



AGENDA
CITY COUNCIL/SUCCESSOR AGENCY/STANTON HOUSING AUTHORITY
JOINT REGULAR MEETING
STANTON CITY HALL, 7800 KATELLA AVENUE, STANTON, CA
TUESDAY, MARCH 24, 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 23, 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 24, 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 LEGAL COUNSEL-ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9 (d) (2)

Number of Potential Cases: 1

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

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

7. PLEDGE OF ALLEGIANCE

8. SPECIAL PRESENTATIONS AND AWARDS

1. Presentation of proclamation for DMV/Donate Life California Month; and
2. Presentation of proclamation for Child Abuse Prevention Month.

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.

CC/SA/SHA AGENDA – Joint Regular Meeting – March 24, 2015 - Page 2

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.

9B. APPROVAL OF WARRANTS

City Council approve demand warrants dated March 4, March 12, and March 24, 2015, in the amount of \$222,774.09.

9C. APPROVAL OF MINUTES

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

9D. FEBRUARY 2015 INVESTMENT REPORT

The Investment Report as of February 28, 2015 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

RECOMMENDED ACTION:

City Council receive and file the Investment Report for the month of February 2015.

9E. FEBRUARY 2015 INVESTMENT REPORT (SUCCESSOR AGENCY)

The Investment Report as of February 28, 2015 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

RECOMMENDED ACTION:

Successor Agency receive and file the Investment Report for the month of February 2015.

9F. CONSIDERATION OF AN EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT WITH HANNA CORPORATION FOR THE PROPERTY LOCATED AT 8232 LAMPSON AVENUE

The Authority Board directed staff to pursue the potential sale of property located at 8232 Lampson Avenue. In furtherance of that direction, Staff has negotiated an Exclusive Right to Negotiate Agreement (ENA) with Hanna Corporation for the future sale and development of the property. Staff has completed negotiating the terms with Hanna Corporation and is requesting Housing Authority Board consideration of the ENA.

RECOMMENDED ACTION:

1. Stanton Housing Authority declare 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. Approve the Exclusive Right to Negotiate Agreement with Hanna Corporation and authorize the City Manager to execute all necessary documents.

9G. AWARD OF CONTRACT FOR CONSTRUCTION INSPECTION SERVICES FOR THE CITYWIDE STREET RECONSTRUCTION PROJECT BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA

Staff solicited Proposals to provide Construction Inspection Services for the Citywide Street Reconstruction Project. Staff found that Psomas was the most qualified firm to provide these services.

The cost for completing the Construction Management and Inspection Services is \$40,000.

RECOMMENDED ACTION:

1. City Council find that this action is not a project per CEQA; and
2. Award a professional service contract to Psomas to provide construction inspection services for the duration of the Citywide Street Reconstruction Project for a maximum contract amount of \$40,000; and
3. Authorize the City Manager to bind the City of Stanton and Psomas in a contract to provide construction inspection services.

9H. AWARD OF A CONSTRUCTION CONTRACT FOR THE FY14-15 CITYWIDE STREET RECONSTRUCTION PROJECT BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA

The bids for the FY14-15 Citywide Street Reconstruction Project were opened on March 3, 2015. Based on the post-bid analysis of the six (6) bids received, staff recommends the bid submitted by Sully-Miller Contracting Company to be the lowest responsible bid.

The cost for completing the FY14-15 Citywide Street Reconstruction Project is estimated at \$560,200.00, which includes a 10-percent contingency and a construction management/inspection fee.

RECOMMENDED ACTION:

1. City Council declare this project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301c; and
2. Approve the plans and specifications for the FY14-15 Citywide Street Reconstruction Project; and
3. Award a construction contract for the FY14-15 Citywide Street Reconstruction Project to the lowest responsible bidder, Sully-Miller Contracting Company, for the amount of \$472,867.20; and
4. Authorize the City Manager to bind the City of Stanton and Sully-Miller Contracting Company in a contract for the construction of the FY14-15 Citywide Street Reconstruction Project; and
5. Authorize the City Manager to approve contract changes, not to exceed 10-percent.

END OF CONSENT CALENDAR

10. PUBLIC HEARINGS

10A. PUBLIC HEARING TO CONSIDER ORDINANCE NO. 1034 TO AMEND PERMITTED FENCE HEIGHTS IN THE BP (BUSINESS PARK), IG (INDUSTRIAL GENERAL) AND PUBLIC/INSTITUTIONAL (PI) ZONES

Staff is recommending amendments to Table 3-3 (Standards for Fences, Walls, and Hedges) in the Stanton Municipal Code to allow for open fencing up to six feet in height in the Public Institutional (PI), BP (Business Park) and Industrial General (IG) zones.

RECOMMENDED ACTION:

1. City Council conduct a public hearing; and
2. Declare that the project is exempt from CEQA under Section 15228 (Ministerial Projects) and Section 21080(b)(1) of the Public Resources Code; and
3. Introduce Ordinance No. 1034, entitled:

“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, AMENDING TABLE 3-3 (STANDARDS FOR FENCES, WALLS, AND HEDGES) IN SECTIONS 20.310.030 OF THE STANTON MUNICIPAL CODE PERTAINING TO ALLOWABLE FENCE, WALL AND HEDGE HEIGHTS IN VARIOUS ZONING DISTRICTS;” and

4. Set said ordinance for adoption at the regular City Council meeting of April 14, 2015.

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

10B. ESTABLISHMENT OF A FEE FOR THE PROCESSING OF MASSAGE ESTABLISHMENT LICENSES

In January of 2015, the City Council adopted Ordinance No. 1031, which created new requirements for massage establishments in the City. As part of the new regulations, massage establishments are now required to obtain a Massage Establishment License. This resolution would establish a fee to recover the costs associated with the processing of the Massage Establishment License applications.

RECOMMENDED ACTION:

1. City Council conduct a public hearing; and
2. Declare 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. Adopt Resolution No. 2015-09 establishing a licensing fee for processing of Massage Establishment Licenses.

11. UNFINISHED BUSINESS None.

12. NEW BUSINESS None.

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.

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. CONSIDERATION OF A TEMPORARY ICE SKATING RINK WITHIN THE CITY DURING THE HOLIDAY SEASON

Mayor Ethans has asked that staff investigate the feasibility and cost for a temporary ice skating rink to be located within the City during the holiday season. Staff has investigated the issue and has prepared this report along with a proposal for a temporary ice skating rink.

RECOMMENDED ACTION:

City Council provide direction to staff regarding the possibility of a temporary ice skating rink at City Hall during the holidays.

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

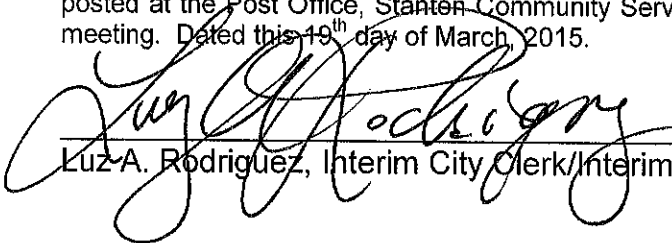
17. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR

17A. ORANGE COUNTY SHERIFF'S DEPARTMENT

At this time the Orange County Sheriff's Department 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 19th day of March, 2015.


Luz A. Rodriguez, Interim City Clerk/Interim Secretary

**CITY OF STANTON
ACCOUNTS PAYABLE REGISTER**

March 4, 2015	\$2,261.03
March 12, 2015	\$108,791.50
March 24, 2015	\$111,721.56

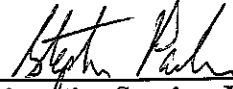
\$222,774.09

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

DRAFT

MINUTES OF THE CITY COUNCIL OF THE CITY OF STANTON SPECIAL MEETING MARCH 10, 2015

1. **CLOSED SESSION** None.

2. **CALL TO ORDER**

The meeting was called to order at 5:02 p.m. by Mayor Ethans.

3. **PLEDGE OF ALLEGIANCE**

Led by City Engineer Allan Rigg

4. **ROLL CALL**

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

Absent: Council Member Shawver.

Excused: None.

5. **NEW BUSINESS**

Council Member Shawver arrived at 5:04 p.m.

DRAFT

5A. MID-YEAR BUDGET REVIEW FY 2014-15

This report provided a status report on the FY 2014-15 budget and recommended changes based on the first six months of the fiscal year.

Motion/Second: Shawver/Warren

Motion unanimously carried by the following vote:

AYES: 5 (Donahue, Ethans, Ramirez, Shawver, Warren)

NOES: None

ABSENT: None

ABSTAIN: None

1. City Council found that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Section 15378(b)(4); and
2. Approved Budget Adjustment 2015-21; and
3. Adopted Resolution No. 2015-10 restoring one full-time position to the Position Classification and Monthly Salary Schedule for City employees and approved the current organizational chart.

6. ADJOURNMENT Motion/Second: Ethans/ Motion carried at 5:52 p.m.

MAYOR

ATTEST:

INTERIM CITY CLERK

DRAFT

MINUTES OF THE CITY COUNCIL / SUCCESSOR AGENCY / HOUSING AUTHORITY OF THE CITY OF STANTON REGULAR JOINT MEETING MARCH 10, 2015

1. CALL TO ORDER / CLOSED SESSION

The City Council meeting was called to order at 6:01 p.m. by Mayor Ethans.

2. ROLL CALL

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

Absent: None.

Excused: None.

3. PUBLIC COMMENT ON CLOSED SESSION ITEMS None.

4. CLOSED SESSION

The members of the Stanton City Council of the City of Stanton proceeded to closed session at 6:02 p.m. for discussions regarding:

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 / SUCCESSOR AGENCY / STANTON HOUSING AUTHORITY MEETING

The meetings were called to order at 6:30 p.m. by Mayor/Chairman Ethans.

DRAFT

6. ROLL CALL

Present: Agency/Authority Member Ramirez, Agency/Authority Member Shawver, Agency/Authority Member Warren, Vice Chairman Donahue and Chairman Ethans.

Absent: None.

Excused: None.

Closed Session Report, February 10, 2015 (6:01 to 6:31 p.m.):

The City Attorney reported that the City Council had previously taken action and now finalized action to settle and resolve all claims against the City in the case of Donald Sipple, et al. v. The City of Alameda, California, et al.

7. PLEDGE OF ALLEGIANCE

Led by City Engineer Allan Rigg.

8. SPECIAL PRESENTATIONS AND AWARDS

Presentation of Certificate of Recognition honoring Jim Nelson as Veteran of the Month for the month of March 2015 in the City Of Stanton.

9. CONSENT CALENDAR

Council Member Warren pulled item 9D from the Consent Calendar for separate discussion.

Motion/Second: Shawver/Ramirez

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

AYES: 5 (Donahue, Ethans, Ramirez, Shawver and Warren)

NOES: None

ABSENT: None

ABSTAIN: None

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

CONSENT CALENDAR

DRAFT

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

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

9B. APPROVAL OF WARRANTS

City Council approved 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 approved Minutes of Regular Joint Meeting – February 24, 2015; and
2. City Council approved Minutes of Special Meeting – February 25, 2015.

