

AGENDA

ALISO VIEJO CITY COUNCIL
WEDNESDAY, JANUARY 21, 2026
6:00 PM CLOSED SESSION
7:00 PM REGULAR MEETING

CITY HALL
COUNCIL CHAMBERS
12 JOURNEY
ALISO VIEJO, CA



Mayor Max Duncan
Mayor Pro Tem Mike Munzing
Councilmember Tiffany Ackley
Councilmember Garrett Dwyer
Councilmember Tim Zandbergen

WELCOME to the City of Aliso Viejo City Council meeting. Those persons wishing to address the City Council are requested to complete and submit to the City Clerk a "Request to Address City Council" form available at the entrance to the City Council Chambers. Speakers will be called at the appropriate time as their interested matter is heard. COMMENTS WILL BE LIMITED TO THREE MINUTES PER SPEAKER. Council proceedings are recorded.

It is the City's intention to comply with the Americans with Disabilities Act (ADA) . If you need special assistance to participate in the meeting, the City will make reasonable arrangements to ensure accessibility and/or accommodations. [28 CFR 35.102-35.104 ADA Title II] Please contact the City Clerk's Office at (949) 425-2505 at least 48 hours prior to the meeting.

Regular meetings of the City Council are held on the first and third Wednesday of the month at the City Hall Council Chambers, 12 Journey, Aliso Viejo. Copies of the agenda are available in the lobby at City Hall on the Thursday preceding a regularly scheduled City Council meeting. All communications received by the City regarding an agenda item have been included in the agenda materials. Supplemental documents relating to specific agenda items, including communications received after agenda delivery, are presented at the dais and in the Public Copy agenda binder at the time of the meeting. Supplemental documents are also available for review in the City Clerk's office, 12 Journey, Aliso Viejo. For more information, please contact City Hall at (949) 425-2505.

This meeting will be broadcast live on Cox Communications Channel 851, AT&T U-Verse Channel 99 and the City's website. By attending the City Council Meeting, you are giving your permission to be televised. The Council Meetings are rebroadcast on Wednesday at 7:00 p.m. on Cox Communications Channel 851, AT&T U-Verse Channel 99, and can be viewed on the internet at www.avcity.org.

ANN EIFERT
ACTING CITY MANAGER

SCOTT C. SMITH
CITY ATTORNEY

KATHY BAILOR
INTERIM CITY CLERK

**PLEASE SILENCE ALL CELL PHONES AND OTHER
ELECTRONIC EQUIPMENT WHILE CITY COUNCIL IS IN SESSION**

CALL TO ORDER: Convene Special Meeting

PUBLIC COMMENTS:

CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2)
Number of potential cases: 2

PUBLIC EMPLOYEE APPOINTMENT

Pursuant to Government Code section 54957(b)
Title: Interim City Manager

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code section 54957.6
Agency Designated Representatives: Mayor and Mayor Pro Tem
Unrepresented Employee: Interim City Manager

PUBLIC EMPLOYEE APPOINTMENT

Pursuant to Government Code section 54957(b)
Title: City Manager

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code section 54957.6
Agency Designated Representatives: Mayor and Mayor Pro Tem
Unrepresented Employee: City Manager

CALL TO ORDER: Convene Regular Meeting

ROLL CALL

PLEDGE OF ALLEGIANCE:

REPORT FROM CLOSED SESSION:

1. SPECIAL PRESENTATIONS

1.1 IN MEMORIAM FOR THE LATE CITY MANAGER, MITZI ORTIZ

1.2 RECOGNITION OF 2025 MAYOR TIFFANY ACKLEY

2. ADDITIONS, DELETIONS, REORDERING TO THE AGENDA:

3. COMMUNITY INPUT:

Members of the public wishing to address the City Council are requested to complete and submit to the City Clerk a "Request to Address City Council" form available at the entrance to the City Council Chambers. In compliance with the Brown Act, no discussion or action may be taken on comments received at this time, except the City Council may briefly respond to statements made or questions posed. Comments are limited to three (3) minutes per speaker.

4. CONSENT CALENDAR:

All matters listed on the Consent Calendar will be acted upon by one vote unless members of the City Council, or staff request a matter to be discussed and/or removed from the Consent Calendar for separate action. Items removed from the Consent Calendar will be discussed and voted upon immediately following City Council action on the remainder of the Consent Calendar.

4.1 WAIVE THE READING OF ALL ORDINANCES AND RESOLUTIONS

Recommended Action: Approve the reading by title only of all Ordinances and Resolutions wherein the titles appear on the public agenda; said titles shall be determined to have been read by title, and further reading is waived.

4.2 APPROVAL OF MINUTES

Recommended Action: Approve the minutes as submitted for the December 3, 2025; Regular Meeting, January 7, 2026, Special Meeting; and November 5, 2025, Regular Meeting as amended.

[Draft Minutes - December 3, 2025, Regular Meeting](#)

[Draft Minutes - January 7, 2026, Special Meeting](#)

[Draft Minutes - November 5, 2025, Regular Meeting, as amended](#)

4.3 SECOND READING AND ADOPTION OF TWO ORDINANCES APPROVING A ZONE CHANGE AND DEVELOPMENT AGREEMENT FOR THE DEVELOPMENT OF A RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT

Recommended Action:

1. Conduct a second reading and adopt an Ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A ZONE CHANGE FROM BUSINESS PARK 2 TO HIGH DENSITY RESIDENTIAL DISTRICT FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (623-091-01); and

2. Conduct a second reading and adopt an Ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND MLC HOLDINGS, INC. FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (APN: 623-091-01).

[Staff Report](#)

[Attachment 1: Ordinance for Zone Change](#)

[Attachment 2: Ordinance for Development Agreement](#)

- 4.4 ACCOUNTS PAYABLE
Recommended Action: Ratify accounts payable checks and electronic funds transfers issued between November 21, 2025, and December 19, 2025, in the amount of \$2,001,391.67.
[Staff Report](#)
[Attachment 1 - Accounts Payable Report](#)
- 4.5 TREASURER'S STATEMENT – NOVEMBER 2025
Recommended Action: Receive and file the November 2025 Treasurer's Statement.
[Staff Report](#)
[Attachment 1 - November 2025 Treasurer's Statement](#)
- 4.6 PROFESSIONAL SERVICES AGREEMENT WITH WILLDAN FINANCIAL SERVICES TO PREPARE A COMPREHENSIVE FEE STUDY
Recommended Action: Approve and authorize the City Manager to execute a Professional Services Agreement with Willdan Financial Services for the preparation of a comprehensive fee study, in an amount not to exceed \$90,400; and Authorize the appropriation of \$40,400 from the General Fund to the FiscalYear (FY) 2025-26 Budget.
[Staff Report](#)
[Attachment 1: Agreement](#)
- 4.7 STATUS UPDATE ON MAJOR PROJECTS
Recommended Action: Receive and file.
[Staff Report](#)
- 4.8 HUMMINGBIRD LANE AD HOC FOLLOW UP REPORT
Recommended Action: Authorize the Finance Director to appropriate an additional \$20,570 of Gas Tax funds to the fiscal year (FY) 2025-26 budget.
[Staff Report](#)

5. PUBLIC HEARINGS:

- 5.1 CONSIDERATION OF AN ORDINANCE AMENDING SECTION 15.14.080 REGARDING ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND DETERMINE THE ORDINANCES TO BE EXEMPT FROM CEQA UNDER PUBLIC RESOURCES CODE § 21080.17
Recommended Action:
1. Find that the ordinance is exempt from review under the California Environmental Quality Act (CEQA) under Public Resources Code § 21080.17; and
2. Introduce for first reading by title only an ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO AMENDING SECTION 14.080 OF THE ALISO VIEJO MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER Public Resources Code § 21080.17.
[Staff Report](#)
[Attachment 1 - Ordinance](#) [Attachment 2 - Redlined Ordinance](#)
[Attachment 3 - Presentation](#)

6. **DISCUSSION:**

6.1 **APPOINTMENT OF SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) GENERAL ASSEMBLY MEETING DELEGATES**

Recommended Action: Appoint delegate and alternate for the Southern

- California Association of Governments (SCAG) General Assembly Meeting to be held May 7 and 8, 2026.

[Staff Report](#)

7. **CITY MANAGER' S REPORT:**

8. **ANNOUNCEMENTS / COUNCIL COMMENTS / COMMITTEE UPDATES:**

9. **ADJOURNMENT:**

The next regularly scheduled City Council meeting is February 4, 2026.

CITY OF ALISO VIEJO
CITY COUNCIL MINUTES
REGULAR MEETING
DECEMBER 3, 2025, 7:00 PM
Council Chambers, City Hall, 12 Journey
Aliso Viejo, California

CALL TO ORDER: Mayor Ackley called the Regular Meeting of the City Council of the City of Aliso Viejo to order at 7:00 p.m.

ROLL CALL:

PRESENT: MAYOR TIFFANY ACKLEY
MAYOR PRO TEM MAX DUNCAN
COUNCILMEMBER GARRETT DWYER
COUNCILMEMBER MIKE MUNZING
COUNCILMEMBER TIM A. ZANDBERGEN

STAFF PRESENT: MITZI ORTIZ, CITY MANAGER
SCOTT SMITH, CITY ATTORNEY
KATHY BAILOR, INTERIM CITY CLERK
ANN EIFERT, FINANCIAL SERVICES DIRECTOR
SHAUN PELLETIER, PUBLIC WORKS DIRECTOR
SO KIM, COMMUNITY DEVELOPMENT DIRECTOR
LIZZY MENDOZA, RECREATION & COMMUNITY SERVICES MANAGER
ISAAC AZIZ, INFORMATION TECHNOLOGY MANAGER
CAPT. RYAN BUHR, CHIEF OF POLICE SERVICES

PLEDGE OF ALLEGIANCE: Youth Gavin Duncan led the pledge of allegiance.

1. SPECIAL PRESENTATIONS:

None.

2. ADDITIONS, DELETIONS, REORDERING TO THE AGENDA:

Councilmember Zandbergen requested that item 4.7 be considered separately from the Consent Calendar.

Mayor Pro Tem Duncan requested that item 6.3 be considered just after item 4.7.

3. COMMUNITY INPUT:

Julie Colombero thanked Mayor Ackley for her service to the community during her tenure as Mayor.

4. CONSENT CALENDAR:

Unless otherwise indicated below, the following pertains to all items on the Consent Calendar.

Motion: Mayor Pro Tem Duncan moved and Councilmember Munzing seconded to approve the recommended actions. (All items excluding item 4.7) Motion carried 5-0.

4.1 WAIVE THE READING OF ALL ORDINANCES AND RESOLUTIONS

Recommended Action: Approve the reading by title only of all ordinances and resolutions wherein the titles appear on the public agenda; said titles shall be determined to have been ready by title, and further reading is waived.

4.2 APPROVAL OF MINUTES

Recommended Action: Approve the minutes as submitted for the September 10, 2025, Special Meeting and the November 19, 2025, Regular Meeting.

4.3 SECOND READING AND ADOPTION OF AN ORDINANCE REPEALING SECTION 2.04.150 OF THE MUNICIPAL CODE REGARDING CAMPAIGN CONTRIBUTION LIMITS

Recommended Action: Conduct second reading and adopt Ordinance No 2025-248 entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, REPEALING SECTION 2.04.150 OF THE ALISO VIEJO MUNICIPAL CODE RELATING TO LOCAL ELECTION CAMPAIGN CONTRIBUTION LIMITS TO BE REPLACED BY STATUTORY DEFAULT LIMITS

4.4 ACCOUNTS PAYABLE

Recommended Action: Ratify accounts payable checks and electronic funds transfers issued between November 7, 2025, and November 20, 2025, in the amount of \$790,067.72.

4.5 TREASURER'S STATEMENT - OCTOBER 2025

Recommended Action: Receive and file the October 2025 Treasurer's Statement.

4.6 ANNUAL MEASURE M2 EXPENDITURE REPORT

Recommended Action: Adopt Resolution No. 2025-20 approving the City's annual Measure M2 expenditure report for fiscal year ending June 30, 2025.

4.7 APPROVAL OF THE SUBMITTAL OF THE OSO PARKWAY/PACIFIC PARK DRIVE/GLENWOOD DRIVE REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROJECT TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY

Recommended Action: Adopt Resolution No. 2025-21 approving the submittal of the Oso Parkway/Pacific Park Drive/Glenwood Drive Regional Traffic Signal Synchronization Project to OCTA for funding under the competitive Measure M2 Regional Traffic Signal Synchronization Program (Project P).

Motion: Councilmember Zandbergen moved and Councilmember Munzing seconded to approve the recommended actions. Motion carried 5-0.

5. PUBLIC HEARINGS:

5.1 GENERAL PLAN AMENDMENT GPA-2025-00002, ZONE CHANGE ZC-2025-00002, VESTING TENTATIVE TRACT MAP 19340, SITE DEVELOPMENT PERMIT SDP-2024-00001, ENVIRONMENTAL ASSESSMENT, AND DEVELOPMENT AGREEMENT AND ADOPTION OF A MITIGATED NEGATIVE DECLARATION FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY AT 95 ARGONAUT

City Manager Mitzi Ortiz introduced Community Development Director So Kim, who provided an overview. Director Kim introduced the Applicant who provided additional information about Meritage Homes. Both Staff and the Applicant responded to questions regarding parking and the use of garages being addressed in the HOA documents.

Mayor Ackley opened the public hearing. The following persons provided comments concerning the project: Ben Patterson, Elizabeth Hansburg, and Ryan Allen.

Mayor Ackley closed the public hearing.

Recommended Action: Conduct a public hearing and:

1. Adopt Resolution No. 2025-22 entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, ADOPTING A MITIGATED NEGATIVE DECLARATION AND A MITIGATION MONITORING AND REPORTING PROGRAM PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR GENERAL PLAN AMENDMENT GPA-2025-00002, ZONE CHANGE ZC-2025-00002, VESTING TENTATIVE TRACT MAP 19340, AND A DEVELOPMENT AGREEMENT TO ALLOW THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (APN: 623-091-01);
2. Adopt Resolution No. 2025-23 entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING AN AMENDMENT TO THE GENERAL PLAN LAND USE DESIGNATION AND ASSOCIATED LAND USE MAP FROM BUSINESS PARK TO HIGH DENSITY RESIDENTIAL FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (APN: 623-091-01);
3. Introduce for first reading Ordinance No. 2026-250 entitled: A ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A ZONE CHANGE FROM BUSINESS PARK 2 TO HIGH DENSITY RESIDENTIAL DISTRICT FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (623-091-01);
4. Adopt Resolution No. 2025-24 entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING VESTING TENTATIVE TRACT MAP 19340 FOR SUBDIVISION INTO CONDOMINIUM PURPOSES AND SITE DEVELOPMENT PERMIT (SDP-2024-00001) TO ALLOW

THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (623-091-01); and

5. Introduce for first reading Ordinance No. 2026-251 entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND MLC HOLDINGS, INC. FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (APN: 623-091-01).

Motion: Councilmember Munzing moved and Mayor Pro Tem Duncan seconded to approve the recommended actions. Motion carried 5-0.

5.2 CONSIDERATION OF AN URGENCY ORDINANCE AND A NON-URGENCY ORDINANCE AMENDING SECTION 15.14.080 REGARDING ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND DETERMINE THE ORDINANCES TO BE EXEMPT FROM CEQA UNDER PUBLIC RESOURCES CODE § 21080.17

City Manager Mitzi Ortiz introduced Senior Planner Rose Rivera, who provided an overview. Senior Planner Rivera. Staff responded to questions regarding parking and the use of garages being addressed in the HOA documents.

Mayor Ackley opened the public hearing. No one requested to speak.

Mayor Ackley closed the public hearing.

Recommended Action: Find that the adoption of the proposed urgency and non-urgency ordinance is statutorily exempt from review under the California Environmental Quality Act (CEQA) under Public Resources Code § 21080.17;

1. Adopt by title only Urgency Ordinance No. 2025-249 entitled: AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO AMENDING SECTION 15.14.080 OF THE ALISO VIEJO MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS TO COMPLY WITH RECENT CHANGES IN STATE LAW AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER PUBLIC RESOURCES CODE § 21080.17; and
2. Introduce for first reading by title only Ordinance No. 2026-252 entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO AMENDING SECTION 15.14.080 OF THE ALISO VIEJO MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS TO COMPLY WITH RECENT CHANGES IN STATE LAW AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER PUBLIC RESOURCES CODE § 21080.17.

Motion: Councilmember Zandbergen moved and Councilmember Munzing seconded to approve the recommended actions. Motion carried 5-0.

6. DISCUSSION:

6.1 CONCEPT PLAN REVIEW FOR A RESIDENTIAL COMMUNITY AT 1-5 POLARIS

Recommended Action: Review and provide initial feedback on concept plans for a development proposal involving the demolition of five existing office buildings to accommodate the construction of a 405-unit, residential community at 1-5 Polaris.

City Manager Mitzi Ortiz introduced Community Development Director So Kim, who provided an overview. Director Kim introduced the Applicant who provided additional information. Both Staff and the Applicant responded to questions regarding parking, ingress and egress, aesthetics.

Speakers: Sandy Boylan, Art Cauroia, and Eric Higuchi.

No further action was taken.

6.2 FISCAL YEAR 2024-25 ANNUAL COMPREHENSIVE FINANCIAL REPORT

Recommended Action: Receive and file the Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2025.

City Manager Mitzi Ortiz introduced Financial Services Director Ann Eifert, who provided an overview. Staff responded to questions regarding the report. The Mayor and City Council expressed appreciation to City Manager Ortiz for her leadership and staff's efforts for the City's budget on behalf of the community. City Manager Ortiz expressed her appreciation for the teamwork with Staff and City Council in meeting the established budget goals.

No further action was taken.

6.3 CITY COUNCIL REORGANIZATION

Recommended Action: Select a Mayor and Mayor Pro Tem in accordance with Ordinance No. 2001-022, for the 2026 calendar year.

City Manager Mitzi Ortiz introduced Interim City Clerk Kathy Bailor who provided an overview of the nomination process for both Mayor and Mayor Pro Tem. There were no public comments on this matter.

City Attorney Scott Smith responded to questions regarding the process to select Mayor and Mayor Pro Tem.

City Clerk Bailor opened the floor to accept nominations for Mayor. Mayor Ackley nominated Mayor Pro Tem Duncan. There were no further nominations for Mayor and nominations were closed.

Motion: Nomination of Mayor Pro Tem Duncan to serve as Mayor for 2026. Motion carried 5-0.

City Clerk Bailor opened the floor to accept nominations for Mayor Pro Tem. Councilmember Dwyer nominated Councilmember Munzing. There were no further nominations for Mayor Pro Tem and nominations were closed.

Motion: Nomination of Councilmember Munzing to serve as Mayor Pro Tem for 2026.
Motion carried 5-0.

7. CITY MANAGER' S REPORT:

City Manager Ortiz announced the 8th Annual All is Bright Holiday Celebration and Tree Lighting Ceremony on December 4, 2025, from 5:00 to 8:00 p.m. at the Town Center Fountain; Boys & Girls Club of Capistrano Valley accepting donations and volunteers for Operation Holiday Homework event on December 12, 2025, from 3:00 to 6:00 p.m. at Aliso Viejo Ranch; and the Nourishing Great Futures Market every Wednesday from 10:00 am to 12:00 pm at the Iglesia Park Community Center. She encouraged the residents to share the joy and creativity of Recreation Programs this Christmas by purchasing Recreation Gift Cards.

8. ANNOUNCEMENTS / COUNCIL COMMENTS / COMMITTEE UPDATES:

Councilmember Munzing attended the OCFA monthly meeting and encouraged the community to come and join the Christmas celebration at the All is Bright Holiday Celebration and Tree Lighting.

Councilmember Dwyer visited the Nourishing Great Futures Market, which is every Wednesday morning; and is looking forward to the Boys and Girls Club Operation Homework Club Christmas shopping event; attended the OC Vector Control meeting; and encouraged the community to participate in the coat drives sponsored within the city to help those in need.

Councilmember Zandbergen attended the Transportation Corridor Agencies meeting; and encouraged the community to come to the All is Bright Holiday Celebration.

Mayor Pro Tem Duncan joined the other Councilmembers inviting the community to come to the All is Bright Holiday Celebration.

Mayor Ackley encouraged the community to participate in Wood Canyon School's fundraiser on December 12, 2025, from 3:00-8:00 p.m. Wood Canyon is a Title 1 school and the funds raised will help provide needed materials.

ADJOURNMENT: Mayor Ackley adjourned the meeting at 9:31 p.m. to the regularly scheduled City Council meeting of January 21, 2025. The regularly scheduled City Council meetings of December 17, 2025, and January 7, 2026, have been cancelled.

Respectfully submitted:

Approved by:

KATHY BAILOR
INTERIM CITY CLERK

TIFFANY ACKLEY
MAYOR

CITY OF ALISO VIEJO
CITY COUNCIL MINUTES
SPECIAL MEETING
JANUARY 7, 2026
Council Chambers, City Hall, 12 Journey
Aliso Viejo, California

CALL TO ORDER: Mayor Duncan called the Special Meeting of the City Council of the City of Aliso Viejo to order at 6:00 p.m.

CLOSED SESSION:

PUBLIC EMPLOYEE APPOINTMENT
Pursuant to Government Code Subsection 54957(b)
Title: Interim City Manager

Mayor Duncan reconvened the Special Meeting at 7:06 p.m.

REPORT FROM CLOSED SESSION:

City Attorney Scott Smith stated no reportable action was taken.

ROLL CALL:

PRESENT: MAYOR MAX DUNCAN
MAYOR PRO TEM MIKE MUNZING
COUNCILMEMBER TIFFANY ACKLEY
COUNCILMEMBER GARRETT DWYER
COUNCILMEMBER TIM A. ZANDBERGEN

STAFF PRESENT: ANN EIFERT, ACTING CITY MANAGER/FINANCIAL SERVICES DIRECTOR
SCOTT SMITH, CITY ATTORNEY
HONGDAO NGUYEN, ASSISTANT CITY ATTORNEY
KATHY BAILOR, INTERIM CITY CLERK
SO KIM, COMMUNITY DEVELOPMENT DIRECTOR
CORA SWANSON, HUMAN RESOURCES MANAGER
ISAAC AZIZ, INFORMATION TECHNOLOGY MANAGER
CAPT. RYAN BUHR, CHIEF OF POLICE SERVICES

PLEDGE OF ALLEGIANCE: Mayor Duncan led the pledge of allegiance.

1. COMMUNITY INPUT:

None.

2. DISCUSSION:

2.1 CONSIDERATION OF COUNCIL AD HOC COMMITTEE AND DELEGATION OF AUTHORITY TO ENGAGE PROFESSIONAL CITY MANAGER RECRUITER AND/OR FOLLOW-ON DUTIES

Acting City Manager Ann Eifert introduced City Attorney Scott Smith. Mr. Smith provided an overview of the options available for the recruitment of City Manager.

Councilmembers Zandbergen and Dwyer, and Mayor Duncan supported establishing an Ad Hoc Committee. Councilmember Ackley supported using the City's Human Resources Department for this recruitment.

Motion: Mayor Duncan moved and Councilmember Dwyer seconded to establish an Ad Hoc Committee with Councilmember Dwyer and Councilmember Zandbergen serving as the City Council representatives. Motion carried 3-2, with Mayor Pro Tem Munzing and Councilmember Ackley dissenting.

8. ANNOUNCEMENTS / COUNCIL COMMENTS:

The Mayor and Councilmembers expressed their sorrow over the loss of City Manager Mitzi Ortiz. Councilmembers Ackley requested support from the City Council to place an item on the January 21, 2026, agenda allowing the public to express their appreciation for Ms. Ortiz's efforts on behalf of the community of City of Aliso Viejo.

ADJOURNMENT: Mayor Duncan adjourned the meeting at 7:20 p.m. to the regularly scheduled City Council meeting of January 21, 2026.

Respectfully submitted:

Approved by:

KATHY BAILOR
INTERIM CITY CLERK

MAX DUNCAN
MAYOR

CITY OF ALISO VIEJO
CITY COUNCIL MINUTES
REGULAR MEETING
NOVEMBER 5, 2025, 7:00 PM
Council Chambers, City Hall, 12 Journey
Aliso Viejo, California

CALL TO ORDER: Mayor Ackley called the Regular Meeting of the City Council of the City of Aliso Viejo to order at 7:10 p.m.

ROLL CALL:

PRESENT: MAYOR TIFFANY ACKLEY
MAYOR PRO TEM MAX DUNCAN
COUNCILMEMBER GARRETT DWYER
COUNCILMEMBER MIKE MUNZING
COUNCILMEMBER TIM A. ZANDBERGEN

STAFF PRESENT: MITZI ORTIZ, CITY MANAGER
SCOTT SMITH, CITY ATTORNEY
KATHY BAILOR, INTERIM CITY CLERK
SHAUN PELLETIER, PUBLIC WORKS DIRECTOR
SO KIM, COMMUNITY DEVELOPMENT DIRECTOR
LIZZY MENDOZA, RECREATION & COMMUNITY SERVICES MANAGER
ISAAC AZIZ, INFORMATION TECHNOLOGY MANAGER
CAPT. RYAN BUHR, CHIEF OF POLICE SERVICES

PLEDGE OF ALLEGIANCE: Former Councilmember Richard Hurt led the pledge of allegiance.

REPORT FROM CLOSED SESSION:

City Attorney Scott Smith stated no reportable action was taken.

1. SPECIAL PRESENTATIONS:

1.1 VETERANS DAY VIDEO PRESENTATION

Mayor Ackley expressed appreciation to veterans and presented a video tribute.

1.2 RECOGNITION OF FORMER COUNCILMEMBER RICHARD HURT

Mayor Ackley expressed appreciation to former Councilmember Richard Hurt and presented a video tribute.

2. **ADDITIONS, DELETIONS, REORDERING TO THE AGENDA:**

None.

3. **COMMUNITY INPUT:**

None.

4. **CONSENT CALENDAR:**

Unless otherwise indicated below, the following pertains to all items on the Consent Calendar.

Motion: Councilmember Munzing moved and Councilmember Zandbergen seconded to approve the recommended actions. Motion carried 5-0.

4.1 **WAIVE THE READING OF ALL ORDINANCES AND RESOLUTIONS**

Recommended Action: Approve the reading by title only of all ordinances and resolutions wherein the titles appear on the public agenda; said titles shall be determined to have been ready by title, and further reading is waived.

4.2 **APPROVAL OF MINUTES**

Recommended Action: Approve the minutes as submitted for the October 15, 2025 Regular Meeting.

4.3 **ACCOUNTS PAYABLE**

Recommended Action: Ratify accounts payable checks and electronic funds transfers issued between September 26, 2025, and October 23, 2025, in the amount of \$1,857,720.22.

4.4 **TREASURER'S STATEMENT – SEPTEMBER 2025**

Recommended Action: Receive and file the September 2025 Treasurer's Statement.

4.5 **SECOND AMENDMENT TO THE AGREEMENT WITH HARBOR POINTE AIR CONDITIONING & CONTROL SYSTEMS, INC. FOR HVAC MAINTENANCE SERVICES**

Recommended Action:

1. Approve a second amendment to the agreement with Harbor Pointe Air Conditioning & Control Systems, Inc. to perform HVAC maintenance services that extends the term one year and increases the total compensation under the agreement by \$34,000 for a total amount of \$134,000; and
2. Authorize the City Manager to execute the second amendment to the agreement.

4.6 AWARD CONTRACT TO CT CONSTRUCTION SERVICES, INC. FOR CITY HALL FLOORING AND PAINT PROJECT

Recommended Action:

1. Approve Contract Documents, Specifications, and Plans for City Hall Flooring and Paint Project;
2. Award a contract in the amount of \$153,679.58 to CT Construction Services, Inc. as the lowest responsible bidder for the City Hall Flooring and Paint Project;
3. Authorize the City Manager to execute a contract with CT Construction Services, Inc.;
4. Authorize City staff to make total compensation to CT Construction Services, Inc. up to \$153,679.58 plus \$15,357.96 (10% of the contract amount) to allow for contingencies, totaling \$169,047.38; and
5. Declare this project categorically exempt from the California Environmental Quality Act (CEQA) process Per Title 14 of the California Code of Regulations, Chapter 3, Article 19, Section 15301 (Class 1: Existing Facilities).

5. PUBLIC HEARINGS:

None.

6. DISCUSSION:

6.1 CITY COUNCIL GOAL AND PRIORITY STATUS UPDATE

City Manager Mitzi Ortiz provided an overview and answered questions regarding timelines of the strategic process and social outreach efforts. The Council conveyed their appreciation to the City Manager and staff for their diligent work and continued commitment.

Recommended Action: Receive and file the City Council Goal and Priority Status Update.

No further action was taken.

6.2 CITY COUNCIL APPOINTMENTS TO SERVE ON REGIONAL BOARDS, COMMISSIONS AND COMMITTEES

City Manager Mitzi Ortiz presented an overview and provided a review and update on the status of current appointments and existing vacancies.

Recommended Action:

1. Review and update Council appointment list to regional boards, commissions, and committees; and
2. If needed, adopt Resolution designating and appointing the City's representative to the Orange County Fire Authority Board of Directors. This appointment was not necessary at this time.

Motion: Mayor Ackley moved and Mayor Pro Tem Duncan seconded to approve the recommended actions with the appointments as designated below; **and that Councilmember Dwyer be appointed to the 25th Anniversary Ad Hoc Committee, replacing Councilmember Hurt.** Motion carried 5-0.

AGENCY/ORGANIZATION/COMMITTEE	DELEGATE	ALTERNATE
Library Advisory Board	Ackley	Duncan
San Joaquin Transportation Corridor Agency	Zandbergen	Duncan
OCFA	Munzing	N/A
OC Vector Control District	Dwyer	N/A
California JPIA	Duncan	Ackley
Coastal Greenbelt Authority	Duncan	Ackley
South OC Watershed Management	Ackley	PW Staff
LOCC-OC Division City Selection Committee	Mayor	Appointed as needed
AV Ranch Foundation	Munzing	Dwyer
City/CUSD Committee	Mayor	Mayor Pro Tem
City/AVCA Committee	Mayor	Mayor Pro Tem

7. **CITY MANAGER' S REPORT:**

City Manager Mitzi Ortiz announced registration for fall recreation classes; upcoming registration for winter classes; Artisans Market on November 9, 2025, from 11:00 a.m. to 3:00 p.m. at Aliso Viejo Ranch; and 8th Annual All is Bright Holiday Celebration and Tree Lighting Ceremony on December 4, 2025, from 5:00 to 8:00 p.m. at the Town Center Fountain.

8. **ANNOUNCEMENTS / COUNCIL COMMENTS / COMMITTEE UPDATES:**

Councilmember Munzing:

- Recognized Former Councilmember Hurt's attendance at the meeting
- Extended holiday greetings to the community
- Obtained consensus to agendaize a discussion on campaign contribution limits
- Wished the community a pleasant and joyful week

Councilmember Dwyer:

- Attended OC Tax 15th Annual Roses and Radishes Dinner & Awards
- Expressed plans to visit businesses within District 3 over the next one to two months

Councilmember Zandbergen:

- Attended OC Tax 15th Annual Roses and Radishes Dinner & Awards
- Participated in Principal for a Day at Canyon Vista Elementary School

Mayor Pro Tem Duncan:

- Participated in Principal for a Day at Don Juan Avila Middle School
- Commented on Halloween and expressed pride in the community

Mayor Ackley:

- Participated in Principal for a Day at Oak Grove Elementary School
- Attended Boo Bash at Don Juan Avila Elementary School
- Commented on outreach events to support funding in local schools
- Invited community to Winter Cometland event at Wood Canyon Elementary School
- Commended Aliso Viejo for record turnout on Election Day

9. **ADJOURNMENT:** Mayor Ackley adjourned the meeting at 8:03 p.m. to the regularly scheduled City Council meeting of November 19, 2025.

Respectfully submitted:

Approved by:

KATHY BAILOR
INTERIM CITY CLERK

TIFFANY ACKLEY
MAYOR

City of Aliso Viejo

AGENDA ITEM



DATE: January 21, 2026

TO: Mayor and City Council

FROM: Kathy Bailor, Interim City Clerk

SUBJECT: SECOND READING AND ADOPTION OF TWO ORDINANCES APPROVING A ZONE CHANGE AND DEVELOPMENT AGREEMENT FOR THE DEVELOPMENT OF A RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT

Recommended Action:

1. Conduct a second reading and adopt an Ordinance entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A ZONE CHANGE FROM BUSINESS PARK 2 TO HIGH DENSITY RESIDENTIAL DISTRICT FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (623-091-01); and

2. Conduct a second reading and adopt an Ordinance entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND MLC HOLDINGS, INC. FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (APN: 623-091-01)

Fiscal Impact:

None.

Discussion:

On December 3, 2025, the City Council approved the introduction and first reading of the subject Ordinances by 5-0 vote. If adopted, the Ordinances will take effect 30 days after adoption.

Attachments:

1. Ordinance: Zoning Change
2. Ordinance: Development Agreement

ORDINANCE NO. 2026-250

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A ZONE CHANGE FROM BUSINESS PARK 2 TO HIGH DENSITY RESIDENTIAL DISTRICT FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (623-091-01)

WHEREAS, on October 24, 2024, MLC Holdings, Inc. (“Applicant”) submitted a general plan amendment, zone change, vesting tentative tract map, site development permit, and a development agreement application to demolish an existing office building to accommodate the construction of a multi-family residential community at 95 Argonaut, which is comprised of 2.85 acres (“Project”);

WHEREAS, pursuant to section 21067 of the Public Resources Code, and section 15367 of the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.), the City is the lead agency for the proposed Project and has prepared an Initial Study/Mitigated Negative Declaration (SCH #2025100301) (“IS/MND”) and a Mitigation Monitoring and Reporting Program (“MMRP”) for the Project;

WHEREAS, on November 6, 2024, the City Council held a duly noticed public review to receive and provide initial feedback on concept plans for the Project;

WHEREAS, on November 5, 2025, the City Council held a study session to discuss development agreements and impact fees;

WHEREAS, on November 19, 2025, the City Council held a duly noticed public hearing, discussed the parameters of the public benefit contributions of the Development Agreement, and continued the meeting to December 3, 2025, to allow the Applicant additional time to address easement encroachment issues with the Aliso Viejo Community Association;

WHEREAS, on October 30, 2025, the City gave public notice of the City Council public hearing for consideration of a Mitigated Negative Declaration, General Plan Amendment GPA-2025-00002, Zone Change ZC-2025-00002, Vesting Tentative Tract Map 19340 and Site Development Permit SDP-2024-00001, for the Project by advertising in a newspaper of general circulation; by posting notices at City Hall and the Project site; and by mailing notices to owners of property within 300 feet, to the project applicant, and to local agencies that provide water, sewage, electricity and schools;

WHEREAS, on December 3, 2025, the City Council held a duly noticed public hearing as prescribed by law and considered written and verbal public testimony that was submitted prior to the hearing and during the hearing, and evidence and recommendations presented by staff in the agenda report and oral presentation and introduced the Ordinance; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

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

Section 1. **Incorporation of Recitals.** The City Council hereby finds and determines that all of the recitals set forth above are true and correct. The above recitals are hereby incorporated as substantive findings of this Ordinance.

