Anaheim		
0237211	04/29/22	P	CDCE Inc	0000019481	51,396.75
			<i>Line Description:</i> Sales Tax 7.75%		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			<i>Line Description:</i> Havis CF33 Laptop 2 in 1 Dock		
0237212	04/29/22	P	California Waters Development Inc	0000029492	98,522.60
			<i>Line Description:</i> DRC Pool Proj #20-20/#800027 Retention Payable #800027		
0237213	04/29/22	P	Clean Street	0000001098	66,580.22
			<i>Line Description:</i> Bus Shelter Pressure Wahs Street Sweeping-Mar 2022 Bus Shelters Pressure Wash-Mar Pressurw Wash 19th/NPT-Mar 22		
0237214	04/29/22	P	Costa Mesa Chamber of Commerce	0000004963	22,635.00
			<i>Line Description:</i> CC Mbrshp Fee 6/26/21-1/29/22		
0237215	04/29/22	P	Dell Computer Corp	0000001962	23,642.90
			<i>Line Description:</i> Video Conference Monitor Environmental Fee Sales Tax 7.75% Dell 32 USB-C Monitor - P3221D Environmental Disposal Fee Sales Tax OptiPlex 7090 Small Form Facto		
0237216	04/29/22	P	Executive Facilities Services Inc	0000029510	40,239.57
			<i>Line Description:</i> Janitorial Svc-PD Janitorial Svc-BCC Janitorial Svc-DRC Janitorial Svc-WSS Janitorial Svc-NHCC Janitorial Svc-New CY Janitorial Svc-Old CY Janitorial Svc-Bridge Shelter Janitorial Svc-FS #1-6		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			Line Description: Janitorial Svc-Sr Cntr Janitorial Svc-Telecomm Janitorial Svc-City Hall		
0237217	04/29/22	P	Families Forward Inc	0000024105	31,840.62
			Line Description: 2021-22 3rd Qtr CDBG Grant Tenant Based Rental Asst Prog		
0237218	04/29/22	P	Hinderliter De Llamas & Associates	0000002537	60,000.00
			Line Description: Cannabis Mgnt-Jan 22		
0237219	04/29/22	P	Horizons Construction Co Intl Inc	0000022423	209,119.12
			Line Description: JHSC Prkng Proj#21-05/#700115 Retention Payable #700115		
0237220	04/29/22	P	Insight	0000008229	16,905.22
			Line Description: SALES TAX (7.75%) BACK-UPS		
0237221	04/29/22	P	Jones & Mayer	0000014653	106,905.29
			Line Description: #109157-Cruz #109164-Hauck #109173-Moyer #109186-Sauer #109169-Lawson #109170-Leaman #109146-Caramza #109147-Carrera #109152-Clifton #109161-Finance #109166-Housing #109189-Tippelt #109154-Corrales #109156-COVID 19		



Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
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Line Description:

- #109187-Schaefer
- #108625-Sharpnack
- #109159-Donaldson
- #109162-Fire Dept
- #109149-City Clerk
- #109172-Litigation
- #109145-Camp
- #109188-Sui
- #109160-FDC
- #109168-IT
- #109167-HR
- #109174-NMUSD CEQA
- #109178-Planning Commission
- #109176-Ohio House
- #109181-Public Svc
- #109139-227 Mesa Dr
- #109179-Police Dept
- #109137-1963 Wallace
- #109140-2879 Mendoza
- #109144-Armand/Blood
- #109151-City Manager
- #109155-City Council
- #109142-840 Center St
- #109148-City Attorney
- #109182-RD x Catalyst
- #109184-Redhill Lokat
- #109141-544 Bernard St
- #109143-Animal Control
- #109150-City Clerk PRR
- #109171-Leaman/Freeman
- #109180-PD/440 Fair Dr
- #109136-153 Del Mar Ave
- #109158-Development Svs
- #108153-Code Enforcement
- #109138-2104 Wallace Ave
- #109177-Parks & Comm Svc
- #109185-Rosk Management
- #109135-126 9& 1273 Baker
- #109163-H# Ministries App

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			Line Description: #109165-Homeless Task Force #109175-PC Catholic Workers		
0237222	04/29/22	P	Lyons Security Service Inc	0000027168	21,729.40
			Line Description: Sr Cntr Security Svc-Mar 22 Lions Pk Security Svc-Mar 22		
0237223	04/29/22	P	Newport Mesa Unified School District	0000003339	161,319.55
			Line Description: BCC-NMUSD 20/21 Lease Agreemen BCC-NMUSD 21/22 Sanitation Fee BCC-NMUSD 21/22 Lease Agreemnt		
0237224	04/29/22	P	Sagecrest Planning & Environmental	0000025748	21,060.00
			Line Description: LMS Consulting-Mar 22		
0237225	04/29/22	P	West Coast Arborists Inc	0000004498	20,666.35
			Line Description: Tree Maintenance 3/16-3/31		
0237226	04/29/22	P	Wittman Enterprises LLC	0000026639	18,123.00
			Line Description: Ambulance Billing Svc-Mar 22		
0237227	04/29/22	P	Yunex LLC	0000029573	42,859.65
			Line Description: Pole Knockdown Routine Maint-Mar 2022 Callout-Mar 2022 Pole Knockdown		
0237228	04/29/22	P	AG Witt, LLC	0000029482	1,393.75
			Line Description: Hazard Mitigation-3/1-3/11/22		
0237229	04/29/22	P	AT & T	0000001107	64.20

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			<i>Line Description:</i> Internet Srvs for Fleet Srvs		
0237230	04/29/22	P	AT & T	0000001107	3,491.83
			<i>Line Description:</i> Senior Center Fire Alarm 3/13- Lions Park 3/9-4/18/22 2310 Placentia-Irrigation Local Usage 3/15-4/14/22 Balearic Center Fax 3/15-4/14 Senior Center Elevator 3/15-4/ Red Phone Fire Sta#4 3/20-4/19 Red Phone Fire Sta#1 Red Phone Fire Sta#5 3/20-4/19 Red Phone Fire Sta#3 3/20-4/19 Fire Sta#1 Fire Alarm 3/13-4/ Wakeham Park 3/10-4/9/22 Metro Net 3/20-4/19/22 DRC Fire Alarm 3/20-4/19/22 Jack Hammett Sports Complex PRI Circuit Inbound Trunk Red Phone Fire Sta#2 3/20-4/19 Red Phone Fire Sta#6 3/20-4/19 Fire Emergency Line 3/20-4/19/		
0237231	04/29/22	P	AT & T Teleconference Services	0000001107	448.76
			<i>Line Description:</i> Teleconference Svc- March 2022		
0237232	04/29/22	P	AY Nursery	0000001142	1,255.29
			<i>Line Description:</i> Trees for Parkways		
0237233	04/29/22	P	Adam Ereth	0000029232	400.00
			<i>Line Description:</i> Planning Comm Mtng-Apr 2022		
0237234	04/29/22	P	All City Management Services Inc	0000009480	11,647.93
			<i>Line Description:</i> School Crsng Guard 3/20-4/2/22		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237235	04/29/22	P	Anaheim Regional Medical Center	0000021276	1,700.00
			Line Description: Victim Physical Case 21-004593 Victim Physical Case 21-007611		
0237236	04/29/22	P	Angel Auto Spa LLC	0000027465	5,916.70
			Line Description: CMPD Car Wash-Feb 2022 CMPD Car Wash-Mar 22 Car Wash-Mar 2022		
0237237	04/29/22	P	Animal Pest Management Services Inc	0000001049	3,680.00
			Line Description: Weed Abatement-March 2022 Pest Control Svs-3/18/22		
0237238	04/29/22	P	Aramark Correctional Services Inc	0000013108	1,277.32
			Line Description: Jail Food Svc 2/24-3/2/22		
0237239	04/29/22	P	Arlis Reynolds	0000023997	175.00
			Line Description: SCAG Reginal Conf 5/4-5/7/22		
0237240	04/29/22	P	Avaya Inc	0000009044	582.37
			Line Description: Maintenance Agreement		
0237241	04/29/22	P	B & H Photo Video Inc	0000006056	643.26
			Line Description: Sales Tax 7.75% Pacific Image Power Film Scann		
0237242	04/29/22	P	BKF Engineers	0000024944	7,812.00
			Line Description: CM Ped Bldges Replacement-WP Placentia Ave Stormwater Proj		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237243	04/29/22	P	Best Framing Inc	0000022392	812.44
			Line Description: Sales Tax Member of Month Framing		
0237244	04/29/22	P	Best Western Newport Mesa Inn	0000024518	2,101.48
			Line Description: Emergency Motel Room		
0237245	04/29/22	P	Blue Cosmo	0000026920	705.25
			Line Description: Satellite Phone Plan-Apr 22		
0237246	04/29/22	P	Bureau Veritas North America Inc	0000016616	13,479.01
			Line Description: Fire Plan Review-Aug 21 Plan Check Svc-Aug 2021		
0237247	04/29/22	P	Byron de Arakal	0000012401	400.00
			Line Description: Planning Comm Mtng-Apr 2022		
0237248	04/29/22	P	CalPERS	0000008887	14,297.04
			Line Description: 2022 Rplmnt Benefit Contribtn		
0237249	04/29/22	P	California Forensic Phlebotomy Inc	0000001500	4,800.56
			Line Description: Blood Draws-March 2022		
0237250	04/29/22	P	Canon Financial Services Inc	0000023241	1,656.78
			Line Description: Copier Lease 4/20-5/19/22		
0237251	04/29/22	P	Chandler Asset Management	0000022081	4,400.45
			Line Description: Investment Mgnt-Mar 2022		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237252	04/29/22	P	CoStar Realty Information Inc	0000024413	600.00
			Line Description: April 2022		
0237253	04/29/22	P	Community SeniorServ	0000018540	11,250.00
			Line Description: Grab & Go Meal Svs-1st Qtr		
			Grab & Go Meal Svs-1st Qtr		
			Grab & Go Meal Svs-2nd Qtr		
			Grab & Go Meal Svs- 3rd Qtr		
			Grab & Go Meal Svs-2nd Qtr		
0237254	04/29/22	P	Cornerstone Studios Inc	0000028788	817.50
			Line Description: Randolph Ave Improvement Lands		
0237255	04/29/22	P	County of Orange Health Care Agency	0000003488	238.00
			Line Description: Pool Health Inspection		
0237256	04/29/22	P	Dennis Grubb & Associates LLC	0000026619	250.00
			Line Description: Plan Check Svc-Mar 22		
0237257	04/29/22	P	Dianne Russell	0000011606	400.00
			Line Description: Planning Comm Mtng-Apr 2022		
0237258	04/29/22	P	Dixon Resources Unlimited	0000027441	828.75
			Line Description: Citywide Parking Study-Mar 22		
0237259	04/29/22	P	Eagle Print Dynamics	0000026736	405.20
			Line Description: REPEAT SETUP		
			FREIGHT		
			SALES TAX (7.75%)		
			BOAT TOTE, NATURAL/BLUE		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237260	04/29/22	P	Emergency Medical Services Authority	0000002120	334.00
			Line Description: EMT License Renewal-Feb 22 EMT License Renewal-Jan 22		
0237261	04/29/22	P	Enterprise Rent A Car	0000002131	6,219.90
			Line Description: Undercover Car Rental Undercover Car Rental Undercover Car Rental Undercover Car Rental Undercover Rental Car		
0237262	04/29/22	P	Everbridge Inc	0000026884	8,549.00
			Line Description: Nixle Engage Subscription		
0237263	04/29/22	P	Expo Propane Inc	0000017819	513.22
			Line Description: Propane Propane		
0237264	04/29/22	P	Facility Solutions Group Inc	0000021481	1,151.45
			Line Description: Sales Tax 7.75% Replacement Light Pole for Vis		
0237265	04/29/22	P	Fed Ex	0000002190	16.23
			Line Description: Shipping Fee		
0237266	04/29/22	P	Fleet Services Inc	0000002239	339.78
			Line Description: Bearing Cap Gasket-#525		
0237267	04/29/22	P	Fuel Pros Inc	0000026476	5,498.93
			Line Description: Veeder Root Programming		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			<i>Line Description:</i> PD DO Inspection-Mar 22 CY DO Inspection-Mar 22 Red Diesel Dispenser Troubleshoot FS #2 DO Inspection-Mar 22 PD Spill Bucket Test FS #2 Spill Bucket Test Annual Certification Test FS #6 DO Inspection-Mar 22		
0237268	04/29/22	P	GIT Satellite LLC	0000019742	62.48
			<i>Line Description:</i> Executive Global Plan-Mar 22		
0237269	04/29/22	P	Galls LLC	0000002297	2,868.80
			<i>Line Description:</i> Unifrom-Anders Uniform-Tedsco Uniform-Osborn Uniform-Loque Safety Vest-Thurston Uniform-Pants		
0237270	04/29/22	P	Gillis & Panichapan Architects Inc	0000027487	7,745.00
			<i>Line Description:</i> CMPD Shooting Range		
0237271	04/29/22	P	Hello Lamp Post Ltd	0000029632	1,500.00
			<i>Line Description:</i> QR Codes for Earth Day Event 4		
0237272	04/29/22	P	Hirsch Pipe & Supply Company Inc	0000026475	47.95
			<i>Line Description:</i> Hose for Restroom		
0237273	04/29/22	P	Intent Digital LLC	0000027621	3,700.00
			<i>Line Description:</i> VOTELYNX		



Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237274	04/29/22	P	Interwest Consulting Group Inc	0000021505	9,052.50
			Line Description: NPDES/WQMP Support-Feb 22		
			Storm Drain Imprv-Feb 22		
			Engineering Svc-Jan 22		
0237275	04/29/22	P	Irvine Ranch Water District	0000005112	1,019.49
			Line Description: 308 University 3/8-4/12/22		
			106 Del Mar 3/8-4/11/22		
			2603 Elden 3/8-4/11/22		
			170 Del Mar 3/8-4/11/22		
			220 23rd 3/7-4/12/22		
			261 Monte Vista 3/7-4/12/22		
			258 Brentwood 3/7-4/12/22		
0237276	04/29/22	P	Jimmy Vivar	0000029412	400.00
			Line Description: Planning Comm Mtng-Apr 2022		
0237277	04/29/22	P	Jonathan Zich	0000026312	400.00
			Line Description: Planning Comm Mtng-Apr 2022		
0237278	04/29/22	P	Jose Rojas	0000029411	400.00
			Line Description: Planning Comm Mtng-Apr 2022		
0237279	04/29/22	P	Kimball Midwest	0000006819	340.44
			Line Description: Shop Stock Supplies		
0237280	04/29/22	P	Kimley Horn & Associates Inc	0000005251	3,495.41
			Line Description: Housing Element-Feb 2022		
			Local Road Safety Plan-3/31/22		
0237281	04/29/22	P	LexisNexis Risk Data Management Inc	0000019179	288.00

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			<i>Line Description:</i> Public Records Access-mar 22		
0237282	04/29/22	P	LineGear Fire & Rescue Equipment	0000026007	9,486.30
			<i>Line Description:</i> FIRE & RESCUE EQUIPMENT FIRE & RESCUE EQUIPMENT FIRE & RESCUE EQUIPMENT		
0237283	04/29/22	P	Los Angeles Times	0000003000	822.40
			<i>Line Description:</i> Wilson St. Improv. Project		
0237284	04/29/22	P	Marx Brothers Fire Extinguisher Company	0000003073	2,712.45
			<i>Line Description:</i> Fire Extinguisher Svc Fire Extinguisher Svc Fire Extinguisher Svc Fire Extinguisher Svc Fire Extinguisher Svc Fire Extinguisher Svc Fire Extinguisher Svc Fire Extinguisher Svc		
0237285	04/29/22	P	Mercury Insurance Company	0000009228	1,820.82
			<i>Line Description:</i> Property Damage Stlmnt-11/2/21		
0237286	04/29/22	P	Michael E Raneses	0000027496	300.00
			<i>Line Description:</i> Hearing Officer Services		
0237287	04/29/22	P	Municipal Emergency Services Inc	0000021524	4,692.40
			<i>Line Description:</i> Municipal emergency supplies		
0237288	04/29/22	P	NMAI LLC	0000029198	3,524.00
			<i>Line Description:</i> HQS Inspection		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237289	04/29/22	P	Napa Auto & Truck Parts	0000012968	8,580.48
			Line Description: Auto Parts		
0237290	04/29/22	P	Orange County Fire Authority	0000003487	2,311.32
			Line Description: NG CAD2CAD Annual Maintenance		
0237291	04/29/22	P	Orange County Treasurer Tax Collector	0000003489	5,620.32
			Line Description: Teletype Service April 22		
			Afis Fees for April 2022		
0237292	04/29/22	P	Orange County Treasurer Tax Collector	0000003489	575.66
			Line Description: Radio Repair-Mar 22		
0237293	04/29/22	P	Pacific Advanced Civil Engineering Inc	0000014386	13,397.50
			Line Description: TWKP Lake Renovation-3/31/22		
0237294	04/29/22	P	Pedro Ramirez	0000029641	621.18
			Line Description: Property Damage Stmt-11/25/21		
0237295	04/29/22	P	Post Alarm Systems Inc	0000026907	103.95
			Line Description: Airway Shelter-May 2022		
0237296	04/29/22	P	Project Hope Alliance	0000027373	5,000.00
			Line Description: 3rd Qrt Grant 1/1-3/31/22		
0237297	04/29/22	P	Prudential Overall Supply	0000025480	20.00
			Line Description: Rec Uniform Svc-Mar 2022		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237298	04/29/22	P	Rincon Truck Center Inc	0000013236	2,071.87
			Line Description: Stock-U-Bolt LPG Filter Stock U Bolt Units Valve & Ca[ Assu Heat Exchang		
0237299	04/29/22	P	Russell Toler	0000029127	400.00
			Line Description: Planning Comm Mtng-Apr 2022		
0237300	04/29/22	P	SA International, Inc	0000029525	1,599.00
			Line Description: FLEXI SOFTWARE		
0237301	04/29/22	P	Scott Fazekas & Associates Inc	0000003961	816.59
			Line Description: Plan Check Svc-Mar 2022		
0237302	04/29/22	P	Sierra Pacific Electrical Contracting	0000029539	7,250.00
			Line Description: Construction Potholing Svcs-19		
0237303	04/29/22	P	Sims Orange Welding Supply Inc	0000004030	54.78
			Line Description: Welding Supplies		
0237304	04/29/22	P	South Coast Emergency Vehicle Services	0000003643	145.77
			Line Description: Axle Screw Stock		
0237305	04/29/22	P	Spectrum Gas Products	0000012653	183.30
			Line Description: Cylinder Renewal-FS #4 Cylinder Renewal-FS #2		
0237306	04/29/22	P	State of California Dept of Justice	0000001534	2,149.00

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			<i>Line Description:</i> DOJ Fingerprint Fees- March 22		
0237307	04/29/22	P	Teleflex LLC	0000027253	8,420.67
			<i>Line Description:</i> Sales Tax EZ-IO 15MM NEEDLE (BOX OF 5) EZ-IO 25MM NEEDLE SET + STABIL Sales Tax EZ-IO POWER DRIVER Sales Tax EZ-STABILIZER(BOX OF 5) Sales Tax		
0237308	04/29/22	P	Tillmann Forensic Investigation LLC	0000025643	447.00
			<i>Line Description:</i> Fingerprint Svc-Mar 22		
0237309	04/29/22	P	Time Warner Cable	0000011202	5,136.63
			<i>Line Description:</i> Internet Srvs PD (Data) Internet Srvs for City Hall 3175 Airway Ave B Bridge Shelt HVAC Alarm- Library 4/7-5/6/22 Internet Service Senior Center Cable Svcs Bridge Shelter Internet Bridge Shelter Cable Services for City Hall Cable Services for City Hall Eqpt Fee 3/16-4/15 3/29-4/28 Internet Srvs City Hall (Data) Intmnt Fire Sta#4 4/13-5/12/22		
0237310	04/29/22	P	Triton Technology Solutions Inc	0000021687	765.00
			<i>Line Description:</i> Audio/Video Technology Repair A/V Repair & Maint -CC		
0237311	04/29/22	P	Turnout Maintenance Company LLC	0000020182	1,455.83

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
		<i>Line Description:</i>	Annual Price Agreement Annual Price Agreement Annual Price Agreement Turnout Maintenance Annual Price Agreement		
0237312	04/29/22	P	United Site Services of California Inc	0000015552	48.49
		<i>Line Description:</i>	Del Mar Gardens Hamilton Gardens		
0237313	04/29/22	P	Verified First LLC	0000027240	50.00
		<i>Line Description:</i>	Pre-Employment Credit Check		
0237314	04/29/22	P	WEX Health Inc	0000029308	445.90
		<i>Line Description:</i>	FSA Admin Fees-March 2022		
0237315	04/29/22	P	Waxie Sanitary Supply	0000004480	2,335.21
		<i>Line Description:</i>	Warehouse Stock Warehouse Stock Warehouse Stock		
					<b>TOTAL \$1,601,219.14</b>

Report ID: CCM2001

City of Costa Mesa Accounts Payable  
SUMMARY CHECK REGISTER

Page No. 1

Run Date Apr 28,2022

Run Time 3:58:06 PM

Bank: CITY

Cycle: APAY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237316	04/29/22	P	CalPERS Long-Term Care Program	0000006287	147.43
			Line Description: Payroll Deduction Check-2209		
0237317	04/29/22	P	Community Health Charities	0000008015	10.00
			Line Description: Payroll Deduction Check-2209		
0237318	04/29/22	P	County of Orange-Sheriff's Dept	0000003451	200.00
			Line Description: Payroll Deduction Check-2209		
				<b>TOTAL</b>	<b>\$357.43</b>

End of Report

City of Costa Mesa Accounts Payable  
SUMMARY CHECK REGISTER

Bank: DDP1

Cycle: ADIRDP

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
013473	04/29/22	P	Costa Mesa Employees Association	0000006284	2,998.70
			Line Description: Payroll Deduction Check-2209		
013474	04/29/22	P	Costa Mesa Executive Club	0000006286	75.00
			Line Description: Payroll Deduction Check-2209		
013475	04/29/22	P	Costa Mesa Firefighters Association	0000001812	7,800.27
			Line Description: Payroll Deduction Check-2209		
013476	04/29/22	P	Costa Mesa Police Association	0000001819	7,260.00
			Line Description: Payroll Deduction Check-2209		
013477	04/29/22	P	Costa Mesa Police Management Assn	0000005082	225.00
			Line Description: Payroll Deduction Check-2209		
013478	04/29/22	P	Diane Butler	0000008078	61.80
			Line Description: Addtnl Qtr Med Reimb		
013479	04/29/22	P	Lori Ann Farrell Harrison	0000029385	175.00
			Line Description: SCAG Reginal Conf 5/4-5/7/22		
TOTAL					\$18,595.77



Report ID: CCM20010

City of Costa Mesa Accounts Payable  
CCM OVERFLOW CHECK LISTING

Page No. 1

Run Date May 06, 2022

Run Time 10:14:11 AM

Bank: CITY

Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237328	05/06/22	O	US Bank Line Description: Overflow	0000002228	0.00
0237329	05/06/22	O	US Bank Line Description: Overflow	0000002228	0.00
0237330	05/06/22	O	US Bank Line Description: Overflow	0000002228	0.00
<b>TOTAL</b>					<b>0.00</b>

0 \* \*

14,537.49 +  
717,023.41 +  
4,171.33 +  
23,075.07 +  
758,807.3 \*

End of Report

Report ID: CCM2001

City of Costa Mesa Accounts Payable  
**SUMMARY CHECK REGISTER**

Page No. 1

Bank: CITY

Run Date May 06, 2022

Cycle: ANNUAL

Run Time 10:10:00 AM

<u>Payment Ref</u>	<u>Date</u>	<u>Status</u>	<u>Remit To</u>	<u>Remit ID</u>	<u>Payment Amt</u>
0237319	05/03/22	P	Hilton Costa Mesa	0000013124	14,537.49
<i>Line Description:</i> Achievement Award - Service Aw					
<b>TOTAL</b>					<b>\$14,537.49</b>

End of Report

City of Costa Mesa Accounts Payable  
SUMMARY CHECK REGISTERBank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237320	05/06/22	P	AFLAC	0000012253	24,028.24
			Line Description: Accident Ins Premium-Apr 22 STD Insurance Premium-Apr 22 Cancer Insurance Premium-Apr 22		
0237321	05/06/22	P	Admin Sure Inc	0000021568	16,154.80
			Line Description: Workers Comp Consult-May 2022		
0237322	05/06/22	P	All American Asphalt	0000000971	151,734.89
			Line Description: St Imprv Proj #21-07/#470001 Retention Payable Proj #470001		
0237323	05/06/22	P	California Police Chiefs Association	0000001510	30,900.00
			Line Description: Executive Leadership-3 Empls		
0237324	05/06/22	P	Jas Pacific	0000025875	23,975.00
			Line Description: Bldng Inspctor Svs-Jan 22		
0237325	05/06/22	P	LINA	0000015623	26,993.84
			Line Description: Cigna LTD Admin Fee-Mar 22 LTD-Apr 2022 Retiree Life-Apr 2022 Voluntary Life-Apr 2022 Active Life/AD&D-Apr 2022		
0237326	05/06/22	P	Mercy House	0000003138	161,873.20
			Line Description: Bridge Shelter Operation-Jan 2		
0237327	05/06/22	P	US Bank	0000002228	122,199.04
			Line Description: PD- AV Switch PD- Audio Cables		

Bank: CITY

Cycle: AWKLY

<u>Payment Ref</u>	<u>Date</u>	<u>Status</u>	<u>Remit To</u>	<u>Remit ID</u>	<u>Payment Amt</u>
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<i>Line Description:</i>	PD- Telecom Supply				
	PD- APCO Annual Membership				
	PD- Food for Mtng				
	PD- SWAT Callout				
	PD- Transport animal to NB				
	PD-Tuition/Traffic Collision				
	PD- Tuition/Cellebrite Operato				
	PD- Tuition/Cheimcal Agnt Inst				
	PD-Tuition/Cellebrite Operator				
	PD-Lodging/SLI				
	PD-Tuition/SWAT				
	PD-Range Supplies				
	PD-FAA Tesing Fees				
	PD-Lodging/SLI/Garcia				
	PD-Tuition/Less Lethal				
	PD-Tuition/Records Clerk				
	PD-Tuition/DUI Checkpoint				
	PD-Airfare/Master Exercise				
	PD-Camp Pendleton Job Fair				
	PD-Tuition/Civ Supervisory				
	PD-Tuition/Prop & Evidence				
	PD-Tuition/Homeless Liaison				
	PD-Hanging Folders and Pilot				
	PD- Shipping for Taget remote				
	PD-Tuition/Homicide Symposium				
	PD-Tuition/Pract DeEscalation				
	PD-Tuition/Supervisory Course				
	PD-Tuition/Illegal Blood Sport				
	PD-Tuition/Marijuana Cultivat				
	PD-Ammunition				
	PD- Bodi Exam				
	PD-National PCA Dues				
	PD-E-collar Retrurn Cr				
	PD-PSD Equipt/E-collar				
	PD-E-collar Credit				
	PD-NPCA Membership				
	PD- 3 TV Mounts				
	PD- DJI Drone Case				
	PD-Frames for Awards				

City of Costa Mesa Accounts Payable  
SUMMARY CHECK REGISTERBank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
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*Line Description:* PD- Annual Membership  
 PD-Reprints for Awards  
 PD- Credit Forreturned Frame  
 PD-Car Wash  
 PD-Employee Recog Breakfast  
 PD-Employee Recog. Breakfast  
 PD-Parking Co. Fentanyl Panel  
 PD-Food Mtng  
 PD-Nets and Leash Pole  
 PD-Holiday gift returned  
 PD-Monthly Cloud Storage  
 PD-Membership Photo/Graphics  
 PD-County of Orange Super Park  
 FD-Packing/Postage Fee  
 FD-Smart keyboard for iPad  
 FD-Filler material for package  
 FD-Parking Fee:Public Safety  
 FD-Easel  
 FD-Membership NFPA  
 FD-Water for Sta#4  
 FD-CMFR small tote bags  
 FD-Water&Gatorade;Sta#6  
 FD- CFPI Conference Lodging  
 FD-National Fire Academy Meal  
 FD-CERT Training meeting suppl  
 FD- 1033 Standard Book  
 FD-Tuition Taining Class  
 FD-Tuition Soldan Training  
 FD- Tuition for training class  
 FD-Registration for CFED conf  
 FD- CA Training registr/class  
 FD-Safety Glasses  
 FD-Repair of Sta#4 oven  
 FD-Vinyl Decals 50% down  
 FD-Harshell Sunglasses case  
 FD- Monthly digital image serv  
 FD-Cameras/SD card arson inves  
 FD-Replacemnt blender lid Sta1  
 FD-USB/SD readers arson invest

Bank: CITY  
Cycle: AWKLY

<u>Payment Ref</u>	<u>Date</u>	<u>Status</u>	<u>Remit To</u>	<u>Remit ID</u>	<u>Payment Amt</u>
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<i>Line Description:</i>	HR-Meet & Greet
	HR- Meet & Greet
	HR- Meet & Greet Cr
	HR- Parma Conference
	HR- Assistant Planner Recruit
	HR-Flowers for Huy Pham Memori
	HR- Labor Relations Cert
	HR-Labor Relations Cert Refund
	HR-Certified Mail
	HR- Certified Mail
	HR- Writing Test
	HR- Covid-19 Testing
	HR- OCHRC Membership
	HR-Consulting Arbitration
	HR- Consulting Arbitration
	IT- CM Embroidered attire
	IT-Windows 10/11 Pro License
	IT-Windows 10/11 Pro license
	IT-Windows 10/11 Pro
	IT-Bella Toaster Oven
	IT-ZEBRA/Botorola Scanner
	IT-eXtreme Annual Renewal
	IT-Microsoft Surface Mouse
	IT-Adjustable Standing Desk
	IT-SanDisk 2TB Portable SSD
	DS-1 water 1 refrig filter
	DS-Training
	DS-1 Desk Telephone
	DS-3 desk telephones
	DS-Certification Exam
	DS- Webinar HVC House Quality
	DS-Membership fee Seminar Cour
	DS-Cannabis Portal
	DS-Membership for City
	DS-Business meeting item
	DS-Business meeting items
	DS- Business meeting items
	DS-Filing Fee for 3030 Airway
	DS-Associate membership renewa

City of Costa Mesa Accounts Payable  
SUMMARY CHECK REGISTER

Bank: CITY

Cycle: AWKLY

<u>Payment Ref</u>	<u>Date</u>	<u>Status</u>	<u>Remit To</u>	<u>Remit ID</u>	<u>Payment Amt</u>
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*Line Description:* DS-Home ARP surey and resident  
DS-Parking Fee for 3030 Airway  
CM-Refund Meal Order  
CM-Meal for City Attorney  
CM-City Council Zoom Meals  
CM-City Council Zoom meals  
CM-Refreshments for FDC meetin  
CM-Piktochart Subscription  
CM-Council Snacks  
CM-Supplies for Dais  
CM-Certificate Frames  
CM-Refund for broken frames  
CM-Domain name purchase  
CM-Monthly subscription fee  
CM- Monthly subscription fee  
CM-OC Mayor's District 5 meet  
CM-Office supplies  
CM-Coffee for CM office  
CM-Weights for canopies  
CM-Business meeting food  
CM-Business meeting-food  
CM-business meeting-food  
CM-business meeting- food  
CM-Arts and crafts supplies  
CM-Refreshments for leadership  
CM-SCAG conference registratio  
PS- 40 Plant Tree Buttons  
PS- 35 plant wood keychains  
PS-Fuel for Vehicle 342  
PS-Tips for graffiti removal  
PS-Hose and adapters  
PS-Work Area Traffic Control  
PS-Registration for CEAOC Apr  
PS-Business Meeting  
PS-AC humidity sensor for Sta1  
PS-Office supplies  
PS- Office supplies  
PS-Business meeting  
PS-OCTEC Registration

## SUMMARY CHECK REGISTER

Bank: CITY

Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
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*Line Description:* PS-Plex Earth software  
 PS-CEAOC registration fee  
 PS-BlueBeam software for trans  
 PS-Office supplies for transpo  
 F-Supervisor working lunch  
 F-Working lunch  
 F-meet and greet  
 F-department supplies  
 F-Budget working lunch  
 F-Director's membership  
 F-Supervisor lunch meeting  
 F-Supervisor working lunch  
 F-Budget team working lunch  
 F-Payroll supervisor membershi  
 F-Purchasing supervisor member  
 F-Revenue supervisor membershi  
 F-Mesa Water Distric Utility  
 F-Mesa Water District Utility  
 PCS-Tools for BCC  
 PCS-Equipment for BCC  
 PCS-Deposit for Day Camp  
 PCS-Equipment for mobile rec  
 PCS-Equipment for teen program  
 PCS-Equipment for youth sports  
 PCS-Equipment for youth sport  
 PCS-Food & supplies for Y spor  
 PCS-Food and supplies for ROCK  
 PCS-Tools for Mobile Recreatio  
 PCS-Office Equipment  
 PCS-Office furniture  
 PCS-Reoccurring monthly fee  
 PCS-Office materials  
 PCS-Refreshments for conferenc  
 PCS-Tools for office equipment  
 PCS-Supplies for St Patricks  
 PCS-Keys for Electric Shuttle  
 PCS-Refreshments for Veterans  
 PCS-Refreshments for Mardi Gra  
 PCS-Supplies for Chair Exercis



City of Costa Mesa Accounts Payable  
SUMMARY CHECK REGISTERBank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
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Line Description:

- PCS-Travel Meal
- PCS- Travel Meal
- PCS- Travel Hotel
- PCS-Office Furniture
- PCS-Travel Transportation
- PCS-Breakfast CPRS conference
- PCS-Refreshments & supplies
- PCS-Equipment protection plan
- PCS-Rec Equip protection plan
- PCS-Equipment for rec programs
- PCS- Certifications for Aqua
- PCS-Animal Care Services Equip
- PCS- Office Supplies
- PCS-Office Computer Equipment
- PCS-Hotel for CPRS Expo
- PCS-Car rental for CPRS Expo
- PCS-Office Supplies
- PCS-Bowling Excursion
- PCS-Rocking Jump Excursion
- PCS-Nickel Nickel Excursion
- PCS-LEAP Prog Equipment
- PCS-Clients Transportation
- PCS-Storage Unit for Shelter
- PCS-WPY Conf
- PCS-Shelter Kitchen Items
- PCS-Mental Health Assc ConfReg
- PCS-Camp Equip
- PCS-ROCK Equip
- PCS-Teen Prog Equip
- PCS-Day Camp Excursion
- PCS-Youth Sports Equip
- PCS-Teen Camp Excursion
- PCS-ROCK Office Supplies
- PCS-Youth Sports TShirts
- PCS-Camp Promotional Items
- PCS-ROCK Prog Arts & Crafts
- PCS-Youth Sports Prog Equip
- PCS-Cr for Youth Sports Equip
- PCS-Teen Prog Equip