END OF CONSENT CALENDAR

9D. AGREEMENT WITH KELLY ASSOCIATES MANAGEMENT GROUP

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

Council Member Shawver requested clarification on the terms of the agreement.

Motion/Second: Shawver/Warren
Motion unanimously approved by the following vote:

AYES: 5 (Donahue, Ethans, Ramirez, Shawver, Warren)
NOES: None
ABSTAIN: None
ABSENT: None

Motion carried:

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

10. PUBLIC HEARINGS None.

DRAFT

11. UNFINISHED BUSINESS

11A. APPROVAL OF ORDINANCE NO. 1033

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

Interim 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"

Motion/Second: Shawver/Ramirez

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

Motion carried:

1. City Council found 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. Adopted Ordinance No. 1033.

DRAFT

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.

Motion/Second: Warren/Ramirez

Motion unanimously approved by the following vote:

AYES: 5 (Donahue, Ethans, Ramirez, Shawver, Warren)

NOES: None

ABSENT: None

ABSTAIN: None

City Council approved 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.

Motion/Second: Donahue/Shawver

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

Motion carried:

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

DRAFT

13. ORAL COMMUNICATIONS – PUBLIC

Joel and Debbie Greer, Stanton, expressed their gratitude to the Members of the City Council for the recognition they received as Cypress College Americana Awards recipients and expressed their desire to continue serving the Stanton community for many years to come.

14. WRITTEN COMMUNICATIONS None.

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

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

Council Member Shawver expressed his appreciation to the Council for the City's purchase of a table at the Cypress College Americana Awards and reported on a total of \$115,000 raised for Scholarships available to the Stanton community.

Mayor Pro Tem Donahue reported that the 6th Annual Mayor's Prayer breakfast has received 140 responses to date, former NFL Quarterback Steve Beuerlein is scheduled as the guest speaker, and all proceeds will benefit the Stanton Community Foundation.

Council Member Warren reported on her attendance at the recent Boys and Girls Club Annual Youth Recognition Event.

Council Member Shawver announced that the Stanton Lion's Club and the Greater Stanton Kiwanis will be working together this year for the Annual Easter Pancake Breakfast.

Mayor Ethans reminded everyone of the upcoming Stanton Car Show, scheduled for May 16, 2015.

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

None.

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

None.

DRAFT

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.

Approved by consensus:

City Council received and filed 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. The report was presented by Successor Agency Counsel Elizabeth Hull.

Approved by consensus:

City Council received and filed the report.

17. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR

None.

17A. ORANGE COUNTY FIRE AUTHORITY

Chief David Steffen provided the City Council with an update on their current operations.

18. ADJOURNMENT Motion/Second: Ethans/ Motion carried at 7:49 p.m.

MAYOR/CHAIRMAN

ATTEST:

INTERIM CITY CLERK/INTERIM SECRETARY

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and City Council

DATE: March 24, 2015

SUBJECT: FEBRUARY 2015 INVESTMENT REPORT

REPORT IN BRIEF:

The Investment Report as of February 28, 2015 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

RECOMMENDED ACTION:

City Council receive and file the Investment Report for the month of February 2015.

BACKGROUND:

The attached reports summarize the City investments and deposit balances as of February 2015. A summary of the City's investments and deposits is included as Attachment A. The details of the City's investments are shown in Attachment B. The City's cash and investment balances by fund type are presented in Attachment C.

ANALYSIS:

The City's investment in the State Treasurer's Local Agency Investment Fund (LAIF) continues to be available on demand. The effective yield on LAIF for the month of February 2015 was 0.27%. The City's other investments are shown on Attachment B and have a weighted investment yield of 1.02%. Including LAIF and the City's deposit in the Bank of the West money market account, the weighted investment yield of the portfolio is 0.57%, which exceeds the benchmark LAIF return of 0.27%.

The weighted average maturity of the City's investments at February 28, 2015 is 1,061 days. Including LAIF and the money market deposit, it is 670 days. LAIF's average maturity at February 28, 2015 was approximately 232 days.

The City was able to exceed the LAIF benchmark return, though in diversifying the portfolio, Chandler Asset Management has extended the weighted average maturity to more than quadruple the LAIF average maturity.

FISCAL IMPACT:

All deposits and investments have been made in accordance with the City's 2014-15 Investment Policy. The portfolio will allow the City to meet its expenditure requirements for the next six months. Staff remains confident that the investment portfolio is currently positioned to remain secure and sufficiently liquid.

Chandler Asset Management has completely taken over the City's \$9.2 million investment portfolio. City staff continues to have control over investments in LAIF and the Bank of the West Money Market Account.

ENVIRONMENTAL IMPACT:

None

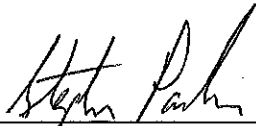
LEGAL REVIEW:

None.

PUBLIC NOTIFICATION:

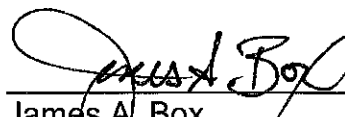
Through the agenda posting process.

Prepared by:



Stephen M. Parker, CPA
Administrative Services Director/Treasurer

Approved:



James A. Box
City Manager

Attachments:

- A. Investments and Deposits
- B. Investment Detail
- C. Cash and Investment Balances by Fund Type

CITY OF STANTON, CA
INVESTMENTS AND DEPOSITS
February 28, 2015

Investment Type	Issuer	Date of Maturity	Interest Rate	Par Value	Cost	% of Total	Market Value	Market Value Source
State Pool (LAIF) - City portion ¹	State of California	On Demand	0.27%	\$ 9,438,243	\$ 5,737,358	38.25%	\$ 5,737,245	LAIF
Investments ²	Various	Various	Various	\$ 9,187,638	9,263,919	61.75%	9,257,012	US Bank
Subtotal - Investments					\$ 15,001,277	100.00%	\$ 14,994,257	
Demand Deposits/Main Checking - City portion	Bank of the West	On Demand	N/A	N/A	\$ 2,354,285		\$ 2,354,285	Bank of the West
Money Market Account	Bank of the West	On Demand	0.29%	\$ 8,934,251	8,934,251		8,934,251	Bank of the West
Imprest Accts & Petty Cash	Bank of the West	On Demand	N/A	N/A	72,709		72,709	Bank of the West
Subtotal - Deposits					\$ 11,361,245		\$ 11,361,245	

Total Cash Investments and Deposits ³

670	0.57%
Weighted Average Maturity (days)	Weighted Average Yield

\$ 26,362,522

\$ 26,355,502

¹ Par Value amount represents entire LAIF balance, including City and Successor Agency portions

² Cost amount includes \$45,278 adjustment made to City's books at 6/30/14 to adjust portfolio to market value, per GASB 31

³ Weighted average maturity and yield calculations include LAIF, Investments and Money Market Account

NOTES:

The City's portfolio is in compliance with the City's 2014-15 Investment Policy.

The portfolio will allow the City to meet its expenditure requirements for the next six months.

**CITY OF STANTON
INVESTMENTS
February 2015**

Attachment B

Investment Type/ Broker	Institution	CUSIP Number	Purchase Yield	Coupon Rate	Purchase Price	Date Purchased	Date of Maturity	Next Call Date (NC=noncallable)	Par Value	Purchase Amount	Current Market Value	Percent of Portfolio	Maximum Percent
State Treasurer's Pool	Local Agency Investment Fund (LAIF)		0.27%				3/1/2015	NC	9,438,243	5,737,358	5,737,245	24.02%	40%
Cash Equivalents													
Chandler Asset Management	First American Government Obligation	31846V203							137,905	169,122	169,122	0.71%	
Negotiable Certificates of Deposit:													
Multi-Bank Securities	CD - Oritani Bank	68632RAD5	1.80%	1.800%	100	03/18/11	03/18/15	NC	219,000	219,000	219,127		
Multi-Bank Services	CD - GE Money Bank	36159UTE6	2.20%	2.200%	100	08/20/10	08/20/15	NC	200,000	200,000	201,578		
Multi-Bank Securities	CD - CIT Bank	17284AVP0	1.85%	1.850%	100	08/10/11	08/10/16	NC	148,000	148,000	151,013		
Multi-Bank Securities	CD - EnerBank USA	29266NRX7	1.75%	1.750%	100	08/15/11	08/15/16	NC	248,000	248,000	253,545		
First Empire Securities	CD - Camden National Bk	133033DL1	1.75%	1.750%	100	08/17/11	08/17/16	NC	248,000	248,000	253,119		
First Empire Securities	CD - Discover Bank	254670Q54	1.75%	1.750%	100	08/17/11	08/17/16	NC	140,000	140,000	142,873		
Time Value Investments	CD - GE Capital Bank	36160YSC0	1.35%	1.350%	100	10/19/12	10/19/16	NC	248,000	248,000	249,567		
First Empire Securities	CD - Goldman Sachs Bank	38143ARY3	1.85%	1.850%	100	05/09/12	05/09/17	NC	97,000	97,000	98,544		
First Empire Securities	CD - Discover Bank	254671AT7	1.75%	1.750%	100	05/09/12	05/09/17	NC	100,000	100,000	101,443		
Multi-Bank Securities	CD - Sallie Mae Bank	795450PJ8	1.60%	1.600%	100	10/01/12	09/19/17	NC	100,000	100,000	101,048		
Multi-Bank Securities	CD - American Express	02587DLD8	1.55%	1.550%	100	10/04/12	10/04/17	NC	248,000	248,000	250,135		
Time Value Investments	CD - HSBC	40431G3Q0	0.75%	Variable	100	10/26/12	10/26/17	NC	248,000	248,000	243,387		
First Empire Securities	CD - Everbank	29976DPY0	1.10%	1.100%	100	11/30/12	11/30/17	NC	248,000	248,000	249,885		
									2,492,000	2,492,000	2,515,265	10.43%	30%
U.S. Government Agency Securities:													
Multi-Bank Securities	FHLMC	3137EACM9	2.17%	1.750%	81.82	2/9/2011	9/10/2015	NC	300,000	245,473	252,045		
Chandler Asset Management	FHLB	3130A0SD3	0.32%	0.375%	100.04	09/29/14	02/19/16	NC	125,000	125,095	125,090		
Chandler Asset Management	FHLMC Deb	3137EADQ9	0.50%	0.500%	99.99	01/30/14	05/13/16	NC	200,000	199,985	200,268		
Chandler Asset Management	Federal Home Loan Bks	3133834R9	0.38%	0.375%	99.68	01/30/14	06/24/16	NC	185,000	184,403	184,845		
Chandler Asset Management	FHLB	3130A2T97	0.66%	0.500%	99.71	09/29/14	09/28/16	NC	125,000	189,537	189,774		
Time Value Investments	FNMA - Zero Coupon	31359MEL3	1.02%	0.000%	95.25	8/20/2012	6/1/2017	NC	250,000	238,132	245,093		
Chandler Asset Management	FHLMC	3137EADJ5	1.03%	1.000%	99.93	09/25/14	07/28/17	NC	190,000	189,866	190,542		
Chandler Asset Management	FNMA	3135G0ZL0	1.12%	1.000%	99.70	08/25/14	09/27/17	NC	90,000	89,679	90,144		
Chandler Asset Management	FNMA	3135G0TG8	0.88%	0.875%	99.17	12/05/14	02/08/18	NC	160,000	158,678	159,184		
									1,625,000	1,620,847	1,636,984	6.78%	100%
US Treasury													
Chandler Asset Management	US Treasury	912828UC2	0.35%	0.250%	99.83	03/25/14	12/15/15	NC	185,000	184,683	185,057		
Chandler Asset Management	US Treasury	912828B41	0.40%	0.375%	99.96	03/25/14	01/31/16	NC	185,000	184,928	185,231		
Chandler Asset Management	US Treasury	912828US7	0.40%	0.375%	99.95	01/30/14	03/15/16	NC	210,000	209,894	210,181		
Chandler Asset Management	US Treasury	912828VC1	0.42%	0.250%	99.68	06/13/14	05/15/16	NC	150,000	149,520	149,789		
Chandler Asset Management	US Treasury	912828VG2	0.45%	0.500%	100.10	06/13/14	06/15/16	NC	150,000	150,147	150,188		
Chandler Asset Management	US Treasury	912828A58	0.58%	0.625%	100.12	05/29/14	12/15/16	NC	165,000	165,200	165,219		
Chandler Asset Management	US Treasury	912828B74	0.69%	0.625%	99.81	02/28/14	02/15/17	NC	200,000	199,618	200,062		
Chandler Asset Management	US Treasury	912828C32	0.79%	0.750%	99.81	09/25/14	03/15/17	NC	190,000	189,800	190,431		
Chandler Asset Management	US Treasury	912828C73	0.71%	0.875%	100.46	05/29/14	04/15/17	NC	165,000	165,761	165,670		
Chandler Asset Management	US Treasury	912828TS9	1.16%	0.625%	98.34	07/31/14	09/30/17	NC	185,000	181,922	183,772		
Chandler Asset Management	US Treasury	912828UU2	1.13%	0.750%	99.07	02/23/15	03/31/18	NC	190,000	187,833	188,233		
									1,975,000	1,969,307	1,973,832	8.24%	100%

