



AGENDA
CITY COUNCIL/SUCCESSOR AGENCY/STANTON HOUSING AUTHORITY
JOINT REGULAR MEETING
STANTON CITY HALL, 7800 KATELLA AVENUE, STANTON, CA
TUESDAY, MARCH 10, 2015 - 6:30 P.M.

As a courtesy to those in attendance, the City of Stanton respectfully requests that all cell phones, pagers and/or electronic devices be turned off or placed on silent mode while the meeting is in session. Thank you for your cooperation.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, CONTACT THE CITY CLERK AT (714) 379-9222. NOTIFICATION BY 9:00 A.M. ON MONDAY, MARCH 9, 2015 WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.

Supporting, descriptive documentation for agenda items, including staff reports, is available for review in the City Clerk's Office and on the City web site at www.ci.stanton.ca.us.

1. **CLOSED SESSION (6:00 PM)**
2. **ROLL CALL** Council Member Ramirez
Council Member Shawver
Council Member Warren
Mayor Pro Tem Donahue
Mayor Ethans
3. **PUBLIC COMMENT ON CLOSED SESSION ITEMS**

Closed Session may convene to consider matters of purchase / sale of real property (G.C. §54956.8), pending litigation (G.C. §54956.9(a)), potential litigation (G.C. §54956.9(b)) or personnel items (G.C. §54957.6). Records not available for public inspection.

CC/SA/SHA AGENDA – Joint Regular Meeting – March 10, 2015 - Page 1

Any writings or documents provided to a majority of the City Council/Successor Agency/Stanton Housing Authority regarding any item on this agenda will be made available for public inspection at the Public Counter at City Hall located at 7800 Katella Avenue, Stanton CA, during normal business hours.

4. CLOSED SESSION

**4A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
(Pursuant to Government Code Section 54956.8)**

Property: 8232 Lampson Avenue (APN 131-491-18)

Negotiating Parties: James A. Box, Executive Director, Stanton Housing Authority
Greg Martin, Vice President, Hanna Corporation, a Nevada Corp.

Under Negotiation: Instruction to negotiator will concern terms of agreement.

5. CALL TO ORDER / REGULAR CITY COUNCIL / SUCCESSOR AGENCY / STANTON HOUSING AUTHORITY MEETING

- 6. ROLL CALL** Council/Agency/Authority Member Ramirez
Council/Agency/Authority Member Shawver
Council/Agency/Authority Member Warren
Mayor Pro Tem/Vice Chairman Donahue
Mayor/Chairman Ethans

7. PLEDGE OF ALLEGIANCE

8. SPECIAL PRESENTATIONS AND AWARDS

1. Presentation of Certificate of Recognition honoring Mr. Jim Nelson as Veteran of the Month for the month of March 2015.
2. Presentation of Proclamation for 2015 MS Awareness Week.

9. CONSENT CALENDAR

All items on the Consent Calendar may be acted on simultaneously, unless a Council/Board Member requests separate discussion and/or action.

CONSENT CALENDAR

9A. MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS. SAID ORDINANCES AND RESOLUTIONS THAT APPEAR ON THE PUBLIC AGENDA SHALL BE READ BY TITLE ONLY AND FURTHER READING WAIVED

RECOMMENDED ACTION:

City Council/Agency Board waive reading of Ordinances and Resolutions.

9B. APPROVAL OF WARRANTS

City Council approve demand warrants dated February 18, February 26, and March 10, 2015, in the amount of \$1,851,054.18.

9C. APPROVAL OF MINUTES

1. City Council/Agency/Authority Board approve Minutes of Regular Joint Meeting – February 24, 2015; and
2. City Council approve Minutes of Special Meeting – February 25, 2015.

9D. AGREEMENT WITH KELLY ASSOCIATES MANAGEMENT GROUP

City staff recommends extending the existing consulting contract with Kelly Associates Management Group.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Section 15378(b)(4); and
2. Authorize the City Manager to sign the Agreement for Consultant Services with Kelly Associates Management Group.

END OF CONSENT CALENDAR

10. PUBLIC HEARINGS None.

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Any writings or documents provided to a majority of the City Council/Successor Agency/Stanton Housing Authority regarding any item on this agenda will be made available for public inspection at the Public Counter at City Hall located at 7800 Katella Avenue, Stanton CA, during normal business hours.

11. UNFINISHED BUSINESS

11A. APPROVAL OF ORDINANCE NO. 1033

This Ordinance was introduced at the regular City Council meeting of February 24, 2015.

RECOMMENDED ACTION:

1. City Clerk read the title of Ordinance No. 1033, entitled:

“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, AMENDING SECTION 17.04 OF THE STANTON MUNICIPAL CODE PERTAINING TO THE REGULATION OF SAFE AND SANE FIREWORKS”; and

2. Find that this Ordinance is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly); and
2. Adopt Ordinance No. 1033.

ROLL CALL VOTE: Council Member Ramirez
 Council Member Shawver
 Council Member Warren
 Mayor Pro Tem Donahue
 Mayor Ethans

11B. APPROVAL OF 2015 STRATEGIC PLAN

At a Special Study Session of the City Council held on January 20, 2015, Council directed staff to incorporate revisions, refine objectives and return with a newly formatted and prioritized version of the Strategic Plan for approval at a regular Council Meeting. Staff has incorporated all of these requests and an updated version is being presented this evening for Council consideration.

RECOMMENDED ACTION:

City Council approve the 2015 Strategic Plan.

12. NEW BUSINESS

12A. APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH NBS TO CONDUCT A SEWER RATE STUDY FOR THE CITY OF STANTON

The City of Stanton is entering into a professional services agreement with NBS to conduct a financial evaluation of the City of Stanton's Sewer Enterprise Fund and develop a modified rate structure for proper operation and maintenance of the system, so that the City can implement its Capital Improvement Program outlined in the Sewer Master Plan.

RECOMMENDED ACTION:

1. City Council determine that this is not a project per CEQA; and
2. Approve a Professional Services Agreement with NBS for preparation of the Sewer Rate Study, for the maximum contract sum of \$32,925; and
2. Authorize the City Manager to bind the City of Stanton and NBS in a contract to provide the services.

13. ORAL COMMUNICATIONS - PUBLIC

At this time members of the public may address the City Council/Successor Agency/Stanton Housing Authority regarding any items within the subject matter jurisdiction of the City Council/Successor Agency/Stanton Housing Authority, provided that NO action may be taken on non-agenda items.

- Members of the public wishing to address the Council/Agency/Authority during Oral Communications-Public or on a particular item are requested to fill out a REQUEST TO SPEAK form and submit it to the City Clerk. Request to speak forms must be turned in prior to Oral Communications-Public.
- When the Mayor/Chairman calls you to the microphone, please state your Name, slowly and clearly, for the record. A speaker's comments shall be limited to a three (3) minute aggregate time period on Oral Communications and Agenda Items. Speakers are then to return to their seats and no further comments will be permitted.
- Remarks from those seated or standing in the back of chambers will not be permitted. All those wishing to speak including Council/Agency/Authority and Staff need to be recognized by the Mayor/Chairman before speaking.

14. WRITTEN COMMUNICATIONS None.

15. MAYOR/CHAIRMAN COUNCIL/AGENCY/AUTHORITY INITIATED BUSINESS

15A. COMMITTEE REPORTS/ COUNCIL/AGENCY/AUTHORITY ANNOUNCEMENTS

At this time Council/Agency/Authority Members may report on items not specifically described on the agenda which are of interest to the community provided no discussion or action may be taken except to provide staff direction to report back or to place the item on a future agenda.

15B. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE MEETING

At this time Council/Agency/Authority Members may place an item on a future agenda.

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Any writings or documents provided to a majority of the City Council/Successor Agency/Stanton Housing Authority regarding any item on this agenda will be made available for public inspection at the Public Counter at City Hall located at 7800 Katella Avenue, Stanton CA, during normal business hours.

15C. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE STUDY SESSION

At this time Council/Agency/Authority Members may place an item on a future study session agenda.

Currently Scheduled: None.

15D. FY14-15 CAPITAL IMPROVEMENT PROGRAM UPDATE

At the February 24, 2015 Regular Council meeting, Council Member Shawver requested a report updating the Council on the Cities Capital Improvement Projects. A presentation has been prepared by Staff to address this request.

RECOMMENDED ACTION:

City Council receive and file the report.

16. ITEMS FROM CITY ATTORNEY/AGENCY COUNSEL/AUTHORITY COUNSEL

16A. REPORT ON PUBLIC FINANCING AUTHORITY UNDER THE NEW ENHANCED INFRASTRUCTURE FINANCING DISTRICTS LAW

At the February 24, 2015, Regular Council Meeting, Council Member Shawver requested a report from the City Attorney regarding Public Financing Authority (PFA) under the new Enhanced Infrastructure Financing Districts (EIFD) Law.

RECOMMENDED ACTION:

City Council receive and file the report.

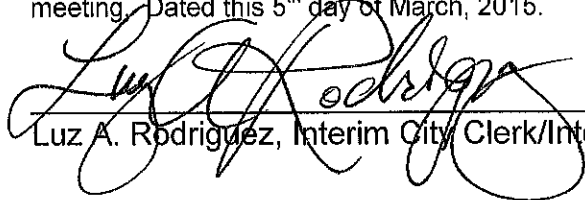
17. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR

17A. ORANGE COUNTY FIRE AUTHORITY

At this time the Orange County Fire Authority will provide the City Council with an update on their current operations.

18. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, the foregoing agenda was posted at the Post Office, Stanton Community Services Center and City Hall, not less than 72 hours prior to the meeting. Dated this 5th day of March, 2015.

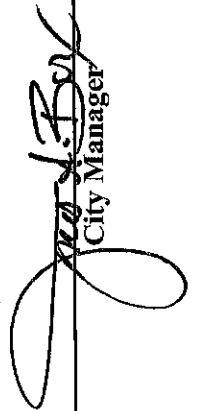

Luz A. Rodriguez, Interim City Clerk/Interim Secretary

**CITY OF STANTON
ACCOUNTS PAYABLE REGISTER**

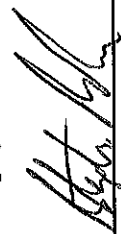
February 18, 2015	\$42,825.02
February 26, 2015	\$134,875.81
March 10, 2015	\$1,673,353.35

\$1,851,054.18

Demands listed on the attached registers conform to the City of Stanton Annual Budget as approved by the City Council.


City Manager

Demands listed on the attached registers are accurate and funds are available for payment thereof.


Administrative Services Director

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MINUTES OF THE CITY COUNCIL / SUCCESSOR AGENCY / HOUSING AUTHORITY OF THE CITY OF STANTON REGULAR JOINT MEETING FEBRUARY 24, 2015

1. **CLOSED SESSION** None.

2. **CALL TO ORDER**

The meetings were called to order at 6:31 p.m. by Mayor/Chairman Ethans.

3. **ROLL CALL**

Present: Council/Agency/Authority Member Shawver, Council/Agency/Authority Member Warren, Mayor Pro Tem/Vice Chairman Donahue and Mayor/Chairman Ethans

Absent: None.

Excused: Council/Agency/Authority Member Ramirez.

4. **PLEDGE OF ALLEGIANCE**

Led by Parks and Recreation Commissioner Edith Keller.

5. **SPECIAL PRESENTATIONS AND AWARDS** None.

6. **CONSENT CALENDAR**

Council Member Shawver pulled item 6G from the Consent Calendar for separate discussion.

Motion/Second: Shawver/Donahue

Motion to approve the balance of the Consent Calendar passed by the following vote:

AYES: 4 (Donahue, Ethans, Shawver and Warren)

NOES: None

ABSENT: 1 (Ramirez)

ABSTAIN: None

The City Council/Agency Board/Authority Board approved the following Consent Calendar items:

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CONSENT CALENDAR

6A. MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS. SAID ORDINANCES AND RESOLUTIONS THAT APPEAR ON THE PUBLIC AGENDA SHALL BE READ BY TITLE ONLY AND FURTHER READING WAIVED

The City Council/Agency Board waived reading of Ordinances and Resolutions.

6B. APPROVAL OF WARRANTS

City Council approved demand warrants dated February 5, February 12, and February 24, 2015, in the amount of \$192,809.20.

6C. APPROVAL OF MINUTES

1. City Council/Agency/Authority Board approved Minutes of Regular Joint Meeting – February 10, 2015; and
2. City Council approved Minutes of Special Meeting – February 17, 2015.

6D. JANUARY 2015 INVESTMENT REPORT

The Investment Report as of January 31, 2015 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

City Council received and filed the Investment Report for the month of January 2015.

6E. JANUARY 2015 INVESTMENT REPORT (SUCCESSOR AGENCY)

The Investment Report as of January 31, 2015 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

Successor Agency received and filed the Investment Report for the month of January 2015.

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6F. AWARD OF CONTRACT FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE THUNDERBIRD LANE SEWER AND STREET IMPROVEMENTS PROJECT BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA

Staff solicited Proposals to provide Construction Management and Inspection Services for the Thunderbird Lane Sewer and Street Improvements Project. The cost for completing the Construction Management and Inspection Services is \$39,600.

1. City Council found that this action is not a project per CEQA; and
2. Awarded a professional service contract to AKM Consulting Engineers to provide construction management and inspection services for the duration of the Thunderbird Lane Sewer and Street Improvements Project for a maximum contract amount of \$39,600; and
3. Authorized the City Manager to bind the City of Stanton and AKM Consulting Engineers in a contract to provide construction management and inspection services.

END OF CONSENT CALENDAR

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6G. STANTON CENTRAL PARK – APPROVAL OF FEE INCREASE TO DAVID VOLZ DESIGN LANDSCAPE ARCHITECTS, INC.

David Volz Design Landscape Architects, Inc. ("David Volz Design") has requested a fee increase for \$39,000 due to costs they have incurred due to the stoppage of work on the project.

Council Member Shawver inquired as to whether or not additional justification was presented for the increase in fees. City Engineer Allan Rigg explained that while no breakdown or analysis was presented by the consultant, an increase of fees incurred due to the stoppage of work on a project of this size was not an unreasonable request in consideration of comparable projects in neighboring cities.

Motion/Second: Donahue/Warren

Motion passed by the following vote:

AYES: 4 (Donahue, Ethans, Shawver and Warren)

NOES: None

ABSENT: 1 (Ramirez)

ABSTAIN: None

Motion carried:

- 1.) City Council tabled this item as presented; and
- 2.) Directed staff to return with additional information justifying the increase, including but not limited to: the balance of monies still owed to the consultant for this project, a breakdown of the need for an increase in fees, and an itemization of what work remains to be completed by the consultant for this project for consideration.

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7. PUBLIC HEARINGS

7A. PUBLIC HEARING PURSUANT TO HEALTH AND SAFETY CODE SECTIONS 34330 AND 34312.3 REGARDING THE SALE OF LAND LOCATED AT THE NORTHEAST CORNER OF BEACH BOULEVARD AND CATHERINE AVENUE, STANTON CALIFORNIA AND CONSIDERATION OF THE RELATED PURCHASE AND SALE AGREEMENT WITH USS CAL BUILDERS

The Authority Board had previously directed staff to negotiate the sale of properties located at the northeast corner of Beach Boulevard and Catherine Avenue. A purchase and sales agreement, subject to Authority Board approval, has been accepted by USS Cal Builders.

The public hearing was opened.

No one appearing to speak, the public hearing was closed.

Motion/Second: Shawver/Warren

ROLL CALL VOTE:	Council Member Ramirez	ABSENT
	Council Member Shawver	AYE
	Council Member Warren	AYE
	Mayor Pro Tem Donahue	AYE
	Mayor Ethans	AYE

Motion carried:

1. The Housing Authority Board declared that the project is not subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly); and
2. Approved the sale of the properties identified by APN Nos. 131-483-01, 02 and 03 for a total of \$1,400,000.00; and
3. Authorized the Executive Director to execute the necessary documents to close escrow.

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7B. REVIEW OF CITY REGULATIONS AND PROCESSES RELATED TO THE SALE OF FOURTH OF JULY FIREWORKS

Staff is recommending amendments to Chapter 17.04 of the Stanton Municipal Code related to the sale of safe and sane fireworks to better represent best management practices. Staff is also recommending a reduction in fees for licensees to reflect the City's true cost of administering the program.

The public hearing was opened.

No one appearing to speak, the public hearing was closed.

Motion/Second: Shawver/Warren

ROLL CALL VOTE:

Council Member Ramirez	ABSENT
Council Member Shawver	AYE
Council Member Warren	AYE
Mayor Pro Tem Donahue	AYE
Mayor Ethans	AYE

Motion carried:

1. City Council declared that the projects are exempt from CEQA under Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly); and
3. Introduced Ordinance No. 1033, entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, AMENDING CHAPTER 17.04 OF THE STANTON MUNICIPAL CODE PERTAINING TO THE REGULATION OF SAFE AND SANE FIREWORKS; and

4. Adopted Resolution No. 2015-06 updating permit fees for the sale of safe and sane fireworks in the City of Stanton.

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7C. ADOPTION OF RESOLUTION 2015-02 AUTHORIZING UNDERGROUND INSTALLATION OF OVERHEAD UTILITY WIRES AND RELATED FACILITIES AND ESTABLISHING SOUTHERN CALIFORNIA EDISON RULE 20A UNDERGROUND UTILITY DISTRICT ALONG BEACH BOULEVARD FROM GARDEN GROVE BOULEVARD TO LAMPSON AVENUE

A resolution is needed to establish an Underground Utility District along both sides of Beach Boulevard from Garden Grove Boulevard to Lampson Avenue.

The public hearing was opened.

No one appearing to speak, the public hearing was closed.

Motion/Second: Donahue/Shawver

ROLL CALL VOTE:

Council Member Ramirez	ABSENT
Council Member Shawver	AYE
Council Member Warren	AYE
Mayor Pro Tem Donahue	AYE
Mayor Ethans	AYE

Motion carried:

1. City Council adopted Resolution No. 2015-02 of the City Council of the City of Stanton, California, establishing Underground Utility District along both sides of Beach Boulevard from Garden Grove Boulevard to Lampson Avenue; and
2. Found that the project is exempt from CEQA per section 15302, Class 2(d), conversion of overhead electric utility distribution system facilities to underground including connection to existing overhead electric utility distribution lines where the surface is restored to the condition existing prior to the undergrounding; and
3. Authorized the City Manager to enter into necessary agreements with involved parties to facilitate the undergrounding of existing aerial utilities in Underground Utility District No.1.

8. UNFINISHED BUSINESS None.

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9. NEW BUSINESS

9A. AWARD OF CONTRACT FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE CONSTRUCTION OF STANTON CENTRAL PARK TO CIVILSOURCE, INC. BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA

Staff solicited proposals to provide Construction Management and Inspection Services for the construction of Stanton Central Park. Eight proposals were received and reviewed independently by four staff members. The two top-rated firms as measured by an average score of the raters were interviewed by staff. CivilSource, Inc. was chosen as the most-qualified firm. Their cost for completing the Construction Management and Inspection Services is \$297,080.

Motion/Second: Warren/Donahue

ROLL CALL VOTE:

Council Member Ramirez	ABSENT
Council Member Shawver	AYE
Council Member Warren	AYE
Mayor Pro Tem Donahue	AYE
Mayor Ethans	AYE

Motion carried:

1. City Council found that this action is not a project per CEQA; and
2. Awarded a professional service contract to CivilSource Inc. to provide construction management and inspection services for the duration of the Stanton Central Park Project for a maximum contract amount of \$297,080; and
3. Authorized the City Manager to bind the City of Stanton and CivilSource, Inc. in a contract to provide construction management and inspection services.

10. ORAL COMMUNICATIONS – PUBLIC None.

11. WRITTEN COMMUNICATIONS None.

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12. MAYOR/CHAIRMAN/COUNCIL/AGENCY/AUTHORITY INITIATED BUSINESS

12A. COMMITTEE REPORTS/COUNCIL/AGENCY/AUTHORITY ANNOUNCEMENTS

Mayor Pro Tem Donahue reminded Council about the upcoming 6th Annual Mayor's Prayer Breakfast on March 25, 2015 and invited all to attend.