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
		<i>Line Description:</i>	PCS-Teen Prog Tools PCS-Staff Mtng Refreshmnt PCS-Teen Prog Art & Craft PCS-Teen Prog Office Supplies PCS-Lodging PCS-Vehicle Keys PCS-Transportaion PCS-Mtng Refreshment PCS-Security Supplies PCS-Teen Talk Supplies PCS-St Patricks Day Supplies PCS-Movie Mondy Streaming Svc PCS-Volunteer Apprtn Supplies IT-On-line Meeting Conf IT-Online Queing Sys COVID19 IT-Microsoft Monthly Subscrip IT-Microsoft Monthly Subscrip IT-Password Manager Subscriptn		
0237331	05/06/22	P	AGA Engineers Inc	0000028838	4,755.00
		<i>Line Description:</i>	I 405 Imprv Proj-Mar 22 Bear St Traffic TSSP-Mar 22		
0237332	05/06/22	P	AH Accounting LLC	0000029518	10,125.00
		<i>Line Description:</i>	Acct Supervisor Svc-Apr 2022		
0237333	05/06/22	P	Aboudi Ballat	0000025808	2,000.00
		<i>Line Description:</i>	Refund Permit #PS21-00131		
0237334	05/06/22	P	Akeso Occupational Health	0000029274	135.00
		<i>Line Description:</i>	Pre Employment Physical Pre Emoloyment Physical Pre Employment Physical Drug Testing DMV Testing		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			Line Description: Pre Employment Physical Pre Employment Physical		
0237335	05/06/22	P	Alan Smith Pool Plastering Inc	0000020567	96.26
			Line Description: Plumbing Fee Refund BC20-00212 Plumbing Fee Refund#BC20-00074		
0237336	05/06/22	P	Alfredo Gutierrez	0000012853	131.00
			Line Description: Refund Citation CM060008312 Refund Citation CM070009171		
0237337	05/06/22	P	Allstar Fire Equipment Inc	0000000986	763.67
			Line Description: FIREFIGHTING PERSONAL PROTECTI		
0237338	05/06/22	P	Anthony Pools & Spaa	0000029650	48.13
			Line Description: Plumbing Fee Refund BC20-00247		
0237339	05/06/22	P	Ashley Cassidy	0000029655	100.00
			Line Description: Refund Rec Dep 2007126.002		
0237340	05/06/22	P	Atlas Planning Solutions	0000026909	3,500.00
			Line Description: CMPD LHMP-Mar 2022		
0237341	05/06/22	P	Blue Pacific Pools	0000029652	48.13
			Line Description: Plumbing Fee Refund BC20-00048		
0237342	05/06/22	P	Bob Murray & Associates	0000025439	419.75
			Line Description: Consulting Recruitment		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237343	05/06/22	P	Brians Pool Plastering	0000029648	48.13
			Line Description: Plumbing Fee Refund BC20-00236		
0237344	05/06/22	P	Bureau Veritas North America Inc	0000016616	4,428.57
			Line Description: Fire Plan Review-Sept 21		
0237345	05/06/22	P	CDCE Inc	0000019481	840.45
			Line Description: Sales Tax 7.75%		
			Voltage Sensing Charge Guard 3		
0237346	05/06/22	P	Canon Solutions America Inc	0000021581	1,048.11
			Line Description: Copier Maint 12/31/21-1/30/22		
0237347	05/06/22	P	Carolyn Richardson	0000002890	120.00
			Line Description: Del Mar Comm Garden #32		
0237348	05/06/22	P	Costa Mesa Auto Glass	0000010001	306.20
			Line Description: Window Tint-#740		
0237349	05/06/22	P	Derek Davis	0000029654	43.96
			Line Description: Refund Permit #E22-00041		
0237350	05/06/22	P	ECKERSALL LLC	0000025412	2,137.50
			Line Description: GIS Consulting Svc 3/1-3/31/22		
0237351	05/06/22	P	FM Thomas Air Conditioning Inc	0000017151	4,518.58
			Line Description: HVAC Maint-Apr 2022		
0237352	05/06/22	P	Fleet Services Inc	0000002239	20.72

City of Costa Mesa Accounts Payable  
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Bank: CITY

Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			<i>Line Description:</i> Shop Tools		
0237353	05/06/22	P	Galls LLC	0000002297	2,732.08
			<i>Line Description:</i> Uniform-Prado		
			Uniform-Bissell		
			Uniform-Stafford		
			Safety Vest-Rubio		
			Gloves-Traffuc		
			Uniform pants for R. Jimenez		
			Uniform-Brothers		
			Name Tags-Traffic		
0237354	05/06/22	P	Grainger	0000002393	865.05
			<i>Line Description:</i> Duct Temp Probe		
			Pneumatic Transducer		
0237355	05/06/22	P	Hanks Electrical Supplies	0000002445	1,443.08
			<i>Line Description:</i> Electrical Supplies		
			Landscape Lighting		
			Disconnect		
0237356	05/06/22	P	Interstate Batteries of California Coast	0000002700	532.43
			<i>Line Description:</i> Vehicle & Equipment Batteries		
0237357	05/06/22	P	James Shott & Assoc	0000029647	203.01
			<i>Line Description:</i> Subpoena Dep 001-00353708		
0237358	05/06/22	P	Jason Van Der Steen	0000029653	48.13
			<i>Line Description:</i> Plumbing Fee Refund BC20-00063		
0237359	05/06/22	P	Joe Mar Polygraph & Investigation	0000027462	225.00
			<i>Line Description:</i> Pre-Employ Polygraph Exam-4/11		

Bank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237360	05/06/22	P	Juan Santos	0000013436	250.00
			Line Description: 2022 City Mgr Leadership Award		
0237361	05/06/22	P	Kimball Midwest	0000006819	226.28
			Line Description: Stock-Fleet Supplies		
0237362	05/06/22	P	Landworks Construction	0000029651	48.13
			Line Description: Plumbing Fee Refund BC20-00115		
0237363	05/06/22	P	Linscott Law & Greenspan Engineers Inc	0000010877	2,421.00
			Line Description: Traffic Eng Svs-Mar 22		
			Traffic Eng Svs-Mar 22		
0237364	05/06/22	P	Mark Thomas & Company	0000029139	1,333.00
			Line Description: Traffic Support-Mar 22		
0237365	05/06/22	P	MetLife Legal Plans Inc	0000014707	2,632.50
			Line Description: Pre Legal-Apr 2022		
0237366	05/06/22	P	Norman A Traub Associates Inc	0000013815	7,281.80
			Line Description: Investigations		
0237367	05/06/22	P	Norwood Management LLC	0000029243	12,500.00
			Line Description: Rent for May 2022		
0237368	05/06/22	P	Occu Med	0000003388	4,585.50
			Line Description: Pre-Employment Physicals		
			Pre-employment physicals		

Bank: CITY

Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
0237369	05/06/22	P	Office Depot	0000003394	7,036.12
<i>Line Description:</i> Supplies-Recreation					
Supplies-Engineering					
Supplies-Maintenance					
Supplies-Finance Admin					
Supplies-Traffic Planning					
Supplies-Police Operations					
Supplies-City Manager Admin					
Supplies-Construction Mngmt					
Supplies-Emergency Services					
Supplies-Fire Admin					
Supplies-City Clerk					
Supplies-Emergency Services					
Supplies-Police Field Operati					
Supplies-Communications Market					
Supplies-Public Service Admin					
Supplies-Police Support Svcs					
Supplies-Crime Investigation					
0237370	05/06/22	P	Onward Engineering	0000003212	10,472.10
<i>Line Description:</i> Npt Blvd Widening-3/31/22					
0237371	05/06/22	P	Orange County Mosquito & Vector Control	0000021750	535.93
<i>Line Description:</i> FVP Treatment-March 2022					
0237372	05/06/22	P	Orange County Pool Constuction	0000029649	48.13
<i>Line Description:</i> Plumbing Fee Refund BC20-00235					
0237373	05/06/22	P	Orange County Pools	0000017766	48.13
<i>Line Description:</i> Plumbing Fee Refund BC20-00159					
0237374	05/06/22	P	Orange County Probation Department	0000003491	1,443.30

City of Costa Mesa Accounts Payable  
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Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			<i>Line Description:</i> 3rd Qtr OT for Prbation Ofcr		
0237375	05/06/22	P	Pacific Advanced Civil Engineering Inc	0000014386	5,190.00
			<i>Line Description:</i> CIP Budget Programming		
0237376	05/06/22	P	Peace of Mind Financial Consulting Inc	0000029150	9,460.00
			<i>Line Description:</i> Terri Marsh April 2022		
0237377	05/06/22	P	Peterson Pools	0000026274	48.13
			<i>Line Description:</i> Plumbing Fee Refund BC20-00077		
0237378	05/06/22	P	Priceless Pet Rescue	0000026000	250.00
			<i>Line Description:</i> Animal Trans Fees-Mar 2022		
0237379	05/06/22	P	Santa Isabel LLC	0000029656	12,500.00
			<i>Line Description:</i> Refund Permit PS 21-00204		
0237380	05/06/22	P	Save Our Youth	0000003929	1,842.50
			<i>Line Description:</i> Bus Transport-UCSD Trip Bus Transport-SD Old Town		
0237381	05/06/22	P	Sharp Electronics Corp	0000015355	92.20
			<i>Line Description:</i> COPIER LEASE 2/28-3/31/22		
0237382	05/06/22	P	Sims Orange Welding Supply Inc	0000004030	277.31
			<i>Line Description:</i> Welding Supplies		
0237383	05/06/22	P	Sparkletts	0000015725	510.07
			<i>Line Description:</i> PCS-WATER DELIVERY SERVICES		



## SUMMARY CHECK REGISTER

Bank: CITY

Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
		<i>Line Description:</i>	Maint-WATER DELIVERY SERVICES PS-WATER DELIVERY SERVICES HR-WATER DELIVERY SERVICES FI-WATER DELIVERY SERVICES DS-WATER DELIVERY SERVICES CM-WATER DELIVERY SERVICES CC-WATER DELIVERY SERVICES Parks-WATER DELIVERY SERVICES		
0237384	05/06/22	P	State of California Dept of Justice	0000001534	882.00
		<i>Line Description:</i>	Livescan/Fingerprinting Servic		
0237385	05/06/22	P	Superior Sweeping Ltd	0000029287	100.00
		<i>Line Description:</i>	Refund BL21883		
0237386	05/06/22	P	The Home Depot Credit Services	0000002560	10,134.18
		<i>Line Description:</i>	Bldg Maint-General Supplies St Maint.-Hardware Supplies BLdg Maint-Hardware Supplies Graffiti-General Supplies Park Maint-Tools Bldg Maint-Plumbing Supplies Blding Maint-General Supplies Park Maint.-Hardware Supplies Street Maint-General Supplies Bldg Maint-Electrical Supplies Bldg Maint-Janitorial Supplies Equip-Automtive Parts/Supplies		
0237387	05/06/22	P	US Postal Service	0000004376	10,000.00
		<i>Line Description:</i>	Postage Meter-Apr 2022		
0237388	05/06/22	P	Verizon Wireless	0000008717	1,035.64
		<i>Line Description:</i>	Building Cell Phones		

City of Costa Mesa Accounts Payable  
SUMMARY CHECK REGISTERBank: CITY  
Cycle: AWKLY

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			Line Description: WIRELESS PHONE SERVICE		
0237389	05/06/22	P	VincentBenjamin	0000024972	13,158.29
			Line Description: Jazmine Puente W/E 4/17/22		
			ELsa Barajas w/e 4/24/22		
			Jazmine Puente W/E 4/24/22		
			Erika Henderson W/E 4/24/22		
			Elsa Barajas w/e 5/1/22		
			Roy Alzya w/e 4/17/22		
			Erika Henderson w/e 5/1/22		
			Roy Alzya w/e 5/1/22		
			Erika Henderson w/e 4/17/22		
0237390	05/06/22	P	Waxie Sanitary Supply	0000004480	82.89
			Line Description: Warehouse Floor Stock		
0237391	05/06/22	P	Xerox Financial Services	0000010450	1,056.33
			Line Description: Copier Lease & Yearly Prop Tax		
TOTAL					\$717,023.41

Bank: DDP1

Cycle: ADIRDP

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
013501	05/06/22	P	Anna Baca	0000025078	102.30
			Line Description: Budget Mtng with CMO		
013502	05/06/22	P	Brenda Green	0000021417	111.00
			Line Description: Meal Exp for CCAC Conf		
013503	05/06/22	P	Carlos Diaz	0000013277	259.00
			Line Description: Sherman Block SL #3I-CD		
013504	05/06/22	P	Daniel Bruno	0000029161	24.00
			Line Description: UAS BAsic Pilots Course		
013505	05/06/22	P	Dustin Fay	0000027733	72.00
			Line Description: Drug Recognition Expert		
013506	05/06/22	P	Eric Montgomery	0000016606	250.00
			Line Description: Paramedic License Renewal		
013507	05/06/22	P	Erik Rosado	0000018722	80.00
			Line Description: Adv Traffic Collision Invest		
013508	05/06/22	P	Guyon Foxwell	0000029370	16.00
			Line Description: Practical De-Escalation Tactic		
013509	05/06/22	P	Hank Gallegos	0000026587	109.05
			Line Description: Traffic Collision Basic		
013510	05/06/22	P	Jason Chamness	0000014287	104.00
			Line Description: Management Course C		

Bank: DDP1  
Cycle: ADIRDP

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			Line Description: Management Course A Management Course B		
013511	05/06/22	P	Jerad Korte	0000025077	333.00
			Line Description: Homicide Symposium-JK		
013512	05/06/22	P	John J Trujillo	0000029657	23.97
			Line Description: Spring Clamp Set		
013513	05/06/22	P	Jonathan Smith	0000023435	235.50
			Line Description: BAasic Death Investigation		
013514	05/06/22	P	Joseph Noceti	0000007101	250.00
			Line Description: Paramedic License Recert		
013515	05/06/22	P	Kevin Christianson	0000029560	80.00
			Line Description: Adv Traffic Collision		
013516	05/06/22	P	Maurillo Torres	0000025958	800.00
			Line Description: Engine Boss S-231 Crew Boss S-230		
013517	05/06/22	P	Mike Terajima	0000029658	64.55
			Line Description: Records Clerk Course		
013518	05/06/22	P	Monique Pham	0000026754	5.00
			Line Description: CAPE Meeting		
013519	05/06/22	P	Nick Wilson	0000025711	500.00

Bank: DDP1  
Cycle: ADIRDP

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
			<i>Line Description:</i> Clothing Allowance 21-22		
013520	05/06/22	P	Robindale Shepherd	0000009851	208.08
			<i>Line Description:</i> Mar.& Apr Dental Ins Premium		
013521	05/06/22	P	Steve Airey	0000014747	294.00
			<i>Line Description:</i> Mileage Exp Reimb 3/28-4/1/22		
013522	05/06/22	P	Tammy Arrington	0000026720	111.00
			<i>Line Description:</i> Meal Exp for CCAC Conf		
013523	05/06/22	P	Thomas Scott	0000026255	103.20
			<i>Line Description:</i> Interview & Interrogation		
013524	05/06/22	P	Vincent Legaspi	0000028710	35.68
			<i>Line Description:</i> Smith & Wesson Armorer		
TOTAL					\$4,171.33

Bank: DDP1  
Cycle: AEOM

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
013480	05/03/22	P	Alan F Kent	0000006393	2,174.79
			Line Description: 1% Supplemental Pay May 2022		
013481	05/03/22	P	Beckee Cost	0000016309	946.08
			Line Description: 1% Supplemental Pay May 2022		
013482	05/03/22	P	Chris Morris	0000007439	2,500.00
			Line Description: Monthly LTD Payment-May 2022		
013483	05/03/22	P	Danny Hogue	0000006802	1,137.03
			Line Description: 1% Supplemental Pay May 2022		
013484	05/03/22	P	Darlene Bell	0000005602	580.54
			Line Description: 1% Supplemental Pay May 2022		
013485	05/03/22	P	David A Dye	0000002065	260.90
			Line Description: 1% Supplemental Pay May 2022		
013486	05/03/22	P	Edward Dryzmala	0000006686	1,377.28
			Line Description: 1% Supplemental Pay May 2022		
013487	05/03/22	P	Gale Tusio	0000017460	233.08
			Line Description: 1% Supplemental Pay May 2022		
013488	05/03/22	P	Gary D Webster	0000004487	1,204.44
			Line Description: 1% Supplemental Pay May 2022		
013489	05/03/22	P	George J Yezbick Jr	0000005045	1,164.00
			Line Description: 1% Supplemental Pay May 2022		

City of Costa Mesa Accounts Payable  
SUMMARY CHECK REGISTERBank: DDP1  
Cycle: AEOM

Payment Ref	Date	Status	Remit To	Remit ID	Payment Amt
013490	05/03/22	P	Harlan Pauley	0000003569	232.12
			Line Description: 1% Supplemental Pay May 2022		
013491	05/03/22	P	James M Miller	0000007440	2,500.00
			Line Description: Monthly LTd Payment-May 2022		
013492	05/03/22	P	Kathleen Zuorski	0000025225	504.52
			Line Description: 1% Supplemental Pay May 2022		
013493	05/03/22	P	Linda Boylan	0000023340	57.98
			Line Description: 1% Supplemental Pay May 2022		
013494	05/03/22	P	Matthew J Collett	0000001720	856.58
			Line Description: 1% Supplemental Pay May 2022		
013495	05/03/22	P	Paul A Cappuccilli	0000007705	1,214.50
			Line Description: 1% Supplemental Pay May 2022		
013496	05/03/22	P	Phil Dickens	0000005801	511.76
			Line Description: 1% Supplemental Pay May 2022		
013497	05/03/22	P	Richard J Johnson	0000005620	1,255.66
			Line Description: 1% Supplemental Pay May 2022		
013498	05/03/22	P	Ted Curry	0000001896	1,037.98
			Line Description: Monthly LTD Payment-May 2022		

Report ID: CCM2001

City of Costa Mesa Accounts Payable

Page No. 3

**SUMMARY CHECK REGISTER**

Run Date May 06,2022

Bank: DDP1

Run Time 10:17:36 AM

Cycle: AEOM

<u>Payment Ref</u>	<u>Date</u>	<u>Status</u>	<u>Remit To</u>	<u>Remit ID</u>	<u>Payment Amt</u>
013499	05/03/22	P	Thomas J Lazar	0000002925	1,703.25
<i>Line Description:</i> 1% Supplemental Pay May 2022					
013500	05/03/22	P	William H Bechtel	0000001224	1,622.58
<i>Line Description:</i> 1% Supplemental Pay May 2022					
<b>TOTAL</b>					<b>\$23,075.07</b>

End of Report





# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-696

**Meeting Date:** 5/17/2022

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**TITLE:**

MINUTES

**DEPARTMENT:** City Manager's Office/City Clerk's Division

**RECOMMENDATION:**

City Council approve the Minutes of the Regular meeting of April 19, 2022 and the Special Study Session of April 26, 2022.



**CITY OF COSTA MESA  
REGULAR CITY COUNCIL AND SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY AND HOUSING AUTHORITY**

**MINUTES – APRIL 19, 2022**

**CLOSED SESSION 4:00 P.M.**

**CALL TO ORDER** - The Closed Session meeting was called to order by Mayor Stephens at 4:01 p.m.

**ROLL CALL**

Present: Council Member Chavez, Council Member Reynolds (arrived 4:05 p.m.), Council Member Harlan, Council Member Harper, Mayor Pro Tem Marr (arrived 4:30 p.m.) and Mayor Stephens.

Absent: Council Member Gameros.

**PUBLIC COMMENTS – NONE.**

**CLOSED SESSION ITEMS:**

1. **PUBLIC EMPLOYMENT WORKERS' COMPENSATION CLAIM**  
Pursuant to California Government Code Section 54956.9(d)(1)  
WCAB NO. ADJ12260822
2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**  
Pursuant to California Government Code Section 54956.9 (d)(1)  
Name of Case: City of Costa Mesa v. Ohio House, LLC, a California limited liability corporation; Richard Perlin, Nancy Perlin, Dolores Perlin, and Brandon Stump as individuals, United States District Court, Central District of California, Case No. 8:19-cv-01710 DOC (KESx).
3. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**  
Pursuant to California Government Code Section 54956.9(d)(1)  
Name of Case: Katherine Sherouse individually and doing business as Camp Lila v. City of Costa Mesa, et al., United States District Court, Central District of California, Civil Action No. 8:22-cv-00756-JVS-ADSx 4.
4. **CONFERENCE WITH LEGAL COUNSEL-INITIATION OF LITIGATION-ONE CASE**  
Pursuant to California Government Code Section 54956.9(d)(2), Potential Litigation

City Council recessed at 4:04 p.m. for Closed Session.

Closed Session adjourned at 5:20 p.m.

**REGULAR MEETING OF THE CITY COUNCIL AND SUCCESSOR AGENCY  
TO THE REDEVELOPMENT AGENCY  
APRIL 5, 2022 – 6:00 P.M.**

**CALL TO ORDER** - The Regular City Council and Successor Agency to the Redevelopment Agency and Housing Authority meeting was called to order by Mayor Stephens at 6:00 p.m.

**NATIONAL ANTHEM AND PLEDGE OF ALLEGIANCE**

A video was played of the National Anthem and Council Member Harlan led the Pledge of Allegiance.

**MOMENT OF SOLEMN EXPRESSION**

Led by Mr. John Begin.

**ROLL CALL**

Present: Council Member Chavez, Council Member Gameros (via Zoom), Council Member Harlan, Council Member Harper, Council Member Reynolds (via Zoom), Mayor Pro Tem Marr and Mayor Stephens.

Absent: None.

**CITY ATTORNEY CLOSED SESSION REPORT** - No reportable action.

**PRESENTATIONS**

Mayor Stephens presented a proclamation in Remembrance of the Armenian Genocide.

Mayor Stephens presented a proclamation for Let's Be Kind Month.

Mayor Stephens presented a proclamation for National Public Safety Telecommunications Week.

Mayor Stephens presented a proclamation for Arbor Day and Earth Day.

**PUBLIC COMMENTS – MATTERS NOT LISTED ON THE AGENDA**

Speaker, spoke on the rapid rise of rents and on affordable housing.

Wendy Leece, commended Chair McDonald on the presentation, thanked the City Council for the Sexual Assault Awareness Month Proclamation, requested additional police focus on massage parlors, spoke on speeding problems, and spoke on Camp Lila.

Matt Garcia, President of the Harbor Soaring Society, spoke on his application to the Fairview Park Steering Committee, and preserving open space.

Chris Collum, spoke on problems associated with a fire at his home.

Speaker, spoke on noise issues around his home at 2:00 a.m. from a local bar and food truck.

Speaker, spoke on a complaint of a potential animal abuse, and thanked the police department for checking into the matter.

Hank Castignetti, Orange County Model Engineers, spoke on the number of guests who visited over the week-end, and thanked the Goat Hill Lions Club for donating Easter baskets.

## **COUNCIL MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS**

Council Member Harper spoke on Let's Be Kind Month.

Council Member Reynolds thanked staff for the meaningful proclamations, spoke on the rapid rise of rents, housing affordability and providing information on available resources, spoke on Earth Day events, community walks and bike rides.

Council Member Chavez spoke on responding to public commenters, thanked first responders and spoke on a recent ride-along with the police department, encouraged the reporting of graffiti and bulky items pick up on the Costa Mesa App, expressed concerns on speeding on Meyer's Place., and thanked the Parks and Recreation department for SpringFest.

Council Member Harlan spoke on presenting a proclamation to Dr. Henry Louria in honor of his 96<sup>th</sup> birthday, and thanked Ivis Torres, Management Aide for preparing the proclamation.

Mayor Pro Tem Marr spoke on attending a meeting with Supervisor Bartlett, attending the South Orange County multi-model stakeholders meeting, spoke in support of active transportation projects, and spoke on replacing turf with California native plants.

Mayor Stephens thanked all parties involved in the Ohio House Case and spoke on the decision in favor of the City, thanked Jennifer Le, Director of Economic and Development Services, and thanked Sy Everett and Everett Dorey law firm, recognized Brenda Green, City Clerk, for receiving the City Clerk Award of Distinction 2022 for Technology and Innovation, spoke on responding to public speaker comments, spoke on tenant and landlord rights and asked staff to prepare educational pieces on rights and issues related to rents.

**REPORT – CITY MANAGER** – Ms. Farrell Harrison thanked everybody for their kind comments on staff, thanked the speaker for sharing the story on potential animal abuse and the police department's favorable response, spoke on releasing educational information on rental assistance, bulky items pick-up, and fair housing, and legal aid, congratulated the legal team on the Ohio House decision, congratulated Brenda Green, City Clerk, thanked Council Member Reynolds for nominating Ms. Green, spoke on the Earth Day Festival on April 22<sup>nd</sup>, and congratulated the Public Services staff for recent awards from the American Society of Civil Engineers (ASCE) for:

- Outstanding Architectural Engineering Project – Norma Hertzog Community Center
- Outstanding Transportation Project – Merrimac Way Bicycle Facility.

**REPORT – CITY ATTORNEY** – Ms. Hall Barlow indicated that she had responded to Mr. Collum, and thanked the Everett Dorey law firm for their work on the Ohio House case.

## **CONSENT CALENDAR**

**MOVED/SECOND:** Council Member Chavez/Mayor Pro Marr

**MOTION:** Approve recommended actions for Consent Calendar Item Nos. 1 through 6 except for item #5 which was pulled from the Consent Calendar.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

## **CONSENT CALENDAR ITEMS**

### **1. PROCEDURAL WAIVER: APPROVE THE READING BY TITLE ONLY OF ALL ORDINANCES AND RESOLUTIONS**

ACTION: City Council, Agency Board, and Housing Authority approved the reading by title only and waived full reading of Ordinances and Resolutions.

### **2. READING FOLDER**

ACTION:

City Council received and filed Claims received by the City Clerk: Camp Lila; Sohelia Nasiri.

### **3. ADOPTION OF WARRANT RESOLUTION**

ACTION:

City Council approved Warrant Resolution No. 2678

### **4. ADOPTION OF A RESOLUTION TO ALLOW MEMBERS OF THE CITY COUNCIL, COMMISSIONS AND COMMITTEES TO PARTICIPATE IN THE MEETINGS REMOTELY, AS NEEDED, DUE TO HEALTH AND SAFETY CONCERNS FOR THE MEMBERS AND THE PUBLIC**

ACTION:

City Council adopted Resolution 2022-20 allowing members of the City Council, Commissions, and Committees to participate in the meetings, as needed, via Zoom due to:

- The current State of Emergency and global pandemic, which continues to impact the ability of the members of the City's legislative bodies to meet safely in person.

- Federal, State and/or local officials continue to impose or recommend measures to promote social distancing.

## **6. MONTHLY UPDATE OF STRATEGIC PLAN GOALS AND OBJECTIVES**

### **ACTION:**

City council approved the April 2022 update to the City of Costa Mesa's Strategic Plan Goals and Objectives.

## **AT THIS TIME THE CITY COUNCIL WILL ADDRESS ANY ITEMS WITHDRAWN FROM THE CONSENT CALENDAR.**

## **5. SERVICE AGREEMENT AMENDMENTS WITH TYLER TECHNOLOGIES AND PARK CONSULTING PERTAINING TO IMPLEMENTATION OF THE CITY'S LAND MANAGEMENT SYSTEM (LMS) UPDATE**

Council Member Harlan inquired on the increase in the budget and the hiring of consultants in lieu of staff working on the project.

Ms. Le responded the launch date is mid-2023, staff has budgeted for ongoing maintenance costs, and that both staff and the consultants with special expertise are working on the project.

**MOVED/SECOND:** Council Member Harlan/Mayor Pro Tem Marr

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

### **ACTION:**

1. City Council authorized the City Manager and City Clerk to execute Amendment No. 2 with Tyler Technologies, increasing the total compensation to a not-to-exceed amount of \$1,060,856, in substantially the form as attached and in such final form as approved by the City Attorney.
2. Authorized the City Manager and City Clerk to execute Amendment No. 3 with Park Consulting Group, increasing the total compensation to a not-to-exceed amount of \$393,250.
3. Authorized the City Manager to approve future amendments to the agreement with Park Consulting Group in an amount not-to-exceed \$100,000.

**PUBLIC HEARINGS – NONE.**

**OLD BUSINESS: NONE.**

## **NEW BUSINESS:**

### **1. PROFESSIONAL SERVICES AGREEMENT FOR COMMERCIAL KITCHEN OPERATION AND MEAL SERVICES FOR THE COSTA MESA BRIDGE SHELTER**

Presentation by Nate Robbins, Neighborhood Improvement Manager.

**MOVED/SECOND:** Council Member Chavez/Mayor Pro Tem Marr

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

#### **ACTION:**

1. City Council awarded a Professional Services Agreement (PSA) to Bracken's Kitchen, for a term of 1 year with 3 one-year renewal options, in an amount not to exceed \$327,600 annually for commercial kitchen operation and meal services for the Costa Mesa Bridge Shelter.
2. Authorized the City Manager and the City Clerk to execute the agreement and any future amendments to the agreement.

### **3. AWARD OF CONTRACT FOR CITYWIDE LANDSCAPE MAINTENANCE SERVICES**

Presentation by Robert Ryan, Maintenance Services Manager

Discussion ensued on additional trash receptacles in the parks, the criteria on the bids and ratings, open space vegetation management, adding language in the scope of services that mowing services will be coordinated with a contracted biologist to ensure there is no conflict with restoration efforts and bird nesting season, removal of invasive weeds, additional trash pick-up on 19<sup>th</sup> street, the times parks open and close and incorporating sustainability green policy measures into the contract.

**MOVED/SECOND:** Mayor Pro Tem Marr/Council Member Chavez

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

**ACTION:**

1. City Council approved the proposed Maintenance Services Agreement (MSA) with Brightview Landscape Services, Inc. for citywide parks and landscape maintenance services, in an amount not to exceed \$2,364,061 annually, for an initial term of three (3) years with two (2) optional one-year extensions for a total of five years.
2. Approved a 10% contingency annually for irrigation and landscape repairs and other unforeseen costs and approval for Consumer Price Index (CPI) escalation and de-escalation.
3. Authorized the City Manager and City Clerk to execute the MSA and future amendments to the agreement within Council authorized limits with Brightview Landscape Services, Inc.
4. Added language in the scope of services that mowing services will be coordinated with a contracted biologist to ensure there is no conflict with restoration efforts and bird nesting season and to utilize sustainability green policy measures when feasible.

**ADDITIONAL COUNCIL/BOARD MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS – None.**

**ADJOURNMENT** – The Mayor adjourned the meeting at 7:57 p.m.



**Minutes adopted on this 17<sup>th</sup> day of May, 2022.**

\_\_\_\_\_  
John Stephens, Mayor

ATTEST:

\_\_\_\_\_  
Brenda Green, City Clerk

DRAFT



**CITY OF COSTA MESA  
REGULAR CITY COUNCIL AND SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY AND HOUSING AUTHORITY  
SPECIAL STUDY SESSION - MINUTES  
APRIL 26, 2022 – 5:00 P.M.**

**CALL TO ORDER** - The Special Study Session meeting was called to order by Mayor Stephens at 5:00 p.m.

**PLEDGE OF ALLEGIANCE** – Mayor Stephens led the Pledge of Allegiance.

**ROLL CALL**

Present: Council Member Chavez, Council Member Gameros (via Zoom), Council Member Harlan, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Absent: Council Member Harper

**STUDY SESSION ITEM:**

**FISCAL YEAR 2022-23 PROPOSED CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET AND FIVE-YEAR (2022-23 TO 2026-27) CIP STUDY SESSION**

Presentation by Mr. Sethuraman, Public Services Director, Ms. Molina, Finance Director, Mr. Seung, City Engineer, and Ms. Farrell Harrison, City Manager.

**Public Comments:**

Flo Martin, requested additional funding for Active Transportation projects.

Ralph Taboada, provided a powerpoint slide, and requesting prioritizing Active Transportation projects.

Speaker, spoke on rising rent costs and affordable housing.

Speaker, spoke on rising rent costs and affordable housing.

Speaker, spoke on rising rent costs and affordable housing.

Cynthia McDonald, requested current budgeted monies that are not being spent to be applied to other projects, spoke on cost sharing with the school district, and requested bike racks.

Aaron McCall, requested more monies for protected bike paths, prioritizing funding for the climate action plan, and requested cooling centers.

Speaker, spoke in support of funding for housing and rental assistance, a fund for youth housing, expressed concern on rising rent prices.

Marc Vukceovich, requested additional funding for Active Transportation projects.

Discussion ensued on the bike infrastructure improvements, improving roads for all users, incorporating green alleys, the climate action plan, community connections, sidewalk improvements, improvements on Victoria St. West of the 55 freeway, improvements to the bus stops and shelters, community spaces for opportunities to gather, safe routes to schools, a page on the website on the status of projects, school district crossing guards, additional bike racks and bike racks for private property owners, applying current budgeted monies to other projects, wayfinding signage, the progress on projects and accomplishments, and the final improvements at the Lions Park project.

**ADJOURNMENT** – The Mayor adjourned the Special Study Session at 7:25 p.m.

**Minutes adopted on this 17<sup>th</sup> day of May, 2022.**

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John Stephens, Mayor

ATTEST:

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Brenda Green, City Clerk



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-695

**Meeting Date:** 5/17/2022

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**TITLE:**

ADOPTION OF A RESOLUTION TO ALLOW MEMBERS OF THE CITY COUNCIL, COMMISSIONS AND COMMITTEES TO PARTICIPATE IN THE MEETINGS REMOTELY, AS NEEDED, DUE TO HEALTH AND SAFETY CONCERNS FOR THE MEMBERS AND THE PUBLIC

**DEPARTMENT:** CITY MANAGER'S OFFICE/CITY CLERK DIVISION

**PRESENTED BY:** BRENDA GREEN, CITY CLERK

**CONTACT INFORMATION:** BRENDA GREEN, CITY CLERK, (714) 754-5221

**RECOMMENDATION:**

Staff recommends the City Council adopt Resolution 2022-xx to allow the members of the City Council, Commissions, and Committees to participate in the meetings remotely, as needed, via Zoom due to:

- The current State of Emergency and global pandemic, which continues to directly impact the ability of the members of the City's legislative bodies to meet safely in person.
- Federal, State and/or local officials continue to impose or recommend measures to promote social distancing.

**BACKGROUND:**

Pursuant to AB 361, the City Council will need to declare every 30 days that the City's legislative bodies and individual members can continue to meet remotely, as needed, in order to ensure the health and safety of the members and the public.