Attachment B

Investment Type/ Broker	Institution	CUSIP Number	Purchase Yield	Coupon Rate	Purchase Price	Date Purchased	Date of Maturity	Next Call Date (NC=noncallable)	Par Value	Purchase Amount	Current Market Value	Percent of Portfolio	Maximum Percent
Medium-Term Corporate Notes:													
Chandler Asset Management	Paccar Financial Corp Note	69371RK62	0.43%	1.050%	100.86	01/10/14	06/05/15	NC	106,000	106,915	106,209		
Chandler Asset Management	PNC Bank	69349KT59	0.28%	0.280%	99.77	09/10/14	06/05/15	NC	180,000	179,625	179,867		
Chandler Asset Management	General Electric Capital Corp Note	36962G4T8	0.54%	2.250%	103.10	01/10/14	11/09/15	NC	150,000	154,644	151,799		
Chandler Asset Management	Wal-mart Stores Note	931142DE0	0.53%	0.600%	100.16	01/15/14	04/11/16	NC	150,000	150,242	150,266		
Chandler Asset Management	Berkshire Hathaway Note	084664BX8	0.70%	0.950%	100.65	01/14/14	08/15/16	NC	150,000	150,872	150,759		
Chandler Asset Management	Coca Cola Company Note	191216AU4	0.69%	1.800%	102.87	01/14/14	09/01/16	NC	150,000	154,311	152,718		
Chandler Asset Management	Intel Corp Note	458140AH3	0.85%	1.950%	102.93	01/14/14	10/01/16	NC	150,000	154,388	153,066		
Chandler Asset Management	John Deere Capital Corp Note	24422ERL5	1.11%	2.000%	102.61	01/15/14	01/13/17	NC	150,000	153,909	153,206		
Chandler Asset Management	Occidental Petroleum Note	674599CB9	1.05%	1.750%	102.10	01/24/14	02/15/17	NC	150,000	153,147	151,965		
Chandler Asset Management	Wells Fargo Corp Note	94974BFD7	1.26%	2.100%	102.67	01/24/14	05/08/17	NC	150,000	154,005	153,224		
Chandler Asset Management	US Bancorp MTN	91159HHD5	1.16%	1.650%	101.58	02/03/14	05/15/17	4/15/2017	150,000	152,369	152,102		
Chandler Asset Management	Pfizer Inc	717081DJ9	1.10%	1.100%	99.91	05/12/14	05/15/17	NC	35,000	34,969	35,161		
Chandler Asset Management	JP Morgan Note	48126EAA5	1.63%	2.000%	101.28	01/24/14	08/15/17	NC	150,000	151,925	152,072		
Chandler Asset Management	Oracle Corp Note	68369XAN5	1.40%	1.200%	99.27	01/13/14	10/15/17	NC	150,000	148,898	150,353		
Chandler Asset Management	Chevron Corp Callable Note Cont	166764AA8	1.41%	1.104%	98.83	01/10/14	12/05/17	11/5/2017	150,000	148,241	149,961		
Chandler Asset Management	IBM Corp	459200HZ7	1.23%	1.125%	99.70	02/06/15	02/06/18	NC	115,000	114,649	114,580		
									2,236,000	2,263,206	2,257,304	9.47%	30%
Asset-Backed Securities:													
Chandler Asset Management	Toyota Auto Receivables 2012B	89231NAC7	0.39%	0.46%	86.18	01/16/14	07/15/16	NC	57,267	49,354	49,337		
Chandler Asset Management	Honda Auto Receivables	43814CAC3	0.42%	0.48%	89.63	02/12/14	11/21/16	NC	94,466	84,667	84,592		
Chandler Asset Management	Chase Issuance Trust	161571FL3	0.49%	0.59%	100.18	02/12/14	08/15/17	NC	150,000	150,275	150,069		
Chandler Asset Management	American Honda Finance	02665WAQ4	1.54%	1.55%	100.43	12/11/14	12/11/17	NC	80,000	79,926	80,855		
Chandler Asset Management	Toyota Auto Receivables 2014A	89231MAC9	0.69%	0.67%	99.98	03/11/14	12/15/17	NC	75,000	74,986	74,909		
Chandler Asset Management	John Deere Owner Trust	47787VAC5	0.93%	0.92%	99.98	04/02/14	04/16/18	NC	105,000	104,983	105,053		
Chandler Asset Management	Honda Auto Receivables	43814HAC2	0.89%	0.88%	99.98	08/20/14	06/15/18	NC	75,000	74,886	74,892		
Chandler Asset Management	John Deere Owner Trust	47787TAD6	1.07%	99.98%	99.78	09/03/14	11/15/18	NC	85,000	84,981	84,798		
									721,733	704,158	704,504	2.95%	10%
Subtotal Investments													
Prior Year Adjustment GASB 31 Investments Held With US Bank			1.02% Weighted Average Yield		1,061 WAM			days		9,187,638	9,218,641	9,257,012	
											45,278	0	
										9,187,638	9,263,919	9,257,012	
LAIF													
Total Investments										9,438,243	5,737,358	5,737,245	
										18,625,881	15,001,277	14,994,257	
Money Market Acct													
Total Money Market, LAIF and Investments			0.29% Weighted Average Yield		3/1/2015 670 WAM			days		8,934,251	8,934,251	8,934,251	37.40%
										27,560,132	23,890,250	23,928,508	100.00%

CITY OF STANTON
CASH AND INVESTMENT BALANCES BY FUND TYPE
February 28, 2015

Fund Type	Cash and Investments	Totals
General Fund:		
Pooled	\$ (4,711,163)	
Restricted *	18,270,879	\$ 13,559,716
Special Revenue, Capital Projects and Enterprise Funds:		
Gas Tax	1,450,185	
Proposition 1B	9,349	
Measure M	1,259,169	
Fire Emergency Services	(148,930)	
Lighting & Median Maint.	2,685,599	
Sewer Maintenance	2,542,431	
Other	2,995,653	10,793,456
Internal Service Funds		1,851,615
Trust Funds		157,735
Total Cash and Investment Balances		\$ 26,362,522

* Money Market, Imprest Accounts, Petty Cash and Investments

CITY OF STANTON

REPORT TO THE SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY

TO: Honorable Chair and Members of the Successor Agency

DATE: March 24, 2015

SUBJECT: FEBRUARY 2015 INVESTMENT REPORT

REPORT IN BRIEF:

The Investment Report as of February 28, 2015 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

RECOMMENDED ACTION:

Successor Agency receive and file the Investment Report for the month of February 2015.

BACKGROUND:

The attached reports summarize the Successor Agency investments and deposit balances as of February 2015. A summary of the Agency's investments and deposits is included as Attachment A. The Agency's cash balances by fund are presented in Attachment B.

ANALYSIS:

The Agency's investment in the State Treasurer's Local Agency Investment Fund (LAIF) continues to be available on demand. The effective yield on LAIF for the month of February 2015 was 0.27%. The Agency had no other investments, other than those managed by bond trustees. The money market mutual fund investments by the bond trustees generated minimal interest income.

FISCAL IMPACT:

All deposits and investments have been made in accordance with the City's 2014-15 Investment Policy.

The portfolio will allow the Agency to meet its expenditure requirements for the next six months.

ENVIRONMENTAL IMPACT:

None

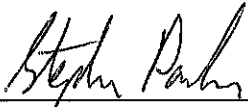
LEGAL REVIEW:

None.

PUBLIC NOTIFICATION:

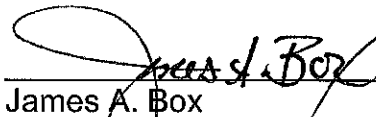
Through the agenda posting process.