Council Member Shawver reported that he would not be able to attend the Special Council Meeting scheduled for Wednesday, February 25th due to his required attendance at a hearing at the Orange County Sanitation District.

Council Member Warren reminded Council that the Cypress College Americana Awards will be taking place on Saturday, February 28, 2015 at the Disneyland Hotel Grand Ballroom.

12B. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE COUNCIL MEETING

Council Member Shawver requested a presentation by City Attorney Elizabeth Hull to the City Council on Public Financing Authority under the new Enhanced Infrastructure Financing Districts (EIFD) law.

Council Member Shawver requested a presentation by City Engineer Allan Rigg regarding the status of the City's Capital Improvement (CIP) Projects.

12C. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE STUDY SESSION

Interim City Clerk Luz Rodriguez announced that a Special City Council had been scheduled for Tuesday, March 10, 2015, at 5:00 p.m., immediately prior to the regular scheduled meeting to allow for a mid-year budget adjustment review.

12D. SOCIAL MEDIA POSTS AND RESPONSES AT CITY COUNCIL MEETINGS

At the January 13, 2015, City Council meeting, Council Member Warren requested a discussion on social media posts and responses at City Council meetings.

Approved by consensus:

City Council directed staff to coordinate with the PIO Committee to develop a proposed process, including but not limited to, a policy, procedures and filtering methods and return with same to a future Council meeting for consideration.

13. ITEMS FROM CITY ATTORNEY/AGENCY COUNSEL/AUTHORITY COUNSEL

None.

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14. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR

None.

14A. ORANGE COUNTY SHERIFF'S DEPARTMENT

Stanton's Police Chief, Lieutenant Jim England provided the City Council with an update on their current operations.

15. ADJOURNMENT Motion/Second: Ethans/ Motion carried at 7:41 p.m.

MAYOR/CHAIRMAN

ATTEST:

INTERIM CITY CLERK/INTERIM SECRETARY

MINUTES OF THE CITY COUNCIL OF THE CITY OF STANTON
SPECIAL MEETING FEBRUARY 25, 2015
(10162 WASCO ROAD, STANTON, CA 90680)

1. **CLOSED SESSION** None.

2. **CALL TO ORDER**

The meeting was called to order at 4:45 p.m. by Mayor Ethans.

3. **PLEDGE OF ALLEGIANCE**

Led by Mayor Alexander A. Ethans.

4. **ROLL CALL**

Present: Council Member Ramirez, Council Member Warren, Mayor Pro Tem Donahue, and Mayor Ethans.

Absent: Council Member Shawver.

Excused: None.

SPECIAL ORDERS OF THE DAY

5. **NEW BUSINESS**

5A. **DISCUSSION REGARDING COMMUNITY AND RESIDENT COMMENTS**

Presentations and discussions by City Council, staff and residents.

6. **ADJOURNMENT** Motion/Second: Ethans/
 Motion carried at 5:50 p.m.

MAYOR

ATTEST:

INTERIM CITY CLERK

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and City Council

DATE: March 10, 2015

SUBJECT: AGREEMENT WITH KELLY ASSOCIATES MANAGEMENT GROUP

REPORT IN BRIEF:

The City recommends extending the existing consulting contract with Kelly Associates Management Group.

RECOMMENDED ACTION:

That City Council:

1. Find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Section 15378(b)(4).
2. Authorize the City Manager to sign the Agreement for Consultant Services with Kelly Associates Management Group.

BACKGROUND:

Bill Kelly of Kelly Associates Management Group has been utilized as a consultant relating to business development and retention for the past three years. In addition, he has been instrumental in the development of the 2013 and 2015 Strategic Plans.

ANALYSIS/JUSTIFICATION:

Kelly Associates Management Group (Kelly) is a professional management consulting firm specializing in improving governmental organizations. They identify issues and best practices that reveal ways to improve operations, in Economic Development and provide Management Services Assistance including Strategic Planning.

With over 40 years experience in local government, Kelly has a proven track record providing clients with professional expertise in all aspects of local government management. Because their staff includes leaders and managers with practical experience in all aspects of local government operations, the City benefits from this knowledge.

Over the past three years, Kelly has been used as a consultant by the Economic

Development and Administration Departments. Kelly provides assistance related to business retention and the City's booth at the International Council of Shopping Centers conference, which has has a positive result in business attraction. In addition, Kelly has been an instrumental part of the success of the 2013 and 2015 Strategic Plans.

As the City reaches the end of the existing contract for consulting services with Kelly, staff is recommending that City Council authorize an extension of the existing contract. The contract's scope of services include an hourly rate for the completion of the 2015 Strategic Plan, economic development-related professional services and any other items as directed by the City Manager.

FISCAL IMPACT:

The agreement calls for services charged at an hourly rate with a contract value not-to-exceed \$10,000. There are existing funds to pay for the contract in Non-Departmental Professional Services (101-1600-608105) and Business Relations Programs (101-1600-610210).

ENVIRONMENTAL IMPACT:

None.

LEGAL REVIEW:

The City Attorney has reviewed and approved the attached agreement.

PUBLIC NOTIFICATION:

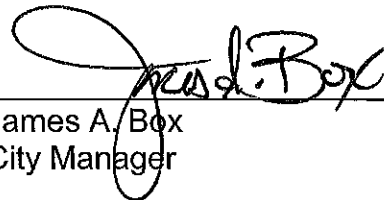
Through the agenda posting process.

Prepared by:



Stephen M. Parker, CPA
Administrative Services Director

Approved by:



James A. Box
City Manager

Attachment:

- A. Agreement for Consultant Services

CITY OF STANTON

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made and effective as of March 10, 2015, between the **City of Stanton**, a California Municipal Corporation ("City") and **Kelly Associates Management Group LLC (KAMG)**, ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM**

City intends to contract Consultant for professional economic development advisory services and management services assistance, which shall commence on March 10, 2015, and shall remain and continue in effect until a comprehensive economic development communication effort is developed, unless sooner terminated pursuant to the provisions of this Agreement.

2. **SERVICES**

Consultant shall provide economic development services and management services assistance for the City as enumerated on Exhibit A, attached hereto and incorporated herein as though set forth in full.

3. **PERFORMANCE**

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. **CITY MANAGEMENT**

The City of Stanton's City Manager shall represent City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant. The City Manager shall be authorized to act on City's behalf and to execute all necessary documents that enlarge the Tasks to Be Performed or change Consultant's compensation, subject to Section 5 hereof.

5. **PAYMENT**

(a) The City agrees to pay Consultant in accordance with the payment rates and terms as set forth within Exhibit A, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. In no event shall the value of work performed exceed ten thousand dollars (\$10,000.00).

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement that are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

(c) Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

6. **SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE**

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City pursuant to Section 3.

7. **DEFAULT OF CONSULTANT**

(a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

(b) If the City Manager or his/her delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. **OWNERSHIP OF DOCUMENTS**

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts there from as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. However, use of data by City for other than the project that is the subject of this agreement shall be at City's sole risk without legal

liability or exposure to Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

9. **INDEMNIFICATION**

(a) Indemnification for Professional Liability. Where the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City, and any and all of its officials, employees and agents (collectively "Indemnified Parties"), from and against any and all claims, charges, complaints, liabilities, obligations, promises, benefits, agreements, controversies, costs, losses, debts, expenses, damages, actions, causes of action, suits, rights, and demands of any nature whatsoever, including but not limited to the extent same are caused or contributed to in whole or in part which relate to or arise out of any negligent, intentional or willful act, omission, occurrence, condition, event, transaction, or thing which was done, occurred, or omitted to be done (collectively "Claims"), by Consultant, its officers, agents, employees or subcontractors (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement without regard to whether such Claims arise under the federal, state, or local constitutions, statutes, rules or regulations, or the common law. With respect to the design of public improvements, the Consultant shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Consultant.

(b) Indemnification for Other than Professional Liability. In addition to indemnification related to the performance of professional services and to the full extent permitted by law, Consultant shall further indemnify, protect, defend and hold harmless the City and Indemnified Parties from and against any liability (including Claims) where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

(c) General Indemnification Provisions. Consultant agrees to obtain executed indemnity agreements which indemnify, protect, defend and hold harmless the City from liability, with provisions identical to those set forth here in this Section 9 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required, this failure shall be a material breach of this Agreement, and Consultant agrees to be fully responsible according to the terms of this entire Section 9. City has no

obligation to ensure compliance with this Section by Consultant and failure to do so will in no way act as a waiver. This obligation to indemnify and defend City is binding on the successors, assigns or heirs of Consultant, and shall survive the termination of this Agreement or this section.

(d) Obligation to Defend. It shall be the sole responsibility and duty of Consultant to fully pay for and indemnify the City for the costs of defense, including but not limited to reasonable attorney's fees and costs, for all Claims against the City and the Indemnified Parties, whether covered or uncovered by Consultant's insurance, against the City and the Indemnified Parties which arise out of any type of omission or error, negligent or wrongful act, of Consultant, its officers, agents, employees, or subcontractors. City shall have the right to select defense counsel.

10. **INSURANCE**

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit B attached to and part of this Agreement.

11. **INDEPENDENT CONSULTANT**

(a) Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, 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 shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

12. **LEGAL RESPONSIBILITIES**

The Consultant shall keep itself informed of State and Federal laws and regulations, which in any manner affect those employed by it or in any way, affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

13. **UNDUE INFLUENCE**

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

14. **NO BENEFIT TO ARISE TO LOCAL EMPLOYEES**

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

15. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or sub consultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or sub consultants be served with any summons,

complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

16. **NOTICES**

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

To City: City of Stanton
 7800 Katella Ave
 Stanton, California 90680
 Attention: City Clerk

To Consultant: Kelly Associates Management Group
 1440 N. Harbor Boulevard, Suite 900
 Fullerton, CA 92835

17. **ASSIGNMENT**

The Consultant shall assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Because of the personal nature of the services to be rendered pursuant to this Agreement, only **Kelly Associates Management Group** shall perform the services described in this Agreement.

18. **LICENSES**

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

19. **GOVERNING LAW**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City of Stanton.

20. **ENTIRE AGREEMENT**

This Agreement contains the entire understanding that between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. **CONTENTS OF PROPOSAL**

Consultant is bound by the contents of the proposal submitted by the Consultant, Exhibit "A" hereto.

22. **AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF STANTON

By: _____
James A. Box
City Manager

CONSULTANT

By: _____
(Signature)

(Typed Name)

Its: _____

Attest:

Luz A. Rodriguez, Interim City Clerk

Approved As To Form:

Mal Richardson, City Attorney

EXHIBIT A

TASKS TO BE PERFORMED

Consultant agrees to provide Economic Development Advisory Services according to Consultant's proposal, **"Professional Services – Economic Development and Management Services Assistance"**.

Payment for the professional advisory services will be on an hourly basis as defined in the Consultant's proposal, **"Professional Services – Economic Development and Management Services Assistance"**

EXHIBIT B

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this Agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

1. **Commercial General Liability Insurance** using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$1,000,000 per occurrence.
2. **Business Auto Coverage** on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Consultant or Consultant's employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person.
3. **Workers Compensation** on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.
4. **Professional Liability or Errors and Omissions Insurance** as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this Agreement.

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Bests rating of A or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Consultant. Consultant and City agree to the following with respect to insurance provided by Consultant:

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Consultant also agrees to require all contractors, and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Consultant, or Consultant's employees, or agents, from waiving the right of subrogation prior to a loss. Consultant agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Contractor and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.
4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.
5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Consultant shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.
7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement

coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City option.

8. Certificate(s) are to reflect that the insurer will provide 30 days notice to City of any cancellation of coverage. Consultant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the certificate.
9. It is acknowledged by the parties of this Agreement that all insurance coverage required to be provided by Consultant or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self insurance available to City.
10. Consultant agrees to ensure that subcontractors, and any other party involved with the project that is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.
11. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this Agreement to self-insure its obligations to City. If Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
12. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City will negotiate additional compensation proportional to the increased benefit to City.
13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking

any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

14. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.
15. Consultant will renew the required coverage annually as long as the City, or its employees or agents face an exposure from operations of any type pursuant to this Agreement. This obligation applies whether or not the Agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.
16. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City within five days of the expiration of the coverages.
17. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this Agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.
18. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.
19. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the parties here to be interpreted as such.
20. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
21. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required

by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

22. Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the work performed under this Agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

ORDINANCE NO. 1033

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, AMENDING SECTION 17.04 OF THE STANTON MUNICIPAL CODE PERTAINING TO THE REGULATION OF SAFE AND SANE FIREWORKS

WHEREAS, the sale of Safe and Sane fireworks is currently permitted in the City of Stanton consistent with Health and Safety Code Section 12500 et seq; and

WHEREAS, the City Council of the City of Stanton wishes to amend Section 17.04, "Safe and Sane Fireworks" of the Stanton Municipal Code to provide clarification for its procedures for firework license applications and the terms and conditions under which fireworks may be sold; and

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

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

SECTION 1: The City Council finds that all the facts, findings, and conclusions set forth above in this Ordinance are true and correct.

SECTION 2: Section 17.04.030 of the Stanton Municipal Code is hereby amended in its entirety and restated to read as follows:

17.04.030 Procedure for applications.

A. Applications for licenses shall be filed on forms provided by the city with the office of the city manager not later than the end of business day of the first Thursday in May of the year in which the application is made. A deposit in an amount equal to the license fee established by resolution of the city council shall be submitted with the application. The deposit shall be refunded in the event the organization is not licensed by the city council.

B. The application shall be accompanied by all documentation required by the city manager and shall include but not be limited to the following: proof of general liability insurance coverage, the certified statement required by Section 17.04.020(C), documentation demonstrating tax-exempt status, a seller's permit issued to the organization requesting the application, and a written statement describing the benefits the organization provides to the community which will be used by the city council to make the determination on whether to grant a license.

C. The application shall be signed by an authorized officer or director of the organization who shall warrant to the city the veracity of all statements contained therein. If any material statement in the application is determined by the city manager to be false or misleading, he or she may forthwith revoke the license issued by the city council. Written authorization from the nonprofit organization authorizing the named individual to apply for a license on behalf of the organization shall also be provided.

D. The city manager shall review all applications for sufficiency and completeness within ten days of filing and promptly notify applicants of any defects, disqualifying factors or omissions. All applications and required accompanying documentation shall be in final form and shall be filed in the office of the city manager by five p.m. on May 8th. The city manager shall not be required to accept any additional documentation after May 8th but may request information clarifying or additionally explaining the applicant's proposal.

E. All organizations meeting the requirements for a license under this section shall be prequalified by the city manager provided they comply with the filing and compliance schedule set forth in this chapter.

SECTION 3: Section 17.04.040 of the Stanton Municipal Code is hereby amended in its entirety and restated to read as follows:

17.04.040 Terms and conditions of license to sell.

A. The license issued by the city council shall permit the sale of safe and sane fireworks only on July 1st from twelve noon to ten p.m. and from July 2nd through and including July 4th, from nine a.m. to ten p.m.

B. Every licensee shall be responsible for continuing compliance with all the terms and conditions contained in the license. In this regard, each licensee shall designate a responsible contact person who will be in attendance at the licensed stand or on-call from the time the stand is erected and until it is removed and the site location is cleaned to the satisfaction of the city.

C. No licensee shall sell any fireworks except from inside the licensed stand.

D. No person other than individuals who are adult members of the licensee organization, or their approved adult volunteers, shall sell or otherwise participate in the sale of fireworks. At all times during sales hours at least one adult member of the licensee organization must be located at the stand to oversee operations.

E. All licensees shall also:

1. Not install or locate a stand on the licensed premises before June 20th and shall cause it to be removed and the site location cleaned on or before July 8th;

2. Provide the city with proof of public liability, property damage and product liability insurance with policy limits of at least one million dollars per occurrence and naming the city as an additional insured for the duration of the license;

3. Provide the city with written consent of the owner of the property where the stand is to be located;

4. Provide the city with a sales tax permit issued to the organization by the State Board of Equalization;

5. Provide the city with a detailed report on revenue, expenditures and net profit earned by the organization in the sale of fireworks. The report shall be submitted to the city manager's office by the end of business day on the Fourth Thursday in September

of each year. Failure to submit the report shall be grounds for denial of any future fireworks sales license;

6. Provide the city with a bond or other surety device in an amount established by the city council and sufficient to assure removal of the structure and cleanup of the site.

F. Sales shall be made only from freestanding structures erected and located solely for the purpose of fireworks sales.

G. Fireworks stands shall comply with standards adopted by the city manager which may include size of stands, structure material, building code compliance and signage.

H. The city manager may call meetings of all licensees to describe the licensing process and to provide information with regard to city and county requirements. The failure of any licensee to attend meetings or meet established deadlines shall constitute grounds for nonacceptance of the application or revocation of the license by the city manager.

I. Licenses are not transferable or assignable, and are only valid for the dates specified in the permit and are subject to all conditions set forth in the permit.

SECTION 4. The City Council further finds that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly).

SECTION 5. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Stanton hereby declares that it would have adopted this Ordinance, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any or more sections, subsections, sentences, clauses and phrases may be declared invalid or unconstitutional.

SECTION 6. This Ordinance shall take effect and be in full force thirty (30) days from and after its passage. The City Clerk shall certify to the adoption of this Ordinance and cause the same to be posted in the three (3) designated posting places within the City of Stanton within fifteen (15) days after its passage.

PASSED, APPROVED, and ADOPTED this 10th day of March, 2015.

ALEXANDER A. ETHANS, MAYOR

ATTEST:

LUZ A. RODRIGUEZ, INTERIM CITY CLERK

APPROVED AS TO FORM:

MATTHEW E. RICHARDSON, CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF STANTON)

I, LUZ A. RODRIGUEZ, Interim City Clerk of the City of Stanton, California, do hereby certify that the foregoing Ordinance No. 1033 was introduced at a regular meeting of the City Council of the City of Stanton, California, held on the 24th day of February, 2015, and was duly adopted at a regular meeting of the City Council held on the 10th day of March, 2015, by the following roll-call vote, to wit:

AYES:	COUNCILMEMBERS:	_____

NOES:	COUNCILMEMBERS:	_____
ABSENT:	COUNCILMEMBERS:	_____
ABSTAIN:	COUNCILMEMBERS:	_____

INTERIM CITY CLERK, CITY OF STANTON

City of Stanton

2015 Strategic Plan Components								
1. Provide a Safe Community								
No	Assigned	Plan Description	Timeline	How To Implement	What Is Needed	Status	Cost	Funding Source
1.1	OCSD	Add 2 Deputies: - Traffic - Community Enhancement	By July 2015.	By utilizing Prop. GG funding, add an additional 2 Deputy Sheriff II's to the existing contract or implement in the FY 15/16 contract with OCSD.	Approval of OCSD's contract including additional Deputy Sheriff II's by City Council in June 2015.	Initial contact with OCSD made regarding contract logistics. Reassign Deputy's from other Divisions to the City of Stanton when funding is available.	Deputy salary & benefits for FY 15/16 = \$221,683 per position (\$443,366) Costs increasing based on OCSD contract in subsequent years. Funding for an additional "Slick Top" unit, est. cost \$75,500 (COPS Grant Fund).	General Fund and COPS Grant.
1.2	OCSD / OCFA	Ensure Rapid Emergency Response with OCFA, Ambulance Services and OCSD (including response time & patrol activities).	Ongoing.	Response times are reviewed monthly by OCSD to ensure our response times are within Department Guidelines, primarily for Emergence Code-3 Response with a goal of under 5 minutes. A Staffing Sudy will determine Preventative Patrol Times.	Continued review of statistics, training and direct supervision. Completion of the Patrol Staffing Study.	All response times are within the establised guidellnes and are continually assessed. See #2.3	N/A-Response Times Undetermined-Staffing Study #2.3	N/A.
1.3	City Manager's Office	Conduct a Police Services/Comparison Study.	By the end of 2017.	Hire a consultant to prepare the study.	Approve budget for 2015/16 and qualified consultant.		\$40,000 - \$50,000	Measure GG/ General Fund.
1.4	OCSD / City Manager's Office	Add public safety cameras.	By the end of 2015.	Research and secure 4 new public safety cameras.	Approve budget for 2015/16.		\$5,000	Measure GG/ General Fund.
1.5	Community Development/ Administrative Services	Add one additional code enforcement officer to assist with transient issues, massage parlor inspections, and general City code enforcement issues on weekends.	Hire by August 31, 2015.	Add additional position into General Fund Budget and advertise position through HR Division.	Funding for position.		Estimated annual cost of \$70,000 to \$80,000 with benefits, dependent on qualifications.	Measure GG/ General Fund.