On September 17, 2021 the Governor signed into law AB 361, which allows local legislative bodies to continue to meet remotely, and waive certain Brown Act posting requirements if:

- The local agency holds a meeting during a declared state of emergency;
- State or local health officials have imposed or recommended measures to promote social distancing; and
- Legislative bodies declare the need to meet remotely due to present risks to the health or safety of all attendees.

**ANALYSIS:**

The City meets the requirements of AB 361 to continue holding meetings remotely in order to ensure the health and safety of the members, public and its employees. Both the California Department of

Public Health and the County of Orange Public Health Officer have issued recommendations that members of vulnerable populations (such as older adults and those persons with an elevated risk due to certain medical conditions) continue to practice social distancing. The City cannot ensure social distancing requirements are always met inside the Council Chambers and/or Conference Rooms where the City Council, Commissions, and Committees meet, making it difficult for members of these bodies, City staff, and members of the public to consistently socially distance from each other with absolute certainty.

Staff recommends that the City Council adopt the proposed resolution making the required findings that the City Council, Commission and Committee meetings can continue to meet remotely, as needed, pursuant to the requirements of AB 361.

**ALTERNATIVES:**

City Council may choose not to hold City Council, Commission and Committee meetings remotely via Zoom. The City would then be required to hold all public meetings in-person.

**FISCAL REVIEW:**

There is no fiscal impact associated with this item.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed this agenda report, has prepared the proposed Resolution, and approves them as to form.

**CITY COUNCIL GOALS AND PRIORITIES:**

This item supports the following City Council Goal:

- Strengthen the Public's Safety and Improve the Quality of Life.

**CONCLUSION:**

Staff recommends the City Council adopt Resolution 2022-xx to allow the members of the City Council, Commissions, and Committees to participate in the meetings remotely, as needed, via Zoom due to:

- The current State of Emergency and global pandemic, which continues to directly impact the ability of the members of the City's legislative bodies to meet safely in person.
- Federal, State and/or local officials continue to impose or recommend measures to promote social distancing.

# ATTACHMENT 1

## RESOLUTION NO. 2022-xx

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA MAKING THE LEGALLY REQUIRED FINDINGS TO CONTINUE TO AUTHORIZE THE CONDUCT OF REMOTE “TELEPHONIC” MEETINGS DURING THE STATE OF EMERGENCY**

#### **THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:**

WHEREAS, on March 4, 2020, pursuant to California Gov. Code Section 8625, the Governor declared a state of emergency;

WHEREAS, on September 17, 2021, Governor Newsom signed AB 361, which bill went into immediate effect as urgency legislation;

WHEREAS, AB 361 added subsection (e) to Section 54953 to authorize legislative bodies to conduct remote meetings provided the legislative body makes specified findings;

WHEREAS, as of September 19, 2021, the COVID-19 pandemic has killed more than 67,612 Californians;

WHEREAS, social distancing measures decrease the chance of spread of COVID-19;

WHEREAS, this legislative body previously adopted a resolution to authorize this legislative body to conduct remote “telephonic” meetings;

WHEREAS, Government Code 54953(e)(3) authorizes this legislative body to continue to conduct remote “telephonic” meetings provided that it has timely made the findings specified therein.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Costa Mesa does hereby declare that it has reconsidered the circumstances of the state of emergency declared by the Governor and at least one of the following is true: (a) the state of emergency, continues to directly impact the ability of the members of this legislative body to meet safely in person; and/or (2) state or local officials continue to impose or recommend measures to promote social distancing.

## ATTACHMENT 1

**PASSED AND ADOPTED this \_\_ day of \_\_, 2022.**

\_\_\_\_\_  
John Stephens, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Brenda Green, City Clerk

\_\_\_\_\_  
Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE     )     ss  
CITY OF COSTA MESA     )

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 2022-xx and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the \_\_ day of \_\_, 2022, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this \_\_ day of \_\_, 2022.

\_\_\_\_\_  
BRENDA GREEN, CITY CLERK



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-699

**Meeting Date:** 5/17/2022

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**TITLE:**

**REQUEST TO CANCEL THE REGULAR CITY COUNCIL MEETING OF JULY 5, 2022**

**DEPARTMENT:** CITY MANAGER'S OFFICE/CITY CLERK DIVISION

**PRESENTED BY:** BRENDA GREEN, CITY CLERK

**CONTACT INFORMATION:** BRENDA GREEN, CITY CLERK, (714) 754-5221

**RECOMMENDATION:**

Staff recommends the City Council cancel the regular meeting of Tuesday, July 5, 2022.

**BACKGROUND:**

The City conducts regularly scheduled City Council meetings on the first and third Tuesday of the month. The July 5<sup>th</sup> meeting follows the July 4<sup>th</sup> holiday weekend celebration and attendance at the meeting during a holiday week tends to decline. Moreover, cancelling the July 5<sup>th</sup> meeting would allow City Council members and staff an opportunity to schedule planned time off adjoining the holiday week-end.

**ANALYSIS:**

The City Council has the legal authority to establish meeting dates and times and to cancel or reschedule such meetings with proper public notice. Cancelling the July 5<sup>th</sup> meeting in May is well in advance for proper noticing and allows staff enough time to place items on the June 7<sup>th</sup>, June 21<sup>st</sup>, or July 19<sup>th</sup> agenda.

**ALTERNATIVES:**

The City Council may decide to still hold the meeting on Tuesday, July 5, 2022.

**FISCAL REVIEW:**

The Finance Department has reviewed and verified there is no fiscal impact.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed the report and approved as to form.

**CITY COUNCIL GOALS AND PRIORITIES:**

This item is administrative in nature.



**CONCLUSION:**

Staff recommends the City Council cancel the regular meeting of Tuesday, July 5, 2022.



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-681

**Meeting Date:** 5/17/2022

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**TITLE:**

**BUSINESS IMPROVEMENT AREA (BIA) REAUTHORIZATION, RESOLUTION OF INTENTION, AND REVIEW OF ANNUAL REPORT**

**DEPARTMENT:** CITY MANAGER'S OFFICE

**PRESENTED BY:** ALMA REYES, ASSISTANT TO THE CITY MANAGER

**CONTACT INFORMATION:** ALMA REYES, ASSISTANT TO THE CITY MANAGER, (714) 754-5090

**RECOMMENDATION:**

Staff recommends the City Council:

1. Approve the 2021-2022 Annual Report for the Business Improvement Area (BIA) (Attachment 1).
2. Receive and file the audited financial report for Fiscal Years 2020 and 2021 (Attachment 2).
3. Adopt the Resolution declaring the City's intention to levy an annual assessment for Fiscal Year 2022-23 for the Business Improvement Area covering certain Costa Mesa hotels and motels and setting the time and place for a Public Hearing on the proposal (Attachment 3).

**BACKGROUND:**

The Parking and Business Improvement Area Law of 1989 (Streets and Highways Code §§ 36500, *et seq.*) enables cities to impose an assessment fee on businesses within an area designated by the City.

On July 5, 1995, the City Council adopted Ordinance No. 95-9 to establish a Business Improvement Area (BIA) for the purpose of assisting the hotel and motel industry in its promotion of tourism within the City.

The City Council authorized the City Manager to enter into an agreement with the Costa Mesa Tourism and Promotion Council to develop and administer the BIA. In 2001, the Costa Mesa Conference & Visitor Bureau (CVB), now known as Travel Costa Mesa (TCM), became the administrator of the BIA.

In accordance with TCM bylaws, TCM's Board of Directors is currently comprised of eleven (11) General Managers from the eleven (11) participating hotels and motels, one member of the City Council, and the City Manager's designee.

Since November 2010, the City levies a three percent (3%) special assessment on the eleven (11) participating hotels in the BIA based on the sale of overnight guestroom stays in the partner hotels (2,375 total available rooms). The levy is transmitted by the hotels to the City and ninety-nine point nine percent (99.9%) of the assessment is remitted to TCM. The remaining one percent is retained by the City to offset administrative costs.

### **ANALYSIS:**

Currently, the number of properties included in the BIA assessment levy is limited to the eleven (11) hotels and motels that have expressed an interest in participating in the program as detailed in the proposed Resolution of Intention (Attachment 3). Upon adoption of the Resolution of Intention, property owners of the participating hotels will be notified in writing within seven (7) days of the assessment renewal. Subsequently, the Resolution will be published in the Daily Pilot at least seven (7) days prior to the public hearing scheduled for June 7, 2022 at 7 p.m. City staff will also notify all the hotels and motels in the City not currently included in the BIA to allow them the opportunity to participate in the BIA.

Property owners will be provided an opportunity to speak in support of, protest the annual assessment, and/or address any concerns regarding the BIA at the public hearing. The City Council will vote to adopt or deny the resolution levying an annual assessment for the upcoming fiscal year, and makes the ultimate decision as to the size of and the properties to be included in the BIA. Upon the approval of the annual assessment, the three percent (3%) assessment is collected along with the City's Transient Occupancy Tax (TOT). The hotels and motels included in the BIA are required to itemize the BIA levy as a separate assessment. The staff at TCM manage the day-to-day activities and provide all services to administer the BIA.

Per the agreement between the City of Costa Mesa and TCM and as required by Streets and Highways Code section 36533, TCM is required to provide an annual report describing the programs and activities implemented during the previous fiscal year as well as the status of the programs and activities implemented during the current fiscal year (Attachment 1). The City Council may approve the report as filed or modify the report and approve it as modified. Once the City Council approves the report, it may adopt the resolution of intention to levy the annual assessment.

Further, in accordance with the agreement between the City and TCM, the annual audit for Fiscal Years 2020 and 2021 has been completed by KMJ Corbin & Company, an independent auditor, and paid for by assessment funds. The audit is intended to ensure that the assessment revenue is expended for public purposes as specified within the resolution and that no expenditures are made in a manner contrary to the agreement. The City Council is requested to receive and file the independent audit (Attachment 2).

### ***Highlights of the 2021-2022 Fiscal Year***

Travel Costa Mesa continues its dedication to showcasing the City of Costa Mesa as the City of the Arts™ and further enhancing the City's brand as a premier destination City in Orange County. Their efforts included innovative ways to partner with influencers and content creators to amplify messaging across various platforms, summer and holiday co-ops with Visit California, and meetings

guide videos.

Despite the varied opportunities for economic activity within the tourism industry due to the Delta and Omicron COVID-19 variants in the fall and winter of 2021, TCM continued its efforts in marketing, media and communications relations, and group sales.

TCM's website increased new website users by 6.73% and page views by 5.05% over the calendar year. Organic search traffic grew considerably due to search engine optimization efforts, gaining 140.50% year over year.

Media and community relations continued with influencers and traditional publication sites, such as Benzinga, MarketWatch, Yahoo Finance, Voice of OC, Los Angeles Times, Daily Pilot, StreetInsider, Michelin Guide, Visit California, and more. TCM's press releases throughout this time generated over 361.6 million cumulative impressions, a 31.5% increase from the previous fiscal year.

Group sales continued with partner hotels, where TCM generated over 200 leads, representing over 800,000 room nights, and booked 25 meeting and events with 4,799 rooms at partner hotels.

### **ALTERNATIVES:**

City Council may choose to deny the resolution of intention, which will prevent the public hearing from taking place to consider levying an annual assessment for the upcoming fiscal year.

### **FISCAL REVIEW:**

According to the audit report, TCM's cash equity as of June 30, 2021 totaled \$2,219,851. Based on the 2021-22 annual report, TCM is forecasting to come in at \$2.184 million for the current fiscal year. As of February 2022, BIA revenues were at \$1.592 million, a 125% increase from the previous fiscal year. However, FY 21-22 forecasting shows a 6% decrease compared to FY 20-21.

The City receives one percent (1%) of the BIA revenue/assessment as partial reimbursement for its collection and administrative costs. The one percent (1%) allocated to the City for reimbursement is estimated at \$21,840 for the 2021-2022 Fiscal Year.

Since 2014, TCM has also provided funding to the City to support community-wide marketing and community events that attract many visitors to Costa Mesa under a Professional Services Agreement (PSA). The City began budgeting the TCM Community Events Programing for a total of \$164,000 within the City's financial system. This budget is typically added annually as an addendum to the existing Professional Services Agreement between the City and TCM, approved by City Council at a public hearing.

In March 2020, the COVID-19 pandemic triggered suspension of all community events and a majority of City programs. The on-going pandemic had a significant financial impact on TCM's operational budget, resulting in the suspension of TCM's community events budget for Citywide marketing and support of community events, for example, ARTventure, Annual Snoopy House, Summer Concerts in the Park, and more.

Although the TCM community event funds were not available during FY 20-21 and FY 21-22, City staff managed to host community events, following all State and Federal COVID-19 guidelines. The

expenses for the events, historically funded by TCM, were absorbed in the General Fund from department vacancy savings.

As the country emerges from the pandemic and State guidelines loosen, the City intends to resume all special community events and marketing efforts to pre-pandemic levels.

**LEGAL REVIEW:**

The City Attorney's Office reviewed this report, and has reviewed and approved the resolution as to form.

**CITY COUNCIL GOALS AND PRIORITIES:**

This item supports the City Council's continuous efforts to promote the City of Costa Mesa for its rich and vibrant community that offers many attractions for residents, visitors and businesses.

**CONCLUSION:**

Adoption of the resolution of intent is the initial step in the reauthorization of the BIA assessment. State law mandates the specific procedure to be followed in the establishment of such an area. Staff will make a presentation to the City Council on the implementation of the BIA assessment at the public hearing on June 1, 2021; however, the City Council must approve the annual report and the proposed resolution of intention before the hearing can be scheduled to consider the levying of an annual assessment.

Therefore, staff recommends that the City Council:

1. Approve the 2021-22 Annual Report for the Business Improvement Area (BIA) (Attachment 1).
2. Receive and file audited financial report for Fiscal Years 2020 and 2021 (Attachment 2).
3. Adopt Resolution 22-xx, declaring the City's intention to levy an annual assessment for Fiscal Year 2022-23 for business improvement area covering certain Costa Mesa hotels and motels and setting the time and place for a public hearing on the proposal (Attachment 3).



**TRAVEL  
COSTA  
MESA**

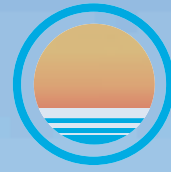
## 2021/22 ANNUAL REPORT



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## PRESIDENT'S MESSAGE



Resilience is the ability to adapt to new circumstances when life predicts the unpredictable”

—Salvatore R. Maddi

THIS fiscal year, Travel Costa Mesa (TCM) continued to be flexible and adaptable as we created opportunities to amplify our strategy. June and July 2021 brought on hope and growing economic activity for the tourism industry: summer weekend travel from the domestic leisure market increased in occupancy and in average daily rate compared to 2019. At that time, we saw reason to be excited as vaccination rates were climbing and so did the desire to travel. As we approached the end of fall and winter, the delta and omicron COVID-19 variants caused an additional change in direction.

U.S. Travel Association, the national, non-profit organization representing all components of the travel industry, continued to lobby and ensure funding was available for the industry, which has been hit hardest throughout the last

24 months. Their advocacy efforts impacted the travel and tourism industry and enabled funding that supported the return to leisure travel. Safe in-person meetings and events were also prioritized, and communication was shared on how to conduct them safely.

Visit California, our state's destination marketing organization, continues to invest in creating traveler demand. In June 2021, Visit California received a \$95 million state stimulus to be used for marketing. The stimulus strategy includes cultivating the California brand, trigger active consideration, and drive market development both in and out of state. These funds are also assisting destination marketing organizations to develop flexible collaborative marketing opportunities that build brand awareness through digital platforms.





In 1995, Travel Costa Mesa was formed as a non-profit corporation to market the city of Costa Mesa as a desirable, leisure overnight destination in Orange County.

TCM's marketing efforts continue to focus on the drive market, a radius of consumers within a few hours of our city. An explosion of influencers amplifying our messaging about the amazing things to experience in Costa Mesa, summer and holiday co-ops with Visit California, and meetings guide videos are just a sampling of the completed projects this year. New group business opportunities for TCM are becoming fruitful with the addition of in-person trade shows that our destination sales executive has been attending.

As 2022 progresses, we look to a brighter future which includes pent up demand for leisure travel and the return of some corporate travel. Reports and surveys from U.S Travel Association, Visit California, and Destinations Analysts continue to be essential for us to create forecasts, compare pre-pandemic

business to this year, and understand current travel sentiment.

According to Tourism Economics, a full recovery for the industry could take two more years. TCM is dedicated to supporting travel and tourism for its partners and those that rely on the industry to keep their doors open. Our strategies must remain flexible as marketing opportunities evolve, but the goal of increasing brand awareness for the city of Costa Mesa as a desirable Orange County destination for both leisure and group business is our top priority.

**Paulette Lombardi-Fries**  
PRESIDENT, TRAVEL COSTA MESA



## MISSION STATEMENT

Travel Costa Mesa enhances and promotes the destination brand experience, further increasing visitor spending for industry and community economic viability, sustainability, and quality of life.



## VISION STATEMENT

Travel Costa Mesa is the engaged destination marketing leader, supporting, and selling the city's distinct visitor brand experiences and advocating community tourism benefits.



## KEY OBJECTIVE

Increase brand awareness for the city of Costa Mesa as a desirable, overnight, leisure Orange County destination.



## SALES OBJECTIVE

Increase brand awareness and new group room nights for the city of Costa Mesa – to make it the preferred Orange County destination ideal for small to mid-size business and boost the economic benefits throughout the city.





## TCM FUNDING

# 100% ASSESSMENT

### Business Improvement TCM Funding

TRAVEL COSTA MESA IS ENTIRELY FUNDED through a Business Improvement Assessment (BIA). Each of the 11 Costa Mesa partner hotels listed in this annual report collects a 3 percent levy from overnight hotel guests (2,375 total available rooms). All Transient Occupancy Tax (TOT) that the city of Costa Mesa collects goes into its general fund.

#### **BUSINESS IMPROVEMENT ASSESSMENT (BIA)**

Business owners shall pay the assessment to the Costa Mesa City Finance Department on a monthly basis. A penalty and interest shall be assessed on late payments. New hotel and motel businesses that are interested in participating in the BIA should contact the City and TCM. This is a voluntary program for hotel partners.





#### FISCAL YEAR 2021/2022

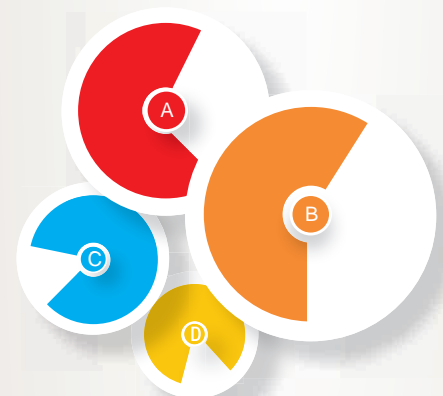
TCM is forecasting BIA revenue to come in at \$2.184M for the current fiscal year. As of February 2022, BIA funds are at \$1.592M. TCM forecasts a 125 percent increase from previous fiscal year 2020-2021. However, fiscal year 2021-2022 is forecasted to come in at a 6 percent decrease, compared to fiscal year 2019-2020. TCM's highest record of BIA was in fiscal year 2018-2019 in which revenue reached \$2.767M.

#### BIA REVENUE



#### PRIMARY EXPENSES FY 2021/2022

The following represents the primary expense projections for the current fiscal year:



- A. Total Marketing Expenses 27%
- B. Total Employee Expenses 32%
- C. Total Administrative Expenses: 8%
- D. Total Sales Expenses: 8%

\*Additional BIA revenue will be used towards marketing for group business and transient markets  
 \*\*In addition to the above expenses, existing reserves will be used for hotel marketing funds in the amount of \$476k and \$50k for group sales incentives.



## LODGING/ HOTEL PARTNERS

LODGING+ADDRESS	BUSINESSOWNER	PROPERTYOWNER
<b>Avenue of the Arts Costa Mesa, A Tribute Portfolio Hotel</b> 3350 Avenue of the Arts Costa Mesa, CA 92626	Rosanna Inc. 3350 Avenue of the Arts Costa Mesa, CA 92626	Rosanna Inc. 3350 Avenue of the Arts Costa Mesa, CA 92626
<b>Ayres Hotel Costa Mesa</b> 325 Bristol St. Costa Mesa, CA 92626	Newport Country Inn & Suites, Inc. 355 Bristol St., Ste. A Costa Mesa, CA 92626	Newport Country Inn & Suites, Inc. 355 Bristol St., Ste. A Costa Mesa, CA 92626
<b>Best Western Plus Newport Mesa Inn</b> 2642 Newport Blvd. Costa Mesa, CA 92627	James Hsuen & Shang-Pu Lee 2642 Newport Blvd. Costa Mesa, CA 92627	James Hsuen & Shang-Pu Lee 2642 Newport Blvd. Costa Mesa, CA 92627
<b>Crowne Plaza</b> 3131 Bristol St. Costa Mesa, CA 92626	Brighton Management 20342 SW Acacia St. Newport Beach, CA 92660	Bright Bristol Street, LLC 3131 Bristol Street Costa Mesa, CA 92626
<b>Hilton</b> 3050 Bristol Street Costa Mesa, CA 92626	Ashford TRSCM LLC 14185 Dallas Pkwy, Ste. 1100 Dallas, TX 75254	Remington Lodging & Hospitality LP 14185 Dallas Pkwy, Ste. 1100 Dallas, TX 75254
<b>Holiday Inn Express Hotel &amp; Suites</b> 2070 Newport Blvd. Costa Mesa, CA 92627	Narendra B. Patel 2070 Newport Blvd. Costa Mesa, CA 92627	Narendra B. Patel 2070 Newport Blvd. Costa Mesa, CA 92627
<b>OC Hotel Costa Mesa (Formerly BLVD Hotel)</b> 2430 Newport Blvd. Costa Mesa, CA 92627	Sai Hospitality Services, LLC 11556 Manchester Way Porter Ranch, CA 91326	Sanjay Panchal 11556 Manchester Way Porter Ranch, CA 91326
<b>Marriott</b> 500 Anton Blvd. Costa Mesa, CA 92626	Starwood Capital Group 591 West Putnam Ave. Greenwich, CT 06830	HEI Hotels & Resorts 101 Merritt 7 Corporate Park, 1st Flr Norwalk, CT 06851
<b>Ramada Inn &amp; Suites</b> 1680 Superior Ave. Costa Mesa, CA 92627	B.D. Inn Inc./Ramada Ltd. 1680 Superior Ave. Costa Mesa, CA 92627	B.D. Inn Inc./Ramada Ltd. 1680 Superior Ave. Costa Mesa, CA 92627
<b>Residence Inn by Marriott</b> 881 Baker St. Costa Mesa, CA 92626	Marriott International 10400 Fernwood Rd. Bethesda, MD 20817	BRE Select Hotels & Resorts 6201 15th Ave. Brooklyn, NY 11219
<b>The Westin South Coast Plaza</b> 686 Anton Blvd. Costa Mesa, CA 92626	Host Hotels & Resorts 6903 Rockledge Dr., Ste. 1500 Bethesda, MD 20817	C.J. Segerstrom & Sons c/o South Coast Plaza 686 Anton Blvd. Costa Mesa, CA 92626



## PUSHING FORWARD IN COSTA MESA

HOTEL group segments hopeful return and corporate long-term business shifts will be key to navigating towards a successful recovery. Transient and group business for our hotel partners continue to struggle. Measurements of success have been compared to 2019 results with little attention drawn to what transpired in 2020. Our 11 partnering hotels achieved a 58.5 percent occupancy in 2021, which is down over 25 percent compared to 2019. Average daily rate in 2021 was \$137.45 down 6.8 percent to 2019. Revpar, which is the calculation of revenue per available room for our hotel set, was down over 31.5 percent comparing 2021 to 2019. All segments of travel are not expected to fully recover until 2024.



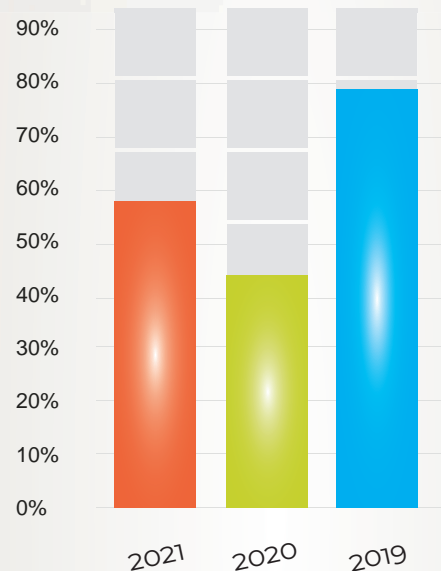
## HOTEL INVENTORY FOR THE STATE

The Golden State had a record number of guest room openings in 2021. However, developers that completed or were close to finalizing their projects in 2020 held off until the following year as noted by Alan Reay, president of the Atlas Hospitality Group (AHG). According to his company's "California Hotel Development Survey 2021", a total of 12,027 new guest rooms opened in California compared to a then-record 11,795 in 2019 and 88 hotels opened in 2021 compared to 92 in 2019.

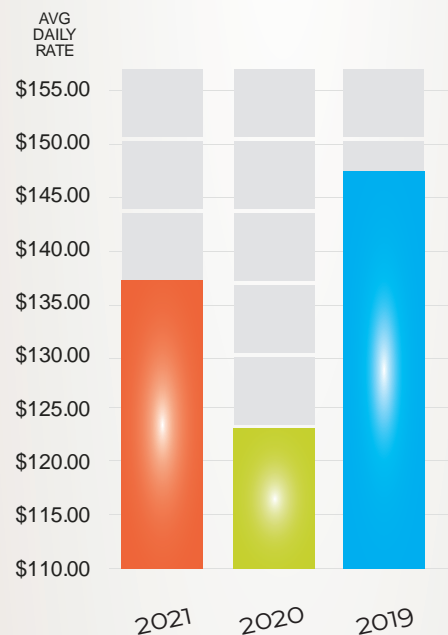
Higher-end, limited-service properties such as Residence Inn, SpringHill Suites, and Hilton Garden Inn made up the majority of new builds. Marriott International-branded hotels led California in guest room openings with 3,886 rooms. The company also led in development with 34 properties under construction and totaling 4,797 rooms. Los Angeles had 21 new hotels open that totaled 3,249 rooms while the largest hotel that opened was The Westin Anaheim Resort with 613.



## OCCUPANCY OF HOTEL PARTNERS (2019 - 2021)

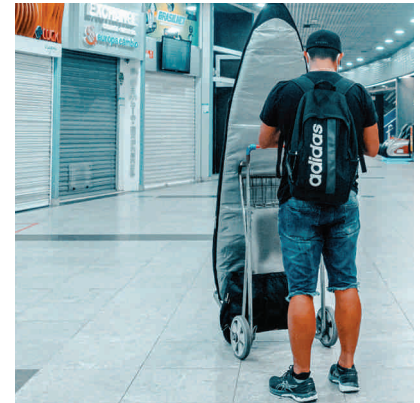


## AVERAGE DAILY RATE OF HOTEL PARTNERS (2019 - 2021)





## TRAVEL SENTIMENT



FOR the past 24 months, we have been studying an independent weekly research study conducted by Destinations Analysts that surveyed over 1,200 American travelers about their perceptions and behaviors surrounding travel. The results were turbulent, as new variants were identified throughout the year and travel sentiment fluctuated. But scenic beauty, warm weather, outdoor activities, road trips, and dining in regional restaurants are currently interests that remain top of mind for travelers.

Throughout February 2022, coronavirus cases dropped and optimism about the pandemic's course in the next month increased. Urban, beach locations, and small towns are currently the top three desired destinations. Family, romantic getaways, girlfriend, solo, and reunion trips are most desired, with fun and relaxation as top of mind for these travelers. By the end of February, over 82 percent of Americans were looking forward to traveling. In fact, 61.5 percent said travel is a high-budget priority. Twenty percent already have leisure trips planned.

April, May, June, and July are forecasted to be strong travel months. The booking window for planning remains short. Those that plan on taking a seven-day break are booking their vacation less than 60 days out. States of interest are New York, Florida, Las Vegas, California, and Hawaii. Thirty percent of American travelers are interested in vacationing abroad. Italy and France are at the top of the list with Canada, Mexico, the Caribbean, and Japan following.



## BY THE NUMBERS



At the start of the year, over half of American travelers were in a travel readiness state of mind and **60% missed traveling very much**

JANUARY 2021

SOURCE: Destination Analysts

By December, nearly eight in 10 (**78%**) of American travelers were **ready to travel**



DECEMBER 2021

## 2022 Travel Sentiment Trends



54%

want to visit places  
they've never been to



53%

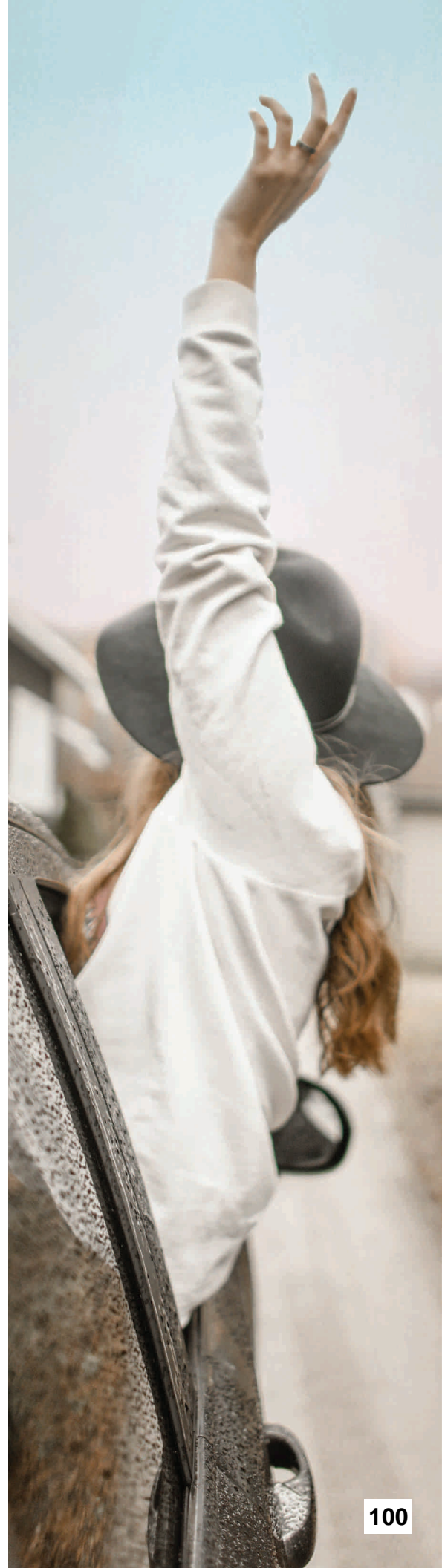
want to try to limit  
their personal impact  
on the environment



47%

tend to prefer active  
time vs. downtime on  
vacation

Source: Destination Analysts—February 2022 month-end survey of over 1,200 American travelers







# U.S. TRAVEL ASSOCIATION

REPRESENTING and advocating for all components in the travel industry, U.S. Travel Association is a nonprofit national organization that promotes and facilitates travel to the United States. This organization worked with the U.S. government to secure language in the American Rescue Plan Act that specified funds could be used to aid in the travel and tourism industry.

Grant monies from the U.S. Economic Development Administration were specified for travel, tourism, and outdoor recreation. Airline and airport-relief grants supported workers as well as prevention, preparedness, and response measures to aid in the fight against COVID-19. Paycheck protection plan and employee-retention tax credit programs were also supported and pushed for.

Strategic priorities throughout the year focused on the return of business travel, meetings and events, increase leisure demand, safely restore international travel, communicating the power of travel, strengthening and convening membership and paving the future of travel.


**WHAT WE DID:**  
U.S. Travel formed a working group and launched the Let's Meet There campaign in June 2021.

*Let's* **Meet** *There*



 **77%** of full-time employees agree that taking vacation is **IMPORTANT TO THEIR JOB SATISFACTION**

**NATIONAL PLAN FOR Vacation DAY**  
JANUARY 25, 2022



Source: Destination Analysts—December 2021

## Business at Hand

The national travel industry recovery for the leisure segment continues to be strong. Even during the COVID-19 omicron and delta surge, many travelers carried on with their vacation plans. Business travel continues to lag and postponing of meetings and group business occurred once again in the winter. International arrivals in 2021 were down over 73 percent compared to 2019.

TRAVEL FORECAST | FALL 2021

## VOLUME

### U.S TRAVEL FORECAST - VOLUME

	2019	2020	TRAVEL FORECAST				
	2021	2022	2023	2024	2025		
Total # of trips	2.40B	1.60B	2.04B	2.29B	2.47B	2.57B	2.61B
Domestic Person Trips	2.32B	1.58B	2.02B	2.24B	2.40B	2.29B	2.53B
Leisure	1.84B	1.40B	1.77B	1.86B	1.95B	2.01B	2.04B
Business	464M	181M	250M	371M	446M	484M	492M
Auto	2.13B	1.50B	1.89B	2.07B	2.21B	2.29B	2.32B
Air	189M	79M	131M	166M	189M	206M	214M
International Arrivals	79M	19M	21M	52M	68M	78M	84M
Canada	21M	5M	3M	14M	18M	22M	24M
Mexico	18M	7M	9M	17M	18M	19M	19M
Overseas	40M	8M	10M	22M	31M	38M	41M

Sources: Tourism Economics and U.S. Travel Association

Total travel spending for 2021 is estimated at \$877 billion compared to \$1.17 trillion in 2019. Domestic travel spending, which includes leisure and business, was down 15 percent. International spending in 2019 totaled \$181 billion compared to \$40 billion in 2021 with the largest differential coming from the leisure segment.