Prepared by:



Stephen M. Parker, CPA
Administrative Services Director/Treasurer

Approved by:



James A. Box
Executive Director

Attachments:

- A. Investments and Deposits
- B. Cash Balances by Fund

SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY
INVESTMENTS AND DEPOSITS
February 28, 2015

Investment Type	Issuer		Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
State Pool (LAIF) - SA portion	State of California		On Demand	0.27%	\$ 3,700,885	\$ 3,700,885	\$ 3,701,896	LAIF
Demand Deposits/Main Checking - SA portion	Bank of the West		On Demand	N/A	1,518,632	1,518,632	1,518,632	Bank of the West

Total Cash Investments and Deposits

\$ 5,219,517	\$ 5,220,528
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Bond Funds Managed by Trustees:

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2005 Tax Allocation Bonds - Series A (Taxable)								
Principal:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$1	1.11	1.11	US Bank
Interest:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$ 2	\$ 2	\$ 2	US Bank
Reserve Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,483,934	1,483,934	1,483,934	US Bank
Redevelopment Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	811	811	811	US Bank

Total 2005 Tax Allocation Bonds - Series A (Taxable)

\$ 1,484,748	\$ 1,484,747
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Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2005 Tax Allocation Bonds - Series B (Tax-Exempt)								
Principal								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$ 1	\$ 1	\$ 1	US Bank
Interest								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$ 1	\$ 1	\$ 1	US Bank
Reserve Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	821,850	821,850	821,850	US Bank
Redevelopment Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	3,503	3,503	3,503	US Bank

Total 2005 Tax Allocation Bonds - Series B (Tax-Exempt)

\$ 825,353 \$ 825,353

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2010 Tax Allocation Bonds (Tax-Exempt)								
Principal	US Bank				\$1	1.29	1.29	US Bank
Interest								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	8	8	8	US Bank
Reserve Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,561,811	1,561,811	1,561,811	US Bank
Redevelopment Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	6,496,469	6,496,469	6,496,469	US Bank

Total 2010 Tax Allocation Bonds (Tax-Exempt)

\$ 8,058,289 \$ 8,058,289

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2011 Tax Allocation Bonds - Series A (Taxable)								
Principal:								
US Bank Money Market Fund	US Bank				1	1	1	US Bank
Reserve Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,474,488	1,474,488	1,474,488	US Bank
Project Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	4,726,571	4,726,571	4,726,571	US Bank
Interest Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	3	3	3	US Bank

Total 2011 Tax Allocation Bonds - Series A (Taxable)

\$ 6,201,063 \$ 6,201,063

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2011 Tax Allocation Bonds - Series B (Taxable)								
Bond Reserve Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,349,042	1,349,042	1,349,042	US Bank
Redevelopment Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,582,244	1,582,244	1,582,244	US Bank
Interest Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	3	3	3	US Bank

Total 2011 Tax Allocation Bonds - Series B (Taxable)

\$ 2,931,288 \$ 2,931,288

Total Bond Fund Investments and Deposits (3)

\$ 19,500,742 \$ 19,500,741

Notes:

- (1) - There have been no exceptions to the Investment Policy.
- (2) - The Successor Agency is able to meet its expenditure requirements for the next six months.
- (3) - Restricted Bond Funds are held by the fiscal agent.

SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY**POOLED CASH BALANCES BY FUND TYPE**
February 28, 2015

Fund	Cash Balance
710 Project 2000 Debt Service Fund	-
711 Redevelopment Debt Service Fund	-
712 Redevelopment Obligation Retirement Fund	5,311,097
720 Low and Moderate Income Housing Fund	-
721 Housing Successor Fund	-
730 Community Redevelopment Administration Fund	-
731 Successor Agency Admin Fund	(91,581)
740 Redevelopment Project Fund	-
741 Successor Agency Project Fund	-

TOTAL CASH BALANCE**\$ 5,219,517**

CITY OF STANTON

REPORT TO STANTON HOUSING AUTHORITY

TO: Honorable Chair and Members of the Stanton Housing Authority

DATE: March 24, 2015

SUBJECT: CONSIDERATION OF AN EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT WITH HANNA CORPORATION FOR THE PROPERTY LOCATED AT 8232 LAMPSON AVENUE

REPORT IN BRIEF:

The Authority Board directed staff to pursue the potential sale of property located at 8232 Lampson Avenue. In furtherance of that direction, Staff has negotiated an Exclusive Right to Negotiate Agreement (ENA) with Hanna Corporation for the future sale and development of the property. Staff has completed negotiating the terms with Hanna Corporation and is requesting Housing Authority Board consideration of the ENA

RECOMMENDED ACTION:

1. Declare 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).
2. Approve the Exclusive Right to Negotiate Agreement with Hanna Corporation and authorize the City Manager to execute all necessary documents.

BACKGROUND:

The City of Stanton has been negotiating with the Sam's Club and Mideb Corporation to expand the existing Sam's Club located at 12540 Beach Boulevard. Expansion of the Sam's Club requires the sale of the Stanton Housing Authority's property located at 8232 Lampson Avenue to Mideb (owner of the adjacent property Sam's Club currently leases). Mideb has created Hanna Corporation, a Nevada Corporation to facilitate the sale and development of the property.

ANALYSIS/JUSTIFICATION:

The proposed ENA sets out a schedule to allow the parties to explore the potential development of the site with an expanded Sam's Club. This includes negotiating a

lease with Sam's Club (WalMart), addressing necessary changes to the CC&R's for the shopping center as a whole, applying for the necessary entitlements from the City and conducting the appropriate California Environmental Quality Analysis. Hanna Corporation has also agreed to deposit \$10,000 into an account to pay for the Housing Authorities costs associated with this transaction.

Future proceeds from the sale of the property received by the Housing Authority will be set aside into the Low and Moderate Income Housing Asset Fund of the Housing Authority for the preservation, acquisition and construction of affordable housing. At this time, Staff anticipates that any revenues could be used to fund the Tina/Pacific Affordable Housing Project which is deficient in funding due to the State's elimination of redevelopment and the inability to use low/moderate bond proceeds acquired in 2011.

FISCAL IMPACT:

The Housing Authority will receive \$10,000 from Hanna Corporation to offset any of its costs associated with transacting the ENA.

ENVIRONMENTAL IMPACT:

Declare that the approval of the ENA 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).

LEGAL REVIEW:

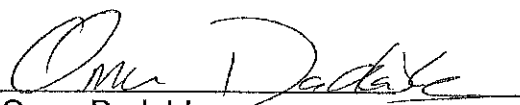
The City Attorney's Office has reviewed the staff report and drafted the attached ENA.

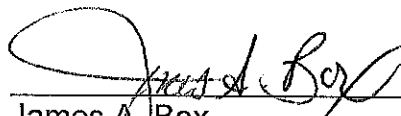
PUBLIC NOTIFICATION:

Through the regular agenda posting process.

Prepared by:

Approved by:


Omar Dadabhoy
Deputy Executive Director


James A. Box
Executive Director

Attachments:

- A. Exclusive Right to Negotiate Agreement for 8232 Lampson Avenue
- B. Vicinity Map

**EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT
(Sam's Club)**

This Exclusive Right to Negotiate Agreement (Sam's Club) ("**Agreement**") is made this ____ day of _____, 2015, by and between the Housing Authority of the City of Stanton, California, a public body, corporate and politic ("**Authority**"), and Hanna Corporation, a Nevada Corporation ("**Developer**"). Authority and Developer are sometimes individually referred to herein as a "**Party**" and collectively as the "**Parties**." This Agreement is entered into with regards to the following recited facts:

RECITALS

A. The Authority owns that certain real property located at 8232 Lampson Avenue, Stanton, California, which is more particularly described in Exhibit A attached to this Agreement and incorporated herein by this reference ("**Property**"). Authority and Developer have been exploring the potential development of the Property.

B. The Property was previously owned by the Redevelopment Agency of the City of Stanton ("RDA") for a future affordable housing development but was conveyed to the Authority following the dissolution of the RDA pursuant to AB 1X 26.

C. The Authority has determined that the Property is not appropriate for a residential development and should be sold at fair market value for a commercial/retail use with the proceeds of the sale being placed within the Authority's Low and Moderate Income Housing Asset Fund for the future development of low income housing.

D. The Authority expects the Developer to and the Developer has stated its intention to the Authority to develop the Property as a prototypical store suitable for a Sam's Club ("Project").

E. Sam's Club is currently located at 12540 Beach Boulevard, Stanton California 90680. Developer owns or has the appropriate authority to operate, manage or lease the building in which Sam's Club is currently a tenant and Developer is proposing to relocate and expand the Sam's Club operation on the Property. Sam's Club desires to be in a larger prototypical store.

F. Authority and Developer now agree to enter into this Agreement for the purpose of further planning and evaluating the feasibility of conveying the Property from the Authority to Developer for the development of the Project. Developer has represented its willingness and ability to undertake certain studies, plans and other activities, including but not limited to negotiations with Sam's Club (Walmart Stores Inc.) for a new long term lease, necessary to define the scope of development and determine the feasibility of the Project on the Property. Such plans and other information to be prepared during the course of this Agreement shall serve as the basis for entering into a Disposition and Development Agreement between Authority and Developer ("DDA"). Authority is willing to enter into a period of exclusive negotiations with Developer concerning Developer's potential development of the Project, subject to the terms and conditions of this Agreement.

TERMS

1. **Incorporation of Recitals.** The Recitals of fact set forth above are true and correct and are incorporated into this Agreement, in their entirety, by this reference.
2. **Term of Agreement.** The rights and duties of the Authority and the Developer established by this Agreement shall commence on the first date on which all of the following have occurred (the "Effective Date"): (1) execution of this Agreement by the authorized representative(s) of the Developer and delivery of such executed Agreement to the Authority, and (2) approval of this Agreement by the Authority governing body and execution of this Agreement by the authorized representative(s) of the Authority and delivery of such executed Agreement to the Developer. The Authority shall deliver a fully executed counterpart original of this Agreement to the Developer, within ten (10) calendar days following the Authority governing body's approval of this Agreement, if approved, and the execution of this Agreement by the authorized representative(s) of the Authority. This Agreement shall continue in effect for the period of three hundred sixty-five (365) consecutive calendar days immediately following the Effective Date ("Negotiation Period").

This Agreement shall automatically expire and be of no further force or effect at the end of the Negotiation Period, unless, prior to that time, (i) Authority Executive Director, or his or her designee, approves up to one hundred eighty day (180) days extension of the Negotiation Period in his or her sole and absolute discretion, or (ii) both the Authority and the Developer approve and execute a separate DDA acceptable to both the Authority and the Developer, in their respective sole and absolute discretion, in which case this Agreement will terminate on the effective date of such DDA. In the event that the initial study prepared pursuant to the California Environmental Quality Act determines that an environmental impact report is required to be prepared for the Project, the parties agree to reasonably consider approval of an extension to the term of the Negotiation Period as required to complete the environmental impact report.

3. **Deposits.** Concurrent with the Developer's execution of this Agreement, the Developer shall pay to the Authority a deposit in the amount of Ten Thousand Dollars (\$10,000) in immediately available funds ("**Initial Deposit**") to ensure that the Developer will proceed diligently and in good faith to fulfill its obligations under this Agreement during the "**Negotiation Period**" (as defined in Section 3(a)), as part of the consideration for the Authority's agreement not to negotiate with other "**Persons**" during the Negotiation Period, and to defray certain costs of the Authority in pursuing the contemplated negotiations with the Developer during the Negotiation Period, pursuant to this Agreement. The Initial Deposit shall be fully earned by the Authority when made and shall be non-refundable to the Developer absent a default under this Agreement by the Authority. For purposes of this Agreement, the term "**Person(s)**" means any one or more individuals, partnerships (whether general or limited), limited liability companies, trusts, estates, associations, corporations, or any other entities recognized by law or custom.

Prior to the granting of an extension to the Negotiation Period pursuant to Section 2, Developer shall pay to the Authority additional deposits in the amount of Ten Thousand Dollars (\$10,000) in immediately available funds ("**Extension Deposits**") to ensure that the Developer will continue to proceed diligently and in good faith to fulfill its obligations under this Agreement during the period of extension.