Council
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11B

2. Promote a Strong Local Economy								
No.	Assigned	Plan Description	Timeline	How To Implement	What Is Needed	Status	Cost	Funding Source
2.1	Community Development	Pursue redevelopment/revitalization opportunities identified in Focused Areas throughout the City – Beach Blvd.	Ongoing.	Promote opportunity areas with hard copy of handouts and business cards including links to microsite with marketing material to developers, brokers and retailers.	Set meetings with developers, brokers and retailers at ICSC events and at the City. Utilize relationships formed through these interactions to promote development of certain sites and attraction of certain businesses into the City.	The City Manager and Community and Economic Dev. Director will be attending ICSC RECON in May 2015.	Approximatley \$5,000 to be borne by the Business Relations Account.	Measure GG/ General Fund.
2.2	Community Development	Continue to develop relationships with real estate brokers and retail industry representatives to bring new businesses into Stanton.	Ongoing.	Meet with brokers/retailers and industry events such as at ICSC RECON and provide with a list of opportunity sites.	Identification of key brokers and potential retail partners with the assistance of developers (e.g. Frontier Development) and continued updating of opportunity site handouts.	The City Manager and Community and Economic Dev. Director will be attending ICSC RECON in May 2015.	Approximatley \$5,000 to be borne by the Business Relations Account.	Measure GG/ General Fund.
2.3	Community Development	Enhance and continue Economic Development Program.	By end of FY 15/16.	Continue advertising of existing programs and work with the business community through the SBA luncheon series to identify possible new programs.	Identification of new/existing business needs and additional funding for potential programs.		\$40,000 In additional funding to the Business Relations Account for Business Façade Improvements.	Measure GG/ General Fund.

3. Promote a Quality Infrastructure								
No.	Assigned	Plan Description	Timeline	How To Implement	What Is Needed	Status	Cost	Funding Source
3.1	Public Works	Evaluate sustainability measures for City properties.	FY 2015/16.	Engage experts in field and determine opportunities and projects, such as LED lighting, solar power, and electric vehicles.	Staff needs to identify experts and opportunities.	Meeting set for February 4, 2015 with Siemens.	Should be cost neutral - there may be upfront costs which are offset by long-term savings.	N/A.
3.2	Public Works	Add one additional day of Graffiti Abatement (Sunday) to make a 7 - day program.	Ongoing.	Allocate additional overtime budget for maintenance workers to spend 4 hours on Sundays removing graffiti and removing debris from streets.	Allocate budget for approval time then schedule work to be done.	Ready to implement when budget available.	\$12,000 annually.	Gas Tax.
3.3	Public Works	Complete new landscape/median design and monument signage on Beach Blvd. between Garden Grove Blvd/Lampson Ave.	FY 2014/15 - 2015/16.	Receive permit from Caltrans, put out to bid, award construction contract.	Final approval from Caltrans has just been received. The bid package will go out soon, then onto construction.	Final approval from Caltrans was obtained on 2/13/15. Bid package is being prepared.	\$500,000	Lighting & Landscaping.
3.4	Public Works	Complete the design and construct the new 12 acre Stanton Central Park.	FY 2015/16.	Finalize construction documents, award construction contract, and manage construction.	Final construction costs per bids need to be under \$8,000,000.	Ongoing.	\$10 Million total.	Grants and Bonds.
3.5	Public Works	Utility undergrounding.	FY 2014/15 - 2019/20.	Hold two public hearings to establish undergrounding district along Beach Boulevard from Garden Grove Boulevard to north of Lampson Avenue.	After hearing SCE will manage design and construction.	Hearings held on 1/27/15 and 2/24/15.	\$2,400,000	Funded entirely by SCE.
3.6	Public Works	Develop a storm drain master plan.	FY 2016/17.	Select an engineering firm for the development of the plan. Our last plan was completed in 1991 and needs updating.	Select an engineer.	None.	Approximately \$200,000.	General Fund.
3.7	Public Works	Review and refurbish exterior "Plaza" area of Civic Center.	FY 2015/16.	Engage an architect to determine concepts and construction documents for the plaza area in front of City Hall as well as the façade (safety issue).	Select an architect.	We have created the RFQ for the selection of the architect.	\$20,000 - \$400,000 depending on scope.	CIP.
3.8	Public Works	Review and upgrade interior of Community Center.	FY 2015/16.	Engage interior designer to determine scope of work, such as replacement of wall coverings, new flooring, and fresh paint.	Select an interior designer. Design, Plan Specifications and Bid.	We have received a proposal on flooring and need to determine the remainder of the scope.	\$10,000 - \$150,000 depending on scope.	CIP.

4. Ensure Fiscal Stability and Efficiency in Governance								
No	Assigned	Plan Description	Timeline	How to Implement	What is Needed	Status	Cost	Funding Source
4.1	Administrative Services	Bring Business License auditing function back in-house.	By the end of FY 14/15.	End services with existing consultant and approve new position. Take over primary auditing duties and communication with businesses operating in the City.	Approval of position. Creation of job flyer and listing position. Hiring and training of employee to ensure City's desires will be	Wind-down with existing consultant in process. Sample job descriptions obtained from other cities.	\$60,000 in first fiscal year for fully burdened Departmental Assistant. Additional supplies cost of ~	N/A / General Fund.
4.2	Administrative Services	Implement City Council policy on reserve levels.	By the end of FY 15/16.	Identify all potential reserves and best practices for reserve funding levels. Hold workshop to share findings with Council. Create policy that will be referred to going	Obtain samples of reserve funds and funding levels.		Staff time unless consultant is used.	N/A.
4.3	Administrative Services	Pay off PERS Side Fund.	In FY 2016.	Submit payoff check and completed form to PERS before June 30. Each fiscal year will require a different payoff amount.	Input from stakeholders to determine the best timing for moving forward with payoff.	Payoff amount and PERS forms obtained.	\$511,590 if paid by June 30, 2015.	Reserves.
4.4	Administrative Services	Update financial software.	By the end of FY 15/16.	Sign contract with Springbrook. Allocate funds to complete update in FY 15/16. Work with Springbrook to make change and train employees on new version.	Identifying project coordinator. Making contact with Springbrook contact. Reviewing information. Scheduling training sessions.	Springbrook contract approved by City Council on 2/10/15.	\$22,051 in FY 15/16.	General Fund.
4.5	Administrative Services	Initiate the RFP for new banking services.	By the end of 2015.	Staff review sample RFP's and create one that meets Stanton's banking needs.	Sample RFP's and staff time to create RFP for city's needs.	Some sample RFP's obtained.	Staff time.	N/A.

5. Provide a High Quality of Life								
No	Assigned	Plan Description	Timeline	How To Implement	What Is Needed	Status	Cost	Funding Source
5.1	Community Services	Initiate and coordinate the City of Stanton 60th Anniversary Year Long Celebration for 2016.	Two year process: 1) Planning in 2015 2) Implementation in 2016	1) Work with City Council and City Manager to form a 60th Anniversary Committee 2) Coordinate and implement the approved events associated with the 60th Anniversary.	1) Formation of a committee, room to host committee meetings. 2) Once events are approved, staff time and GF budget commitment to implement the events.		1) No cost for planning process 2) Once activities/event are approved, a budget will need to be submitted for approval.	General Fund.
5.2	Community Services	Research revenue opportunities at Stanton Central Park.	By the end of 2015.	Conduct extensive research and present revenue options to City Council for approval.	Staff time to conduct research options then present options to City Council for approval.		Staff time.	N/A.
5.3	Community Services	Coordinate the development and implementation of a Community Garden.	By the end of FY 14/15.	Find a suitable piece of land to house the community garden and then work with the Community Action Partnership of Orange County to create and operate the garden.	Since the GGUSD has denied use of their land, staff is in the process of researching alternate sites.		Staff time.	N/A.
5.4	Community Services	Development of a new Parks and Recreation Master Plan.	By the end of FY 17/18.	Hire a consultant to prepare the plan.	Approved budget for 15/16 and hire consultant.		Approximately \$25,000.	General Fund.
5.5	Community Development	Develop a set of developmental standards for infill housing projects to ensure compatibility with existing neighborhoods -- Beach Blvd. livability.	By the end of 2015.	Develop Ordinance with appropriate development standards.	Staff time to complete research for and drafting of ordinance.		Staff time.	N/A.
5.6	Community Development	Analyze Railroad Right of Ways for "Rails to Trails" program.	Ongoing.	Identify Grant Funding Sources and enter into agreements with property owners (UPRR, SCE, OCTA, OC Flood Control District).	Grant Funding and agreements with property (easement) owners.		To be grant funded.	Grants.

6. Maintain and Promote a Responsive, High Quality and Transparent Government

No.	Assigned	Plan Description	Timeline	How To Implement	What Is Needed	Status	Cost	Funding Source
		Continue to enhance and utilize all media.	Ongoing.	Continue to maintain the current level of social media interaction by adding pictures to Facebook posts, tweet out events and programs, update You Tube account and add a nominal marketing budget to boost social media accounts at four intervals per year. Enhanced advertising on Facebook, Twitter etc.	Procurement of an intern to assist staff with social media information and posts and add a small marketing budget.		\$5,000 per year for a new marketing budget. Soft costs will be absorbed for staff time to conduct social media posts and updates.	General Fund.
6.1 PIO Committee								
6.2	Community Services	Modify and enhance the City's website to include additional transparency and easier navigation.	1) Modify and enhance City's website: this process will be complete by the end of December 2015. 2) Include additional transparency by the end of February 2015.	1) Evaluate the City's website as a whole and work with staff to reorganize the various pages and departmental organization for easier navigation. This process will be lengthy as each page on the website will be evaluated and reorganized for consistency and ease of use. 2) This section can be added immediately and then can be incorporated into overall reorganization.	Staff time is needed to recommend reorganization options and the ability to purchase additional website modules that align with the approved reorganization.		\$5,000 - \$10,000 for additional website modules and staff time.	General Fund.
6.3	Community Services / Administrative Services	Create a webpage displaying "How Local Tax Dollars are Being Used".	By Summer of 2015.	This page can be added immediately and then can be incorporated into overall reorganization.	Staff time is needed to create the new website page.		Staff time.	N/A.
6.4	City Manager's Office	Engage resident involvement in City through Citizen's Academy, Neighborhood Meetings and special events.	By Fall of 2015.	Coordinate and implement: * CERT * 2015 Citizens Academy - Fall 2015 * Monthly Neighborhood Meetings for 2015-2016.	Citizen's Academy, CERT, Neighborhood Watch supplies.		Staff time.	N/A.
6.5	Administrative Services	Conduct and implement a Classification and Compensation Study; and Reform and refine Benefits Cafeteria Plan.	RFP issued in Spring 2015; Review of results in FY 15/16.	Create RFP and hire consultant. Personnel Department work with consultant to obtain information such as job duties/descriptions and benefits. Establish list of comparable cities and obtain compensation information from them.	RFP created and issued. Consultant hired. Committee selected to identify comparable cities. Options to reform existing cafeteria plan.	RFP samples obtained.	\$10,000 - \$40,000 for consultant. Cost of implementing recommendations is unknown at this time.	General Fund.
6.6	Administrative Services	Create a multi-year projection of expenditures and revenues.	By the end of FY 14/15.	Compare existing projections to actuals and look at costs in new strategic plan to determine future projections.	Thorough evaluation of existing and projected future needs and revenues.	Base projections from previous fiscal year exists.	Staff time.	N/A.
6.7	Administrative Services	Enhance network security both internal and external.	Ongoing.	Research security options and identify areas where City could make improvements. Evaluate cost of improvements against the budget on an ongoing basis.	Intentional review of current security protocols and determination of most appropriate ones to put in place.		Staff time plus an unknown dollar amount for new security measures to be implemented.	General Fund.

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and City Council

DATE: March 10, 2015

SUBJECT: **APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH NBS TO CONDUCT A SEWER RATE STUDY FOR THE CITY OF STANTON**

REPORT IN BRIEF:

The City of Stanton is entering into a professional services agreement with NBS to conduct a financial evaluation of the City of Stanton's Sewer Enterprise Fund and develop a modified rate structure for proper operation and maintenance of the system, so that the City can implement its Capital Improvement Program outlined in the Sewer Master Plan.

RECOMMENDED ACTION:

That the City Council:

1. Approve a Professional Services Agreement with NBS for preparation of the Sewer Rate Study, for the maximum contract sum of \$32,925; and
2. Authorize the City Manager to bind the City of Stanton and NBS in a contract to provide the services; and
3. Determine that this is not a project per CEQA.

BACKGROUND:

The City of Stanton currently operates and maintains a sewer collection system that serves the City and portions of the adjacent cities of Anaheim, Garden Grove and unincorporated County. This network of sanitary sewers serves approximately 40,000 residents and is comprised of 55.4 miles of mains with approximately 550 Manholes and 5,000 sewer laterals. The Department of Public Works has captured the entire network on Closed Caption Television (CCTV) and has a preventative maintenance program.

The City's Sewer Master Plan outlines a schedule of necessary maintenance activities and capital improvement projects for the City's sewer system. The City desires to conduct a study to evaluate the current financial resources of the City's sewer enterprise with the proposed sewer expenditures outlined in the Sewer Master Plan. This study would evaluate

the existing Sewer Enterprise History, develop a financial model to test if existing structure is adequate to support current operation and maintenance programs, and determine whether a new rate system is needed.

A Sewer Rate Study was previously provided to the City by AKM Consulting Engineers (AKM) on April 1, 2010. The study included all costs for the operation and maintenance of the City's sewer system including capital projects. These capital projects were based upon a Sewer Master Plan developed by AKM in 2009. The rate study provided fees for all land uses and for an annual escalation in all sewer fees for fiscal years 2009/10 through 2014/15. After fiscal year 2014/15, the fee would continue at the 2014/15 rate indefinitely.

In 2013 an update to the Sewer Master Plan was provided for by AKM which reevaluated the conditions and capacity of the sewer system and created a new capital improvement program. As these revised projects and associated costs are a large portion of the basis for the fee, staff believes it is appropriate to have the sewer fee reviewed. The new capital improvement program is significantly more expensive than the previous one, but staff believes that many of the pipes may be able to be rehabilitated rather than removed and replaced, which is the suggested method in the Sewer Master Plan. The City has successfully used these methods previously. The unit cost for rehabilitating an 8-inch diameter pipe is \$60 per lineal foot, while the unit cost replacing the pipe used in the report is \$320 per lineal foot. It is very possible that the capital improvement program can be reduced as well as the associated sewer user fee.

Additionally when the sewer user fee was previously established, water consumption data was not available from Golden State Water. As of 2010 water companies are mandated by California PUC Rule 22 to release consumption data to municipalities when requested. It is a common practice to use this data to establish a sewer user fee per parcel based on the past associated water consumption data. It makes sense that the amount of sewage from a property is most closely tied to the amount of water used. Often times the water consumption data from the months with the highest rainfall are used in order to minimize the water that may have been used for landscaping and did not enter the sewer.

ANALYSIS/JUSTIFICATION:

On February 12, 2015 a Request for Proposals was sent to three firms who specialize in this type of work with a due date of February 26, 2015. Three (3) proposals were received and reviewed by a panel of city staff members represented by the Public Works and Administrative Services Departments. Staff is most impressed with the proposal submitted by NBS and believes that this firm is best qualified to prepare the Sewer Rate Study. Staff feels the proposed fee is appropriate for the work.

FISCAL IMPACT:

Funds for this project are available from Account 501-3700-608105.

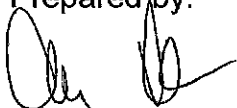
ENVIRONMENTAL IMPACT:

None.

PUBLIC NOTIFICATION:

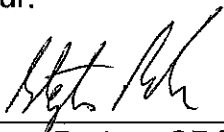
Notifications and advertisement were performed as prescribed by law.

Prepared by:



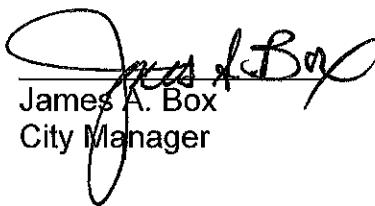
Allan Rigg, P.E., AICP
Director of Public Works/City Engineer

Concur:



Stephen Parker, CPA
Administrative Services Director

Approved by:



James A. Box
City Manager

ATTACHMENTS:

(1) Contract

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT, is made and effective as of March 10, 2015, between the **City of Stanton**, a California Municipal Corporation ("City") and **NBS**, ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM**

2. This Agreement shall commence on **March 10, 2015** and shall remain and continue in effect until tasks described herein are completed, but in no event later than **October 1, 2015** unless sooner terminated pursuant to the provisions of this Agreement.

2. **SERVICES**

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A. When available, a more detailed work program shall be attached and incorporated into this agreement as a separate exhibit.

3. **PERFORMANCE**

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. **CITY MANAGEMENT**

City's Director of Public Works shall represent City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but not including the authority to enlarge the Tasks to Be Performed or change the compensation due to Consultant. City's City Manager shall be authorized to act on City's behalf and to execute all necessary documents that enlarge the Tasks to Be Performed or change Consultant's compensation, subject to Section 5 hereof.

5. **PAYMENT**

(a) The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth herein, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed **Thirty three thousand (\$32,925.00)** for the total term of the Agreement unless additional payment is approved as provided in this Agreement and shall be billed in accordance with Exhibit B, Fee Proposal.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement that are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services. The City Manager may approve additional work not to exceed ten percent (10%) of the amount of the Agreement, but in no event shall such sum exceed ten thousand dollars (\$10,000.00). Any additional work in excess of this amount shall be approved by the City Council.

(c) Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

6. **SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE**

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City pursuant to Section 3.

7. **DEFAULT OF CONSULTANT**

(a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

(b) If the City Manager or his/her delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. **OWNERSHIP OF DOCUMENTS**

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts there from as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. However, use of data by City for other than the project that is the subject of this agreement shall be at City's sole risk without legal liability or exposure to Consultant. With respect to computer files,

Consultant shall make available to the City, at the Consultant's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

9. **INDEMNIFICATION**

(a) Indemnification for Professional Liability. Where the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City, and any and all of its officials, employees and agents (collectively "Indemnified Parties"), from and against any and all claims, charges, complaints, liabilities, obligations, promises, benefits, agreements, controversies, costs, losses, debts, expenses, damages, actions, causes of action, suits, rights, and demands of any nature whatsoever, including but not limited to the extent same are caused or contributed to in whole or in part which relate to or arise out of any negligent, intentional or willful act, omission, occurrence, condition, event, transaction, or thing which was done, occurred, or omitted to be done (collectively "Claims"), by Consultant, its officers, agents, employees or subcontractors (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement without regard to whether such Claims arise under the federal, state, or local constitutions, statutes, rules or regulations, or the common law. With respect to the design of public improvements, the Consultant shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Consultant.