TRAVEL FORECAST | FALL 2021

## SPENDING

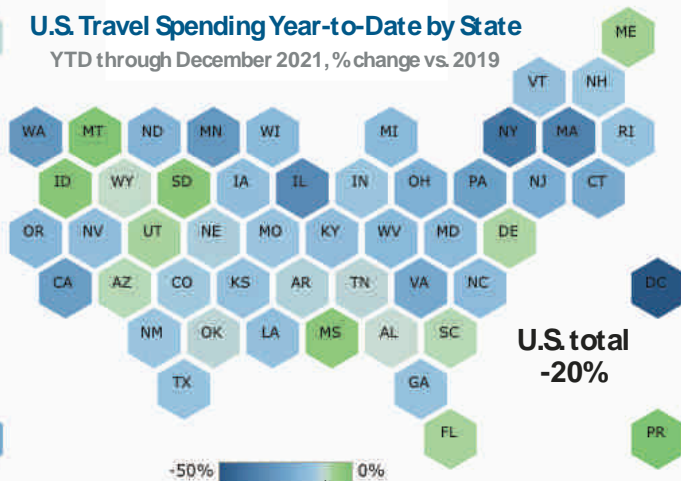
### U.S TRAVEL FORECAST - SPENDING

	2019	2020	TRAVEL FORECAST				
	2021	2022	2023	2024	2025		
Total Travel Spending	\$1.17T	\$680B	\$877B	\$1.06T	\$1.16T	\$1.23T	\$1.26T
Domestic	\$992B	\$642B	\$838B	\$932B	\$997B	\$1.04T	\$1.06T
Leisure	\$722B	\$555B	\$702B	\$726B	\$745B	\$766B	\$776B
Business	\$270B	\$88B	\$136B	\$206B	\$252B	\$277B	\$284B
Transient	\$157B	\$59B	\$93B	\$127B	\$152B	\$164B	\$169B
Group	\$113B	\$28B	\$43B	\$79B	\$100B	\$113B	\$115B
International	\$181B	\$38B	\$40B	\$131B	\$159B	\$183B	\$198B
Leisure	\$145B	\$31B	\$32B	\$107B	\$130B	\$148B	\$162B
Business	\$36B	\$7.3B	\$8B	\$24B	\$30B	\$35B	\$36B
Transient	\$22B	\$4.6B	\$5B	\$16B	\$19B	\$22B	\$22B
Group	\$14B	\$2.7B	\$3B	\$8B	\$11B	\$13B	\$14B

Sources: Tourism Economics and U.S. Travel Association

## U.S Travel Spending Year-to-Date by State

YTD through December 2021, % change vs. 2019



// TRAVEL COSTA MESA //

## SYMPHONY TOURISM ECONOMICS

Cumulative Losses Since January 2020

United States, through December 2021



**\$730.7B**

Travel Spending  
(difference)



**\$53,118M**

Federal Taxes



**\$22,978M**

State Taxes



**\$13,642M**

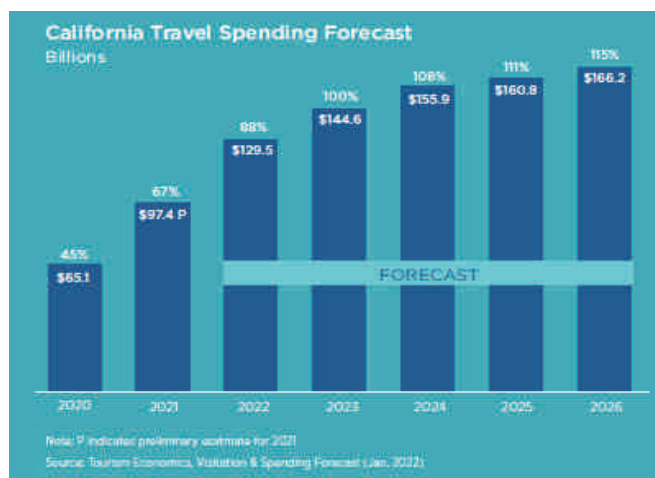
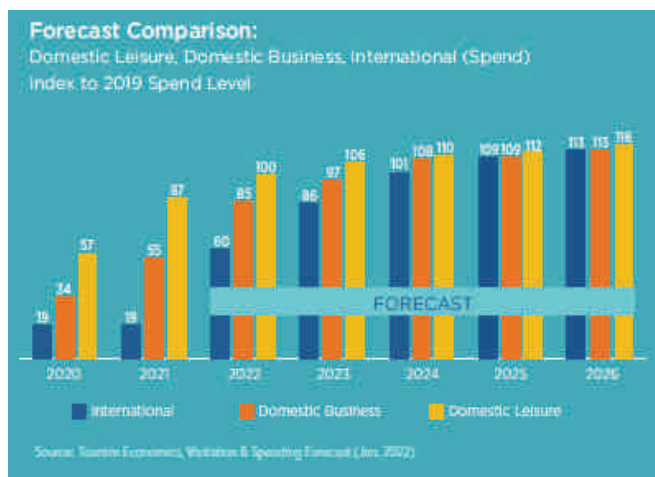
Local Taxes



## Variables Used in Analyzing the Marketing Landscape



ALTHOUGH the domestic leisure markets throughout the country assisted in the road to recovery, travel spending in total for 2021 will equate to just two-thirds of 2019 overall spending. California's domestic leisure market is expected to recover in 2022. However, domestic business, including meetings and events and international segments, will take two more years to fully recover compared to 2019 levels.



# VISIT CALIFORNIA'S RECOVERY

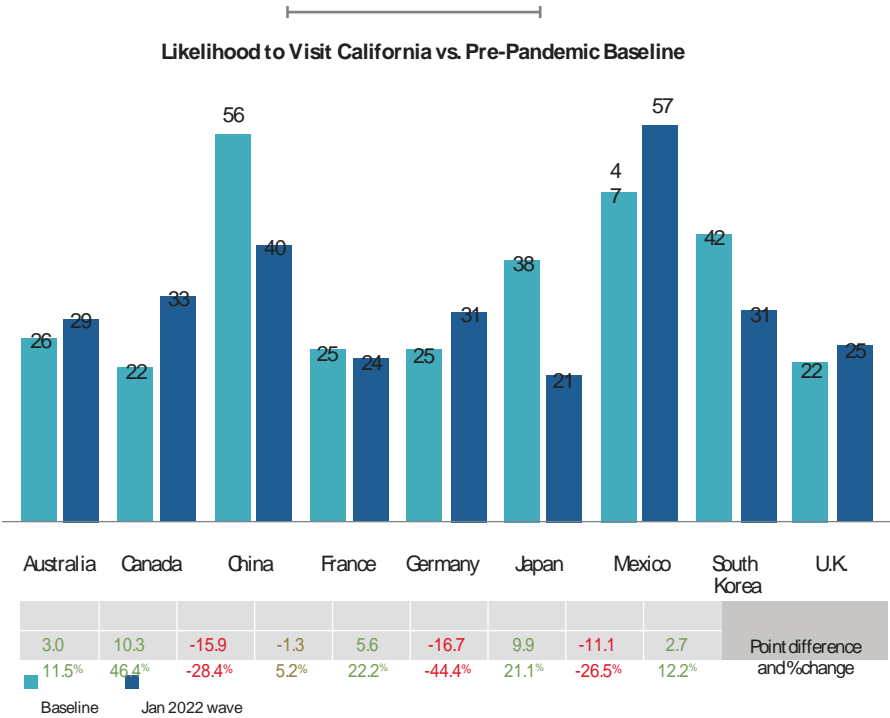
THE KEY OBJECTIVE of Visit California (VCA), our state's destination marketing organization, is to restore and increase domestic leisure travel, professional meetings and events (the first time in marketing to this segment), international travel, and urban tourism in California.



Visit California's \$95 million stimulus from the governor's office for fiscal year 2021/2022 allowed for partnership opportunities with destination marketing organizations throughout the state and the continuation of inspiring the California dream. TCM took advantage of this partnership and was able to amplify our reach with a summer, winter holiday and spring campaign this fiscal year. Calling All Californians, Road Trip Republic, What If and always on search and content distribution programming was continued and new programs such as urban core, Kidifornia/snow, culinary and business/ group travel were added to VCA's plan.



In 2022, VCA's top international prospects will be Mexico and Canada. Those markets, in addition to the United Kingdom, Germany, and Australia, pose the highest likelihood to visit California, which is above pre-pandemic levels. While VCA's historic and expected future value of China will keep it as a priority market, political pressure and COVID-19 protocols create an uncertainty there. Public health, economic factors, and consumer sentiment are being used to determine international opportunities.

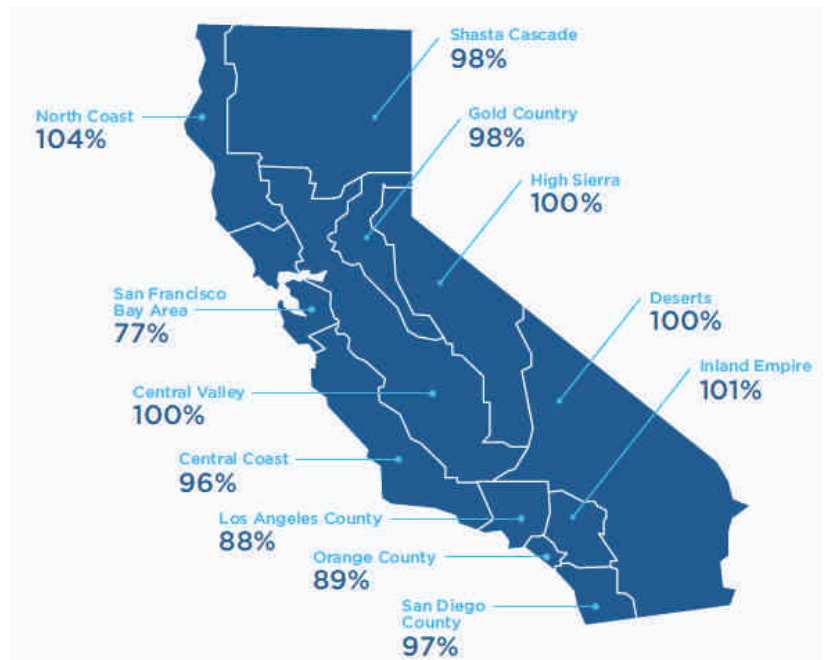


In 2021, occupancy levels for the state of California reached just over 61 percent compared to just over 49 percent in 2020. July and August 2021 were the two highest months of occupancy within the first half of fiscal year 2021/22. Areas within the state with the highest occupancies include the Inland Empire, Shasta Cascade, North Coast, and Central Valley. Average daily rates within the state for 2021 reached \$153.85 vs \$130.28 in 2020.



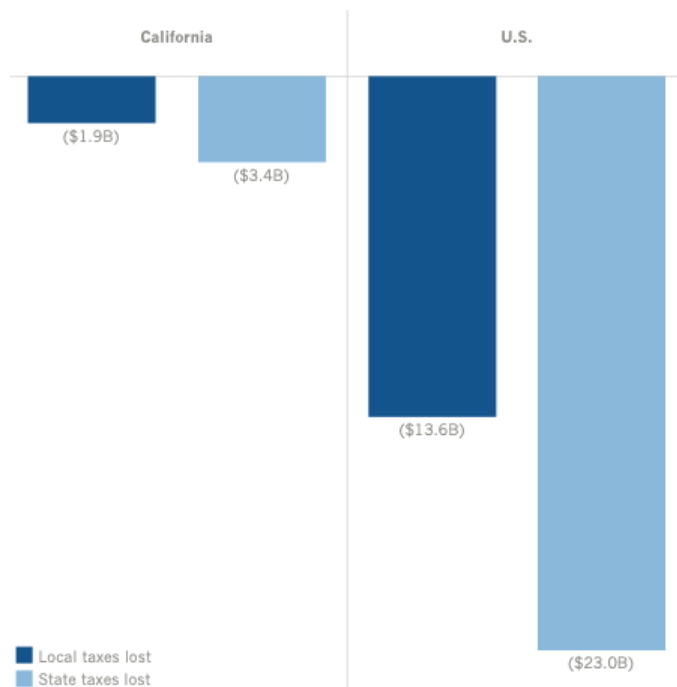


# VISIT CALIFORNIA'S RECOVERY



Source: Tourism Economics, Lodging Forecast (Dec. 2021)

## Cumulative Local & State Taxes Lost / Jan 2020-Dec 2021



Source: Tourism Economics on behalf of USTA





### John Wayne Airport, Orange County (SNA)

#### Monthly Airport Statistics - December 2021

	December 2021	December 2020	% Change	Year-To-Date 2021	Year-To-Date 2020	% Change
<b>Total passengers</b>	847,671	231,033	266.9%	7,700,489	3,794,850	102.9%
Enplaned passengers	420,797	115,738	263.6%	3,828,546	1,893,027	102.2%
Deplaned passengers	426,874	115,295	270.2%	3,871,943	1,901,823	103.6%
<b>Total Aircraft Operations</b>	22,410	18,061	24.1%	311,684	238,340	30.8%
General Aviation	14,712	13,745	7.0%	231,668	186,189	24.4%
Commercial	7,170	3,837	86.9%	74,253	46,370	60.1%
Commuter <sup>1</sup>	508	464	9.5%	5,369	5,250	2.3%
Military	20	15	33.3%	394	531	-25.8%
<b>Air Cargo Tons <sup>2</sup></b>	1,550	1,435	8.0%	18,243	18,203	0.2%
<b>International Statistics <sup>3</sup></b>	(included in totals above)					
	December 2021	December 2020	% Change	Year-To-Date 2021	Year-To-Date 2020	% Change
<b>Total Passengers</b>	17,919	0	0.0%	112,046	17,246	549.7%
Enplaned passengers	9,065	0	0.0%	54,525	8,703	526.5%
Deplaned passengers	8,854	0	0.0%	57,521	8,543	573.3%
<b>Total Aircraft Operations</b>	212	0	0.0%	1,400	172	714.0%

1. Aircraft used for regularly scheduled air service, configured with not more than seventy (70) seats, and operation at weights not more than ninety thousand (90,000) pounds.
2. All-Cargo Carriers: 1,373 tons  
Passenger Carriers (incidental belly cargo): 77 tons  
Current cargo tonnage figures in this report are for: November 2021
3. Includes all Canada and Mexico Commercial passengers and operations.



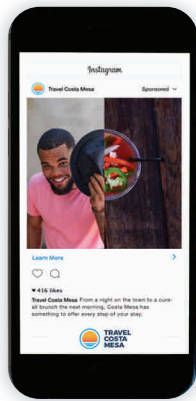
### CALIFORNIA AIRLIFT (California Totals)

TOTALS					
	2021	2020	2019	%Change from 2020	%Change from 2020
January	4,263,584	17,927,298	17,509,241	-76.2%	-75.6%
February	4,251,879	16,150,142	16,048,966	-73.7%	-73.5%
March	6,830,848	8,520,466	19,545,437	-19.8%	-65.1%
April	8,431,744	739,133	19,652,201	1040.8%	-57.1%
May	10,618,628	1,591,004	20,696,477	567.4%	-48.7%
June	12,932,248	3,198,022	21,814,825	304.4%	-40.7%
July	14,935,685	4,482,725	22,755,030	233.2%	-34.4%
August	13,961,995	4,885,769	22,378,689	187.5%	-37.6%
September	12,526,728	4,929,772	19,257,968	154.1%	-35.0%
October	13,904,405	5,708,888	20,079,531	143.6%	-30.8%
YTD*	102,657,744	68,103,219	199,738,365	50.7%	-48.6%

DOMESTIC					
	2021	2020	2019	%Change from 2020	%Change from 2020
January	3,705,606	14,409,007	14,014,502	-74.3%	-73.6%
February	3,890,582	13,509,201	13,100,720	-71.2%	-70.3%
March	6,303,117	7,052,175	16,082,812	-10.6%	-60.8%
April	7,787,037	654,059	16,033,953	1090.6%	-51.4%
May	9,738,031	1,507,544	16,854,310	546.0%	-42.2%
June	11,773,788	3,011,044	17,633,938	291.0%	-33.2%
July	13,507,627	4,172,590	18,344,723	223.7%	-26.4%
August	12,528,251	4,476,438	18,126,708	179.9%	-30.9%
September	11,358,746	4,529,101	15,609,239	150.8%	-27.2%
October	12,669,176	5,226,134	16,475,684	142.4%	-23.1%
YTD*	93,261,961	58,547,293	162,276,589	59.3%	-42.5%

INTERNATIONAL					
	2021	2020	2019	%Change from 2020	%Change from 2020
January	557,978	3,518,291	3,494,739	-84.1%	-84.0%
February	361,297	2,640,941	2,948,246	-86.3%	-87.7%
March	527,731	1,468,291	3,462,625	-64.1%	-84.8%
April	644,707	85,074	3,618,248	657.8%	-82.2%
May	880,597	83,460	3,842,167	955.1%	-77.1%
June	1,158,460	186,978	4,180,887	519.6%	-72.3%
July	1,428,058	310,135	4,410,307	360.5%	-67.6%
August	1,433,744	379,331	4,251,981	278.0%	-66.3%
September	1,167,982	400,671	3,648,729	191.5%	-68.0%
October	1,235,229	482,754	3,603,847	155.9%	-65.7%
YTD*	9,395,783	9,555,926	37,461,776	-1.7%	-74.9%

Sources: individual airports. \* Note: Monthly figures may not sum to YTD due to data revisions. Airports include Airports include Los Angeles, Burbank, Long Beach, Ontario, Orange County, Oakland, Sacramento, San Diego, San Jose, San Francisco



## MARKETING COSTA MESA

AS WE ENTERED 2021, TCM continued to work through the challenges of a once-in-a-century pandemic. The early months showed signs of improvement, though we had some dips due to the delta and omicron variants that caused increased bursts of COVID cases throughout the year. While 2021 continued to be a difficult year for the tourism industry, we seemed to have figured out how to market safe travel through these times, including imagery with masks, avoiding group imagery, highlighting outdoor experiences, and the like.

TCM returned to our “always-on” marketing strategy—we mixed brand awareness with promotional campaigns during need times to help increase hotel room night occupancy. Besides a couple of small campaigns, we did not promote travel to Costa Mesa in much of 2021. Our most important goals were to:

# 1.

Continue strong support for our local retail and dining businesses through the pandemic by sharing promotional offers and special events

# 2.

Promote brand awareness of Costa Mesa

# 3.

Promote safe travel to Costa Mesa in our creative and in our content

TCM continued marketing only to nearby drive markets in Los Angeles, San Diego, the Inland Empire, and even communities within Orange County for “staycations” or trips close to home. We did begin to do more public relations (brand) outreach to areas in greater California and even the West Coast, as applicable. While we began to build our marketing budget back up from where it had been reduced in 2020, our online marketing budget was still only 62 percent of what it was in 2019.



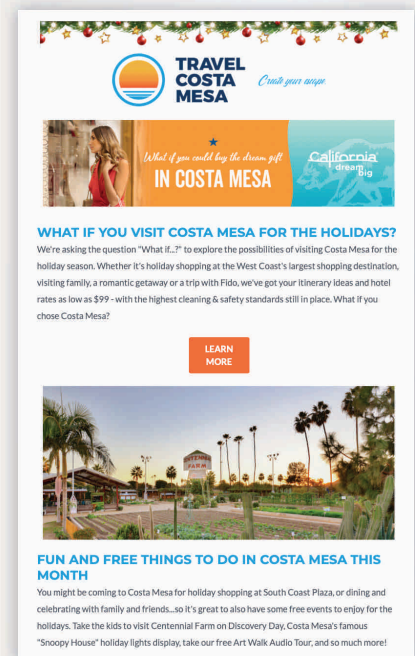


## WHAT IS SEO?

Search engine optimization (SEO) is the process of improving the quality and quantity of website traffic to a website or a web page from search engines. SEO targets unpaid traffic rather than direct traffic or paid traffic.

Source: Wikipedia

Another great story from our owned media channels was email marketing. Over the past year, we have worked hard on the health of our email list by archiving old email addresses and making sure the users we had were truly interested and engaged in TCM's monthly email newsletter.



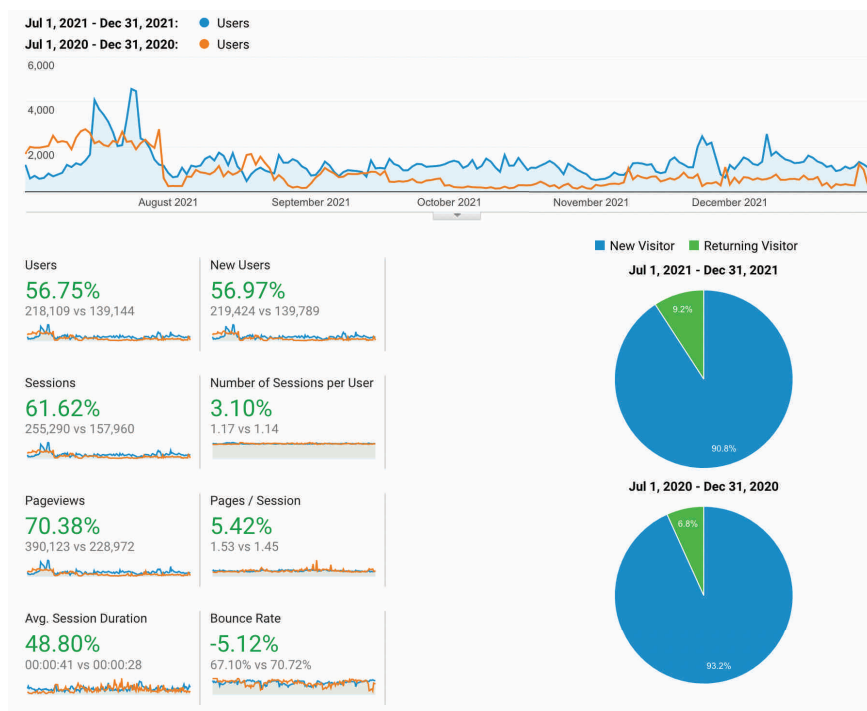
From a Mailchimp "Email Marketing Benchmark and Statistics by Industry" study in October 2019, emails in the travel sector had an average open rate of 20.44 percent. TCM's average email open rate for the last half of 2021 was 30.58 percent, over 10 percent higher than the industry average. Our holiday 2021 email had our best open rate ever at 37.39 percent. Our June 2021 email, which featured a "California Reopens" message, had our best click-to-open rate (CTOR) with 9.5 percent—TCM's average CTOR was 4.67 percent last year.

## WEBSITE TRAFFIC

Travelcostamesa.com ended calendar year 2021 with total website users up 4.05 percent (312,796 vs. 300,616) and sessions up 6.51 percent (372,296 vs. 349,539) over the previous year. Clearly, the pandemic continued to cause our traffic to struggle with growth.

It was an interesting year for website traffic. Where we saw channels driving huge growth last year (for example, our Taboola content marketing channel), they didn't drive the same numbers in 2021. Why? We surmise it is primarily due to the first half of 2021 (January to June) when there were multiple factors: less ads, higher cost per click, more competition, and breaks in ads. Subsequently, based on changes in blog selection, bidding parameters, and optimization, it has picked up. In fact, cost per click is now the most competitive in Taboola, which may not be sustainable, but it will definitely be more competitive than in recent past.

We increased new website users by 6.73 percent (316,673 vs. 296,717) and pageviews by 5.05 percent (565,640 vs. 538,473) year over calendar year. The second half of 2021 (July to December) already performed significantly better than the first half: we increased in total users by 56.75 percent, total sessions by 61.62 percent and total pageviews by 70.38 percent. The chart below shows total growth the last half of 2021 compared to the last half of 2020. Things are getting better.



We were excited by the growth of our organic search traffic, which had a 140.50 percent gain year over year (95,654 vs. 39,773) due to our search engine optimization efforts. Every result we get from an organic search is "free" traffic to TCM—not earned without cost of labor, but without paid advertising.



# MARKETING COSTA MESA

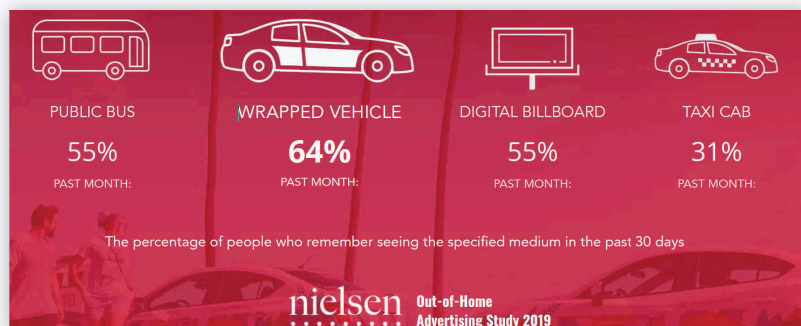
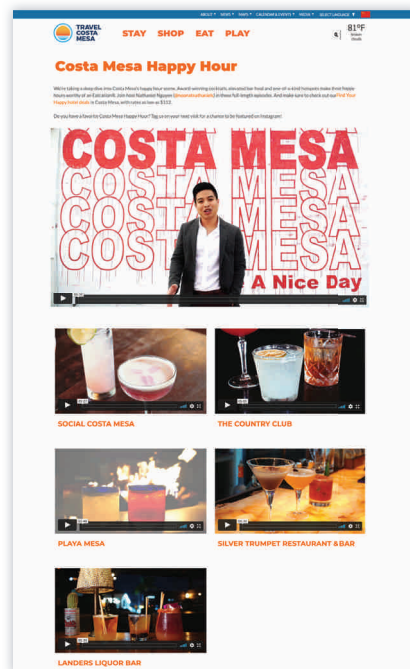


## “CREATE YOUR ESCAPE...CLOSE TO HOME” CAMPAIGN

In March and April of 2021, we launched our first big promotional campaign of the year, returning us closer to the promotion levels we had been performing at prior to the pandemic. We used a message we felt was appropriate for the time and that performed well before: “Create your Escape...Close to Home.” Our messaging included a \$100 gift card to South Coast Plaza that was being offered by five of our hotel partners, with the other remaining six asking to just promote their top offers from their site. We had 3,600 page visits for the campaign.

## “FIND YOUR HAPPY” CAMPAIGN

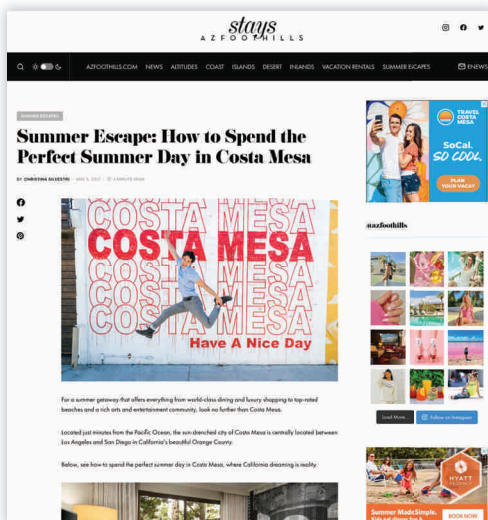
To continue our strategy of messaging with a lean towards hope, fun, and happiness, we launched the “Find your Happy” campaign in summer 2021, that included six videos with social campaign support. Host Nathan Nguyen (@noonatnathaniels) took viewers to six great spots in the city offering happy hours, including SOCIAL, Country Club, and Playa Mesa. We had created the videos pre-pandemic but had to postpone the launch. We consider this great “evergreen” content that we’ll use again in the future—currently they are on [travelcostamesa.com](http://travelcostamesa.com), as well as our Facebook page and Vimeo channel.



## “SOCAL...SO COOL” CAMPAIGN

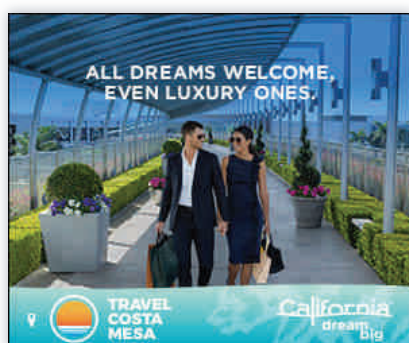
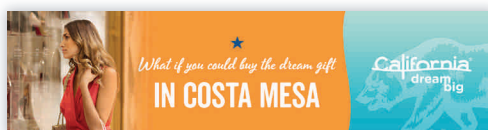
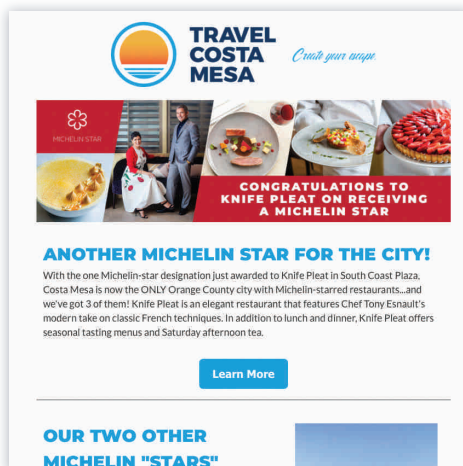
We launched the “SoCal...So COOL” summer campaign in June for local visitors who would be interested in a “staycation” or a quick trip away. Pairing it with the “Beat the Heat” Arizona campaign, we used a double-meaning messaging—Costa Mesa being the coolest city in Orange County and also cooler with perfect beach weather compared to cities in hotter climates.

“SoCal...So COOL” was our most successful campaign of the year, garnering 800 hotel leads and approximately 52,000 site visits. We ran ads on Uber and Lyft cars in the Los Angeles area and received over 3 million impressions. Per a Nielsen out-of-home advertising study, 64 percent of people who saw messaging on a wrapped vehicle remembered it within 30 days of seeing it.



## KNIFE PLEAT CAMPAIGN

In October 2021, we got the exciting news that Knife Pleat in South Coast Plaza received its first Michelin star. To celebrate, we changed our website's home page leaderboard and promoted the accolade in our email and social media accounts. This is an exciting feather in the Costa Mesa cap, as we now have three Michelin-star restaurants, and the only three Michelin-star restaurants in all of Orange County.



## HOLIDAY CAMPAIGN

We created a holiday campaign that used Visit California's "What If" messaging to utilize additional state funding. The campaign ran from mid-November 2021 to January 2022 and was our fourth most visited page for the year. We featured events happening in the city in public relations and social messaging, along with display ads to the campaign page. It brought just over 700 leads and approximately 75,000 site visits.

## "BEAT THE HEAT" CAMPAIGN

"Beat the Heat" was a smaller social and blog campaign in summer 2021 that we ran in Arizona only. We worked with Arizona Foothills Magazine to create online and social content featuring Costa Mesa as a "Get Cool" destination for those in the oppressive heat in Arizona. We focused mostly on the major metropolitan areas of Phoenix and Tucson, and also placed a billboard on the I-10 westbound at Quartzite, Arizona.



## WHAT ARE OWNED MEDIA CHANNELS?

Owned media is any kind of organic content delivery channel that you have control over. This might include your blog, website, YouTube channel, or Facebook page. It does require an investment in time and resources to create, but you don't directly pay for reach.

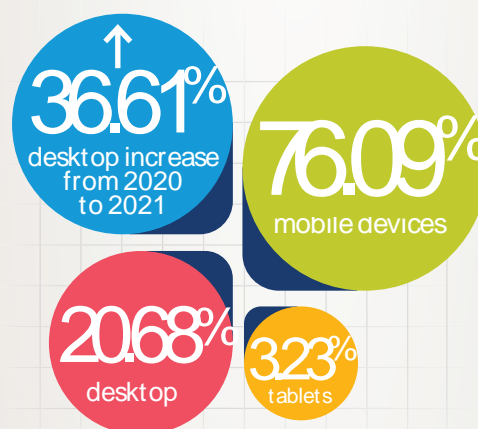
Source: *theagencyguide.com*



## USAGE

We saw an interesting lift in desktop users in 2021, a **36.61** percent increase (64,798 vs. 47,433) from the previous year. We could attribute this to more remote workers or visitors continuing to spend more time at home. However, the primary traffic source to *travelcostamesa.com* is from mobile devices. In 2021, **76.09** percent of our traffic was from mobile devices, **20.68** percent was from desktop, and **3.23** percent was from tablets.

Desktop vs Mobile vs Tablet Share Worldwide





## MARKETING COSTA MESA

### VISIT CALIFORNIA CO-OP CAMPAIGNS

In a unique opportunity from Visit California, destination marketing organizations (DMOs) in the state were invited to participate in a co-op whereby those DMOs would get a discount on advertising spend with five vendor partners. TCM continued participation in this initiative, which was extended for 2021, due to additional funds being allocated to Visit California from the state.

To maximize use of the funding, we combined our promotional campaigns with the Visit California “What If” messaging so we could have a direct financial return on these investments. In 2021, we completed programs that expect a financial return from Visit California of just over \$50,000.

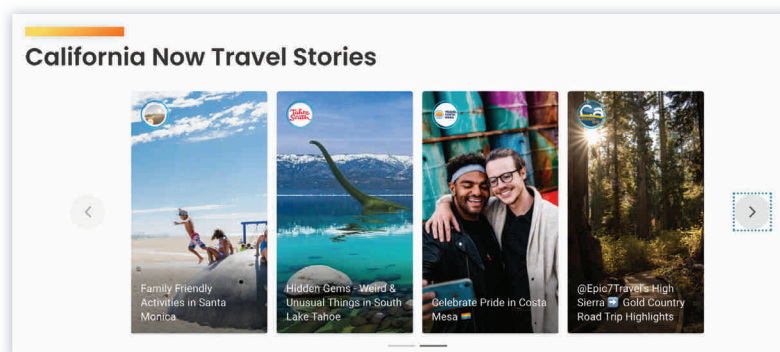


### CONTENT UPDATES

We continued to keep our COVID-19 coverage current as the pandemic continued, including having a button on the home page directing people to our latest COVID-19 information. We also kept a business updates page and a hotel safety and cleanliness page.



Visit California launched a “California is Back – All Dreams Welcome” campaign, and TCM participated in the campaign in 2021. We posted social, blog, and site content in support of the messaging.

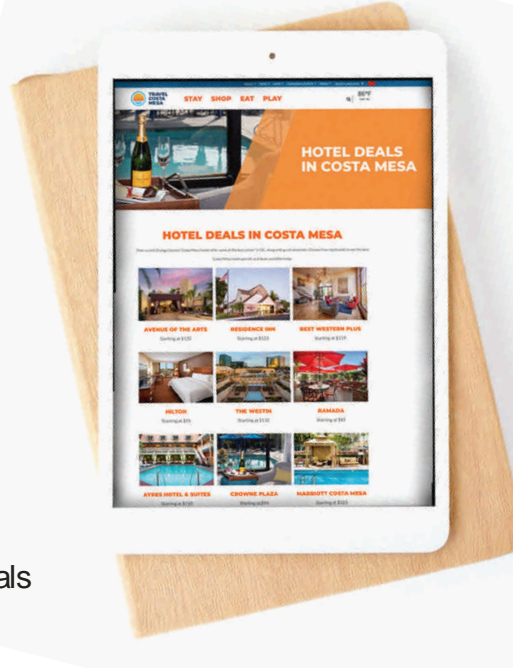


We created a new “Outdoor Patio” dining page on our site, listing restaurants that offered outdoor dining and their hours. TCM also joined the Visit California Travel Story Network, where social stories created by DMO partners could be featured on the Visit California home page and would also help in the Visit California/Google stories search campaign. Our LGBT pride month story was featured on the Visit California home page.