4. Good Faith Negotiations. Authority and Developer agree, for the Negotiation Period, to negotiate diligently and in good faith to comply with the terms and conditions set forth in this Agreement and to complete the tasks set forth in Sections 4 and 5, respectively, subject to the following provisions:

4.1 The term “**negotiate**,” as used in this Agreement, shall preclude Authority from accepting for review and analysis during the Negotiation Period proposals from persons or entities other than Developer to acquire or develop the Property.

4.2 Authority shall not be precluded by this Agreement from furnishing to other persons or entities unrelated to Developer information in the possession of Authority which it is required by law to furnish or which it would otherwise normally furnish to persons requesting information from Authority concerning its activities, goals and matters of a similar nature.

4.3 Authority shall not be precluded by this Agreement from undertaking any actions otherwise required by law.

4.4 Any confidential or proprietary information submitted by Developer to Authority pursuant to this Agreement shall be identified as such by Developer in writing. Authority shall not disclose confidential or proprietary information unless required by law. Authority does not represent or warrant that confidential or proprietary information submitted by Developer is exempt from public disclosure under the Public Records Act (Gov. Code Section 6250 et seq.). If the Authority receives a request for information pursuant to the Public Records Act that Developer has identified as confidential, the Authority shall within three (3) days of receipt of said request, inform Developer of the request. Developer may pursue any action Developer deems necessary and appropriate to prevent the disclosure of the information.

5. Disposition and Development Agreement

5.1 Negotiation of a Disposition and Development Agreement. During the Negotiation Period, both Authority and Developer shall exercise reasonable efforts to complete discussions relating to the terms and conditions of a DDA and such other matters, as may be mutually acceptable to both Authority and Developer, in their respective sole discretion. Nothing herein shall be deemed to be a representation by either Authority or Developer that a mutually acceptable DDA will be concluded. Nothing in this Agreement shall impose any obligation on either Party to agree to or execute a DDA for the Project or the Property. Nothing herein shall be deemed to be a guarantee or representation that any proposed DDA will be approved by Authority’s governing board. Developer acknowledges and agrees that Authority’s consideration of any DDA is subject to the sole and absolute discretion of Authority’s governing board, any applicable governmental entities and all legally required public hearings, public meetings, notices, factual findings and other determinations required by law.

5.2 Deal Points Memorandum. A written memorandum setting forth in outline form (“Deal Points Memorandum”) proposed terms is attached hereto and incorporated herein as Exhibit C. The terms set forth in the Deal Points Memorandum are preliminary and are not binding on either Party.

6. Developer Tasks during Negotiation Period. During the Negotiation Period Developer shall, at Developer's sole cost and expense, undertake the following tasks:

6.1 First Right of Refusal. Not later than thirty (30) days after the Effective Date Developer shall review the Authority's First Right of Refusal for the acquisition of the adjacent Naritoku Property (Assessor Parcel Number 131-491-19) and inform the Authority if, as part of a future agreement, Developer is able and willing to assume Authority's rights under the said First Right of Refusal.

6.2 WalMart Lease. Not later than 180 days after the Effective Date, Developer shall submit to the Authority evidence that the Developer has secured a lease with Walmart Stores Inc. (or other appropriate related entity). Said lease commitment shall be for no less than twenty (20) years and shall contain a commitment for a Sam's Club to be constructed on the Property and operate for not less than one (1) day. The lease shall require that the Sam's Club shall be constructed within twenty four (24) months of Developer close of escrow on the Property.

6.3 Covenant, Conditions & Restrictions Amendment. Not later than 180 days after the Effective Date, Developer shall submit to Authority written evidence of an amendment of any applicable Covenant, Conditions & Restrictions ("CC&Rs") or approval for the operation of a new Sam's Club facility at the Property by the Beach and Lampson Association and any other entity whose consent is legally required for the Project to operate.

6.4 Entitlements. Not later one hundred and eighty (180) days after the Effective Date, Developer shall apply to the City for any necessary entitlement, include California Environmental Quality Act review, required for the construction of the Project on the Property. Developer shall conduct or fund all studies, documents, applications, etc. necessary for processing project entitlements including environmental documentation.

6.5 Disposition and Development Agreement. Developer will meet and negotiate diligently and in good faith with Authority towards the preparation of a DDA.

7. Authority Tasks During Negotiation Period. During the Negotiation Period Authority shall undertake the following tasks:

7.1 Review of Developer's Documents and Submittals. Authority staff will diligently review all plans and documents submitted by Developer and provide Developer with a written response outlining relevant comments.

7.2 Environmental and Other Reports. Authority staff shall within thirty (30) days provide Developer with a copy of all environmental, soils, geotechnical or other reports or studies, including a Phase I or Phase II report if applicable, within the Authority or City's possession or control.

7.3 Right of First Refusal. Authority staff shall within ten (10) days provide Developer with a copy of the Right of First Refusal and any and all correspondence, documents or other writings in the possession of the City or Authority related to the Right of First Refusal.

7.4 Disposition and Development Agreement. Authority staff will meet and negotiate diligently and in good faith with Developer toward the preparation of a DDA with Developer.

7.5 Access to Authority Property. Upon the request of Developer, grant to Developer and its contractors and consultants a right to enter the Authority Property subject to any and all reasonable conditions, including but not limited to, insurance and indemnification of the Authority.

8. Acknowledgments and Reservations.

8.1 No Further Obligation. Authority and Developer agree that, if this Agreement expires or is terminated for any reason, or a DDA is not approved and executed by both Authority and Developer, neither Authority nor Developer shall be under any obligation, nor have any liability to the other Party or any other person regarding the acquisition of the Property or the construction of the Project.

8.2 Development Standards and Design Controls. Certain development standards and design controls for the Project may be established between Developer and Authority, but it is understood and agreed between the Parties that the Project must conform to all City and other applicable governmental development, land use and architectural regulations and standards. Drawings, plans and specifications for the Project shall be subject to the approval of City through the standard development application process for projects within the City. Nothing in this Agreement shall be construed as the approval of any plans or specifications for the Project or of the Project itself by the City.

8.3 Further Information. Authority reserves the right to reasonably obtain further information, data and commitments to ascertain the ability and capacity of Developer to develop and operate the Property and/or the Project. Developer acknowledges that it may be requested to make certain financial disclosures to Authority, its staff, legal counsel or other consultants, as part of the financial due diligence investigations of Authority relating to the potential construction of the Project by Developer and that any such disclosures may become public records. Authority shall maintain the confidentiality of financial information of Developer to the extent allowed by law.

8.4 Authority Not a Party. Authority shall not be deemed to be a Party to any agreement for the acquisition, lease, or disposition of real or personal property the provision of financial assistance to Developer or the development of the Project on the Property or elsewhere, until the terms and conditions of an DDA are approved by Authority's governing board, in its sole and absolute discretion.

9. Disclosures and Cooperation. Authority and Developer shall generally cooperate with each other and supply such documents and information as may be reasonably requested by the other Party to facilitate the negotiations. Unless precluded by law, Authority shall keep confidential all proprietary information provided by Developer to Authority.

9.1 Only DDA Binds Authority. Developer acknowledges and agrees that Authority will not be bound by any statement, promise or representation made by Authority staff during the Negotiation Period or arising from or related to the Project on the Property, and that

Authority shall be legally bound only upon the approval of the DDA by Authority's governing board.

9.2 No Representations about Future Agreements. Developer further acknowledges and agrees that nothing in this Agreement or Authority's cooperation in satisfying its obligations under this Agreement shall be deemed a promise, representation or guaranty that the Parties will reach any future agreement, enter into a DDA, or that Authority will provide City Assistance.

10. Default.

10.1 Cure. Failure or delay by either Party to perform any material term or provision of this Agreement shall constitute a default under this Agreement. If the Party who is claimed to be in default by the other Party cures, corrects or remedies the alleged default within fifteen (15) calendar days after receipt of written notice specifying such default, such Party shall not be in default under this Agreement. The notice and cure period provided in the immediately preceding sentence shall not, under any circumstances, extend the Negotiation Period. If there are less than fifteen (15) days remaining in the Negotiation Period, the cure period allowed pursuant to this Section 10 shall be automatically reduced to the number of days remaining in the Negotiation Period.

10.2 Notice. The Party claiming that a default has occurred shall give written notice of default to the Party claimed to be in default, specifying the alleged default. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default. However, the injured Party shall have no right to exercise any remedy for a default under this Agreement, without first delivering written notice of the default.

10.3 Breach. If a default of either Party remains uncured for more than fifteen (15) calendar days following receipt of written notice of such default, a "breach" of this Agreement by the defaulting Party shall be deemed to have occurred. In the event of a breach of this Agreement, the sole and exclusive remedy of the Party who is not in default shall be to terminate this Agreement by serving written notice of termination on the Party in breach.

11. Termination. This Agreement shall terminate upon the occurrence of any of the following: (a) the end of the Negotiation Period, subject to any extensions approved by the Parties pursuant to Section 2; (b) a DDA, acceptable in form and content to both Authority and Developer, is negotiated and approved by Authority's governing board and Developer; or (c) termination of this Agreement by either Party pursuant to this Agreement.

12. Prohibition Against Assignment. The qualifications and identity of Developer and its principals are of particular concern to Authority. It is because of these qualifications and identity that Authority has entered into this Agreement with Developer. During the Negotiation Period, no voluntary or involuntary successor-in-interest of Developer shall acquire any rights or powers under this Agreement, nor shall Developer assign all or any part of this Agreement, without the prior written approval of Authority, which approval Authority may grant, withhold, or deny in its sole and absolute discretion. Any purported transfer of this Agreement, voluntarily or by operation of law, shall be null and void and shall confer no rights whatsoever upon any purported assignee or transferee, unless otherwise approved in writing by Authority.

13. General Provisions.

13.1 Governing Law; Jurisdiction and Venue. This Agreement shall be interpreted and enforced in accordance with the provisions of California law in effect at the time it is executed, without regard to conflicts of law provisions, and as such laws may be amended from time to time during the Negotiation Period. Any action brought concerning this Agreement shall be brought in the appropriate court for the County of Orange, California.

13.2 Solicitation and Conflicts of Interest. For the term of this Agreement, no member, officer or employee of Authority, during the term of his or her service with Authority, shall have any direct or indirect interest in this Agreement or obtain any present or anticipated material benefit arising therefrom.

13.3. No Third Party Beneficiaries. Authority and Developer expressly acknowledge and agree that they do not intend, by their execution of this Agreement, to benefit any persons or entities not signatory to this Agreement, including, without limitation, any brokers representing the Parties to this transaction. The foregoing shall not be deemed to release either Party from any obligation it may have to pay commissions or brokerage fees which it may be obligated to pay pursuant to any other contract to which Developer or Authority may be a party. No person or entity not a signatory to this Agreement shall have any rights or causes of action against either Authority or Developer arising out of or due to Authority and Developer's entry into this Agreement. Third parties, for the purposes of this Section 13.3, shall not include persons to whom fees are paid for professional services, if rendered by attorneys, financial consultants, accountants, engineers, architects and other consultants.