Section 2. **CEQA.** Pursuant to the California Environmental Quality Act (Public Resources Code, § 21000 et seq.) and the State CEQA Guidelines (California Code of Regulations, title 14, § 15000 et seq.) (Collectively, “CEQA”), the City Council adopted Resolution No. _____, determining that there is no substantial evidence that the approval of the Project would result in a significant adverse effect on the environment, provided appropriate mitigation measures, as identified in the MMRP, are imposed on the Project;

Section 3. **Findings for Zone Change ZC-2025-00002.** Pursuant to AVMC 15.78.040 (Zone Change and Prezoning), the City Council hereby makes the following findings of fact and approves the Zone Change ZC-2025-00002 from Business Park 2 to High Density Residential, as set forth in Exhibit “A”, which is attached hereto and incorporated herein by reference.

1. Public Welfare. Approval of the amendment will not create conditions materially detrimental to the public health, safety, or general welfare. The Project site, located at a prominent entry corner within a larger business park, provides a natural transition between non-residential uses and surrounding residential neighborhoods, with established multi-family and single-family communities directly to the north. The area is further supported by existing infrastructure such as roads, utilities, and public services capable of accommodating residential development, and comprehensive environmental studies concluded that, with mitigation measures, the project would result in less-than-significant impacts. Preliminary review by the Orange County Fire Authority confirmed compliance with emergency access and fire protection standards. Additionally, the provision of affordable housing within the project creates greater opportunities for homebuyers, while the park in-lieu fee will contribute to the well-being and quality of life in the community. Future construction on the site will be subject to plan check review and inspection processes to ensure full compliance with applicable building and safety standards.
2. General Plan Consistency. The zone change is consistent with the goals, objectives, and policies of the general plan and any applicable specific plan. With the approval of the General Plan land use amendment, the zone change is consistent with the General Plan goals and policies listed below in that it incorporates landscaping aligned with the City Council-approved plant palette, emphasizing low-water, drought-tolerant species; features building materials,

colors, and architectural design that are compatible with the surrounding residential communities; includes a development impact fee that a portion of which is consistent with the City's parkland ordinance; proposes three affordable housing units restricted to very low-income households, thereby enhancing housing diversity and affordability; and introduces rezoning to facilitate residential development that includes affordable units in support of the City's housing objectives. In the General Plan, 'COS' refers to Conservation and Open Space policies, 'H' for Housing policies and goals, and 'LU' for Land Use policies.

- Policy COS-1.2 Reduce the amount of water used for landscaping and increase use of native and low water plants. Maximize use of native, low-water plants for landscaping of areas adjacent to sidewalks or other impermeable surfaces.
 - Policy COS-4.2 Encourage and maintain high-quality architectural and landscaping designs that enhance or complement the community's visual character.
 - Policy COS-7.5 Ensure that new development provides park land and/or improvements at a fair share ratio, pursuant to the City's Parkland Ordinance.
 - Goal H-1: Encourage a diversity of housing types and provide affordability levels within Aliso Viejo to meet the needs of community residents.
 - Policy H-1.1 Identify sites appropriate for the development of a variety of housing types and price ranges to meet the needs of all socioeconomic segments of the community through the disbursement of affordable units in projects.
 - Policy H-1.2 Encourage through the use of density bonuses and rezoning to allow for residential development, development of affordable housing opportunities throughout the community, as well as development of housing for elderly and low- and moderate-income households near public transportation services.
 - Policy H-1.4 Ensure that a portion of future residential development is affordable to low- and very-low-income households by designating certain sites as having the potential to be used for residential uses.
 - Policy H-3.8 Review existing zoning policies and explore zoning changes to facilitate the development of affordable housing.
 - Policy LU-12.2 As a condition upon new development, require payment of park fees and/or dedication and provision of parkland, recreation facilities and/or multi-use trails that improve the public and private recreation system.
3. Land Use Compatibility. The zone change is compatible with the zoning and land use on nearby properties. The Project site is located at the edge of a larger business park and directly across from established multi-family and single-family residential neighborhoods. The adjacent multi-family development shares several characteristics with the Project, including large attached-unit buildings, stucco exteriors, tile roofing, wrought iron balconies, recessed entryways, and shared open space without private driveways. These similarities ensure architectural and functional continuity between the Project and existing residential uses. Furthermore, the transition from non-residential uses within the business park to

residential neighborhoods is reinforced by the Project site's location at a corner entry, creating a natural buffer.

4. **Property Suitability.** The zone change is suitable for the location, access, visual character and topography of the subject property. The property is located along established roadways with adequate vehicular and pedestrian access and is supported by existing infrastructure, including utilities and public services, sufficient to accommodate future residential development. The Project site is generally level, with a slight descending slope from east to west, and sits several feet below the street elevations to the north and west. The Project site's position at the entry corner of the business park further enhances its suitability, providing a natural transition between non-residential and residential uses.

Section 4. **Effective Date.** This Zone Change Ordinance shall not take effect unless and until General Plan Amendment, Vesting Tentative Tract Map 19340, Site Development Permit SDP-2024-00001 and the Development Agreement are each approved by the City Council and have become effective, and the associated Development Agreement is approved by the City Council and executed by both parties thereto.

Section 5. **Severability.** If any provision of this Ordinance or its application to any person or circumstance is held to be invalid by a court of competent jurisdiction, such invalidity has no effect on the other provisions or applications of the Ordinance that can be given effect without the invalid provision or application, and to this extent, the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any portion thereof.

Section 6. **Location of Documents.** The administrative record for the Project is maintained at City Hall located at 12 Journey, Suite 100, Aliso Viejo, CA 92656. The custodian of records is the City Clerk.

Section 7. **City Clerk's Certification.** The City Clerk shall certify to the adoption of this Ordinance and cause a summary thereof to be published five days prior to the date of adoption of this Ordinance, and, within 15 days after adoption, the City Clerk shall cause to be published the aforementioned summary and shall post a certified copy of this Ordinance, together with the vote for and against the same, in the Office of the City Clerk.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2026.

[Insert Name]
Mayor

APPROVED AS TO FORM:

ATTEST:

Scott C. Smith, City Attorney

Kathy Bailor, Interim City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ALISO VIEJO)

I, Kathy Bailor, Interim City Clerk of the City of Aliso Viejo, California, DO HEREBY CERTIFY that the foregoing is the original of Ordinance No. 2025-__ duly passed and adopted by the City Council of the City of Aliso Viejo at their regular meeting held on the ____ day of _____ 2026, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

KATHY BAILOR,
INTERIM CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 2026-__ duly passed and adopted by the Aliso Viejo City Council at its regular meeting held _____, 2026, and that the Summary of the Ordinance was published on _____ and _____ in the Laguna Niguel News.

KATHY BAILOR,
INTERIM CITY CLERK

(SEAL)

Exhibit "A"
Zone Change Map
Case No. ZC-2025-00002

Property Location – 95 Argonaut (see red-circled area below)

Existing Land Use Designation – Business Park ("BP")

Proposed Land Use Designation – High Density Residential (Max. 50 units/acre)
("HDR")



ORDINANCE NO. 2026-251

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND MLC HOLDINGS, INC. FOR THE DEVELOPMENT OF A 61-UNIT RESIDENTIAL TOWNHOME COMMUNITY LOCATED AT 95 ARGONAUT (APN: 623-091-01)

WHEREAS, the City of Aliso Viejo (“City”) has found that development agreements strengthen the public planning process, encourage private participation in comprehensive planning by providing a greater degree of certainty in that process, reduce the economic costs of development, allow for the orderly planning of public improvements and services, allocate costs to achieve maximum utilization of public and private resources in the development process, and ensure that appropriate measures to enhance and protect the environment are achieved;

WHEREAS, pursuant to California Government Code section 65864 et seq., the City of is authorized to enter into development agreements providing for the development of land under terms and conditions set forth therein;

WHEREAS, on October 24, 2024, MLC Holdings, Inc. (“Applicant”) submitted a general plan amendment, zone change, vesting tentative tract map, site development permit, and a development agreement application to demolish an existing office building to accommodate the construction of a multi-family residential community at 95 Argonaut (“Project”);

WHEREAS, because of the logistics, magnitude of the expenditure and considerable lead time prerequisite to planning and developing the Project, Developer has proposed to enter into a development agreement concerning the Project (“Development Agreement”) to provide assurances that the Project can proceed without disruption caused by a change in the City’s planning policies and requirements except as provided in the Development Agreement, which assurance will thereby reduce the actual or perceived risk of planning for and proceeding with development of the Project;

WHEREAS, the City Council has determined that by entering into the Development Agreement: (i) the City will promote orderly growth and quality development on the Property in accordance with the goals and policies set forth in the General Plan; (ii) significant benefits will be created for City residents and the public generally from increased housing, parks and or park improvements, and the public gathering opportunities created by the Project;

WHEREAS, it is the intent of the City and Applicant to establish certain conditions and requirements related to review and development of the Project which are or will be the subject of subsequent development applications and land use entitlements for the Project as well as the Development Agreement;

WHEREAS, the City and Applicant have reached mutual agreement and desire to voluntarily enter into the Development Agreement to facilitate development of the Project subject to the conditions and requirements set forth therein;

WHEREAS, the Development Agreement contains, including, without limitation, property owner's vested right to complete development of the Project with governing land use regulations applicable at the time of approval; defines the scope of the Project; and identifies the public benefit obligations of the Applicant;

WHEREAS, on November 6, 2024, the City Council held a duly noticed public review to receive and provide initial feedback on concept plans for the Project;

WHEREAS, on November 5, 2025, the City Council held a study session to discuss development agreements and impact fees;

WHEREAS, on November 19, 2025, the City Council held a duly noticed public hearing, discussed the parameters of the public benefit contributions of the Development Agreement, and continued the meeting to December 3, 2025, to allow the Applicant additional time to address easement encroachment issues with the Aliso Viejo Community Association;

WHEREAS, the public benefits include, among other things, park in-lieu fees, as authorized by law and the City's ordinances, to rehabilitate and improve existing open space and recreational facilities in the City, including but not limited to, the Aquatic Center, Iglesia Community Center and Park, and the Ranch ("Facilities") in order to maintain the City's high standard of recreation and community services while accommodating a growing population, including future residents of the proposed subdivision;

WHEREAS, residents throughout the City regularly use the Facilities due to the variety of programs and services offered. Although the Facilities are located outside of the subdivision, future residents of the subdivision will undoubtedly use and benefit from use of the Facilities as well;

WHEREAS, on December 3, 2025, the City Council held a duly noticed public hearing and introduced the Ordinance;

WHEREAS, on January 21, 2025, the City held a duly noticed public hearing, at which time all interested persons had the opportunity to appear and be heard; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

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

Section 1: Incorporation of Recitals. The City Council hereby finds and determines that all of the recitals set forth above are true and correct. The above recitals are hereby incorporated as substantive findings of this Ordinance.

Section 2. CEQA. Pursuant to the California Environmental Quality Act (Public Resources Code, § 21000 et seq.) and State CEQA Guidelines (California Code of Regulations, title 14, § 15000 et seq.) (Collectively, “CEQA”), the City Council adopted Resolution No. _____, determining that there is no substantial evidence that the approval of the Project associated with the Development Agreement would result in a significant adverse effect on the environment, provided appropriate mitigation measures, as identified in the MMRP, are imposed on the Project.

Section 3. Findings. Pursuant to AVMC 15.82.010 (Development Agreement and Other Actions), the City Council determined that approving the Development Agreement is in the best interest of the City and for the common benefit of residents, and hereby makes the following findings of fact and approves the Development Agreement between the City and the Applicant as set forth in Exhibit “A”, which are attached hereto and incorporated herein by reference.

1. **Public Welfare.** Approval of the development agreement will not create conditions materially detrimental to public health, safety and general welfare. The development agreement includes provisions to ensure compliance with applicable land use regulations, defines the scope of the Project, and identifies the public benefit obligations of the Applicant. The Project is compatible with adjacent multi-family and single-family communities in terms of layout, architectural style, materials, and open space; the site is served by existing infrastructure, including roads, utilities, and public services sufficient to support residential development; that the environmental assessment determined impacts would be less than significant with mitigation; the Project advances the City’s housing goals by creating new housing opportunities; and future construction will be subject to plan check review and inspection to ensure compliance with all applicable building and safety standards.
2. **General Plan Consistency.** The development agreement is consistent with the goals, objectives, and policies of the general plan and any applicable specific plan. The Project is consistent with the goals and policies of the Conservation and Open Space, Housing, and Land Use element in that the Project promotes orderly growth, provides a compatible transition between non-residential and residential uses, supports housing objectives by creating new residential opportunities, and utilizes existing infrastructure in a manner consistent with the community’s long-term vision and planning framework. The Project is also subject to mitigation measures and conditions of approval that address potential impacts related to traffic, noise, air quality, and emergency access. The Development Agreement incorporates, among other provisions, the scope of the Project, compliance with governing regulations, and the Applicant’s public benefit obligations.

Section 4. **Minor Modifications.** The City Council hereby approves the Development Agreement attached hereto as Exhibit “A” and authorizes the Community Development Director to make any further minor, non-substantive changes and modifications thereto.

Section 5. **Effective Date.** This Ordinance shall not take effect unless and until General Plan Amendment GPA-2025-00002, Zone Change ZC-2025-00002, Vesting Tentative Tract Map 19340, and Site Development Permit SDP-2024-00001 are each approved by the City Council and have become effective, and the Development Agreement is executed by both parties.

Section 6. **Severability.** If any provision of this Ordinance or its application to any person or circumstance is held to be invalid by a court of competent jurisdiction, such invalidity has no effect on the other provisions or applications of the Ordinance that can be given effect without the invalid provision or application, and to this extent, the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any portion thereof.

Section 7. **City Clerk’s Certification.** The City Clerk shall certify to the adoption of this Ordinance and cause a summary thereof to be published five days prior to the date of adoption of this Ordinance, and, within 15 days after adoption, the City Clerk shall cause to be published the aforementioned summary and shall post a certified copy of this Ordinance, together with the vote for and against the same, in the Office of the City Clerk.

Section 8. The Mayor, City Manager, and City Clerk or their designees, are authorized to take such actions to affect execution, recordation, and enforcement of this Ordinance and the Development Agreement.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2026.

[Insert Name]
Mayor

APPROVED AS TO FORM:

ATTEST:

Scott C. Smith, City Attorney

Kathy Bailor, Interim City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ALISO VIEJO)

I, Kathy Bailor, Interim City Clerk of the City of Aliso Viejo, California, DO HEREBY CERTIFY that the foregoing is the original of Ordinance No. 2025-__ duly passed and adopted by the City Council of the City of Aliso Viejo at their regular meeting held on the ____ day of _____ 2026, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

KATHY BAILOR,
INTERIM CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 2026-__ duly passed and adopted by the Aliso Viejo City Council at its regular meeting held _____, 2026, and that the Summary of the Ordinance was published on _____ and _____ in the Laguna Niguel News.

KATHY BAILOR,
INTERIM CITY CLERK

(SEAL)

**Exhibit “A”
Development Agreement**

City of Aliso Viejo

AGENDA ITEM



DATE: January 21, 2026
TO: Mayor and City Council
FROM: Ann Eifert, Director of Financial Services
SUBJECT: ACCOUNTS PAYABLE

Recommended Action:

Ratify accounts payable checks and electronic funds transfers issued between November 21, 2025, and December 19, 2025, in the amount of \$2,001,391.67.

Fiscal Impact:

Expenditures in the amount of \$2,001,391.67.

Background:

The City issues accounts payable checks on a bi-weekly basis and presents it to City Council for ratification at its next regularly scheduled City Council meeting.

Discussion:

The attached registers containing checks and electronic funds transfers issued between November 21, 2025, and December 19, 2025, for \$2,001,391.67, are being presented for ratification. All payments have been made in compliance with the City's purchasing policy and procedures. Payments have been reviewed and approved by the appropriate departmental staff. The issued accounts payable checks and electronic funds transfers have been reviewed and deemed in accordance with the fiscal year budget by the Director of Financial Services.

Attachment:

1. Accounts Payable Report



Accounts Payable

Vendor Name	Description (Item)	Amount
101 - GENERAL FUND		
UNITED OF OMAHA LIFE INSURANCE CO.	JAN'26 LIFE INSURANCE	1,702.07
CALPERS HEALTH	JAN'26 TZ - HEALTH PREMIUM	1,750.56
CALPERS HEALTH	JAN'26 TZ - HEALTH PREMIUM PEMCA MINIMUM	162.00
CALPERS HEALTH	JAN'26 CALPERS HEALTH PREMIUM	31,073.15
BEST BEST & KRIEGER	SEP'25 BBK CELLULAR	1,769.70
BEST BEST & KRIEGER	OCT'25 BBK CELLULAR	1,908.50
BEST BEST & KRIEGER	NOV'25 BBK APPLICANT INITIATED REIMB(AIR)-ARGONAUT	22,914.00
CHOICE BUILDER	JAN'26 VISION - JM	6.48
CHOICE BUILDER	JAN'26 DENTAL - JM	46.63
CHOICE BUILDER	JAN'26 DENTAL - TZ	96.90
CHOICE BUILDER	JAN'26 DENTAL INSURANCE	1,657.20
CHOICE BUILDER	JAN'26 VISION INSURANCE	257.58
HF&H CONSULTANTS LLC	NOV'25 SOLID WASTE FRANCHISE AUDIT	4,987.50
CALIFORNIA NEWSPAPERS PARTNERSHIP	REF0011761995 - 10/30 PH GPA/ZC/SDP/DA-95 ARGONAUT	457.63
CALIFORNIA NEWSPAPERS PARTNERSHIP	REF0011757723 - 10/02 PN NOI FOR 95 ARGONAUT	428.11
CALIFORNIA NEWSPAPERS PARTNERSHIP	REF0011757323 - 10/02 PN CR 400-700 FREEDOM LANE	302.63
BEST BEST & KRIEGER	OCT'25 BBK APPLICANT INITIATED REIMB(AIR)-ARGONAUT	2,335.50
RJM DESIGN GROUP INC	SEP'25 ENG2252/LANDSCAPE INSPECTION-COMMONS	440.00
RJM DESIGN GROUP INC	OCT'25 LANDSCAPE CONSULTANT SERVICES	780.00
DE NOVO PLANNING GROUP	PEER REVIEW OF CEQA FOR 95 ARGONAUT	6,075.00
HF&H CONSULTANTS LLC	OCT'25 SOLID WASTE FRANCHISE AUDIT	2,443.25
PATTERSON & DEWAR ENGINEERS, INC	CD-2024-00025_17 JOURNEY_PATTERSON&DEWAR ENG	500.00
BAYLEY CONSTRUCTION	CD-2025-00052_26503 ALISO CREEK_BAYLEY CONST	7,500.00
BEZALEL SZTILLERMAN	CD-2024-00097_15 BLACKBIRD LN_BEZALEL SZTILLERMAN	500.00
PLATINUM REPAIR INC	MECR-2025-00253_23412 PACIFIC PK DR 18H_PLATINUM R	78.17
THE WHITING- TURNER CONTRACTING COMPANY	CD-2024-00109_800 FREEDOM LN_THE WHITING-TURNER CO	6,500.00
ROOF PRO	CD-2025-00146_2-12 TWINBERRY_ROOF PRO	500.00
TANCO GENERAL CONTRACTORS	CD-2024-00112_23592 WINDSONG_TANCO GENERAL CONTRAC	1,500.00
DAVID JEONG	CD-2024-00111_26519 ALISO CREEK RD_DAVID JEONG	500.00
ADRIAN VAZQUEZ OLIVARES	CD-2025-00156_1 BIRCHMONT_ADRIAN VAZQUEZ OLIVARES	500.00
		99,672.56
CITY COUNCIL		
STAPLES ADVANTAGE	OCT'25 COUNCIL OFFICE SUPPLIES	37.26
US BANK PURCHASING CARD PROGRAM	10/07 DL LAKEFOREST-OCCD VETERANS DAY EVENT WREATH	420.56
US BANK PURCHASING CARD PROGRAM	9/25 DL LEAGUE OF CALCITIES-CONF REIMB RH CANCEL	(600.00)
	CITY COUNCIL TOTAL:	-142.18
CITY MANAGER		
CALPERS HEALTH	JAN'26 PG - HEALTH PREMIUM	162.00
CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELO...	CAL ED 2026 ANNUAL MEMBERSHIP RENEWAL	800.00
US BANK PURCHASING CARD PROGRAM	9/29 DL BREA-OCCMA LUNCHEON GUEST ATTEND-A EIFERT	50.00
US BANK PURCHASING CARD PROGRAM	MO 11/16 UBER*	18.92
US BANK PURCHASING CARD PROGRAM	MO 10/26 UBER*	12.93
US BANK PURCHASING CARD PROGRAM	MO 11/16 UBER*	19.74
US BANK PURCHASING CARD PROGRAM	MO 11/04 STARBUCKS - HR MGR INTERVIEWS	18.65
	CITY MANAGER TOTAL:	1,082.24
HUMAN RESOURCES		
PRESTIGIOUS CLEANERS LLC	12/13 AV GEAR RECYCLED & LAUNDERED-FUTURE NEW HIRE	316.23
CHARLES C STILL	DEC'25-CS SECURE LIVE SCAN FEES	67.00
CHARLES C STILL	DEC'25 - CS/COR SECURE LIVE SCAN FEES	114.00
OC FAMILY MEDICINE	OCT-NOV'25 TB TESTS & EMPLOYEE EXAMS & FLU SHOTS	475.00
DANA LEUTHAUSER	10/7 DL TRAINING SNACKS & DRINKS REIMBURSEMENT*	132.36
US BANK PURCHASING CARD PROGRAM	10/04 DL CMCA-CC JOB POSTING AD	300.00
US BANK PURCHASING CARD PROGRAM	10/21 DL RALPHS-CPR TRAINING STAFF BRKFST SNACKS*	37.97
US BANK PURCHASING CARD PROGRAM	10/09 DL URBAN PLATES-CPR TRAINING STAFF LUNCH*	260.62

Vendor Name	Description (Item)	Amount
US BANK PURCHASING CARD PROGRAM	MO 11/18 WEBBS GRAINWORKS - CCLERK PANEL LUNCH	101.12
	HUMAN RESOURCES TOTAL:	1,804.30
CITY CLERK		
GLADWELL GOVERNMENTAL SERVICES INC	FY25-26 REC RTNTN LEGAL REV-UPDATE & ADVICE	350.00
STAPLES ADVANTAGE	OCT'25 AWARDS & RECOGNITION SUPPLIES	110.17
STAPLES ADVANTAGE	OCT'25 CCLK OFFICE SUPPLIES	82.35
ICC GENERAL CODE, INC	AVMC-WEB UPDATE/6 PGS ORD2025-247 LRG VEH REGS	129.00
	CITY CLERK TOTAL:	671.52
CITY ATTORNEY		
BEST BEST & KRIEGER	JUN'25 GENERAL LITIGATION	682.50
BEST BEST & KRIEGER	OCT'25 NPDES NEW PERMIT (NON-RETAINER)	401.70
BEST BEST & KRIEGER	OCT'25 BBK HUNT & SONS/SACRAMENTO CLAIM	3,572.00
BEST BEST & KRIEGER	NOV'25 BBK GENERAL RETAINER LEGAL SERVICES	25,792.00
BEST BEST & KRIEGER	NOV'25 NPDES NEW PERMIT (NON-RETAINER)	185.40
BEST BEST & KRIEGER	NOV'25 BBK HUNT & SONS/SACRAMENTO CLAIM	7,725.43
BEST BEST & KRIEGER	OCT'25 BBK APPLICANT INITIATED REIMB(AIR)-WEBB	660.00
	CITY ATTORNEY TOTAL:	39,019.03
FINANCE		
CALPERS HEALTH	JAN'26 CALPERS ADMIN FEE	28.65
CHOICE BUILDER	JAN'26 ADMIN FEE	30.00
PARS (PHASE II SYSTEMS AND CALIFORNIA CORPORATION)	OCT'25 PARS REP FEES	300.00
MGT IMPACT SOLUTIONS, LLC	FY25-26 SB 90 FILING - FIRST PAYMENT	1,500.00
US BANK PURCHASING CARD PROGRAM	AE 10/28 GOVERNMENT TAX - SEMINAR REGISTRATION	595.00
US BANK PURCHASING CARD PROGRAM	AE 10/28 WALMART - MISC SUPPLIES	8.56
	FINANCE TOTAL:	2,462.21
INFORMATION TECHNOLOGY		
HCI SYSTEMS, INC	FIRE SUPPRESSION INSPECTION TESTING CH	440.00
US BANK PURCHASING CARD PROGRAM	IA 9/28 GOOGLE - EOC YOUTUBE SUBSCR	82.99
US BANK PURCHASING CARD PROGRAM	IA 8/28 GOOGLE - EOC YOUTUBE SUBSCR	82.99
US BANK PURCHASING CARD PROGRAM	IA 9/19 MICROCENTER -MISC EQUIPMENT RETURN	(377.11)
US BANK PURCHASING CARD PROGRAM	IA 10/16 WAITWHILE SUBSCRIPTION	196.00
US BANK PURCHASING CARD PROGRAM	IA 9/16 WAITWHILE SUBSCRIPTION	196.00
US BANK PURCHASING CARD PROGRAM	IA 9/04 GOTOCOMMUNICATIONS - LOGMEIN	(1,068.00)
US BANK PURCHASING CARD PROGRAM	IA 9/25 AMAZON - REPLACEMENT BATTERY	27.91
US BANK PURCHASING CARD PROGRAM	IA 9/01 MICROCENTER -MISC EQUIPMENT	415.88
US BANK PURCHASING CARD PROGRAM	IA 10/18 TOWN AND COUNTRY-MISAC CONFERENCE	320.99
US BANK PURCHASING CARD PROGRAM	IA 9/16 MISAC-ONLINE STORE ORDER TRAINING	260.00
US BANK PURCHASING CARD PROGRAM	IA 9/22 PHILZ COFFEE - IT DEPT MEETING	22.94
US BANK PURCHASING CARD PROGRAM	IA 9/11 ALISO CHAMBER OF COMMERCE-COMMUNITY CONVER	35.00
US BANK PURCHASING CARD PROGRAM	IA 9/16 MISAC - DUES	130.00
US BANK PURCHASING CARD PROGRAM	RC 7/14 MICRO CENTER-COMPUTER SUPPLIES & PARTS	838.23
AT&T	10/22/25-11/21/25 CH-ALARM/POTS LINE	616.55
DOCUSIGN	OCT'25-26 CH DOCUSIGN ENTERPRISE PRO	4,496.31
NEXUS IS INC	DEC'25 NETWORK SUPPORT & SECURITY	416.67
AT&T	NOV'25 CH AT&T FIBER INTERNET SERVICE	1,710.89
CIVICPLUS LLC	AV CITY WEBSITE DESIGN	320.00
JOSE RUEL FABELLA DIRA	NOV'25 ENERGGOV & GIS	3,200.00
GOTO COMMUNICATIONS	DEC'25 CH GOTO VOIP SERVICE & SUPPORT	1,995.58
TANGENT COMPUTERS INC	10/23/25-10/22/26 CH OFFICE 365 SUPPORT	24,166.65
LUNAVI, INC	DEC'25 OFFSITE BACKUP STORAGE	622.50
US BANK PURCHASING CARD PROGRAM	RC 1/14 THE HOME DEPOT-POWER TOOLS BITS & SUPPLIES	265.77
US BANK PURCHASING CARD PROGRAM	RC 3/04 THE HOME DEPOT-SUPPLIES	105.92
US BANK PURCHASING CARD PROGRAM	RC 3/04 AMAZON-RETA' 7G7XQ8LD3 TOOLS	225.07
US BANK PURCHASING CARD PROGRAM	RC 9/04 AMAZON - CAT6A CABLES VARIOUS SIZES	89.42
REDNIGHT CONSULTING, INC	INTEREST CHARGE FOR LATE PAID INV#RNC43304	42.89
	INFORMATION TECHNOLOGY TOTAL:	39,878.04
NON-DEPARTMENTAL		
J&M TROPHIES INC	PLATE - J BERRY	37.73
J&M TROPHIES INC	PLATE & BADGE-C SWANSON	49.99
J&M TROPHIES INC	PLATES & BADGES-2026 COUNCIL	49.00
IPROMOTEU.COM INC	BUS CARDS-G DWYER	66.11
IPROMOTEU.COM INC	BUS CARDS-J BERRY	66.11
IPROMOTEU.COM INC	BUS CARDS-C SWANSON	66.36

Vendor Name	Description (Item)	Amount
IPROMOTEU.COM INC	BUS CARDS-2026 COUNCIL	214.17
RICOH USA	SEP'25 RICOH 2504EX FRONT COUNTER PRINTS (4456)	68.64
RICOH USA	OCT'25 RICOH RSI CLOUD SUBSCRIPTION (SW1860708)	24.31
RICOH USA	AUG-OCT'25 RICOH 2504EX SUITE 200 PRINTS (2936)	27.40
RICOH USA	OCT'25 RICOH 2504EX FRONT COUNTER PRINTS (4456)	83.65
RICOH USA	NOV'25 RICOH RSI CLOUD SUBSCRIPTION (SW1860708)	25.53
RICOH USA	OCT'25 RICOH 2504 BACK OFFICE PRINTS (4542)	534.43
RICOH USA	SEP-NOV'25 RICOH C5300S PRINT ROOM PRINTS (2624)	246.40
RICOH USA	NOV'25 RICOH 2504EX FRONT COUNTER PRINTS (4456)	55.88
RICOH USA	DEC'25 RICOH RSI CLOUD SUBSCRIPTION (SW1860708)	25.53
CINTAS CORPORATION NO. 2	NOV'25-CH & STE 200 FIRST AID MAINT & SUPPLIES	175.70
CINTAS CORPORATION NO. 2	DEC'25 CH & STE 200 FIRST AID MAINT & SUPPLIES	196.93
QUADIENT FINANCE USA, INC	QUADIENT POSTAGE-ADDED 11/17/25	500.00
KYRSTI NICOLE ASHMALL	NOV'25-7.325 HRS-PIO GENERAL/SPECIAL PROJECTS	659.24
US BANK PURCHASING CARD PROGRAM	RC 7/15 RALPHS - QTRLY MTG GIFT CARDS	100.00
RICOH USA	DEC'25 C5300S COPY ROOM LEASE (2624) - PRINCIPAL	633.08
RICOH USA	DEC'25 C5300S COPY ROOM LEASE (2624) - INTEREST	61.12
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-GLOW WHOLESALE ELVES HOLIDAY LUNCHEO	11.85
STAPLES ADVANTAGE	OCT'25 COPY&BREAKROOM SUPPLIES NON-DEPARTMENTAL	198.37
NIEVES LANDSCAPE INC	OCT'25 LANDSCAPE MAINTENANCE VISTA PARK	1,100.11
NIEVES LANDSCAPE INC	NOV'25 LANDSCAPE MAINTENANCE VISTA PARK	1,100.11
VOYAGER FLEET SYSTEMS INC	NOV'25 VEHICLE FUEL	604.78
US BANK PURCHASING CARD PROGRAM	10/02 DL NOTHING BUNDT CAKES - JM LAST DAY	68.31
US BANK PURCHASING CARD PROGRAM	10/16 DL JM TROPHIES - LS NAME PLATE	37.73
US BANK PURCHASING CARD PROGRAM	10/14 DL COSTCO - HALLOWEEN SNACKS	67.60
US BANK PURCHASING CARD PROGRAM	EM RCS 10/23 MICHAELS- HOLIDAY/QTRLY MTG PUMPKINS	102.28
VIGICABI INC	NOV'25 BANNERS' INSTALL-HOLIDAY/REMOVAL-VETERANS	1,449.00
US BANK PURCHASING CARD PROGRAM	JB 10/29 COSTCO - HOLIDAY/QTRLY MTG LUNCHEON	44.98
MOULTON NIGUEL WATER DIST	ACCT#64101 VISTA WATER SVC	647.70
NON-DEPARTMENTAL TOTAL:		9,400.13

C. S. ADMINISTRATION

CALPERS HEALTH	JAN'26 HW - HEALTH PREMIUM	162.00
CALPERS HEALTH	JAN'26 DP - HEALTH PREMIUM	162.00
UNITED SITE SERVICES OF CALIFORNIA, INC	12/04-12/05/25 TREE LIGHTING EVT - RESTROOM RENTAL	890.02
OCY MANAGEMENT, LLC	NOV'25 SMP R&CS CONTRIBUTION TRANSPORTATION	316.00
4IMPRINT INC	FY25-26 GIVEAWAYS FOR SPECIAL EVENTS	3,404.45
US BANK PURCHASING CARD PROGRAM	JNL 11/16 FACEBK-BOOSTED IG POST AVR	62.40
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-24 PACK 3.5" PLASTIC SPRING CLAMPS	10.66
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-ZIMPLEWARE NAVY BLUE TABLECLOTHS	26.60
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-KRAFTY CURLY LETTERS	7.99
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-KRAFTY CURLY LETTERS	7.99
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-SWIFFER WETJET CLEANER SOLUTION	62.24
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-AMAZON BASICS 100-PACK AA BATTERIES	22.22
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON - SWIFFER WETJET FLOOR CLEANER PADS	13.37
US POSTAL SERVICE	FY25-26 POSTAGE FOR QUARTERLY BROCHURES	18,000.00
US BANK PURCHASING CARD PROGRAM	JB 10/29 HOBBY LOBBY - MEETING SUPPLY RETURNS	(14.30)
US BANK PURCHASING CARD PROGRAM	JB 10/29 RALPHS - MEETING GIVEAWAYS	7.87
US BANK PURCHASING CARD PROGRAM	JB 10/29 HOBBY LOBBY - MEETING SUPPLIES	25.80
US BANK PURCHASING CARD PROGRAM	JB 11/01 COSTCO - ARTISAN MARKET	36.97
ROMAN CHAVEZ	12/04/25 TREE LIGHTING RENTALS	2,035.70
C. S. ADMINISTRATION TOTAL:		25,239.98

IGLESIA PARK

SO CAL EDISON	NOV'25 ACCT#7997 IGLESIA PARK ELECTRICITY	60.65
SO CAL EDISON	SEP'25 ACCT#7997 IGLESIA PARK ELECTRIC-CORRECTION	0.94
PV MAINTENANCE INC	NOV'25 PVM IGLESIA PARK MAINTENANCE	193.00
NIEVES LANDSCAPE INC	OCT'25 LANDSCAPE MAINTENANCE IGLESIA PARK	7,319.43
NIEVES LANDSCAPE INC	NOV'25 LANDSCAPE MAINTENANCE IGLESIA PARK	7,319.43
EL TORO WATER DISTRICT	10/09/25-11/10/25 MTR #4114 IGLESIA PARK WATER	984.60
EL TORO WATER DISTRICT	10/09/25-11/10/25 MTR #3499 IGLESIA PARK WATER	1,092.06
IGLESIA PARK TOTAL:		16,970.11