#### TOP 10 WEBPAGES VISITED

1. Summer Hotel Deals
2. Hotel Specials and Discounts
3. OC Fair
4. Holiday Hotel Deals
5. OC Swap Meet
6. What if Costa Mesa?
7. Homepage
8. OC Night Market
9. Eat cation® (main)
10. Spring Break Hotel Deals



#### MEETINGS CAMPAIGN BUILD

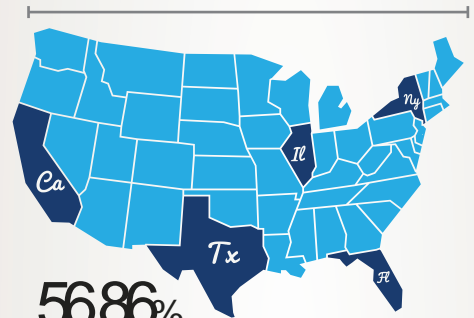
Due to the pandemic, meetings and events scheduled in Costa Mesa have taken a large downturn. TCM's board of directors has told us that regaining meetings and event business in this city is a key priority going forward. TCM is creating a new marketing campaign from scratch to focus on a paid meetings/events strategy. This strategy includes:

1. The creation of a new meetings guide, which will be completed in spring 2022. The last one was created in 2011.
2. TCM has shot new content in April for the meetings video and guide. A new meetings video was launched in summer 2021 and lives on the [travelcostamesa.com/meetings](http://travelcostamesa.com/meetings) page, on our Vimeo channel, and on LinkedIn.
3. Paid placement on Cvent. From Cvent's Facebook page: "The comprehensive Cvent event marketing and management platform offers software solutions to event organizers and marketers for online event registration, venue selection, event marketing and management, virtual and onsite solutions, and attendee engagement. Cvent's suite of products automate and simplify the entire event management process and maximize the impact of in-person, virtual, and hybrid events. Hotels and venues use Cvent's supplier and venue solutions to win more group and corporate travel business through Cvent's sourcing platforms and to service their customers directly, efficiently, and profitably."
4. Paid placement on the Helms & Briscoe site, a property management company where we can offer Costa Mesa's meeting and event services.



#### VIST CALIFORNIA POPPY AWARD 2022 FINALIST

There's no question people continue to look to destination marketing organizations to get information about planning a trip and even while visiting a city. While it has been a tough year, we remain optimistic about our role in returning travel and tourism to our city. In early 2022, TCM was named a finalist for a Poppy Award from Visit California for our influencer marketing campaign in 2021. The competition for the awards were fierce, and though TCM did not win, we were recognized as a finalist in a year with a record number of entries.



56.86%  
CALIFORNIA

4.00%  
TEXAS

3.29%  
NEW YORK

3.00%  
FLORIDA

2.82%  
ILLINOIS

#### TOP WEBSITE VISITORS BY STATE

27.10%  
LOS ANGELES

3.67%  
SAN DIEGO

2.11%  
LONG BEACH

1.92%  
RIVERSIDE

1.44%  
SAN FRANCISCO

#### TOP WEBSITE VISITORS BY CITY (OUTSIDE OF OC)

# MEDIA & COMMUNITY RELATIONS



**MarketWatch** 50% OFF 1 YEAR

Coronavirus Update: U.S. daily new-case tally moves below 100,000 mark →

## Largest Shopping Center on the West Coast Presents "Reinvented" Food Hall and Fine Jewelry Facelift in Costa Mesa

Travel Costa Mesa's director of public relations and community relations position was changed in August 2021 to become the director of media and community relations. This shift represents TCM's understanding of the importance of social media, and influencers particularly, as part of our overall marketing strategy. TCM hired Bobby Navarro, who came to the organization with a depth of experience in marketing and social media promotion, along with strong influencer relationships.

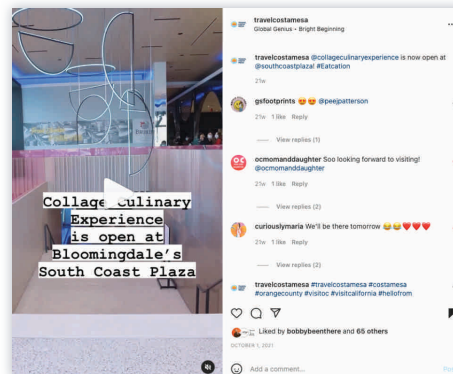
**TRAVEL COSTA MESA** 77°F smoke

A place to play, pair and piece together the most perfect dining experience.

### Collage Culinary Experience

**COLLAGE**

Featuring top cuisine including the only U.S. location of Paradise Dynasty, it's called the place to play, pair and piece together the most perfect dining experience. Located exclusively at Bloomingdale's South Coast Plaza on the main floor, Collage Culinary Experience is an elevated, two-story global dining collective that offers the best international and local cuisine in 9 different dining experiences, all within an artfully designed space.



In 2021, we decided to make a move in media relations to align our social messages, our influencer partnerships, and our media communication into a cohesive earned media strategy. Our goal was representing what was best to showcase in Costa Mesa during key periods while also taking into consideration our target markets. This type of strategy creates multiple opportunities of engagement for potential consumers and increases the likelihood that the consumer will engage with the content, especially when the content is being directed to individuals in our target drive markets of San Diego, Los Angeles, and the Inland Empire.



As a consumer is exposed to Costa Mesa more times in different ways (i.e. on TCM social or blog, on their favorite news sites, and/or through their favorite influencer), they are more likely to engage and consider the city for their next leisure travel experience.

## MEDIA PITCHES

The director of media and community relations repositioned the national and regional press releases to be more targeted and newsworthy in order to receive the most pick up from publications and the highest interest from readers. For example, in various public relations channels, we submitted specially curated press releases strictly about our food news or arts news to respective journalists or media who were focused on this type of content.



**"Largest Art Organization in Southern California Brings Broadway Back in a Big Way"**

**"35th Anniversary of Segerstrom Center of the Arts, Broadway Tours, and World Class Performances..."**



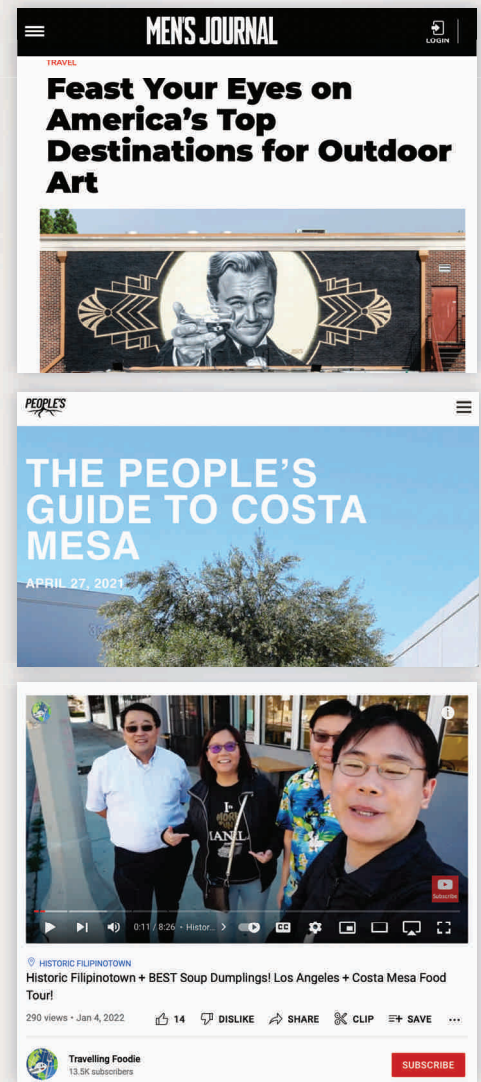
**"The West Coast's Largest Shopping Destination Redefines Retail"**

**"Cha Cha Matcha at Tiffany's Blue Box Café, Collage Culinary Experience, and 55th Anniversary of South Coast Plaza"**



**"Celebrate 'National Plan for Vacation Day' by Visiting One of the Hottest Lifestyle Destinations in California"**

**"Moulin, Tableau Kitchen and Bar, and Butcher's Brasserie is Now Open..."**



## MEDIA COVERAGE

From March 2021 to February 2022 seven press releases were sent and the director of media and community relations worked on two joint press partnerships which resulted in:

OVER  
**36,163,200**  
 CUMULATIVE IMPRESSIONS  
 ---  
**315%**  
 INCREASE FROM FY2020-21

We continue to notice a majority of impressions are coming from food and beverage coverage, and that there is strength in positioning the city as having "the most," "the best," or "the first" of something. These commonly used tactics have garnered more interest and allowed for increased visibility to the city and to TCM partners.

Coverage has spanned publications and sites such as Benzinger, Market Watch, Yahoo Finance, Voice of OC, Los Angeles Times, Daily Pilot, Street Insider, Michelin Guide, Visit California, and more.



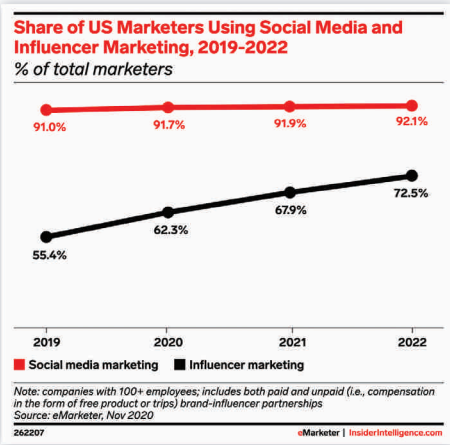


# MEDIA & COMMUNITY RELATIONS

## INFLUENCER PROGRAM

Influencer marketing is a fast-growing tool for promotion. Research from eMarketer shows that **72.5 percent** of marketers are expected to be utilizing these means by the end of 2022.

With over **50 percent** of consumers stating that social media and word of mouth are their preferred ways to learn about new brands, the director of media and community relations made a huge pivot into increasing the quantity and the quality of the influencers that came to visit and share on behalf of TCM.



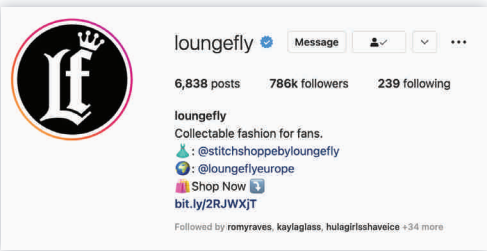
From August to February 2021, TCM and our partner hotels have hosted nearly **50 influencers** with followers ranging from **10,000 to 4.2 million**. This is **10 times** the number of influencers reported visiting in FY2020-21, and **100 times** the biggest influencer reported visiting in that same year. The cumulative following of all the influencers that have been hosted from August 2021 to February 2022 has surpassed **22 million**, which is a **21,900 percent** increase from the cumulative following reported in FY2020-21.

Based on the formula provided by Intellifluence and pricing decks provided by these influencers, what we received in **earned (non-paid) media** through influencer marketing from August to February 2021 would have cost more than **\$220,000** (a conservative estimation). This doesn't include the thousands of IG stories, hotel mentions, and influencers that posted multiple times on their profile which would all increase this estimation.

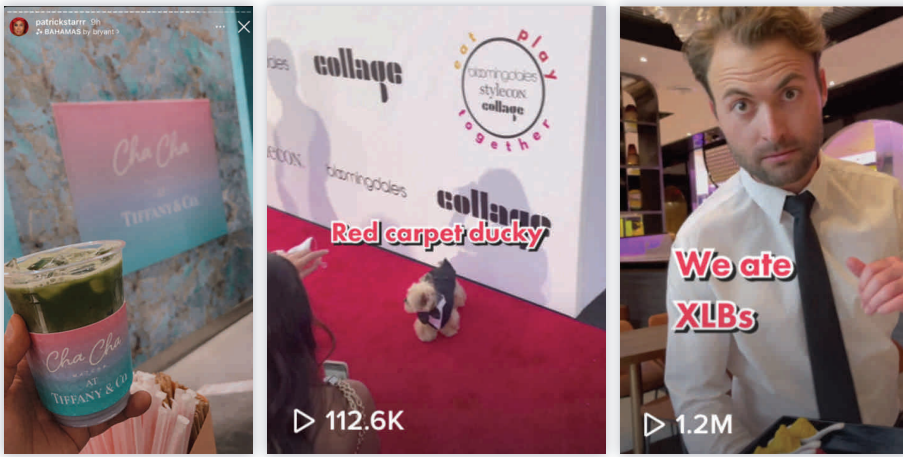
## Influencer Value Formula

In a 2021 study done by Intellifluence, who manages 150,000 influencers around the world, influencers no longer get paid one to two cents per follower but are typically being compensated more after reaching specific thresholds.

>20K=	AVERAGE \$272 PER POST
>60K=	AVERAGE \$745 PER POST
>90K=	AVERAGE \$1,200 PER POST
~150K=	\$2,100 PER POST*
~300K=	\$5,000 PER POST*
~500K=	\$7,000 PER POST*
1,000,000+=	\$10,000+ PER POST



TCM has also begun working with established and trending brands (and their influencer strategy) in order to create unique experiences that receive more influencer attention, most recently with Collage Culinary Experience and Loungefly.



The director of media and community relations has found that creating a thematic itinerary around events in the city has resonated with influencers and motivates them to support Costa Mesa without monetary compensation. We have seen that with our dining itinerary in October with Collage Culinary Experience, our holiday itinerary in December, and our Valentine's Day itinerary in February with Loungefly.

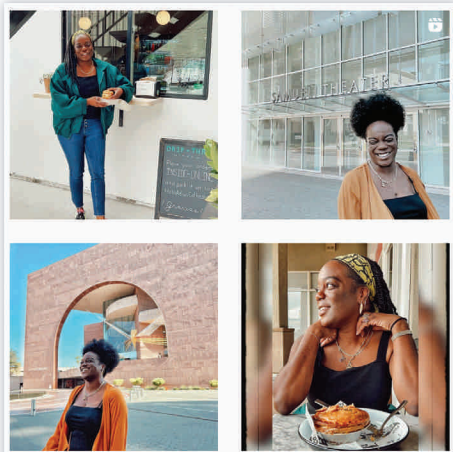


### COMMUNITY RELATIONS

For FY2021-22, TCM began a promotional content program in order to support underrepresented groups while also promoting various neighborhoods and businesses in Costa Mesa that support, are owned by, or resonate with these groups.



In February 2021, we honored Black History Month by sharing the journey of a black content creator and her adventures in Costa Mesa. We were also able to promote a black-owned business as well as a black artist that was coming to perform in Costa Mesa. The entire program received over 34 million impressions and drove diversity in our social platforms while also letting us build relationships with new businesses. We plan to continue this initiative in 2022 with Asian Pacific American Heritage Month in May, LGBTQ+ Pride Month in June, and Hispanic Heritage Month from September 15 to October 15.



Additionally, we are working with nonprofit organizations based in the city and/or supporting Costa Mesa with press release inclusions and social media support to be able to maximize the impact we can make on and for these organizations, including Share Our Selves and Project Hope Alliance.



### MEDIA VISTS

TCM receives countless requests from media and influencers to be hosted, and we choose the writers with the most potential for coverage or offer the best chance of greatest exposure. Through the program TravMedia and our partners at Visit California we have also been fortunate to be able to host some talented writers and build new relationships with key media.







## GROUP SALES



### RAMPING UP

AS THE NEW fiscal year began, hope was abundant that COVID-19 would be in the rear-view mirror—but that was not the case. Booked groups (defined as 10 or more room nights per day) were being pushed and new group opportunities were far and few between. The size of groups was smaller, and the booking window shrunk to a few months or even weeks. Weekend business needs became an everyday need. This was the new norm.

But as 2021 progressed, it was no longer the competitive landscape it has always been. Groups were collaborating and working together instead of against each other. Next came the emergence of the West Coast DMO Alliance, a group of destination marketing organizations coming together to discuss best practices, trends, and ways to work with each other through the pandemic and beyond. At inception, 10 members joined and currently there are 20 with a continual wait list.

Industry experts such as Michael Dominguez, president and CEO of Associated Luxury Hotels International, projects the end of surges in 2022—and if one does pop up, he believes that the tools, organization, and the unity developed over the last 20 months will help to avoid the deficits events and hotels have experienced since 2019. International events, he said, may take some time to come back as discrepancies between how individual countries are responding to each surge make it hard to gauge the return of events abroad.

Dominguez highlights three major predictions for events in 2022: the last half should see a significant change, we will learn how to deliver a good hybrid experience, and the deconstructing of meetings. As the year progresses, Dominguez believes many new, more focused meetings will take place, and he shares that now is the time to focus on diverse ways to deliver a meeting space.

### FORGE AHEAD

With the completion of a variety of sales initiatives that include meetings collateral—a COVID guide, a video for meeting planners, and group incentives—TCM has hit the ground running. Since October 2021, the destination sales executive has attended seven industry events and three more are scheduled by fiscal year end. This includes aligning with travel/meeting-oriented associations and groups, persistently reaching out to the organization's growing database, and uncovering new contacts for potential business. TCM's focus is on small to mid-size group business (10 to 300 room nights peak).

July 2021 through the end of February 2022, TCM generated over 200 leads representing over 80,000 room nights. TCM has booked 25 meetings and events with 4,799 rooms contracted at our partnering hotels. More opportunities are given to our hotels as

planners may not be familiar with all properties and affords the end user the opportunity for multiple options within the city. The role of the destination sales executive is greater than that of generating room nights. Generated hotel room nights not only bring in revenue to our hotel partners, but they also bring ancillary revenue to other segments including restaurants, shopping, transportation, attractions and so much more. Every booked lead in Costa Mesa is an opportunity for businesses to benefit from it.

## BY THE NUMBERS

TCM Sales Activity 2021-2022

4,799

Room Nights  
Booked

ENDING FEBRUARY 2022

14

In-Person  
Site Visits

207

Leads  
Generated

80,672

Lead Room Nights

OF THE 207 LEADS GENERATED

12

Webinars

6,465

Solicitations



### TRADESHOWS MEAN BUSINESS

TCM attended a variety of tradeshows to attract new business, develop business we have/had, to network, and to have the ability to attend a variety of educational opportunities. Since October 2021, the destination sales executive along with some of our hotel partners have participated in seven tradeshows. As we look to the end of the fiscal year, three more scheduled. As TCM is a newer destination marketing organization, participating in the various tradeshows, collectively selling our 11 partners, and having exposure to meeting planners to talk about Costa Mesa has been an excellent experience.







## GROUP SALES

### MEMBERSHIPS

California Society of Association Executives (CalSAE)  
 HelmsBriscoe  
 Meeting Planners International (MPI)  
 Orange County Sports Commission (OCSC)  
 Religious Conference Management Association (RCMA)  
 Society for Incentive Travel Excellence (SITE)  
 West Coast DMO Alliance



### ORANGE COUNTY SPORTSCOMMISSION (OCSC)

TCM, along with Visit Anaheim, Visit Huntington Beach, Destination Irvine, Visit Laguna Beach, and other local attractions, will continue to work with the OCSC to promote Costa Mesa fields and facilities that encourage overnight group hotel room nights.

To date, the OCSC has produced 123 leads (Costa Mesa receiving 11) that produced 29 contracts for Orange County (as a whole) during the last year. Cancellations, smaller group sizes, and teams moving to neighboring states have been a challenge during the pandemic but like other segments, business is on the upswing.



### TARGET MARKETS

TCM has primarily focused on marketing to the leisure transient guest for the past decade. The destination sales executive's role, however, encompasses weekday and weekend group business. Trends in booking reveal that group opportunities are within a shorter booking window of time and are smaller in size. The following markets are the focus:

- **Associations (State/Regional/National)** – Associations depend on annual meeting dues for their survival. Most by-laws encourage groups to meet on an annual basis. Without these meetings, associations will either not survive and/or they will need a new revenue stream to stay viable.
- **Corporate** – With many companies still working from home, travel has not returned to the levels of 2019. However, more companies will be traveling in 2022 versus what actualized in 2021.
- **Sports** – The sports market has become highly competitive in Orange County. We continue to work with the Orange County Sports Commission (OCSC) in addition to the local colleges and universities for out-of-the-area visiting teams.
- **SMERFE (Social, Military, Educational, Religious, Fraternal, and Ethnic)**

# TRAVEL COSTA MESA LEADERSHIP

## EXECUTIVE COMMITTEE

**Ronnie Dalgado**

**Hector Santa Cruz**

**Sue Cooke**

**Paul Sanford**

CHAIRPERSON, GENERAL MANAGER & VP of Operations, Holiday Inn Express & Suites Costa Mesa

VICE PRESIDENT, GENERAL MANAGER, Costa Mesa Marriott

TREASURER, GENERAL MANAGER, Residence Inn by Marriott by Costa Mesa

SECRETARY, GENERAL MANAGER-ASSET MANAGER, Avenue of the Arts, A Tribute Portfolio Hotel

## DIRECTORS

**Susan O'Brien Moore**

**Naj Ekhlas**

**Howard Haberman**

**Benito Benitez**

**Nimisha Solanki**

**Albert Gosch**

**Mike Hall**

**John Stephens**

**Lori Ann Farrell Harrison**

GENERAL MANAGER, Ayres Hotel Costa Mesa

GENERAL MANAGER, Best Western Plus Newport Mesa Inn

GENERAL MANAGER, Crowne Plaza Costa Mesa Orange County

GENERAL MANAGER, Hilton Orange County/Costa Mesa

GENERAL MANAGER, OC Hotel Costa Mesa

GENERAL MANAGER, Ramada by Wyndham Costa Mesa/Newport Beach

GENERAL MANAGER, The Westin South Coast Plaza, Costa Mesa

MAYOR, City of Costa Mesa

CITY MANAGER, City of Costa Mesa

## ADVISOR

**Brian Chuan**

SENIOR DIRECTOR OF INTERNATIONAL & DOMESTIC MARKETS,  
South Coast Plaza

## STAFF

**Paulette Lombardi-Fries**

**Kim Glen**

**Bobby Navarro**

**Debbie Megna**

**Jessica Placentia**

PRESIDENT

VICE PRESIDENT OF MARKETING

DIRECTOR OF MEDIA AND COMMUNITY RELATIONS

DESTINATION SALES EXECUTIVE

OPERATIONS MANAGER







ORANGE COUNTY  
CA  
CALIFORNIA

TRAVELCOSTAMESA.COM

**ATTACHMENT 2**

**TRAVEL COSTA MESA  
(A Non-Profit Organization)**

**FINANCIAL STATEMENTS**

**For The Years Ended June 30, 2021 and 2020**

*with*

**INDEPENDENT AUDITORS' REPORT THEREON**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Travel Costa Mesa

We have audited the accompanying financial statements of Travel Costa Mesa (the "Organization"), which comprise the statements of assets, liabilities and net assets – cash basis as of June 30, 2021 and 2020, and the related statements of revenue and expenses – cash basis for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Travel Costa Mesa as of June 30, 2021 and 2020, and its revenue and expenses for the years then ended in accordance with the cash basis of accounting described in Note 1.

### ***Basis of Accounting***

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

*KMJ Corbin & Company LLP*

KMJ Corbin & Company LLP

Irvine, California  
January 12, 2022

**TRAVEL COSTA MESA**  
**(A Non-Profit Organization)**

**STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - CASH BASIS**

	<b>June 30,</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash	\$ <u>2,219,851</u>	\$ <u>2,166,138</u>
<b>LIABILITIES</b>		
Current liabilities	\$ -	\$ -
Commitments and contingencies		
<b>NET ASSETS</b>		
Net assets without donor restrictions	<u>2,219,851</u>	<u>2,166,138</u>
Total liabilities and net assets	\$ <u>2,219,851</u>	\$ <u>2,166,138</u>

*See accompanying notes to financial statements*

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**TRAVEL COSTA MESA**  
**(A Non-Profit Organization)**

**STATEMENTS OF REVENUE AND EXPENSES - CASH BASIS**

	<b>For The Years Ended June 30,</b>	
	<b>2021</b>	<b>2020</b>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Revenues and other income:		
Business improvement area assessment, net of handling fees	\$ 962,654	\$ 2,300,254
PPP grant income	88,050	-
Employee retention credit	42,000	-
California small nonprofit business grant	25,000	-
Interest income	<u>2,330</u>	<u>2,657</u>
Net revenues and other income	<u>1,120,034</u>	<u>2,302,911</u>
Expenses:		
Hotel marketing funds	1,999	222,851
Marketing	323,350	839,435
Salaries and benefits	568,544	552,981
ART shuttle bus	-	10,500
General and administrative	<u>172,428</u>	<u>178,738</u>
Total expenses	<u>1,066,321</u>	<u>1,804,505</u>
Increase in net assets without donor restrictions	53,713	498,406
Net assets without donor restrictions, beginning of year	<u>2,166,138</u>	<u>1,667,732</u>
Net assets without donor restrictions, end of year	<u>\$ 2,219,851</u>	<u>\$ 2,166,138</u>

*See accompanying notes to financial statements*

NOTES TO FINANCIAL STATEMENTS

For The Years Ended June 30, 2021 and 2020

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**NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

Travel Costa Mesa (the “Organization”) is a California non-profit corporation formed in 1995 to market the City of Costa Mesa (the “City”) as a leisure travel and group business destination.

The vision of the Organization is to be a destination-marketing leader by supporting and selling the City’s distinct visitor brand experiences and advocating community tourism benefits. The Organization’s mission is to enhance and promote the City’s brand experience, thus increasing visitor spending for industry and community economic viability, sustainability and quality of life.

The Organization is funded by the eleven member hotels that comprise the Business Improvement Area (“BIA”) established by the City. The member hotels are Costa Mesa Marriott, Hilton Costa Mesa, Holiday Inn Express & Suites, Residence Inn by Marriott, Avenue of the Arts, A Tribute Portfolio Hotel, Ayres Hotel, The Westin South Coast Plaza, Ramada Inn and Suites Costa Mesa, Best Western Plus Newport Mesa Inn, Crowne Plaza, and OC Hotel Costa Mesa.

California state law provides that BIA assessments are to be used for the purposes specified in the authorizing resolution that established the assessment. The City’s resolution that established the BIA stated that its purpose is to promote tourism to the City and to fund programs and activities that benefit the hotel and motel business within the City.

Basis of Presentation

The accompanying financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Consequently, revenues are recognized when received rather than when earned, and expenses are recognized when disbursed rather than when the obligation is incurred.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Without donor restrictions* – Net assets that are not subject to donor-imposed stipulations. These assets are available to support the Organization’s general activities and operations at the discretion of the Board of Directors.

NOTES TO FINANCIAL STATEMENTS

For The Years Ended June 30, 2021 and 2020

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**NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

*With donor restrictions* - Net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that such resources be maintained in perpetuity. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

As of and for the years ended June 30, 2021 and 2020, the Organization had no net assets with donor restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law.

Tax Status

The Organization qualifies as a tax-exempt organization for Federal income taxes under Section 501(c)(6) of the United States Internal Revenue Code and for California state income taxes under Section 23701(d) of the California Revenue and Taxation Code; therefore, the Organization has no provision for federal or state income taxes. During the years ended June 30, 2021 and 2020, the Organization had no unrelated business income.

The Organization annually evaluates tax positions as part of the preparation of its exempt tax return. This process includes an analysis of whether tax positions the Organization takes with regard to a particular item of income or deduction would meet the definition of an uncertain tax position under current accounting guidance. The Organization believes its tax positions are appropriate based on current facts and circumstances. The Organization's policy is to recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. At June 30, 2021 and 2020, the Organization did not have any unrecognized tax benefits. The Organization is no longer subject to U.S. Federal and state income tax examinations by tax authorities for tax years before 2017.

**NOTES TO FINANCIAL STATEMENTS**

**For The Years Ended June 30, 2021 and 2020**

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**NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Use of Estimates

The preparation of financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates made by the Organization’s management include, but are not limited to, the allocation of expenses to program expenses. Actual results could differ from those estimates.

Revenues and Other Income

The City levies a special assessment on the eleven-member hotels in the BIA based on the sale of overnight guest room stays. For the fiscal years ended June 30, 2021 and 2020, the levy was three percent (3%). The levy is transmitted by the hotels to the City and is remitted to the Organization, net of a one percent (1%) handling fee. The net levy is 99.9% of the net revenues of the Organization for fiscal years ended June 30, 2021 and 2020, respectively.

Other income amounts received in the year ended June 30, 2021 consist of a Paycheck Protection Program (“PPP”) grant (see Note 7) totaling \$88,050, a California small nonprofit grant totaling \$25,000, and an employee retention credit amount received from the Internal Revenue Service totaling \$42,000. Such amounts are not conditional and have therefore been recorded as income.

Allocated Expenses

The costs of providing program activities and supporting services have been summarized on a functional basis in Note 6. The Organization incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. The Organization also conducts a number of activities which benefit both its program objectives as well as supporting services. These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited, based on either financial or nonfinancial data, such as headcount, occupancy or estimates of time and effort incurred by personnel.

**NOTES TO FINANCIAL STATEMENTS**

**For The Years Ended June 30, 2021 and 2020**

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**NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Recent Accounting Pronouncements**

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers*. ASU No. 2014-09 provides additional guidance to clarify the principles for recognizing revenue. The standard and subsequent amendments are intended to develop a common revenue standard for removing inconsistencies and weaknesses, improve comparability, provide more useful information to users through improved disclosure requirements, and simplify the preparation of financial statements. The Organization adopted this standard on July 1, 2020 with no impact on the Organization’s financial statements or related disclosures.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statement of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. ASU No. 2016-02, as amended, is effective for the Organization for fiscal year 2023. Early adoption is permitted. The Organization is currently evaluating the impact that the adoption of ASU No. 2016-02 will have on its financial statements.

**NOTE 2 – LIQUIDITY AND AVAILABILITY**

At June 30, 2021, the Organization has \$2,219,851 of financial assets available within one year of the date of the statement of assets, liabilities and net assets – cash basis to meet cash needs for general expenditures, all of which consist of cash. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of assets, liabilities and net assets – cash basis. The Organization has a goal to maintain financial assets, which consist of cash, on hand to meet twelve months of normal operating expenses. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Funding for the Organization is dependent on the hotel room nights booked in the City each year and the subsequent portion of the levy that is allocated through the City to the Organization. Annual revenue fluctuates depending on annual visitors to the City. As a result, the Organization closely monitors the monthly projected and received revenue to determine if any change needs to be made to budgeted expenditures.

**NOTES TO FINANCIAL STATEMENTS**

**For The Years Ended June 30, 2021 and 2020**

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**NOTE 2 – LIQUIDITY AND AVAILABILITY, continued**

In December 2019, a novel strain of coronavirus disease (“COVID-19”) was first reported in Wuhan, China. Less than four months later, on March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. The extent of COVID-19’s effect on the Organization’s operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. The Organization is currently analyzing the potential impacts to all of its business segments. At this time, it is not possible to determine the magnitude of the overall impact of COVID-19 on the Organization. However, it could have a material adverse effect on the Organization’s financial condition, liquidity and results of operations. In the short term, one of the impacts of the pandemic is that the Organization’s revenues have declined, but the Organization cannot predict whether this decline is temporary or not.

During the years ended June 30, 2021 and 2020, the Organization took certain cost cutting measures including suspending marketing efforts, reducing other expenses, and reducing payroll through pay cuts. The Organization believes these measures, along with its existing cash, will be sufficient to cover its cash flow requirements for at least the next twelve months from the date of issuance of these financial statements (see Note 3). However, there can be no assurance that the Organization will not use its existing capital resources sooner than currently expected.

**NOTE 3 – CASH**

Cash consists of demand deposits at the following institutions as of June 30:

	<u>2021</u>	<u>2020</u>
Citizens Business Bank	\$ 639,346	\$ 951,262
Pacific Premier Bank	<u>1,580,505</u>	<u>1,214,876</u>
	<u>\$ 2,219,851</u>	<u>\$ 2,166,138</u>

The Organization maintains cash deposits at institutions which are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000. At various times during 2021 and 2020, the Organization maintained balances in excess of FDIC limits. The Organization periodically reviews the quality of the financial institutions it has deposits with to minimize risk of loss.



**NOTES TO FINANCIAL STATEMENTS**

**For The Years Ended June 30, 2021 and 2020**

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**NOTE 4 – HOTEL MARKETING FUNDS EXPENSE**

During portions of each of the fiscal years ended June 30, 2021 and 2020, the Organization allocated \$200 per room to each BIA member hotel for hotel-specific marketing purposes. The allocation subsidizes hotel-specific advertising and marketing efforts that also include the Organization's logo. Vendor invoices are either paid by the hotel and reimbursed by the Organization or paid directly by the Organization.

Samples of advertising and marketing material must be submitted showing the Organization's logo for reimbursement. For advertising or marketing material where the Organization's logo cannot be used, the Organization requests that the hotel partners use the following verbiage, "*Hotel partner name* is a proud partner of Travel Costa Mesa." During the last quarter of the year ended June 30, 2020 the Organization suspended all hotel marketing funds in a cost saving effort as a result of COVID-19; such funds were reinstated as of June 17, 2021. Hotel marketing funds expense totaled \$1,999 and \$222,851 for fiscal years ended June 30, 2021 and 2020, respectively. The fiscal 2021 hotel marketing funds were paid from the Organization's bank reserves, not from the operating bank account. If the hotels do not use all their allocated funds, the funds revert to the Organization.

**NOTE 5 – MARKETING EXPENSE**

The Organization incurs marketing expenses related to its mission of promoting the City as a tourist destination. For the fiscal years ended June 30, 2021 and 2020, marketing expenses totaled \$323,350 and \$839,435, respectively.

Marketing expenses include online marketing, video and photography production, community sponsorships, brochures, print advertising, various promotions, and tradeshow costs.

**TRAVEL COSTA MESA**  
**(A Non-Profit Organization)**

**NOTES TO FINANCIAL STATEMENTS**

**For The Years Ended June 30, 2021 and 2020**

**NOTE 6 – STATEMENT OF FUNCTIONAL EXPENSES**

The statements of functional expenses for the years ended June 30 are as follows:

	2021			2020
	Program Activities	General and Administrative	Total	Total (Summarized)
Salaries and benefits	\$ 477,114	\$ 91,430	\$ 568,544	\$ 552,981
Marketing	32,017	-	32,017	145,281
ART shuttle bus	-	-	-	10,500
Hotel marketing funds	1,999	-	1,999	222,851
Online marketing	291,333	-	291,333	694,154
Office lease	70,025	13,825	83,850	70,981
Travel, meetings, conferences and mileage	-	2,534	2,534	31,372
Accounting and fees	-	12,030	12,030	11,658
Insurance	-	20,314	20,314	15,027
Dues and subscriptions	-	33,202	33,202	24,300
Office supplies	-	942	942	5,997
Telephone and internet	13,873	5,154	19,027	14,902
Professional services	-	-	-	1,879
Recruiting services	-	-	-	1,580
Bank charges	-	70	70	79
Filing fee and state assessment	-	151	151	258
Parking fees	-	-	-	183
Postage	-	308	308	522
Total functional expenses	\$ 886,361	\$ 179,960	\$ 1,066,321	\$ 1,804,505

**NOTE 7 – PPP GRANT**

On February 22, 2021, the Company entered into a promissory note agreement for \$88,050 with Citizens Business Bank under the PPP, which is administered by the U.S. Small Business Administration (“SBA”) and established as part of the Coronavirus Aid, Relief, and Economic Security Act. This PPP note bore interest at 1.0% per annum and was scheduled to mature in February 2026 with the first six months of interest and principal payments deferred. The amount borrowed under the PPP note was eligible for forgiveness if the Company met certain criteria. At June 30, 2021, the Company believed it was probable that the PPP note would be forgiven, and accordingly, recorded the proceeds from the PPP as government grant revenue of \$88,050. In August 2021, the Company received full forgiveness of the PPP note.