13.4 Notices and Demands. All notices or other communications required or permitted between the Parties under this Agreement shall be in writing, and may be: (a) personally delivered, (b) sent by United States registered or certified mail, postage prepaid, return receipt requested, (c) sent by facsimile and/or electronic transmission, confirmed by same day mailing of a "hard" copy, ordinary first class mail, postage prepaid, or (d) sent by nationally recognized overnight courier service (e.g., Federal Express), addressed to the Parties at the addresses provided below, subject to the right of either Party to designate a different address for itself by notice similarly given. Any notice given by registered or certified United States mail shall be deemed to have been given on the second business day after the same is deposited in the United States mail. Any notice personally delivered or delivered by facsimile or overnight courier service (e.g., Federal Express), shall be deemed giving upon receipt of the same by the Party to whom the notice is given.

To Authority:

Mr. James A. Box
Executive Director
Stanton Housing
Authority
7800 Katella Avenue
Stanton, CA 90680
Business (714) 890-4277

Business Fax (714) 890-
1443
Email:
jbox@ci.stanton.ca.us

To Developer:

Mr. Greg Martin
Hanna Corporation
541 S. Spring St,
Suite 204
Los Angeles, CA 0013
Business (213) 688-1100
x110
Business Fax (213) 688-
0820
Email:
gregmartin@linkline.com

With copy to:
Jeffrey T. Oberman
Levin & Oberman
361 N. Canon Dr.
Beverly Hills, CA 90210
Business: (310) 247-4590
Business Fax: (310) 247-4595
E Mail: jeff.oberman@yahoo.com

13.5 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all agreements, representations, warranties, statements, promises and/or understandings, whether oral or written. This Agreement may only be amended by the written consent of the Parties.

13.6 Severability. In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected and shall remain in full force and effect.

13.7 Hold Harmless. Developer shall defend, indemnify, and hold harmless Authority and its respective officials, officers, employees, consultants, contractors and agents (collectively, "**Indemnitees**") from and against any and all actual and alleged claims, losses, damages, fines, costs, penalties, expenses (including reasonable attorneys' fees, costs of experts and other litigation expenses), and liabilities of any type or nature, including those related due to death or injury to any person and injury to any property, proximately resulting from any acts, omissions, or breach of this Agreement by Developer or any of its officers, employees, agents, or subcontractors related to the activities described or contemplated by this Agreement. No officials, officers, employees, consultants, contractors or agents of Authority shall be personally

liable to Developer, any voluntary or involuntary successors or assignees, or any lender or other party holding an interest in the Project or the Property, in the event of any default or breach by Authority, or for any amount which may become due to Developer or to its successors or assignees, or on any obligations arising under this Agreement.

13.8 Attorneys' Fees. In the event that either Party brings any legal action to interpret or enforce any provision of this Agreement, the prevailing Party in that action shall be entitled to receive, in addition to all other relief available to it, its costs of litigation and reasonable attorney's fees, including costs and fees incurred on appeal and in enforcing any judgment which may be rendered on the underlying action.

13.9 Waivers. No waiver of any breach of any term or condition contained in this Agreement shall be deemed a waiver of any preceding or succeeding breach of such term or condition, or of any other term or condition contained in this Agreement. No extension of the time for performance of any obligation or act, no waiver of any term or condition of this Agreement, nor any modification of this Agreement shall be enforceable against Authority or Developer, unless made in writing and executed by Authority and Developer.

13.10 Construction. Headings at the beginning of each section and sub-section of this Agreement are solely for the convenience of reference of Authority and Developer and are not a part of this Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Agreement shall not be construed as if it had been prepared by one or the other of Authority or Developer, but rather as if Authority and Developer prepared this Agreement. Unless otherwise indicated, all references to sections are to this Agreement. All exhibits referred to in this Agreement are attached to this Agreement and incorporated into this Agreement by this reference. If the date on which Authority or Developer is required to take any action pursuant to the terms of this Agreement is not a business day of Authority, as appropriate, the action shall be taken on the next business day of Authority.

13.11 Counterpart Originals. This Agreement may be executed in counterparts which, when taken together, shall constitute but one and the same instrument.

[Signatures on following page]

**SIGNATURE PAGE TO
EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT
(Sam's Club)**

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto on the day and year first written above.

Authority:

By: _____
James A. Box
Executive Director

Attest:

By: _____
Luz A. Rodriguez
Interim City Clerk

Approved as to form:

BEST BEST & KRIEGER LLP

By: _____
Matthew A. Richardson
Authority Attorney

G

DEVELOPER:

Hanna Corporation

By: _____
Greg Martin
Vice President

By: _____
Ramon Nicholas
Secretary

Approved as to Form:

LEVIN & OBERMAN


By 
Jeffrey T. Oberman, Esq.

EXHIBIT "A"
TO
EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT
(Sam's Club)

PROPERTY LEGAL DESCRIPTION

THAT PORTION OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 4 SOUTH, RANGE 11 WEST, SAN BERNARDINO BASE AND MERIDIAN IN THE RANCHO LOS ALAMITOS IN THE CITY OF STANTON, COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING A PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT (LLA) LLA86-1 IN THE CITY OF STANTON, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS RECORDED IN INSTRUMENT 86-571438 OF RECORDS OF SAID COUNTY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF PARCEL 1 OD SAID LOT LINE ADJUSTMENT (LLA) LLA86-1;

THENCE NORTH 89°59'36" EAST ALONG THE MOST NORTHERLY LINE OF SAID PARCEL 1, A DISTANCE 156.66 FEET;

THENCE SOUTH 00°09'31" EAST 110.00 FEET;

THENCE SOUTH 45°04'50" EAST 21.24 FEET;

THENCE NORTH 89°59'36" EAST 220.15 FEET TO THE MOST EASTERLY LINE OF SAID PARCEL 1;

THENCE SOUTH 00°13'32" EAST ALONG SAID MOST EASTERLY LINE 500.14 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 1;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 1 SOUTH 89°57'43" WEST 392.39 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 1;

THENCE NORTH 00°09'31" WEST ALONG THE WESTERLY LINE OF SAID PARCEL 1 A DISTANCE OF 623.33 FEET TO THE **POINT OF BEGINNING**.

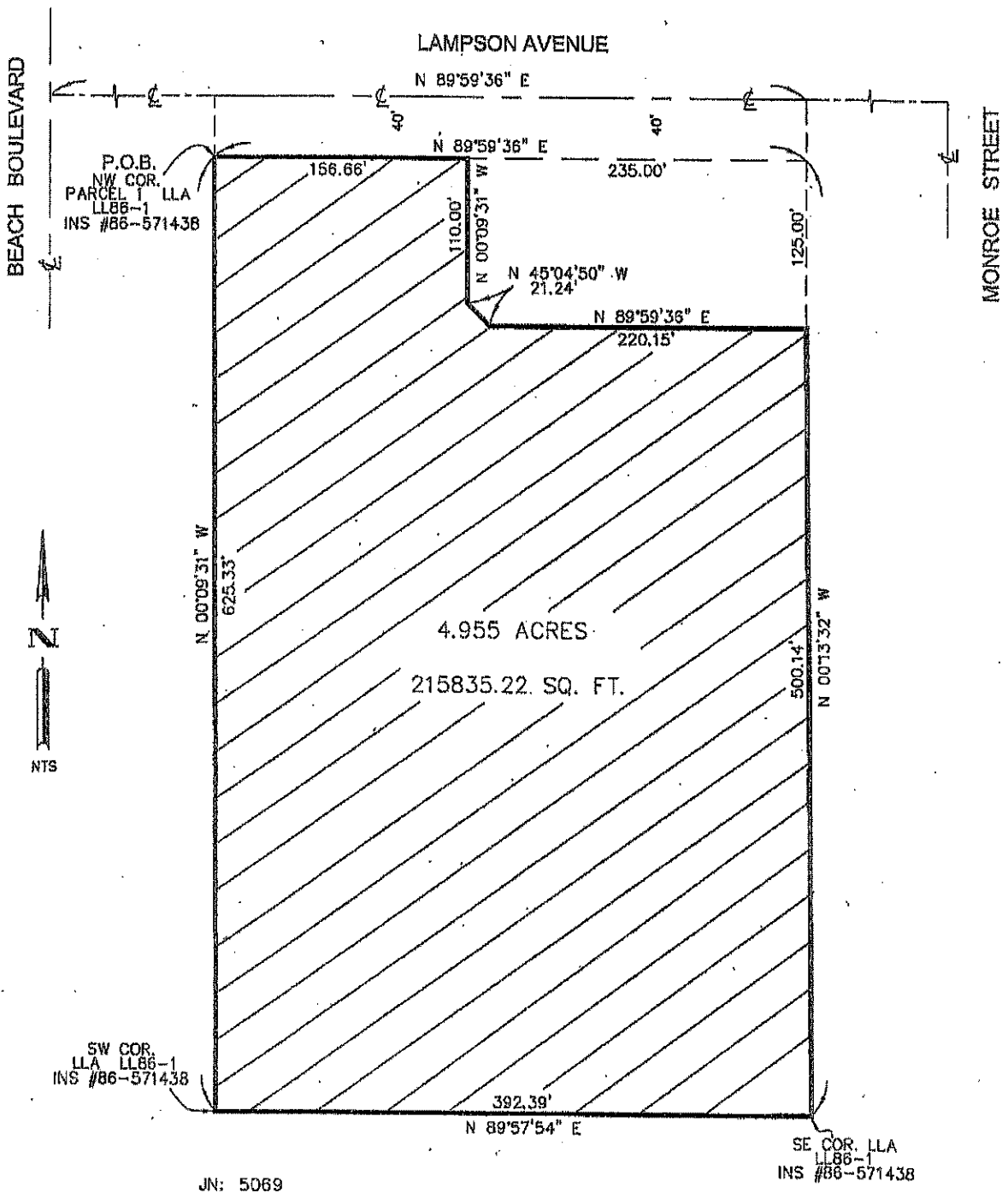


EXHIBIT A

EXHIBIT "B"
TO
EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT
(Sam's Club)

PROJECT DESCRIPTION

EXHIBIT B

EXHIBIT "C"
TO
EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT
(Sam's Club)