(b) Indemnification for Other Than Professional Liability. In addition to indemnification related to the performance of professional services and to the full extent permitted by law, Consultant shall further indemnify, protect, defend and hold harmless the City and Indemnified Parties from and against any liability (including Claims) where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

(c) General Indemnification Provisions. Consultant agrees to obtain executed indemnity agreements which indemnify, protect, defend and hold harmless the City from liability, with provisions identical to those set forth here in this Section 9 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required, this failure shall be a material breach of this Agreement, and Consultant agrees to be fully responsible according to the terms of this entire Section 9. City has no obligation to ensure compliance with this Section by Consultant and failure

to do so will in no way act as a waiver. This obligation to indemnify and defend City is binding on the successors, assigns or heirs of Consultant, and shall survive the termination of this Agreement or this section.

(d) Obligation to Defend. It shall be the sole responsibility and duty of Consultant to fully pay for and indemnify the City for the costs of defense, including but not limited to reasonable attorney's fees and costs, for all Claims against the City and the Indemnified Parties, whether covered or uncovered by Consultant's insurance, against the City and the Indemnified Parties which arise out of any type of omission or error, negligent or wrongful act, of Consultant, its officers, agents, employees, or subcontractors. City shall have the right to select defense counsel.

10. **INSURANCE**

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached to and part of this Agreement.

11. **INDEPENDENT CONSULTANT**

(a) Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, 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 shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

12. **LEGAL RESPONSIBILITIES**

The Consultant shall keep itself informed of State and Federal laws and regulations, which in any manner affect those employed by it or in any way, affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

13. **UNDUE INFLUENCE**

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

14. **NO BENEFIT TO ARISE TO LOCAL EMPLOYEES**

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

15. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or sub consultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or sub consultants be served with any summons,

complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

16. **NOTICES**

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

To City:	City of Stanton 7800 Katella Ave Stanton, California 90680 Attention: City Clerk
----------	---

To Consultant:	NBS 32605 Temecula Parkway, Suite 100 Temecula, CA 92592
----------------	--

17. **ASSIGNMENT**

The Consultant shall not assign the performance of this Agreement, aside from those already stated in the original proposal, nor any monies due hereunder, without prior written consent of the City. Because of the personal nature of the services to be rendered pursuant to this Agreement, only NBS shall perform the services described in this Agreement.

18. **LICENSES**

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

19. **GOVERNING LAW**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City of Stanton.

20. **ENTIRE AGREEMENT**

This Agreement contains the entire understanding that between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. **CONTENTS OF PROPOSAL**

Consultant is bound by the contents of the proposal submitted by the Consultant, Exhibit "A" hereto.

22. **AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF STANTON

By: _____
James A. Box
City Manager

CONSULTANT

By: _____
(Signature)

(Typed Name)

Its: _____

Attest:

Luz A. Rodriguez, Interim City Clerk

Approved As To Form:

Matthew E. Richardson, City Attorney

EXHIBIT A

TASKS TO BE PERFORMED

Conduct a financial evaluation of the City's Sewer Enterprise Fund, and develop a rate structure for proper operation and maintenance of the system as described in the Proposal dated February 26, 2015.



City of Stanton

TECHNICAL PROPOSAL for a

Sewer Rate Study

February 26, 2015

OFFICE LOCATIONS:

Temecula - Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592

Irvine - Regional Office
18012 Cowan Street, Suite 290
Irvine, CA 92614

San Francisco - Regional Office
870 Market Street, Suite 1223
San Francisco, CA 94102

Davis - Regional Office
140 B Street, Suite 5-292
Davis, CA 95616

Phone: 800.676.7516
www.nbsgov.com



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32605 Temecula Parkway, Suite 100
Temecula, CA 92592

Toll free: 800.676.7516 (P) 951.296.1997

nbsgov.com

1. COVER LETTER

February 26, 2015 (*Revised March 4, 2015*)

Allan Rigg, P.E.
Director of Public Works
City of Stanton
Department of Public Works
7800 Katella Avenue
Stanton, CA 90680-3162

SUBJECT: REVISED PROPOSAL FOR SEWER RATE STUDY SERVICES

Dear Mr. Rigg, City Council, Staff and Selection Committee,

NBS is delighted to submit our proposal in response to the City of Stanton's ("City's") Request for Proposals for Sewer Rate Study Services. We understand that this study requires the consultant to address a number of challenges related to the City's sewer rates, such as:

- *Re-structure sewer rates* to ensure compliance with industry standards.
- *Incorporate a volumetric component* to the sewer rates that is based on water consumption to improve the overall equity and fairness.
- *Evaluate the capital expenditures* in the recently completed Master Plan and provide recommendations for cost reductions and/or project postponements.

If selected for this study, we will provide the leadership the City needs in addressing its concerns in a timely manner. We have a number of creative solutions to address the City's challenges in this study, including a phased implementation plan that will ensure the new rates are placed on the FY 2015/16 tax roll by the deadline and, depending on the availability and ease of reconciling the water use records, may result in implementing winter-water use based residential rates in FY 2016/17 if this is not possible in FY 2015/16.

NBS' proposal offers the City the following benefits and advantages:

- 1. DEDICATED PROJECT TEAM:** NBS offers a team of proven senior consultants who will conduct and complete this study for the City from start to finish: Greg Clumpner will provide technical oversight while Kim Boehler will be the day-to-day contact and project manager. In addition, Vivian Housen, P.E., will provide engineering consulting services related to the evaluation and prioritization of the capital improvements recommended in the City's Master Plan. We also offer other proven staff consultants who will support the technical tasks that are critical to the overall success of this study.
- 2. GOING THE EXTRA MILE:** In addition to a dedicated team, we believe NBS' most valuable qualification is our record of going the extra mile to ensure our clients are satisfied. We are genuinely concerned about the project's success and your satisfaction. Because of this, we often go beyond what is expected of a consultant, including:
 - Refining our approach and tailoring the schedule to what works best for the City.
 - Understanding how recent changes to laws and regulations may affect the study.
 - Working with you as partners, and paying attention to your concerns.

- Striving to educate City staff, the Council and the public throughout the process.
- Soliciting your active involvement in the study, yet respecting your time by not burdening you with unnecessary requests.

3. TECHNICALLY SOUND AND CREATIVE PROJECT APPROACH: In developing technically sound financial plans, cost-of-service and rate design analyses, our methodology relies on well-accepted industry standards and principles. However, we will also be taking a creative approach in addressing the unique requirements and special challenges of this study.

4. DEMONSTRATED CLIENT SATISFACTION: We believe our greatest single qualification is our record of successful projects and satisfied clients, as demonstrated by recent client references included in this proposal.

Thank you for considering our proposal. We would welcome the opportunity for a more detailed discussion of our ideas for meeting the City's challenging rate issues. Please do not hesitate to contact Greg Clumpner or Kim Boehler at 530.297.5856 (cell for Greg) or 800.676.7516 (office for Kim) or at gclumpner@nbsgov.com or kboehler@nbsgov.com, if you have any questions.

Sincerely,



Greg Clumpner
Director – Utility Rate Practice Group



Michael Rentner
President & CEO

**Client Testimonial: Desert Water Agency
MARTIN KRIEGER, CCMT Finance Director**

"The recently completed Rate Study that you prepared in January 2014 addressed the needs and concerns that we were encountering. Your expertise, professionalism, insight and thoroughness places you and NBS in the highest regard with the Board of Directors and Management staff of the Desert Water Agency. In baseball terms (from a former player) you hit a grand slam for us."



helping communities fund tomorrow

From the flow of water to the flow of revenue

NBS helps facilitate the intricate balancing act that keeps communities running strong. We develop smart solutions for municipalities, and for the public they serve.

NBS consultants and engineers have provided focused consulting, assessment engineering, special assessment software, ongoing administration, financial analyses and related support to over 300 public agencies. Our Financial Consulting practice focuses primarily on cost recovery mechanisms and supporting justification for various agency revenue streams; including user and regulatory fees, overhead cost allocation analysis, rate studies for municipal water, sewer, storm drainage and solid waste utilities, financial plans for public utilities, system capacity and development impact fees. The ultimate goal of NBS is to ensure quality results for the local public agency so that they are seen as serving their constituents in an exemplary manner.

Navigating the laws, codes and regulations affecting local governments requires guidebooks. And so we wrote two, coining new industry phrases and capturing definitions that have become a ready resource for local government professionals. The *NBS Rates, Fees and Charges Compendium* as well as the *NBS Special Financing Districts Primer* are both available for download free at www.nbsgov.com/expertise/publications.

Every year we keep things fresh by sponsoring content-rich workshops that bring industry insiders together to learn, share ideas and meet with their peers. The NBS University seminars are held annually. Well respected in their fields, our staff is often asked to speak at trade events and on panel discussions.

2. FIRM STRUCTURE AND HISTORY

NBS HISTORY



Helping communities fund tomorrow. NBS was founded in 1996 by experienced finance and engineering professionals, and has worked with more than 300 public agencies to date. NBS is an independent consulting firm serving local governmental agencies, including cities, towns, counties, municipal utilities, and special purpose districts. The ultimate goal of NBS is to provide support, expertise and solutions that allow these local agencies to focus on community needs and core services. NBS currently has 37 employees located in Temecula (corporate headquarters), Irvine, Davis and San Francisco. The firm recently became 100% employee-owned.

Our Financial Consulting Practice focuses primarily on cost recovery mechanisms and supporting justification for various agency revenue streams, including the following:

- ✓ Rate studies for municipal water, sewer, storm drainage and solid waste utilities.
- ✓ Financial plans for public utilities.
- ✓ System capacity and development impact fees.
- ✓ User and regulatory fees for a wide variety of local government programs and services.
- ✓ Overhead cost allocation analysis.

These services are performed within the requirements and framework of California-specific statutes and guidelines, including:

- ✓ Proposition 218, 26, and subsequent legislation and case law.
- ✓ Article XIII of the California state Constitution (as applies to user and regulatory fees).
- ✓ State Controller's Office Handbook of Cost Plan Procedures; and federal guidelines, including the Office of Management and Budget Circular A-87.
- ✓ Mitigation Fee Act (Government Code 66000 et seq., codified by "AB 1600").

NBS also provides special financing district consulting and administration focusing on the formation and ongoing administration of Assessment Districts, Business Improvement Districts (BIDs), Community Facilities Districts (CFDs), Local Improvement Districts (LIDs), property-related fee districts, and special parcel tax districts. NBS is staffed with seasoned experts dedicated to providing our clients with the best possible results. The company is in a strong financial position with little to no debt and continually invests in the highest-quality software and technology.

*The NBS Project Team has an **in-depth understanding of all changes to laws, codes, and regulations** affecting local governments, including Proposition 218. Recognized as leaders in their field, they are often asked to teach continuing education courses and participate in workouts for troubled agencies. In addition, NBS works with its clients as partners by developing an intimate knowledge of their needs and responding with strategic and timely solutions.*

"Working with NBS on Proposition 218 has been informative and we would not hesitate to contract for their services again. The staff at NBS are true professionals and experts in their field. They treated us with respect and patience as they guided us through the process ensuring that we understood their recommendations and the reasons behind everything that they did; not withstanding their combined years of expertise in the field of special districts but taking us to the Code and documented court rulings that substantiated their decisions."

INGRID BRUCE
GIS/Special Districts Manager
CITY OF RANCHO CUCAMONGA

EXPERIENCE MANAGING SIMILAR PROJECTS

The following is a sampling of California municipal agency clients for which the proposed NBS project team has completed (or recently selected as the most qualified firm to complete) projects similar to the City's study. Detailed descriptions and references for selected projects are provided in Section 6 (Client References and Similar Projects).

Exhibit A. Sampling of agencies for which NBS has recently or is in the process of completing similar rate studies

Avila Beach CSD	City of San Carlos	Cucamonga Valley Water District
Calaveras County Water District	City of Santa Paula	Desert Water Agency
City of Arvin	City of Sausalito	Dixon-Solano Water Authority
City of Benicia	City of Seal Beach	El Dorado Irrigation District
City of Colton	City of Solvang	East Valley Water District
City of Culver City	City of Taft	Hidden Valley Lake Community Services District
City of Fort Bragg	City of Thousand Oaks	Humboldt Community Services District
City of Greenfield	City of Vallejo	Pajaro/Sunny Mesa Community Services District
City of Lancaster	City of Victorville	Rural North Vacaville Water District
City of Los Altos	City of Waterford	Suisun-Solano Water Authority
City of Livermore	City of Winters	Sussex County
City of Pasadena	City of Yuba City	Twenty-nine Palms Water District
City of Redding	County of Calaveras	Valley of the Moon Water District
City of Sacramento	County of San Mateo	West County Wastewater District



MSRB
Municipal Securities
Rulemaking Board

MSRB Municipal Advisor: NBS is registered with the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor.

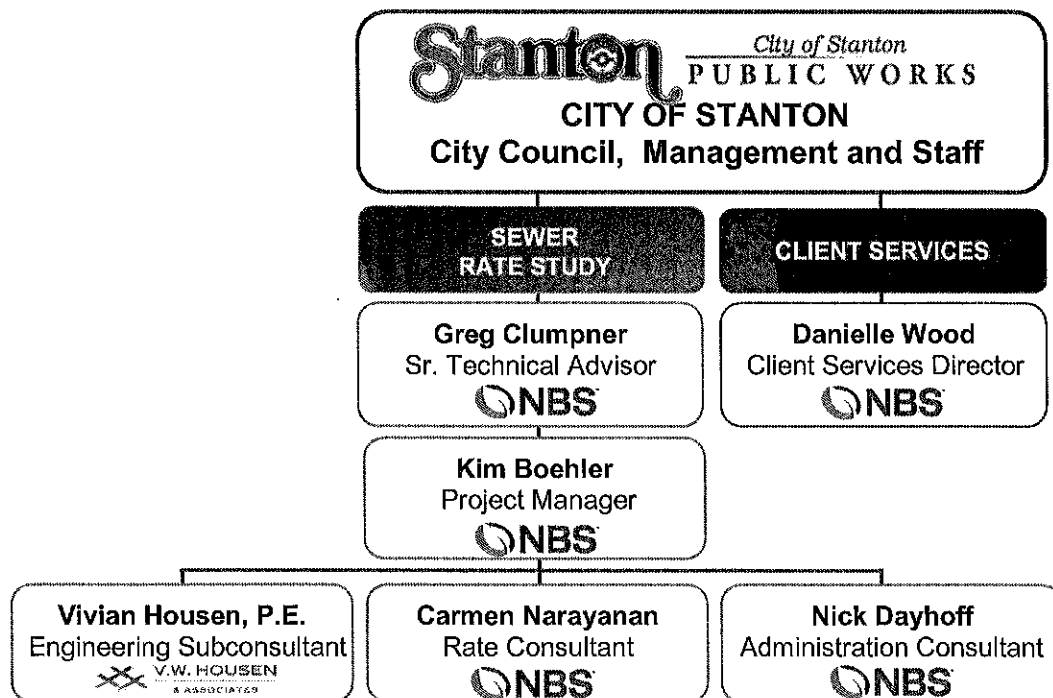
As a new rule covered under the Dodd-Frank Wall Street Reform and Consumer Protection Act, any firm that is a provider of debt issuance support services must be registered with the Securities Exchange Commission (SEC) and MSRB in order to legally provide these related services.

KEY PERSONNEL AND STRUCTURE

The NBS project team brings together several key attributes that we believe will be critical to the success of this project:

- **Senior Technical Advisor** – Greg Clumpner is an experienced technical advisor with over 30-years of experience in complicated rate design projects and cost of service analysis. His broader background in economics and management consulting in the water industry provides good “big-picture” skills that unique projects such as the City’s rate analysis require, along with an intimate familiarity with public workshops and interactions with Boards, committees and public hearings.
- **Experienced Project Manager** – Kim Boehler is an experienced project manager who has focused on cost-of-service and rate modeling under the direction of Mr. Clumpner. Together they have completed more than 50 similar, complex water and sewer rate and fee analyses over the last three years.
- **Seasoned Engineering Subconsultant** – Vivian Housen, P.E. has 25 years of experience supporting water and wastewater agencies as an employee, manager, and consultant. She will provide supplementary engineering review and analysis of the City’s Master Plan. Vivian will be supported analytically by her team of Engineers and Analysts.
- **Experienced Rate Consultant** – Carmen Narayanan is an experienced consultant who has focused on cost-of-service and rate modeling under the direction of Mr. Clumpner and Ms. Boehler. As a team they have worked on over 15 studies in 2014.
- **Experienced Administration Consultant** – Nick Dayhoff has over nine years of experience in sewer service charge and special financing district administration. He has helped a number of agencies transition their sewer rate structure from flat-fees per parcel to volumetric based charges and will perform the analysis necessary in this study to establish a volumetric-based rate structure for the City of Stanton, under the direction of Mr. Clumpner and Ms. Boehler.

Exhibit B. NBS Project Team for the City of Stanton



3. KEY PERSONNEL

QUALIFICATIONS OF PERSONNEL

The following staff will perform professional services in support of the project team:

GREG CLUMPNER, SENIOR TECHNICAL ADVISOR



Project Role and Responsibilities: Mr. Clumpner will provide direction, guidance, and quality control on all technical aspects of the project, including evaluating study alternatives and results, monitoring the project schedule, and the delivery of work products. He and Kim Boehler will serve as the points of contact for City staff. Mr. Clumpner's role will play a central part in evaluating alternatives and will bring a creative approach in order to provide the best solutions to the City's rate issues, including developing alternatives and options capable of demonstrating that they are a best fit to the City's unique characteristics and issues.

Summary of Work Experience: As the director of NBS' Utility Rate Study Practice, Mr. Clumpner's 30-year professional career has focused on cost-of-service rate studies for municipal water, wastewater, recycled water and solid waste agencies. He regularly makes technical presentations at industry conferences and client workshops. His practice includes management consulting assignments related to utility operations, system valuations, and feasibility studies. Mr. Clumpner joined NBS in January 2012 after three years as the California rate and finance business class leader at HDR Engineering. He also created and managed Foresight Consulting where, for six years, his practice focused on water and sewer rate analyses. Greg has completed over 200 similar studies during his career.

Additionally, since Mr. Clumpner works with Prop 218 legal counsel on an on-going basis, he knows the general legal constraints as well as when to solicit critical legal input to ensure alternatives will meet specific legal requirements. Recent sewer-related court rulings (e.g., the City of Davis) have legal implications that should be reflected in the City's rate structure alternative.

KIM BOEHLER, PROJECT MANAGER/SENIOR CONSULTANT



Project Role and Responsibilities: Ms. Boehler will manage and direct the technical and administrative aspects of the project and will work closely with the City's project manager to develop the overall approach, consisting of technical rate alternatives best suited to the City's needs and creative options to consider. She will oversee the data analysis, developing of the financial models and cost-of-service analyses for the sewer rate alternatives and serve as the primary consultant on other aspects of this study. Ms. Boehler will serve as the primary point of contact for City staff.

Summary of Work Experience: With over eight years in NBS' Financial Consulting practice and over 50 similar studies in California, Ms. Boehler prepares water and wastewater utility rate and capacity fee studies for cities and special districts throughout California. Ms. Boehler is responsible for developing financial models, cost-of-service analyses, designing rate structure alternatives, and related financial analyses. She works directly with Mr. Clumpner on a daily basis performing similar rate studies.

CARMEN NARAYANAN, RATE CONSULTANT



Project Role and Responsibilities: Under the direction of Mr. Clumpner and Ms. Boehler, Ms. Narayanan will perform data collection and analysis, implement the financial models and cost-of-service analyses, and will help develop the rate model for sewer rate alternatives.

Summary of Work Experience: Ms. Narayanan offers six years of combined experience in financial analyses, budgeting and financial projections, as well as general business management. Ms. Narayanan provides support to project teams completing water and wastewater utility rate studies, cost allocation plans and user fee studies for cities and special districts in California. She also provides support for the development of financial models, establishing revenue requirements, multi-year financial plans, rate adjustment strategies, performing cost-of-service analysis and rate design for utility rate studies.

NICK DAYHOFF, ADMINISTRATION CONSULTANT



Project Role and Responsibilities: Under the direction of Mr. Clumpner and Ms. Boehler, Mr. Dayhoff will perform the water consumption data collection and analysis, in order to develop the data necessary to establish a volumetric-based sewer rate.