IGLESIA BUILDING

TEAM ONE MANAGEMENT	DEC'25 IGLESIA JANITORIAL SERVICES	1,064.00
ZAPP PEST MANAGEMENT	NOV'25 PEST CONTROL SERVICES IGLESIA	75.00
SO CAL EDISON	NOV'25 ACCT#7997 IGLESIA PARK BLDG ELECTRICITY	1,053.17

Vendor Name	Description (Item)	Amount
PV MAINTENANCE INC	OCT'25 PVM IGLESIA PARK CC MAINTENANCE	676.00
SONITROL ORANGE COUNTY LLC	NOV'25 IGLESIA ACCESS CONTROL	114.86
SONITROL ORANGE COUNTY LLC	DEC'25 IGLESIA ACCESS CONTROL	114.86
IRIS GROUP HOLDINGS LLC	11/17/25-02/16/26 IGLESIA ALARM MONITORING	178.21
EL TORO WATER DISTRICT	10/09/25-11/10/25 MTR#5016 IGLESIA PARK BLDG WATER	307.43
US BANK PURCHASING CARD PROGRAM	KB 10/24 THE HOMEDEPOT-SMOKE DETECTOR BATT IGLESIA	21.41
IGLESIA BUILDING TOTAL:		3,604.94
IGLESIA PARK COMMUNITY CENTER		
BOYS & GIRLS CLUB OF CAPISTRANO VALLEY	OCT'25 B&GCCV	15,000.00
BOYS & GIRLS CLUB OF CAPISTRANO VALLEY	SEP'25 B&GCCV	15,000.00
IGLESIA PARK COMMUNITY CENTER TOTAL:		30,000.00
PLANNING		
CALPERS HEALTH	JAN'26 MF - HEALTH PREMIUM	162.00
ATLAS PLANNING SOLUTIONS	OCT-NOV'25 SAFETY ELEMENT UPDATE	2,575.00
STAPLES ADVANTAGE	OCT'25 BLDG/PLNG OFFICE SUPPLIES	25.35
SHI INTERNATIONAL CORP	12/17/25-12/16/26 BLUEBEAM LICENSE RENEWAL	5,475.00
US BANK PURCHASING CARD PROGRAM	SK 10/27 ANNUAL PDAOC HOLIDAY - LUNCHEON	60.00
US BANK PURCHASING CARD PROGRAM	SK 10/21 HOBBY LOBBY - HOLIDAY LOBBY DECORATIONS	101.96
US BANK PURCHASING CARD PROGRAM	SK 10/27 DOLLARTREE - HOLIDAY LOBBY DECORATIONS	23.00
PLANNING TOTAL:		8,422.31
BUILDING		
CHARLES ABBOTT ASSOC INC	NOV'25 CAA CONTRACT SERVICES - BUILDING	29,285.23
STAPLES ADVANTAGE	OCT'25 BLDG/PLNG OFFICE SUPPLIES	18.94
BUILDING TOTAL:		29,304.17
CODE ENFORCEMENT		
CHARLES ABBOTT ASSOC INC	NOV'25 CAA CONTRACT SERVICES - CODE ENFORCEMENT	7,480.00
US BANK PURCHASING CARD PROGRAM	SK 11/08 EXTRA SPACE STORAGE-CODE ENFORCEMENT	729.20
CODE ENFORCEMENT TOTAL:		8,209.20
ENGINEERING (GENERAL)		
SHAUN PELLETIER	DEC'25 SOCCE LUNCH MEETING REIMB - SP	38.00
SYSTEM METRICS GROUP, INC	PACIFIC PARK DR TSSP GRANT APPLICATION SUPPORT	9,920.00
PV MAINTENANCE INC	DEC'25 PVM WAREHOUSE LEASE	1,035.00
QUANG LE	NOV'25 SOUTH OCC ENG MEETING REIMB - QL SP EM	87.00
MURPHY SWITCH OF CA	DEC'25 MURCAL IOT SMARTCOMMAND MONITORING SERVICE	450.00
RICHARD FISHER ASSOCIATES	OCT'25 LANDSCAPE INSPECTION SERVICES - GENERAL	2,822.06
US BANK PURCHASING CARD PROGRAM	KB 10/24 AMAZON - OFFICE SUPPLIES	22.70
US BANK PURCHASING CARD PROGRAM	SP 11/04 SANDWICH SPOT-ITSCA CONF LUNCH SP QL EM	67.12
US BANK PURCHASING CARD PROGRAM	SP 11/04 LAZ PARKING - ITSCA CONFERENCE PARKING	10.65
US BANK PURCHASING CARD PROGRAM	SP 11/03 AMAZON - OPERATING SUPPLIES	229.93
STATE WATER RESOURCES CONTROL BOARD	FY25-26 ANNUAL NPDES PERMIT FEES	27,293.00
ENGINEERING (GENERAL) TOTAL:		41,975.46
STREET MAINTENANCE		
PV MAINTENANCE INC	NOV'25 PVM STREET MAINTENANCE MOE TAX	24,473.45
RICHARD FISHER ASSOCIATES	OCT'25 LANDSCAPE INSPECTION SERVICES - MEDIANS	2,186.99
STREET MAINTENANCE TOTAL:		26,660.44
LAW ENFORCEMENT-CONTRACT		
COUNTY OF ORANGE	DEC'25 LAW ENFORCEMENT/BODY CAMERAS/IN CAR VIDEO	944,992.18
LAW ENFORCEMENT-CONTRACT TOTAL:		944,992.18
LAW ENFORCEMENT-OTHER		
ALL CITY MANAGEMENT SERVICES	11/30-12/06/25 230 HRS-CROSSING GUARD SERVICES	7,937.30
SEAVCO INC	DEC'25 BMW REPAIR - MOTORCYCLE SERVICE	1,447.16
US BANK PURCHASING CARD PROGRAM	JD 10/18 RALPHS - ICE FOR EVENT	9.25
US BANK PURCHASING CARD PROGRAM	JD 10/20 JM TROPHIES - NAME PLATES FOR DEPUTIES	112.58
US BANK PURCHASING CARD PROGRAM	JD 9/29 GRAPHICS 360-PRINTED TABLECLOTHS	447.86
US BANK PURCHASING CARD PROGRAM	JD 10/28 THE TOLL ROADS	575.00
US BANK PURCHASING CARD PROGRAM	JD 11/20 RALPHS - ICE FOR DUI EVENT	9.25
US BANK PURCHASING CARD PROGRAM	JD 11/13 LUCILLE'S BBQ-THANKSGIVING WORKING STAFF	273.09
US BANK PURCHASING CARD PROGRAM	JD 11/20 COSTCO - FOOD FOR DUI EVENT	96.49
US BANK PURCHASING CARD PROGRAM	JD 11/13 CVS-PHOTO	10.32
US BANK PURCHASING CARD PROGRAM	RB 11/11 CANVA-SUBSCRIPTION	119.99
ALL CITY MANAGEMENT SERVICES	11/16/25-11/29/25 414 HRS-CROSSING GUARD SERVICES	14,287.14
LAW ENFORCEMENT-OTHER TOTAL:		25,325.43

	Vendor Name	Description (Item)	Amount
EOC	US BANK PURCHASING CARD PROGRAM	JD 9/30 AV SELF STORAGE-#75 PUBLIC SAFETY OCT'25	475.00
	US BANK PURCHASING CARD PROGRAM	JD 10/30 AV SELF STORAGE- #75 PUBLIC SAFETY NOV'25	475.00
	US BANK PURCHASING CARD PROGRAM	JD 10/17 ALISO COFFEE & DONUT -FOOD FOR PROTEST	244.73
	US BANK PURCHASING CARD PROGRAM	JD 10/22 COSTCO - SNACKS FOR MEETING	43.96
	US BANK PURCHASING CARD PROGRAM	JD 10/22 RALPHS - ICE FOR EVENT	14.41
	US BANK PURCHASING CARD PROGRAM	10/14 DL EXTRA SPACE OFFSITE STORAGE #A1554	336.00
		EOC TOTAL:	1,589.10
GENERAL FUND TOTAL:			1,356,141.17

102 - GEN. FD-CITY HALL

NON-DEPARTMENTAL

TEAM ONE MANAGEMENT	DEC'25 CH JANITORIAL SERVICES	3,400.00
ZAPP PEST MANAGEMENT	NOV'25 PEST CONTROL SERVICES CH	75.00
ENTRY CONTROL, INC	NOV'25 LOCKSMITH SERVICES - CH KEYS COPIED	49.08
FOSTERS' GARDENS INC	DEC'25 CH INTERIOR PLANT MAINTENANCE	115.00
THE GAS COMPANY	10/31/25-12/03/25 MTR#16122180 CH GAS SVC	812.62
ALISO VIEJO COMMUNITY ASSOCIATION	JAN-MAR'26 CH MASTER HOA FEES	2,089.52
SO CAL EDISON	NOV'25 ACCT#7189 CH ELECTRICITY	4,595.84
THURSTON ELEVATOR CONCEPTS INC	DEC'25 CH ELEVATOR MAINTENANCE	140.00
SONITROL ORANGE COUNTY LLC	NOV'25 CH ACCESS CONTROL	639.87
SONITROL ORANGE COUNTY LLC	NOV'25 CH INTRUSION DETECTION	400.80
SONITROL ORANGE COUNTY LLC	DEC'25 CH INTRUSION DETECTION	400.80
SONITROL ORANGE COUNTY LLC	DEC25 CH ACCESS CONTROL	639.87
PACIFIC PARK II ASSOCIATION	DEC'25 CH ASO ASSOCIATION DUES	611.00
NIEVES LANDSCAPE INC	OCT'25 LANDSCAPE MAINTENANCE CH	724.89
NIEVES LANDSCAPE INC	OCT'25 LANDSCAPE MAINTENANCE - VALVE REPAIR CH	743.23
NIEVES LANDSCAPE INC	NOV'25 LANDSCAPE MAINTENANCE CH	724.89
US BANK PURCHASING CARD PROGRAM	KB 10/24 JOHNSTONE SUPPLY - TRUCK STOCK	56.95
US BANK PURCHASING CARD PROGRAM	KB 10/24 THE HOMEDEPOT - FLAG POLE LIGHT CH	47.37
MOULTON NIGUEL WATER DIST	ACCT#65408/65407/65406 CH WATER SVC	702.44
	NON-DEPARTMENTAL TOTAL:	16,969.17
GEN. FD-CITY HALL TOTAL:		16,969.17

103 - GF-AV RECREATION SERVICES

SYLVIA MIRELES	DEC'25 REC1 REFUND_ S MIRELES_RFX190 LINE DANCING	35.00
		35.00

RECREATION SERVICES

CSG FORTE PAYMENTS, INC	NOV'25 CREDIT CARD SERVICE FEES -POS	1,297.06
CSG FORTE PAYMENTS, INC	NOV'25 CREDIT CARD SERVICE FEES - WEB	216.59
425 VENTURES, LLC	FALL2025-ATN066/072 SOCCER- 7 PARTICIPANTS	615.60
KIMBERLY DOWNEY ESMOND	FALL2025-ATN007 DANCE-4 PARTICIPANTS	244.80
TUMBLE-N-KIDS, INC	FALL2025-ATN034 GYMNASTICS-7 PARTICIPANTS	348.60
L & O ALISO VIEJO, LLC	FALL2025-ATN199 PICKELBALL-2 PARTICIPANTS	98.00
ZAPP PEST MANAGEMENT	NOV'25 PEST CONTROL SERVICES AVR	95.00
FOSTERS' GARDENS INC	DEC'25 AVR INTERIOR PLANT MAINTENANCE	110.00
RICOH USA	JUL-SEP'25 C2500 AVR PRINTS (8774)	353.24
TEAM ONE MANAGEMENT	NOV'25 AVR JANITORIAL SERVICES	5,600.00
HCI SYSTEMS, INC	FIRE SUPPRESSION INSPECTION TESTING AVR	440.00
US BANK PURCHASING CARD PROGRAM	JNL 10/27 WHENTOWORK-SUBSCRIPTION RENEWAL	291.00
SO CAL EDISON	NOV'25 ACCT#4551 FARM ELECTRICITY	334.52
SO CAL EDISON	NOV'25 ACCT#6247 AVR ELECTRICITY	2,386.18
AARON FLORA	NOV'25 RENEWABLE FARMS	8,311.61
AT&T	10/22/25-11/21/25 AVR-ALARM/POTS LINE	205.51
PV MAINTENANCE INC	NOV'25 PVM AVR MAINTENANCE	386.00
RONALD GORMAN	FALL2025-ATN164 GUITAR/UKULELE-2 PARTICIPANTS	138.00
GARDAWORLD	DEC'25 AVR - CASH COURIER SERVICE	510.44
BREAKTHROUGH SPORTS LLC	FALL2025-ATN121/043 BASKETBALL-11 PARTICIPANTS	561.00
JOHN DAVID ALLEN JR	FALL2025-ATN139/063 TENNIS-9 PARTICIPANTS	321.60
MUSIC MOVES ACADEMY INC	FALL2025-ATN022 MUSIC-4 PARTICIPANTS	96.00
MUSIC MOVES ACADEMY INC	FALL2025-ATN023 MUSIC-4 PARTICIPANTS	96.00
DOCUSIGN	OCT'25-26 AVR DOCUSIGN ENTERPRISE PRO	4,496.31
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-GOSPORTS CORNHOLE BEAN BAG SETS	16.15

Vendor Name	Description (Item)	Amount
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-GLYMNIS PING PONG PADDLES SET OF 4	22.29
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-GOSPORTS BEAN BAGS SET ROYAL BLUE	16.15
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-TAILGATING GMAIL CORNHOLE BAG SET	27.90
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-GOSPORTS 4X2 WOODEN CORNHOLE SETS	140.06
AMAZON CAPITAL SERVICES INC	NOV'25 AMAZON-JOOLA TABLE TENNIS TABLE AND NET	331.13
GREAT SCOTT TREE SERVICE, INC	OCT'25 AVR TREE TRIMMING	3,396.40
AT&T	NOV'25 AVR AT&T INTERNET SERVICE	1,023.84
SONITROL ORANGE COUNTY LLC	NOV'25 AVR AVCENTER & AQC ACCESS CONTROL	1,071.81
SONITROL ORANGE COUNTY LLC	DEC'25 AVR AVCENTER & AQC ACCESS CONTROL	1,071.81
LYONS SECURITY SERVICE IN	NOV'25 AVR EVENT SECURITY SERVICES	2,541.00
LYONS SECURITY SERVICE IN	NOV'25 GCF SECURITY SERVICES	726.00
CINTAS CORPORATION NO. 2	NOV'25 AVR FIRST AID SUPPLIES	121.55
NIEVES LANDSCAPE INC	OCT'25 LANDSCAPE MAINTENANCE AVR	2,419.14
NIEVES LANDSCAPE INC	NOV'25 LANDSCAPE MAINTENANCE AVR	2,419.14
FACILITRON, INC.	11/09/25 AVMS PARKING LOT- FALL ARTISANS	36.60
GOTO COMMUNICATIONS	DEC'25 AVR GOTO VOIP SERVICE & SUPPORT	665.00
TANGENT COMPUTERS INC	10/23/25-10/22/26 AVR OFFICE 365 SUPPORT	4,264.71
US BANK PURCHASING CARD PROGRAM	JB 11/05 COSTCO - SUPPLIES	108.60
US BANK PURCHASING CARD PROGRAM	JB 10/29 WALMART - SUPPLIES	28.06
US BANK PURCHASING CARD PROGRAM	JB 11/12 COSTCO - BREAKROOM SUPPLIES	88.97
MOULTON NIGUEL WATER DIST	ACCT#105234/104936/104935/104986 RANCH WATER SVC	1,302.65
MOULTON NIGUEL WATER DIST	ACCT#104515/104519 FARM WATER SVC	377.27
	RECREATION SERVICES TOTAL:	49,769.29
	GF-AV RECREATION SERVICES TOTAL:	49,804.29

203 - GAS TAX

TRAFFIC ENGINEERING

RK ENGINEERING GROUP INC	NOV'25 ENGINEERING AND TRAFFIC SURVEY-SPEED LIMITS	7,825.00
	TRAFFIC ENGINEERING TOTAL:	7,825.00

STREET MAINTENANCE

SO CAL EDISON	NOV'25 ACCT#8254 TC1 ST LIGHTS ELECTRICITY	4,552.84
SAN DIEGO GAS & ELECTRIC	NOV'25 ST LIGHTS & TRAFFIC CTRLRS	2,960.13
SO CAL EDISON	SEP'25-NOV'25 ACCT#2125 GS1 MEDIAN ELECTRICITY	27.01
PV MAINTENANCE INC	NOV'25 PVM STREET MAINTENANCE GAS TAX	29,912.00
UNDERGROUND SERVICE ALERT OF SOUTHERN CA	NOV'25 USA DATABASE MAINT + 23 TICKETS	56.00
NIEVES LANDSCAPE INC	OCT'25 LANDSCAPE MAINTENANCE MEDIANS	1,695.56
NIEVES LANDSCAPE INC	NOV'25 LANDSCAPE MAINTENANCE MEDIANS	1,695.56
EL TORO WATER DISTRICT	10/09/25-11/10/25 MTR#5675 CALLE CORTEZ MEDIAN WAT	126.95
SCA OF CA LLC	NOV'25 STREET SWEEPING SERVICES	11,297.00
MOULTON NIGUEL WATER DIST	ACCT#64613/64615/65346 MEDIANS WATER SVC	1,212.64
SO CAL EDISON	NOV'25 ACCT#6377 LS2 ST LIGHTS ELECTRICITY	1,361.10
SO CAL EDISON	NOV'25 ACCT#7241 LS1 ST LIGHTS ELECTRICITY	18,505.85
SAN DIEGO GAS & ELECTRIC	OCT'25 ST LIGHTS & TRAFFIC CTRLRS	2,871.41
	STREET MAINTENANCE TOTAL:	76,274.05

GAS TAX TOTAL: 84,099.05

204 - MEASURE M

GEN-MEASURE M

OCY MANAGEMENT, LLC	NOV'25 M2 FUND TRANSPORTATION SVC	1,264.00
	GEN-MEASURE M TOTAL:	1,264.00
	MEASURE M TOTAL:	1,264.00

215 - PUBLIC SAFETY GRANTS

LAW ENFORCEMENT-OTHER

US BANK PURCHASING CARD PROGRAM	JD 11/17 HANDCUFF/BATON WHSE - 26 HANDCUFFS	669.50
COUNTY OF ORANGE	NOV'25 AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM	1,500.00
COUNTY OF ORANGE	DEC'25 CITATION/MDC EQUIPMENT	6,918.26
	LAW ENFORCEMENT-OTHER TOTAL:	9,087.76

PUBLIC SAFETY GRANTS TOTAL: 9,087.76

Vendor Name	Description (Item)	Amount
231 - OTHER GRANTS		
OTHER GRANTS		
LAURA'S HOUSE	NOV'25 PLHA GRANT REIMBURSEMENT-CASE MANAGEMENT	1,288.00
ALISO VIEJO COMMUNITY ASSOCIATION	JAN-MAR'26 35 PLAYA CIR MASTER HOA FEES	147.18
ALISO VIEJO COMMUNITY ASSOCIATION	JAN-MAR'26 38 COLONIAL WAY HOA FEES	162.17
ALISO VIEJO COMMUNITY ASSOCIATION	JAN-MAR'26 89 PLAYA CIR MASTER HOA FEES	147.18
COUNTY OF ORANGE	DEC'25 BEHAVIORAL HEALTH BUREAU - PLHA GRANT	2,692.92
	OTHER GRANTS TOTAL:	4,437.45
	OTHER GRANTS TOTAL:	4,437.45
241 - TECHNOLOGY FUND		
GEN-TECHNOLOGY GRANTS		
ERIC WINTER	NOV'25-CC MTGS 11/5&11/19 & ADMIN	917.84
	GEN-TECHNOLOGY GRANTS TOTAL:	917.84
	TECHNOLOGY FUND TOTAL:	917.84
251 - FEDERAL GRANTS		
GEN-FEDERAL GRANT		
MIKE LINARES INC	FY24-25 CAPER PREPARATION CDBG-CV CONSULTANT SVCS	1,500.00
MIKE LINARES INC	FY24-25 CAPER PREPARATION CDBG CONSULTANT SERVICES	7,000.00
	GEN-FEDERAL GRANT TOTAL:	8,500.00
	FEDERAL GRANTS TOTAL:	8,500.00
261 - CITY FAC.-AQUATIC CENTER		
PREMIER AQUATIC SERVICES	DEC'25 AQC MANAGEMENT FEE RETENTION	(1,208.30)
		-1,208.30
GEN-AQUATIC CENTER		
HASA INC	SEP'25 AQC POOL CHEMICALS - CHLORINE & ACID	1,725.96
HASA INC	DEC'25 AQC POOL CHEMICALS - ACID	55.56
ZAPP PEST MANAGEMENT	NOV'25 PEST CONTROL SERVICES AQC	75.00
RAPID FIRE SAFETY & SECURITY, LLC	OCT-DEC'25 AQC FIRE ALARM MONITORING -LAST INVOICE	34.57
TEAM ONE MANAGEMENT	DEC'25 AQC JANITORIAL SERVICES	2,352.00
THE GAS COMPANY	11/03/25-12/04/25 MTR#15672349 AQC GAS SVC	6,726.71
PV MAINTENANCE INC	NOV'25 PVM AQC MAINTENANCE	386.00
GARDAWORLD	DEC'25 AQC - CASH COURIER SERVICE	565.09
PREMIER AQUATIC SERVICES	DEC'25 AQC MANAGEMENT FEE	12,083.00
AQUATIC TECHNOLOGIES, INC	SEP'25 POOL MAINTENANCE	2,693.00
AQUATIC TECHNOLOGIES, INC	NOV'25 POOL MAINTENANCE	2,693.00
NIEVES LANDSCAPE INC	OCT'25 LANDSCAPE MAINTENANCE AQC	975.59
NIEVES LANDSCAPE INC	OCT'25 LANDSCAPE MAINTENANCE-VALVE REPAIR AQC	1,762.28
NIEVES LANDSCAPE INC	NOV'25 LANDSCAPE MAINTENANCE AQC	975.59
COUNTY OF ORANGE-	FY25-26 CUPA SURCHARGE HAZMAT_31 SANTA BARBARA_OCH	755.75
COUNTY OF ORANGE-	FY25-26 CUPA VAULTED TANK_29 SANTA BARBARA_OCHCA	273.75
US BANK PURCHASING CARD PROGRAM	KB 10/24 LESLIES - LED POOL LAMPS AQC	242.42
US BANK PURCHASING CARD PROGRAM	KB 10/31 AMAZON - DRILL BIT TAP AQC	21.71
US BANK PURCHASING CARD PROGRAM	KB 10/29 THE HOMEDEPOT-FUSE FOR SUMP PUMP AQC	29.61
US BANK PURCHASING CARD PROGRAM	KB 11/02 LESLIES - POOL CHEMICALS AQC	171.78
MOULTON NIGUEL WATER DIST	ACCT#64095/64096 AQC WATER SVC	786.32
PREMIER AQUATIC SERVICES	SEP'25 AQC REIMB - ADVERTISING	519.23
	GEN-AQUATIC CENTER TOTAL:	35,903.92
	CITY FAC.-AQUATIC CENTER TOTAL:	34,695.62
311 - STREET IMPROVEMENTS		
SAVI CONSTRUCTION INC	FY24-25 ADA RAMP PROJECT - RETENTION RELEASE	10,289.62
ONYX PAVING COMPANY INC	GLENWOOD DRIVE REHAB PROGRESS PAYMENT #1-RETENTION	(19,475.00)
		-9,185.38
STREETS & HIGHWAYS		
RK ENGINEERING GROUP INC	NOV'25 CITYWIDE BIKE LANE STRIPING PLAN - DESIGN	11,300.00
ONYX PAVING COMPANY INC	#125GLENWOOD DRIVE REHAB PROGRESS PAYMENT #1	389,501.96
NV5, INC	OCT'25 #125 GLENWOOD REHAB INSPECTION	18,770.64
GMU GEOTECHNICAL INC	SEP'25 #125 GLENWOOD REHAB GEOTECH TESTING	2,748.47

Vendor Name	Description (Item)	Amount
GMU GEOTECHNICAL INC	OCT'25 #125 GLENWOOD REHAB GEOTECH TESTING	15,759.63
	STREETS & HIGHWAYS TOTAL:	438,080.70
	STREET IMPROVEMENTS TOTAL:	428,895.32

331 - CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS

SONITROL ORANGE COUNTY LLC	NEW FIRE MONITORING PANEL - AV CENTER	5,010.00
	CAPITAL IMPROVEMENTS TOTAL:	5,010.00
	CAPITAL IMPROVEMENTS TOTAL:	5,010.00

731 - CFD 2005-01

TRUST FUND

THE BANK OF NEW YORK	FY 25-26 CFD ADMINISTRATION FEE	1,570.00
	TRUST FUND TOTAL:	1,570.00
	CFD 2005-01 TOTAL:	1,570.00

GRAND TOTAL: 2,001,391.67

Fund Summary

Fund	Expense Amount	Payment Amount
101 - GENERAL FUND	1,356,141.17	1,356,141.17
102 - GEN. FD-CITY HALL	16,969.17	16,969.17
103 - GF-AV RECREATION SERVICES	49,804.29	49,804.29
203 - GAS TAX	84,099.05	84,099.05
204 - MEASURE M	1,264.00	1,264.00
215 - PUBLIC SAFETY GRANTS	9,087.76	9,087.76
231 - OTHER GRANTS	4,437.45	4,437.45
241 - TECHNOLOGY FUND	917.84	917.84
251 - FEDERAL GRANTS	8,500.00	8,500.00
261 - CITY FAC.-AQUATIC CENTER	34,695.62	34,695.62
311 - STREET IMPROVEMENTS	428,895.32	428,895.32
331 - CAPITAL IMPROVEMENTS	5,010.00	5,010.00
731 - CFD 2005-01	1,570.00	1,570.00
Grand Total:	2,001,391.67	2,001,391.67

Report Summary

Fund Summary

Fund	Payment Amount
101 - GENERAL FUND	1,356,141.17
102 - GEN. FD-CITY HALL	16,969.17
103 - GF-AV RECREATION SERVICES	49,804.29
203 - GAS TAX	84,099.05
204 - MEASURE M	1,264.00
215 - PUBLIC SAFETY GRANTS	9,087.76
231 - OTHER GRANTS	4,437.45
241 - TECHNOLOGY FUND	917.84
251 - FEDERAL GRANTS	8,500.00
261 - CITY FAC.-AQUATIC CENTER	34,695.62
311 - STREET IMPROVEMENTS	428,895.32
331 - CAPITAL IMPROVEMENTS	5,010.00
731 - CFD 2005-01	1,570.00
Grand Total:	2,001,391.67

Account Summary

Account Number	Account Name	Payment Amount
101-1203-000	ACCOUNTS RECEIVABLE	9,331.32
101-2505-000	DENTAL INSURANCE PA...	1,657.20
101-2506-000	MEDICAL INSURANCE P...	31,235.15
101-2507-000	LIFE INSURANCE PAYABLE	1,702.07
101-2508-000	VISION INSURANCE PAY...	257.58
101-2602-000	PLANNING DEPOSIT	36,971.07
101-2603-000	ENGINEERING DEPOSIT	440.00
101-2606-000	C & D DEPOSIT	18,000.00
101-32040	MECHANICAL PERMITS	78.17
101-4-1101-4501-000	ADVERTISING & PROMO...	420.56
101-4-1101-4520-000	MTGS/CONF./TRNG & D...	-600.00
101-4-1101-4601-000	SUPPLIES	37.26
101-4-1501-4206-000	MEDICAL INSURANCE	162.00
101-4-1501-4520-000	MTGS/CONF./TRNG & D...	120.24
101-4-1501-4521-000	MEMBERSHIP & DUES	800.00
101-4-1503-4309-000	OTHER CONTRACTUAL S...	956.00
101-4-1503-4520-000	MTGS/CONF./TRNG & D...	430.95
101-4-1503-4612-000	OPERATING SUPPLIES	417.35
101-4-1601-4309-000	OTHER CONTRACTUAL S...	350.00
101-4-1601-4502-000	AWARDS & RECOGNITI...	110.17
101-4-1601-4601-000	SUPPLIES	82.35
101-4-1601-4734-000	CODIFICATION	129.00
101-4-2101-4304-000	LEGAL SERVICES	25,792.00
101-4-2101-4532-000	SPECIAL PROJECTS	660.00
101-4-2101-4701-000	NPDES	587.10
101-4-2101-4735-000	LITIGATION	11,979.93
101-4-2501-4301-000	PROFESSIONAL SERVICES	1,500.00
101-4-2501-4309-000	OTHER CONTRACTUAL S...	358.65
101-4-2501-4520-000	MTGS/CONF./TRNG & D...	595.00
101-4-2501-4601-000	SUPPLIES	8.56
101-4-3101-4301-000	PROFESSIONAL SERVICES	3,616.67
101-4-3101-4305-000	TECHNOLOGY SERVICES	4,809.00
101-4-3101-4481-000	COMPUTER EXPENSE	30,328.25
101-4-3101-4520-000	MTGS/CONF./TRNG & D...	638.93
101-4-3101-4521-000	MEMBERSHIP AND DUES	130.00
101-4-3101-4601-000	SUPPLIES	355.19
101-4-3501-4301-000	PROFESSIONAL SERVICES	659.24
101-4-3501-4421-000	EQUIPMENT RENTAL	246.40
101-4-3501-4422-000	EQUIP RENTAL LEASE - P...	633.08
101-4-3501-4431-000	BUILDING & GROUND M...	2,847.92

Account Summary

Account Number	Account Name	Payment Amount
101-4-3501-4512-000	POSTAGE	500.00
101-4-3501-4513-000	PRINTING	1,258.12
101-4-3501-4516-000	FUEL	604.78
101-4-3501-4520-000	MTGS/CONF./TRNG & D...	68.31
101-4-3501-4542-000	INTEREST EXPENSE - LEA...	61.12
101-4-3501-4553-000	COMMUNITY BRANDING	1,449.00
101-4-3501-4601-000	SUPPLIES	745.45
101-4-3501-4612-000	OPERATING SUPPLIES	326.71
101-4-4101-4206-000	MEDICAL INSURANCE	324.00
101-4-4101-4501-000	ADVERTISING & PROMO...	18,062.40
101-4-4101-4520-000	MTGS/CONF./TRNG & D...	19.37
101-4-4101-4524-000	RECREATION-SENIOR TR...	316.00
101-4-4101-4527-000	REC-CITY SPECIAL EVENTS	6,420.38
101-4-4101-4601-000	SUPPLIES	97.83
101-4-4102-4411-000	UTILITIES	2,138.25
101-4-4102-4431-000	BUILDING & GROUND M...	14,831.86
101-4-4103-4309-000	OTHER CONTRACTUAL S...	178.21
101-4-4103-4411-000	UTILITIES	1,360.60
101-4-4103-4431-000	BUILDING & GROUND M...	2,066.13
101-4-4104-4529-000	REC-YOUTH PROGRAMS	30,000.00
101-4-4401-4206-000	MEDICAL INSURANCE	162.00
101-4-4401-4305-000	PLANNING TECHNOLOGY...	5,475.00
101-4-4401-4520-000	MTGS/CONF./TRNG & D...	60.00
101-4-4401-4601-000	SUPPLIES	150.31
101-4-4401-4731-000	GENERAL PLAN	2,575.00
101-4-4402-4612-000	OPERATING SUPPLIES	18.94
101-4-4402-4751-000	C.S-BUILDING	29,285.23
101-4-4403-4761-000	C.S-CODE ENFORCEMENT	8,209.20
101-4-4501-4471-000	RENT	1,035.00
101-4-4501-4520-000	MTGS/CONF/TRNG & D...	202.77
101-4-4501-4562-000	PERMITS	27,293.00
101-4-4501-4601-000	SUPPLIES	22.70
101-4-4501-4612-000	OPERATING SUPPLIES	229.93
101-4-4501-4701-000	NPDES	450.00
101-4-4501-4741-000	C.S-CITY ENGINEERING	12,742.06
101-4-4503-4771-000	C.S-STREET MAINTENAN...	26,660.44
101-4-5101-4308-000	LAW ENFORCEMENT	944,992.18
101-4-5102-4516-000	FUEL	575.00
101-4-5102-4517-000	VEHICLE MAINTENANCE	1,447.16
101-4-5102-4535-000	SPECIAL EVENTS	388.08
101-4-5102-4612-000	OPERATING SUPPLIES	690.75
101-4-5102-4721-000	C.S-CROSSING GUARDS	22,224.44
101-4-5401-4471-000	RENT	1,286.00
101-4-5401-4520-000	MTGS/CONF/TRNG & D...	303.10
102-4-3501-4411-000	UTILITIES	6,110.90
102-4-3501-4431-000	BUILDING & GROUND M...	10,858.27
103-34150	OTHER INCOME	35.00
103-4-4105-4305-000	TECHNOLOGY SERVICES	13,883.23
103-4-4105-4309-000	OTHER CONTRACTUAL S...	2,556.20
103-4-4105-4411-000	UTILITIES	3,688.83
103-4-4105-4431-000	BUILDING & GROUND M...	16,966.68
103-4-4105-4451-000	FARM OPERATING EXPE...	9,749.40
103-4-4105-4561-000	TAXES/FEES/PERMITS	2,024.09
103-4-4105-4601-000	SUPPLIES	429.67
103-4-4105-4620-000	MINOR EQUIPMENT	471.19
203-4-4502-4301-000	PROFESSIONAL SERVICES	7,825.00
203-4-4503-4411-000	UTILITIES	31,617.93
203-4-4503-4771-000	C.S-STREET MAINTENAN...	33,359.12

Account Summary

Account Number	Account Name	Payment Amount
203-4-4503-4772-000	C.S-STREET SWEEPING	11,297.00
204-4-6104-4309-000	OTHER CONTRACTUAL S...	1,264.00
215-4-5102-4803-000	PUBLIC SAFETY EQUIPM...	9,087.76
231-4-6131-4309-000	OTHER CONTRACTUAL S...	4,437.45
241-4-6141-4309-000	OTHER CONTRACTUAL S...	917.84
251-4-6151-4309-000	OTHER CONTRACTUAL S...	8,500.00
261-2103-000	RETENTIONS PAYABLE	-1,208.30
261-4-6161-7401-000	EQUIPMENT MAINTENA...	5,628.42
261-4-6161-7411-000	UTILITIES	7,513.03
261-4-6161-7421-000	BUILDING & GROUND M...	6,612.35
261-4-6161-7425-000	POOL MAINTENANCE	1,953.30
261-4-6161-7441-000	MARKETING	519.23
261-4-6161-7445-000	FEES & PERMITS	1,594.59
261-4-6161-7451-000	MANAGEMENT FEES	12,083.00
311-2103-000	RETENTIONS PAYABLE	-9,185.38
311-4-8301-5501-000	DESIGN	11,300.00
311-4-8301-5601-000	CONSTRUCTION MANA...	37,278.74
311-4-8301-5701-000	CONSTRUCTION	389,501.96
331-4-8701-5910-000	IMPROVEMENTS	5,010.00
731-4-7501-4542-000	INTEREST & FISCAL CHGS	1,570.00
Grand Total:		2,001,391.67

Project Account Summary

Project Account Key	Payment Amount
None	1,509,795.44
1002FALL	2,556.20
10044309	4,437.45
1117501	5,010.00
1255601	37,278.74
1255701	389,501.96
1425501	11,300.00
9024612	259.11
9294520	-600.00
9934527	2,941.70
CDBGCV4309	1,500.00
ENG 2252	440.00
SDP-2024-00001	32,210.24
SDP-2024-00002	302.63
SDP-2025-00004	780.00
USE-2024-00003	3,678.20
Grand Total:	2,001,391.67

City of Aliso Viejo

AGENDA ITEM



DATE: January 21, 2026
TO: Mayor and City Council
FROM: Ann Eifert, Director of Financial Services/City Treasurer
SUBJECT: TREASURER'S STATEMENT – NOVEMBER 2025

Recommended Action:

Receive and file the November 2025 Treasurer's Statement.