Deal Points Memorandum

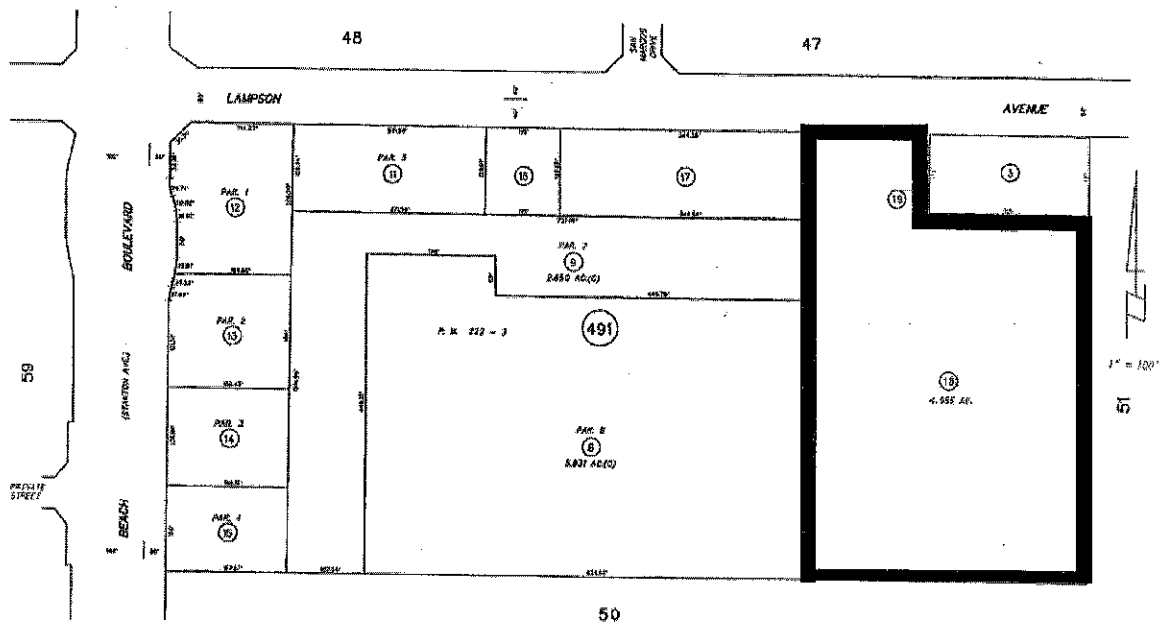
EXHIBIT D

Deal Points Memorandum
Sam's Club DDA

1. Price: \$3 million, subject to appraisal demonstrating this reflects approximate fair market value for commercial/retail use.
2. Deposit: \$250,000 made at the time DDA is executed and escrow is opened.
3. Due Diligence Period: 45 days or less following DDA execution.
4. Escrow Period: 30 days or less following Due Diligence Period.
5. Developer and Authority to split escrow costs 50/50.
6. Authority to provide CLTA Title Policy; Developer responsible for any additional endorsements.
7. Conditions to close of escrow:
 - Project entitled.
 - WalMart/Sam's Club lease for a term of not less than 20 years with a covenant to operate for not less than one day.
8. Developer commits to or to cause the construction of Sam's Club within 24 months of close of escrow.

THIS MAP WAS PREPARED FOR ORANGE
COUNTY ASSessor DEPT. PURPOSES ONLY.
THE ASSessor MAKES NO GUARANTEE AS TO
THE ACCURACY NOR ASSUMES ANY LIABILITY
FOR OTHER DATA. NOT TO BE REPRODUCED.
ALL RIGHTS RESERVED.
DEPARTMENT OF ORANGE COUNTY ASSESSOR 2002.

131-49



CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: March 24, 2015

SUBJECT: AWARD OF CONTRACT FOR CONSTRUCTION INSPECTION SERVICES FOR THE CITYWIDE STREET RECONSTRUCTION PROJECT BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA

REPORT IN BRIEF:

Staff solicited Proposals to provide Construction Inspection Services for the Citywide Street Reconstruction Project. Staff found that Psomas was the most qualified firm to provide these services.

The cost for completing the Construction Management and Inspection Services is \$40,000.

RECOMMENDED ACTION:

1. City Council award a professional service contract to Psomas to provide construction inspection services for the duration of the Citywide Street Reconstruction Project for a maximum contract amount of \$40,000.
2. Authorize the City Manager to bind the City of Stanton and Psomas in a contract to provide construction inspection services.
3. Find that this action is not a project per CEQA.

BACKGROUND:

The City Council is anticipated to award a construction contract to Sully-Miller Contracting Company for the Citywide Street Reconstruction Project. The scope of this project will include concrete and asphalt improvements on several streets throughout the City. These roadway improvements include the removal and replacement of existing asphalt surfaces, damaged longitudinal gutters, curbs and gutters, and the installation of pedestrian accessibility ramps. This project will include the all the streets within the Stanton Park townhome community and the following street segments:

	STREET NAME	FROM	TO
1	Ruthann Avenue	Santa Rosalia Avenue	Stanton Avenue
2	Santa Maria Street	Ruthann Avenue	End
3	Mario Lane	Ruthann Avenue	End
4	Ale Lane	Ruthann Avenue	End
5	Joel Avenue	Santa Rosalia Avenue	Stanton Avenue
6	Eileen Street	Santa Rosalia Avenue	Stanton Avenue

Staff is unable to provide for the inspection of this project and needs the assistance of a consultant to provide these specialized services.

ANALYSIS/JUSTIFICATION:

In September of 2014, staff conducted a selection process of firms that submitted proposals for on-call construction management and inspection services in order to have a set of pre-selected qualified firms on file. Staff selected three (3) top ranking firms based on the firm's experience managing and inspecting construction of sewer improvement and construction projects. On March 3, 2015, staff issued a request for proposals (RFP) from the pre-selected firms for the construction inspection services for the Citywide Street Reconstruction Project. All three (3) firms submitted proposals and upon further review, Psomas was selected to perform the required services for this project. The proposed construction inspector has extensive experience in similar projects, especially with street projects funded with CDBG funding. The requirements for payroll evaluation and interviews with workers on the project are very specific and need to be complied with. This contract will cover the duration of the project. The total amount of this contract will not exceed \$40,000. Please note that all three (3) proposals were very close in cost which gives Staff further confidence that the cost for these required services is reasonable.

FISCAL IMPACT:

This project is budgeted in the FY 14/15 Capital Improvement Program. The total project cost, including the construction, the inspection service as proposed in this report, and for the project contingency will be funded by the accounts shown in the table below.

FUND	ACCOUNT NUMBER	AMOUNT
CDBG	222-3510-710205	\$ 250,000
Measure M	220-3510-710190	\$ 310,200
TOTAL		\$ 560,200

This project will not have any impact on the General Fund.

ENVIRONMENTAL IMPACT:

None.

LEGAL REVIEW:

None.

PUBLIC NOTIFICATION:

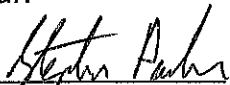
Notifications and advertisement were performed as prescribed by law.

Prepared by:



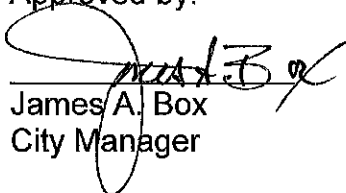
Allan Rigg, P.E.
Director of Public Works/City Engineer

Concur:



Stephen Parker, CPA
Administrative Services Director

Approved by:



James A. Box
City Manager

ATTACHMENTS:

(1) Professional Services Agreement

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT, is made and effective as of March 24, 2015, between the **City of Stanton**, a California Municipal Corporation ("City") and **Psomas**, ("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 24, 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.

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 **Forty thousand (\$40,000.00)** 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:

Psomas
3 Hutton Centre Drive
Santa Ana, California 92707

17. **ASSIGNMENT**

The Consultant shall not assign the performance of this Agreement, aside from material testing as stated in the 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 Psomas 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 Request for Proposal, 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

Provide construction inspection services for the Citywide Street Reconstruction Project as described in the Request for Proposal dated March 3, 2015.



**REQUEST FOR PROPOSALS (RFP)
FOR
PUBLIC WORKS INSPECTION**

City of Stanton
7800 Katella Avenue,
Stanton, CA 90680-3162

ATTN: Allan Rigg,
Director of Public Works / City Engineer
Approved for Advertising:

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

Date Issued: March 3, 2015

Proposals Due: March 12, 2015

GENERAL DESCRIPTION AND INTRODUCTION

The City of Stanton recently pre-qualified three firms to provide public works inspection and construction management services for the City. Your firm was chosen as one of the three firms, and we are asking for a letter proposal to provide public works inspection services.

The requested inspection service is for the asphalt concrete (AC) overlay of various streets within the City of Stanton. The project proposes to overlay approximately 282,940 square feet of street. Concrete improvements such as linear and cross gutter, and installation of curb ramps are also part of the scope of work. This project will be partially funded by the Community Development Block Grant (CDBG). It is anticipated that the project will require 320 hours of public works inspection.

A qualified inspector, at minimum, must be able to perform the following tasks/duties:

- Assist City staff with the overall construction management/inspection of the project.
- Monitor the Contractor's compliance with the project Contract and Specifications.
- Assist City staff with public relations, including distributing construction notices and responding to inquiries of residents and the general public.
- Attend the pre-construction meeting, and subsequent weekly field meetings, as needed.
- Assist in the review of Contractor's submittals, including proposed construction schedules, and other submittals required by the project Plans and Specifications.
- Ensure the Contractor adheres to the approved construction schedule.
- Be present on the job site when construction is in progress, and when required.
- Provide assistance and direction to technicians performing materials tests, as needed.
- Measure and verify all project pay item quantities, in-place.
- Review the Contractor's invoices and confirm all item quantities for payment.
- Assist in the review and processing of RFI, Change Orders, and Time and Materials work.
- Prepare daily inspection reports (Daily Activity Report, Weekly Statement of Working Days, etc.), as required.
- Review traffic control and coordinate any adjustments, as needed.
- Identify items requiring corrective action by either the Contractor or City.
- Develop "Punch List" items and monitor corrections made.

The above list establishes a minimum baseline for construction inspection services required for this project.

Experience Required:

A qualified candidate must have a minimum of 5 years experience with Public Works construction projects, including construction inspection experience with slurry seal projects, AND successfully performed/completed construction inspection services of 3 municipal roadway slurry seal projects. Any candidate whose background/experience does not meet these requirements will be considered unqualified. Candidates must be familiar with the Standard Specifications for Public Works Construction (SSPWC

"Greenbook") and with the process required for CDBG funded projects.

PROPOSAL CONTENTS

The proposal should include the resume of the proposed Public Works Inspector(s) and the hourly rate for their services.

QUESTIONS

Please contact Stephanie Camorlinga at 714-890-4204 with any questions regarding this project.

EXHIBIT B

FEE PROPOSAL

March 12, 2015

Mr. Allan Rigg, P.E., AICP
Director of Public Works/City Engineer
CITY OF STANTON
PUBLIC WORKS
7800 Katella Avenue
Stanton, CA 90680-3162

**Subject: Proposal to Provide Public Works Construction Inspection Services for
FY 14-15 Citywide Street Reconstruction Project**

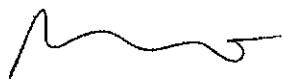
Dear Mr. Rigg:

Psomas is very pleased to submit this proposal to provide Public Works Construction Inspection Services for the FY 14-15 Citywide Street Reconstruction Project. Based on the information provided to us and our understanding of the assignment, we are pleased to offer Mr. Bob Hendler as our Construction Inspector. Attached is his resume for your consideration. Bob has more than 30 years of experience providing construction inspection services for various capital improvement projects including quality control inspection, infrastructure installation, structural concrete, asphalt road construction and road repair for local public works agencies. Prior to joining Psomas, Bob served as Chief Construction Inspector for the City of Long Beach, responsible for inspecting numerous roadway rehab projects funded by various funding sources, including Community Development Block Grants.