NOTES TO FINANCIAL STATEMENTS

For The Years Ended June 30, 2021 and 2020

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**NOTE 8 – COMMITMENTS AND CONTINGENCIES**

Guarantees and Indemnities

The Organization has made certain indemnities and guarantees, under which it may be required to make payments to a guaranteed or indemnified party, in relation to certain actions or transactions. The Organization indemnifies its directors, officers, employees and agents, as permitted under the laws of the State of California. In connection with its facility lease, the Organization has indemnified its lessor for certain claims arising from the use of the facilities. The duration of the guarantees and indemnities varies and is generally tied to the life of the agreement. These guarantees and indemnities do not provide for any limitation of the maximum potential future payments the Organization could be obligated to make. Historically, the Organization has not been obligated nor incurred any payments for these obligations and, therefore, no liabilities have been recorded for these indemnities and guarantees in the accompanying statements of assets, liabilities and net assets – cash basis.

Operating Leases

The Organization has a lease for office space through October 2024. The Organization also has a lease for a color copier through September 30, 2022. Total rent expense for fiscal years ended June 30, 2021 and 2020 totaled \$83,850 and \$70,981, respectively.

Future minimum lease obligations as of June 30, 2021 consist of the following:

<u>Years Ending</u> <u>June 30,</u>	
2022	\$ 26,600
2023	40,200
2024	41,400
2025	<u>14,200</u>
	<u>\$ 122,400</u>

Litigation

In the ordinary course of business, the Organization may face various claims brought by third parties and they may, from time to time, make claims or take legal actions to assert their rights. Any of these claims could subject the Organization to costly litigation and, while the Organization generally believes that it has adequate insurance to cover many different types of potential liabilities, its insurance carriers may deny coverage or its policy limits may be inadequate to fully satisfy any damage awards or settlements.

**NOTES TO FINANCIAL STATEMENTS**

**For The Years Ended June 30, 2021 and 2020**

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**NOTE 8 – COMMITMENTS AND CONTINGENCIES, continued**

If this were to happen, the payment of any such awards could have a material adverse effect on the Organization's operations and financial position. Additionally, any such claims, whether or not successful, could damage the Organization's reputation and business.

**NOTE 9 – EMPLOYEE BENEFIT PLAN**

The Organization sponsors a defined contribution salary deferral plan (the "Plan") covering all employees. Beginning in April 2012, the Board of Directors agreed to Safe Harbor contributions of 3% of the eligible employee's salary. During each of the fiscal years ended June 30, 2021 and 2020, Safe Harbor contributions totaled approximately \$12,000, which are recorded in salaries and benefits in the accompanying statements of revenue and expenses – cash basis.

**NOTE 10 – RISKS AND UNCERTAINTIES**

Due to the nature of the Organization's business, the Organization's revenue is entirely dependent on the City and the member hotels. The City established the BIA and collects the BIA levy from the eleven hotels in Costa Mesa and the member hotels are voluntary participants (see Note 1). A cancellation of the BIA or withdrawal of the member hotels would adversely and severely impact the Organization's financial position.

**NOTE 11 – SUBSEQUENT EVENTS**

Management has evaluated and determined that no other events have occurred through January 12, 2022, the date that the financial statements were issued, which would require inclusion or disclosure in its financial statements except as disclosed herein.

RESOLUTION NO. 2022-xx

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AN ANNUAL ASSESSMENT FOR FISCAL YEAR 2022-23 FOR A BUSINESS IMPROVEMENT AREA COVERING CERTAIN COSTA MESA HOTELS AND MOTELS AND SETTING THE TIME AND PLACE FOR A PUBLIC HEARING ON THE PROPOSAL**

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, in adopting the Parking and Business Improvement Area Law of 1989 (California Streets & Highways Code §§ 36500 *et seq.*), the California Legislature authorized cities to levy assessments on businesses in order to promote economic revitalization and tourism, create jobs, attract new businesses, and prevent erosion of business districts; and

WHEREAS, on July 5, 1995, by Ordinance No. 95-9, the City Council adopted a business improvement area, commonly known as the Costa Mesa Tourism & Promotion Business Improvement Area (the “BIA”), the purpose of which is to promote tourism to the City and to fund programs and activities that benefit the hotel and motel businesses within the City; and

WHEREAS, the eleven (11) hotels and motels listed in Exhibit A, attached hereto and incorporated herein, are currently subject to the assessment; and

WHEREAS, the City Council appointed the general managers of the 11 hotels and motels subject to the assessment to serve as the advisory board as required by California Streets and Highways Code Section 36530; and

WHEREAS, said advisory board is known as Travel Costa Mesa (“TCM”); and

WHEREAS, the City Council has voted to continue the special assessment for the BIA each year since its inception, and it has been levied upon the 11 hotel and motel businesses listed in Exhibit A; and

WHEREAS, in January 2000, the City Council approved an increase in the assessment, raising the assessment from one percent (1%) to two percent (2%) based on the sale of overnight room stays; and

WHEREAS, in November 2010, the City Council approved an increase in the

assessment, raising the assessment from two percent (2%) to three percent (3%) based on the sale of overnight room stays; and

WHEREAS, this Resolution of Intention will commence proceedings under the Parking and Business Improvement Area Law of 1989 to levy the annual assessment of the Costa Mesa Tourism & Promotion Business Improvement Area for the 2022-23 fiscal year; and

WHEREAS, the Agenda Report and its attachments for the May 17, 2022 City Council meeting filed with the City Clerk set forth a detailed description of the activities to be provided in the 2022-23 fiscal year, the boundaries of the Business Improvement Area, the benefit zone of the area, and the proposed assessments to be levied upon the businesses within the area for the coming fiscal year.

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

Section 1. Intention; Assessment. The City Council hereby declares its intention to levy and collect assessments in the Costa Mesa Tourism & Promotion Business Improvement Area for Fiscal Year 2022-23 pursuant to California Streets & Highways Code §§ 36500 *et seq.* The boundaries of the Costa Mesa Tourism & Promotion Business Improvement Area are the 11 motels and hotels listed in Exhibit A. The proposed amount of the annual assessment is three percent (3%) based on the sale of overnight room stays. New hotel and motel businesses commenced after the effective date of the resolution levying the assessment will be exempt from the levy of assessment, pursuant to California Streets & Highways Code § 36531.

Section 2. Annual Report. An annual report on the Costa Mesa Tourism & Promotion Business Improvement Area has been prepared by TCM, acting as the advisory board, as required by California Streets & Highways Code §§ 36533 and 36534. Said report is on file in the City Clerk's Office.

Section 3. Types of Activities to Be Funded. The proposed type or types of activities to be funded by and through the annual levy of assessments on businesses within the Costa Mesa Tourism & Promotion Business Improvement Area are specified in the referenced annual report and Exhibit B, attached hereto and incorporated herein.

Section 4. Method and Basis of Levy. To allow each business owner to estimate

the amount of the assessment to be levied against his or her business, the proposed method and basis of levying the assessment is set forth in the TCM's annual report relative to the Costa Mesa Tourism & Promotion Business Improvement Area.

Section 5. Time and Place of Public Hearing. The time and place of the public hearing on the levy of an annual assessment for Fiscal Year 2022-23 shall be 7:00 p.m. on June 21, 2022. At the public hearing set forth above, the testimony of all interested persons for or against the annual levy of the assessment for the Business Improvement Area, the extent of the area, and/or the furnishing of specific types of improvements or activities will be heard by the City Council.

Section 6. Protests. Consistent with California Streets & Highways Code §§ 36524 and 36525, the following rules shall apply to all protests:

- (a) A protest may be made orally or in writing by any interested person. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made.
- (b) Every written protest shall be filed with the City Clerk's Office, Costa Mesa City Hall, 77 Fair Drive, Room 101, Costa Mesa, California 92626, at or before the time fixed for the public hearing as set forth above.
- (c) The City Council may waive any irregularity in the form or content of any written protest, and, at the public hearing, may correct minor defects in the proceedings.
- (d) A written protest may be withdrawn in writing at any time before the conclusion of the public hearing.
- (e) Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the City as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business. A written protest which does not comply with this section shall not be counted in determining a majority protest.



- (f) If written protests are received from the owners of businesses in the proposed Business Improvement Area which will pay fifty percent (50%) or more of the assessments to be levied and protests are not withdrawn so as to reduce the protests to less than the fifty percent (50%), no further proceedings on the proposal to continue to levy the Business Improvement Area assessment, as specified by this Resolution, shall be taken by the City Council for a period of one year from the date of the finding of a majority protest.
- (g) If the majority protest is only against the furnishing of a specified type or types of improvement or activity within the Business Improvement Area, those types of improvements or activities shall be eliminated.

Section 7. Publication. The City Clerk shall cause this Resolution of Intention to be published once in a newspaper of general circulation in the City at least seven (7) days before the June 21, 2022 public hearing.

**PASSED AND ADOPTED this 17th day of May, 2022.**

\_\_\_\_\_  
John Stephens, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Brenda Green, City Clerk

\_\_\_\_\_  
Kimberly Hall Barlow, City Attorney

**THIS PAGE IS RESERVED FOR THE CITY CLERK’S OFFICE.**

STATE OF CALIFORNIA   )  
COUNTY OF ORANGE    )       ss  
CITY OF COSTA MESA    )

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 2022-xx and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 17<sup>th</sup> day of May, 2022, by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 17<sup>th</sup> day of May, 2022.

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Brenda Green, City Clerk

## **EXHIBIT A**

The Business Improvement Area (“BIA”) benefit zone encompasses the entire City of Costa Mesa boundaries. It is anticipated that the entire City, including businesses and residents, will benefit from increased revenues generated by the activities financed by the BIA assessment. There are no proposed changes in the boundaries of the BIA for Fiscal Year 2022-2023.

The following businesses will be included in the BIA that is established pursuant to California Streets & Highways Code §§ 36500 *et seq.*, the businesses commonly known as:

### **Avenue of the Arts, A Tribute Portfolio Hotel**

Property Address: 3350 Avenue of the Arts, Costa Mesa

Business Owner: Rosanna Inc.  
3350 Avenue of the Arts  
Costa Mesa, CA 92627

Property Owner: Rosanna Inc.  
3350 Avenue of the Arts  
Costa Mesa, CA 92627

### **Ayres Country Inn & Suites**

Property Address: 325 Bristol Street, Costa Mesa

Business Owner: Newport Country Inn & Suites, Inc.  
355 Bristol Street, Suite A  
Costa Mesa, CA 92626

Property Owner: Newport Country Inn & Suites, Inc.  
355 Bristol Street, Suite A  
Costa Mesa, CA 92626

### **Best Western Plus Newport Mesa Inn**

Property Address: 2642 Newport Boulevard, Costa Mesa

Business Owner: James Hsuen  
Shang-Pu Lee  
2642 Newport Boulevard,  
Costa Mesa, CA 92627

Property Owner: James Hsuen  
Shang-Pu Lee  
2642 Newport Boulevard,  
Costa Mesa, CA 92627

**Crowne Plaza**

Property Address: 3131 Bristol Street, Costa Mesa

Business Owner: Brighton Management  
20342 SW Acacia St.  
Newport Beach, CA 92660

Property Owner: Bright Bristol Street LLC  
3131 Bristol Street  
Costa Mesa, CA 92626

**Hilton**

Property Address: 3050 Bristol Street, Costa Mesa

Business Owner: Ashford TRS CM LLC  
14185 Dallas Parkway, Suite 1100  
Dallas, TX 75254

Property Owner: Remington Lodging & Hospitality LP  
14185 Dallas Parkway, Suite 1100  
Dallas, TX 75254

**Holiday Inn Express Hotel & Suites**

Property Address: 2070 Newport Boulevard, Costa Mesa

Business Owner: Narendra B. Patel  
2070 Newport Blvd.  
Costa Mesa, CA 92667

Property Owner: Narendra B. Patel  
2070 Newport Blvd.  
Costa Mesa, CA 92667

**Costa Mesa Marriott**

Property Address: 500 Anton Boulevard, Costa Mesa

Business Owner: Starwood Capital Group  
591 West Putnam Avenue  
Greenwich, CT 06830

Property Owner: HEI Hotels & Resorts  
101 Merritt 7 Corporate Park, 1<sup>st</sup> Floor  
Norwalk, CT 06851

**OC Hotel Costa Mesa (Formerly BLVD Hotel)**

Property Address: 2430 Newport Boulevard, Costa Mesa

Business Owner: Sai Hospitality Services, LLC  
11556 Manchester Way  
Porter Ranch, CA 91326

Property Owner: Sanjay Panchal  
11556 Manchester Way  
Porter Ranch, CA 91326

**Ramada Inn & Suites Costa Mesa**

Property Address: 1680 Superior Avenue, Costa Mesa

Business Owner: B.D. Inns Inc./Ramada Ltd.  
1680 Superior Ave.  
Costa Mesa, CA 92627

Property Owner: B.D. Inns Inc./Ramada Ltd.  
1680 Superior Ave.  
Costa Mesa, CA 92627

**Residence Inn by Marriott**

Property Address: 881 Baker Street, Costa Mesa

Business Owner: Marriott International  
10400 Fernwood Rd.  
Bethesda, MD 20817

Property Owner: BRE Select Hotels and Resorts  
6201 15th Avenue  
Brooklyn, NY 11219

**The Westin South Coast Plaza Hotel**

Property Address: 686 Anton Boulevard, Costa Mesa

Business Owner: Host Hotels & Resorts  
6903 Rockledge Dr., Suite 1500  
Bethesda, MD 20817

Property Owner: CJ Segerstrom & Sons  
c/o South Coast Plaza  
686 Anton Boulevard  
Costa Mesa, CA 92626

## **EXHIBIT B**

The BIA assessment will be used to fund Travel Costa Mesa ("TCM"). TCM will fund activities to promote tourism in Costa Mesa and will sponsor related tourist events that benefit the hotel and motel businesses within the City.

### **Revenue**

A three percent (3%) levy will be assessed against each of the 11 hotels listed in Exhibit A, based on the net revenue from the sale of overnight room stays.

Business owners shall pay the assessment to the Costa Mesa Finance Department on a monthly basis. A penalty and interest shall be assessed on late payments.

Note: New hotel and motel businesses commenced after the effective date of this resolution will be exempt from the levy of assessment.





# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-697

**Meeting Date:** 5/17/2022

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**TITLE:**

DESIGNATION OF CITY NEGOTIATORS FOR THE COSTA MESA POLICE ASSOCIATION (CMPA) MEET AND CONFER AND AUTHORIZATION TO PROCEED WITH THE FINANCIAL ANALYSIS OF THE CURRENT MOU PER THE TRANSPARENCY IN LABOR NEGOTIATIONS COUNCIL POLICY

**DEPARTMENT:** CITY MANAGER'S OFFICE- HUMAN RESOURCES DIVISION

**PRESENTED BY:** KASAMA LEE, HUMAN RESOURCES MANAGER

**CONTACT INFORMATION:** KASAMA LEE, HUMAN RESOURCES MANAGER, (714) 754-5169

**RECOMMENDATION:**

Staff recommends the City Council:

1. Designate Liebert Cassidy Whitmore Partner Peter Brown as the Principal Negotiator and City Manager Lori Ann Farrell Harrison, Assistant City Manager Susan Price, Assistant to the City Manager Alma Reyes, Human Resources Manager Kasama Lee, and Finance Director Carol Molina as the City's representatives in negotiations with the CMPA.
2. Authorize staff to have the independent fiscal analysis of the current CMPA 2018-2024 Memorandum of Understanding (MOU) completed per the requirements of the Transparency In Labor Negotiations Council Policy (hereinafter policy).

**BACKGROUND:**

Per the policy, the City Council must designate a Principal Negotiator who "shall have extensive prior experience in negotiating public employee collective bargaining agreements and shall be free from any actual or potential conflict of interest with respect to the bargaining unit." The City Council may also designate one more employees to be present during negotiations and to assist the Principal Negotiator as the City Council and/or Principal Negotiator deem appropriate.

**ANALYSIS:**

Staff recommends that the City Council designate Liebert Cassidy Whitmore Partner Peter Brown as the Principal Negotiator and City Manager Lori Ann Farrell Harrison, Assistant City Manager Susan Price, Assistant to the City Manager Alma Reyes, Human Resources Manager Kasama Lee, Human Resources Manager and Finance Director Carol Molina as the City's representatives in negotiations with the CMPA. Furthermore, Section 2, Economic Analysis of the policy requires that the Finance Director prepare an economic analysis that must be verified by an independent auditor. Staff recommends that the City Council authorize staff to have the independent fiscal analysis of the

current CMPA MOU completed per the requirements of the policy.

In April 2022, the CMPA contacted the City requesting to exercise its option to reopen negotiations as described in the July 2020 side letter.

**ALTERNATIVES:**

An alternative is to propose other designated representative(s).

**FISCAL REVIEW:**

The funds are budgeted in the General Fund in the Human Resources Division budget for outside legal counsel for negotiations.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed the report and approved it as to form.

**CONCLUSION:**

Staff recommends that the City Council:

1. Designate Liebert Cassidy Whitmore Partner Peter Brown as the Principal Negotiator and City Manager Lori Ann Farrell Harrison, Assistant City Manager Susan Price, Assistant to the City Manager Alma Reyes, Human Resources Manager Kasama Lee, and Finance Director Carol Molina as the City's representatives in negotiation with CMPA.
2. Authorize staff to have the independent fiscal analysis of the current CMPA 2018-2024 Memorandum of Understanding (MOU) completed per the requirements of the Transparency In Labor Negotiations Council Policy.



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-642

**Meeting Date:** 5/17/2022

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**TITLE:**

**APPROVAL FOR THE PURCHASE OF SERVERS FOR LAND MANAGEMENT SYSTEM WITH DELL MARKETING, L.P.**

**DEPARTMENT:** INFORMATION TECHNOLOGY

**PRESENTED BY:** STEVE ELY, DIRECTOR

**CONTACT INFORMATION:** STEVE ELY, DIRECTOR 714-754-4891

**RECOMMENDATION:**

Staff recommends the City Council:

1. Authorize the use of NASPO ValuePoint Master Price Agreement (State of California) No. 15-70-34-003 with Dell Marketing, L.P. for the purchase of servers for the new Land Management System (LMS).
2. Approve and authorize the City Manager and City Clerk to execute the necessary documents to purchase servers for the new LMS System from Dell Marketing, L.P.

**BACKGROUND:**

In 2017, staff determined the City's Land Management System, Permits Plus, no longer met the City's needs. In addition, there were no software upgrades available, and if the system were to fail, there would be no technical support provided. In November 2017, the City released a formal RFP solicitation for a complete LMS replacement. Six vendors submitted formal proposals; the evaluation panel reviewed the submissions, and ultimately recommended Tyler Technologies' Energov Solution to Council.

On October 1, 2019, Council authorized the City Manager and the City Clerk to execute an agreement with Tyler Technologies, Inc. to implement Energov Solution for the City.

The Energov Solution will provide a Citywide system that will serve all Departments that process applications, permits, licensing, and citations. Over the course of the project, the original specifications were determined not to be adequate, that the existing servers must be more robust to accommodate the growing needs of the project. Using best practices based on information from surrounding Cities, it was determined that six new servers are necessary to support the system.

**ANALYSIS:**

Six new servers are needed to run the new Land Management System due to increased resource

requirements and the best practice of segregating the Production, Testing, and Development environments. The evaluation and analysis of retrofitting the existing servers to meet the need were not sustainable and too costly. In addition, the current technical support for the existing Dell hardware expires on October 24, 2022, and needs to be renewed or replaced. The new hardware will also be scaled to support the future Enterprise Resource Planning (ERP) System.

Staff solicited quotes for the additional servers from its existing vendor Dell Marketing L.P. based on its National Association of State Procurement Officials (NASPO) ValuePoint Cooperative Purchasing Program Master Agreement. Purchasing this equipment through the State of California's Participating Addendum meets all requirements set forth in the City of Costa Mesa's Purchasing Policy as permitted by Section 2-165(b)(5) of the Costa Mesa Municipal Code, and all requirements in regards to regional, state, and national cooperative purchasing agreements.

### **ALTERNATIVES:**

The City Council could choose not to approve the purchase of these servers, which would stall the progress of the LMS project and provide a more costly option of retrofitting the existing servers.

### **FISCAL REVIEW:**

Funding for this purchase totaling \$160,000 is included in the Information Technology Replacement Fund (Fund 603), under the FY2021-22 Land Management Systems Project (#200086).

### **LEGAL REVIEW:**

The City Attorney's Office has reviewed the documents and approved them as to form.

### **CITY COUNCIL GOALS AND PRIORITIES:**

This item supports this City Council's goals for 2022:

- Strengthen the Public's Safety and Improve the Quality of Life
- Achieve Long-Term Fiscal Sustainability

### **CONCLUSION:**

The purchase of new servers will meet the needs of the LMS project and provide the necessary hardware support to ensure successful completion of the LMS implementation, as well as support the hardware needs for the future ERP system implementation.

Staff recommends the City Council:

1. Authorize the use of NASPO ValuePoint Master Price Agreement (State of California) No. 15-70-34-003 with Dell Marketing, L.P. for the purchase of servers for the new Land Management System (LMS).
2. Approve and authorize the City Manager and City Clerk to execute the necessary documents to purchase servers for the new LMS System from Dell Marketing, L.P.



## A quote for your consideration

Based on your business needs, we put the following quote together to help with your purchase decision. Below is a detailed summary of the quote we've created to help you with your purchase decision.

To proceed with this quote, you may respond to this email, order online through your [Premier page](#), or, if you do not have Premier, use this [Quote to Order](#).

Quote No.	3000119032869.4	Sales Rep	Jackson Bailey
Total	\$158,811.01	Phone	(800) 456-3355, 6179032
Customer #	1484189	Email	Jackson_Bailey@Dell.com
Quoted On	May. 05, 2022	Billing To	ACCOUNTS PAYABLE
Expires by	Jun. 04, 2022		CITY OF COSTA MESA
Contract Name	Dell NASPO Computer		PO BOX 1200
Contract Code	Equipment PA - California		COSTA MESA, CA 92628-1200
Customer Agreement #	C000000181156		
Solution ID	MNWNC-108/7157034003		
Deal ID	16043766.4		
	23494912		

Message from your Sales Rep

Please contact your Dell sales representative if you have any questions or when you're ready to place an order. Thank you for shopping with Dell!

Regards,  
Jackson Bailey

### Shipping Group

Shipping To	Shipping Method
ADAM SILVA	Standard Delivery
CITY OF COSTA MESA	
77 FAIR DR	
COSTA MESA, CA 92626-6546	
(714) 754-5620	

Product	Unit Price	Quantity	Subtotal
PowerEdge R650 - [amer_r650_14796]	\$24,753.48	6	\$148,520.88

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Subtotal:	\$148,520.88
Shipping:	\$0.00
Environmental Fee:	\$0.00
Non-Taxable Amount:	\$15,745.26
Taxable Amount:	\$132,775.62
Estimated Tax:	\$10,290.13

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Total:	\$158,811.01
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## Shipping Group Details

Shipping To	Shipping Method
ADAM SILVA	Standard Delivery
CITY OF COSTA MESA	
77 FAIR DR	
COSTA MESA, CA 92626-6546	
(714) 754-5620	

	Quantity	Subtotal
PowerEdge R650 - [amer_r650_14796]	6	\$148,520.88
Estimated delivery if purchased today:		
Jul. 07, 2022		
Contract # C000000181156		
Customer Agreement # MNWNC-108/7157034003		

Description	SKU	Unit Price	Quantity	Subtotal
PowerEdge R650 Server	210-AYJZ	-	6	-
No Backplane	379-BDSY	-	6	-
No Backplane	379-BDSV	-	6	-
No Rear Storage	379-BDTE	-	6	-
Trusted Platform Module 2.0 V3	461-AAIG	-	6	-
No HD, No Backplane, 2CPU	321-BGGC	-	6	-
Intel Xeon Gold 5320 2.2G, 26C/52T, 11.2GT/s, 39M Cache, Turbo, HT (185W) DDR4-2933	338-CBXZ	-	6	-
Intel Xeon Gold 5320 2.2G, 26C/52T, 11.2GT/s, 39M Cache, Turbo, HT (185W) DDR4-2933	338-CBXZ	-	6	-
Additional Processor Selected	379-BDCO	-	6	-
Heatsink for 2 CPU configuration (CPU more than 165W)	412-AAVM	-	6	-
Performance Optimized	370-AAIP	-	6	-
3200MT/s RDIMMs	370-AEVR	-	6	-
Diskless Configuration (No RAID, No Controller)	780-BCDH	-	6	-
No Controller	405-AACD	-	6	-
No Hard Drive	400-ABHL	-	6	-
Performance BIOS Settings	384-BBBL	-	6	-
UEFI BIOS Boot Mode with GPT Partition	800-BBDM	-	6	-
4 High Performance Fans for 2 CPU	750-ADIH	-	6	-
Dual, Hot-plug, Redundant Power Supply (1+1), 1400W, Mixed Mode	450-AIQZ	-	6	-
Riser Config 0, 2CPU, Half Length, Low Profile, 3 x16 Slots, SW GPU Capable	330-BBRP	-	6	-
PowerEdge R650 Motherboard with Broadcom 5720 Dual Port 1Gb On-Board LOM	329-BFGW	-	6	-
OpenManage Enterprise Advanced	528-BIYY	-	6	-
iDRAC9 Datacenter 15G	528-CRVW	-	6	-
Mellanox ConnectX-5 Dual Port 10/25GbE SFP28, OCP NIC 3.0	540-BCOF	-	6	-
LCD Bezel	325-BECJ	-	6	-
Luggage Tray x8 and x10 Chassis, R650	350-BCEI	-	6	-
BOSS-S2 controller card + with 2 M.2 240GB (RAID 1)	403-BCMG	-	6	-
BOSS Cables and Bracket for R650	403-BCNP	-	6	-

No Quick Sync	350-BBXM	-	6	-
iDRAC,Factory Generated Password	379-BCSF	-	6	-
iDRAC Group Manager, Disabled	379-BCQY	-	6	-
VMware ESXi 6.7 U3 Embedded Image (License Not Included)	634-BRIO	-	6	-
No Media Required	605-BBFN	-	6	-
OpenManage Integration for VMware vCenter - 1 host increment, 5 year license - Digitally Fulfilled	634-BJBC	-	6	-
Cable Management Arm	770-BDMT	-	6	-
ReadyRails Sliding Rails Without Cable Management Arm or Strain Relief Bar	770-BECD	-	6	-
No Systems Documentation, No OpenManage DVD Kit	631-AACK	-	6	-
PowerEdge R650 Shipping	340-CUQR	-	6	-
R650 Ship 8x2.5	340-CUQO	-	6	-
PowerEdge Non BIS Marking	389-DYHB	-	6	-
PowerEdge R650 No CCC Marking, No CE Marking	389-DYIC	-	6	-
Custom Configuration	817-BBBB	-	6	-
Dell Hardware Limited Warranty Plus Onsite Service	853-2137	-	6	-
ProSupport Plus Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 3 Years	853-2179	-	6	-
ProSupport Plus Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 2 Years Extended	853-2205	-	6	-
ProSupport Plus Mission Critical 7x24 Technical Support and Assistance 5 Years	853-2206	-	6	-
Thank you for choosing Dell ProSupport Plus. For tech support, visit <a href="http://www.dell.com/contactdell">//www.dell.com/contactdell</a>	951-2015	-	6	-
Dell Limited Hardware Warranty Plus Service, Extended Year(s)	975-3462	-	6	-
On-Site Installation Declined	900-9997	-	6	-
64GB RDIMM, 3200MT/s, Dual Rank	370-AEVP	-	144	-
Power Cord - C13, 3M, 125V, 15A (North America, Guam, North Marianas, Philippines, Samoa, Vietnam)	450-AALV	-	12	-
Broadcom 5719 Quad Port 1GbE BASE-T Adapter, PCIe Low Profile	540-BBDF	-	12	-
QLogic FastLinQ 41262 Dual Port 10/25GbE SFP28 Adapter, PCIe Low Profile	540-BBZJ	-	6	-

Subtotal:	\$148,520.88
Shipping:	\$0.00
Environmental Fee:	\$0.00
Estimated Tax:	\$10,290.13
<b>Total:</b>	<b>\$158,811.01</b>



## Important Notes

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### Terms of Sale

This Quote will, if Customer issues a purchase order for the quoted items that is accepted by Supplier, constitute a contract between the entity issuing this Quote ("Supplier") and the entity to whom this Quote was issued ("Customer"). Unless otherwise stated herein, pricing is valid for thirty days from the date of this Quote. All product, pricing and other information is based on the latest information available and is subject to change. Supplier reserves the right to cancel this Quote and Customer purchase orders arising from pricing errors. Taxes and/or freight charges listed on this Quote are only estimates. The final amounts shall be stated on the relevant invoice. Additional freight charges will be applied if Customer requests expedited shipping. Please indicate any tax exemption status on your purchase order and send your tax exemption certificate to [Tax\\_Department@dell.com](mailto:Tax_Department@dell.com) or [ARSalesTax@emc.com](mailto:ARSalesTax@emc.com), as applicable.

**Governing Terms:** This Quote is subject to: (a) a separate written agreement between Customer or Customer's affiliate and Supplier or a Supplier's affiliate to the extent that it expressly applies to the products and/or services in this Quote or, to the extent there is no such agreement, to the applicable set of Dell's Terms of Sale (available at [www.dell.com/terms](http://www.dell.com/terms) or [www.dell.com/oemterms](http://www.dell.com/oemterms)), or for cloud/as-a-Service offerings, the applicable cloud terms of service (identified on the Offer Specific Terms referenced below); and (b) the terms referenced herein (collectively, the "Governing Terms"). Different Governing Terms may apply to different products and services on this Quote. The Governing Terms apply to the exclusion of all terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier.

**Supplier Software Licenses and Services Descriptions:** Customer's use of any Supplier software is subject to the license terms accompanying the software, or in the absence of accompanying terms, the applicable terms posted on [www.Dell.com/eula](http://www.Dell.com/eula). Descriptions and terms for Supplier-branded standard services are stated at [www.dell.com/servicecontracts/global](http://www.dell.com/servicecontracts/global) or for certain infrastructure products at [www.dell.com/en-us/customer-services/product-warranty-and-service-descriptions.htm](http://www.dell.com/en-us/customer-services/product-warranty-and-service-descriptions.htm).

**Offer-Specific, Third Party and Program Specific Terms:** Customer's use of third-party software is subject to the license terms that accompany the software. Certain Supplier-branded and third-party products and services listed on this Quote are subject to additional, specific terms stated on [www.dell.com/offeringsspecificterms](http://www.dell.com/offeringsspecificterms) ("Offer Specific Terms").

**In case of Resale only:** Should Customer procure any products or services for resale, whether on standalone basis or as part of a solution, Customer shall include the applicable software license terms, services terms, and/or offer-specific terms in a written agreement with the end-user and provide written evidence of doing so upon receipt of request from Supplier.

**In case of Financing only:** If Customer intends to enter into a financing arrangement ("Financing Agreement") for the products and/or services on this Quote with Dell Financial Services LLC or other funding source pre-approved by Supplier ("FS"), Customer may issue its purchase order to Supplier or to FS. If issued to FS, Supplier will fulfill and invoice FS upon confirmation that: (a) FS intends to enter into a Financing Agreement with Customer for this order; and (b) FS agrees to procure these items from Supplier. Notwithstanding the Financing Agreement, Customer's use (and Customer's resale of and the end-user's use) of these items in the order is subject to the applicable governing agreement between Customer and Supplier, except that title shall transfer from Supplier to FS instead of to Customer. If FS notifies Supplier after shipment that Customer is no longer pursuing a Financing Agreement for these items, or if Customer fails to enter into such Financing Agreement within 120 days after shipment by Supplier, Customer shall promptly pay the Supplier invoice amounts directly to Supplier.

Customer represents that this transaction does not involve: (a) use of U.S. Government funds; (b) use by or resale to the U.S. Government; or (c) maintenance and support of the product(s) listed in this document within classified spaces. Customer further represents that this transaction does not require Supplier's compliance with any statute, regulation or information technology standard applicable to a U.S. Government procurement.

For certain products shipped to end users in California, a State Environmental Fee will be applied to Customer's invoice. Supplier encourages customers to dispose of electronic equipment properly.

Electronically linked terms and descriptions are available in hard copy upon request.

<sup>^</sup>**Dell Business Credit (DBC):** Offered to business customers by WebBank, Member FDIC, who determines qualifications for and terms of credit. Taxes, shipping and other charges are extra and vary. Minimum monthly payments are the greater of \$15 or 3% of the new balance shown on the monthly billing statement. Dell and the Dell logo are trademarks of Dell Inc.



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-680

**Meeting Date:** 5/17/2022

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**TITLE:**

RESOLUTION ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2022-23 FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

**DEPARTMENT:** PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

**PRESENTED BY:** RAJA SETHURAMAN, PUBLIC SERVICES DIRECTOR

**CONTACT INFORMATION:** SEUNG YANG, P.E., CITY ENGINEER (714) 754-5633

**RECOMMENDATION:**

Staff recommends the City Council adopt Resolution No. 2022-xx, approving Sunflower Avenue Pavement Rehabilitation Project for funding with Road Maintenance and Rehabilitation Account (RMRA) revenues for Fiscal Year 2022-23.

**BACKGROUND:**

Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017), was passed by the Legislature and signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide. SB 1 increased several taxes and fees to raise billions of dollars annually in new transportation revenues. Moreover, SB 1 provides for adjustments for inflation every year so that the purchasing power of the revenues does not diminish as it has historically.

SB 1 prioritized this funding towards critical maintenance, rehabilitation, and safety improvements on state highways, local streets and roads, and bridges, and to improve the state's trade corridors, transit, and active transportation facilities.

As part of SB 1's various accountability and transparency measures, and according to the California Transportation Commission's (CTC) Reporting Guidelines for Local Streets and Roads Funding Program, the City is required to submit annually a proposed project list to the CTC by July 1st of each year and subsequently provide year end updates on the progress and expenditures of previously proposed projects by October 1st of each year.