Fiscal Impact:

No Fiscal Impact.

Background:

Per City policy, the Finance Department presents the monthly Treasurer's Statement for the City Council's review. This statement shows the cash balance for all City funds, a breakdown of bank account balances, investment account balances and the effective yield earned from investments.

Discussion:

The City's portfolio consists of investments in Certificates of Deposits, US Treasuries, US Federal Agencies, Corporate Bonds, and Local Agency Investment Fund (LAIF). All funds invested with LAIF are available for withdrawal within 24 hours.

The Treasurer's Statement provides information regarding the City's investment portfolio and activity during the reporting month. The City's investment portfolio is in compliance with all government codes as well as the City's investment policy. Interest is credited to the City's bank account monthly and allocated among the City's funds. The current portfolio provides sufficient cash flow liquidity to meet the upcoming operating expenses and spending requirements for the next 6 months.

Attachment:

Attachment 1 – November 2025 Treasurer's Statement

**CITY OF ALISO VIEJO
TREASURER'S MONTHLY CASH STATEMENT**

November 30, 2025

	BEGINNING BALANCE	RECEIPTS	DISBURSEMENTS	ENDING BALANCE
CASH BALANCE (ALL FUNDS)	\$ 9,325,018.79	\$ 5,868,732.75	\$ 4,151,877.05	\$ 11,041,874.49
CITY TRUST FUNDS:				
AV RANCH FOUNDATION	\$ 100.00			100.00
CFD 2005-01	\$ (8,905.22)	320,233.53	185,380.79	125,947.52
COMMUNITY TRUST	\$ 9,170.98		3,502.50	5,668.48
CASH BALANCE TOTALS	\$ 9,325,384.55	\$ 6,188,966.28	\$ 4,340,760.34	\$ 11,173,590.49

SUMMARY OF CASH:

DEMAND DEPOSITS:	GENERAL ACCOUNT	\$ 3,266,168.24	
INVESTMENTS:	LOCAL AGENCY INVESTMENT FD	\$ 7,822,067.08	
	MONEY MARKET/SWEEP ACCOUNT	\$ 85,355.17	
	TOTAL CASH		\$ 11,173,590.49
Years to Maturity for November 2025		2.01	
Weighted Average Yield for November 2025		3.930%	

All investments are placed in accordance with the City of Aliso Viejo's Investment Policy.

The above summary provides sufficient cash flow liquidity to meet the next six month's estimated expenditures.

Other monies held include Cash with Fiscal Agent, Investments, Payroll and AV Center.		\$ 44,833,554.76
Cash With Fiscal Agent	COPS/CFD 2005-01	1,644,793.96
Cash With Investment Advisor	City Investments	41,875,055.51
AV Center		1,107,480.55
PR Account		204,301.13
Petty Cash		1,923.61
GRAND TOTAL OF CITY FUNDS		\$ 56,007,145.25

Portfolio Summary

3.93

Weighted Average Yield to Maturity

2.01

Weighted Average Maturity (Years)

1.86

Portfolio Effective Duration (Years)

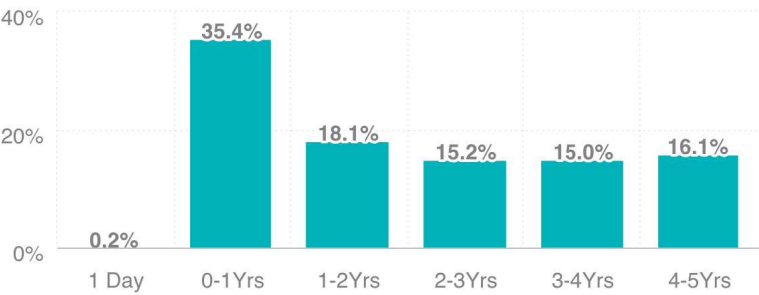
2.00

Weighted Average Life (Years)

AA

Average Credit Rating

Maturity Distribution



Sector Allocation



U.S. Treasuries	45.47%
U.S. Agencies	18.39%
Corporate Bonds	16.76%
LAIF	15.40%
Negotiable CD's	3.82%
Money Market Funds	0.17%

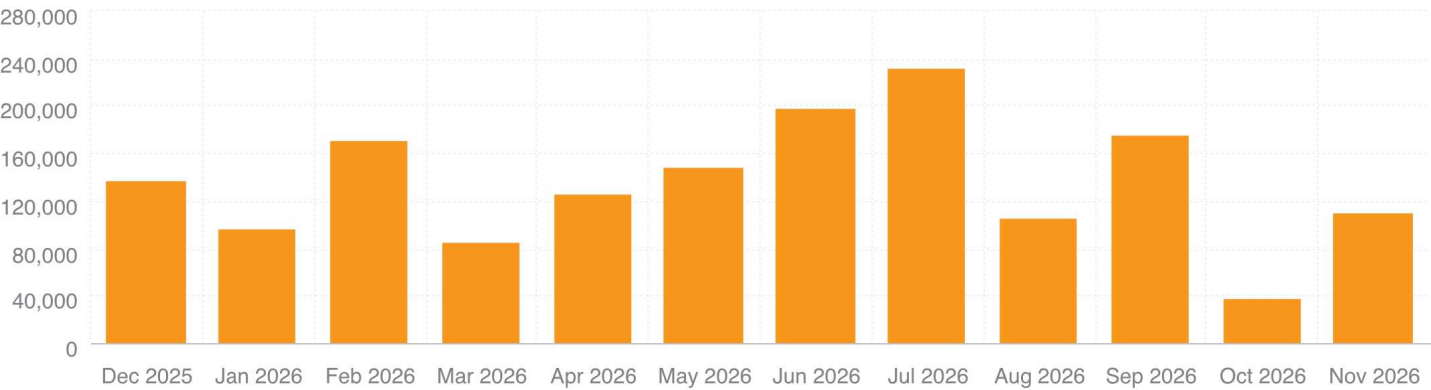


MEEDER
PUBLIC FUNDS

Custodial Reconciliation

	CURRENT MONTH
Beginning	41,843,690.46
Contributions/Withdrawals	0.00
Management Fees	0.00
Custodian Fees	(534.17)
Realized Gains Losses	65,202.90
Purchased Interest	(3,930.58)
Interest Received	55,982.07
ENDING	41,960,410.68

Projected Monthly Income Schedule





Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
CITY OF ALISO VIEJO												
MONEY MARKET FUNDS												
31846V567	FIRST AMER:GVT OBLG;Z	11/28/2025 11/28/2025	85,355.17	85,355.17 0.00	85,355.17	3.88		1	1.00 85,355.17	0.00 85,355.17	0.17	Aaa AAA
MONEY MARKET FUNDS TOTAL			85,355.17	85,355.17 0.00	85,355.17	3.88		1	1.00 85,355.17	0.00 85,355.17	0.17	AAA
U.S. TREASURIES												
912797NU7	US TREASURY BILL 12/26/25	05/19/2025 05/20/2025	490,000.00	477,942.27 0.00	477,942.27	4.17	12/26/2025	28	99.73 488,673.53	10,731.26 477,942.27	0.96	P-1 A-1+
91282CBH3	US TREASURY 0.375 01/31/26	05/06/2025 05/08/2025	1,000,000.00	973,242.19 0.00	973,242.19	4.12	01/31/2026	64	99.40 993,984.38	20,742.19 973,242.19	1.96	Aa1 AA+
91282CGL9	US TREASURY 4.000 02/15/26	05/30/2023 05/30/2023	1,000,000.00	997,578.13 0.00	997,578.13	4.09	02/15/2026	79	100.02 1,000,195.31	2,617.18 997,578.13	1.97	Aa1 AA+
91282CGV7	US TREASURY 3.750 04/15/26	01/22/2024 01/22/2024	1,200,000.00	1,187,437.50 0.00	1,187,437.50	4.24	04/15/2026	138	99.99 1,199,906.26	12,468.76 1,187,437.50	2.36	Aa1 AA+
91282CCF6	US TREASURY 0.750 05/31/26	06/13/2022 06/13/2022	1,000,000.00	915,976.56 0.00	915,976.56	3.01	05/31/2026	184	98.51 985,117.19	69,140.63 915,976.56	1.94	Aa1 AA+
91282CCJ8	US TREASURY 0.875 06/30/26	06/29/2022 06/29/2022	1,000,000.00	913,125.00 0.00	913,125.00	3.20	06/30/2026	214	98.36 983,593.75	70,468.75 913,125.00	1.94	Aa1 AA+
91282CCP4	US TREASURY 0.625 07/31/26	01/13/2023 01/13/2023	1,100,000.00	987,292.97 0.00	987,292.97	3.73	07/31/2026	245	97.98 1,077,742.19	90,449.22 987,292.97	2.12	Aa1 AA+
91282CJP7	US TREASURY 4.375 12/15/26	05/06/2025 05/08/2025	1,000,000.00	1,007,695.31 0.00	1,007,695.31	3.87	12/15/2026	382	100.74 1,007,421.88	(273.43) 1,007,695.31	1.98	Aa1 AA+
91282CJT9	US TREASURY 4.000 01/15/27	01/22/2024 01/22/2024	1,000,000.00	996,718.75 0.00	996,718.75	4.12	01/15/2027	413	100.43 1,004,257.81	7,539.06 996,718.75	1.98	Aa1 AA+
912828X88	US TREASURY 2.375 05/15/27	06/29/2022 06/29/2022	1,000,000.00	962,851.56 0.00	962,851.56	3.20	05/15/2027	533	98.34 983,359.38	20,507.82 962,851.56	1.94	Aa1 AA+
9128282R0	US TREASURY 2.250 08/15/27	01/13/2023 01/13/2023	1,050,000.00	990,322.27 0.00	990,322.27	3.60	08/15/2027	625	97.89 1,027,810.55	37,488.28 990,322.27	2.02	Aa1 AA+
9128284N7	US TREASURY 2.875 05/15/28	09/18/2024 09/19/2024	1,000,000.00	979,882.81 0.00	979,882.81	3.47	05/15/2028	899	98.55 985,546.88	5,664.07 979,882.81	1.94	Aa1 AA+
91282CCR0	US TREASURY 1.000 07/31/28	09/18/2024 09/19/2024	1,000,000.00	910,507.81 0.00	910,507.81	3.50	07/31/2028	976	93.70 937,031.25	26,523.44 910,507.81	1.84	Aa1 AA+
91282CCV1	US TREASURY 1.125 08/31/28	12/21/2023 12/21/2023	1,000,000.00	878,750.00 0.00	878,750.00	3.98	08/31/2028	1,007	93.84 938,437.50	59,687.50 878,750.00	1.85	Aa1 AA+
91282CDF5	US TREASURY 1.375 10/31/28	12/21/2023 12/21/2023	1,500,000.00	1,328,906.25 0.00	1,328,906.25	3.98	10/31/2028	1,068	94.16 1,412,460.95	83,554.70 1,328,906.25	2.78	Aa1 AA+
91282CJR3	US TREASURY 3.750 12/31/28	01/22/2024 01/22/2024	1,000,000.00	987,695.31 0.00	987,695.31	4.03	12/31/2028	1,129	100.74 1,007,421.88	19,726.57 987,695.31	1.98	Aa1 AA+
9128286T2	US TREASURY 2.375 05/15/29	11/17/2025 11/18/2025	700,000.00	671,179.69 137.78	671,317.47	3.64	05/15/2029	1,264	96.29 674,023.44	2,843.75 671,179.69	1.33	Aa1 AA+
91282CLC3	US TREASURY 4.000 07/31/29	07/14/2025 07/15/2025	1,000,000.00	1,002,304.69 0.00	1,002,304.69	3.94	07/31/2029	1,341	101.57 1,015,703.13	13,398.44 1,002,304.69	2.00	Aa1 AA+



Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
91282CLR0	US TREASURY 4.125 10/31/29	11/25/2024 11/26/2024	1,000,000.00	996,445.31 0.00	996,445.31	4.21	10/31/2029	1,433	102.07 1,020,703.13	24,257.82 996,445.31	2.01	Aa1 AA+
91282CGB1	US TREASURY 3.875 12/31/29	02/07/2025 02/10/2025	1,000,000.00	978,828.13 0.00	978,828.13	4.36	12/31/2029	1,494	101.19 1,011,875.00	33,046.87 978,828.13	1.99	Aa1 AA+
91282CMG3	US TREASURY 4.250 01/31/30	05/06/2025 05/08/2025	1,000,000.00	1,015,507.81 0.00	1,015,507.81	3.89	01/31/2030	1,525	102.63 1,026,250.00	10,742.19 1,015,507.81	2.02	Aa1 AA+
91282CGS4	US TREASURY 3.625 03/31/30	11/18/2025 11/19/2025	700,000.00	698,851.56 3,485.58	702,337.14	3.67	03/31/2030	1,584	100.20 701,367.19	2,515.63 698,851.56	1.38	Aa1 AA+
91282CMZ1	US TREASURY 3.875 04/30/30	05/06/2025 05/08/2025	1,000,000.00	998,867.19 0.00	998,867.19	3.90	04/30/2030	1,614	101.23 1,012,265.63	13,398.44 998,867.19	1.99	Aa1 AA+
91282CNK3	US TREASURY 3.875 06/30/30	10/20/2025 10/21/2025	600,000.00	607,898.44 7,139.27	615,037.71	3.57	06/30/2030	1,675	101.21 607,265.63	(632.81) 607,898.44	1.20	Aa1 AA+
U.S. TREASURIES TOTAL			23,340,000.00	22,465,807.51 10,762.63	22,476,570.14	3.82		816	99.05 23,102,413.83	636,606.32 22,465,807.51	45.47	AA+
U.S. AGENCIES												
3135G06Q1	FANNIE MAE 0.640 12/30/25 '25	05/06/2025 05/08/2025	500,000.00	488,955.00 0.00	488,955.00	4.15	12/30/2025	32	99.72 498,600.00	9,645.00 488,955.00	0.98	Aa1 AA+
3130ALHH0	FHLBANKS 0.960 03/05/26 '25	05/06/2025 05/08/2025	1,000,000.00	974,710.00 0.00	974,710.00	4.11	03/05/2026	97	99.22 992,200.00	17,490.00 974,710.00	1.95	Aa1 AA+
3130AK5J1	FHLBANKS 0.700 09/18/26 '25	02/16/2023 02/16/2023	1,000,000.00	872,060.00 0.00	872,060.00	4.61	09/18/2026	294	97.50 974,990.00	102,930.00 872,060.00	1.92	Aa1 AA+
880591EU2	TVA 2.875 02/01/27	05/06/2025 05/08/2025	1,000,000.00	983,560.00 0.00	983,560.00	3.86	02/01/2027	430	99.16 991,550.00	7,990.00 983,560.00	1.95	Aa1 AA+
3130ASD63	FHLBANKS 3.250 06/28/27	06/28/2022 06/28/2022	1,000,000.00	1,000,000.00 0.00	1,000,000.00	3.25	06/28/2027	577	99.21 992,080.00	(7,920.00) 1,000,000.00	1.95	Aa1 AA+
3133EPAU9	FED FARM CR BNKS 3.875 07/14/27	02/16/2023 02/16/2023	1,000,000.00	990,390.00 0.00	990,390.00	4.12	07/14/2027	593	100.40 1,004,010.00	13,620.00 990,390.00	1.98	Aa1 AA+
3136G4X99	FANNIE MAE 0.740 08/25/27 '25	04/06/2023 04/06/2023	1,000,000.00	876,610.00 0.00	876,610.00	3.82	08/25/2027	635	94.90 949,030.00	72,420.00 876,610.00	1.87	Aa1 AA+
3130AMX98	FHLBANKS 2.000 06/30/28	07/10/2025 07/11/2025	1,000,000.00	947,446.00 611.11	948,057.11	3.89	06/30/2028	945	96.09 960,920.00	13,474.00 947,446.00	1.89	Aa1 AA+
3133EMSX1	FED FARM CR BNKS 1.550 03/15/29 '25	02/06/2025 02/07/2025	500,000.00	447,120.00 0.00	447,120.00	4.39	03/15/2029	1,203	93.23 466,155.00	19,035.00 447,120.00	0.92	Aa1 AA+
3130B2GZ2	FHLBANKS 4.200 08/13/29 '26	08/21/2024 08/23/2024	250,000.00	250,000.00 0.00	250,000.00	4.20	08/13/2029	1,354	99.92 249,792.50	(207.50) 250,000.00	0.49	Aa1 AA+
3133EL6D1	FED FARM CR BNKS 1.230 09/10/29 '25	02/06/2025 02/07/2025	500,000.00	434,525.00 0.00	434,525.00	4.41	09/10/2029	1,382	91.24 456,180.00	21,655.00 434,525.00	0.90	Aa1 AA+
880591FE7	TVA 3.875 08/01/30	09/18/2025 09/19/2025	800,000.00	804,848.00 3,530.56	808,378.56	3.74	08/01/2030	1,707	100.89 807,128.00	2,280.00 804,848.00	1.59	Aa1 AA+
U.S. AGENCIES TOTAL			9,550,000.00	9,070,224.00 4,141.67	9,074,365.67	3.99		686	97.90 9,342,635.50	272,411.50 9,070,224.00	18.39	AA+
NEGOTIABLE CD'S												
59013KLQ7	MERRICK BANK 0.550 12/30/25	12/30/2020 12/30/2020	245,000.00	245,000.00 0.00	245,000.00	0.55	12/30/2025	32	99.74 244,350.75	(649.25) 245,000.00	0.48	NA NA

Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
02007GXG3	ALLY BANK 3.450 08/04/26	08/04/2022 08/04/2022	245,000.00	245,000.00 0.00	245,000.00	3.45	08/04/2026	249	99.77 244,434.05	(565.95) 245,000.00	0.48	NA NA
38149MYB3	GOLDMAN BANK USA 1.000 08/11/26	08/11/2021 08/11/2021	245,000.00	245,000.00 0.00	245,000.00	1.00	08/11/2026	256	98.10 240,345.00	(4,655.00) 245,000.00	0.47	NA NA
90348JR93	UBS USA 0.950 08/11/26	08/11/2021 08/11/2021	245,000.00	245,000.00 0.00	245,000.00	0.95	08/11/2026	256	98.06 240,239.65	(4,760.35) 245,000.00	0.47	NA NA
254673N44	CAPITL ONE NA 3.500 07/29/27	08/03/2022 08/03/2022	245,000.00	245,000.00 0.00	245,000.00	3.50	07/29/2027	608	97.91 239,890.34	(5,109.66) 245,000.00	0.47	NA NA
87164XN93	SYNCHRONY BANK 3.500 08/05/27	08/05/2022 08/05/2022	245,000.00	245,000.00 0.00	245,000.00	3.50	08/05/2027	615	97.89 239,840.55	(5,159.45) 245,000.00	0.47	NA NA
02589ADQ2	AM EX BK 3.450 08/10/27	08/12/2022 08/12/2022	245,000.00	243,775.00 0.00	243,775.00	3.56	08/10/2027	620	99.79 244,485.50	710.50 243,775.00	0.48	NA NA
58404DVV0	MEDALLION BANK 3.800 08/30/29	08/21/2024 08/30/2024	245,000.00	245,000.00 0.00	245,000.00	3.80	08/30/2029	1,371	100.00 245,000.00	0.00 245,000.00	0.48	NA NA
NEGOTIABLE CD'S TOTAL			1,960,000.00	1,958,775.00 0.00	1,958,775.00	2.54		502	98.92 1,938,585.84	(20,189.16) 1,958,775.00	3.82	NA
CORPORATE BONDS												
14913UAR1	CTRPLLR FIN SERV 4.400 10/15/27 MTN	11/25/2024 11/26/2024	500,000.00	498,865.00 0.00	498,865.00	4.48	10/15/2027	686	101.17 505,855.00	6,990.00 498,865.00	1.00	A2 A
24422EWR6	JOHN DEERE CAP 4.750 01/20/28 MTN	11/25/2024 11/26/2024	500,000.00	504,235.00 0.00	504,235.00	4.46	01/20/2028	783	101.99 509,940.00	5,705.00 504,235.00	1.00	A1 A
931142FB4	WALMART 3.900 04/15/28 '28	11/25/2024 11/26/2024	325,000.00	320,619.00 0.00	320,619.00	4.33	04/15/2028	869	100.64 327,076.75	6,457.75 320,619.00	0.64	Aa2 AA
931142ES8	WALMART 1.500 09/22/28 '28	07/10/2025 07/11/2025	1,000,000.00	925,020.00 0.00	925,020.00	4.02	09/22/2028	1,029	94.44 944,370.00	19,350.00 925,020.00	1.86	Aa2 AA
14913UBD1	CTRPLLR FIN SERV 3.950 11/14/28 MTN	11/17/2025 11/18/2025	700,000.00	699,804.00 307.22	700,111.22	3.96	11/14/2028	1,082	100.28 701,946.00	2,142.00 699,804.00	1.38	A2 A
58933YBD6	MERCK & CO 1.900 12/10/28 '28	11/25/2024 11/26/2024	500,000.00	452,905.00 0.00	452,905.00	4.47	12/10/2028	1,108	94.50 472,510.00	19,605.00 452,905.00	0.93	Aa3 A+
17275RBR2	CISCO SYSTEMS 4.850 02/26/29 '29	11/01/2024 11/04/2024	500,000.00	506,060.00 0.00	506,060.00	4.53	02/26/2029	1,186	102.83 514,130.00	8,070.00 506,060.00	1.01	A1 AA-
023135CG9	AMAZON.COM 3.450 04/13/29 '29	11/01/2024 11/04/2024	500,000.00	481,580.00 0.00	481,580.00	4.37	04/13/2029	1,232	98.88 494,400.00	12,820.00 481,580.00	0.97	A1 AA
30303M8S4	META PLATFORMS 4.300 08/15/29 '29	11/01/2024 11/04/2024	500,000.00	496,070.00 0.00	496,070.00	4.48	08/15/2029	1,356	101.53 507,665.00	11,595.00 496,070.00	1.00	Aa3 AA-
857449AE2	STATE STR BK TR 4.782 11/23/29	11/25/2024 11/26/2024	500,000.00	502,115.00 0.00	502,115.00	4.69	11/23/2029	1,456	103.10 515,485.00	13,370.00 502,115.00	1.01	Aa2 AA-
713448GB8	PEPSICO 4.600 02/07/30 '30	02/05/2025 02/07/2025	500,000.00	499,160.00 0.00	499,160.00	4.64	02/07/2030	1,532	102.50 512,505.00	13,345.00 499,160.00	1.01	A1 A+
717081EY5	PFIZER 1.700 05/28/30 '30	08/21/2025 08/22/2025	625,000.00	556,418.75 0.00	556,418.75	4.27	05/28/2030	1,642	90.65 566,568.75	10,150.00 556,418.75	1.12	A2 A
713448GH5	PEPSICO 4.300 07/23/30 '30	08/21/2025 08/22/2025	625,000.00	626,756.25 2,164.93	628,921.18	4.24	07/23/2030	1,698	101.37 633,537.50	6,781.25 626,756.25	1.25	A1 A+
58933YBQ7	MERCK & CO 4.150 09/15/30 '30	09/22/2025 09/23/2025	800,000.00	803,696.00 1,291.11	804,987.11	4.05	09/15/2030	1,752	100.65 805,216.00	1,520.00 803,696.00	1.58	Aa3 A+

Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
166756BJ4	CHEVRON USA 4.300 10/15/30 '30	10/20/2025 10/21/2025	500,000.00	506,945.00 4,061.11	511,006.11	3.98	10/15/2030	1,782	101.21 506,070.00	(875.00) 506,945.00	1.00	Aa2 AA-
CORPORATE BONDS TOTAL			8,575,000.00	8,380,249.00 7,824.37	8,388,073.37	4.30		1,297	99.46 8,517,275.00	137,026.00 8,380,249.00	16.76	A+
LAIF												
CALAIF	California LAIF		7,822,067.08	7,822,067.08 0.00	7,822,067.08	4.10	11/28/2025	0	1.00 7,822,067.08	0.00 7,822,067.08	15.40	NA NA
LAIF TOTAL			7,822,067.08	7,822,067.08 0.00	7,822,067.08	4.10		0	1.00 7,822,067.08	0.00 7,822,067.08	15.40	NA
CITY OF ALISO VIEJO TOTAL			51,332,422.25	49,782,477.76 22,728.67	49,805,206.43	3.93		734	50,808,332.42	1,025,854.66 49,782,477.76	100.00	AA
GRAND TOTAL			51,332,422.25	49,782,477.76 22,728.67	49,805,206.43	3.93		734	50,808,332.42	1,025,854.66 49,782,477.76	100.00	AA

Transaction Statement

CITY OF ALISO VIEJO									
	TRADE DATE	SETTLE DATE	CUSIP	DESCRIPTION	PAR VALUE	PRINCIPAL COST	PURCHASED INTEREST	TOTAL	PURCHASE YIELD
BUY									
	11/17/2025	11/18/2025	9128286T2	US TREASURY 2.375 05/15/29	700,000.00	671,179.69	137.78	(671,317.47)	3.64
	11/17/2025	11/18/2025	14913UBD1	CTRPLLR FIN SERV 3.950 11/14/28 MTN	700,000.00	699,804.00	307.22	(700,111.22)	3.96
	11/18/2025	11/19/2025	91282CGS4	US TREASURY 3.625 03/31/30	700,000.00	698,851.56	3,485.58	(702,337.14)	3.67
BUY TOTAL					2,100,000.00	2,069,835.25	3,930.58	(2,073,765.83)	3.76
	TRADE DATE	SETTLE DATE	CUSIP	DESCRIPTION	PAR VALUE	BOOK VALUE		TOTAL	NET REALIZED GAIN/LOSS
MATURITY									
	11/13/2025	11/13/2025	912797QQ3	UNITED STATES TREASURY 0.0 11/13/2025	(1,000,000.00)	979,679.91		1,000,000.00	20,320.09
	11/15/2025	11/17/2025	912828M56	UNITED STATES TREASURY 2.25 11/15/2025	(1,000,000.00)	955,117.19		1,000,000.00	44,882.81
MATURITY TOTAL					(2,000,000.00)	1,934,797.10		2,000,000.00	65,202.90

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

CITY OF ALISO VIEJO

DIRECTOR OF FINANCIAL SVCS/ CITY TREAS
 12 JOURNEY, #100
 ALISO VIEJO, CA 92656

Account Number: 98-30-007

November 2025 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
11/4/2025	11/4/2025	RW	1786490	1747108	NAOMI SENZIK	-200,000.00
11/12/2025	11/12/2025	RD	1786747	1747361	ANN EIFERT	450,000.00
11/17/2025	11/17/2025	RW	1786923	1747536	ANN EIFERT	-800,000.00

Account Summary

Total Deposit:	450,000.00	Beginning Balance:	8,372,067.08
Total Withdrawal:	-1,000,000.00	Ending Balance:	7,822,067.08



PMIA/LAIF Performance Report as of 12/03/25



Quarterly Performance Quarter Ended 9/30/25

LAIF Apportionment Rate ⁽²⁾ :	4.34
LAIF Earnings Ratio ⁽²⁾ :	0.00011893333163814
LAIF Administrative Cost ^{(1)*} :	0.26
LAIF Fair Value Factor ⁽¹⁾ :	1.001929581
PMIA Daily ⁽¹⁾ :	4.19
PMIA Quarter to Date ⁽¹⁾ :	4.24
PMIA Average Life ⁽¹⁾ :	254

PMIA Average Monthly Effective Yields⁽¹⁾

November	4.096
October	4.150
September	4.212
August	4.251
July	4.258
June	4.269

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 10/31/25 \$156.2 billion

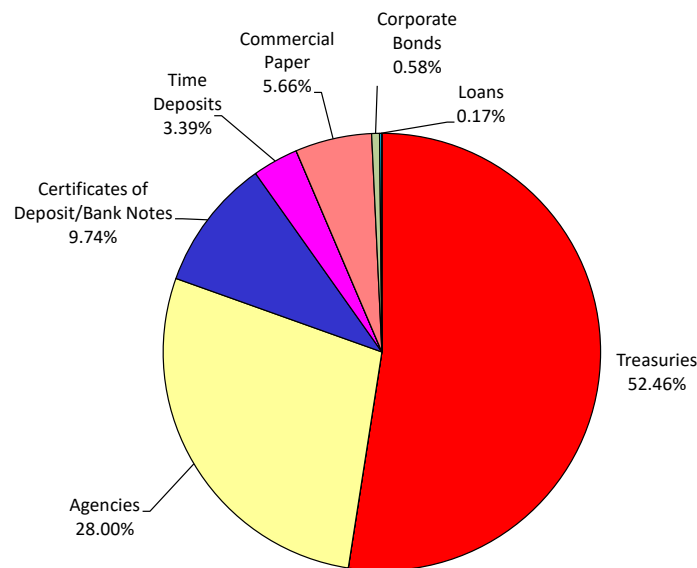


Chart does not include \$961,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) .

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

City of Aliso Viejo

AGENDA ITEM



DATE: January 21, 2026

TO: Mayor and City Council

FROM: So Kim, Director of Community Development

SUBJECT: PROFESSIONAL SERVICES AGREEMENT WITH WILLDAN FINANCIAL SERVICES TO PREPARE A COMPREHENSIVE FEE STUDY

Recommended Action:

1. Approve and authorize the City Manager to execute a Professional Services Agreement with Willdan Financial Services for the preparation of a comprehensive fee study, in an amount not to exceed \$90,400; and
2. Authorize the appropriation of \$40,400 from the General Fund to the Fiscal Year (FY) 2025-26 Budget.

Fiscal Impact:

The cost of the services is \$90,400, of which \$50,000 is included in the FY 2025-26 budget. The remaining \$40,400 will need to be appropriated from the General Fund.

Background:

On September 10, 2025, the City issued a Request for Proposals ("RFP") seeking qualified consulting firms to prepare a comprehensive fee study, including both user fees and development impact fees. In response to limited submissions, the City extended the proposal deadline to October 31, 2025. The City received four proposals in response to the RFP.

Discussion:

The City received proposals from the following firms: Willdan Financial Services, ClearSource Financial Consulting, DTA Public Finance, and Revenue & Cost Specialists. Both Willdan and Revenue & Cost Specialists ("RCS") included user fee and development impact fee ("DIF") studies within their scope of work. DTA's proposal was limited to the DIF analysis, which was considered alongside ClearSource's proposal limited to the user fee study. The combined cost of engaging two separate firms for these studies was comparable to the proposals from firms offering both services (\$89,000). After careful evaluation, Staff determined that selecting a single firm capable of providing both studies

would be more efficient; therefore, ClearSource and DTA were removed from consideration.

The proposals submitted by Willdan and RCS were competitive, with qualified staff and comparable experience. The City initially selected RCS based on its lower cost (RCS: \$80,000; Willdan: \$90,400); however, the parties were unable to reach agreement on contract terms. Consequently, the City selected Willdan, who agreed to the contract terms. Willdan has completed user fee and development impact fee studies for more than 100 jurisdictions over the past five years, including nearby cities such as Irvine, Laguna Hills, and Mission Viejo. Based on their extensive experience and qualifications, Staff recommends that the City Council authorize Willdan to prepare a comprehensive fee study for an amount not to exceed \$90,400.

Attachment:

1. Agreement

**CITY OF ALISO VIEJO
PROFESSIONAL SERVICES AGREEMENT
FOR
COMPREHENSIVE FEE STUDY**

1. PARTIES AND DATE.

This Agreement is made and entered into this ____ day of _____, 2026, by and between the City of Aliso Viejo, a municipal corporation organized under the laws of the State of California with its principal place of business at 12 Journey, Suite 100, Aliso Viejo, California 92656 (“City”) and **WILLDAN FINANCIAL SERVICES**, with its principal place of business at **27368 VIA INDUSTRIA, SUITE 200, TEMECULA, CA 92590** (“Consultant”). City and Consultant are sometimes individually referred to herein as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of professional **COMPREHENSIVE FEE STUDY** consultant services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing professional **COMPREHENSIVE FEE STUDY** consultant services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Consultant to render such services for the **COMPREHENSIVE FEE STUDY** (“Project”) as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional **COMPREHENSIVE FEE STUDY** consultant services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the Exhibit “A” attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from **JANUARY 22, 2026** to **JUNE 30, 2027**, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant shall complete, execute, and submit to City a Request for Taxpayer Identification Number and Certification (IRS Form W-9) prior to commencement of any Services under this Agreement. Neither City, nor any of its officials, officers, directors, employees or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services.

3.2.2.1 Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "A" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.2.2 Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the Services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the Services, only to the extent such strikes and other organized labor action are beyond the control of Consultant and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the Services and Agreement.

3.2.2.3 Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made

to resume performance of this Agreement. Force Majeure Events and/or delays, regardless of the Party responsible for the delay, shall not entitle Consultant to any additional compensation. Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.2.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: **CHRIS FISHER, TONY THRASHER, PRITI PATEL, SAMANTHA LABITAN, JAMES EDISON, CARLOS VILLARREAL, AND ROBERT QUAID.**

3.2.5 City's Representative. The City hereby designates the City Manager, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. The City Manager hereby designates **COMMUNITY DEVELOPMENT DIRECTOR**, or her designee, as the City's contact for the implementation of the Services hereunder. Consultant shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates **CHRIS FISHER**, or his designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally,

Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section.