Summary of Work Experience: With over nine years of experience in administering special financing districts for agencies in California, Mr. Dayhoff supports project teams completing water and wastewater utility rate studies. He has highly specialized experience in conducting the analysis necessary to assist agencies transition their rate structure from flat-fees per parcel to volumetric based charges, in addition to calculating the annual sewer service charges for a number of public agency clients. He has the experience working with many water providers throughout California, including Golden State Water Company (GSW) and is acutely aware of the format of water consumption data provided by these agencies, the issues that can be encountered, and how to merge that data with property tax roll data, which is an extremely valuable asset to this project team.

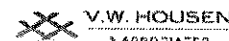
DANIELLE WOOD, CLIENT SERVICES DIRECTOR



Project role and Responsibilities: Ms. Wood will ensure NBS' study team delivers the high quality work products and service standards that differentiate NBS from other firms. However, she will not be charging time to this project.

Summary of Work Experience: Danielle Wood is an Associate Director with NBS where she and her staff administer special financing districts such as Landscape Maintenance Districts, 1913/1915 Act Improvement Districts, Drainage Assessment Districts, Special Safety Services Districts, Benefit Assessment Districts, Community Facilities Districts, and Property-Based Business Improvement Districts. Danielle is actively involved in managing the day-to-day district administration operations, the preparation of the annual special assessment levies, and related special projects.

VIVIAN HOUSEN, P.E., ENGINEERING SUBCONSULTANT



Project Role and Responsibilities: Ms. Housen and her team of Engineers and Analysts will provide supplementary engineering review and analysis of the capital improvements documented in the City's recent Sewer Master Plan. V.W. Housen & Associates (VWHA) will prepare an updated Capital Improvement Program for the City along with an implementation strategy, associated costs and timelines, which will be documented in a technical memorandum. Ms. Housen and her team will hold conference calls with City Staff throughout the process to gain an understanding of the system, review results of the analysis and make adjustments as needed.

Summary of Work Experience: Vivian Housen, P.E. opened VWHA in 2012 after nearly 25 years supporting water and wastewater agencies as an employee, manager, and consultant. Approximately 90 percent of our work supports agencies with their sewer collection system needs. VWHA's focus is the management of aging sewer collection systems through program management, regulatory compliance, and wastewater planning. We understand that aging infrastructure cannot be replaced all at once, and use numerical methods supported by field experience to isolate and prioritize issues that pose the highest risk. We provide assistance with projects of all sizes, ranging from technical troubleshooting to the management of large wastewater infrastructure improvements. Our goal is to help communities anticipate and address changing regulations and system needs while extending the useful life of existing infrastructure.

About VWHA: We understand your operating environment through work as District Manager, District Engineer, and extension of staff. A balanced approach to planning and design keeps improvement plans moving forward and systems well-maintained. We bring a hands-on and results oriented approach to every project. Our long-term commitment to the communities that we serve assures solutions that provide value into the future. Our services include Program Management, Hydraulic Modeling and Master Planning, Regulatory Compliance Support, Asset Management and Optimization and District Engineer and Management Services

RESUME HIGHLIGHTS

- 30-years of experience in financial and economic analyses
- Consulting practice focuses on municipal water, wastewater, and recycled water utilities
- Completion of over 200 rate studies

EDUCATION

- M.S., Agricultural/Managerial Economics, U.C. Davis, 1983
- B.S., Environmental Planning, UC. Davis, 1977

PROFESSIONAL AFFILIATIONS

- Vice-Chair, City of Davis Utility Rate Advisory Committee
- Former Chairman, City of Davis Planning Commission
- Past President, Sacramento Economics Roundtable
- Association of California Water Agencies (ACWA), Member
- American Water Works Association (AWWA), Member

RECENT SPEAKING ENGAGEMENTS

- "What's in Your Rates? Drought? Recycled Water? Social Justice?" – AWWA/ACE 2015 National Conference, Anaheim, CA, June 2015 (*accepted*).
- "The California Drought – What's in Your Rates?" – California Municipal Finance Officer Association, February 2015.
- "Water Rates: Fairness, Equity and 'Social Justice'?", NBS Primer, 2014
- "Recycled Water Pricing Methodologies", CWEA Spring Conference, 2014.
- The "Perfect Storm" or the "New Normal"? Meeting the Challenges of Maintaining Financial Viability, Utility Management Conference, Miami, February 2012.

BIOGRAPHY

Mr. Clumpner's 30-year professional career has focused on financial, economic, and cost-of-service rate analyses for municipal water, wastewater, recycled water and solid waste agencies. He regularly presents technical papers at industry conferences and client workshops. His practice has increasingly focused on management consulting related to municipal utility operations and capital improvements.

- **Utility Cost-of-Service Rate Studies:** Mr. Clumpner has prepared more than 200 multi-year financial plans, cost-of-service analysis, and rate design studies as well as conservation-oriented water rates, funding analysis for water, sewer, and solid waste utilities. These rate studies have primarily been for California clients, although he has also completed projects in Malaysia, Sri Lanka, Egypt, and Mexico.
- **Management Consulting & Strategic Planning:** His management consulting and strategic planning experience includes system operations, financial analyses, and long-term funding strategies for municipal agencies. He also has an extensive background in system valuations of capital facilities and systems, facility acquisitions, and municipal versus private operations.
- **Project Financing/Bond Feasibility Studies:** His financing/bond feasibility study experience includes successfully preparing bond feasibility reports resulting in the issuance of more than \$500 million in revenue bonds to finance the acquisition or construction of municipal facilities.

SAMPLE OF RELEVANT PROJECTS

El Dorado Irrigation District, Placerville, CA – Water, Sewer, and Recycled Water Cost-of-Service and Rate Design Study. Greg Clumpner conducted an extensive and high-visibility cost-of-service study of water, sewer, and recycled water rates, including working with a 10-person cost-of-service study committee and regular updates with the district board. Key tasks include reviewing existing and recommending changes to financial/rate setting policies, alternative rate design methodologies, and recommended water, sewer, and recycled water rates. *Client project manager: Jim Abercrombie, EID General Manager. Phone: 530-642-4055. jmabercrombie@eid.org*

"You have done a great job on this project, especially with the challenges we faced. I would be happy to serve as a client reference whenever needed in the future. Please have any of your prospective clients call me."

JIM ABERCROMBIE
GENERAL MANAGER
EL DORADO IRRIGATION DISTRICT

[Greg Clumpner served as the Project Manager in completing a Cost-of-service Study of Water, Sewer and Recycled Water Rates for the District]

RESUME CONTINUED...

Cucamonga Valley Water District, Rancho Cucamonga, CA – Water and Recycled Water Capacity Fee Study. NBS conducted a detailed evaluation of water capacity fees. Key tasks include reviewing existing capacity fee policies, capital assets, costs and timing of planned capital improvements, available capacity, alternative capacity fee methodologies, and recommending updated water and recycled water fees. *Client project manager: Carrie Corder, Director Financial and Administrative Services. Phone: 909.987.2591. carriec@cvwdwater.com*

City of Sausalito, CA – Sewer Rate Study. The purpose of this report was to project revenues and expenditures develop net revenue requirements, evaluate cost-of-service cost allocations and rate design alternatives. The primary result of this study was to change the entire sewer rate structure based on average winter water use. This improved the overall equity and fairness of the rates. *Client project manager: Jonathan Goldman, Director of Public Works and City Engineer. Phone: 415.289.4176. jgoldman@ci.sausalito.ca.us*

City of Fort Bragg, Fort Bragg, CA – Water, Wastewater and Storm Drain Cost-of-Service Rate Study. To update its 2008 water and sewer rate analysis and evaluate alternative rate structures, this rate study prepared detailed analyses of financial projections, cost-of-service based cost allocations, and rate design alternatives under the direction of City staff and the City's financial advisory committee. NBS also reviewed rate structure alternatives and proposed new rates for the water, wastewater and storm drainage utilities based on well-accepted industry practices. *Client project contact: Rosana Cimolino, Finance Director/Treasurer. Phone: 707.961.2825. rcimolino@fortbragg.com*

Sussex County, Delaware – Water & Sewer Rate and Connection Fee Study. NBS recently completed a Water and Sewer Rate and Connection Fee Study for Sussex County, Delaware. The County currently manages 28 separate Sewer Districts for which they operate and maintain capital infrastructure, and assess service charges, assessments and connection fees. Key aspects of this study involved evaluating the sufficiency of the County's existing service and assessment charges to fully recover operating and capital costs, and creating a single connection fee for new customers who connect to the County's Sewer system. Extensive analysis was performed to develop fair and equitable assessment charges for each of the County's 28 Sewer Districts. *Client project contact: Jeff James, Director of Engineering Accounting. Phone: 302.855.7718. jjames@sussexcountyde.gov*

City of Redding, CA – Water, Sewer, and Solid Waste Rate and Impact Fee Study NBS is currently completing an extensive and high-visibility cost-of-service study of water, sewer, and solid waste rates and system development charges for the water and sewer utilities. A key part of this study was working with a Citizens Advisory Group that reviews and provides recommendations to the City Council. Key tasks include reviewing financial/rate setting policies, preparing financial plans, revenue requirements, cost-of-service analysis, and developing alternative rate designs. *Client project manager: Kent Manuel, Senior Planner. Phone: 530.225.4029 kmanuel@ci.redding.ca.us.*

City of Santa Paula, CA – Water and Sewer Rate Study and Workshops. NBS is currently preparing water and sewer rate studies for Santa Paula and conducting community workshops intended to solicit community input for the rate design addressed in the cost-of-service rate studies. Key aspects of this study are high costs for sewer treatment services provided by a PERC Water-operated treatment plant and high raw water costs, which have increased by over 300% in the last 5 years. Re-designing both water and sewer rate structures is also a key objective. NBS staff includes Greg Clumpner and Kim Boehler. *Client project manager: Brian Yanez, Interim Public Works Director. Phone: 805.933.4212. byanez@spcity.org*



RESUME HIGHLIGHTS

- Over eight years of experience
- Over 70 cities, counties, and special districts served
- Specialist in financial, rate and cost analysis for municipal water and wastewater utilities
- American Water Works Association (AWWA), Member

EDUCATION

- Bachelor of Science; Business Administration and concentration in Finance, California State University, San Bernardino, 2004

SPEAKING ENGAGEMENTS

- "Drought Impacts and Recycled Water Pricing" and "Water and Sewer Rate Studies and Key Issues Affecting Rates in California," American Water Works Association Water Education Seminar, August 2014
- "Recycled Water Pricing Methodologies", CWEA, May 2014 (*co-presented with Greg Clumpner*)
- "Water and Sewer Rate Studies and Key Issues Affecting Rates in California," American Water Works Association Water Education Seminar, August 2013
- "Financial Viability and the "New Normal" - The Unique Challenges of California Wastewater Agencies" and "Maintaining Financial Viability in the Face of the "Perfect Storm" – Meeting the Challenges in California Today," CWEA, April 2012 (*co-presented with Greg Clumpner*)

"... Kim Boehler displayed the superb technical knowledge needed to complete the study. Further, the willingness of each of you to go above and beyond most expectations by grinding through multiple iterations of the study as requested by the City on short notice was exemplary."

CITY OF REDDING
KENT MANUEL, SENIOR
PLANNER

[Kim Boehler served as the primary consultant in completing a multi-utility rate and connection fee study for the City]

BIOGRAPHY

Kim Boehler is a Senior Consultant at NBS. Her primary area of expertise is in performing financial and cost-of-service rate analysis for municipal water and wastewater utilities. She has a comprehensive understanding of agency funding needs through her work completing cost allocation plans and user fee studies and providing special financing district administration services to cities, counties and special districts in California at NBS. The following are her responsibilities in the Utility Rate Practice at NBS:

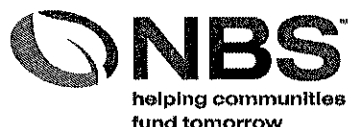
- Ms. Boehler prepares water and wastewater utility rate and capacity fee studies for cities and special districts throughout California.
- She has completed projects for over 40 agencies in this capacity by developing financial models, cost-of-service analyses, rate structure alternatives, and related financial analyses.
- She prepares comprehensive rate study reports, presents study results to City Councils, Boards and Citizen's Committees, and works with stakeholders to develop rate adjustment strategies.
- Her high level of expertise in spreadsheet and database platforms provides support, research, documentation, and analysis required as deliverables to NBS clients.
- Her technical skills are essential in analyzing and manipulating large and complex data sets extracted from client information systems, operating and capital budgets and staffing or systems plans.

RELEVANT PROJECT EXPERIENCE

- City of Arvin, Sewer Rate Study
- Avila Beach Community Services District, Water and Wastewater Rate and Connection Fee Study
- City of Benicia, Water and Wastewater Rate Study
- Calaveras County Water District, Water and Wastewater Rate Study
- Citrus Heights Water District, Water Rate Study

RESUME CONTINUED...

- City of Colton Water Rate and Connection Fee Study
- City of Colton and Grand Terrace Sewer Rate Study
- Cucamonga Valley Water District, Water and Recycled Water Connection Fee Study
- Cucamonga Valley Water District, Water Rate Study
- Culver City, Wastewater Rate Study
- Desert Water Agency, Water, Wastewater and Recycled Water Rate Study
- Desert Water Agency, Water Rate Analysis to Address Tribal/Non-Tribal Rates
- Dixon-Solano Water Authority, Water Rate Study
- East Valley Water District, Water and Wastewater Financial Plans
- City of Fort Bragg, Water, Wastewater and Storm Drain Rate Study
- City of Greenfield, Water and Wastewater Utility Revenue Requirement Analysis
- City of Livermore, Water Rate and Connection Fee Study
- City of Los Altos, Storm Drain Master Plan Financing Analysis
- City of Redding, Water, Wastewater and Solid Waste Rate Study and Connection Fee Analysis
- Rural North Vacaville Water District, Water Rate Study
- City of San Carlos, Wastewater Revenue Requirement Analysis
- City of Santa Paula, Water and Wastewater Rate Study
- San Mateo County, Wastewater Rate Study
- City of Sausalito, Wastewater Rate Study City of Solvang, Water and Wastewater Rate and Connection Fee Study
- Suisun-Solano Water Authority, Water Rate Study
- City of Taft, Wastewater and Solid Waste Rate Study
- City of Thousand Oaks, Water and Wastewater Rate Study
- Twentynine Palms Water District, Water Rate Study
- City of Vallejo, Water Rate and Connection Fee Study
- Valley of the Moon Water District, Water Rate and Connection Fee Study
- City of Victorville, Water Rate Study
- City of Waterford, Water and Wastewater Rate and Connection Fee Study
- West County Wastewater District, Wastewater Rate and Connection Fee Study
- City of Winters, Water and Sewer Rate Study
- City of Yuba City, Water and Wastewater Rate Study



RESUME HIGHLIGHTS

- Six years of management experience and knowledge of Finance and Accounting methods.
- Extensive experience working with analysis software, databases, and spreadsheets.

EDUCATION

- Master of Business Administration, University of California, Davis Graduate School of Management
- Bachelor of Business Administration, University of Montevallo

BIOGRAPHY

Carmen Narayanan is a Consultant at NBS for the Financial Consulting Group's Utility Rate Practice. She offers six years of combined experience in annual financial analyses, annual budgets and projections, as well as business and general office management.

Ms. Narayanan provides support to project teams completing water and wastewater utility rate studies, cost allocation plans and user fee studies for cities and special districts in California. Ms. Narayanan provides support for the development of financial models, establishing revenue requirements, multi-year financial plans, rate adjustment strategies, performing cost-of-service analysis and rate design for utility rate studies. Ms. Narayanan's years of technical skills are essential to the work performed by NBS.

Prior to working at NBS, Carmen held various management positions, which included operations, finance and accounting expertise.

RELEVANT PROJECT EXPERIENCE

- City of Benicia, Water and Sewer Rate Study
- Cucamonga Valley Water District, Water and Sewer Rate Study
- Hidden Valley Lake Community Services District, Water Rate Study
- City of Lancaster, Recycled Water Rate Study
- Pajaro Sunny Mesa, Water Rate Study
- City of Sacramento, Impact Fee Study
- Twentynine Palms Water District, Water Rate Study
- City of Vallejo, Water Rate Study
- Valley of the Moon, Water Rate Study
- City of Yuba City, Water and Wastewater Rate Study

RESUME HIGHLIGHTS

- Over nine years of industry experience.
- Administers over 60 special financing districts throughout California.
- Administers special financing districts within the Counties of Alameda, Contra Costa, Los Angeles, Marin, San Joaquin, San Mateo, Santa Clara, and Sonoma.
- Responsible for preparing the annual levy of more than 750,000 parcels.

EDUCATION

- Bachelor of Arts, Finance, California State University, San Diego

BIOGRAPHY

Nick Dayhoff is a Consultant at NBS, where he administers special financing districts, including 1913/1915 Act Assessment Districts, Mello-Roos Community Facilities Districts, Landscape and Lighting Districts, Benefit Assessment Districts, and Property Related Fees and Charges. Nick has experience in all aspects of special district administration, including continuing disclosure and delinquency management. He is actively involved in the daily administration of district administration operations.

- *Sewer Charge Administration:* Nick currently works with six different agencies as their Sewer User Charge Administrator. This includes processing water consumption data, matching water meter numbers/service addresses to assessor's parcel numbers, and calculating the sewer charges based upon water consumption and user category. He has also helped several of those agencies transition their rate structure from flat-fees per parcel to volumetric based charges.
- *District Administration:* Nick's administrative functions include calculation of annual levies, analysis of district finances, calculation of redemption of bonds from prepayments, apportionment of liens and annual report preparation. Nick deals with county agents including the Auditor Controller's Office, Treasurer Tax Collector, and County Assessor's Office. He understands county timetables and requirements for transmittal and processing of data critical to the successful administration of special districts. In addition, he is available to assist district property owners with questions or concerns and provide explanations of bond covenants and government code in a manner understandable to professionals and the layperson.
- *Special Projects:* In addition to the above listed responsibilities, Nick has experience in special projects, including Proposition 218 compliance and notification, district closeouts, assisting public agencies with the coordination of public hearings, assisting cities and districts with code compliance on several topics related to land-based financing, assistance with judicial foreclosure processes and pre-formation and pre-bond disclosure analysis.
- *Continuing Disclosure:* Nick has prepared and disseminated municipal disclosure reports for several California agencies. He prepared and disseminated ongoing disclosure reports for special financing districts including 1915 Act Assessment Districts, Community Facilities Districts, Revenue Bonds and Local Obligation Disclosure Reporting in compliance with Securities Exchange Commission regulation 15c2-12.

RELEVANT PROJECT EXPERIENCE

- City of Culver City, Sewer User Charge Administrator
- West County Wastewater District, Sewer User Charge Administrator
- City of Mill Valley, Sewer User Charge Administrator
- City of Sausalito, Sewer User Charge Administrator
- City of Belmont, Sewer User Charge Administrator
- City of San Mateo, Sewer User Charge Administrator



V.W. HOUSEN

& ASSOCIATES

RESUME HIGHLIGHTS

- Over 25 years experience
- Management of water and wastewater
- Hydraulic modeling and sewer system asset management
- Regulatory compliance

EDUCATION/LICENSE

- Bachelors of Science Engineering, University of California at Berkley
- Master of Science Structural Engineering, Stanford University
- Professional Civil Engineer, California No. C46324

BIOGRAPHY

Vivian Housen has over 25 years of experience in the planning, design, and management of water and wastewater infrastructure projects. She is a hands-on manager for programs and projects involving wastewater facility improvements, hydraulic modeling, master planning, utility asset management, and regulatory compliance. Vivian also assists agencies with interim management needs and improving O&M efficiencies. She is strategic and forward-thinking, and is recognized for her ability to prioritize improvements in order to manage risk without adding unneeded infrastructure. She has demonstrated success delivering controversial programs significantly under budget.