**ANALYSIS:**

It is estimated the City will receive \$2,570,782 from RMRA funding in FY 2022-23. To be eligible for funding, the City must submit a proposed project list to the CTC by July 1, 2022, along with an adopted resolution documenting the City Council's approval of the project proposed to be implemented with specific RMRA funding allocations. The City is proposing that the FY 2022-23 RMRA funding be allocated towards construction of the following new street improvement project that

would not have otherwise been funded:

- **Sunflower Avenue** Pavement Rehabilitation Project (Harbor Boulevard to Bear Street)

The City will work on improving Sunflower Avenue between Harbor Boulevard and Bear Street. In addition to roadway rehabilitation, the project will enhance bicycle facilities and pedestrian access within Costa Mesa portion of the street. The proposed RMRA funding, programmed for the construction phase, will enable the transition of Sunflower Avenue to be a more complete street that promotes Active Transportation.

SB 1 requires that the project list include the following components: description and location of the proposed project, proposed schedule for its completion, and the estimated useful life of the improvement. The required project components are reflected in the proposed resolution.

This improvement project will benefit all the residents and businesses in the community, and will be included in the FY 2022-23 Capital Improvement Program (CIP) budget for City Council adoption.

#### **ALTERNATIVES:**

The City Council may elect not to adopt the proposed resolution. Staff does not recommend this action, as it would result in continued deterioration of Sunflower Avenue and potentially more expensive repairs if continually deferred, as well as deferral of the bicycle and pedestrian improvements.

#### **FISCAL REVIEW:**

The City anticipates receiving \$2,570,782 in FY 2022-23 from RMRA funding based on the January 2022 State Department of Finance statewide RMRA revenue projections. The approved project will be included in the FY 2022-23 proposed CIP budget.

#### **LEGAL REVIEW:**

The City Attorney's Office has reviewed the report, prepared the resolution, and approves them as to form.

#### **CITY COUNCIL GOALS AND PRIORITIES:**

This item supports the following City Council goal:

- Maintain and enhance the City's infrastructure, facilities, equipment and technology.

#### **CONCLUSION:**

Staff recommends that the City Council adopt Resolution No. 2022-xx, approving Sunflower Avenue Pavement Rehabilitation Project for funding with Road Maintenance and Rehabilitation Account (RMRA) revenues for Fiscal Year 2022-23.

## ATTACHMENT 1

### RESOLUTION NO. 2022-xx

#### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2022-23 FUNDED BY SENATE BILL 1 (SB 1), THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA DOES HEREBY FIND AND DECLAREAS FOLLOWS:

WHEREAS, the Governor signed Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017, into law in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of the City are aware of the projects proposed for funding in the community and which projects have been completed each fiscal year; and

WHEREAS, the City must adopt a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated \$2,570,782 in RMRA funding in Fiscal Year 2022-23 from SB 1; and

WHEREAS, this is the sixth year in which the City of Costa Mesa is receiving SB 1 funding. It will enable the City to continue essential road maintenance and rehabilitation projects and increase access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate one local street and road and provide resources for similar projects in the future; and

WHEREAS, the 2020 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in an overall good condition, with

## ATTACHMENT 1

some streets identified in poor condition, and this revenue will help the City increase the quality of such streets and assist in bringing citywide streets and roads into an excellent condition; and

WHEREAS, the SB 1 project list and overall investment in local streets and roads infrastructure, with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The foregoing recitals are true and correct.

Section 2. The Fiscal Year 2022-23 list of project(s) planned to be funded with Road Maintenance and Rehabilitation Account revenues includes:

### **FY 2022-23 List of Project(s)**

**Project Title:** **Sunflower Avenue Improvement Project  
(from Harbor Boulevard to Bear Street)**

**Project Description:** This project will include rehabilitation and repair of the existing pavement and aims to enhance bicycle facilities and pedestrian access. Striping, markings, and bicycle facilities will be consistent with the City's Active Transportation Plan (ATP). The proposed RMRA funding, programmed for the construction phase, will enable the transition of Sunflower Avenue to be a more complete street that promotes Active Transportation. These RMRA funds will be used towards rehabilitation of Sunflower Avenue, from Harbor Boulevard to Bear Street.

**Proposed Schedule for Construction:**

Estimated Start Date: March 2023  
Estimated Completion Date: August 2023

**Estimated Useful Life of Improvement:**

10 years

**ATTACHMENT 1**

**PASSED AND ADOPTED this 17th day of May, 2022.**

\_\_\_\_\_  
John Stephens, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Brenda Green, City Clerk

\_\_\_\_\_  
Kimberly Hall Barlow, City Attorney

**ATTACHMENT 1**

**THIS PAGE IS RESERVED FOR CITY CLERK'S OFFICE**

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE    )       ss  
CITY OF COSTA MESA    )

I, **BRENDA GREEN**, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 2022-\_\_ and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 17th day of May, 2022, by the following roll call vote, to wit:

AYES:           COUNCILMEMBERS:

NOES:           COUNCILMEMBERS:

ABSENT:        COUNCILMEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 17th day of May, 2022.

\_\_\_\_\_  
Brenda Green, City Clerk



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

**File #:** 22-684

**Meeting Date:** 5/17/2022

### **TITLE:**

**APPROVAL OF A STREET CLOSURE AND ALCOHOL SERVICE FOR THE 2022 COSTA MESA-NEWPORT HARBOR LIONS CLUB FISH FRY EVENT TO BE HELD AT LIONS PARK, 570 W. 18<sup>th</sup> STREET ON JUNE 3-5, 2022.**

**DEPARTMENT:** PARKS AND COMMUNITY SERVICES DEPARTMENT

**PRESENTED BY:** JASON MINTER, PARKS AND COMMUNITY SERVICES  
DIRECTOR

**CONTACT INFORMATION:** (714) 754 - 5065

### **RECOMMENDATION:**

Staff recommends the City Council:

1. Adopt Resolution No. 2022-xx, approving the closure of a portion of Park Avenue between 18<sup>th</sup> Street and 19<sup>th</sup> Street for the Costa Mesa-Newport Harbor Lions Club 2022 Fish Fry event beginning June 3 and ending June 6, 2022 (Attachment 1).
2. Approve a request from the Costa Mesa-Newport Harbor Lions Club to sell wine and beer at Lions Park, 570 W. 18<sup>th</sup> Street, for the 2022 Fish Fry event to be held on June 3-5, 2022.

### **BACKGROUND:**

For over 70 years, the Costa Mesa-Newport Harbor Lions Club has hosted the annual Fish Fry event in Costa Mesa. The event is rich in tradition and has become a community staple, until it was canceled for two years due to the COVID-19 pandemic. The event has changed throughout the years, but traditionally includes community booth spaces, a stage with live music entertainment, a beer and wine garden, carnival rides, and fried fish meals for purchase. In its best years, this event has been known to attract a crowd of approximately 10,000-15,000 visitors between its start on Friday evening through its closing on Sunday evening.

The Fish Fry event serves as a means for the local chapter of the Lions Club to provide scholarship funds for local schools, clubs, and organizations. The event was typically held at Lions Park before moving to Fairview Park in 2012 due to the Lions Park construction project.

In 2019 the City Council approved a License Agreement with the Costa Mesa-Newport Harbor Lions Club to relocate the Fish Fry back to Lions Park (Attachment 2). Traditionally the Fish Fry has been held on a Friday, Saturday, and Sunday around Memorial Day weekend, although it was held in late September in 2018 and 2019 for environmental reasons. The current license agreement terms and



conditions include event management support provided by City staff from the Parks and Community Services Department for the planning and hosting of the event, Public Services for maintenance and traffic control services during the event, and Police Department support throughout the duration of the event. Other forms of City support include event sponsorships as well as promotional and marketing materials leading up to the Fish Fry.

### **ANALYSIS:**

The Costa Mesa-Newport Harbor Lions Club (Club) began hosting an annual Fish Fry event at Lions Park in 1946 as a fundraiser event to support community organizations, including local schools, charities, and non-profit organizations. The Club is a 501(c)(3) non-profit organization whose fundraising efforts provide support throughout the area and provide an entertainment filled weekend to the community.

The 2022 Fish Fry event will be relocated to its original place at Lions Park, per the 2019 License Agreement. The event will include a stage for musical performances, community and vendor booths, food booths (including the Club's famous fried fish), carnival rides and activities for all ages. Event setup will begin on Thursday, June 2, and be completed on Friday, June 3. All event breakdown will be completed by the end of day on Monday, June 6. The hours for the 2022 Fish Fry are:

- Friday, June 3; 5:00 - 10:00 pm
- Saturday, June 4; 11:00 am - 10:00 pm
- Sunday, June 5; 11:00 am - 10:00 pm

### **Street Closure Impacts and Community Outreach Efforts**

The Club is requesting the approval of an encroachment permit for the closure of a portion of Park Avenue between 18<sup>th</sup> Street and the Lions Park parking lot entrance off Park Avenue for the purpose of placing equipment, booths, and carnival rides for the duration of the Fish Fry event. To address and mitigate impacts attributed to the proposed closure, staff from the Parks and Community Services, Public Services, and Fire Departments will be working with the Club to develop a plan that ensures the following:

- A fire lane remains available at all times, including during setup, cleanup, and all event hours;
- Proper barriers, signage, and delineation is in place for the safety of the participants, employees, volunteers, pedestrians, bicyclists, and vehicles;
- Parking and traffic plan that will be reviewed by the Public Services Department, Transportation Division, prior to any event staging;
- Develop an event layout designating areas and activities; and
- Promotion of active transportation, ridesharing, shuttles, and Uber/Lift to minimize parking impact on the neighboring residents and businesses.

The primary reasons for the encroachment permit request are due to the improvements that have taken place at Lions Park over the last few years. The layout of Lions Park has changed considerably with the construction of the Donald Dungan Library, the creation of a 1-acre designated event lawn,

the relocation of the parking lot, and added landscaping and storm water management infrastructure.

The license agreement that was approved in 2019 included a list of the City's duties and responsibilities (page 3, Attachment 2), which include the following:

- Waiver of the special events application fee (\$425);
- Allow licensee to host an annual golf tournament at the Costa Mesa Country Club; with an estimated value of \$10,000;
- Provide marketing and promotional support (waiver of recreation guide ad fee - \$250);
- City to sponsor the event with a contribution not to exceed \$5,000; and
- City to provide personnel for special event services, including event production and management. This includes staff from the Parks and Community Services Department, Public Safety Departments (Police and Fire and Rescue), and Public Services Department.

Staff will be requesting an event summary from the Club at the conclusion of the Fish Fry, including its financial success.

In addition, the Club is requesting that the City Council authorize the sale of wine and beer for the 2022 Fish Fry per Costa Mesa Municipal Code Title 11, Chapter 1, Section 11-3, Drinking in Public; "*no person shall drink or consume wine, beer, whiskey, brandy or any alcoholic liquors or beverage on public streets, including public alleys, sidewalks and parkways, nor in public restrooms, parking lots, vacant lots, parked in motor vehicles or public parks except in any area of a public park where drinking has been expressly approved by the City Council or its designee and is so posted.*"

In accordance with the municipal code, the City Council must approve a variance to allow the consumption of alcohol at this public park facility. The Club is responsible for contacting the Alcoholic Beverage Control office (ABC) to obtain a license to operate a wine and beer garden. ABC requires the Club to complete an application (Form 221) for a temporary license to sell and serve wine and beer at the event. The ABC requires the Club to follow all the rules and regulations outlined in Form 221 (Attachment 3). The operation of the wine and beer garden will be supervised by a designated adult member of the Club who either has had ABC training, training as a public safety officer or other applicable training.

### **ALTERNATIVES:**

The City Council may elect to deny the requests. Staff does not recommend this action as the Lion's Club Fish Fry is a long-standing Costa Mesa tradition that generates significant revenue for the Costa Mesa-Newport Harbor Lion's Club and their year round philanthropic activities (i.e. scholarships, grants, etc).

**FISCAL REVIEW:**

Costs incurred by the City include those mentioned above, as well as staffing from the following Departments: Parks and Community Services Department, Public Safety Departments (Police and Fire and Rescue), and Public Services Department.

**LEGAL REVIEW:**

The City Attorney's Office has prepared Resolution 22-XX and reviewed and approved this report as to form.

**CITY COUNCIL GOALS AND PRIORITIES:**

This item supports the Following City Council Goal:

- Strengthen the Public Safety and Improve the Quality of Life.

**CONCLUSION:**

It is recommended that the City Council approve Resolution 22-XX for the closure of a portion of Park Avenue between 18<sup>th</sup> Street and the parking lot entrance on Park Avenue and the request to sell wine and beer in support of the 2022 Costa Mesa-Newport Harbor Lions Club Fish Fry event. Staff will continue to work with representatives from the Costa Mesa-Newport Harbor Lions Club to help provide a seamless transition from the previous events at Fairview Park to the long-standing home of the Fish Fry at Lions Park.

**RESOLUTION NO. 2022-xx**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, DESIGNATING A STREET CLOSURE FOR THE 2022 FISH FRY**

THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA DOES HEREBY FIND AND DECLARE AS FOLLOWS:

WHEREAS, because of the impact that special events have on City streets and traffic when a full or partial street closure is required for such special events, the City Council of the City of Costa Mesa finds that it is crucial that any such routes be thoroughly reviewed and analyzed to enable careful planning of such special events in order to minimize impacts to the general public where such street closures are permitted; and

WHEREAS, in accordance with Section 9-208.9 of the Costa Mesa Municipal Code, Event Routes, after thorough review, analysis, and planning, the City Council does hereby establish the following routes and necessary full and partial street closures for the 2022 Costa Mesa-Newport Harbor Lions Club Fish Fry.

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

Section 1. The 2022 Costa Mesa-Newport Harbor Lions Club Fish Fry event street closure is hereby established as shown by the map attached hereto as Exhibit “A” and incorporated herein.

Section 2. The streets listed in Exhibit “B,” attached hereto and incorporated herein, will be subject to full and partial street closures for the 2022 Costa Mesa-Newport Harbor Lions Club Fish Fry. Said closures will be as set forth in Exhibit “B”. Street Closure would begin at 9:00 am on June 2nd, and would reopen at 10:00 am on June 6th.

**PASSED AND ADOPTED this 17th day of May, 2022.**

---

John Stephens, Mayor

## ATTACHMENT 1

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Brenda Green, City Clerk

\_\_\_\_\_  
Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE     )     ss  
CITY OF COSTA MESA     )

I, **BRENDA GREEN**, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 2022-xx and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 17<sup>th</sup> day of May, 2022, by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

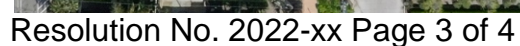
ABSENT:        COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 17<sup>th</sup> day of May, 2022.

\_\_\_\_\_  
BRENDA GREEN, CITY CLERK

(SEAL)







**FISH FRY – AFFECTED STREETS ON ROUTE**

<b>STREET</b>	<b>FROM</b>	<b>TO</b>	<b>CLOSURE TYPE</b>	<b>SIDE OF STREET</b>
Park Avenue	18 <sup>th</sup> Street	Approximately 500ft South of 19 <sup>th</sup> Street	Full	Both

Note:

NB lane is reserved as a Fire lane.

SB lane adjacent to the Lions Park perimeter will be used for carnival games and mechanical rides.

**CITY OF COSTA MESA  
LICENSE AGREEMENT  
WITH  
COSTA MESA-NEWPORT HARBOR LIONS CLUB**

THIS LICENSE AGREEMENT (“Agreement”) is made and entered into this 17th day of September, 2019 (“Effective Date”), by and between the CITY OF COSTA MESA, a municipal corporation (“City” or “Licensor”), and COSTA MESA-NEWPORT HARBOR LIONS CLUB, a California nonprofit corporation (“Licensee”).

**WITNESSETH:**

WHEREAS, City is the owner of the real property located at 570 W. 18th Street, Costa Mesa, California and all appurtenances thereon known as the Lions Park Campus (“Property”); and

WHEREAS, since 1946, Licensee has held an annual Fish Fry event (“Fish Fry”) in the City as a fundraising event to support community organizations; and

WHEREAS, Licensee uses proceeds from the Fish Fry to support local schools, charities and non-profit organizations; and

WHEREAS, the Fish Fry adds community value by creating an event that attracts thousands of attendees each year; and

WHEREAS, Licensee used City’s Lions Park to host the Fish Fry until 2012; and

WHEREAS, since 2012, Licensee has held the Fish Fry in Fairview Park; and

WHEREAS, the California Department of Fish and Wildlife has recommended that the Fish Fry be moved from Fairview Park; and

WHEREAS, City and Licensee now desire to have the Fish Fry held at the Property, commencing in 2020; and

WHEREAS, the Licensor and Licensee desire to execute this Agreement to set forth their rights, obligations, and liabilities relating to Licensee’s use of the Property; and

WHEREAS, the City and Licensee agree that this Agreement and the Fish Fry serve the public purpose and benefit of creating an event for the community, promoting community stewardship, and providing financial support to schools, charities and non-profit organizations located and active within the City of Costa Mesa.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

**1.0. GRANT OF LICENSE**

Commencing January 1, 2020, Licensor grants to Licensee a non-exclusive license (the “License”) to use a portion of the Property, as delineated in Exhibit “A,” attached hereto and incorporated herein (the “Licensed Area”) on the first weekend after Memorial Day each year (each a “License Period”). Notwithstanding the foregoing, Licensee agrees that City may, in its discretion, require the 2020 Fish Fry to



be held in September 2020 due to construction at the Property.

## **2.0. LIMITED USE OF LICENSED AREA**

Licensee's use of the Property shall be limited to use of the Licensed Area for the exclusive purpose of hosting the Fish Fry event only. Such event may include carnival rides, bingo, a car show, vendors, entertainment, and parades. Licensee shall not use the Licensed Area for any other purpose or business without first obtaining Licensor's written consent.

## **3.0. LICENSE FEE**

In exchange for Licensee's organization and hosting of the Fish Fry event, City grants the License to Licensee for no fee.

## **4.0. TERM AND TERMINATION**

4.1. Term. The performance of this Agreement shall commence on January 1, 2020 and continue for a period of ten (10) years, ending on December 31, 2030, unless previously terminated as provided herein. This Agreement shall automatically extend for one (1) additional ten (10) year period, unless either party, at least thirty (30) days prior to the expiration of the term, provides written notice to the other party indicating that it does not desire to extend the term.

4.2. Termination. Either party may terminate this Agreement by providing six (6) months' written notice to the other party, either by certified mail or personal delivery.

## **5.0. LICENSEE'S DUTIES AND RESPONSIBILITIES**

Licensee shall:

- (a) Be responsible for all aspects of the Fish Fry event.
- (b) Submit a Special Event Permit application for each year's Fish Fry in accordance with Section 9-208 of the Costa Mesa Municipal Code.
- (c) Provide to City, at no cost, the use of one (1) booth space at each year's Fish Fry, to be used at the City's discretion.
- (d) Obtain at least sixty (60) days' advance written approval from City of the layout for the Fish Fry, including but not limited to placement of booths, stage, dance floor, and carnival rides. Licensee shall arrange the event in accordance with the approved layout. Licensee shall not change the layout without City's written approval.
- (e) Provide twenty-four (24) hour security services at the Licensed Area during each License Period. The number of security guards required to provide such services shall be as directed by City.
- (f) Remove all personal property at the conclusion of each License Period.
- (g) Leave the Licensed Area in the condition it was provided to Licensee at the inception of each License Period and each day thereof.

- (h) Enforce all City policies and rules pertaining to the general code of conduct while at the Property.
- (i) Comply with, and require its guests and invitees to comply with, any and all City rules, regulations, and guidelines applicable to use of the Licensed Area.
- (j) Promptly notify the City of needed repairs and/or dangerous conditions in the Licensed Area.
- (k) Comply with all reasonable requests made by City.

#### **6.0. CITY'S DUTIES AND RESPONSIBILITIES**

City agrees to:

- (a) Provide a staff person to oversee the Property during the License Periods.
- (b) Provide staff members to assist with event production and management, as directed by the City's Parks and Community Services Director.
- (c) Provide marketing and promotional support in connection with each Fish Fry.
- (d) Waive the Special Events Permit Fee for each Fish Fry.
- (e) Waive the costs of providing special event Police Department services for each Fish Fry.
- (f) Contribute to each year's Fish Fry as an official Three Day Event Sponsor, or similar level of sponsor if the sponsor levels change, of the event, in an amount to be determined by the City. Notwithstanding the foregoing, City's annual sponsorship contribution shall not exceed Five Thousand Dollars (\$5,000.00).
- (g) Permit Licensee to use the refrigeration units located in City facilities adjacent to the Licensed Area, if such units are available and the adjacent City facilities are not being utilized for a separate event.
- (h) Maintain the Licensed Area in a safe and clean condition.
- (i) Perform any needed maintenance and repairs of the Licensed Area.
- (j) Provide Licensee with notice as soon as practical of the unavailability of the Licensed Area, unless such unavailability is due to unanticipated emergency or causes beyond Licensor's control. In the event the Licensed Area becomes unavailable, City will attempt to provide Licensee with an alternative location for the Fish Fry.
- (k) Allow Licensee to host an annual golf tournament at one of the two public golf courses located at the Costa Mesa Country Club as a fundraiser to benefit the Fish Fry. The City will waive green fees and other related fees for such tournament. The terms and conditions of Licensee's use shall subject to written agreement of the parties.

## **7.0. SIGNS**

Licensee shall coordinate with City regarding the placement of advertisements relating to the Fish Fry on City property.

## **8.0. ENTRY BY CITY AND PUBLIC**

The Fish Fry shall be open to the public at no charge. City and the general public shall have unrestricted access to the Licensed Area at all times during Licensee's use.

## **9.0. ACCEPTANCE OF LICENSED AREA**

Licensor makes no warranty or representation of any kind whatsoever regarding the condition of the Licensed Area or its fitness for Licensee's use, or any use. Licensee accepts and agrees to use the Licensed Area in its current "as-is" condition, without any obligation of Licensor to perform or pay for any improvement thereto.

## **10.0. ALTERATIONS, ADDITIONS, IMPROVEMENTS**

Licensor reserves the right to alter, change, or work on the Licensed Area during the term of this Agreement.

Licensee shall not make any alterations, additions, or improvements to the Licensed Area or Property without prior written approval from Licensor.

## **11.0. UTILITIES AND TAXES**

11.1. Utilities. Licensor shall provide power and water to the Property and pay all fees and charges in connection therewith.

11.2. Taxes. Licensee shall pay all taxes which may be levied or assessed as a result of this Agreement or Licensee's use of the Property. Although it is not anticipated that this License will create a possessory interest in the Property, Licensee understands that a possessory interest may be created and vested in Licensee as a result of this Agreement and that such interest may be subject to property taxation. Licensee understands that Licensee may be subject to the payment of property taxes levied on such possessory interest. If property taxes are levied due to a possessory interest, Licensee shall pay such taxes.

## **12.0. NO INTEREST IN PROPERTY**

Licensee understands and agrees that this is a license agreement, not a lease agreement. No tenancy is established by this Agreement and Licensee shall have no interest in the Property as a result of this Agreement or Licensee's use of the Licensed Area.

## **13.0. INSURANCE**

13.1. Minimum Scope and Limits of Insurance. Licensee shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Commercial general liability, including premises-operations, products/completed

operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than Two Million Dollars (\$2,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.

13.2. Endorsements. The commercial general liability insurance policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Costa Mesa and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of Costa Mesa-Newport Harbor Lions Club pursuant to its contract with the City; products and completed operations of Costa Mesa-Newport Harbor Lions Club; premises owned, occupied or used by Costa Mesa-Newport Harbor Lions Club."
- (b) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to City."
- (c) Other insurance: "Costa Mesa-Newport Harbor Lions Club's insurance coverage shall be primary insurance as respects the City of Costa Mesa, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Costa Mesa, its officers, officials, agents, employees, and volunteers.
- (e) Licensee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

13.3. Deductible or Self-Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

13.4. Certificates of Insurance. Licensee shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to using the Property. The certificates of insurance shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

#### **14.0. INDEMNIFICATION AND RELEASE**

14.1. Licensee agrees to defend, indemnify, and hold free and harmless City, its elected officials, officers, agents, volunteers and employees ("Indemnitees"), at Licensee's sole expense, from and against any and all claims, demands, suits, actions or proceedings of any kind or nature arising out of this Agreement or the use or occupancy of the Property by, or the acts, errors or omissions of, Licensee, its officers, agents, members, volunteers, employees, occupants, invitees, visitors, guests, or other users, and/or authorized subcontractors. Notwithstanding the foregoing, Licensee shall not be responsible for claims, actions,

complaints, or suits arising out of the sole active negligence or willful misconduct of the Indemnitees.

14.2. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by Licensee, its officers, agents, volunteers, employees, occupants, invitees, visitors, guests, or other users and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions, or misconduct of Licensee, its officers, agents, volunteers, employees, invitees, visitors, guests, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the Indemnitees based upon Licensee's use or occupancy of the Property pursuant to this Agreement, whether or not Licensee, its officers, agents, volunteers, employees, invitees, visitors, guests, and/or authorized subcontractors are asserted to be liable.

14.3. Licensee hereby releases Indemnitees from any claims, demands, obligations, liabilities, damages, injuries, breaches of duty, causes of action, losses, costs and expenses, including, without limitation, attorneys' fees, whether known or unknown, which arise out of or are incurred in connection with the use of the Property by Licensee, including, without limitation, any damage or injury to Licensee or to its property arising out of or in connection with this Agreement.

## **15.0. GENERAL PROVISIONS**

15.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

15.2. Notices. Except as set forth herein, any notices, documents, correspondence or other communications concerning this Agreement may be provided by personal delivery or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: (a) at the time of delivery if such communication is sent by personal delivery, and (b) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail. Either party may change its address by giving notice in writing to the other party.

### **IF TO LICENSEE:**

Costa Mesa-Newport Harbor Lions Club  
P.O. Box 10628  
Costa Mesa, CA 92627  
Attn: President

### **IF TO CITY:**

City of Costa Mesa  
Parks and Community Services Department  
77 Fair Drive  
Costa Mesa, CA 92626  
Attn: Justin Martin

15.3. Assignment and Subletting. Licensee shall not assign this Agreement or license or sublet the Property or any part thereof without the prior written consent of City.

15.4. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California.

15.5. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses,

including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

15.6. Public Records Act Disclosure. Licensee has been advised and is aware that this Agreement and all reports, documents, information and data furnished or prepared by Licensee pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code section 6250 et seq.). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in California Government Code section 6254.7, and of which Licensee informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

15.7. Force Majeure. In the event of damage or destruction of the Property by any act of God, fire, national or local calamity, strike, labor dispute, civil disturbance, accident, epidemic, act or regulation of any public authority, interruption in or delay of transportation services, or any event of any other kind or character whatsoever, whether similar or dissimilar to the foregoing events, which shall render the practicable fulfillment by City of its obligations under this Agreement impossible, this Agreement shall be null and void and City shall be released of all responsibility hereunder and shall not be held responsible by Licensee for any resulting damage. In the event of any such occurrence or threat thereof, City shall have the right in its discretion to suspend or terminate any use by Licensee of the Property, to cause the Property to be vacated, or to take such action for such duration as City in its sole discretion deems necessary or appropriate.

15.8. No Third-Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Licensee and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

15.9. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

15.10. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

15.11. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

15.12. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

15.13. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other

circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

15.14. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

15.15. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

**COSTA MESA-NEWPORT HARBOR LIONS CLUB**

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Name and Title

**CITY OF COSTA MESA**

\_\_\_\_\_  
Katrina Foley  
Mayor

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Brenda Green  
City Clerk

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Kimberly Hall Barlow  
City Attorney

Date: \_\_\_\_\_

**DEPARTMENTAL APPROVAL:**

\_\_\_\_\_  
Justin Martin  
Acting Assistant City Manager

Date: \_\_\_\_\_

\_\_\_\_\_  
Yvette Aguilar  
Acting Parks and Community Services Director

Date: \_\_\_\_\_



**EXHIBIT A**

**DESCRIPTION OF LICENSED AREA**

Exhibit A  
Description of Licensed Area



**EXHIBIT B**  
**CERTIFICATES OF INSURANCE**



# CERTIFICATE OF LIABILITY INSURANCE

**EXHIBIT B****182**

DATE (MM/DD/YYYY)

09/06/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b>  DSP Insurance 1900 E. Golf Road, Suite 650 Schaumburg, IL 60173	<b>CONTACT NAME:</b> John Adams	
	<b>PHONE (A/C, No, Ext):</b> 1-800-316-6705	<b>FAX (A/C, No):</b> 847-934-6186
<b>INSURED</b>  Costa Mesa Newport harbor lions club costa mesa California	<b>E-MAIL ADDRESS:</b> lionsclubs@dspins.com	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A:</b> ACE American Insurance Company	
	<b>INSURER B:</b>	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
<b>INSURER E:</b>		
<b>INSURER F:</b>		
<b>NAIC #</b>		
22667		

**COVERAGES** **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Agg. Per Named Insured is \$2,000,000 GENL. AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO. JECT <input type="checkbox"/> LOC		HDOG71573448	09/01/2019	09/01/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		ISAH25301754	09/01/2019	09/01/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A				WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$


DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Provisions of the policy apply to the named insureds participation in the following activity during the policy period shown above: costa mesa newport harbor lions club fish fry sept 20 21- 22

The following persons or organizations granting use of real property, including structures thereon are included as Additional Insured(s), but only with respect to General Liability arising out of the use of premises by the insured shown above and not out of the sole negligence of said additional insured.

\*\*\* city of costa mesa and it's officers, employees, agents volunteers and representatives \*\*\*

PROVISIONS OF THE POLICY DO NOT APPLY TO THE SALE OR SERVING OF ALCOHOLIC BEVERAGES

<b>CERTIFICATE HOLDER</b>  city of costa mesa and it's officers, employees, agents, volunteers and representatives 77 fair drive p.o. box 1200 Costa Mesa California 92626	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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**DAILY LICENSE APPLICATION/AUTHORIZATION - Non Transferable**

**Instructions:** Complete all items. Submit to local ABC District Office with required fee (Cashier's Check or Money Order) payable to ABC. Once license is issued, fee cannot be refunded. For a listing of ABC District Offices please visit <http://www.abc.ca.gov/distmap.html>  
Pursuant to the authority granted by the organization named below, the undersigned hereby applies for the license(s) described below.

LICENSE NUMBER	GEO CODE
RECEIPT NUMBER	
FEE \$	

1. ORGANIZATION'S NAME	CONDITIONS REQUIRED <input type="checkbox"/> Yes <input type="checkbox"/> No	DIAGRAM REQUIRED <input type="checkbox"/> Yes <input type="checkbox"/> No
------------------------	---	--

## 2. LICENSE TYPE (Check appropriate license type AND organization type)

a. ☐ **Daily General (\$75.00)** (Includes beer, wine and distilled spirits)

<input type="checkbox"/> Political Party/Affiliate Supporting Candidate for Public Office or Ballot Measure	<input type="checkbox"/> Fraternal Organization in Existence Over Five Years with Regular Membership
<input type="checkbox"/> Organization Formed for Specific Charitable or Civic Purpose	<input type="checkbox"/> Religious Organization
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Vessel per Section 24045.10 B&P (\$50.00)

b. ☐ **Special Daily Beer & Wine (\$50.00)**

<input type="checkbox"/> Charitable	<input type="checkbox"/> Fraternal	<input type="checkbox"/> Social	<input type="checkbox"/> Political	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Civic	<input type="checkbox"/> Religious	<input type="checkbox"/> Cultural	<input type="checkbox"/> Amateur Sports Organization	

c. ☐ **Special Temporary License (\$100.00)** (Different privileges depending on statute)

<input type="checkbox"/> Television Station per Section 24045.2 or 24045.9 B&P	<input type="checkbox"/> Person conducting Estate Wine Sale per Section 24045.8 B&P
<input type="checkbox"/> Nonprofit Corporation per Sections 24045.4 and 24045.6 B&P	<input type="checkbox"/> Women's Educational and Charitable Organization per Section 24045.3 B&P

☐ **Other Special Temporary Licenses, per Section** \_\_\_\_\_

License number \_\_\_\_\_ Amount \$ \_\_\_\_\_

3. EVENT TYPE

<input type="checkbox"/> Dinner	<input type="checkbox"/> Dance	<input type="checkbox"/> Wedding	<input type="checkbox"/> Lunch	<input type="checkbox"/> Picnic	<input type="checkbox"/> Barbeque	<input type="checkbox"/> Social Gathering	<input type="checkbox"/> Festival
<input type="checkbox"/> Sports Event	<input type="checkbox"/> Concert	<input type="checkbox"/> Birthday	<input type="checkbox"/> Mixer	<input type="checkbox"/> Carnival	<input type="checkbox"/> Dinner Dance	<input type="checkbox"/> Other: _____	

4. TOTAL # OF DAYS	5. ESTIMATED ATTENDANCE	6. HOURS OF ALCOHOLIC BEVERAGE SALES, SERVICE AND/OR CONSUMPTION From _____ To _____
--------------------	-------------------------	---

7. EVENT DATE(S)	8. EVENT IS OPEN TO THE PUBLIC <input type="checkbox"/> Yes <input type="checkbox"/> No
------------------	--

9. EVENT LOCATION (Give facility name, if any, street number and name, and city)

10. LOCATION IS WITHIN THE CITY LIMITS <input type="checkbox"/> Yes <input type="checkbox"/> No	11. TYPE OF ENTERTAINMENT	12. SECURITY GUARDS <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, how many? _____
--	---------------------------	---

13. AUTHORIZED REPRESENTATIVE'S NAME	14. REPRESENTATIVE'S TELEPHONE NUMBER
--------------------------------------	---------------------------------------

15. REPRESENTATIVE'S ADDRESS

16. ORGANIZATION'S MAILING ADDRESS (if different from #15 above)

17. CONTACT EMAIL ADDRESS

18. AUTHORIZED REPRESENTATIVE'S SIGNATURE	19. DATE SIGNED
---	-----------------

PROPERTY OWNER APPROVAL BY (Name), REQUIRED	PHONE NUMBER	PROPERTY OWNER SIGNATURE	DATE SIGNED
LAW ENFORCEMENT APPROVAL BY (Name), IF APPLICABLE	PHONE NUMBER	LAW ENFORCEMENT SIGNATURE	DATE SIGNED
DISTRICT OFFICE APPROVAL BY (Name)		ABC EMPLOYEE SIGNATURE	ISSUANCE DATE

The above-named organization is hereby licensed, pursuant to the California Business and Professions Code Division 9 and California Code of Regulations, to engage in the temporary sale of alcoholic beverages for consumption at the above named location for the period authorized above.