3.2.10.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder and without limiting the indemnity provisions of the Agreement, the Consultant in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance. If the existing policies do not meet the Insurance Requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

- (a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001, with minimum limits of at least \$1,000,000 per occurrence, and if written with an aggregate, the aggregate shall be double the per occurrence limit. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

- (b) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1) with minimum limits of \$1,000,000 each accident.
- (c) Contractors Pollution Liability: [Include only if there is a pollution liability exposure.]

Contractors Pollution Liability Insurance covering all of the contractor's operations to include onsite and offsite coverage for bodily injury (including death and mental anguish), property damage, defense costs and cleanup costs with minimum limits of \$5 million per loss and \$10 million total all losses. The policy shall contain no endorsements or provisions limiting contractual liability or coverage for cross liability of claims or suits by one insured against another.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

- (d) Professional Liability: Professional Liability insurance with minimum limits of \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.).

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

- (e) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

3.2.10.3 Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval.

- (a) The policy or policies of insurance required by Section 3.2.10.2 (a) Commercial General Liability and (c) Contractor's Pollution Liability shall be endorsed to provide the following:

- (1) Additional Insured: The City of Aliso Viejo, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement.

Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.

- (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

- (b) The policy or policies of insurance required by Section 3.2.10.2 (b) Automobile Liability and (d) Professional Liability shall be endorsed to provide the following:

- (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

- (c) The policy or policies of insurance required by Section 3.2.10.2 (e) Workers' Compensation shall be endorsed to provide the following:

- (1) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.
 - (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

3.2.10.4 Primary and Non-Contributing Insurance. All insurance coverages shall be primary and any other insurance, deductible, or self-insurance maintained by the indemnified parties shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.2.10.5 Waiver of Subrogation. Required insurance coverages shall not prohibit Consultant from waiving the right of subrogation prior to a loss. Consultant shall waive all subrogation rights against the indemnified parties. Policies shall contain or be endorsed to contain such provisions.

3.2.10.6 Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.2.10.7 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.2.10.8 Failure to Maintain Coverage. Consultant agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City. The City shall have the right to withhold any payment due Consultant until Consultant has fully complied with the insurance provisions of this Agreement.

In the event that the Consultant's operations are suspended for failure to maintain required insurance coverage, the Consultant shall not be entitled to an extension of time for completion of the Services because of production lost during suspension.

3.2.10.9 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.2.10.10 Insurance for Subconsultants. All Subconsultants shall be included as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing Subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City as an Additional Insured to the Subconsultant's policies.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions where applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subconsultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "A" attached hereto and incorporated herein by reference. The total compensation shall not exceed **NINETY THOUSAND FOUR HUNDRED (\$90,400)** ("Total Compensation") without written approval of City's **CITY MANAGER**. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all non-disputed and approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the City.

3.3.5 Prevailing Wages; DIR Registration.

3.3.5.1 Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant

agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.3.5.2 If the Services are being performed as part of an applicable "public works" or "maintenance" project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the project and require the same of any subconsultants. This project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law, equity or under this Agreement.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and

Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant:

Willdan Financial Services
27368 Via Industria, Suite 200
Temecula, CA 92590
Attn: Chris Fisher, Vice President/Director

City:

City of Aliso Viejo
12 Journey, Suite 100
Aliso Viejo, CA 92656
Attn: So Kim, Director of Community Development

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.5.3.3 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the Release Notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of the Objection Notice unless either: (1) Consultant fails to fully indemnify, defend, and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

3.5.4 Fraud Policy. Consultant shall provide a copy of the City's Fraud Prevention Policy to each of its employees assigned to perform Services under this Agreement. Consultant shall submit to the City a statement signed by an authorized representative for Consultant certifying receipt of the City's Fraud Prevention Policy. A finding by the City that any of Consultant's employees have committed fraud against the City or have violated the City's Fraud Prevention Policy shall be grounds for appropriate discipline, up to and including such employee's removal from performance of this Agreement at City's request and/or termination of this Agreement. Consultant shall reimburse the City for any costs and expenses associated with fraud against the City.

3.5.5 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.6 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.7 Indemnification.

3.5.7.1 To the fullest extent permitted by law, Consultant shall defend, indemnify and hold the City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorneys fees and other related costs and expenses except such loss or damage caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement and shall not be restricted to insurance proceeds, if any, received by the Consultant or the City, its officials, officers, employees, agents or volunteers.

3.5.7.2 If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

3.5.8 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

3.5.9 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

3.5.10 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.6 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.7 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.8 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.9 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.10 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.11 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.12 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.13 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.14 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.15 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.16 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.17 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.18 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.19 Declaration of Political Contributions. Consultant shall, throughout the term of this Agreement, submit to City an annual statement in writing declaring any political contributions of money, in-kind services, or loan made to any member of the City Council within the previous twelve-month period by the Consultant and all of Consultant's employees, including any employee(s) that Consultant intends to assign to perform the Services described in this Agreement.

3.20 Subcontracting.

3.20.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

[Signatures on following page.]

**SIGNATURE PAGE TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF ALISO VIEJO AND WILLDAN FINANCIAL SERVICES**

IN WITNESS WHEREOF, the parties have executed this Professional Services Agreement
on this ____ day of _____, 2026.

CITY OF ALISO VIEJO

Approved:

By: _____
Mitzi Ortiz,
City Manager

ATTEST:

By: _____
Kathy Bailor,
Interim City Clerk

APPROVED AS TO FORM:

Best Best & Krieger LLP
City Attorney

**APPROVED AS TO COMPLIANCE
WITH BUDGET**

By: _____
Ann Eifert
Director of Financial Services

WILLDAN FINANCIAL SERVICES

**[If Corporation, TWO SIGNATURES,
President OR Vice President AND Secretary
OR Treasurer REQUIRED]**

By:  _____

Its: Vice President/Director

Printed Name: Chris Fisher

By:  _____

Its: Assistant Secretary/Director of Operations

Printed Name: Rebekah Smith

CITY OF ALISO VIEJO
DECLARATION OF POLITICAL CONTRIBUTIONS

Additional Forms
Declaration of Political Contributions

CITY OF ALISO VIEJO

DECLARATION OF POLITICAL CONTRIBUTIONS

Using the space provided below, please list any political contributions of money, in-kind services, or loans made to any member of the City Council within the last twelve (12) months by the applicant and all of applicants' employees, including any employee(s) that applicant intends to assign to perform the work or services described in Agreement dated _____. If none, please state so:

N/A

To the best of my knowledge, I declare under penalty of perjury that the foregoing is true and was executed at:

Temecula, California
City, State

10/29/2025
Date

Willdan Financial Services
Name of Business

Chris Fisher
Print Name


Signature

This executed form must be submitted with the Proposal.

CITY OF ALISO VIEJO

ACKNOWLEDGMENT OF RECEIPT OF FRAUD POLICY

Acknowledgement of Receipt of Fraud Policy

CITY OF ALISO VIEJO

ACKNOWLEDGMENT OF RECEIPT OF FRAUD POLICY

I hereby acknowledge that I have received a copy of the City's "Fraud Prevention Policy" dated October 1, 2008. I understand that I am to promptly read its contents and distribute copies to employees assigned to perform Services for the City of Aliso Viejo.

To the extent that provisions of this policy conflict with previously issued policies or practices, whether such policies and practices were contained in written policies, this policy shall prevail.

Willdan Financial Services

Name of Business

Chris Fisher

Print Name



Signature

10/29/2025

Date

This executed form must be submitted with the Proposal.

EXHIBIT “A”
SCOPE OF SERVICES

Project Approach

Project Approach and Understanding

Willdan Financial Services (“Willdan”) understands that the City of Aliso Viejo (“City”) is seeking a Comprehensive Fee Study to ensure that its fee structures accurately reflect the full and total cost of providing fee-based services. Further, Willdan understands that the City is interested in exploring development impact fees (in addition to the City’s current Quimby in-lieu fee) as a means mitigating the costs of new facilities and infrastructure needed to serve new development. The purpose of this engagement is to calculate the total cost of delivering City services, recommend appropriate fee levels, and provide a clear, defensible framework for cost recovery that complies with applicable laws, including Proposition 26, Proposition 218, and the Mitigation Fee Act.

Our work will focus on reviewing the City’s current user fee schedule and evaluating opportunities for updates and refinements. We will align our analysis with the City’s staffing levels, organizational structure, and service delivery model so that updated fees support both cost recovery and operational efficiency.

Willdan will work collaboratively with City staff to define service categories, collect financial and operational data, and build an Excel-based model that calculates the full cost of providing services and supports future fee updates. The final study will deliver a streamlined, easy-to-administer fee schedule and comprehensive documentation that supports staff, City Council, and the public in understanding how fees are set and maintained.

Key City issues and objectives that are addressed within our scope of services include the following:

- Meeting with City Staff to review existing fee schedules, conduct interviews and gather information to understand the processes, operations, structure and staffing necessary for the City to provide services for which fees are charged;
- Conducting analysis that clearly identifies and establishes the full estimated cost of providing services for which fees are charged, ensuring there is a reasonable relationship between these costs, the services being provided, and the recipients of these services, demonstrating that fees do not exceed the reasonable estimated cost of providing the services, and that the fees bear a fair and reasonable relationship to the demand from the payer – ***all to support compliance with Prop 26 and Prop 218;***
- Though this proposed engagement doesn’t include the preparation of a formal Cost Allocation Plan, we will incorporate indirect overhead support services using the City’s most recent cost allocation plan, to ensure the full cost of service includes appropriate overhead support to operating functions and departments. Inclusion of overhead is a key element of any fee study, as it ensures that the calculated full cost of service, and the resulting fee recommendations, account for both direct and indirect costs;
- Comparing costs of providing services with current cost recovery levels and evaluating and adjusting fees and charges to ensure they align with the cost of the services being provided by the City;
- Identifying and evaluating opportunities to develop and implement fees for services being provided for which fees don’t currently exist;
- Providing guidance related to best practices and strategies for cost recovery and working with City Staff to develop meaningful recommendations for fee setting and subsidies where charging fees that represent full cost recovery may not be reasonable for policy or political reasons;
- Providing meaningful ‘apples to apples’ comparisons of key fees charged by the City of Aliso Viejo to other similar and/or nearby cities chosen in discussions between Willdan and City Staff. These comparisons may involve applicable fees for sample representative projects which the City could anticipate encountering;
- Providing the City with an Excel-based model that incorporates data and information used to develop updated fees, and allows for CPI updates, new personnel, updated time estimates and volumes, or other factors as necessary; and
- Preparing a report, in Microsoft Word, that clearly identifies fee-based services, the cost of the services including direct, indirect and overhead costs, current and recommended cost recovery levels, recommended fee amounts with changes and revenue impacts, and presenting results in a way that is readily understood by decision makers.

The end products will include, for the user fee study, user-friendly Excel-based models, which City staff will retain, and which can be easily updated to add or remove services and/or costs, update budgets in future years, determine the proper allocation of expenditures, and on-going full cost of services provided by the City. For the impact fee study Willdan will provide a memorandum summarizing the results on an initial feasibility study, and, if the City decides to proceed with the implementation of impact fees, an nexus study establishing the types and amounts of fees to be established, along with all other required meetings, approvals, and ancillary documents. Most importantly, we will ensure that the results and recommendations are clear and understandable, defensible, and easily implementable.

Rather than costly and inflexible proprietary software, which can require expensive licensing fees, Willdan builds models utilizing Excel, from the ground up, employing the City's budget as the gauge. This model, which is then the City's to retain, gives City Staff the control to make on-the-fly adjustments and updates.

For this fee study, we will meet directly with Department representatives at the City, to discuss the best-suited approach and process; and then in more detail to identify processes and levels of activity and effort involved in providing services for which fees are paid.

Through this process we will identify the full cost recovery amount for each fee related activity, compare this with the City's current cost recovery levels, and then discuss with staff, policy and/or political concerns that need to be considered in developing recommended fees. **Final recommended fees will be the result of these collaborative discussions, so that they reflect realities and considerations that are specific to the City of Aliso Viejo.**

Willdan possesses the resources, practical experience, creative thinking, and collaborative consulting skills necessary to complete this important project. Key distinct advantages that Willdan brings to the City include the following:

On-site Data Gathering

Our experience has taught us that working together, via face-to-face discussions, is the most efficient and thorough way to ensure that results are accurate, and that studies are completed in a timely manner, which again, is critical in this proposed engagement. Consequently, through on-site interviews with your staff, Willdan will collect the majority of required data for the study. This method is better than the typical "time and motion surveys" that are provided to agency staff when studies like these are conducted. This process ensures that we gather the data we need in one coordinated step, rather than having to go through repeated follow-up and clarification. **This approach and the dedication of our staff will help ensure we meet the City's timeline and objectives and provide important information to City Staff and the City Council as soon as possible.**

Public Engagement

Our models and project approach are geared toward delivering our work on schedule and presenting our analysis results at public meetings and Council workshops. While we understand that the City Council and local business community may be generally supportive of increasing fees where necessary, it will be important to present recommendations to them in a way that clearly demonstrates the rationale and supporting analysis.

The Willdan Team is experienced at communicating complex analytical results in a manner that is easy to understand by non-finance-oriented individuals and facilitates discussion. Our proposed principal-in-charge and project team for this engagement have coordinated or participated in numerous public and staff workshops regarding fees and cost of service-based charges. As previously mentioned, our objective is to provide useful, detailed information to the City Council and City Staff, necessary to make important decisions. Our experience ensures that we can meet this objective.

The model will be developed to allow the City to run "what-if" scenarios to address potential changes in staffing levels, working hours, etc.

User-friendly Models and Reports

Willdan prides itself on creating user-friendly Excel-based models that the City can retain and **conducting our analysis and developing the models collaboratively with City Staff.** With City Staff's immediate input and collaboration, Willdan will design extremely flexible, intuitive Excel-based models. In the future, as the City assumes new responsibilities, modifies existing processes, and/or eliminates unnecessary services or programs, the models will be capable of adding or deleting funds, objects, departments, programs, staff positions, and activities. Willdan understands that issues facing the City are unique; consequently, we design our models to match your immediate and desired needs to ensure that end-results exceed staff expectations.

This user fee model is then the City's to retain, after our services are completed, and allows for the creation of revenue projections, highlighting potential new revenues, and levels of subsidy. Willdan can also provide the impact fee model, but in Willdan's experience an update of impact fees (beyond annual inflation adjustments) should involve a consultant versed in then-current law and practice.

A key element of these studies is presenting results and recommendations in a straightforward manner, which allows the City Council and staff to confidently make fee setting policy decisions and understand the impacts of those decisions. Rather than using an inflexible proprietary software program, we construct our models from the ground up, as previously discussed, mirroring the City's budget format wherever possible.

As a result, the information contained in our models are easy for City Staff to interpret, and the familiar software ensures ease of navigation. As the models are being designed and constructed, we will work together with City Staff to determine the best and most effective features to include. After the project is completed, we will provide training, so that your staff can independently and efficiently evaluate the effects of changes in certain factors. Created directly from the models, our reports clearly and graphically illustrate bases for the full cost recovery level of fee programs, provide projections of revenue from fee programs, both at full cost recovery and at recommended levels, and present the fee methodologies.

Methodologies

Comprehensive User Fee Study Methodology

The following describes our proposed methodology and approach to prepare a Comprehensive User Fee Study.

To comprehensively update fees, the City should develop a fee schedule that accurately accounts for the true cost of providing services. Once the study is complete, the fee study model must be flexible so that the City can add, delete, and revise fees in the future. To meet this goal, we will bring our expertise and unique perspectives to your fee study by approaching the project with these three principles:

1) Defensibility

Our user fee projects have not been legally challenged since the inception of this practice area in our firm. We have accomplished this by closely working with legal counsel familiar with user fee studies, our engineering division and with agency staff. In this way, we can tailor the correct approach to ensure full cost recovery combined with a sound and reasonable basis for each user fee you implement.

We employ principles from Proposition 218 to make certain that your user fee and rate schedule is developed with fairness, equity, and proportionate cost recovery principles in mind. With the addition of Proposition 26, Willdan will review each analyzed user fee for compliance and appropriateness to ensure continued defensibility.

2) Project and Staff Time

The City must have a sound and technically defensible fee schedule to ensure costs are appropriately recovered, as applicants approach the City for its services. Our standards and approaches serve to get to the issues of your fee study quickly. Starting with the project kick-off, we will make certain that your staff understands the purpose and scope of the study and its corresponding on-site departmental interview. As Willdan is able to communicate directly with the service providers, this face-to-face interaction provides valuable time estimates.

3) Responsiveness

We take great pride in providing responsive service to our clients. Frequent communication is critical to a successful user fee study experience. We will provide a list of data requirements in advance of the project kick-off. Due to this simple step, the introductory meeting can focus on the survey input process, answering questions, determining policy goals, and defining next steps in the project. We will follow up weekly with the City at each step in the fee study process to make sure that staff "buys in" to the fee study approach and results.

Approach

Our approach to preparing the user fee study and documentation for the City includes:

- Close coordination with your staff to devise a consensus approach. Different programs and/or different service delivery methods will necessitate different approaches. We will discuss specific pros and cons with City Staff as we determine which methods work best for various categories of fees;
- Strict adherence to key legal and policy issues with regard to user fees, including the percent of cost recovery that the City seeks to achieve. A user fee shall not be set higher than the reasonable cost of providing a fee-generating service. Our approach provides you with a fee schedule that achieves maximum legal cost recovery while ensuring that each fee is supported by technically defensible documentation; and
- Technical analysis necessary for project participants to resolve policy issues.

As described below, there are two basic approaches to calculating user fees:

Approach 1: Case Study Method

This is also sometimes referred to as a cost build-up approach. Using a time and materials approach, the “Case Study Method” examines the tasks, steps and City Staff involved in providing a particular ‘unit’ of service, such as a permit review, and then uses that information to develop estimates of the actual labor and material costs associated with providing a unit of service to a single user. It is often used when a service is provided on a regular basis, and staff and other costs associated with the service can be segregated from available budget data.

A typical case study fee model should comprise the following three general cost layers:

1) Central Services Overhead: This category may involve such costs as labor, services, and supplies that benefit more than one department, division, or project. The exact benefits to specific areas are impossible to ascribe to a single activity. Examples are purchasing, human resources, and liability insurance. As part of the user fee study, these costs are calculated in the overhead cost review.

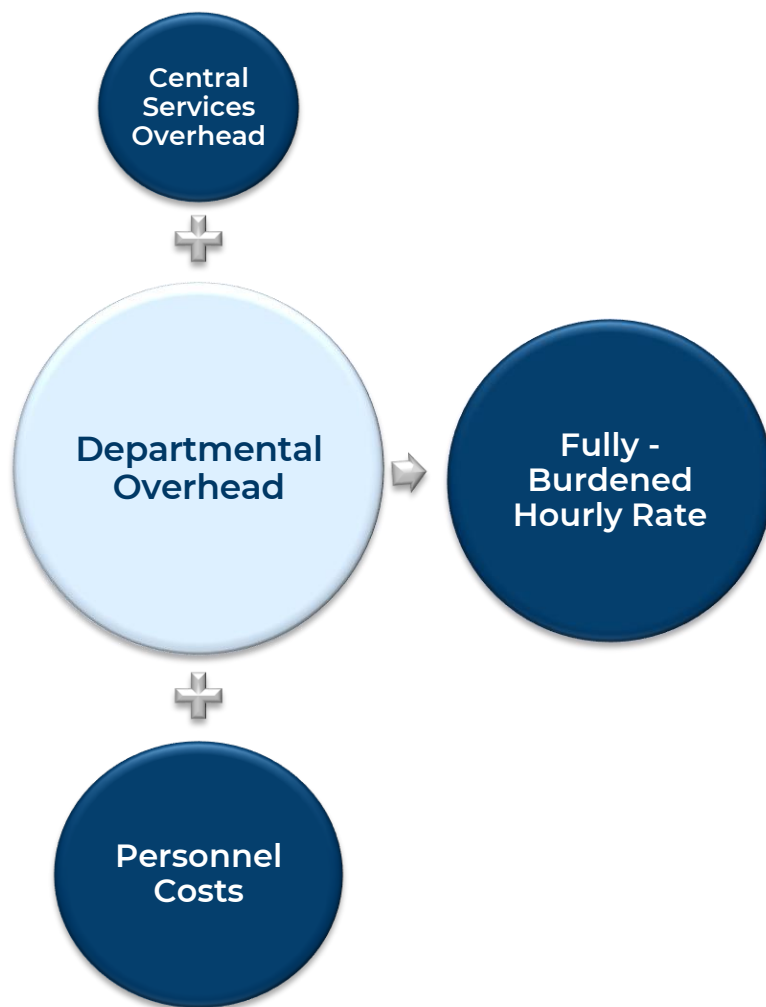
2) Department Overhead: This category may include expenses related to such items as office supplies, outside consultants, and membership dues. It may include management, supervision, and administrative support that are not provided to a direct fee-generating service. Typically, these items are charged, on an item-by-item basis, directly to the department, division, or project.

3) Personnel Costs: This category refers to direct salary and benefit costs of staff hours spent on providing a fee-generating service (e.g., on-site building inspector).

Approach 2: Average Cost Method

This is also sometimes referred to as a programmatic approach, because it looks at costs at a program level, and then allocates them to participants on an occurrence basis. By taking total service costs across a substantial sample period (a year) and dividing by the total number of service units delivered over that same period, costs per unit of service is estimated.

This approach is useful when services or programs are provided in a more aggregate manner, where it might be difficult to identify a specific sequence of steps associated with one user or participant; or where it is not feasible to cost-effectively segregate costs associated with specific activities.



Development Impact Fee Study Methodology

The City desires to explore impact fees as a means to mitigate the demand for facilities and infrastructure from new development, while meeting the requirements of the California *Mitigation Fee Act* (*California Government Code 66000 et seq*). The resulting fees will fund new development's share of planned facilities, while striking a balance of other policy factors, such as the City's development objectives. The City currently has a Quimby fee, which is calculated on an *ad hoc* basis for each project and only applies to subdivisions. In addition to exploring impact fees under the Mitigation Fee Act, Willdan can update the City's Quimby fee to provide for a standard fee per unit that will ease administration of the fee and provide additional predictability to developers.

Project Objectives

The objective of this project is to explore impact fees and, potentially, establish them pursuant to State law. To accomplish this objective, this study will:

- Meet with the City and relevant stakeholders to explore the City's needs and objectives and discuss how impact fees could fit into the City's current policy and financial framework.
- Prepare a technical memorandum summarizing the discussions and Willdan's findings (as desired)
- Hold a City Council workshop (or similar gathering, if desired) to hear public comment and get council input on the potential for impact fees.
- Assuming the City elects to proceed with the implementation of impact fees:
 - Develop a technically defensible fee justification, based on the reasonable relationship and deferential review standards;
 - Review and facility standards, capital facilities plans and costs, and development and growth assumptions;
 - Provide a schedule of maximum-justified fees by land use category; and
 - Provide comprehensive documentation of assumptions, methodologies, and results, including findings required by the *Mitigation Fee Act*.

Public Facilities Financing in California

The changing fiscal landscape in California during the past 40 years has steadily undercut the financial capacity of local governments to fund infrastructure. Four dominant trends stand out:

1. The passage of a string of tax limitation measures starting with Proposition 13 in 1978 and continuing through the passage of Proposition 218 in 1996;
2. Declining popular support for bond measures to finance infrastructure for the next generation of residents and businesses;
3. Steep reductions in Federal and State assistance; and
4. Permanent shifting by the State of local tax resources to the State General Fund to offset deficit spending brought on by recessions.

Faced with these trends, many cities and counties have had to adopt a policy of "growth pays its own way." This policy shifts the burden of funding infrastructure expansion from existing rate and taxpayers onto new development. This funding shift has been accomplished primarily through the imposition of assessments, special taxes, and development impact fees, also known as public facilities fees. Assessments and special taxes require approval of property owners or registered voters and are appropriate when the funded facilities are directly related to the developing property. Development impact fees, on the other hand, are an appropriate funding source for facilities that benefit development jurisdiction-wide. Development fees need only a majority vote of the legislative body for adoption.

Summary of Approach

For the initial consideration process, Willdan will work with the City on finding the best solution for its infrastructure financing needs, including best practices from neighboring and comparable jurisdictions and any desired input on the policy balance between funding infrastructure (and maintaining the level of City services) and incentivizing development.

For the implementation of impact fees (if desired) Willdan's methodology for calculating public facilities fees is both simple and flexible. Simplicity is important so that the development community and the public can easily understand the justification for the fee program. At the same time, we use our expertise to reasonably ensure that the program is technically defensible.

Flexibility is important, so we can tailor our approach to the available data, and the agency's policy objectives. Our understanding of the technical standards established by statutes and case law suggests that a range of approaches are technically defensible.

Consequently, we can address policy objectives related to the fee program, such as economic development and affordable housing. Flexibility also enables us to avoid excessive engineering costs associated with detailed facility planning. We calculate the maximum justifiable impact fee and provide flexibility for the agency to adopt fees up to that amount.

Development impact fees are calculated to fund the cost of facilities required to accommodate growth. The four steps followed in an impact fee study include:

- **Estimate existing development and future growth:** Identify a base year for existing development and a growth forecast that reflects increased demand for public facilities;
- **Identify facility standards:** Determine the facility standards used to plan for new and expanded facilities;
- **Determine facilities required to serve new development and their costs:** Estimate the total amount and cost of planned facilities, and identify the share required to accommodate new development; and
- **Calculate fee schedule:** Allocate facilities costs per unit of new development to calculate the public facilities fee schedule.

We discuss key aspects of our approach to each of these steps in the subsections that follow.

Growth Projections

In most cases, we recommend use of long-range market-based projections of new development. By “long-range” we suggest 20 to 30 years to: capture the total demand often associated with major public facility investments; and support analysis of debt financing, if needed. In contrast to build out projections, market-based projections provide a more realistic estimate of development across all land uses. Build out projections typically overestimate commercial and industrial development because of the oversupply of these land uses relative to residential development.

Facility Standards

The key public policy issue in development impact fee studies is the identification of facility standards (second bullet above). Facility standards document a reasonable relationship between new development and the need for new facilities. Standards ensure that new development does not fund deficiencies associated with existing development.

Our approach recognizes three separate components of facility standards:

1. **Demand standards** determine the amount of facilities required to accommodate growth. Examples include park acres per thousand residents, square feet of library space per capita, or gallons of water per day. Demand standards may also reflect a level of service such as the vehicles-to-capacity (V/C) ratio used in traffic planning;
2. **Design standards** determine how a facility should be designed to meet expected demand, for example park improvement requirements and technology infrastructure for office space. Design standards are typically not explicitly evaluated as part of an impact fee analysis but can have a significant impact on the cost of facilities. Our approach incorporates current facility design standards into the fee program to reflect the increasing construction cost of public facilities; and
3. **Cost standards** are an alternate method for determining the amount of facilities required to accommodate growth based on facility costs per unit of demand. Cost standards are useful when demand standards were not explicitly developed for the facility planning process. Cost standards also enable different types of facilities to be analyzed based on a single measure (cost or value), useful when disparate facilities are funded by a single fee program. Examples include facility costs per capita, per vehicle trip, or cost per gallon of water per day.

Identifying New Development Facility Needs and Costs

We can take several different approaches to identify facility needs and costs to serve new development. Typically, this is a two-step process: 1) identify total facility needs; and 2) allocate to new development its fair share of those needs. Total facility needs are often identified through a master facility planning process that typically takes place concurrent with or prior to conducting the fee study. Engineered facility plans are particularly important in the areas of traffic, water, sewer, and storm drain due to the specialized technical analysis required to identify facility needs.

There are three common methods for determining new development’s fair share of planned facilities costs: 1) the existing inventory method; 2) the planned facilities method; and 3) the system plan method. Often the method selected depends on the degree to which the community has engaged in comprehensive facility master planning to identify facility needs.

The formula used by each approach and the advantages and disadvantages of each method is summarized as follows:

Existing Inventory Method

The existing inventory method allocates costs based on the ratio of existing facilities to demand from existing development as follows:

$$\frac{\text{Current Value of Existing Facilities}}{\text{Existing Development Demand}} = \$/\text{unit of demand}$$

Under this method new development funds the expansion of facilities at the same standard currently serving existing development. By definition, the existing inventory method results in no facility deficiencies attributable to existing development. This method is often used when a long-range plan for new facilities is not available. Only the initial facilities to be funded with fees are identified in the fee study. Future facilities to serve growth are identified through an annual Capital Improvement Plan (CIP) and budget process, possibly after completion of a new facility master plan.

Planned Facilities Method

The planned facilities method allocates costs based on the ratio of planned facility costs to demand from new development as follows:

$$\frac{\text{Cost of Planned Facilities}}{\text{New Development Demand}} = \$/\text{unit of demand}$$

This method is appropriate when specific planned facilities can be identified that only benefit new development. Examples include street improvements to avoid deficient levels of service or a sewer trunk line extension to a previously undeveloped area. This method is appropriate when planned facilities would not serve existing development. Under this method new development funds the expansion of facilities at the standards used for the master facility plan.

System Plan Method

This method calculates the fee based on the ratio of the value of existing facilities plus the cost of planned facilities divided by demand from existing plus new development:

$$\frac{\text{Value of Existing Facilities} + \text{Cost of Planned Facilities}}{\text{Existing} + \text{New Development Demand}} = \$/\text{unit of demand}$$

This method is useful when planned facilities need to be analyzed as part of a system that benefits both existing and new development. It is difficult, for example, to allocate a new fire station solely to new development when that station will operate as part of an integrated system of fire stations that work together to achieve the desired level of service. Police substations, civic centers, and regional parks are examples of similar facilities.

The system plan method ensures that new development does not pay for existing deficiencies. Often, facility standards based on policies such as those found in General Plans are higher than existing facility standards. This method enables the calculation of the existing deficiency required to bring existing development up to the policy-based standard. The local agency must secure non-fee funding for that portion of planned facilities, required to correct the deficiency, to ensure that new development receives the level of service funded by the impact fee.

Calculating the Fee Schedule

At its simplest, the fee schedule uses the cost per unit of demand discussed in the last subsection to generate the fee schedule. This unit cost is multiplied by the demand associated with a new development project to calculate the fee for that project. The fee schedule uses different demand measures by land use category to provide a reasonable relationship between the type of development and the amount of the fee. We are familiar with a wide range of methods for identifying appropriate land use categories and demand measures depending on the particular study.

Related Approach Issues

Funding and Financing Strategies

In our experience, one of the most common problems with impact fee programs and with many CIPs is that the program or plan is not financially constrained to anticipated revenues. The result is a “wish list” of projects that generate community expectations that often cannot be fulfilled. Our approach is to integrate the impact fee program into the local agency’s existing CIPs while encouraging those plans to be financially constrained to available resources. We clearly state the cost of correcting existing deficiencies, if any, to document the relationship between the fee program and the need for additional non-fee funding.

We can also address one of the most significant drawbacks of an impact fee program – the inability to support conventional public debt financing, so projects can be built before all fee revenues have been received. In collaboration with financial advisors and underwriters, we have developed specific underwriting criteria so that fees can be used to pay back borrowing if another source of credit exists. Typically, this approach involves the use of Certificates of Participation or revenue bonds that are calibrated so that they can be fully repaid using impact fee revenues.

Economic Development Concerns

The development community often is concerned that fees and other exactions will become too high for development to be financially feasible under current market conditions. Local agencies have several strategies to address this concern, including:

- Conducting an analysis of the total burden placed on development, by exactions, to see if feasibility may be compromised by the proposed fees;
- Gathering similar data on the total fee burden imposed by neighboring or competing jurisdictions;
- Developing a plan for phasing in the fees over several years to enable the real estate market to adjust;
- Providing options for developers to finance impact fees through assessments and other types of financing districts; and
- Imposing less than the maximum justified fee.

If less than the maximum justified fee is imposed, we will work with staff to identify alternative revenues sources for the CIP. The CIP should remain financially feasible to maintain realistic expectations among developers, policymakers, and the public.

Stakeholder Participation

Stakeholder participation throughout the study supports a successful adoption process. Our approach is to create consensus first around the need for facilities based on agreed upon facility standards. Second, we seek consensus around a feasible funding strategy for these needs, leading to an appropriate role for impact fees.

Gaining consensus among various groups requires a balanced discussion of both economic development and community service objectives. Often, our approach includes formation of an advisory committee to promote outreach to and input from the development community and other stakeholders. We have extensive experience facilitating meetings to explain the program and gain input.

Program Implementation

Fee programs require a certain level of administrative support for successful implementation. Our final report will include recommendations for appropriate procedures, such as:

- Regularly updating development forecasts;
- Regularly updating fees for capital project cost inflation;
- Regularly updating capital facility needs based on changing demands;
- Developing procedures for developer credits and reimbursements; and
- Including an administrative charge in the fee program.

Scope of Work

Comprehensive Fee Study

Our proposed work plan, described in detail by task, is provided below. We explain how each task will be accomplished and identify associated meetings and deliverables. We want to ensure our scope provides quality and clarity and is responsive to the City's needs and specific local circumstances. We will work in concert with the City to adjust the scope as needed during the course of the study.

Task 1: Initial Document Request	
Objective:	Initial due diligence; and obtain study-related data.
Description:	Prior to the kick-off meeting, we will obtain and review relevant documentation to further enhance our understanding of the services, fees, and rates to be studied. A written request for data will be sent to the City. Please note that Time Survey data is not part of this request and will be gathered during the interviews described in Task 5. We will request information, data sets, and documentation on current fees and fee programs, activity levels, and budget and staffing information (to the extent not already available) related specifically to programs and activities which have associated fees. We will also request detail and data from the City's existing financial records and cost allocation information so that overhead costs can be incorporated into the cost-of-service analysis to support updated fee recommendations.
Deliverables:	Willdan: Submit information request to City. City: Provide requested data to Willdan (prior to Task 3, Kick-off Meeting/Refine Scope). We will follow up with the City to confirm receipt of requested data and information and highlight data elements that are outstanding.
Task 2: Compile and Review List of Current and Potential Fees/Review Existing Cost Allocation Method	
Objective:	Willdan will identify the schedule of fees and develop the methodology for calculating the fees, obtain and review the City's current CAP methodology and approach to allocating indirect service costs, and obtain staffing, salary, and benefit information.
Description:	Based on the results of the initial document request and independent research, incorporate into our model the existing fees, provided by the City, to comprise the parameters of the fee study. We will review the existing fee schedule to ensure consistency and that it addresses areas where fees could be charged for services being provided and confer with Staff to identify potential new fees. As mentioned in the Project Understanding, we will work with staff to incorporate reasonable indirect overhead factors from the City's current Cost Allocation Plan to ensure the costs associated with central service overhead support are included in the full cost of providing services. Reasonable indirect cost allocation percentages will be used in Task 4 to calculate departmental overhead rates and fully-burdened hourly personnel rates. We will gather and review data and supporting analysis as necessary, related to the City's cost allocation approach. This information will be used to verify or calculate the allocation of indirect service costs to operating departments, and then will be incorporated with staffing, and salary and benefit data to develop a comprehensive schedule of Fully-Burdened Hourly Rates (FBHR). These rates will form a basis for the calculation of the costs of providing services to residents and customers, for which fees are charged.
Meetings:	It is possible that a conference call with the City may be necessary to discuss new fees to implement or existing fees that may no longer be required.
Deliverables:	Willdan: One (1) draft list of current fees based on initial data provided (to be discussed and finalized during the kick-off call). City: Review completed fee schedules with comments/revisions to be discussed during the kick-off meeting.