EXPERIENCE

Project Manager for Prioritized CIP Development and Implementation, City of Benicia, California. Vivian assisted the City in streamlining and prioritizing three large capital improvement plans related to water, wastewater treatment, and 130 miles of sewer collection system pipelines in order to address the highest risk items with existing budget. The resulting optimized CIP will allow the City to plan more strategically for future rate adjustments. She is currently serving as an extension of staff to implement the most critical projects, and to provide as-needed assistance to support the City's underground infrastructure needs.

Project Manager for Priority Sewer Rehabilitation Projects, City of Sausalito, California. This project evaluated and prioritized rehabilitation of 17 collection system pipeline projects and two pump stations within the City of Sausalito. Challenges included bay mud, tidal influences, heavy tourist activity, private easements, narrow streets, and steep terrain. Vivian is currently serving as Program Manager for the implementation of the prioritize capital program, to help assure that the City's needs are met within the planned budget and schedule. The program includes sewer and pump station replacements throughout the City, and proactively addresses anticipated changes resulting from climate change.

Project Manager for Infrastructure Asset Management Plan, Ross Valley Sanitary District, Larkspur, California. This project was conducted in response to and as required by a Cease and Desist Order from the Regional Board. Vivian helped the District to negotiate flexibility into the Order, and then developed a computerized risk model to prioritize replacements based on likelihood and consequence of failure. The resulting CIP reduced the District's capital program budget obligations by one third, by deferring less critical replacements and focusing on improvements which, when completed, had the highest potential to reduce risk.

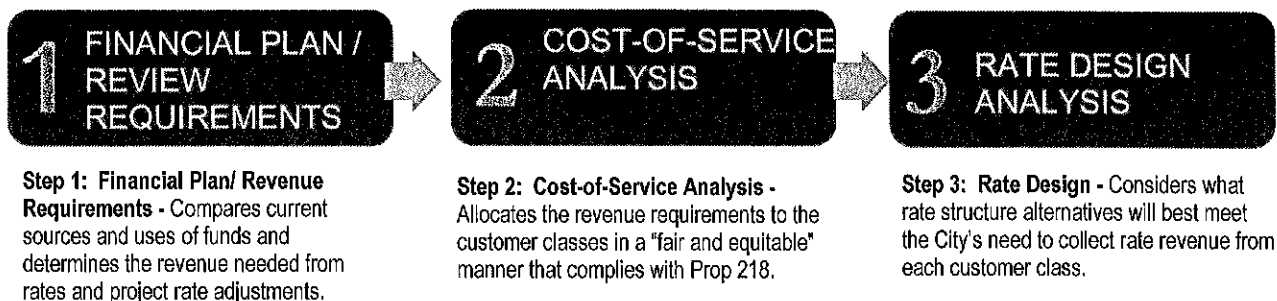
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4. PROJECT APPROACH

PROJECT APPROACH

Figure 1 shows the three basic components of a comprehensive rate study and the order in which each step is completed. Our proposed scope of work will follow this logical order, beginning with establishing the revenue requirements for the City's sewer utility. A detailed scope of work is provided below.

Figure 1. PRIMARY COMPONENTS OF A RATE STUDY



To address the key challenges facing the City, the rate consultant must be able to work cooperatively with City Staff, the City Council and the public to develop financial plans and rate recommendations that can be confidently defended from both a technical and legal perspective. We plan on providing the leadership in helping City staff, City Council members and the public understand the key issues that will be addressed in this study and how other California communities are addressing similar problems. Ultimately, we want the City to be confident that it is taking reasonable and prudent steps and developing sewer rates that best meet the needs of the City's customers.

Based on the information provided in the City's RFP and conversations with City Staff, we believe the City should explore possible improvements to the existing rates, with an emphasis on those that are practical and implementable. With this objective in mind, some of the key background issues to consider as the City selects a consultant to perform this study include:

- 1) **Modifying Rate Structure** – The City's current equivalent dwelling unit rate design is a perfectly acceptable and defensible basis for the City's residential sewer rates. However, the current method of assessing sewer rates for commercial and industrial customers based on acreage is questionable and should be further evaluated. We will discuss options for improving the current rate design, such as incorporating a volumetric component to the sewer rate that could be based on average winter consumption for residential customers, and monthly water consumption for commercial and industrial customers, which is more defensible than an acreage-based rate.
- 2) **Updating Capital Improvement Program** – Our team will provide *limited review* of the capital expenditures outlined in the City's recently completed Sewer Master Plan and develop an updated Capital Improvement Program and, as needed, advise on implementation strategy, associated costs and timelines. The intent of this analysis will be to help determine more cost effective alternatives for implementing the improvements in the Master Plan and minimize the impact to ratepayers.
- 3) **Financial Plan** – Developing a sufficient and sustainable financial plan that ensures the financial health of the City's sewer utility while also balancing the affordability of rates. Balancing sources of funds for capital projects with rate increases is a key component in this task.

- 4) **Achieving Long-Term Revenue Sufficiency and Stability** – Well-designed financial plans and rate structures are essential for providing long-term revenue stability. By verifying that accurate financial and billing data is used and that proposed rates actually generate sufficient revenues, NBS will ensure the City receives the highest quality analysis and clear and concise reports and presentations.
- 5) **Quality Project Delivery** – Our team offers the technical expertise that is essential for successfully completing this study, but also has demonstrated our attention to quality control. Quite frankly, there have been a number of recent rate-study related lawsuits that have revealed poor judgment and a lack of quality control on the consultant's part¹. These cases emphasize the need for the City to select a consultant that pays careful attention to your specific rate study issues and concerns. As demonstrated by both our project experience and client references, NBS has a proven track record doing just that. *(For example, see the Marin County Grand Jury statements regarding NBS' sewer rate study for the City of Sausalito summarized in the Appendix cover and other client quotes.)*
- 6) **Transparency and Communication** – NBS is continually striving for the highest level of transparency and communication regarding the study methodology, assumptions and results. We view initial meetings and workshops as important steps in promoting a common understanding of the overall study goals and objectives, potential new rate structures, and customer bill impacts. We believe that "complexity is the enemy of understanding" – therefore we strive to ensure that we provide concise, simple and clear explanations at every part of the study.

DETAILED WORK PLAN

We plan on providing the leadership in helping City staff, City Council members and the public understand the various options, key issues, and how other California communities are addressing similar problems. Ultimately, we want the City to be confident that it is taking reasonable and prudent steps and developing sewer rates that best meet the needs of the City's customers.

This section details NBS' proposed methodology and scope of work. These tasks serve as the basis for the proposed budget and can be incorporated into the formal agreement to perform this rate study.

TASK 1. KICKOFF MEETING AND DATA COLLECTION

Task Objectives: Clearly communicate and work with City staff to obtain necessary data and review study objectives, tasks, and schedule.

Task Deliverables:

- Data request to City staff prior to the kick-off meeting.
- Review of initial data provided.
- Kick-off meeting with City staff.
- Strategy for implementing new sewer rates.
- Preliminary plan for City Council presentations.

The kick-off meeting will be used to prioritize the main goals and objectives for this study with City Staff and develop a strategy for developing and implementing new sewer rates. Given the number of issues the City would like to address in this study, and the time constraints for implementing new, having a discussion to prioritize and develop a sound strategy at the beginning of the study is imperative.

During the kickoff meeting, we will also review and discuss the data from the City's billing and accounting system and data requirements in general. The data the City will need to provide includes customer accounts, total rate revenue collected, and financial data typically reported in financial statements.

¹ For examples, see the recent City of Glendale lawsuit and the tentative decision in *Newhall County Water District v. Castaic Lake Water Agency*.

TASK 2. LIMITED REVIEW OF CITY'S CAPITAL IMPROVEMENT PROGRAM

Task Objectives: Review the schedule and strategy for implementing the Capital Improvement Program along with the associated costs and timelines.

Task Deliverables: Comments and advice on the Capital Improvement Program.

V. W. Housen & Associates will support NBS with the following tasks:

- 2.1 Review existing documentation, including maps, maintenance data, Master Plans and capital planning documents as requested. This task includes one conference call with City staff to gain an understanding of factors that may define program needs.
- 2.2 Advise the City on the assumptions, work completed, and other CIP recommendations.

TASK 3. FINANCIAL PLAN AND REVENUE REQUIREMENT ANALYSIS

Task Objectives: Prepare a detailed financial plan that details the City's revenues, expenditures, reserves, debt coverage ratios, capital improvement costs, repair and replacement costs and net revenue requirements. Based on our evaluation of current reserve fund levels, we will incorporate our recommendations for reserve fund policies into the financial plans in order to better evaluate the City's current financial management concerns.

Task Deliverables:

- A 20-year financial projection model that will serve as a financial "roadmap" for the City's sewer utility.
- Summary of current and projected net revenue requirements.
- Assessment of *current reserve funds* and target year-end balances.
- Establish reserve fund policies and targets, such as operating, rate stabilization, capital repair and replacement and debt service.
- Calculated debt service coverage ratios.

These financial plans will lay the groundwork for the cost-of-service and rate design analyses addressed in Tasks 4 and 5. The following subtasks are anticipated:

- **Projected Revenues and Expenditures** – Using a cash-basis reflecting the City's system of accounts for the sewer utility, NBS will prepare a 20-year projection of revenues and expenses for the utility, and increases in rate revenue needed to meet all obligations. This will provide the City with the financial planning tools needed for smoothing out future rate increases and maintaining appropriate reserve fund levels in light of revised budget projections.
- **Evaluate Reserve Fund Sufficiency** – NBS will evaluate the sufficiency of existing reserve funds and related issues such as debt service coverage ratios. We will provide recommendations for target balances for reserves such as operating, capital rehabilitation/replacement and rate stabilization.
- **Review Capital Improvement Funding** – NBS will incorporate the capital improvement plans, and evaluate the timing, costs, and available reserves used to fund various projects. We will work with City staff to develop a well-conceived approach to funding these capital needs.

Figures 2, 3 and 4 are *generic* examples of the types of charts and tables we use to summarize these results (the City's chart of accounts will serve as the basis for the actual analysis and tables).

Figure 2. Summary of Five-Year Revenue Requirements and Rate Increases

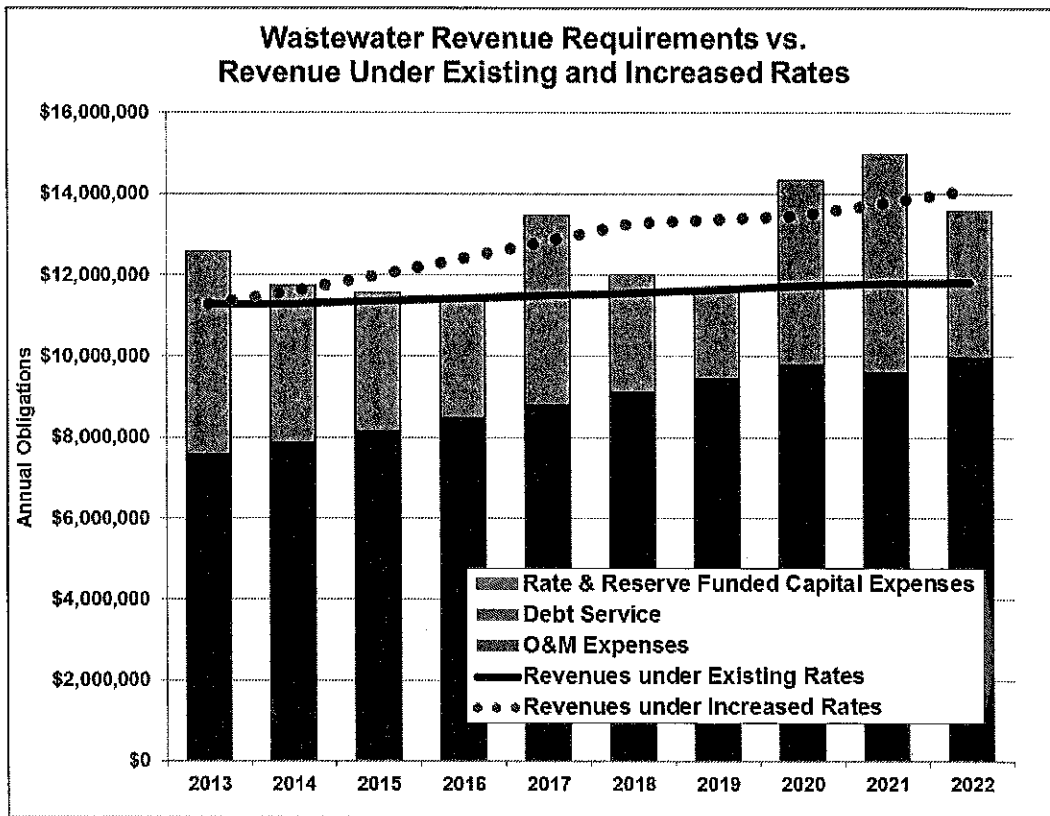
Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	Projected				
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Sources of Wastewater Funds						
Rate Revenue Under Prevailing Rates	\$ 15,203,655	\$ 15,315,705	\$ 15,429,586	\$15,546,465	\$15,685,153	\$15,828,338
Non-Rate Revenues	599,330	635,770	600,769	575,976	571,953	571,970
Total Sources of Funds	\$ 15,802,985	\$ 15,951,475	\$ 16,030,355	\$16,122,441	\$16,257,107	\$16,400,308
Uses of Wastewater Funds						
Operating Expenses	\$ 12,791,032	\$ 13,197,960	\$ 13,312,000	\$13,813,880	\$14,928,296	\$15,546,000
Debt Service	498,608	489,138	488,652	490,108	492,153	463,855
Rate-Funded Capital Expenses	-	3,515,232	7,310,656	5,620,544	5,217,171	4,346,899
Total Use of Funds	\$ 13,289,640	\$ 17,202,330	\$ 21,111,308	\$19,924,532	\$20,637,620	\$20,356,754
Additional Revenue from Rate Increases		765,785	1,581,533	2,450,511	3,561,824	4,565,472
Surplus / (Deficiency) after Rate Increase	\$ 2,513,346	\$ (485,070)	\$ (3,499,420)	\$ (1,351,580)	\$ (818,690)	\$ 609,026
<i>Projected Annual Rate Increase</i>	<i>0.00%</i>	<i>5.00%</i>	<i>5.00%</i>	<i>5.00%</i>	<i>6.00%</i>	<i>5.00%</i>
<i>Debt Coverage After Rate Increase</i>	<i>6.04</i>	<i>7.19</i>	<i>8.80</i>	<i>9.71</i>	<i>9.94</i>	<i>11.68</i>
Net Revenue Requirement¹	\$ 12,690,310	\$ 16,566,560	\$ 20,510,539	\$19,348,556	\$20,065,667	\$19,784,784

1. Total Use of Funds less non-rate revenues and interest earnings. This is the annual amount needed from wastewater rates.

Figure 3. Summary of Five-Year Reserve Fund Balances

Ending Reserve Fund Balances and Recommended Reserve Targets	Budget	Projected				
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Operating Reserve	\$ 1,708,000	\$ 1,586,173	\$ 1,781,660	\$ 1,938,000	\$ 1,605,258	\$ 2,095,000
<i>Recommended Minimum Target</i>	<i>1,708,000</i>	<i>1,781,000</i>	<i>1,858,000</i>	<i>1,938,000</i>	<i>2,015,000</i>	<i>2,095,000</i>
Capital Rehab & Replacement Reserve	\$ 1,726,922	\$ 1,426,100	\$ 1,372,500	\$ 1,952,055	\$ 1,336,200	\$ 1,777,507
<i>Recommended Minimum Target</i>	<i>1,565,400</i>	<i>1,426,100</i>	<i>1,372,500</i>	<i>1,320,100</i>	<i>1,336,200</i>	<i>1,249,300</i>
Debt Reserve	\$ 536,949	\$ 536,949	\$ 536,949	\$ 536,949	\$ 536,949	\$ 536,949
<i>Recommended Minimum Target</i>	<i>536,949</i>	<i>536,949</i>	<i>536,949</i>	<i>536,949</i>	<i>536,949</i>	<i>536,949</i>
Total Ending Balance	\$ 3,971,871	\$ 3,549,223	\$ 3,691,110	\$ 4,427,004	\$ 3,478,408	\$ 4,409,456
Total Recommended Minimum Target	\$ 3,810,349	\$ 3,744,049	\$ 3,767,449	\$ 3,795,049	\$ 3,888,149	\$ 3,881,249
Surplus / (Deficit)	\$ 161,522	\$ (194,827)	\$ (76,340)	\$ 631,955	\$ (409,742)	\$ 528,207

Figure 4. Summary of Revenue Requirements and Existing vs. Proposed Rates



TASK 4. COST OF SERVICE ANALYSIS

Task Objectives: Equitably allocate the revenue requirements to each customer class and determine the cost of providing sewer service to each of these classes.

Task Deliverables: Cost of service summary tables, which will be incorporated into the rate design and rate study report. This analysis provides a critical component necessary for establishing a defensible administrative record for cost-based sewer rates.

Cost of Service Analysis

The revenue requirements will be equitably allocated to individual customer classes based on industry standard methodologies. We will review the City's existing customer classes and analyze the historical characteristic of each customer class to determine if any changes should be made, in order to comply with industry standards. If there are any changes to the customer classes resulting from the review of the current rate structures and customer characteristics (i.e., incorporating differential rates for single-, multi-family and commercial, etc.), these changes will be incorporated into this analysis. The main components of the cost-of-service analysis are as follows:

Functionalization/Classification of Expenses – Typical cost-of-service analysis requires classifying expenses into basic categories, including flow and strength characteristics (i.e., BOD and TSS), as well as customer costs. Figure 5 illustrates the process NBS used for the City of Culver City.

Figure 5. Classification of Sewer Revenue Requirements

Classification of Expenses									
Budget Categories	Total Revenue Requirements	Flow	Strength		Customer	Basis of Classification			
	2013	(VOL)	(BOD)	(TSS)	(CA)	(VOL)	(BOD)	(TSS)	(CA)
Personnel Services									
Regular Salaries	\$ 846,544	\$ 338,618	\$ 126,982	\$ 126,982	\$ 253,963	40%	15%	15%	30%
Retirement	\$ 134,715	\$ 53,886	\$ 20,207	\$ 20,207	\$ 40,415	40%	15%	15%	30%
Group Insurance	\$ 151,154	\$ 60,462	\$ 22,673	\$ 22,673	\$ 45,346	40%	15%	15%	30%
Longevity Pay	\$ 234,957	\$ 93,983	\$ 35,244	\$ 35,244	\$ 70,487	40%	15%	15%	30%
Total Personnel Services	\$ 1,367,370	\$ 546,948	\$ 205,106	\$ 205,106	\$ 410,211				
Maintenance & Operations									
Utilities	\$ 76,000	\$ 68,400	\$ -	\$ -	\$ 7,600	90%	0%	0%	10%
Contributions to Agencies (1)	\$ 2,272,000	\$ 1,272,320	\$ 522,560	\$ 477,120	\$ -	66%	23%	21%	0%
Rental of Land	\$ 360,000	\$ 324,000	\$ -	\$ -	\$ 36,000	90%	0%	0%	10%
Other Contractual Services	\$ 733,316	\$ 659,984	\$ -	\$ -	\$ 73,332	90%	0%	0%	10%
Misc. Other Expenses	\$ 394,305	\$ 196,403	\$ 27,450	\$ 27,450	\$ 143,002	50%	7%	7%	36%
Administrative Charges	\$ 655,484	\$ 65,548	\$ -	\$ -	\$ 589,936	10%	0%	0%	90%
Total Maintenance & Operations	\$ 4,491,105	\$ 2,586,656	\$ 550,010	\$ 504,570	\$ 849,869				
Total Operating Expenses	\$ 5,858,475	\$ 3,133,604	\$ 755,116	\$ 709,676	\$ 1,260,080				
Allocation of Operating Expenses	100%	53%	13%	12%	22%				
Debt Service Payments									
2009 Series A Revenue Bonds:	\$ 1,606,800	\$ 803,400	\$ 401,700	\$ 401,700	\$ -	60%	26%	26%	0%
TOTAL USES OF SEWER FUNDS	\$ 7,465,275	\$ 3,937,004	\$ 1,156,816	\$ 1,111,376	\$ 1,260,080	53%	15%	15%	17%
Less Non-Rate Revenues									
(less) Industrial Waste Inspection Fees	\$ (70,000)	\$ (37,442)	\$ (9,022)	\$ (8,480)	\$ (15,056)	53%	13%	12%	22%
(less) Interest Earnings	\$ (202,000)	\$ (108,047)	\$ (26,036)	\$ (24,470)	\$ (43,448)	53%	13%	12%	22%
NET REVENUE REQ'TS (Unadjusted)	\$ 7,193,275	\$ 3,791,516	\$ 1,121,757	\$ 1,078,426	\$ 1,201,576				
Adjusted Net Revenue Req'ts	\$ 7,545,151	\$ 3,976,986	\$ 1,176,630	\$ 1,131,180	\$ 1,260,354				
Allocation of Revenue Requirements	100%	53%	16%	15%	17%				

Allocations to Sewer Customer Classes – Figure 6 summarizes the next step of allocating costs to each customer class using the allocation factors specific to each of the classes of costs.