This license may be revoked summarily by the Department if, in the opinion of the Department and/or the local law enforcement agency, it is necessary to protect the safety, welfare, health, peace and morals of the people of the State.



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

File #: 22-678

Meeting Date: 5/17/2022

### TITLE:

**CONDUCT TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA) HEARING, ADOPT A RESOLUTION APPROVING THE ISSUANCE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY REVENUE OBLIGATIONS FOR THE BENEFIT OF VANGUARD UNIVERSITY OF SOUTHERN CALIFORNIA IN AN AMOUNT NOT-TO-EXCEED \$30,000,000**

**DEPARTMENT: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION**

**PRESENTED BY: DANIEL INLOES, ECONOMIC DEVELOPMENT ADMINISTRATOR**

**CONTACT INFORMATION: DANIEL INLOES, (714) 754-5088;  
Daniel.Inloes@costamesaca.gov**

### RECOMMENDATION:

Staff recommends the City Council:

1. Conduct a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 to receive comments relating to the issuance by the California Enterprise Development Authority (the "Authority") of not to exceed \$30,000,000 in the Authority's Revenue Obligations (the "Obligations") for the benefit of Vanguard University of Southern California, a California nonprofit public benefit corporation (the "Borrower").
2. Adopt a Resolution approving the issuance of the Obligations by the Authority to finance and refinance the Facilities for the benefit of the Borrower.

### BACKGROUND:

#### **California Enterprise Development Authority (CEDA)**

CEDA (hereafter the "Authority") is a joint exercise of powers authority (JPA) established by the California Association for Local Economic Development (CALED) whose purpose is to issue tax-exempt and taxable conduit revenue bonds to fund commercial and industrial development projects within member jurisdictions. Federal and state laws provide the ability for cities and counties to join together under cooperative agreements to form joint powers authorities to issue tax-exempt and taxable bonds to fund projects that provide a public benefit and serve the needs of residents within the jurisdictions of the participating members. Cities and counties in California utilize joint powers authorities primarily for economies of scale, to access specialized transaction knowledge and resources, and to avoid using valuable local staff time on these types of transactions.

The Authority is a joint powers authority created by the cities of Selma, Lancaster and Eureka. There are approximately 200 cities and counties who are associate members of the Authority. The Authority's activities are dedicated to providing economic development assistance to member jurisdictions as an extension of the economic development assistance provided by CALED to its members. The City became an associate member of the Authority on September 3, 2019. As an Associate Member of the Authority, the City is eligible to participate in the Authority's programs.

### **The Borrower**

The Borrower and the Authority have requested that the City conduct a Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA") hearing and approve a resolution in accordance with Internal Revenue Code Section 147(f) authorizing the issuance of tax-exempt obligations by the Authority in an amount not to exceed \$30,000,000. A TEFRA hearing is required by the Internal Revenue Code ("Code") before tax-exempt debt can be issued for the benefit of a private nonprofit corporation. The hearing gives the public an opportunity to comment on the use of tax-exempt funds by the Borrower.

The proceeds of the Obligations will be used to finance and refinance the construction, development, improvement, installation, equipping and furnishing of certain educational and ancillary facilities located at the Borrower's Vanguard University of Southern California campus at 55 Fair Drive and 2374 Newport Boulevard in Costa Mesa (the "Campus"), including, but not limited to, an approximately 61,000-square-foot gymnasium/event center with locker rooms, a weight room, athletic training room and various athletic offices, classrooms, laboratories and administrative offices, and other campus improvements (collectively, the "Facilities"). The proceeds of the Obligations will also be used to pay certain costs of issuance and capitalized interest in connection with the issuance of the Obligations.

Founded in 1920, the Borrower is a Section 501(c)(3) organization and owns and operates a private university with an enrollment of approximately 2,250 students in connection with its charitable religious purposes. The Facilities will enrich the lives of students on the Campus and help improve the Borrower's programs in the City.

The issuance of the Obligations as tax-exempt will reduce financing and debt service costs for the Borrower. In order to satisfy the requirements for the obligations to be issued as tax-exempt, an applicable elected representative, which is also a member of the Authority, is required to conduct the TEFRA hearing and approve the issuance of the tax-exempt obligations in accordance with Section 147(f) of the Code. The City Council of the City of Costa Mesa constitutes an applicable elected representative under Section 147(f) of the Code.

A public notice of the public hearing was published on behalf of the City at least seven days prior to the hearing in the *Daily Pilot* newspaper by the law firm of Kutak Rock LLP.

### **ANALYSIS:**

Vanguard University of Southern California has operated in Costa Mesa at 55 Fair Drive since 1950. A Master Plan for the future expansion of Vanguard University of Southern California was approved by the City Council on February 19, 2019 by a 5-2 vote (Councilmembers Marr and Reynolds voting no). The Master Plan allowed for the overall expansion of the university including additional administrative buildings, additional classroom buildings, and student housing, a parking structure,

and campus beautification and infrastructure upgrades. Once constructed, the additions to Vanguard University of Southern California will constitute a substantial addition to the university and increase the footprint of educational facilities within the City of Costa Mesa.

CEDA currently has over 16 member cities in Orange County, which include Newport Beach, Huntington Beach, Irvine, and Santa Ana. Partnering with CEDA allows for qualified projects to receive fiscal support through this joint powers authority to ensure qualifying projects are built. Qualifying projects include non-profit facilities, manufacturing facilities and clean energy upgrades.

Supporting the issuance of Obligations to Vanguard University of Southern California will increase the potential success of the project, expedite the construction process, and help to build and open this community educational resource.

A previous TEFRA hearing for this project was held on March 3, 2020 where City Council approved a resolution approving the issuance of tax-exempt obligations by the California Enterprise Development Authority (CEDA) in an amount not-to-exceed \$42,000,000 to finance and refinance certain facilities for the benefit of Vanguard University of Southern California, a California nonprofit public benefit corporation. This TEFRA hearing is for a second hearing and approval from the City of Costa Mesa as an applicable representative body so Vanguard University of Southern California might secure additional financing through CEDA.

#### **ALTERNATIVES:**

The City Council could decide not to approve the Resolution and Vanguard University of Southern California would need to seek authorization from another applicable elected representative body such as the County of Orange or secure a different financing source for its campus at 55 Fair Drive.

#### **FISCAL REVIEW:**

There is no fiscal impact to the City. The adoption of the Resolution approving the financing and refinancing of the Facilities and the issuance of the Obligations complies with the requirements of Section 147(f) of the Internal Revenue Code of 1986. The City does not bear any responsibility for the tax-exempt status of the interest on the Obligations, the debt service on the Obligations or any other matter related to the Obligations.

#### **LEGAL REVIEW:**

The City Attorney's office has reviewed the Agenda Report and Resolution and approves it as to form.

#### **CITY COUNCIL GOALS AND PRIORITIES:**

This item is administrative in nature.

#### **CONCLUSION:**

Staff recommends the City Council:

1. Conduct a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 to receive comments relating to the issuance of the Obligations by the Authority to finance and



refinance the Facilities.

2. Adopt a Resolution approving the issuance of the Obligations by the Authority to finance and refinance the Vanguard University of Southern California Facilities for the benefit of the Borrower.

**RESOLUTION NO. 2022-XX**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA APPROVING THE ISSUANCE BY CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY OF NOT TO EXCEED \$30,000,000 AGGREGATE PRINCIPAL AMOUNT OF THE AUTHORITY'S REVENUE OBLIGATIONS FOR THE BENEFIT OF VANGUARD UNIVERSITY OF SOUTHERN CALIFORNIA FOR THE PURPOSE OF FINANCING AND REFINANCING THE COST OF ACQUISITION, CONSTRUCTION, DEVELOPMENT, INSTALLATION, EQUIPPING AND FURNISHING OF EDUCATIONAL FACILITIES AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED**

THE CITY COUNCIL OF THE CITY OF COSTA MESA HEREBY FINDS AND DECLARES AS FOLLOWS:

WHEREAS, Vanguard University of Southern California, a California nonprofit religious corporation, and/or a related or successor entity (the "Borrower") has requested that the California Enterprise Development Authority (the "Authority") issue tax-exempt and/or taxable revenue obligations in an amount not to exceed \$30,000,000 (the "Obligations"), for and on behalf of the Borrower, pursuant to the provisions of Chapter 5 of Division 7 of Title 1 of the Government Code of the State (commencing with Section 6500) (the "Act"), to (a) finance and refinance the construction, development, improvement, installation, equipping and furnishing of certain educational and ancillary facilities located at the Borrower's campus at 55 Fair Drive and 2374 Newport Boulevard, both located in Costa Mesa, California (the "Campus"), including, but not limited to, an approximately 61,000-square-foot gymnasium/event center with locker rooms, a weight room, athletic training room and various athletic offices, classrooms, laboratories and administrative offices, and other campus improvements (collectively, the "Facilities"), and (b) pay certain costs of issuance and capitalized interest in connection with such financing and refinancing; and

WHEREAS, the Borrower owns and operates the Facilities as part of its university with the purpose of furthering the Borrower's mission of educating students to pursue the values of truth, virtue and service; and

WHEREAS, the City of Costa Mesa (the "City") is an Associate Member of the Authority and is eligible to participate in the Authority's financing programs; and

WHEREAS, the issuance of the Obligations shall be subject to the approval of and execution by the Authority of all financing documents relating thereto to which the Authority is a party; and

WHEREAS, the Facilities are located within the territorial limits of City; and

WHEREAS, the interest on the Obligations may qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") only if the Obligations are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the City Council of the City (the "City Council") is the elected legislative body of the City and is the applicable elected representative required to approve the issue within the meaning of Section 147(f) of the Code; and

WHEREAS, the Borrower and the Authority have requested the City Council to approve the issuance of the Obligations in order to satisfy the public approval requirements of Section 147(f) of the Code; and

WHEREAS, it is intended that this Resolution shall comply with the public approval requirements of Section 147(f) of the Code; provided, however, that this Resolution is neither intended to nor shall it constitute an approval by the City Council of the Facilities for any other purpose; and

WHEREAS, a public hearing was held by the City Council on this 17<sup>th</sup> day of May, 2022, at the meeting which commenced at the hour of 6:00 p.m., in the Council Chambers of the City of Costa Mesa, 77 Fair Drive, Costa Mesa, California 92626, following a duly published notice thereof in a newspaper of general circulation in the City of Costa Mesa, on May 6, 2022, and all persons desiring to be heard have been heard;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COSTA MESA HEREBY RESOLVES as follows:

Section 1. The City Council hereby finds and determines that all of the recitals are true and correct.

Section 2. The City Council hereby approves the issuance of the Obligations by the Authority, from time to time, pursuant to a plan of finance, which Obligations may be tax-exempt and/or taxable as approved by the Authority in its resolution, in an amount not to exceed \$30,000,000 to finance and refinance the costs of the Facilities. This resolution shall constitute "host" approval of the issuance of the Obligations within the meaning of

Section 147(f) of the Code and shall constitute the approval of the issuance of the Obligations within the meaning of the Act; provided, however, that this Resolution shall not constitute an approval by the City Council of the Facilities for any other purpose. The City shall not bear any responsibility for the tax-exempt status of the interest on the Obligations, the payment of the principal of or interest on the Obligations or any other matter related to the Obligations. The City does not have any responsibility for the debt and is not pledging any assets as security for the debt.

Section 3. All actions heretofore taken by the officers, employees and agents of the City with respect to the approval of the Obligations are hereby approved, confirmed and ratified, and the officers and employees of the City and their authorized deputies and agents are hereby authorized and directed, jointly and severally, to execute and deliver any and all certificates and documents which they or bond counsel may deem necessary or advisable in order to consummate the Obligations and otherwise to effectuate the purposes of this Resolution.

Section 4. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing for the Facilities; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation or operation of the Facilities; or (iii) make any contribution or advance any funds whatsoever to the Authority.

Section 5. This Resolution shall take effect from and after adoption.

Section 6. The City Clerk of the City of Costa Mesa shall certify the adoption of this resolution, and thenceforth and thereafter the same shall be in full force and effect.

**PASSED AND ADOPTED this 17<sup>th</sup> day of May, 2022.**

\_\_\_\_\_  
John Stephens, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Brenda Green, City Clerk

\_\_\_\_\_  
Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE     )     ss  
CITY OF COSTA MESA     )

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 2022-XX and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 17<sup>th</sup> day of May 2022, by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 17<sup>th</sup> day of May 2022.

\_\_\_\_\_  
BRENDA GREEN, CITY CLERK



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-683

**Meeting Date:** 5/17/2022

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**TITLE:**

INTRODUCTION OF AN ORDINANCE ADDING CHAPTER XV (UNLAWFUL POSSESSION OF A CATALYTIC CONVERTER) TO TITLE 11 (OFFENSES-MISCELLANEOUS) OF THE COSTA MESA MUNICIPAL CODE TO ESTABLISH REGULATIONS PROHIBITING THE UNLAWFUL POSSESSION OF CATALYTIC CONVERTERS IN THE CITY

**DEPARTMENT:** POLICE DEPARTMENT

**PRESENTED BY:** BRYAN WADKINS, LIEUTENANT

**CONTACT INFORMATION:** BRYAN WADKINS, LIEUTENANT, (714)754-5292

**RECOMMENDATION:**

Staff recommends the City Council:

Introduce for first reading, by title only, Ordinance No. 2022-xx, adding Chapter XV (Unlawful Possession of a Catalytic Converter) to Title 11 (Offenses-Miscellaneous) of the Costa Mesa Municipal Code to establish regulations prohibiting the unlawful possession of catalytic converters in the City.

**BACKGROUND:**

In recent years, the residents of Costa Mesa have been the victims of hundreds of catalytic converter thefts. Unsuspecting victims park their cars and while they are away, criminals quickly remove the catalytic converter from their vehicles using power tools. The theft of catalytic converters is one of the fastest growing crimes in Costa Mesa, having increased from 26 in 2019 to 318 in 2021, a 1,223% increase in two years.

Catalytic converter thefts are on the rise statewide because individuals are incentivized to commit catalytic converter thefts for multiple reasons including, but not limited to:

- The ease and undetectable nature of committing the thefts in a matter of seconds using common tools.
- The ability to recycle catalytic converters at scrap metal yards for high dollar returns ranging from \$200 to \$1,200 per catalytic converter.
- Loopholes in current laws protecting criminals from prosecution unless a victim can be identified.

The individuals who are in possession of stolen catalytic converters recycle them for substantial profit, while victims of these thefts suffer consequences of paying thousands of dollars in repairs, the inconvenience of repairing their vehicles and feeling unsafe in their community.

Based on current laws, if a suspect is found to be in possession of numerous catalytic converters, police have the burden to prove the catalytic converters are stolen. Law enforcement must do this by identifying the specific victim associated with the stolen catalytic converter. This task can be nearly impossible due to catalytic converters not having identifying serial numbers that can be traced. Currently, there are no City, State or Federal laws that punish the possession of unlawfully obtained catalytic converters without identifying the associated victim. Nor are there any laws that require individuals to provide proof to law enforcement as to how they obtained a catalytic converter. These issues limit law enforcement's ability to protect the public by preventing law enforcement from seizing suspected stolen catalytic converters when no victim can be identified.

In order to help address the rise in catalytic converter theft issues, the Costa Mesa Police Department has used multiple means to educate the public to this emerging crime and increased directed patrol, even employing bait cars and drones in an effort to catch catalytic converter thieves in the act. The Costa Mesa Police Department has also organized events with a local automotive business to etch identifying information on catalytic converters to assist in their recovery if stolen. Although etching crime prevention outreach is helpful, accounting for nearly fifty catalytic converter etchings in Costa Mesa, it is not enough to significantly reduce this crime.

### **ANALYSIS:**

The residents of Costa Mesa and the Costa Mesa Police Department are in need of legislation regarding these issues in order to:

- Deter crime by establishing zero-tolerance for catalytic converter thefts.
- Establish sanctions for possessing stolen catalytic converters.
- Prevent criminals from profiting from the sale and recycling of stolen catalytic converters.
- Provide justice to the victims of catalytic converter thefts whose cases would otherwise go unsolved.
- Reducing Part 1 crime statistics, which have been substantially increased by catalytic converter thefts.
- Minimizing the fiscal and personnel impact that the City of Costa Mesa invests in deterring and investigating catalytic converter thefts.

The proposed ordinance would add a new Chapter XV (Unlawful Possession of a Catalytic Converter) to Title 11 (Offenses-Miscellaneous) of the Costa Mesa Municipal Code. The proposed ordinance makes it unlawful for any person to possess any catalytic converter that is not attached to a vehicle unless the person has valid documentation or other proof to verify that the person is in lawful possession of the catalytic converter. It also makes it unlawful for any person to knowingly falsify, or cause to be falsified, any information in any documentation or other proof intended to show lawful possession of a catalytic converter. Violations of the chapter are deemed misdemeanors.

Other cities in Orange County, including Irvine, Huntington Beach and Mission Viejo, have adopted similar ordinances.

The adoption of the proposed ordinance will provide the Costa Mesa Police Department with clearly established legal authority to assist in protecting the public and deterring this criminal activity.

**ALTERNATIVES:**

City Council could elect to not introduce the proposed ordinance, leaving enforcement of catalytic converter thefts as they are today, absent future changes to State law.

**FISCAL REVIEW:**

There is no fiscal impact to the Introduction of the Ordinance.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed this report and approved it as to form.

**CITY COUNCIL GOALS AND PRIORITIES:**

This item supports the City Council Goal:

- Strengthen the public's safety and improve the quality of life.

**CONCLUSION:**

Staff recommends that the City Council:

Introduce for first reading, by title only, Ordinance No. 2022-xx, adding Chapter XV (Unlawful Possession of a Catalytic Converter) to Title 11 (Offenses-Miscellaneous) of the Costa Mesa Municipal Code to establish regulations prohibiting the unlawful possession of catalytic converters in the City.



**ORDINANCE NO. 2022-xx**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADDING CHAPTER XV (UNLAWFUL POSSESSION OF A CATALYTIC CONVERTER) TO TITLE 11 (OFFENSES—MISCELLANEOUS) OF THE COSTA MESA MUNICIPAL CODE TO ESTABLISH REGULATIONS PROHIBITING THE UNLAWFUL POSSESSION OF CATALYTIC CONVERTERS IN THE CITY**

WHEREAS, the City of Costa Mesa, pursuant to its police power, may enact regulations for the public peace, morals, and welfare of the City; and

WHEREAS, in recent years, the residents of the City of Costa Mesa have been the victims of hundreds of catalytic converter thefts; and

WHEREAS, the theft of catalytic converters is one of the fastest growing crimes in Costa Mesa, increasing from 26 in 2019 to 218 in 2021, a 1,223% increase; and

WHEREAS, catalytic converters contain expensive precious metals including platinum, palladium and rhodium; and

WHEREAS, individuals in possession of stolen catalytic converters often recycle them for substantial profit, while victims of these thefts suffer the consequences of paying thousands of dollars in repairs, the inconvenience of repairing their vehicles, and feeling unsafe in their community; and

WHEREAS, catalytic converter thefts are on the rise statewide because individuals are incentivized to commit catalytic converter thefts for multiple reasons including, but not limited to: (1) the ease and undetectable nature of committing the thefts in a manner of seconds using commonly available tools, (2) the ability to recycle catalytic converters at scrap metal yards for high dollar returns, ranging from \$200 to \$1,200 per catalytic converter, and (3) loopholes in current laws protecting suspected criminals from prosecution unless a victim can be identified; and

WHEREAS, finding the victims of these crimes is nearly impossible due to the manner in which the catalytic converter thefts occur and lack of identifying markers to link a stolen catalytic converter to the victim; and

WHEREAS, the inability to identify victims of catalytic converter thefts has stymied the ability to successfully prosecute individuals for the thefts; and

WHEREAS, there are currently no City, State or Federal laws applicable within the City of Costa Mesa to define and punish catalytic converter thefts absent an identifiable victim; and

WHEREAS, there are currently no City, State or Federal laws applicable within the City of Costa Mesa to define and punish the recycling or sale of unlawfully obtained catalytic converters, thus incentivizing criminal enterprise of catalytic converter thefts; and

WHEREAS, there are currently no City, State or Federal laws applicable within the City of Costa Mesa requiring individuals to provide proof to law enforcement as to how they obtained catalytic converters, thus limiting law enforcement's ability to (1) protect the public by preventing catalytic converter thefts and (2) seize suspected stolen catalytic converters when no victim is present; and

WHEREAS, this Ordinance is necessary to provide the Costa Mesa Police Department a means to protect the public, deter this criminal activity and promote a more productive use of Costa Mesa Police Department staff resources by staff responsible for investigating catalytic converter thefts; and

WHEREAS, all legal prerequisites prior to the adoption of this Ordinance have occurred.

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

**Section 1. Recitals.** The City Council finds that all the recitals, facts and conclusions set forth above in the preamble of this Ordinance are true and correct.

**Section 2. Amendment to Title 11.** Title 11 (Offenses—Miscellaneous) of the Costa Mesa Municipal Code is hereby amended to add Chapter XV (Unlawful Possession of a Catalytic Converter) as follows:

#### CHAPTER XV. UNLAWFUL POSSESSION OF A CATALYTIC CONVERTER

11-400. Definitions. The following terms as used in this chapter shall, unless the context already indicates otherwise, have the respective meanings herein set forth herein.

(a) *Documentation or other proof* means written document(s) that clearly identify the vehicle from which the catalytic converter originated based on the totality of the circumstances and includes, but is not limited to, the following types of documents:

- (1) Bill of sale from the original owner with photographs.
- (2) Documentation from an auto body shop proving the owner relinquished the catalytic converter to the auto body shop.
- (3) Verifiable electronic communication from the previous owner to the possessor relinquishing ownership of the catalytic converter.
- (4) Photographs of the vehicle from which the catalytic converter originated.

(5) Vehicle registration associated with the catalytic converter containing an etched associated license plate number or vehicle identification number.

(b) *Lawful possession* means being the lawful owner of the catalytic converter or in possession of the catalytic converter with the lawful owner's written consent. It is not required to prove the catalytic converter was stolen to establish the possession is not a lawful possession.

11-401. Unlawful possession of a catalytic converter.

It shall be unlawful for any person to possess any catalytic converter that is not attached to a vehicle unless the person has valid documentation or other proof to verify that the person is in lawful possession of the catalytic converter.

11-402. Falsification of proof of ownership.

It shall be unlawful for any person to knowingly falsify or cause to be falsified any information in any documentation or other proof intended to show lawful possession of a catalytic converter.

11-403. Violations; penalties.

- (a) Each and every violation of this chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by this Code. Each and every catalytic converter unlawfully possessed shall constitute a separate violation of this chapter.
- (b) Violation of any provision of this chapter shall be deemed a misdemeanor punishable pursuant to the provisions of section 1-33 of this Code.
- (c) The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.

**Section 3. Environmental Compliance.** This Ordinance has been reviewed for compliance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, and has been found to be exempt pursuant to Section 15061(b)(3) (General Rule) of the CEQA Guidelines because it can be seen with certainty that there is no possibility that the passage of this Ordinance will have a significant effect on the environment.

**Section 4. Inconsistencies.** Any provision of the Costa Mesa Municipal Code or appendices thereto inconsistent with the provisions of the Ordinance, to the extent of such inconsistencies and no further, are repealed or modified to that extent necessary to affect the provisions of this Ordinance.

**Section 5. Severability.** If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Costa Mesa hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases are portions be declared invalid or unconstitutional.

**Section 6. Effective Date.** This Ordinance shall become effective thirty (30) days after its adoption.

**Section 7. Certification.** The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be posted or published in the manner required by law.

**PASSED AND ADOPTED this xx day of xx, 2022.**

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John Stephens, Mayor

ATTEST:

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Brenda Green, City Clerk

APPROVED AS TO FORM:

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Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) ss  
CITY OF COSTA MESA )

I, **BRENDA GREEN**, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing Ordinance No. 2022-xx was duly introduced for first reading at the regular meeting of the City Council held on the 17th day of May, 2022, and that thereafter, said Ordinance was duly passed and adopted at a regular meeting of the City Council held on the xx day of xx, 2022, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
BRENDA GREEN, CITY CLERK

(SEAL)



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-705

**Meeting Date:** 5/17/2022

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**TITLE:**

**TERMINATION OF JAIL SERVICES CONTRACT BETWEEN ALLIED UNIVERSAL AND THE CITY OF COSTA MESA**

**DEPARTMENT:** Police Department

**PRESENTED BY:** Joyce LaPointe, Captain

**CONTACT INFORMATION:** Joyce LaPointe, Captain, 714-754-5663

**RECOMMENDATION:**

Staff recommends the City Council:

1. Terminate the Professional Services Agreement for jail services between Allied Universal, assignor of G4S Secure Solutions (USA) Inc. and the City of Costa Mesa.
2. Authorize the City Manager or her designee to negotiate an agreement with the City of Huntington Beach for temporary jail services and/or to hire temporary staffing to operate the Costa Mesa Jail.

**BACKGROUND:**

In June 2013, the City of Costa Mesa began contracting for jail services with G4S Secure Solutions (USA) Inc. ("G4S") at a cost not-to-exceed the total amount of \$743,329.60 per year. The contract was for a three-year term, with the option to extend the term of the contract for two additional one-year periods. The City and G4S exercised the extension options, extending the term through June 25, 2018. The cost for the two additional years was not-to-exceed the total amount of \$748,329.60 per year.

In November 2017, the City released a Request for Proposal (RFP No. 18-06) for jail services in anticipation of the current G4S contract expiring on June 25, 2018. The City received one response to the RFP, which was from G4S. The proposal was for jail services at a cost not-to-exceed: Year 1 - \$851,260.80; Year 2 - \$887,490.24; and Year 3 - \$924,098.24. The proposed contract with G4S contained two optional one-year extension options, the first of which was exercised in June 2021, with an expiration date of June 30, 2022. The Agreement provides that the City may terminate the Agreement at any time, effective upon delivery of the notice of termination.

As outlined below, due to the resignation of the majority of jail services personnel, Allied Universal is unable to meet Costa Mesa's needs pursuant to the contract, staff is recommending that the contract with Allied Universal as assignee of G4S be terminated effective May 18, 2022 at 11:59 p.m., and the City Manager or her designee be authorized to negotiate for temporary jail services with the City of

Huntington Beach and/or to retain temporary staffing to operate the jail pending Council action on a permanent alternative for the City's jail services.

**ANALYSIS:**

Police Department Staff was recently informed that a mass resignation of employees of Allied Universal who work in the Costa Mesa jail has occurred, unrelated to any action by the City. As of May 19, there will only be 2 properly trained and experienced jailers available from Allied Universal to staff the Costa Mesa jail, which is insufficient to maintain the jail operations. Hiring, doing background checks and training for new personnel is a minimum three-month process, and cannot be accomplished by the time the available staffing is reduced to two persons. There are no other private companies who provide this service. Staff met with Allied Universal managers on May 12, 2022 but no viable alternative plan for staffing the City's jail were provided by the contractor.

While the services of Allied Universal's personnel have been good, these experienced personnel are resigning from Allied Universal, leaving the City no legal options but to close the City's jail temporarily while staffing options are fully evaluated. In the meantime, staff seeks Council authority to negotiate a Memorandum of Understanding with the City of Huntington Beach to provide temporary jail services to Costa Mesa. This will reduce by several hours the time needed for a sworn officer to be out of the field during transport and booking of an arrestee directly to the Orange County Jail. In addition, staff seeks Council authority to explore the possibility of temporary staffing of the Costa Mesa jail with properly trained and experienced personnel while long term options are assessed.

**ALTERNATIVES:**

No other alternatives have been considered.

**FISCAL REVIEW:**

The City's cost for jail services is budgeted annually based upon the approved and active contract for jail services. The costs for jail services through G4S Secure Solutions (USA) Inc./Allied Universal for the current fiscal year are \$924,098.24. The early termination of the contract would reduce the contract costs by approximately \$77,000.

The costs of contracting with City of Huntington Beach for temporary jail services and/or hiring temporary employees to staff the jail is unknown at this time, but should be absorbable in the Police Department's current budget and the expected 2022-23 FY budget until such time as City Council is presented with and selects a permanent option for staffing the Costa Mesa City Jail.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed this report and approved it as to form.

**CITY COUNCIL GOALS AND PRIORITIES:**

This item supports the City Council Goal:

- Strengthen the public's safety and improve the quality of life.

**CONCLUSION:**

The current contract with Allied Universal, successor to G4S expires June 30, 2022. However, the contractor cannot provide sufficient trained and qualified personnel to operate the City's jail after May 18, 2022. Therefore, the Agreement with Allied Universal should be terminated, and the City Manager authorized to explore other options for jail services, including contracting with Huntington Beach or using temporary staffing, while staff evaluates permanent options and returns to the City Council for action.

Staff recommends that the City Council terminate the Professional Services Agreement with Allied Universal, successor to G4S, for jail services and authorize the City Manager to contract with City of Huntington Beach and/or utilize temporary staffing to maintain jail operations pending selection of a permanent solution to staffing.



**AMENDMENT NUMBER ONE  
TO PROFESSIONAL SERVICES AGREEMENT  
WITH  
G4S SECURE SOLUTIONS (USA) INC.**

This Amendment Number One ("Amendment") is made and entered into as of the 30th day of June, 2021 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and G4S Secure Solutions (USA) Inc., a Florida corporation registered to do business in California ("Contractor").

WHEREAS, City and Contractor entered into an agreement on June 26, 2019 for Contractor to provide jail services at the City's Type I Jail Facility (the "Agreement"); and

WHEREAS, Section 4.1 of the Agreement provides for a term through June 30, 2021, with the option to extend the Agreement for two (2) additional one (1) year periods; and

WHEREAS, City and Contractor desire to extend the term for one (1) year, through June 30, 2022; and

WHEREAS, City and Contractor acknowledge that Assembly Bill 32 (Chapter 739, Statutes of 2019), codified at Penal Code sections 9500-9505, prohibits the operation of private detention facilities within the State of California; and

WHEREAS, City and Contractor desire to clarify that Contractor does not operate the City jail and their respective roles and responsibilities under the Agreement; and

WHEREAS, City and Contractor desire to amend the Agreement as set forth herein.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The term of the Agreement shall be extended through June 30, 2022.
2. For the period commencing July 1, 2021 and ending June 30, 2022, Contractor's total compensation shall not exceed Nine Hundred Twenty-Four Thousand Ninety Eight Dollars and Twenty-Four Cents (\$924,098.24). Contractor shall be paid in accordance with the fee schedule attached hereto as Exhibit "A" and incorporated herein.
3. If City and Contractor agree to exercise the final extension option to extend the term through June 30, 2023, Contractor agrees that Contractor's maximum compensation during such extension period shall not exceed Nine Hundred Forty-Five Thousand Five Hundred One Dollars and Forty-Four Cents (\$945,501.44).

4. Section 1.1 (Scope of Services) of the Agreement is hereby amended to read as follows:

1.1. Scope of Services. Contractor shall provide the professional services described in the Scope of Work, attached hereto as Exhibit "A," and Contractor's Proposal and Staffing Addendum, attached hereto as Exhibit "B," both incorporated herein by this reference. Contractor shall provide the services set forth herein in accordance with this Agreement, the requirements set forth in Exhibit A and all exhibits attached hereto, and all applicable local, state, and federal laws, rules, regulations, policies and procedures, including but not limited to Costa Mesa Police Department policies and procedures and the Costa Mesa Police Department Jail Manual.

City and Contractor agree that Contractor's personnel are classified as security officers, not detention officers. City and Contractor further agree that the scope of Contractor's services provided to the City are limited to the staffing of security officers who shall comply with all directives provided by City. Contractor's responsibilities include, but are not limited to:

- (a) Receiving, processing and monitoring individuals at the jail in accordance with jail policies and procedures;
- (b) Ensuring there is appropriate staffing at the jail as requested by City; and
- (c) Other duties as requested by City.

5. A new Section 1.9 is hereby added to Section 1.0 (Services Provided by Contractor) of the Agreement, to read as follows:

1.9. City's Responsibilities. City maintains all decision-making authority and responsibility for the operation and management of the City jail. City's responsibilities include, but are not limited to:

- (a) Identifying and employing the Facility Administrator and Facility Manager as required by Subchapter 4, Minimum Standards for Local Detention Facilities, of Chapter 1 of Division 1 of Title 15 of the California Code of Regulations issued by the Board of State and Community Corrections ("Title 15"). As defined in Title 15, the Facility Administrator means the sheriff, chief of police, chief probation officer, or other official charged by law with the administration of a local detention facility. The Facility Manager means the jail commander, camp superintendent, or other comparable employee who has been delegated the responsibility for operation a local detention facility by a Facility Administrator;
- (b) Creating and implementing the City's Jail Manual;

- (c) Providing Contractor with copies of all relevant policies and procedures;
  - (d) Managing the food services contract and inventory;
  - (e) Managing linen and janitorial responsibilities; and
  - (f) Maintaining responsibility for any maintenance or repair obligations.
6. All terms not defined herein shall have the same meaning and use as set forth in the Agreement.
  7. All other terms, conditions, and provisions of the Agreement shall remain in full force and effect.
  8. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by and through their respective authorized officers, as of the date first written above.

CITY OF COSTA MESA

*Don Amador H*  
City Manager

Date: 6/22/21

CONSULTANT

*Erik Fields*  
Signature  
Erik Fields Market V.P.  
Name and Title

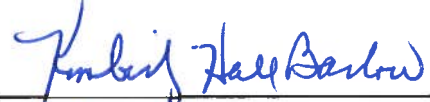
Date: 6/14/2021

ATTEST:

*Brenda Green* 6/23/2021  
City Clerk




APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

Date: 6/22/21

APPROVED AS TO INSURANCE:

  
\_\_\_\_\_  
Risk Management

Date: 6/16/21

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Project Manager

Date: 6/15/21

DEPARTMENTAL APPROVAL:

  
\_\_\_\_\_  
Police Chief

Date: 06/21

APPROVED AS TO PURCHASING:

  
\_\_\_\_\_  
Finance Director

Date: 6/15/21

**EXHIBIT A**  
**RATE SCHEDULE**

<b>Employee Designation</b>	<b>Weekly Hours</b>	<b>Officer Hourly Pay Rate</b>	<b>G4S Hourly Bill Rate</b>	<b>OT/Holiday Bill Rate</b>	<b>Estimated Monthly Cost</b>	<b>Estimated Annual Cost</b>
Custody Supervisor (1 FTE)	40	\$33.15	\$52.79	\$73.91	\$9,150.27	\$109,803.20
Custody Shift Lead Officer (3.2 FTE)	128	\$23.50	\$41.25	\$57.75	\$22,880.00	\$274,560.00
Custody Officer (6.8 FTE)	272	\$21.50	\$38.16	\$53.42	\$44,977.92	\$539,735.04
	440				\$77,008.19	\$924,098.24