Task 3: Kick-off / Refine Project Requirements, Objectives and Scope	
Objective:	Confirm goals and objectives for the Comprehensive User Fee Study. Identify and discuss policy matters typically raised, address gaps in data, and refine appropriate existing or new fee categories (based on Task 2).
Description:	Verify our understanding of the City's goals, the City's cost-recovery policies for user fees, and fill gaps in data/information necessary for the project. It is important for the City and Willdan to identify and address any foreseeable problems and maintain open communication throughout the process. During this discussion, we will ask that the City identify a project manager who will serve as the primary contact for the project. The project manager shall have responsibility for ensuring that all available data is provided in a timely manner, thereby maintaining adherence to the project's schedule.
Meetings:	One (1) project kick-off call/web meeting to initiate the project, discuss data needs, and address policy matters.
Deliverables:	Willdan: 1) Revised project approach, scope and schedule (if needed); and 2) brief summary of policy decisions (if needed). City: 1) Provide further data needs; and 2) determine/introduce City's project manager.
Task 4: Develop Comprehensive Fee Model/Incorporate Overhead/Develop Overhead Rates & FBHR	
Objective:	Develop and test fee model and incorporate overhead factors.
Description:	We will utilize the data from the City's current Cost Allocation Plan to develop and determine the appropriate indirect cost factors and overhead rates to apply to personnel rates, to develop fully burdened hourly rates per the City's employee structure. These rates will serve as a basis for calculating the full cost of providing services. Alternatively, a simplified indirect rate could be calculated as part of this phase to determine a citywide indirect rate to use for central service cost inclusion in the cost of services. Key model inputs will include staff and allocated overhead costs per position, and relevant budget data on staffing, salaries and benefits. This information will be obtained directly from the City and incorporated directly into the user fee model. We will request clarification and/or additional data if necessary. We will also update, as appropriate, available fee volumes (occurrences) and revenue generation. The model will provide an allocation of administrative and overhead costs to fee related activities, so that fees and billable rate schedules incorporate applicable costs. Furthermore, the fees and rates charged to customers will also reflect the cost of the services being provided, to the extent possible given policy and/or political considerations.
Deliverables:	Willdan: One (1) user-friendly model in Microsoft Excel format, which, when finalized, City Staff can use to calculate fee changes annually, or as often as deemed appropriate by the City Council, and a schedule of Fully-Burdened Hourly Rates.
Task 5: Time Survey Interviews and On-site or Virtual Information Gathering	
Objective:	Meet with City Staff to review processes and staffing for fee-based services, gather data and information necessary to understand service delivery processes.
Description:	In order to assist staff with the completion of the survey worksheets, we will schedule up to one business (1.0) day of meetings with staff; however, the number of meetings needed may vary depending on the number of staff involved. The Willdan Team will conduct interviews with managers, as well as other staff, as deemed appropriate and/or necessary, to understand the processes and staffing involved in delivering fee-based City services and determine the average time required by City Staff to provide each of the services. During this process we will identify instances of cross-departmental support and calculate associated costs. The fee model is designed so that full cost recovery fees are calculated immediately upon input of staff time. These full costs are also compared to current cost recovery levels. This will allow Willdan and City Staff to conclude with a final meeting to review the draft full cost recovery fees and adjust any times as necessary once all information has been compiled and input into the fee model. We will schedule the interviews with City Staff to minimize any disruption to their normal workflow.

Meetings: One (1.0) business day of meetings/staff interviews. These will likely be conducted virtually using Zoom or WebEx, depending on City Staff availability. We have received feedback that many cities find virtual meetings to be more efficient as they allow for more flexible scheduling and more focused conversation. We will discuss this with City Staff and if in-person meetings are preferred, we can adjust and proceed accordingly.

Over the past three years we have used these virtual tools very successfully and found them to be highly effective and efficient, particularly for follow-up questions and/or discussions.

Deliverables: **Willdan and City:** Time surveys and draft full cost recovery fees.

Task 6: Data Analysis, Calculate Full Cost of Providing Services, Final Fee Schedule

Objective: Incorporate information obtained from meetings in Task 5 to fully develop model and calculate the cost of providing services.

Description: We will update the model, based on information received during the interviews with City Staff, to generate a comprehensive fee schedule. In addition, it is quite common that a supplemental data request may be necessary, based on new fees identified that the City is not currently collecting.

Where appropriate, we will suggest and discuss with staff alternate approaches to existing fee programs (i.e. deposit vs. straight fee, valuation, etc.) and suggest potential areas where fees could be collected, where they are not currently.

We will calculate and present the full and total cost of service and full cost recovery level for fees, both current and projected under the new calculated fees, and revenue projections, given certain assumptions about the levels of subsidy for different fees.

We will begin the discussion of subsidies and fee-setting, and the implementation of policy and political objectives. We will provide guidance based upon our recent experience as to policy factors and approaches used by other similar cities.

Current levels of cost recovery will be compared to actual full costs calculated during the course of this study. Cost will be calculated at reasonable activity levels and include all appropriate direct and indirect costs and overhead. We will review fee programs for compliance with Propositions 218 and 26.

The fee data analysis and model development may take three (3) to five (5) weeks with frequent correspondence with City Staff to discuss current cost recovery amounts, necessary to recover full cost and frequency activity.

Meetings: Virtual meetings and/or conference calls, as necessary, to gather additional input, complete analysis and finalize fee schedule.

Deliverables: Final user fee model for the City Council presentation and discussion.

Task 7: Common Fees Comparison

Objective: Examine up to fifteen (15) fees, from up to five (5) comparable cities/agencies in Orange County or jurisdictions similar in geography or profile to Aliso Viejo.

Description: We will access and use our knowledge of other jurisdictions to benchmark all applicable fees for up to five projects as determined by City Staff and Willdan. The purpose is to select sample projects (such as a 5-unit residential project or a 10,000 square foot commercial building) that the City may reasonably expect to encounter, and determine the total fee burden, as compared to the other selected cities.

Fee schedules are rarely readily or directly comparable from agency to agency due to definitional and operational differences. For example, a grading permit in one jurisdiction may include the plan check service, while the same permit in another jurisdiction may not, resulting in similar sounding services with widely varying costs.

The survey will contain the following, a comparison of fees and charges used by the City and other jurisdictions for comparable sample projects; current and proposed fees and charges unique to the City of Aliso Viejo; fees and charges used by other public entities not currently used in the City; and if possible, identify characteristics and processes unique to the City that account for significant variances in fees and charges used by other jurisdictions.

Deliverables: **Willdan:** Recommendations provided in Task 8 will incorporate the data gathered during our examination.

Task 8: Prepare and Present Draft Results and Report, Conduct Presentations	
Objective:	Prepare and present draft results and report.
Description:	This task involves the preparation of the draft report that discusses the study's background, the methodologies utilized in the study. As noted below, meetings may occur during this or the next task as appropriate. The calculations used to generate the user fee study will be included textually, as well as in easy to understand tables. Individual fee summaries and a comprehensive fee schedule will be included as well. The draft report will include the following: ▪ Key results and findings; ▪ Current and recommended fees and charges, including percentage changes; ▪ Basic descriptions of each service; ▪ The full cost of each service and current cost recovery levels; ▪ Costs broken down graphically into indirect and direct components, with a graphic display of the level of cost recovery; ▪ Fee recommendations with associated levels of cost recovery; ▪ Projections of potential fee revenue; ▪ Assessment of reasonableness of each City's costs; ▪ Fee comparisons completed in Task 7; ▪ As appropriate, recommend alternative methodologies for building permit fee calculation; and ▪ Summary and recommendations. The objective of the report is to communicate the recommendation of appropriate fees, which include the appropriate subsidy percentage for those fees where full cost recovery may be unrealistic.
Meetings:	One (1) web meeting with City Staff to present the report, recommended fee structure, methodology and draft results, address questions, and receive feedback.
Deliverables:	Willdan: Draft report for City review and comment. City: Review of draft report, with comments and edits.
Task 9: Discuss and Revise Draft Report/Determine Cost Recovery Levels for Recommended Adoption	
Objective:	Review and discussion of draft results, fee structure, methodology, report, and fee model.
Description:	The goal of this task is to conduct an in-depth review of the draft results, report and model, incorporate feedback and changes as a result of previous discussions and meetings. Based on these discussions, and incorporating City fiscal objectives and limitations for subsidies, we will work with City Staff to arrive at optimum fee levels and structures. During this Task, we will finalize the actual fee levels, with consideration given to policy and current practices. Often through the course of an engagement, City Staff will volunteer insightful likes and dislikes regarding the existing fee structure. We listen to this feedback carefully because your staff members know the community best. Comments usually revolve around issues of: ▪ Understandability; ▪ Fairness to applicants; ▪ Ease of calculation; ▪ Appropriate levels of cost recovery; and ▪ Full cost recovery hourly rates. When adjusting fee recovery levels, we believe it is important to address these concerns. Up to two (2) virtual meetings with City Staff to present the recommended fee structure, methodology and draft results, address questions, and receive feedback. Following one (1) round of comments and feedback from City staff and the task force on the methodology and draft report, we will prepare the final report for presentation to the City Council.
Meetings:	Two (2) web meetings to review the model and report and finalize cost recovery levels.
Deliverables:	Draft report, revised draft /final report.

Task 10: Prepare and Present Final Report/Instruct Staff on Model	
Objective:	Prepare and present final report to the project study task force and City Council. Instruct staff on the operation and use of the model for future modifications.
Description:	This task is the culmination of the entire project. Based on staff comments received regarding the draft report, we will prepare the final report for presentation. We will provide Staff with guidance on how to update the model in future years, to incorporate cost increases and changes in staffing or processes.
Meetings:	One (1) conference call/web meeting with City Staff to discuss the presentation of the results. One (1) meeting to present recommended fee structure and methodology to the City Council to facilitate their understanding of the approach, analysis, results, recommendations and implications of the study. We will also provide staff training on the operation and use of the model on the same day, during regular business hours. Follow-up offline discussions may occur as necessary with City Staff to review questions and/or requested clarifications from the City Council.
Deliverables:	Provide one (1) electronic PDF file copy of the final report and models. Using Microsoft Word and Excel, an updateable electronic copy of the study and models, as well as related schedules, will also be provided on CD-ROM. Hard copies can be provided upon request.

Development Impact Fee Study

Willdan will take a two-phase approach to the impact fee portion of the engagement, since the City does not have Mitigation Fee Act fees and is considering their implementation. Willdan will work with the City on its current needs, policy considerations, and stakeholder input, and provide a summary memorandum and attend a Council workshop or other forum to present the results and receive stakeholder and Council input. If the City elects to proceed, Willdan will work with the City to establish the fees, as well as providing guidance on fee collection and administration. At the City's option, Willdan can also update the City's Quimby fee to provide for a standard per unit or per square foot residential fee, replacing the current *ad hoc* calculation. Unless the City desires to make this adjustment to the Quimby fee, no update to the Quimby is otherwise required.

Phase I: Impact Fee Exploration and Consideration

Task 1.1: Impact Fee Exploration	
Objective:	Identify and discuss the potential for impact fees, including City needs, community interests, and policy issues. Prepare a memorandum detailing the results of analysis and staff/stakeholder (as appropriate) input.
Description:	Discuss City infrastructure needs, past experience with development impacts, future development plans, and shifts in the City's development and infrastructure fabric (such as ADUs, high density development and the City's shifting infrastructure needs and financing sources) Willdan will also gather information on the impact fee policies of surrounding and comparable jurisdictions to inform the process. Examine these issues in light of the City's overall cost recovery and fiscal sustainability goals:
Deliverables:	(1) Information requests; and (2) draft implantation/feasibility memorandum.
Task 1.2: Impact Fee Consideration and Next Steps	
Objective:	Present results of Task 1 to elected officials for consideration and further steps.
Description:	Willdan will present the results of Phase 1 as desired by the City. Typically, Willdan presents at a council workshop to gather council and stakeholder input and get direction on next steps (such as implementing impact fees or answering additional questions/concerns). This is just a typical example, the process of information presentation and decision is entirely up to the City, of course. If the City elects not to proceed, the impact fee work effort will end with this task. If the City elects to proceed, the work effort will move on to Phase 2, below.

Phase II: Impact Fee Implementation (Optional)

Task 2.1: Identify Policy Issues

Objective: Building on Phase 1, identify and discuss potential policy issues raised by the study. Kick-off meeting with staff to review data needs, policy issues, schedule and discuss potential fee categories. For the purposes for estimating a fee, Willdan assumes the City will want to implement three fee categories. For example, parks (non-Quimby, which can apply to all residential development), general government and traffic/transportation.

Description: Refine analysis and conclusions from Phase 1, and continue with the process of implementing an impact fee program for the City. Bring policy issues to City staff's attention, as appropriate, during the project and seek guidance prior to proceeding. Potential policy issues include:

- Existing Quimby fee;
- Changes in implementation resulting from AB 602;
- Changes in approach and nexus findings necessary to comply with AB 602;
- Adequacy of the City's General Plan, Capital Improvement Plan (CIP), Municipal Code, and other public facility planning policies (e.g., level of service standards); impact fee ordinances and resolutions;
- Availability of existing public facility master plans and CIPs to identify needed facilities;
- Types of facilities to be funded by each fee;
- Land use categories for imposition of fees;
- Nexus approach to determining facility standards;
- Nexus approach to allocating cost burden among land uses, including need for separate fee zones;
- Potential alternative funding sources, if needed;
- Potential fee zones or subareas to tailor the fee program or address other policy considerations;
- Funding existing deficiencies, if identified; and
- Implementation concerns and strategies.

Deliverables: (1) Information requests; and (2) revised project scope and schedule (if needed).

Task 2.2: Identify Existing Development and Future Growth

Objective: (1) Identify estimates of existing levels of development; and (2) identify a projection of future growth consistent with current planning policy.

Description: Identify base year for estimating existing levels of development and for calculating facility standards based on existing facility inventories (see Task 3). Include entitled development that would be exempt from fee program.

Consult with City staff to identify growth projections to a defined long-range planning horizon (10 to 30 years). Projections provide a basis for determining the facilities needed to accommodate growth (see Task 4). Projections will be consistent with the City's adopted General Plan, Housing Element, and regional planning documents. Consider projections from regional metropolitan planning agencies and other available sources - City staff to provide estimates and projections by zone if needed.

Develop approach for converting land use data to measure facility demand.

For example, identifying population and employment density factors to convert population and employment estimates to dwelling units and building square footage. Select appropriate approach for each impact fee based on:

- Available local data on facility demand by land use category;
- Approaches used by other agencies; and
- Support for other agency policy objectives.

Changes to estimates and projections during subsequent tasks could cause unanticipated effort and require an amendment to the scope of services and budget. Obtain approval of estimates and projections from City staff prior to proceeding.

Task 2.3: Determine Facility Standards

Note: Conduct Tasks 3, 4, and 5 separately for each intended facility and fee type. Conduct tasks concurrently because of the effect of facility standards (Task 3), facility needs (Task 4), and alternative funding (Task 5) on the fee calculation.

Objective: Determine standards to identify facilities required to accommodate growth.

Description: Identify and evaluate possible facility standards depending upon the facility type, current facility inventory data, and available facility planning documents. Consider use of: (1) adopted policy standards (e.g., General Plan, master facility plans); (2) standards derived from existing facility inventories; or (3) standards derived from a list of planned facility projects. City staff to provide policies, inventories, and project lists. Willdan will work with the City to identify additional costs that might be eligible for funding by the DIF.

Task 2.4: Determine Facilities Needs and Costs

Objective: Identify the type, amount and cost of facilities required to accommodate growth and correct deficiencies, if any.

Description: Quantify total planned facilities based on growth projection from Task 2 and facility standards from Task 3. Express planned facilities in general quantities such as acres of parkland, or as a specific list of capital projects from a master facility plan.

Location of planned facilities may or may not be specified. If only a general description of planned facilities is available through the planning horizon, City staff is to provide a list of specific capital projects for use of fee revenues during the short term (e.g., five years).

Distinguish between: (1) facilities needed to serve growth (that can be funded by impact fees); and (2) facilities needed to correct existing deficiencies (that cannot be funded by impact fees). Use one of three cost allocation methods (existing inventory, system plan, or planned facilities).

Gather planning-level data on new facilities costs based on lump sum project cost estimates, or unit costs and project quantities (acres, building square feet, lane miles, etc.). Consider recent City experience, local market data such as land transactions, and consultant team experience from prior projects. Inflate older cost estimates to base year using appropriate cost indices.

The revised facility costs will form the basis of the capital improvement program needed for compliance with AB 602. Facility needs and costs will be documented to support the City's Comprehensive Fee Study objectives and integration with the Master Fee Schedule update.

This scope of work does not include additional engineering analysis, including traffic or utility engineering, to identify total facility needs, existing deficiencies, or cost estimates. Any such engineering/design work can be provided under a separate contract with Willdan Engineering or a third party. However, Willdan can use rough descriptions and comparables to calculate a reasonable cost estimate sufficient for use in the DIF study.

Task 2.5: Identify Funding and Financing Alternatives

Objective: Determine the extent of alternative (non-fee) funding available for new facilities.

Description: If impact fees are going to only partially fund a capital project, the *Mitigation Fee Act* requires the agency report on the anticipated source and timing of the additional funding every five years. There are two types of alternative funding sources that we will identify:

1. Funding from non-impact fee sources to correct existing deficiencies; and
2. Funding from new development other than impact fees that must be credited against new development's impact fee contributions, possibly including taxes paid to finance facilities.

Identify anticipated alternative funding based on information from City staff or note that funds are still to be identified based on a list of probable funding alternatives. If fees will fund debt service include financing costs in the total cost of facilities.

Assume facilities to be funded predominantly on a pay-as-you-go basis. Scope does not include a cash flow analysis to analyze effect of timing of fee revenues on financing costs. Recommendations will also identify how DIF revenues and other City funding sources align with long-term financial planning and capital project implementation goals established in the City's CIP.

Task 2.6: Comparison Analysis

- Objective:** Provide a comparison of the current and proposed impact fees to those of comparable/surrounding jurisdictions in Orange County and the Southern California region.
- Description:** Willdan will compare a total of five comparable jurisdictions to be selected by the City of Aliso Viejo, prioritizing agencies of similar size and service delivery characteristics.
- Typically, Willdan prepares an analysis of fees charged to a series of prototype developments (such as residential, retail, etc.) to provide an “apples to apples” comparison, but the exact methodology will be determined in consultation with the City.

Task 2.7: Calculate Fees and Prepare Report

- Objective:** Provide technically defensible fee report that comprehensively documents project assumptions, methodologies, and results.
- Description:** Generate fee schedule to apportion facility costs to individual development projects. Use facility costs per unit of demand multiplied by demand by land use category based on data developed in prior tasks.
- Prepare draft report tables for City staff to review, that document each step of the analysis, including schedule of maximum justified fees by facility type land use category and all other requirements of the Mitigation Fee Act.
- Following one (1) round of comments from City staff on the quantitative analysis and fee schedules, prepare administrative draft report. The report will contain all required calculations and assumptions. In addition, Willdan will provide the City with best practices regarding a range of policy decisions for consideration by the City Council, including incentives for affordable housing production and considerations of the impact of fees on development in the City.
- Following one (1) round of comments on administrative draft, prepare public draft for presentation to interested parties, the public and elected officials. This public review draft will be presented at stakeholder workshops and City Council meetings. Prepare final report, if necessary, based on comments received on the public draft report. If requested, post the report on our website for public access. Note that as of January 2022, the Nexus study is adopted separately from the fees, and with a 30-day notice.
- Fees will be calculated for both residential and nonresidential land uses in compliance with AB 602 and integrated into the City's Comprehensive Fee Study and Master Fee Schedule update.
- Provide legal counsel with copies of fee resolutions and ordinances used by other jurisdictions.
- Deliverables:** We will provide up to four (4) bound copies of the draft report, one (1) unbound copy, one (1) Microsoft Word copy; and up to eight (8) bound copies of the final report. All deliverables will also be provided electronically in editable Word and Excel formats. The final fee model will be compatible for integration into the City's fee schedule database.

Task 2.8: Meetings

- Objective:** The project manager or other necessary Willdan staff will attend project meetings. A member of the Impact Fee project team will attend up to eight in-person meetings and presentations throughout the City's engagement.
- In our effort to support cost savings for the City, Willdan will likely conduct several of the meetings virtually. Although our staff enjoys the opportunity to meet in person and welcome those interactions, we acknowledge that in-person meetings typically involve higher costs and require more time.
- Willdan will assist City staff with preparation of presentation materials and participate in public workshops and Council hearings to present findings and respond to questions.
- Optional:** Optional additional stakeholder and Council meetings may be requested by the City.

City Staff Support

To complete our tasks, we will need the cooperation of City Staff. We suggest that the City of Aliso Viejo assign a key individual to represent the City as the project manager who can function as our primary contact. We anticipate that the City's project manager will:

- 1) Coordinate responses to requests for information;
- 2) Coordinate review of work products; and
- 3) Help resolve policy matters. Willdan will endeavor to minimize the impact on City Staff in the completion of this project.

We will ask for responses to initial information requests in a timely manner. If there are delays on the part of the City, we will contact the City's project manager to steer the project back on track. We will keep the City's project manager informed of data or feedback we need to keep the project on schedule.

Project Disclaimer

Willdan is a registered municipal advisory firm with the U.S. Securities and Exchange Commission ("SEC"), as such the City of Aliso Viejo represents, acknowledges, and agrees that Willdan is not acting as a "municipal advisor" (as defined by the SEC), to the City of Aliso Viejo, in any capacity as it relates to the project proposed in this Comprehensive Fee Study RFP.

- (i) The City uses, or may use, the services of one or more municipal advisors registered with the SEC to advise it in connection with municipal financial products and the issuance of municipal securities;
- (ii) The City is not looking to Willdan to provide, and the City shall not otherwise request or require Willdan to provide any advice or recommendations with respect to municipal financial products or the issuance of municipal securities (including any advice or recommendations with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues);
- (iii) The provisions of this proposal and the services to be provided hereunder as outlined in the scope of services are not intended (and shall not be construed) to constitute or include any municipal advisory services within the meaning of Section 15B of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations adopted thereunder;
- (iv) For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the City with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the City , (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the City , in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, including any revisions or amendments thereto; and
- (v) Notwithstanding all of the foregoing, the City recognizes that interpretive guidance regarding municipal advisory activities is currently quite limited and is likely to evolve and develop during the term of the potential engagement and, to that end, the City will work with Willdan throughout the term of the potential Agreement to ensure that the Agreement and the services to be provided by Willdan hereunder, is interpreted by the parties, and if necessary amended, in a manner intended to ensure that the City is not asking Willdan to provide, and Willdan is not in fact providing or required to provide, any municipal advisory services.

Project Management and Quality Assurance/Control Approach

Provided below is the firm's project management approach to producing the required product in a timely fashion.

Project Management Approach

At Willdan, we utilize a Project Management Process/Approach that ensures projects are completed on time, within budget and most importantly yield results that match our clients' expectations. We will document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and model.

Following key stakeholder discussions, we will schedule a call to summarize findings and direction with City staff, to make certain that we are in agreement with stated objectives, and that feedback is incorporated as appropriate.

Through the process of providing regular updates and conducting status conference calls, potential issues will be highlighted, discussed, and resolved. Any deviances from the project timeline will be identified and plans will be developed for course corrections.

Project Management				
				
Define the Project	Plan the Project	Manage the Project	Review the Project	Communicate the Project
- Identify the project scope, set objectives, list potential constraints, document assumptions. - Define a course of action and develop an effective communication plan. - Provide a forum for applying the team's collective expertise to solving difficult analytical issues that arise in complex projects.	- Collaborate with the project team and client staff and agree upon timeline to meet the estimated project timeline. - Assign workload functions to appropriately qualified staff to ensure milestones are met, on time. - Pre-schedule quality control meetings with project team to maintain the progressive motion of the project.	- Manage the execution of the project. - Direct existing and upcoming project tasks. - Control and monitor work in progress. - Provide feedback to client and project team. - Identify and resolve deviances from project timeline.	- Review all work product and deliverables. - Utilize structured quality assurance process involving up to three levels of review at the peer level, project manager level. - Procure executive officer level review.	- Communicate with the client regarding work status and progress. - Ensure client is in receipt of regular status updates. - Schedule regular conference calls to touch base. - Inform client of roadblocks, work outside of projected scope.

Quality Assurance / Quality Control Process

Our quality control program is incorporated as a required element of Willdan's day-to-day activities. There are three levels of reviews incorporated for our deliverables:

- 1) Peer review;
- 2) Project Manager review; and
- 3) Final quality assurance manager review.

Peer reviews involve one analyst reviewing the work of another, while project manager reviews are conducted prior to delivery to the quality assurance manager. The quality assurance manager then performs a final review. This assures that our final product has been thoroughly evaluated for potential errors; thus, providing quality client deliverables, and high levels of integrity and outcomes.



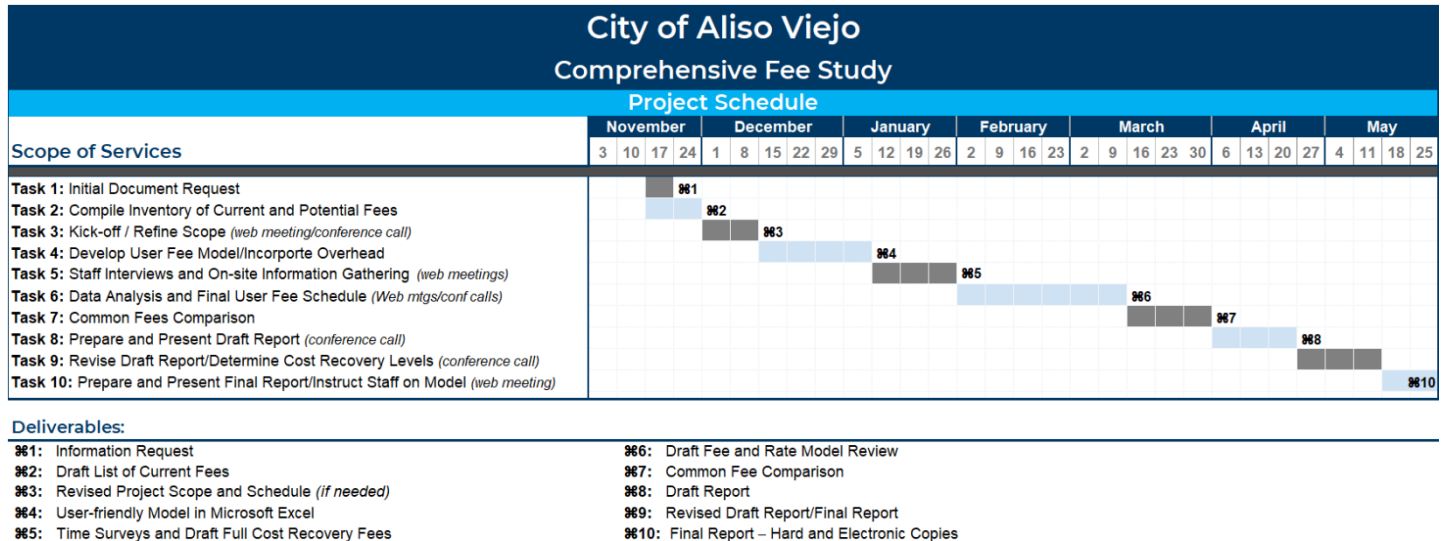
The primary mission of our quality control plan is to provide staff with the technical and managerial expertise to plan, organize, implement, and control the overall quality effort, thereby ensuring the completion of a quality project within the time and budget established.

Quality Assurance Goals		
Goal	Lead	Task
Quality Assurance / Control Process	Chris Fisher	- Establish a set of planned and systematic actions for maintaining a high level of quality in the professional services performed; - Emphasize quality in every phase of work; - Ensure efficient use of resources; - Establish a consistent and uniform approach to the services performed; and - Implement appropriate quality control measures for each work task of the project.
Quality Control Plan	Chris Fisher, & Robert Quaid	- Contract deliverables; - Specific quality control procedures; - Special quality control emphasis; - Budget and manpower requirements; - Overall project schedule and budget; and - Project documentation requirements;

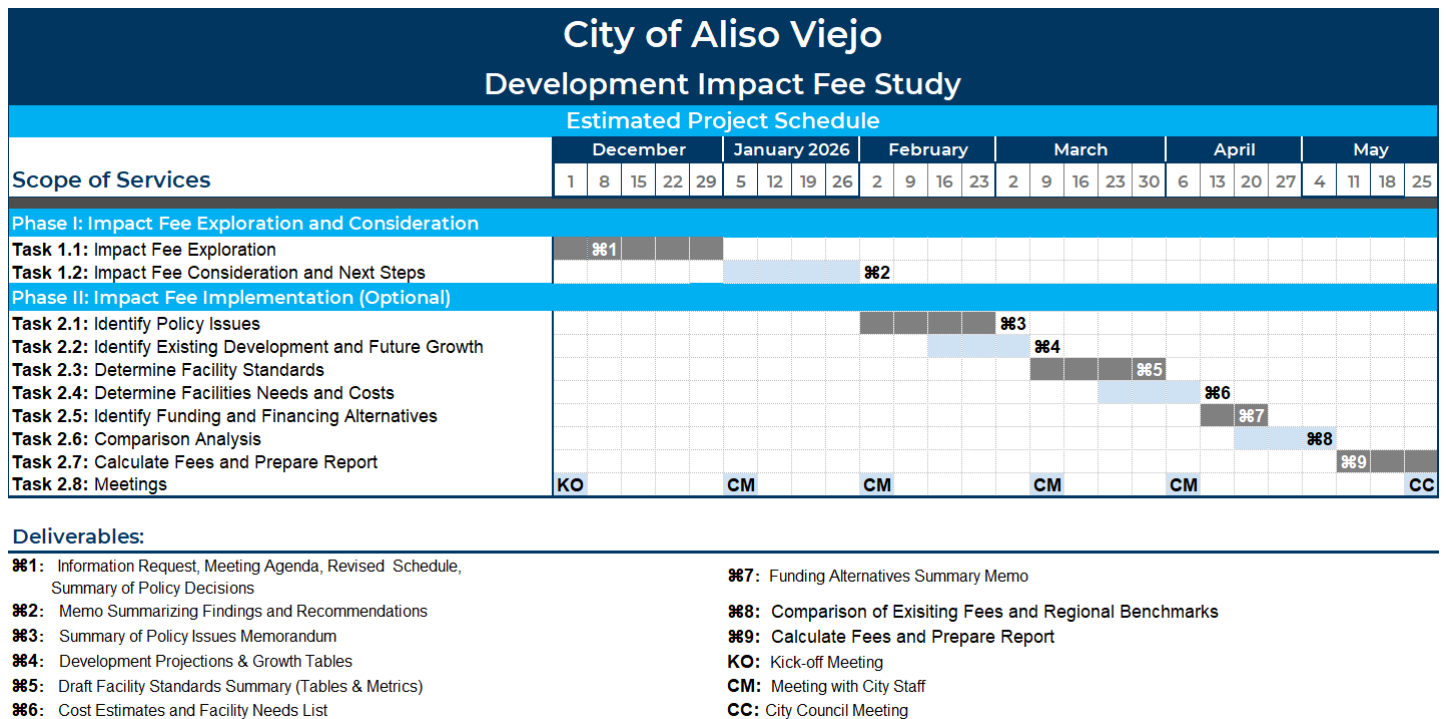
Proposed Schedule

Willdan understands time is of the essence for the City of Aliso Viejo to begin this engagement. This schedule can only be met with the cooperation of City staff. Delays in responding to our requests for data and review will result in corresponding delays to the project schedule. If that is the case, we will notify the City immediately of the possible impact on the schedule.

User Fee Study



Development Impact Fee Study



Cost Proposal

User Fee Study

Willdan proposes a **fixed fee of \$36,910** to conduct the Comprehensive Fee Study on the City's behalf. The table below provides a breakdown of the fee to complete each study by task and project team member.

City of Aliso Viejo							
Comprehensive Fee Study							
Fee Proposal							
	C. Fisher Principal-in- Charge	T. Thrasher Project Manager	P. Patel Senior Analyst	S. Labitan Analytical Support	R. Quaid QA/Tech Advisor	Total	
	\$ 310	\$ 270	\$ 210	\$ 150	\$ 270	Hours	Cost
Scope of Services							
Task 1: Initial Document Request	-	-	1.0	1.0	-	2.0	\$ 360
Task 2: Compile Inventory of Current and Potential Fees	-	1.0	1.0	2.0	-	4.0	780
Task 3: Kick-off /Refine Scope	-	1.0	1.0	-	-	2.0	480
Task 4: Develop User Fee Model/Incorporate Overhead	1.0	4.0	8.0	12.0	1.0	26.0	5,140
Task 5: Staff Interviews and On-site Information Gathering	-	4.0	8.0	4.0	-	16.0	3,360
Task 6: Data Analysis and Final Fee and Rate Schedule	1.0	3.0	40.0	40.0	1.0	85.0	15,790
Task 7: Common Fees Comparison	0.5	2.0	2.0	8.0	-	12.5	2,315
Task 8: Prepare and Present Draft Report	1.0	2.0	5.0	12.0	1.0	21.0	3,970
Task 9: Revise Draft/Determine Cost Recovery Levels	0.5	2.0	4.0	2.0	-	8.5	1,835
Task 10: Prepare and Present Final Report/Train Staff on Model	-	6.0	6.0	-	-	12.0	2,880
Total – Fee Study	4.0	25.0	76.0	81.0	3.0	189.0	\$ 36,910

Development Impact Fee Study

Willdan proposes a **fixed fee of \$53,490** to conduct the Development Impact Fee Study on the City's behalf. The table below provides a breakdown of the fee to complete each study by task and project team member. The impact fee implementation budget assumes three new fee categories. Additional categories can typically be added at nominal cost (with the exception of affordable housing fees, which require an entirely different methodology).