Figure 6. Example of Allocation Factors

Cost Classification Category	Flow/Effluent Volume	Strength Factors		Customer
		BOD	TSS	
Allocation Factors	Water Consumption by Customer Class	BOD Effluent levels (in Mg/L)	TSS Effluent levels (in Mg/L)	Number of Accounts by Customer Class
Types of Costs	Amount of Effluent generated by each Customer Class	BOD-Related WWTP Processing	TSS-Related WWTP Processing	Costs associated with having customers connected to the system.
Examples of Costs	<ul style="list-style-type: none"> Hydraulic Capacity of WWTP Effluent Pumping Stations Collection System Costs 	BOD-Related WWTP Equipment	TSS-Related WWTP Equipment, Sludge Handling	<ul style="list-style-type: none"> Meter Reading Customer Billing Customer Service

As a result of applying the allocation factors to the cost classifications (i.e., the Volume, BOD, TSS, and Customer costs), the revenue required from each customer class is accumulated by customer class, as shown in Figure 7.

Figure 7. Allocation of Revenue Requirements to Customer Classes

Customer Class	Classification Components				Total
	Volume	Treatment		Customer Related	
		BOD	TSS		
Net Revenue Requirements	\$ 3,976,986	\$ 1,176,630	\$ 1,131,180	\$ 1,260,354	\$ 7,545,150
	63%	16%	15%	17%	100%
Single-Family Residential	\$ 962,013	\$ 246,676	\$ 239,608	\$ 544,013	\$ 1,992,310
Multi-Family Residential	\$ 1,522,095	\$ 390,290	\$ 379,107	\$ 587,925	\$ 2,879,417
Commercial - Business	\$ 888,087	\$ 227,720	\$ 221,195	\$ 102,998	\$ 1,440,000
Commercial - Restaurants	\$ 225,777	\$ 188,523	\$ 202,890	\$ 15,649	\$ 632,839
Commercial - Hotels	\$ 258,430	\$ 84,956	\$ 71,316	\$ 3,319	\$ 418,021
Institutional	\$ 113,140	\$ 37,194	\$ 16,011	\$ 5,406	\$ 171,751
Schools	\$ 7,444	\$ 1,273	\$ 1,053	\$ 1,043	\$ 10,813
Total	\$ 3,976,986	\$ 1,176,632	\$ 1,131,180	\$ 1,260,353	\$ 7,545,151

TASK 5. RATE DESIGN ANALYSIS

Task Objectives: NBS will work with City staff to assess the current rate structure and develop the alternative rate structures best suited for the sewer utility by incorporating the City's broader rate design goals and objectives and effectively addressing the data requirements and time constraints.

Task Deliverables: Establish a mutually agreeable plan for implementing new sewer rate structures, and developing the data required for volumetric based sewer rates. NBS will provide rates for the selected rate structures, including the evaluation of the pros and cons of the various rate structure alternatives considered.

5.1 Develop Rate Design Implementation Schedule

The City desires to have new rates in place for FY 2015/16. We plan to have new rates developed and implemented in this timeframe. However, due to potential difficulties of merging Golden State Water Company (GSW) consumption data and City sewer accounts, it may not be feasible to implement average winter water consumption based rates for residential customers by the deadline for the FY 2015/16 tax year.

A key qualification for this study is NBS' extensive experience working with agencies that bill sewer service charges on the property tax roll; we recently converted the City of Sausalito's sewer rates from an Equivalent Dwelling Unit (EDU) based rate structure to an average winter water consumption-based rate. Having an outside water service provider such as GSW will require extensive up-front data analysis to determine the water consumption for each parcel. The water consumption data from GSW may not contain sufficient information to easily and expeditiously match water consumption data to Assessor's Parcel Numbers, which is necessary for placing the charges on the property tax roll. Therefore, the consultant would need sufficient time to work with this data; this would likely extend the implementation of average winter-water use based residential rates beyond the FY 2015/16 timeframe.

After initial discussion with City Staff, we suggest the City consider maintaining the existing Dwelling Unit (DU) based rate structure for residential customers for FY 2015/16, and plan to implement an average winter consumption-based rate in FY 2016/17. However, it may be feasible to re-structure commercial and industrial sewer rates for FY 2015/16 that have a water consumption based component, given they are a much smaller portion of the City's customers, and that data analysis for these accounts may be manageable within the timeframe.² We plan on discussing our ideas with City Staff at the kickoff meeting,

² Assuming all data needed for the study (financial, customer billing and water consumption) is provided in a timely manner and does not require extensive manipulation by the NBS project team.

prioritizing objectives, and developing an acceptable strategy for calculating and implementing new sewer rates. We are confident we can meet the City's needs for this study, and have a flexible and well-thought out approach for doing this.

5.2 Develop Water Consumption Data

NBS will develop the data necessary for establishing a water consumption based sewer rate structure. This will consist of obtaining the water consumption data from the City's water service provider, GSW and merging that data with the City's customer list that is used to place sewer service charges on the Orange County property tax roll. NBS will establish the total annual and average winter water consumption for each customer to determine an appropriate basis for a volumetric sewer service charge.³

5.3 Develop Rate Design Recommendations

We will discuss the relative merits (pros and cons) of the City's current rate structure and the new alternatives with City Staff prior to finalizing the recommendations for changes. There are a number of criteria that should be considered in developing recommendations for a new rate structure, including:

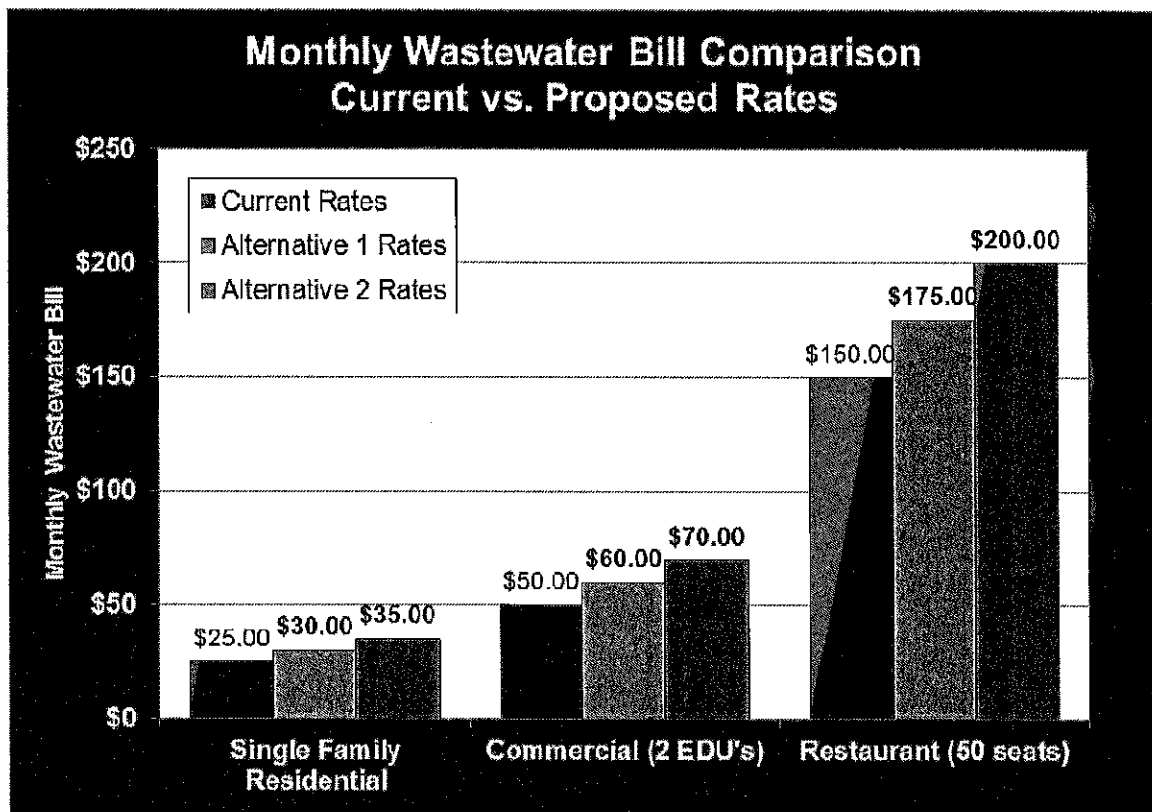
- Compliance with applicable laws, particularly Proposition 218.
- Availability of the necessary data to switch to another rate design (e.g., a residential rate design that relies on average winter-water use and a commercial rate design based on monthly water consumption).
- Amount of revenue to collect from fixed vs. volumetric charges.
- Compatibility with the City's billing system.
- Simplicity and ease of administration.
- Promotion of fairness, equity and is based cost-of-service principles.
- Impacts on customer bills.

5.4 Comparison of Sewer Bills

We will prepare a comparison of annual and/or monthly (City's preference) sewer bills for various types of customers, such as single-family, commercial and industrial customers, under the City's current rates vs. the proposed rates, as illustrated in Figure 8.

³ This assumes Golden State Water Company will provide monthly consumption records for each customer. Once the data is received from GSW, we will evaluate if and how much assistance will be needed from City Staff with this process. Therefore, our proposed budget for this item remains flexible at this time.

Figure 8. Example of Monthly Bill Comparison for Current and Proposed Rates



TASK 6. PREPARE A WRITTEN STUDY REPORT

Task Objectives: Prepare draft and final reports.

Task Deliverables: Preliminary and Final Reports for review by City Staff that include our final recommendations for the financial plans, reserve policies and rate structures. Sufficient information will be provided in the report for staff, the Council and the public to review and understand the study.

NBS will prepare draft and final rate study reports that include proposed rates for the next five years, although the financial models will cover a 20-year period. An executive summary and introduction will present the purpose of the report and results of the study. The report will summarize the findings and recommendations, including proposed rates, and present appropriate customer bill comparisons using tables, graphs, and charts as needed. The emphasis will be on providing a clear, concise, and understandable report.

Preliminary study results will be forwarded to City staff ahead of the draft report, and then to the City Council once City staff is comfortable with the results. We typically will review initial results (e.g., revenue requirements, financial plans, cost-of-service analysis, and rate design results) with staff at the time they are developed. This helps ensure that City staff are “on-board” with the results before moving ahead with presenting any materials to the City Council or public. The City’s comments⁴ will be incorporated into the final report.

⁴ We assume City staff comments will be in an electronic Microsoft Word file using track-changes mode to incorporate all City comments.

TASK 7. MEETINGS AND PRESENTATIONS

7.1 Meetings with City Staff

Task Objectives: Facilitate study progress, communication of results, and meet with City staff.

Task Deliverables: Provide one (1) on-site meeting with Staff to review work products and study progress.

NBS proposes to have one on-site progress meeting with City staff to review initial work products and gain input from Staff on the direction of the study, in addition to the kick-off meeting in Task 1. We also expect to have regular phone conversations with City staff to discuss how the study is proceeding, get input from Staff, and prior to the public meetings to review and discuss the study's initial results and work products.

7.2 City Council Presentation and Public Workshop

Task Objectives: Effectively communicate with the City Council and the public as needed to successfully complete the study.

Task Deliverables: Provide on-site presentation with the City Council and public.

NBS will plan to meet with the City Council and the public to successfully adopt and implement the recommended rate study results. Additional meetings/presentations can be provided as needed. We propose the following meetings/presentations for this task, however if selected for this study, we would like to refine our approach, in order to best meet the City's needs.

City Council Presentations – NBS proposes **two** presentations: (1) to present the City Council with an overview of the study objectives, best practices for utility fund management, rate study results and recommendations, and answer questions from the Council, and (2) *to attend and present at the public workshop to assist City staff with Prop 218-related public outreach.*

If the City would like more assistance with public engagement process *than the one workshop* presented here, we have the expertise in handling these types of programs and can assist the City in designing and executing that plan, and meeting with the public. We will also prepare all presentation material required for the adoption of new sewer rates, including a PowerPoint presentation and any additional worksheets or handouts.

MANAGING TIMELINES AND PROJECT COSTS

We understand that budgets and timelines are critical to the success of this study, and our commitment to the City is that our proposed tasks will not cost more than budgeted or take longer than originally planned (to the extent that NBS has control over the schedule). If additional funds are needed due to tasks not included in the proposal, we will discuss this with the City and propose options for revising the budget and/or the scope of work. No additional work will be undertaken prior to approval by the City's project manager.

NBS has standard consulting-industry accounting systems and practices that track consulting hours by task, by team member, and by client. We provide monthly detailed reports and invoicing, but will discuss any particular needs the City may have with regard to invoicing and tracking of costs. Our projects are performed on a time-and-materials basis with not-to-exceed limits, thus guaranteeing that we will not exceed the proposed costs.




PROJECT SCHEDULE

The following Exhibit summarizes our proposed project schedule for completing the rate study. We understand that the property tax roll. We have worked this date into our proposed project schedule and will do our best to accommodate. However, due to the issues the City is facing and the desire to explore a volumetric based sewer rate, additional time is

We plan to have a more detailed discussion with City staff regarding this schedule at the kick-off meeting and/or during

Exhibit C. Proposed Project Schedule

PROJECT SCHEDULE - City of Stanton Sewer Rate Study	
	<i>Weeks from Start</i>
Study Tasks	
Task 1 – Kick-off Meeting & Data Collection	
Task 2 – Prioritize City's Capital Improvement Program	
Task 3 – Financial Plan and Revenue Requirement Analysis	
Task 4 – Cost-of-Service Analysis (COSA)	
Task 5 – Rate Design Analysis	
5.1 – Develop Rate Design Implementation Schedule	
5.2 – Develop Water Consumption Data	
5.3 – Develop Rate Design Recommendations	
5.4 – Monthly Bill Comparisons	
Task 6 – Prepare Written Study Report	
6.1 – Preliminary Rate Study Report	
6.2 – Final Rate Study Report	
Task 7 – Meetings and Presentations	
7.1 – Meeting with City Staff (one)	
7.2 – Public Presentations/Meetings (two)	

 *Active task work.*
 *Draft and Final Reports*
 *Meeting or Presentation (estimated, to be scheduled as needed)*

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5. SUBCONSULTANT


NBS will team with Vivian Housen, P.E. of V.W. House & Associates. Ms. Housen has 25 years of experience supporting water and wastewater agencies as an employee, manager, and consultant. She will provide supplementary engineering *review* of the City's Master Plan. Vivian will be supported analytically by her team of Engineers and Analysts to the extent necessary⁵.



V.W. HOUSEN
& ASSOCIATES

About VWHA: We understand your operating environment through work as District Manager, District Engineer, and extension of staff. A balanced approach to planning and design keeps improvement plans moving forward and systems well-maintained. We bring a hands-on and results oriented approach to every project. Our long-term commitment to the communities that we serve assures solutions that provide value into the future. Our services include Program Management, Hydraulic Modeling and Master Planning, Regulatory Compliance Support, Asset Management and Optimization and District Engineer and Management Services

⁵ *Note: We have assumed limited assistant from VWHA, per the City's request. Additional assistant can be provided if and when requested by the City.*



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6. CLIENT REFERENCES AND SIMILAR PROJECTS

We encourage the City to check our references. Below is a sampling of references for recent projects that are similar in scope and magnitude to the City's study.

CITY OF SAUSALITO, CALIFORNIA – SEWER RATE STUDY



The purpose of this report was to project revenues and expenditures, develop net revenue requirements, develop updated cost-of-service cost allocations, and evaluate rate design alternatives. After working with City staff and finance committee members, the primary result of this study was to convert the sewer rate structure to one based on average winter water use, thereby improving overall equity and fairness of the rates. Subsequent to this study, the Marin County Civil Grand Jury investigated utility rates throughout the County and concluded: *"The approach taken by this study could be considered by other agencies looking at rate increases and how to incorporate a usage element. (It) presents a combination of fixed and variable fees to meet capital improvement projects and create greater equity among ratepayers."* The study report summarized these results along with the recommendations for the new sewer rates. The recommended rates were approved and implemented.

City of Sausalito
**JONATHAN
GOLDMAN**

Director of Public
Works and City
Engineer

*"Also, congratulations on being
recognized for excellence by the
Marin County Civil Grand
Jury!"*

Client contact: Jonathan Goldman, Director of Public Works and City Engineer
Address: 420 Litho Street, Sausalito, California 94965-1933
Phone & Email: 415.289.4176 jgoldman@ci.sausalito.ca.us

SUSSEX COUNTY, DELAWARE – SEWER RATE AND CAPACITY FEE STUDY



NBS completed a Water and Sewer Rate and Connection Fee Study for Sussex County, Delaware. The County manages, operates and maintains the infrastructure for 28 separate Sewer Districts; they also assess service charges, assessments and connection fees. Key aspects of this study involved evaluating the sufficiency of the County's existing service and assessments to fully recover operating and capital costs, and creating a single connection fee for new customers who connect to the County's Sewer system. Extensive analysis was performed to develop fair and equitable assessment charges for each of the County's 28 Sewer Districts. NBS also prepared a developer oversizing credit methodology. The recommended sewer rates, capacity fees, and oversizing credit methodology were all approved and adopted.

Sussex County
JEFF JAMES,
Director of
Engineering
Accounting

*"I think that the quality and
responsiveness of the consulting
service by NBS has been
outstanding. It has been a
pleasure working with Kim and
Greg these past several
months...a totally positive
experience. Kim and Greg have
gone the extra mile to make the
study the best it can be."*

Client contact: Jeff James, Director of Engineering Accounting
Address: Sussex County Administrative Office Building, 3rd Floor
2 The Circle, Georgetown, DE 19947
Phone & Email: 302.855.7718 jjames@sussexcountyde.gov

CITY OF REDDING, CALIFORNIA - WATER, SEWER, & SOLID WASTE RATES AND IMPACT FEES



NBS completed an extensive and highly visible cost-of-service study of water, sewer, and solid waste rates and system capacity charges. The City had not conducted a cost-of-service rate study in over 15 years, and this study addressed City policies and overall objectives in developing rate structure alternatives for the City to consider. A key part of this study was working with a City Council appointed Citizens Advisory Group that reviewed rate alternatives and provided recommendations to the Council. Key tasks included preparing financial/rate setting policies, financial plans, projecting net revenue requirements, cost-of-service analyses, and alternative rate designs.

Client Contact: Kent Manuel, Development Services Manager
Address: 777 Cypress Ave., Redding, CA 96001
Phone & Email: 530.225.4170 kmanuel@ci.redding.ca.us

City of Redding
KENT MANUEL,
Senior Planner

"As expected, both you and Kim Boehler displayed the superb technical knowledge needed to complete the study. Further, the willingness of each of you to go above and beyond most expectations by grinding through multiple iterations of the study as requested by the City on short notice was exemplary."