City of Aliso Viejo					
Development Impact Fee Study					
Cost Proposal					
	J. Edison Principal-in-Charge	C. Villarreal Project Manager	Total		
	\$ 300	\$ 270	Hours	Cost	
Scope of Services					
Phase I: Impact Fee Exploration and Consideration					
Task 1.1: Impact Fee Exploration	8.0	12.0	20.0	\$ 5,640	
Task 1.2: Impact Fee Consideration and Next Steps	4.0	8.0	12.0	3,360	
Phase One Total Hours & Cost	12.0	20.0	32.0	\$ 9,000	
Phase II: Impact Fee Implementation (Optional)					
Task 2.1: Identify Policy Issues	6.0	14.0	20.0	5,580	
Task 2.2: Identify Existing Development and Future Growth	6.0	18.0	24.0	6,660	
Task 2.3: Determine Facility Standards	4.0	14.0	18.0	4,980	
Task 2.4: Determine Facilities Needs and Costs	8.0	12.0	20.0	5,640	
Task 2.5: Identify Funding and Financing Alternatives	10.0	16.0	26.0	7,320	
Task 2.6: Comparison Analysis	8.0	14.0	22.0	6,180	
Task 2.7: Calculate Fees and Prepare Report	6.0	12.0	18.0	5,040	
Task 2.8: Meetings	4.0	7.0	11.0	3,090	
Phase Two Total Hours & Cost	52.0	107.0	159.0	\$ 44,490	
Total – Development Impact Fee Study Services	64.0	127.0	191.0	\$ 53,490	

Notes

- Our fee includes all direct expenses associated with the project.
- We will invoice the City monthly based on percentage of project completed.
- If the City wishes for Willdan to attend additional in-person meetings, the fee is \$1,850 per meeting.
- The City shall reimburse Willdan for any costs Willdan incurs, including without limitation, copying costs, digitizing costs, travel expenses, employee time and attorneys' fees, to respond to the legal process of any governmental agency relating to City or relating to the project. Reimbursement shall be at Willdan's rates in effect at the time of such response.
- The cost of preparing the user fee study can be included in the resulting new user fee schedule. Therefore, over time, the City can recover the initial outlay of funds that was required to complete the studies.
- Willdan will rely on the validity and accuracy of the City's data and documentation to complete the analysis. Willdan will rely on the data as being accurate without performing an independent verification of accuracy and will not be responsible for any errors that result from inaccurate data provided by the client or a third party.

Hourly Rates

Additional services may be authorized in writing by the City and will be billed at our then current hourly consulting rates. Our current hourly rates are identified in the table below.

Willdan Financial Services Hourly Rate Schedule					
Position	Team Member	Hourly Rate	Position	Team Member	Hourly Rate
Vice President / Director	Chris Fisher	\$310	Managing Principal	James Edison	\$300
Principal Consultant	Tony Thrasher & Carlos Villarreal	\$270	Principal Consultant	Bob Quaid	\$270
Senior Project Manager		\$250	Project Manager	Priti Patel	\$210
Senior Project Analyst	Samantha Labitan	\$150	Senior Analyst		\$135
Analyst II		\$120	Analyst I		\$110

City of Aliso Viejo

AGENDA ITEM



DATE: January 21, 2026
TO: Mayor and City Council
FROM: So Kim, Community Development Director
SUBJECT: STATUS UPDATE ON MAJOR PROJECTS

Recommended Action:

Receive and file.

Discussion:

This report provides a status update on the progress of several major development projects. Project applications, proposed plans, and status updates are also available on the City website at <https://avcity.org/412/Major-Projects>.

Address	Description	Status
27081 Aliso Creek Road	Shea Homes proposes to demolish three existing office buildings to construct a 137-unit residential community.	Application is under review with a public hearing anticipated in Spring 2026.
26800-26970 Aliso Viejo Parkway	Lennar Homes proposes to demolish five existing office buildings to construct a 215-unit residential community.	A concept review was conducted by the City Council in 2024. In 2025, one of the project site properties was sold and is now owned by Glaukos. While Staff has had preliminary discussions regarding a reduced project scope, a formal application has not yet been submitted.
15 Argonaut	Demolish an existing office building to construct a 50-unit residential community.	Staff has had preliminary discussions with a potential developer, but a formal application has not yet been submitted.
95 Argonaut	Meritage Homes proposes to demolish an existing office building to construct a 61-unit residential community.	The project was approved on December 3, 2025, with a second reading of the ordinances scheduled for January 21, 2026, to finalize the approval.

Address	Description	Status
400-700 Freedom Lane	Meritage Homes proposes to construct a 72-unit residential community on a vacant lot.	A concept review was conducted by the City Council in 2024. In 2025, the project scope was reduced from 134 units to 72 units. The revised application is currently under review.
1-5 Polaris	Lennar Homes proposes to demolish five existing office buildings to construct a 405-unit residential community.	A concept review was conducted by the City Council in 2025. A formal application has not yet been submitted.
The Commons	Avalon Bay proposes to construct a 362-unit apartment building over a portion of the parking lot.	This application was inactive as of November 2024 and administratively withdrawn in 2025.

City of Aliso Viejo

AGENDA ITEM



DATE: January 21, 2026

TO: Mayor and City Council

FROM: Shaun Pelletier, Director of Public Works/City Engineer

SUBJECT: HUMMINGBIRD LANE AD HOC FOLLOW UP REPORT

Recommended Action:

Authorize the Finance Director to appropriate an additional \$20,570 of Gas Tax funds to the fiscal year (FY) 2025-26 budget.

Fiscal Impact:

The cost to implement the traffic calming measures as directed by the City Council is approximately \$20,570, which includes a 10% contingency. Gas tax funding can be used to fund the project; however, funds will need to be appropriated to the FY 2025-26 Capital Improvement Budget.

Background:

The City has been working with the residents and HOA Board for Laguna Audubon I, specifically regarding speeding concerns on Hummingbird Lane, since 2014. A summary of the requests and actions taken are found below.

- **2014** – Staff received a request from an individual Laguna Audubon I Board member to investigate concerns of cut through traffic and speeding, and to implement traffic calming recommendations. A slurry seal project was completed from May-June 2014, and as an initial step a new double yellow centerline was installed to provide visual lane narrowing intended to help reduce speeding. Several months later, this new centerline was removed at the request of the Board given complaints by residents.
- **2017-18** – Staff continued efforts to address concerns of speeding and cut through traffic. It was the staff's belief that cut through traffic during peak hours, particularly from eastbound El Toro, was due to extensive delays trying to turn right (southbound) onto Aliso Creek Road. Turning movement counts were analyzed and a simulation model was prepared by RK Engineering to demonstrate the benefit of creating a second right turn lane onto Aliso Creek Road. Discussions

with the City of Laguna Woods resulted in them completing a striping modification that created a right/through lane, greatly increasing intersection capacity and significantly reducing the benefit of using Hummingbird as a cut through street.

- **2021** – Additional concerns were received regarding speeds. Staff collected unofficial speed data using the portable radar trailer in November. The data indicated an 85th percentile speed of 28 mph with a sample size of almost 23,000 vehicles.
- **2022** – Staff discussed with the HOA Board the feasibility of installing gates at the community entrances. Staff indicated that gates would not be allowed on public streets, but if the HOA wanted to take ownership of the streets, gates could be possible. The Board was not interested in taking ownership of the streets. In December 2022, staff received an official request from the HOA Board to study the speeding concerns and provide recommendations that may include physical improvements, signage, and increased enforcement.
- **2023** – Staff worked with RK Engineering to collect data and evaluate speeds, cut through traffic, and a need for a crosswalk near Starling. 85th percentile speeds were measured at 3 locations to be 28, 29 and 31, comparable to the unofficial data previously collected. Cut through traffic was analyzed with a license plate survey and determined only 1% in the evening and 6% in the morning peak periods were cut through vehicles. A crosswalk analysis at Starling did not meet recommended standards for installation and staff does not recommend crosswalks at uncontrolled locations. The report sent to the HOA Board in late February 2023 recommended installation of a centerline and edge lines, as well as holding a community meeting to discuss the concerns and findings. Staff did not receive a response from the HOA.
- **2024** – Staff received multiple requests from residents and HOA Board to again review speed concerns. A meeting was held with a group of residents that included Board members to discuss the concerns and hear their ideas. Staff discussed the study done the year before along with the proposed improvements and recommended a community meeting. Unofficial speed data was again collected and indicated the 85th percentile speed to be 28 mph. A modified improvement plan was sent to the HOA Board on July 15 that included the centerline, edge lines, speed legends, a new speed limit sign, and rumble strip striping. A community meeting was recommended to discuss the concerns, findings and proposed improvements. The proposal indicated that a follow-up study would be 6 months following any installations, and removals would not be considered for at least 12 months. The Board replied on July 24 indicating that the centerline and edge lines were not wanted, but other items would be acceptable. Signs and striping accepted by the Board were installed in September 2024.

- **2025** – A follow up study was conducted by RK Engineering in February. 85th percentile speeds were shown to be 28 and 29 mph, no change from the 2023 study. The report recommended permanent speed feedback signs and again to conduct a community meeting. The HOA Board responded in approval of the permanent signs. The signs were installed July 10, 2025.

All Way Stop signs have been discussed several times throughout this process. These are not recommended to be used as traffic calming tools and typically should only be installed where warrants are met. Staff did not believe the warrants, specifically traffic volumes, sight distance and accident history would be met so a formal study was previously not completed. RK Engineering was directed to complete the formal warrant analysis at Hummingbird and Coral Bill in June 2025, and it was determined that the warrants were not met.

Designated school bus stops have been requested by the community at two locations. The City does not currently have any school bus stops posted on city streets. While there is no specific guidance on where these could be installed, they are not typically used at school bus stops given the residential nature of the streets, relative infrequency of stops, and the ability for the school bus to stop traffic at the time of pickup and drop off. Staff have been unable to reach Laguna Beach School District representatives to discuss the need or benefit of posted signs. Staff also do not recommend reducing available parking in residential areas whenever possible.

Costs incurred for the traffic studies and implemented improvements dating back to 2017, including the speed feedback signs, total almost \$39,000.

Discussion:

On June 6, 2025, Councilmember Zandbergen attended the Laguna Audubon I HOA Board Meeting. An Ad Hoc Committee was established at the June 18 Council Meeting including Councilmembers Zandbergen and Munzing to further discuss actions taken to date and additional measures requested by members in HOA community.

The Ad Hoc Committee met on June 24th and included Council Members Zandbergen and Munzing, City Manager Ortiz, Public Works Director Pelletier and Administrative Sergeant Duran.

Based upon requests made by the community, including at the HOA Board Meeting on June 6, and the Ad Hoc discussion about what has been done to date, the following items are being recommended for consideration by the City Council. Please note that all costs are estimated.

- Double yellow centerline as previously proposed by Staff (\$3,000)
- White edge lines as previously proposed by Staff but only located at the intersections. This in effect would be considered a bulb out (\$3,000)
- All Way Stop Sign at Hummingbird and Coral Bill (\$2,500)
- All Way Stop Sign at Hummingbird and San Bittern (\$2,500)
- Crosswalks at Hummingbird and Coral Bill (\$45,000)
- Crosswalks at Hummingbird and San Bittern (\$30,000)
- No Parking Bus signs at the two locations utilized by LBUSD (\$2,000)

Centerline and edge line striping was proposed by Staff but not wanted by the HOA. Staff propose that the striping be completed when any other improvements are implemented. The modification of edge lines to only be located at intersections is an acceptable alternative known as a bulb out. It provides a narrowing effect and improves sight distance at crossing locations.

All Way Stop Signs have not been recommended by Staff since the warrants were not met. Installation at the direction of City Council would include three stop signs along with the painted stop bar and stop legend in the street at each location. Consideration could be given to high visibility LED flashing stop signs at additional cost. Since stop signs are not recommended tools for traffic calming and the warrants are not met, staff would recommend consideration of speed humps as an alternative to stop signs. Installation of such devices should receive a 2/3 vote of affirmation from the entire community, as well as affirmation from property owners directly impacted adjacent to their property. Cost would be around \$6,000 each depending on the materials used.

Staff only recommend the installation of crosswalks if curb ramps meeting ADA standards are designed and installed, ideally at controlled intersections. Upon review of the two locations (three crosswalks each), the existing utility structures and driveways would make installation meeting code difficult for crossing Hummingbird. Staff would recommend only installing a single crosswalk across Hummingbird at each location, rather than the two that might typically be installed. The crossings on Coral Bill and San Bittern should not present physical obstacles but still should include updated ADA ramps. The costs indicated above include all ramps. Staff proposes ladder style crosswalks on Hummingbird and standard crosswalks on Coral Bill and San Bittern.

Consideration to only install the crosswalk across Hummingbird at Coral Bill may be worthy since extensive concrete work on the sidewalk and drainage cross gutter would be required to complete the crossing on Coral Bill, and as such is more expensive. San Bittern does not have this same complication. Other considerations should be made

regarding the impact to private property during construction and restoration, and loss of parking. Staff recommend obtaining any impacted property owner's written affirmation prior to installation.

No parking at the school bus loading zones would be established with signage (R7-107a) and red curb. This would impact parking and likely require regular enforcement to ensure compliance.

After the July 16th Council Meeting staff collected data from the newly installed speed feedback signs. The unofficial 85th percentile speed during the first month of installation is 24 mph on the southbound sign, and 23 mph on the northbound sign. This is in comparison to 28 and 29 mph officially recorded in 2022.

Staff believes the installed measures have been successful in reducing speeds at the critical location in front of the homes. Staff is also aware of requests both for and against additional traffic calming measures being installed, particularly in the southbound direction (upon entry) adjacent to Hummingbird Park. Should City Council direct staff to further evaluate this segment adjacent to the park, the following measures are possible.

- White edge lines from Aliso Creek Road to the end of the existing double yellow centerline. Bulb outs would typically be recommended at intersections or crosswalks, not midblock locations (\$1,000)
- Channelization striping/delineators at Aliso Creek Road entrance (\$1,000)
- Permanent speed feedback sign (\$8,000 each)
- Speed hump midway between Aliso Creek Road and end of park (\$6,000)

At the September 3, 2025, Council Meeting, staff was directed to move forward only with school bus zone no parking areas.

At the October 15, 2025, Council Meeting, staff was directed to complete the following components adjacent to Hummingbird Park. Actual bid prices were higher than estimated (\$8,000); and the total project will cost \$18,700.

- White edge lines from Aliso Creek Road to the end of the existing double yellow centerline.
- Channelization striping/delineators at Aliso Creek Road entrance.
- Speed hump midway between Aliso Creek Road and end of Hummingbird Park.

Work will be completed through the existing on-call street maintenance contract with PV Maintenance. The allocation of \$20,570, including 10% contingency, ensures normal street maintenance budgeted activities are not impacted.

Environmental:

Project is categorically exempt from the California Environmental Quality Act (CEQA) process Per Title 14 of the California Code of Regulations, Chapter 3, Article 19, Section 15301 (Class 1: Existing Facilities).

City of Aliso Viejo

AGENDA ITEM



DATE: January 21, 2026

TO: Mayor and City Council

FROM: Rose Rivera, Senior Planner
So Kim, Community Development Director

SUBJECT: CONSIDERATION OF AN ORDINANCE AMENDING SECTION 15.14.080 REGARDING ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND DETERMINE THE ORDINANCE TO BE EXEMPT FROM CEQA UNDER PUBLIC RESOURCES CODE § 21080.17

Recommended Actions:

1. Find that the ordinance is exempt from review under the California Environmental Quality Act (CEQA) under Public Resources Code § 21080.17;
2. Introduce for first reading by title only an ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO AMENDING SECTION 15.14.080 OF THE ALISO VIEJO MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER Public Resources Code § 21080.17.

Fiscal Impact:

There is no fiscal impact.

Background:

In recent years, the California Legislature has approved, and the Governor has signed into law, a number of bills that further limit local authority to regulate Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs). In response, the City has periodically amended its ADU regulations to remain consistent with state law and guidance from the California Department of Housing and Community Development (HCD).

In 2024, the City amended Section 15.14.080 of the Aliso Viejo Municipal Code through adoption of Ordinance No. 2024- 243. During HCD's review of that ordinance, HCD issued a comment letter advising that certain local provision, specifically related to

architectural requirements, were inconsistent with State ADU Law and should be removed. Changes to section (I)(7) were among the provisions identified by HCD and were intentionally omitted from the City's ADU regulations to ensure compliance with state law and avoid HCD findings of noncompliance.

In late 2025, additional amendments to State ADU Law were enacted, prompting further updates to the City's ordinance. At its December 3, 2025 meeting, the City Council held a duly noticed public hearing and introduced for first reading an ordinance amending Section 15.14.080 to implement these new statutory requirements. Following introduction of the ordinance, Staff discovered that Section (I)(7) which had previously been modified in accordance with HCD guidance, was inadvertently included in the draft ordinance.

Discussion:

Staff is bringing forward a revised ordinance that modifies Section (I)(7), Architectural Requirements, to align with guidance from the California Department of Housing and Community Development (HCD) and ensure consistency with State ADU Law. Because these revisions change the content of the ordinance as previously introduced, Staff recommends re- introduction of the revised ordinance for first reading prior to consideration of adoption at a future meeting. The regulations listed below are not part of the current code, were inadvertently included, and are proposed to be removed:

1. Interior Dimensions: Removes minimum interior width and wall height requirements that could restrict ADUs otherwise permitted under State ADU Law or preclude conversion of existing structures.
2. Window and Door Line- of- Sight Standards: Deletes requirements restricting window and door placement based on direct line- of- sight, which function as implicit setback or design controls and are not considered objective standards.
3. Clerestory and Obscured Glass Requirements: Removes clerestory and obscured glazing requirements for windows and doors near property lines that could limit ADU feasibility and introduce non-objective design standards.
4. Mechanical Equipment Setback: Eliminates the four- foot setback requirement for mechanical equipment and instead relies on applicable building and fire codes to address fire and life safety.

No other substantive changes from the ordinance introduced for the first reading on December 3, 2025 are proposed. Re- introduction of the ordinance ensures clarity and consistency with State ADU Law and HCD guidance.

Environmental:

Under California Public Resources Code section 21080.17, CEQA does not apply to the adoption of an ordinance by a city or county implementing the provisions of Chapter 13 of Division 1 of Title 7 of the California Government Code, which is California's ADU law. Therefore, the adoption of the proposed urgency Ordinance is statutorily exempt from CEQA in that it implements state ADU law.

Public Notice:

A public notice was published in the Orange County Register on November 20, 2025.

Attachments:

1. Ordinance
2. Redlined Ordinance
3. Presentation

ORDINANCE NO. 2026-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO AMENDING SECTION 15.14.080 OF THE ALISO VIEJO MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER PUBLIC RESOURCES CODE § 21080.17

WHEREAS, in recent years, the California Legislature has approved, and the Governor has signed into law, numerous bills that amend various sections of the Government Code to impose new limits on local authority to regulate accessory dwelling units (“ADUs”) and junior accessory dwelling units (“JADUs”);

WHEREAS, in 2024, the City amended its ADU regulations through adoption of Ordinance No. 2024- 243, following review and comment by the California Department of Housing and Community Development (“HCD”);

WHEREAS, in 2025, the California Legislature approved, and the Governor signed into law, additional amendments to state ADU law that require further updates to local ordinances;

WHEREAS, on December 3, 2025, the City Council held a duly noticed public hearing as prescribed by law and introduced an ordinance amending Section 15.14.080 of the Aliso Viejo Municipal Code to implement recent changes in state ADU law;

WHEREAS, following introduction of the ordinance, it was determined that Section (I)(7), which had previously been modified based on HCD guidance, was inadvertently included;

WHEREAS, the City now seeks to re- introduce a revised ordinance that modifies Section (I)(7) to ensure consistency with state law and HCD guidance; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

NOW, THEREFORE, the City Council of the City of Aliso Viejo does ordain as follows:

SECTION 1. Incorporation of Recitals. The recitals above are each incorporated by reference and adopted as findings by the City Council.

SECTION 2. CEQA. Under California Public Resources Code section 21080.17, the California Environmental Quality Act (“CEQA”) does not apply to the adoption of an ordinance by a city or county implementing the provisions of Chapter 13 of Division 1 of Title 7 of the California Government Code, which is California’s ADU law. Therefore,

adoption of the Ordinance is statutorily exempt from CEQA in that it implements state ADU law.

SECTION 3. General Plan. The City Council hereby finds that the adoption of the Ordinance is consistent with the General Plan as a matter of law under Government Code section 66314(c).

SECTION 4. Code Amendment. Section 15.14.080 of the Aliso Viejo Municipal Code is hereby amended and restated to read in its entirety as provided in Exhibit "A," attached hereto and incorporated herein by reference.

SECTION 5. Effective Date. This Ordinance takes effect 30 days after its adoption.

SECTION 6. HCD Submittal. In accordance with Government Code sections 66326 and 66333.5, the City Clerk is directed to submit a copy of this Ordinance to the California Department of Housing and Community Development within 60 days after adoption.

SECTION 7. Publication. The City Clerk is directed to certify to the adoption of this Ordinance and post or publish this Ordinance as required by law.

SECTION 8. Custodian of Records. The custodian of records for this Ordinance is the City Clerk and the records comprising the administrative record are located at 12 Journey, Suite 100, Aliso Viejo, CA 92656.

SECTION 9. Severability. If any provision of this Ordinance or its application to any person or circumstance is held to be invalid by a court of competent jurisdiction, such invalidity has no effect on the other provisions or applications of the Ordinance that can be given effect without the invalid provision or application, and to this extent, the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any portion thereof.

PASSED, APPROVED AND ADOPTED this 4th day of February, 2026.

Max Duncan
Mayor

APPROVED AS TO FORM:

ATTEST:

Scott C. Smith, City Attorney

Kathy Bailor, Interim City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ALISO VIEJO)

I, KATHY BAILOR, Interim City Clerk of the City of Aliso Viejo, California, DO HEREBY CERTIFY that foregoing Ordinance No. 2026-__ duly passed and adopted by the City Council of the City of Aliso Viejo at their regular meeting held on the 4th day of February, 2026, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

KATHY BAILOR
INTERIM CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 2026-__ duly passed and adopted by the Aliso Viejo City Council at its regular meeting held February 4, 2026, and that the Summary of the Ordinance was published on November 20, 2025, in the Orange County Register.

KATHY BAILOR
INTERIM CITY CLERK

(SEAL)

EXHIBIT A

Amended AVMC Section 15.14.080

15.14.080 Accessory dwelling units.

- A. **Purpose.** The purpose of this section is to allow and regulate accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in compliance with Chapter 13 of Division 1 of Title 7 of the California Government Code.
- B. **Effect of Conforming.** An ADU or JADU that conforms to the standards in this section will not be:
1. Deemed to be inconsistent with the city's general plan and zoning designation for the lot on which the ADU or JADU is located.
 2. Deemed to exceed the allowable density for the lot on which the ADU or JADU is located.
 3. Considered in the application of any local ordinance, policy, or program to limit residential growth.
 4. Required to correct a nonconforming zoning condition, as defined in subsection (C)(8) of this section. This does not prevent the city from enforcing compliance with applicable building standards in accordance with California Health and Safety Code Section 17980.12.
- C. **Definitions.** As used in this section, terms are defined as follows:
1. "Accessory dwelling unit" or "ADU" means an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. An accessory dwelling unit also includes the following:
 - a. An efficiency unit, as defined by California Health and Safety Code section 17958.1; and
 - b. A manufactured home, as defined by California Health and Safety Code. Section 18007.
 2. "Accessory structure" means a structure that is accessory and incidental to a dwelling located on the same lot.
 3. "Complete independent living facilities" means permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated.

4. “Efficiency kitchen” means a kitchen that includes all of the following:
 - a. A cooking facility with appliances;
 - b. A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the JADU.
5. “Junior accessory dwelling unit” or “JADU” means a residential unit that satisfies all of the following:
 - a. It is no more than 500 square feet of interior livable space in size.
 - b. It is contained entirely within an existing or proposed single-family structure; An enclosed use within the residence, such as an attached garage, is considered to be a part of and contained within the single-family structure.
 - c. It includes its own separate sanitation facilities or shares sanitation facilities with the existing or proposed single-family structure.
 - d. If the unit does not include its own separate bathroom, then it contains an interior entrance to the main living area of the existing or proposed single-family structure.
 - e. It includes an exterior entrance that is separate from the main entrance to the primary dwelling.
 - f. It includes an efficiency kitchen, as defined in subsection (C)(4) of this section.
6. “Livable space” means a space in a dwelling intended for human habitation, including living, sleeping, eating, cooking or sanitation.
7. “Living area” means the interior habitable area of a dwelling unit, including basements and attics, but does not include a garage or any accessory structure.
8. “Nonconforming zoning condition” means a physical improvement on a property that does not conform with current zoning standards.
9. “Passageway” means a pathway that is unobstructed clear to the sky and extends from a street to one entrance of the ADU or JADU.
10. “Proposed dwelling” means a dwelling that is the subject of a permit application and that meets the requirements for permitting.

11. "Public transit" means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.
12. "Tandem parking" means that two or more automobiles are parked on a driveway or in any other location on a lot, lined up behind one another.

D. Applications.

1. An application for an ADU that is subject only to a building permit under subsection (E) below shall be submitted to the building division. Site plans, floor plans, and elevations shall be submitted with the application and documents required for submittal to the building division.
2. An application for a development review permit (DRP) under subsection (F) of this section shall be submitted to the planning division. Site plans, floor plans, elevations, a project narrative, draft deed restrictions, and evidence of having given notice to the HOA, if applicable, shall be submitted with the application.
3. Upon receipt of an application for a DRP, the city will provide written notice via email to the applicable HOA on record, if any, that includes the project address and description. Irrespective of this notification requirement, all applications to create an ADU or JADU will be considered and approved ministerially, without discretionary review or a hearing.

E. Approvals – Building-Permit Only. If any ADU or JADU complies with each of the general requirements in subsection (G)(1) below, it is allowed with only a building permit.

F. Approvals - Development Review Permit (DRP).

1. ADU may be created without both a building permit and a Development Review Permit in compliance with the standards set forth in subsections (H) and (I) of this section.
2. The city may charge a fee to reimburse it for costs incurred in processing DRP permit, including the costs of adopting or amending the city's ADU ordinance. The DRP permit processing fee is set in accordance with a resolution adopted by the City Council.
3. Processing and Timing.
 - a. Completeness.

- i. Determination in 15 days. The city will determine whether an application to create or serve an ADU or JADU is complete and will provide written notice of the determination to the applicant within 15 business days after the city receives the application submittal.
- ii. Incomplete items. If the city's determination under subsection (F)(3)(a)(i) of this section is that the application is incomplete, the city's notice must list the incomplete items and describe how the application can be made complete.
- iii. Cure. After receiving a notice that the application is incomplete, the applicant may cure and address the items that were deemed by the city to be incomplete.
- iv. Subsequent submittals. If the applicant submits additional information to address incomplete items, within 15 business days of the subsequent submittal the city will determine in writing whether the additional information remedies all the incomplete items that the city identified in its original notice. The city may not require the application to include an item that was not included in the original notice.
- v. Deemed complete. If the city does not make a timely determination as required by this subsection (F)(3)(a), the application or resubmitted application is deemed complete for the purposes of subsection (F)(3)(a)(viii).
- vi. Appeal of incompleteness. An applicant may appeal the city's determination that the application is incomplete by submitting a written appeal to the city clerk. The city council will review the written appeal and affirm or reverse the completeness determination and provide a final written determination to the applicant within 60 business days after receipt of the appeal.
- vii. No discretion or hearing. Ministerial permits for an ADU or JADU are considered and approved without discretionary review or a hearing.
- viii. Deadline to approve or deny ministerial approvals. The city must approve or deny an application to create an ADU or JADU within 60 days from the date that the city receives a complete

application. If the city has not approved or denied the complete application within 60 days, the application is deemed approved unless either:

1. The applicant requests a delay, in which case the 60-day time period is tolled for the period of the requested delay, or
 2. When an application to create an ADU or JADU is submitted with a permit application to create a new single-family or multifamily dwelling on the lot, the city may delay acting on the permit application for the ADU or JADU until the city acts on the permit application to create the new single-family or multifamily dwelling, but the application to create the ADU or JADU will still be considered ministerially without discretionary review or a hearing.
- ix. Denial. If the city denies an application to create an ADU or JADU, the city must provide the applicant with comments that include, among other things, a list of all the defective or deficient items and a description of how the application may be remedied by the applicant. Notice of the denial and corresponding comments must be provided to the applicant within the 60-day time period established by subsection (F)(3)(a)(viii) of this section.
- x. Appeal of denial. An applicant may appeal the city's denial of the application by submitting a written appeal to the city clerk. The city council will review the written appeal and affirm or reverse the denial and provide a final written determination to the applicant within 60 business days after receipt of the appeal. Decisions by the city council are final and shall become effective immediately except as otherwise provided in the approving action and except for actions by ordinance.
- xi. Concurrent review of demolition. A demolition permit for a detached garage that is to be replaced with an ADU is reviewed with the application for the ADU and issued at the same time.

G. Classes.

1. Class 1: Statutorily Regulated. Class 1 ADUs and JADUs are approved under Government Code Section 66323. If an Adu or JADU complies with each of the general requirements in subsection (H) below, it is allowed in each of the scenarios provided in this subsection (G)(1). An Adu and JADU approved under subsection (G)(1)(a) may be combined with an Adu approved under subsection (G)(1)(b), and ADUs approved under subsection (G)(1)(c) may be combined with ADUs approved under subsection (G)(1)(d).
 - a. Converted on Lot with Single-Family: One Adu as described in this subsection (G)(1)(a) and one JADU on a lot with a proposed or existing single-family dwelling on it, where the Adu or JADU:
 - i. Is either: within the space of a proposed single-family dwelling; within the existing space of an existing single-family dwelling; or (in the case of an Adu only) within the existing space of an accessory structure, plus up to 150 additional square feet if the expansion is limited to accommodating ingress and egress; and
 - ii. Has exterior access that is independent of that for the single-family dwelling; and
 - iii. Has side and rear setbacks sufficient for fire and safety, as dictated by applicable building and fire codes;
 - iv. The maximum size of a detached or attached Adu subject to this subsection (G) is 850 square feet of interior livable space for a studio or one-bedroom unit and 1,000 square feet of interior livable space for a unit with two or more bedrooms.
 - v. The JADU complies with the requirements of Government Code sections 66333 through 66339.
 - b. Limited Detached on Lot with Single-Family: One detached, new-construction Adu on a lot with a proposed or existing single-family dwelling, if the detached Adu satisfies each of the following limitations:
 - i. The side- and rear-yard setbacks are at least four feet.
 - ii. The total floor area is 800 square feet of livable space or smaller.

- iii. The peak height above grade does not exceed the applicable height limit in subsection (H)(2) of this section.
 - c. **Converted on Lot with Multifamily:** One or more ADUs within portions of existing multifamily dwelling structures that are not used as livable space, including but not limited to storage rooms, boiler rooms, passageways, attics, basements, or garages, if each converted ADU complies with state building standards for dwellings. Under this subsection (G)(1)(c), at least one converted ADU is allowed within an existing multifamily dwelling, up to a quantity equal to 25 percent of the existing multifamily dwelling units.
 - d. **Limited Detached on Lot with Multifamily:** No more than two detached ADUs on a lot with a proposed multifamily dwelling, or up to eight detached ADUs on a lot with an existing multifamily dwelling, if each detached ADU satisfies all of the following:
 - i. The side- and rear-yard setbacks are at least four feet. If the existing multifamily dwelling has a rear or side yard setback of less than four feet, the city will not require any modification to the multifamily dwelling as a condition of approving the ADU.
 - ii. The peak height above grade does not exceed the applicable height limit provided in subsection (H)(2) of this section.
 - iii. If the lot has an existing multifamily dwelling, the quantity of detached ADUs does not exceed the number of primary dwelling units on the lot.
 - 2. **Class 2: Locally Regulated.** Class 2 ADUs are approved under Government Code sections 66314–66322. Except for Class 1 ADUs approved under subsection (G)(1) of this section, all ADUs are subject to the standards set forth in subsections (H) and (I) of this section.
- H. **General Requirements.** The following requirements apply to all Class 1 and Class 2 ADUs and JADUs:
- 1. **Zoning.**
 - a. A Class 1 ADU approved under subsection (G)(1) may be created on a lot in a residential or mixed-use zone.
 - b. A Class 2 ADU approved under subsection (G)(2) above may be created on a lot that is zoned to allow single-family dwelling residential use or multifamily dwelling residential use.

- c. In accordance with Government Code Section 66333(a), a JADU may only be created on a lot zoned for single-family residences.
- 2. Height.
 - a. Except as otherwise provided by subsections (H)(2)(b) or (H)(2)(c) of this section, a detached ADU created on a lot with an existing or proposed single family or multifamily dwelling unit may not exceed 16 feet in height.
 - b. A detached ADU may be up to 18 feet in height if it is created on a lot with an existing or proposed single family or multifamily dwelling unit that is located within one-half mile walking distance of a major transit stop or a high quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code, and the ADU may be up to two additional feet in height (for a maximum of 20 feet) if necessary to accommodate a roof pitch on the ADU that is aligned with the roof pitch of the primary dwelling unit.
 - c. A detached ADU created on a lot with an existing or proposed multifamily dwelling that has more than one story may not exceed 18 feet in height.
 - d. An ADU that is attached to the primary dwelling may not exceed 25 feet in height or the height limitation imposed by the underlying zone that applies to the primary dwelling, whichever is lower. Notwithstanding the foregoing, ADUs subject to this subsection (H)(2)(d) may not exceed two stories.
 - e. For purposes of this subsection (H)(2), height shall be measured as defined in the California Building Code.
- 3. Fire Sprinklers.
 - a. Fire sprinklers, approved by Orange County Fire Authority (OCFA), are required in an ADU if sprinklers are required in the primary residence when constructed.
 - b. The construction of an ADU does not trigger a requirement for fire sprinklers to be installed in the existing primary dwelling.
- 4. Rental Term. No ADU or JADU may be rented for a term that is shorter than 30 days. This prohibition applies regardless of when the ADU or JADU was created.
- 5. No Separate Conveyance. An ADU or JADU may be rented, but, except as otherwise provided in Government Code section 66341, no ADU or JADU

may be sold or otherwise conveyed separately from the lot and the primary dwelling (in the case of a single-family lot) or from the lot and all of the dwellings (in the case of a multifamily lot).