CITY OF CULVER CITY, CALIFORNIA – SEWER RATE STUDY



This study evaluated current rates, customer effluent strength factors, and how revenue requirements were being collected from fixed and variable charges. After preparing a 10-year financial plan and revenue requirement analysis, NBS evaluated various rate alternatives and ultimately recommended increases in fixed charges and reductions in the commodity-based charges based on water consumption. A detailed analysis of revenue requirement by customer class also revealed the restaurants were being over-charged while single-family customers were being under-charged. Recommended rates were approved and implemented.

Client Contact: Mate Gaspar, Engineering Services Manager, Public Works Department
Address: 9770 Culver Blvd., Culver City, CA 90232
Phone & Email: 310.253.5602 mate.gaspar@culvercity.org

CITY OF FORT BRAGG, CALIFORNIA – WATER, WASTEWATER AND STORM DRAIN RATE STUDY



This study updated the City's 2008 water and sewer rate analysis, evaluated financial projections, cost allocations, and alternative rate structures. NBS worked cooperatively with City staff and the City's financial advisory committee to review the pros and cons of rate structure alternatives, propose new water and sewer rates, and review storm drain funding mechanisms based on industry practices; we recommended a simplified approach that provided sufficient funding for each of the three utilities.

Client contact: Linda Ruffing, City Manager
Address: 415 North Franklin Street, Fort Bragg, CA 95437
Phone & Email: 707.961.2823 lruffing@fortbragg.com

City of Fort Bragg
LINDA RUFFING
City Manager

"Yours was the third utility rate study that I have been involved with...it was by far the most intelligible process and work product. You have an extraordinary ability to translate the complicated mechanisms involved in creating a financial plan and rate model into easily understood concepts."

Excerpt from the recent

MARIN COUNTY GRAND JURY REPORT ON SEWER SYSTEMS:

Summary: The Grand Jury conducted a survey of all wastewater agencies in Marin (except the park services), with the intention of shedding light on the operational, financial and governance aspects of these agencies. [They] also inquired about [the agencies'] experiences cooperating with each other and their views on consolidation.

City of Sausalito Rate Study: The City of Sausalito completed a Rate Study (February 27, 2014 [conducted by NBS]) and adopted a resolution in March 2014 whereby their rates will be increased over a 5-year period and a volumetric charge, based on annualized winter water consumption, will be incorporated into the base rate. The approach taken by this study could be considered by other agencies looking at rate increases and how to incorporate a usage element.

Grand Jury Findings: The City of Sausalito's Rate Study (February 27, 2014 [conducted by NBS]), presents a combination of fixed and variable fees to meet capital improvement projects and create greater equity among ratepayers.

Grand Jury Recommendations: The City of Sausalito share its rate study dated February 27, 2014, with all the collection agencies in Marin County.

Full report:

<http://www.marincounty.org/depts/cj/reports-and-responses/reports-responses/2013-14/~media/Files/Departments/GJ/Reports%20Responses/2013/SewerScoop1.pdf>



CITY OF FORT BRAGG

Incorporated August 5, 1889

416 N. Franklin St.

Fort Bragg, CA 95437

Phone: (707) 961-2823

Fax: (707) 961-2802

<http://city.fortbragg.com>

June 16, 2014

Mr. Greg Clumpner

NBS

Transmitted via email

Subject: Sincere appreciation for excellent consultant services

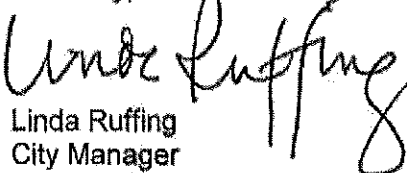
Dear Greg,

I would like to offer my sincere appreciation to you and your staff for the 2013 utility rate study and the recent follow-on services that NBS provided to the City of Fort Bragg. Yours was the third utility rate study that I have been involved with here in Fort Bragg and it was, by far, the most intelligible process and work product. You have an extraordinary ability to translate the complicated mechanisms involved in creating a financial plan and rate model into easily understood concepts. With your assistance, City staff and our City Council subcommittee were able to delve deeply into the rate structure and help define a model that met the City's varied financial and policy objectives.

Further, I would like to express my gratitude for the invaluable follow-on services that you provided to Fort Bragg over the past several months. You can only imagine our dismay when our Finance Department realized that the newly implemented water rates were not generating expected revenues. With your assistance, we discovered that the City's utility billing system had provided inaccurate account information for the rate model. Your ability to accurately troubleshoot the problem and to define multiple potential solutions really saved the day. Your patience and willingness to run alternative rate structures, again and again, was greatly appreciated.

Thank you and I hope we have the opportunity to work together in the future.

Sincerely,


Linda Ruffing
City Manager



CITY OF REDDING

DEVELOPMENT SERVICES DEPARTMENT

PLANNING DIVISION

777 Cypress Avenue, Redding, CA 96001-2718

P.O. Box 496071, Redding, CA 96049-6071

530.225.4020 FAX 530.225.4495

April 17, 2014

A-050

Mr. Greg Clumpner, Director
NBS
2010 Amador Avenue
Davis, CA 95616

Dear Mr. Clumpner:

I want to express my appreciation for the expertise and excellent customer service demonstrated by your firm in helping the City of Redding update its Water and Wastewater Development Impact Fee programs in 2013. As expected, both you and Kim Boehler displayed the superb technical knowledge needed to complete the study. Further, the willingness of each of you to go above and beyond most expectations by grinding through multiple iterations of the study as requested by City staff on short notice was exemplary.

I just wanted you to know that we appreciate your outstanding customer service and advice you provided to ensure that our program was successful.

Sincerely,

A handwritten signature in cursive script, reading "Kent Manuel".

Kent Manuel
Senior Planner

KM:amf
Ltr14\F-04-17L-GC

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EXHIBIT B

FEE PROPOSAL



City of Stanton

COST PROPOSAL for a

Sewer Rate Study

February 26, 2015

OFFICE LOCATIONS:

Temecula - Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592

Irvine - Regional Office
18012 Cowan Street, Suite 290
Irvine, CA 92614

San Francisco - Regional Office
870 Market Street, Suite 1223
San Francisco, CA 94102

Davis - Regional Office
140 B Street, Suite 5-292
Davis, CA 95616

Phone: 800.676.7516
www.nbsgov.com



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32605 Temecula Parkway, Suite 100
Temecula, CA 92592

Toll free: 800.676.7516 (P) 951.296.1997

nbsgov.com

February 26, 2015 (*Revised March 4, 2015*)

Allan Rigg, P.E.
Director of Public Works
City of Stanton
Department of Public Works
7800 Katella Avenue
Stanton, CA 90680-3162

SUBJECT: REVISED COST PROPOSAL FOR SEWER RATE STUDY SERVICES

Dear Mr. Rigg, City Council, Staff and Selection Committee,

Thank you for considering our cost proposal for the Water and Sewer Rate Study. Please do not hesitate to contact Greg Clumpner or Kim Boehler at 530.297.5856 (cell for Greg) or 800.676.7516 (office for Kim) or at gclumpner@nbsgov.com or kboehler@nbsgov.com, if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Clumpner".

Greg Clumpner
Director – Utility Rate Practice Group

A handwritten signature in black ink, appearing to read "Michael Rentner".

Michael Rentner
President & CEO

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COST PROPOSAL

Our detailed project budget is shown in Exhibit C below. We express this honestly and transparently through our price proposal. **Additional services requested**, such as additional community meetings or additional rate alternatives, can be provided based on the hourly labor rates shown in the budget table below. All tasks would be mutually agreed upon by NBS and the City prior to proceeding.

EXHIBIT C. DETAILED PROJECT BUDGET

REVISED PROJECT BUDGET - City of Stanton Sewer Rate Study							
Rate Study Tasks	Consultant Labor (Hours)				VWHA ¹ Principal (Housen)	Consultant Labor (Hrs.)	Consultant Costs (\$)
	Sr. Technical Advisor (Clumpher)	Project Manager (Boehler)	Consultant (Narayanan or Dayhoff)				
	\$225	\$160	\$125	\$222			
Task 1 – Kick-off Meeting & Data Collection	2.0	4.0	10.0	-	-	16.0	\$2,340
Task 2 – Limited Review of City's Capital Improvement Program ²	-	-	-	10.0	10.0	10.0	\$2,220
Task 3 – Financial Plan and Revenue Requirement Analysis	2.0	12.0	24.0	-	-	38.0	\$5,370
Task 4 – Cost-of-Service Analysis (COSA)	4.0	14.0	20.0	-	-	38.0	\$5,640
Task 5 – Rate Design Analysis							
5.1 – Develop Rate Design Implementation Schedule	1.0	1.0	-	-	-	2.0	\$385
5.2 – Develop Water Consumption Data ³	2.0	6.0	45.0	-	-	53.0	\$7,035
5.3 – Develop Rate Design Recommendations	4.0	10.0	-	-	-	14.0	\$2,500
5.4 – Monthly Bill Comparisons	1.0	2.0	4.0	-	-	7.0	\$1,045
Task 6 – Prepare A Written Study Report	4.0	12.0	-	-	-	16.0	\$2,820
Task 7 – Meetings and Presentations							
7.1 – Meetings with City Staff (one)	2.0	4.0	2.0	-	-	8.0	\$1,340
7.2 – Public Presentations/Meetings (two)	2.0	8.0	-	-	-	10.0	\$1,730
Task Totals	24.0	73.0	105.0	10.0	10.0	212.0	\$32,425
Reimbursable Expenses ⁴							\$500
GRAND TOTAL NOT TO EXCEED	24.0	73.0	105.0	10.0	10.0	212.0	\$32,925

1. V.W. Housen & Associates (sub-consultant to NBS).

2. Cost does not include travel costs for any on-site meetings. Meetings with City Staff will be conducted via conference call.

3. This is our initial estimate for the number of hours required to complete the task, based on our experience working with Golden State Water Co. and similar water service providers on similar projects for our clients. Depending on the actual condition of the data, this estimate may be higher or lower.

4. Estimated travel and printing expenses for all on-site meetings/presentations.

EXHIBIT C

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this Agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

1. **Commercial General Liability Insurance** using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$2,000,000 per occurrence.
2. **Business Auto Coverage** on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Consultant or Consultant's employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person.
3. **Workers Compensation** on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.
4. **Professional Liability or Errors and Omissions Insurance** as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this Agreement.

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Bests rating of A or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Consultant. Consultant and City agree to the following with respect to insurance provided by Consultant:

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Consultant also agrees to require all contractors, and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Consultant, or Consultant's employees, or agents, from waiving the right of subrogation prior to a loss. Consultant agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Contractor and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.
4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.
5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Consultant shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.
7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any

insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City option.

8. Certificate(s) are to reflect that the insurer will provide 30 days notice to City of any cancellation of coverage. Consultant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the certificate.
9. It is acknowledged by the parties of this Agreement that all insurance coverage required to be provided by Consultant or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self insurance available to City.
10. Consultant agrees to ensure that subcontractors, and any other party involved with the project that is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.
11. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this Agreement to self-insure its obligations to City. If Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
12. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City will negotiate additional compensation proportional to the increased benefit to City.
13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

14. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.
15. Consultant will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this Agreement. This obligation applies whether or not the Agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.
16. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City within five days of the expiration of the coverages.
17. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this Agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.
18. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.
19. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the parties here to be interpreted as such.
20. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
21. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

22. Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the work performed under this Agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

FY 14-15 Capital Improvement Program Update




Presented by :
Allan Rigg, PE AICP
Public Works Director/City Engineer
Public Works Department

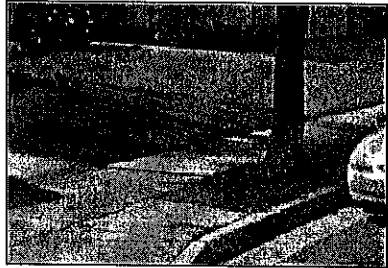
March 10, 2015 – City Council Meeting.

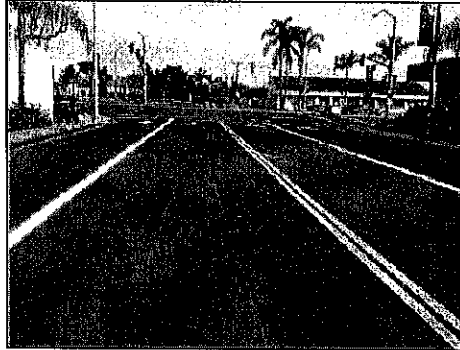
Overview







- œ Completed Projects
- œ Projects Under Construction
- œ Upcoming Projects


Completed Projects	Under Construction	Upcoming Projects
<h2>Citywide Street Reconstruction Project</h2> <hr/> <ul style="list-style-type: none"> Completion Date: April 2014 Location: Summertree Village Funding Source: Gas Tax Construction Total: \$250,000 		
		
		3



Completed Projects	Under Construction	Upcoming Projects
<h2>Citywide Concrete Repair</h2> <hr/> <ul style="list-style-type: none"> Completion Date: June 2014 and January 2015 Location: Citywide Funding Source: Gas Tax Construction Total: \$65,000 		
		
		4

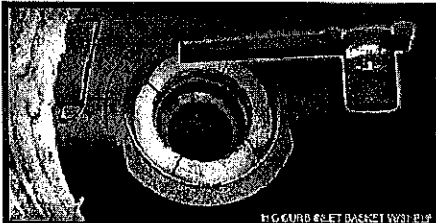
Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Citywide Slurry Seal Project</h2> <hr style="width: 20%; margin: auto;"/> <ul style="list-style-type: none"> ⌘ Completion Date: March 2015 ⌘ Location: Katella Ave., Knott Ave., and Cedar St. ⌘ Funding Source: Gas Tax ⌘ Construction Total: \$375,000 <div style="display: flex; justify-content: flex-end; align-items: center;">  </div>		

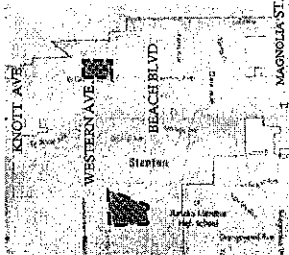
Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Beach Blvd./Stanford Traffic Signal</h2> <hr style="width: 20%; margin: auto;"/> <ul style="list-style-type: none"> ⌘ Status: Under Construction – Poles Arrive This Week ⌘ Funding Source: Measure M ⌘ Construction Estimate: \$500,000 <div style="display: flex; justify-content: space-around; align-items: center;">   </div>		

Completed Projects	Under Construction	Upcoming Projects
<h2>Thunderbird Sewer and Street Project</h2> <hr/> <ul style="list-style-type: none"> ☞ Status: Construction Scheduled to Begin Next Week ☞ Funding Source: Sewer Fund ☞ Construction Estimate: \$540,000 <div style="display: flex; justify-content: space-around;">   </div>		

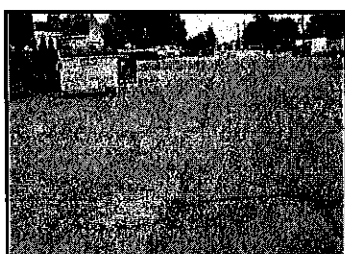
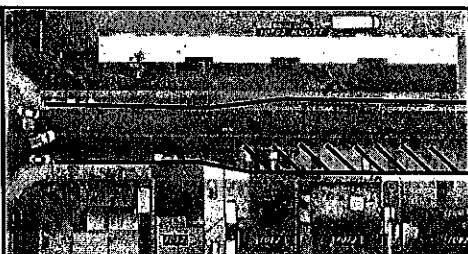
Completed Projects	Under Construction	Upcoming Projects
<h2>Premier Park Wall Extension</h2> <hr/> <ul style="list-style-type: none"> ☞ Status: Under Construction – Fence to be Installed Week of March 23rd ☞ Funding Source: Park In Lieu ☞ Construction Estimate: \$90,000 <div style="text-align: right;">  </div>		

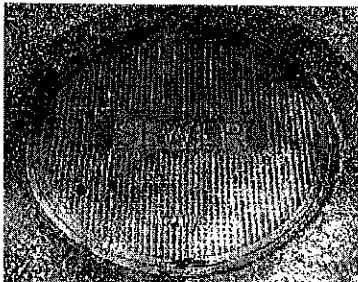
Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Lexington Lift Station Removal</h2> <hr style="width: 10%; margin: auto;"/> <ul style="list-style-type: none"> ⌘ Status: Construction Has Begun ⌘ Funding Source: Sewer Fund ⌘ Construction Estimate: \$65,000 <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <p style="text-align: center;">9</p>		

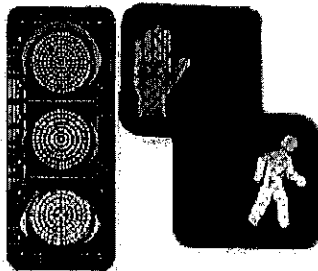
Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Catch Basin Filters</h2> <hr style="width: 10%; margin: auto;"/> <ul style="list-style-type: none"> ⌘ Status: Construction Contract Awarded ⌘ Location: Citywide ⌘ Funding Source: OCTA Measure M Grant ⌘ Construction Estimate: \$110,000 <div style="text-align: center;">  <p style="font-size: small;">H GOURD BSET BASKET W312LP</p> </div>		

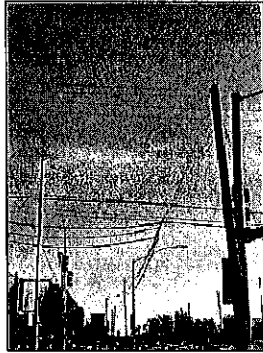
Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Citywide Street Reconstruction Project</h2> <hr style="width: 10%; margin: auto;"/> <ul style="list-style-type: none"> ❧ Status: Bids Received – To Be Awarded March 14th ❧ Location: Stanton Park Complex and Various ❧ Funding Source: CDBG, Gas Tax ❧ Construction Estimate: \$550,000 <div style="text-align: right;">  </div>		

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Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Kermore Lane Improvements</h2> <hr style="width: 10%; margin: auto;"/> <ul style="list-style-type: none"> ❧ Status: Design Complete, Construction in August ❧ Funding Source: County of Orange Funds ❧ Construction Estimate: \$500,000 <div style="display: flex; justify-content: space-around; align-items: flex-end;">   </div>		

Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Western Avenue Sewer</h2> <p style="text-align: center;">—○○○—</p> <ul style="list-style-type: none"> œ Status: Under Design œ Funding Source: Sewer Fund œ Construction Estimate: \$800,000 		

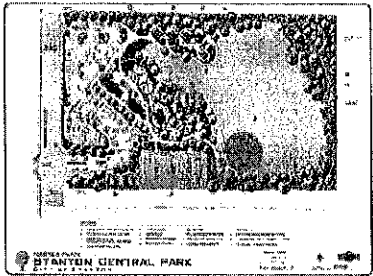
Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Thunderbird/Western Signals</h2> <p style="text-align: center;">—○○○—</p> <ul style="list-style-type: none"> œ Status: Under Design œ Funding Source: Measure M œ Construction Estimate: \$400,000 		

Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Utility Undergrounding District</h2> <p style="text-align: center;">—○○○—</p> <ul style="list-style-type: none"> ✎ Status: SCE Beginning Design ✎ Location: Beach Boulevard from Garden Grove Boulevard to Lampson Avenue ✎ Funding Source: SCE/Rule 20A ✎ Construction Estimate: \$2,400,000 <div style="text-align: right;">  </div>		

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Completed Projects	Under Construction	Upcoming Projects
<h2 style="text-align: center;">Beach Boulevard/Katella Medians</h2> <p style="text-align: center;">—○○○—</p> <ul style="list-style-type: none"> ✎ Status: Caltrans Permits Obtained, Bid Documents Being Finalized ✎ Funding Source: Lighting & Landscape District ✎ Construction Estimate: \$500,000 <div style="text-align: center;">  </div>		

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Completed Projects	Under Construction	Upcoming Projects
<h2>Stanton Central Park</h2> <p>❧ Status: Design Being Finalized</p> <p>❧ Funding Source: Bonds and Grant</p> <p>❧ Construction Estimate: \$8,000,000</p> 		

Questions