6. Septic System. If the ADU or JADU will connect to on-site wastewater system, the owner must include with the application a percolation test completed within the last five years or, if the percolation test has been recertified, within the last 10 years.
7. Owner Occupancy.
 - a. JADUs are generally subject to an owner-occupancy requirement. A natural person with legal or equitable title to the property must reside on the property, in either the primary dwelling or JADU, as the person's legal domicile and permanent residence.
 - i. Exceptions. The owner-occupancy requirement in this subsection (H)(7)(a) does not apply in either of the following situations:
 1. The JADU has separate sanitation facilities (i.e., does not share sanitation facilities with the existing primary dwelling unit structure).
 2. The property is entirely owned by another governmental agency, land trust, or housing organization.
8. Deed Restriction. Prior to issuance of a certificate of occupancy for a JADU, a deed restriction must be recorded against the title of the property in the county recorder's office, and a copy filed with the director. The deed restriction must run with the land and bind all future owners. The form of the deed restriction will be provided by the city and must provide that:
 - a. The JADU may not be sold separately from the primary dwelling.
 - b. The JADU is restricted to the approved size and to other attributes allowed by this section.
 - c. The deed restriction runs with the land and may be enforced against future property owners.
 - d. The deed restriction may be removed if the owner eliminates the JADU, as evidenced by, for example, removal of the kitchen facilities. To remove the deed restriction, an owner may make a written request of the director, providing evidence that the JADU has in fact been eliminated. The director may then determine whether the evidence supports the claim that the JADU has been eliminated. Appeal may be

taken from the director's determination consistent with other provisions of this code. If the JADU is not entirely physically removed but is only eliminated by virtue of having a necessary component of a JADU removed, the remaining structure and improvements must otherwise comply with applicable provisions of this code.

- e. The deed restriction is enforceable by the director or his or her designee for the benefit of the city. Failure of the property owner to comply with the deed restriction may result in legal action against the property owner, and the city is authorized to obtain any remedy available to it at law or equity, including, but not limited to, obtaining an injunction enjoining the use of the JADU in violation of the recorded restrictions or abatement of the illegal unit.

9. Building & Safety.

- a. Must comply with Building Code. Subject to subsection (H)(9)(b) of this section, all ADUs and JADUs must comply with all local building code requirements.
- b. No change of occupancy. Construction of an ADU does not constitute a Group R occupancy change under the local building code, as described in Section 310 of the California Building Code, unless the building official or code enforcement division officer makes a written finding based on substantial evidence in the record that the construction of the ADU could have a specific, adverse impact on public health and safety. Nothing in this subsection (H)(9)(b) prevents the city from changing the occupancy code of a space that was uninhabitable space or that was only permitted for nonresidential use and was subsequently converted for residential use in accordance with this section.

10. Certificate of Occupancy Timing.

- a. Generally. No certificate of occupancy for an ADU or JADU may be issued before the certificate of occupancy is issued for the primary dwelling unit.
- b. Limited Exception for State-declared Emergencies. Notwithstanding subsection (H)(10)(A) of this section, a certificate of occupancy for an ADU may be issued before a certificate of occupancy for the primary dwelling if each of the following requirements are met:
 - i. The county is subject to a proclamation of a state of emergency made by the California Governor on or after February 1, 2025.

- ii. The primary dwelling was substantially damaged or destroyed by an event referenced in the Governor's state of emergency proclamation.
 - iii. The ADU has been issued construction permits and has passed all required inspections.
 - iv. The ADU is not attached to the primary dwelling.
- I. Specific DRP Requirements. The following requirements apply only to Class 2 ADUs that require a DRP permit under subsection (G)(2) of this section. This subsection (I) does not apply to Class 1 ADUs or JADUs approved under subsection (G)(1) of this section.
 - 1. Maximum Size.
 - a. The maximum size of a detached or attached ADU subject to this subsection (I) is 850 square feet of interior livable space for a studio or one-bedroom unit and 1,000 square feet of interior livable space for a unit with two or more bedrooms.
 - b. An attached ADU that is created on a lot with an existing primary dwelling is further limited to 50 percent of the floor area of the existing primary dwelling.
 - c. Application of other development standards in this subsection (I), such as FAR or lot coverage, might further limit the size of the ADU, but no application of FAR, lot coverage, open space, or the percentage-based size limit in subsection (I)(1)(b) above may require the ADU to be less than 800 square feet of interior livable space.
 - 2. Setback. ADUs subject to this subsection (I) shall comply with the following setbacks:
 - a. Setbacks.
 - i. ADUs that are subject to this subsection (I) must conform to 4-foot side and rear setbacks. ADUs that are subject to this subsection (I) must conform to 25-foot front setbacks, subject to subsection (I)(1)(c) above.
 - ii. No setback is required for an ADU that is subject to this subsection (I) if the ADU is constructed in the same location and to the same dimensions as an existing structure.

3. Lot Coverage. No ADU subject to this subsection (I) may cause the total lot coverage of the lot to exceed 75 percent, subject to subsection (I)(1)(c) of this section.
4. Minimum Open Space. For multifamily residential projects, no ADU subject to this subsection (I) may cause the total percentage of open space of the development to fall below 25 percent, subject to subsection (I)(1)(c) of this section.
5. Passageway. No passageway, as defined in subsection (C)(9) above, is required for an ADU.
6. Parking.
 - a. Generally. One off-street parking space is required for each ADU or bedroom, whichever is less. The parking space may be provided in setback areas or as tandem parking, as defined in subsection (C)(12) of this section.
 - b. Exceptions. No parking under subsection (I)(6)(a) of this section is required in the following situations:
 - i. The ADU is located within one-half mile walking distance of public transit, as defined in subsection (C)(11) of this section.
 - ii. The ADU is located within an architecturally and historically significant historic district.
 - iii. The ADU is part of the proposed or existing primary residence or an accessory structure.
 - iv. When on-street parking permits are required but not offered to the occupant of the ADU.
 - v. When there is an established car share vehicle stop located within one block of the ADU.
 - vi. When the permit application to create an ADU is submitted with an application to create a new single-family or new multifamily dwelling on the same lot, provided that the ADU or the lot satisfies any other criteria listed in subsections (I)(6)(b)(i) through (I)(6)(b)(v) of this section.
 - c. No Replacement. When a garage, carport, covered parking structure or uncovered parking space is demolished in conjunction with the

construction of an ADU or converted to an ADU, those off-street parking spaces are not required to be replaced.

7. Architectural Requirements.

- a. The materials and colors of the exterior walls, roof, windows and doors must be the same as those of the primary dwelling.
- b. The roof slope must match that of the dominant roof slope of the primary dwelling. The dominant roof slope is the slope shared by the largest portion of the roof.
- c. The exterior lighting must be designed or shielded to direct lights downward or as otherwise required by the building or fire code.
- d. The ADU must have an independent exterior entrance, apart from that of the primary dwelling.
- e. All windows less than 30 feet from a property line that is not a public right-of-way line must utilize obscure glass, such as frosted, patterned, bubble effect, ribbed, or other similar design.
- f. Mechanical equipment shall maintain a setback sufficient for fire and safety, as dictated by applicable building and fire codes.

8. Allowed Stories. No ADU subject to this subsection (I) may have more than one story, except that an ADU that is attached to the primary dwelling may have the stories allowed under subparagraph (H)(2)(d) of this section.

J. Fees. The following requirements apply to all Class 1 ADUs and JADUs and Class 2 ADUs that are approved under subsections (E) and (F) of this section.

1. Impact Fees.

- a. No impact fee is required for a JADU or for an ADU that is less than 750 square feet of interior livable space. For purposes of this subsection (J)(1), “impact fee” means a “fee” under the Mitigation Fee Act (Gov. Code § 66000(b)) and a fee under the Quimby Act (Gov. Code § 66477). “Impact fee” here does not include any connection fee or capacity charge for water or sewer service.
- b. A JADU or ADU with less than 500 square feet of interior livable space does not increase assessable space by 500 square feet for purposes of Education Code section 17620(a)(1)(C) and is

therefore not subject to school fees under Education Code section 17620.

- c. Any impact fee that is required for an ADU that is 750 square feet or more of interior livable space must be charged proportionately in relation to the square footage of the primary dwelling unit (e.g., the floor area of the ADU, divided by the floor area of the primary dwelling, times the typical fee amount charged for a new dwelling).

2. Utility Fees.

- a. If an ADU or JADU is constructed with a new single-family home, a separate utility connection directly between the ADU or JADU and the utility and payment of the normal connection fee and capacity charge for a new dwelling may be required.
- b. Except as described in subsection (J)(2)(a), JADUs and converted ADUs on a single-family lot that are created under subsection (J)(1)(a) of this section are not required to have a new or separate utility connection directly between the JADU or the ADU and the utility. Nor is a connection fee or capacity charge required. Notwithstanding the rest of this paragraph, a direct utility connection is required for separate conveyance of an ADU when separate conveyance is allowed under this code.
- c. Except as described in subsection (J)(2)(a), all ADUs not covered by subsection (J)(2)(b) may require a new, separate utility connection directly between the ADU and the utility for any utility that is provided by the city. All utilities that are not provided by the city are subject to the connection and fee requirements of the utility provider.
 - i. The connection is subject to a connection fee or capacity charge that is proportionate to the burden created by the ADU, based on either the floor area or the number of drainage-fixture units (DFU) values, as defined by the Uniform Plumbing Code, upon the water or sewer system.
 - ii. The portion of the fee or charge that is charged by the city may not exceed the reasonable cost of providing this service.

K. Nonconforming Zoning Code Conditions, Building Code Violations, and Unpermitted Structures.

1. Generally. The city will not deny an ADU or JADU application due to a nonconforming zoning condition, building code violation, or unpermitted structure on the lot that does not present a threat to the public health and safety and that is not affected by the construction of the ADU or JADU.
2. Unpermitted ADUs and JADUs constructed before 2020.
 - a. Permit to Legalize. As required by state law, the city may not deny a permit to legalize an existing but unpermitted ADU that was constructed before January 1, 2020, if denial is based on either of the following grounds:
 - i. The ADU or JADU violates applicable building standards; or
 - ii. The ADU or JADU does not comply with the state ADU or JADU law or this ADU ordinance (section 15.14.080).
 - b. Exceptions:
 - i. Notwithstanding subsection (K)(2)(a) above, the city may deny a permit to legalize an existing but unpermitted ADU or JADU that was constructed before January 1, 2020, if the city makes a finding that correcting a violation is necessary to comply with the standards specified in California Health and Safety Code section 17920.3.
 - ii. Subsection (K)(2)(a) above does not apply to a building that is deemed to be substandard in accordance with California Health and Safety Code section 17920.3.
- L. Nonconforming ADUs and Discretionary Approval. Any proposed ADU or JADU that would otherwise be allowed under this section but that does not conform to the objective design or development standards set forth in subsections (A) through (K) of this section may be allowed by the city with a conditional use permit, in accordance with the other provisions of this title.

15.14.080 Accessory dwelling units.

- A. **Purpose.** The purpose of this section is to allow and regulate accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in compliance with Chapter 13 of Division 1 of Title 7 of the California Government Code. .
- B. **Effect of Conforming.** An ADU or JADU that conforms to the standards in this section will not be:
1. Deemed to be inconsistent with the city's general plan and zoning designation for the lot on which the ADU or JADU is located.
 2. Deemed to exceed the allowable density for the lot on which the ADU or JADU is located.
 3. Considered in the application of any local ordinance, policy, or program to limit residential growth.
 4. Required to correct a nonconforming zoning condition, as defined in subsection (C)(8) of this section. This does not prevent the city from enforcing compliance with applicable building standards in accordance with California Health and Safety Code Section [17980.12](#).
- C. **Definitions.** As used in this section, terms are defined as follows:
1. "Accessory dwelling unit" or "ADU" means an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. An accessory dwelling unit also includes the following:
 - a. An efficiency unit, as defined by California Health and Safety Code section 17958.1; and
 - b. A manufactured home, as defined by California Health and Safety Code. Section 18007.
 2. "Accessory structure" means a structure that is accessory and incidental to a dwelling located on the same lot.

3. “Complete independent living facilities” means permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated.
4. “Efficiency kitchen” means a kitchen that includes all of the following:
 - a. A cooking facility with appliances;
 - b. A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the JADU.
5. “Junior accessory dwelling unit” or “JADU” means a residential unit that satisfies all of the following:
 - a. It is no more than 500 square feet of interior livable space in size.
 - b. It is contained entirely within an existing or proposed single-family structure; An enclosed use within the residence, such as an attached garage, is considered to be a part of and contained within the single-family structure.
 - c. It includes its own separate sanitation facilities or shares sanitation facilities with the existing or proposed single-family structure.
 - d. If the unit does not include its own separate bathroom, then it contains an interior entrance to the main living area of the existing or proposed single-family structure.
 - e. It includes an exterior entrance that is separate from the main entrance to the primary dwelling.
 - f. It includes an efficiency kitchen, as defined in subsection (C)(4) of this section.
6. “Livable space” means a space in a dwelling intended for human habitation, including living, sleeping, eating, cooking or sanitation.
7. “Living area” means the interior habitable area of a dwelling unit, including basements and attics, but does not include a garage or any accessory structure.

- 8. “Nonconforming zoning condition” means a physical improvement on a property that does not conform with current zoning standards.
- 9. “Passageway” means a pathway that is unobstructed clear to the sky and extends from a street to one entrance of the ADU or JADU.
- 10. “Proposed dwelling” means a dwelling that is the subject of a permit application and that meets the requirements for permitting.
- 11. “Public transit” means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.
- 12. “Tandem parking” means that two or more automobiles are parked on a driveway or in any other location on a lot, lined up behind one another.

D. Applications.

- 1. An application for an ADU that is subject only to a building permit under subsection (E) below shall be submitted to the building division. Site plans, floor plans, and elevations shall be submitted with the application and documents required for submittal to the building division.

D. Applications.

- 1. An application for an ADU that is subject only to a building permit under subsection (E) of this section shall be submitted to the building division. Site plans, floor plans, and elevations shall be submitted with the application and documents required for submittal to the building division.
- 2. An application for a development review permit (DRP) under subsection (F) of this section shall be submitted to the planning division. Site plans, floor plans, elevations, a project narrative, draft deed restrictions, and evidence of having given notice to the HOA, if applicable, shall be submitted with the application.
- 3. Upon receipt of an application for a DRP, the city will provide written notice via email to the applicable HOA on record, if any, that includes the project address and description. Irrespective of this notification requirement, all applications to

create an ADU or JADU will be considered and approved ministerially, without discretionary review or a hearing.

- E. **Approvals – Building-Permit Only.** If any ADU or JADU complies with each of the general requirements in subsection (G)(1) below, it is allowed with only a building permit.

F. **Approvals - Development Review Permit (DRP).**

1. ADU may be created without both a building permit and a Development Review Permit in compliance with the standards set forth in subsections (H) and (I) of this section.
2. The city may charge a fee to reimburse it for costs incurred in processing DRP permit, including the costs of adopting or amending the city's ADU ordinance. The DRP permit processing fee is set in accordance with a resolution adopted by the City Council.
3. Processing and Timing.
 - a. Completeness.
 - i. Determination in 15 days. The city will determine whether an application to create or serve an ADU or JADU is complete and will provide written notice of the determination to the applicant within 15 business days after the city receives the application submittal.
 - ii. Incomplete items. If the city's determination under subsection (F)(3)(a)(i) of this section is that the application is incomplete, the city's notice must list the incomplete items and describe how the application can be made complete.
 - iii. Cure. After receiving a notice that the application is incomplete, the applicant may cure and address the items that were deemed by the city to be incomplete.
 - iv. Subsequent submittals. If the applicant submits additional information to address incomplete items, within 15 business days of the subsequent submittal the city will determine in writing whether the additional information remedies all the incomplete

items that the city identified in its original notice. The city may not require the application to include an item that was not included in the original notice.

- v. Deemed complete. If the city does not make a timely determination as required by this subsection (F)(3)(a), the application or resubmitted application is deemed complete for the purposes of subsection **subsection (F)(3)(a)(viii)**.
- vi. Appeal of incompleteness. An applicant may appeal the city's determination that the application is incomplete by submitting a written appeal to the city clerk. The city council will review the written appeal and affirm or reverse the completeness determination and provide a final written determination to the applicant within 60 business days after receipt of the appeal.
- vii. No discretion or hearing. Ministerial permits for an ADU or JADU are considered and approved without discretionary review or a hearing.
- viii. Deadline to approve or deny ministerial approvals. The city must approve or deny an application to create an ADU or JADU within 60 days from the date that the city receives a complete application. If the city has not approved or denied the complete application within 60 days, the application is deemed approved unless either:
 - 1. The applicant requests a delay, in which case the 60-day time period is tolled for the period of the requested delay, or
 - 2. When an application to create an ADU or JADU is submitted with a permit application to create a new single-family or multifamily dwelling on the lot, the city may delay acting on the permit application for the ADU or JADU until the city acts on the permit application to create the new single-family or multifamily dwelling, but the application to create the ADU or JADU will still be considered ministerially without discretionary review or a hearing.
- ix. Denial. If the city denies an application to create an ADU or JADU, the city must provide the applicant with comments that

include, among other things, a list of all the defective or deficient items and a description of how the application may be remedied by the applicant. Notice of the denial and corresponding comments must be provided to the applicant within the 60-day time period established by subsection (F)(3)(a)(viii) of this section.

- x. Appeal of denial. An applicant may appeal the city's denial of the application by submitting a written appeal to the city clerk. The city council will review the written appeal and affirm or reverse the denial and provide a final written determination to the applicant within 60 business days after receipt of the appeal. Decisions by the city council are final and shall become effective immediately except as otherwise provided in the approving action and except for actions by ordinance.
- xi. Concurrent review of demolition. A demolition permit for a detached garage that is to be replaced with an ADU is reviewed with the application for the ADU and issued at the same time.

G. Classes.

1. Class 1: Statutorily Regulated. Class 1 ADUs and JADUs are approved under Government Code section 66323. If an ADU or JADU complies with each of the general requirements in subsection (H) below, it is allowed in each of the scenarios provided in this subsection (G)(1). An ADU and JADU approved under subsection (G)(1)(a) may be combined with an ADU approved under subsection (G)(1)(b), and ADUs approved under subsection (G)(1)(c) may be combined with ADUs approved under subsection (G)(1)(d).
 - a. Converted on Lot with Single-Family: One ADU as described in this subsection (G)(1)(a) and one JADU on a lot with a proposed or existing single-family dwelling on it, where the ADU or JADU:
 - i. Is either: within the space of a proposed single-family dwelling; within the existing space of an existing single-family dwelling; or (in the case of an ADU only) within the existing space of an accessory structure, plus up to 150 additional square feet if the expansion is limited to accommodating ingress and egress; and
 - ii. Has exterior access that is independent of that for the single-family dwelling; and

- iii. Has side and rear setbacks sufficient for fire and safety, as dictated by applicable building and fire codes;
 - iv. The maximum size of a detached or attached ADU subject to this subsection (G) is 850 square feet of interior livable space for a studio or one-bedroom unit and 1,000 square feet of interior livable space for a unit with two or more bedrooms.
 - v. The JADU complies with the requirements of Government Code sections 66333 through 66339.
- b. Limited Detached on Lot with Single-Family: One detached, new-construction ADU on a lot with a proposed or existing single-family dwelling, if the detached ADU satisfies each of the following limitations:
- i. The side- and rear-yard setbacks are at least four feet.
 - ii. The total floor area is 800 square feet of livable space or smaller.
 - iii. The peak height above grade does not exceed the applicable height limit in subsection (H)(2) of this section.
- c. Converted on Lot with Multifamily: One or more ADUs within portions of existing multifamily dwelling structures that are not used as livable space, including but not limited to storage rooms, boiler rooms, passageways, attics, basements, or garages, if each converted ADU complies with state building standards for dwellings. Under this subsection (G)(1)(c), at least one converted ADU is allowed within an existing multifamily dwelling, up to a quantity equal to 25 percent of the existing multifamily dwelling units.
- d. Limited Detached on Lot with Multifamily: No more than two detached ADUs on a lot with a proposed multifamily dwelling, or up to eight detached ADUs on a lot with an existing multifamily dwelling, if each detached ADU satisfies all of the following:
- i. The side- and rear-yard setbacks are at least four feet. If the existing multifamily dwelling has a rear or side yard setback of less

than four feet, the city will not require any modification to the multifamily dwelling as a condition of approving the ADU.

- ii. The peak height above grade does not exceed the applicable height limit provided in subsection (H)(2) of this section.
- iii. If the lot has an existing multifamily dwelling, the quantity of detached ADUs does not exceed the number of primary dwelling units on the lot.

2. Class 2: Locally Regulated. Class 2 ADUs are approved under Government Code sections 66314–66322. Except for Class 1 ADUs approved under subsection (G)(1) of this section, all ADUs are subject to the standards set forth in subsections (H) and (I) of this section.

H. General Requirements. The following requirements apply to all Class 1 and Class 2 ADUs and JADUs:

1. Zoning.

- a. A Class 1 ADU approved under subsection (G)(1) may be created on a lot in a residential or mixed-use zone.
- b. A Class 2 ADU approved under subsection (G)(2) above may be created on a lot that is zoned to allow single-family dwelling residential use or multifamily dwelling residential use.
- c. In accordance with Government Code section 66333(a), a JADU may only be created on a lot zoned for single-family residences.

2. Height.

- a. Except as otherwise provided by subsections (H)(2)(b) or (H)(2)(c) of this section, a detached ADU created on a lot with an existing or proposed single family or multifamily dwelling unit may not exceed 16 feet in height.
- b. A detached ADU may be up to 18 feet in height if it is created on a lot with an existing or proposed single family or multifamily dwelling unit that is located within one-half mile walking distance of a major transit stop or a high quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code, and the

ADU may be up to two additional feet in height (for a maximum of 20 feet) if necessary to accommodate a roof pitch on the ADU that is aligned with the roof pitch of the primary dwelling unit.

- c. A detached ADU created on a lot with an existing or proposed multifamily dwelling that has more than one story may not exceed 18 feet in height.
- d. An ADU that is attached to the primary dwelling may not exceed 25 feet in height or the height limitation imposed by the underlying zone that applies to the primary dwelling, whichever is lower. Notwithstanding the foregoing, ADUs subject to this subsection (H)(2)(d) may not exceed two stories.
- e. For purposes of this subsection (H)(2), height shall be measured as defined in the California Building Code.

3. Fire Sprinklers.

- a. Fire sprinklers, approved by Orange County Fire Authority (OCFA), are required in an ADU if sprinklers are required in the primary residence when constructed.
- b. The construction of an ADU does not trigger a requirement for fire sprinklers to be installed in the existing primary dwelling.

4. Rental Term. No ADU or JADU may be rented for a term that is shorter than 30 days. This prohibition applies regardless of when the ADU or JADU was created.

5. No Separate Conveyance. An ADU or JADU may be rented, but, except as otherwise provided in Government Code section 66341, no ADU or JADU may be sold or otherwise conveyed separately from the lot and the primary dwelling (in the case of a single-family lot) or from the lot and all of the dwellings (in the case of a multifamily lot).

6. Septic System. If the ADU or JADU will connect to on-site wastewater system, the owner must include with the application a percolation test completed within the last five years or, if the percolation test has been recertified, within the last 10 years.

7. Owner Occupancy.

a. JADUs are generally subject to an owner-occupancy requirement. A natural person with legal or equitable title to the property must reside on the property, in either the primary dwelling or JADU, as the person's legal domicile and permanent residence.

i. Exceptions. The owner-occupancy requirement in this subsection (H)(7)(a) does not apply in either of the following situations:

1. The JADU has separate sanitation facilities (i.e., does not share sanitation facilities with the existing primary dwelling unit structure).

2. The property is entirely owned by another governmental agency, land trust, or housing organization.

8. Deed Restriction. Prior to issuance of a certificate of occupancy for a JADU, a deed restriction must be recorded against the title of the property in the county recorder's office and a copy filed with the director. The deed restriction must run with the land and bind all future owners. The form of the deed restriction will be provided by the city and must provide that:

a. The JADU may not be sold separately from the primary dwelling.

b. The JADU is restricted to the approved size and to other attributes allowed by this section.

c. The deed restriction runs with the land and may be enforced against future property owners.

d. The deed restriction may be removed if the owner eliminates the JADU, as evidenced by, for example, removal of the kitchen facilities. To remove the deed restriction, an owner may make a written request of the director, providing evidence that the JADU has in fact been eliminated. The director may then determine whether the evidence supports the claim that the JADU has been eliminated. Appeal may be taken from the director's determination consistent with other provisions of this code. If the JADU is not entirely physically removed, but is only eliminated by virtue of having a necessary component of a JADU removed, the remaining structure

and improvements must otherwise comply with applicable provisions of this code.

- e. The deed restriction is enforceable by the director or his or her designee for the benefit of the city. Failure of the property owner to comply with the deed restriction may result in legal action against the property owner, and the city is authorized to obtain any remedy available to it at law or equity, including, but not limited to, obtaining an injunction enjoining the use of the JADU in violation of the recorded restrictions or abatement of the illegal unit.

9. Building & Safety.

- a. Must comply with Building Code. Subject to subsection (H)(9)(b) of this section, all ADUs and JADUs must comply with all local building code requirements.
- b. No change of occupancy. Construction of an ADU does not constitute a Group R occupancy change under the local building code, as described in Section 310 of the California Building Code, unless the building official or code enforcement division officer makes a written finding based on substantial evidence in the record that the construction of the ADU could have a specific, adverse impact on public health and safety. Nothing in this subsection (H)(9)(b) prevents the city from changing the occupancy code of a space that was uninhabitable space or that was only permitted for nonresidential use and was subsequently converted for residential use in accordance with this section.

(10) Certificate of Occupancy Timing.

- (A) Generally. No certificate of occupancy for an ADU or JADU may be issued before the certificate of occupancy is issued for the primary dwelling unit.
- (B) Limited Exception for State-declared Emergencies. Notwithstanding subsection (H)(10)(A) of this section, a certificate of occupancy for an ADU may be issued before a certificate of occupancy for the primary dwelling if each of the following requirements are met:

- (i) The county is subject to a proclamation of a state of emergency made by the California Governor on or after February 1, 2025.
- (ii) The primary dwelling was substantially damaged or destroyed by an event referenced in the Governor's state of emergency proclamation.
- (iii) The ADU has been issued construction permits and has passed all required inspections.
- (iv) The ADU is not attached to the primary dwelling.

I. Specific DRP Requirements. The following requirements apply only to Class 2 ADUs that require a DRP permit under subsection (G)(2) of this section. This subsection (I) does not apply to Class 1 ADUs or JADUs approved under subsection (G)(1) of this section.

1. Maximum Size.

- a. The maximum size of a detached or attached ADU subject to this subsection (I) is 850 square feet of interior livable space for a studio or one-bedroom unit and 1,000 square feet of interior livable space for a unit with two or more bedrooms.
- b. An attached ADU that is created on a lot with an existing primary dwelling is further limited to 50 percent of the floor area of the existing primary dwelling.
- c. Application of other development standards in this subsection (I), such as FAR or lot coverage, might further limit the size of the ADU, but no application of FAR, lot coverage, open space, or the percentage-based size limit in subsection (I)(1)(b) above may require the ADU to be less than 800 square feet of interior livable space.

2. Setback. ADUs subject to this subsection (I) shall comply with the following setbacks:

- a. Setbacks.

- i. ADUs that are subject to this subsection (I) must conform to 4-foot side and rear setbacks. ADUs that are subject to this subsection (I) must conform to 25-foot front setbacks, subject to subsection (I)(1)(c) above.
 - ii. No setback is required for an ADU that is subject to this subsection (I) if the ADU is constructed in the same location and to the same dimensions as an existing structure.
3. Lot Coverage. No ADU subject to this subsection (I) may cause the total lot coverage of the lot to exceed 75 percent, subject to subsection (I)(1)(c) of this section.
4. Minimum Open Space. For multifamily residential projects, no ADU subject to this subsection (I) may cause the total percentage of open space of the development to fall below 25 percent, subject to subsection (I)(1)(c) of this section.
5. Passageway. No passageway, as defined in subsection (C)(9) above, is required for an ADU.
6. Parking.
 - a. Generally. One off-street parking space is required for each ADU **or bedroom, whichever is less**. The parking space may be provided in setback areas or as tandem parking, as defined in subsection (C)(12) of this section. .
 - b. Exceptions. No parking under subsection (I)(6)(a) of this section is required in the following situations:
 - i. The ADU is located within one-half mile walking distance of public transit, as defined in subsection (C)(11) of this section.
 - ii. The ADU is located within an architecturally and historically significant historic district.

- iii. The ADU is part of the proposed or existing primary residence or an accessory structure.
- iv. When on-street parking permits are required but not offered to the occupant of the ADU.
- v. When there is an established car share vehicle stop located within one block of the ADU.
- vi. When the permit application to create an ADU is submitted with an application to create a new single-family or new multifamily dwelling on the same lot, provided that the ADU or the lot satisfies any other criteria listed in subsections (l)(6)(b)(i) through (l)(6)(b)(v) of this section.
- c. No Replacement. When a garage, carport, covered parking structure or uncovered parking space is demolished in conjunction with the construction of an ADU or converted to an ADU, those off-street parking spaces are not required to be replaced.

7. Architectural Requirements.

- a. The materials and colors of the exterior walls, roof, windows and doors must be the same as those of the primary dwelling.
- b. The roof slope must match that of the dominant roof slope of the primary dwelling. The dominant roof slope is the slope shared by the largest portion of the roof.
- c. The exterior lighting must be designed or shielded to direct lights downward or as otherwise required by the building or fire code.
- d. The ADU must have an independent exterior entrance, apart from that of the primary dwelling.
- f. All windows less than 30 feet from a property line that is not a public right-of-way line must utilize obscure glass, such as frosted, patterned, bubble effect, ribbed, or other similar design.

- g. Mechanical equipment sufficient for fire and safety, as dictated by applicable building and fire codes .
- 8. Allowed Stories. No ADU subject to this subsection (I) may have more than one story, except that an ADU that is attached to the primary dwelling may have the stories allowed under subparagraph (H)(2)(d) of this section.
- J. Fees. The following requirements apply to all Class 1 ADUs and JADUs and Class 2 ADUs that are approved under subsections (E) and (F) of this section.
 - 1. Impact Fees.
 - a. No impact fee is required for a JADU or for an ADU that is less than 750 square feet of interior livable space. For purposes of this subsection (J)(1), “impact fee” means a “fee” under the Mitigation Fee Act (Gov. Code § 66000(b)) and a fee under the Quimby Act (Gov. Code § 66477). “Impact fee” here does not include any connection fee or capacity charge for water or sewer service.
 - b. A JADU or ADU with less than 500 square feet of interior livable space does not increase assessable space by 500 square feet for purposes of Education Code section 17620(a)(1)(C), and is therefore not subject to school fees under Education Code section 17620.
 - c. Any impact fee that is required for an ADU that is 750 square feet or more of interior livable space must be charged proportionately in relation to the square footage of the primary dwelling unit (E.g., the floor area of the ADU, divided by the floor area of the primary dwelling, times the typical fee amount charged for a new dwelling).
 - 2. Utility Fees.
 - a. If an ADU or JADU is constructed with a new single-family home, a separate utility connection directly between the ADU or JADU and the utility and payment of the normal connection fee and capacity charge for a new dwelling may be required.
 - b. Except as described in subsection (J)(2)(a), JADUs and converted ADUs on a single-family lot that are created under subsection (G)(1)(a) of this section are not required to have a new or separate

utility connection directly between the JADU or the ADU and the utility. Nor is a connection fee or capacity charge required. Notwithstanding the rest of this paragraph, a direct utility connection is required for separate conveyance of an ADU when separate conveyance is allowed under this code.

- c. Except as described in subsection (J)(2)(a), all ADUs not covered by subsection (J)(2)(b) may require a new, separate utility connection directly between the ADU and the utility for any utility that is provided by the city. All utilities that are not provided by the city are subject to the connection and fee requirements of the utility provider.

- i. The connection is subject to a connection fee or capacity charge that is proportionate to the burden created by the ADU, based on either the floor area or the number of drainage-fixture units (DFU) values, as defined by the Uniform Plumbing Code, upon the water or sewer system.

- ii. The portion of the fee or charge that is charged by the city may not exceed the reasonable cost of providing this service.

K. Nonconforming Zoning Code Conditions, Building Code Violations, and Unpermitted Structures.

- 1. Generally. The city will not deny an ADU or JADU application due to a nonconforming zoning condition, building code violation, or unpermitted structure on the lot that does not present a threat to the public health and safety and that is not affected by the construction of the ADU or JADU.

- 2. Unpermitted ADUs and JADUs constructed before 2020.

- a. Permit to Legalize. As required by state law, the city may not deny a permit to legalize an existing but unpermitted ADU that was constructed before January 1, 2020 if denial is based on either of the following grounds:

- i. The ADU or JADU violates applicable building standards; or

- ii. The ADU or JADU does not comply with the state ADU or JADU law or this ADU ordinance (section15.14.080).

b. Exceptions:

- i. Notwithstanding subsection (K)(2)(a) above, the city may deny a permit to legalize an existing but unpermitted ADU or JADU that was constructed before January 1, 2020, if the city makes a finding that correcting a violation is necessary to comply with the standards specified in California Health and Safety Code section 17920.3.
- ii. Subsection (K)(2)(a) above does not apply to a building that is deemed to be substandard in accordance with California Health and Safety Code section 17920.3.

- L. Nonconforming ADUs and Discretionary Approval. Any proposed ADU or JADU that would otherwise be allowed under this section but that does not conform to the objective design or development standards set forth in subsections (A) through (K) of this section may be allowed by the city with a conditional use permit, in accordance with the other provisions of this title.



ADU and JADU Ordinance

January 21, 2026

Background

- New state ADU bills enacted in late 2025
- December 3, 2025 meeting: City Council introduced ordinance amending Section 15.14.080
- Previously corrected subsection (l)(7) was inadvertently re-included

Revisions to Ordinance

- Eliminates minimum interior width and wall height
- Removes window/door line-of-sight restrictions
- Deletes clerestory and obscured glazing requirements
- Defers mechanical equipment setbacks to building/fire code

Staff Recommendation to City Council:

- Find that the ordinance is exempt from review under the California Environmental Quality Act (CEQA) under Public Resources Code § 21080.17; and
- Introduce for first reading by title only an ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALISO VIEJO AMENDING SECTION 15.14.080 OF THE ALISO VIEJO MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS AND FINDING THE ACTION TO BE STATUTORILY EXEMPT FROM CEQA UNDER PUBLIC RESOURCES CODE § 21080.17



ADU and JADU Ordinance

January 21, 2026

City of Aliso Viejo

AGENDA ITEM



DATE: January 21, 2026

TO: Mayor and City Council

FROM: Kathy Bailor, Interim City Clerk

SUBJECT: APPOINTMENT OF SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) GENERAL ASSEMBLY MEETING DELEGATE

Recommended Action:

Appoint delegate and alternate for the Southern California Association of Governments (SCAG) General Assembly Meeting to be held May 7 and May 8, 2026.

Fiscal Impact:

Mileage and lodging expenses are estimated at less than \$500. Funds for City Council travel and training expenditures are included in the FY 2025-26 Budget.

Discussion:

This year's SCAG Regional Conference & General Assembly will be held May 7 and 8, 2026, in Palm Desert, CA. During the General Assembly Meeting on May 7, delegates will have the opportunity to consider and take action on proposed Resolutions and/or SCAG Bylaw revisions that have been submitted and reviewed in accordance with SCAG policies.

In order for the City to participate in the General Assembly, the City Council must take action to appoint a delegate and alternate.