We have reviewed the plans and specifications, visited the project site, and offer our project understanding as a part of this proposal. We propose to provide these services on a time and materials basis as described in the attached estimated fee schedule. We are eager to work with you, City staff, and other consultants. Should you have any questions about this proposal or our other services, please do not hesitate to contact me at (714) 412-5672.

Respectfully submitted,

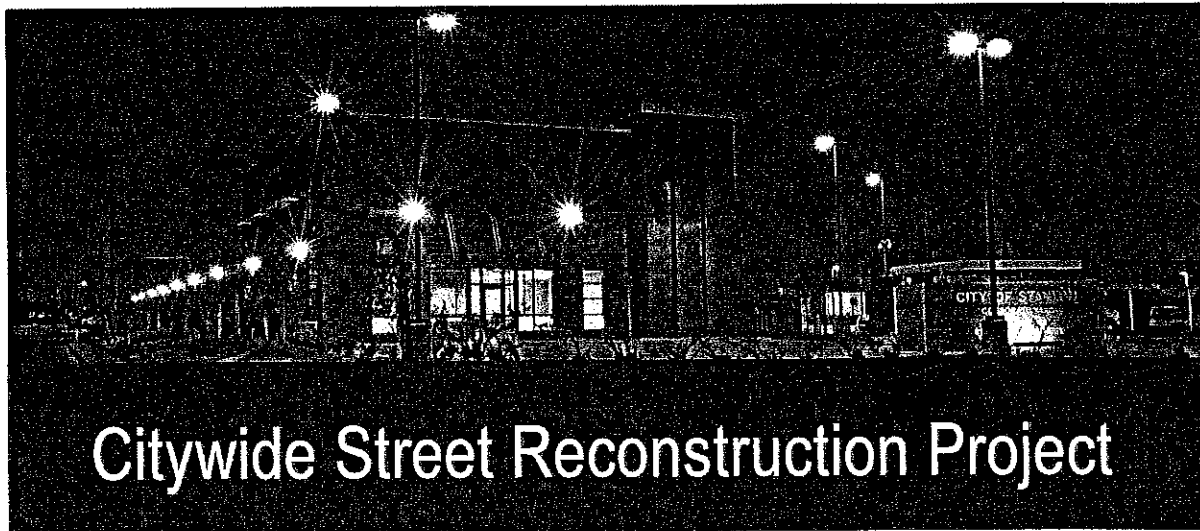
PSOMAS



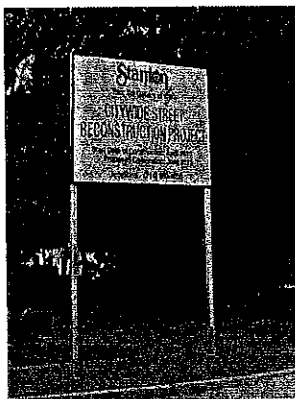
Reuben Tolentino, CCM, DBIA, ENV SP
Principal and Vice President

3 Hutton Centre Drive
Suite 200
Santa Ana, CA 92707

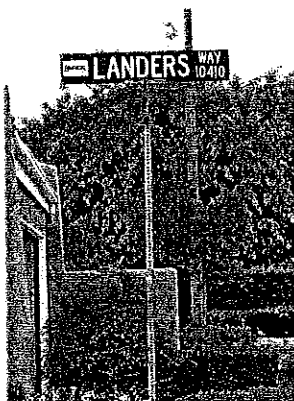
Tel 714.751.7373
Fax 714.545.8883
www.psomas.com



PROJECT DESCRIPTION



The City of Stanton's Street Reconstruction project involves the overlay of numerous existing City streets as designated by the contract plans. The majority of work revolves around either an existing street tapered edge grind along the concrete curb and gutter, followed by the placement of an 1.5-inch AC overlay, or a continuous 2-inch depth cold milling of existing AC pavement between concrete curb and gutter, followed by the placement of a 2.0-inch AC overlay. The plans also designate specific full depth roadway removal and replacement limits; adjustment of various utilities to match the finished AC overlay pavement surface; removal and reconstruction of exiting concrete cross gutters and longitudinal gutters; removal and replacement of existing concrete curb ramps and the placement of thermoplastic pavement striping and traffic legends on the finished roadway surface.



To assist in facilitating the construction of the Fiscal Year 14-15 Street Reconstruction Project, the City of Stanton is soliciting proposals from three pre-qualified consultants, to provide Construction Inspection services during this contract. Services will include, but are not necessarily limited to; verifying new construction is accomplished in accordance with the approved plans, specifications, Special Provisions; preparation of daily field reports; document project work with daily photographs; maintain and complete an as-built set of contract plans; coordination of material sampling and testing; assist City Staff with review and processing of Contractor submittals, RFI's, change orders, and extra work reports; coordination of contractor traffic control efforts; development of bid item payment quantities based upon in place field measurements of completed work; monitor construction progress in relation to the contractor's submitted construction schedule and assist City Staff with public relation efforts.

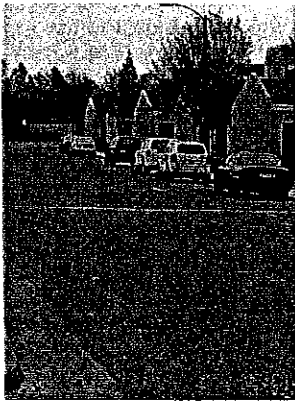
KEY CONSTRUCTION FEATURES

The Psomas Construction Management Team would like to take this opportunity to highlight several project issues that we believe will be key factors in completing the project successfully.

AC Overlays and Full-Depth Roadway Removals

During the cold milling, full-depth roadway section removals and placement of the final AC overlays our construction inspector will be verifying numerous aspects of the work in his/her daily field dairy. Primary examples will include calculation of daily spread rates for AC material placement. This function is essential in controlling the overall cost of the project and to verify that the true surface area and thicknesses of AC are placed in conformance with the contract plans. Spread rate calculations are based upon field surface area measurements coupled with direct "stabs" of the placed AC material to verify that planned AC thicknesses are received by the City. As AC paving operations are set to begin, our construction inspector will coordinate with City Staff to obtain stamped copies of contractor submitted information pertaining to the AC Placement Plan, AC materials and AC Mix Designs. As part of the duties undertaken by our inspector, Psomas will verify that materials arriving to the site that conform to approved submittals. Any material that is delivered that does not conform to the stamped/approved submittal information will immediately brought to the attention of the contractor and City staff. If the contractor continues with the installation of materials that have not been previously approved, our inspector will immediately provide the contractor a written notice of non-compliance and an associated written advisory warning that continuing with installation on non-approved materials may result in the contractor being required to remove and replace the unapproved material at no additional cost to the City of Stanton.

Upon receiving notification of the start of paving operations our inspector will meet with the Contractor to review the list of approved AC paving equipment proposed for use by the contractor. We will verify that the equipment is of the size and capacity necessary to completed the planned work and upon delivery of the equipment to the site, will review the condition of the equipment, to verify to the best extent possible, that the equipment will perform in the specified manner to produce a quality end product. Associated with the beginning of paving operations, our inspector will coordinate the required AC paving QA plan and verify that the contractor is performing the required QC portion of material sampling and testing. Working with City Staff, we will verify that the QA testing technicians, as arranged for by the City, have the proper testing certificates and that the certificates are current and in good standing. We can also assist the City with documentation requirements pertaining to the required certifications of the QA testing laboratory that is selected by the City for this contract.



One last function of our assigned construction inspector will be to prepare a photographic documentation file of the project conditions as they exist prior to the beginning of the pavement restoration project. This photographic file, and associate field walk of the entire contract limit, will enable our inspector to provide information to the City of possible problem areas that may exist but are not reflected in the contract work. It also provides the basis of protecting the City in disputes from the contractor about pre-existing conditions or in settling disputes with the contractor related damage to existing City or private facilities from contractor or subcontractor construction related activities.

In our review of the planned work for this project, our previous construction experience involving roadway reconstructions points to normally two potential opportunities of finding wet soils at the planned subgrade elevation of designated dig out locations. The first example is often discovered where the existing AC pavement has acted as a shield over the existing subgrade, thereby preventing the subgrade from drying. The second example occurs within failed areas of existing pavement, where water intrusion has been allowed into the roadway structural section by failed upper AC layers. Both instances allow the development of a "saturated soil" condition. As new construction operations begin and roadway excavations are undertaken, this saturated soil is encountered and requires additional steps on behalf of the contractor or the City. These steps include the traditional drying or processing the subgrade prior to placement of new Class 2 AB materials; Modifications to the planned AB placement operations such as placing deep lift sections; Over-excavation of the saturated soils which is then replaced by an increased AB section; Use of a geo-textile fabric at the roadway subgrade prior to placement of the planned AB and AC roadway section. This problem can be further compounded when failed areas cannot be left open for longer than one-day so as not to interfere with public traffic or by presenting a safety hazard for residents living in and around the excavated roadway section.

One additional issue we noted in our review of the contract "GENERAL AND SPECIAL PROVISIONS, APPENDIX – BOOK III OF III", we noted in Section 203-6 "ASPHALT CONCRETE", a section labeled "203-6.1 General" was added by inclusion. The second paragraph of this inclusion discusses three separate types of AC aggregate gradations, each associated with differing types of AC placements. The sections include a 1/2" gradation for (III-C-3) AC Surface course, a 3/4" gradation for (III-B-3) AC Base course and a 3/8" (III-D) gradation for an AC Leveling course. In review of the contract plans, only a single lift of AC material is shown to be placed during the contract. In fact, splitting the planned AC overlay thickness into two different materials would not be feasible since each material needs to be placed in a thickness that is normally calculated as of minimum lift thickness of around 2-times the size of the specified AC mix aggregate size. We would recommend that a pre-construction meeting with the Contractor be arranged to clarify the AC mix requirements in order to prevent possible disputes during the construction phase of the contract. It is also our recommendation, based

on our perceived intent of the Reconstruction Program, that the selection of the ¾" aggregate be used for this project. While the ½" AC material looks "prettier" and presents a smooth uniform appearance, the ¾" material produces a much more durable product, not susceptible to rutting or grooving during higher temperatures, and performs as a better noise attenuator from vehicular traffic.

Maintain Traffic Flow Through the Project Site

Our Construction Inspector will work with, and monitor, the Contractor's approved traffic control plans in order to provide the safe and adequate passage of the public through the project and verify access is maintained to local residents at all times. Additionally, all traffic control plans will be discussed with the City of Stanton's Staff in order to review conformance with the latest Work Area Traffic Control Handbook (W.A.T.C.H.) standards. Daily monitoring of traffic control items will be performed by our inspector to verify that traffic control devices are installed correctly and that they are effective and providing clear, understandable direction to drivers. Prior to implementing any traffic modifications our construction inspector will confirm with the contractor that proper traffic control devices are on-site ready for installation in order to minimize the duration of the actual traffic pattern switch. Working in conjunction with the City of Stanton's assigned staff, our construction inspector will verify that the Contractor has prepared a contingency plan for opening traffic to emergency vehicles should this condition arise during construction operations. A copy of any approved contingency plan will be kept on-site by our inspector at all times that construction operations are underway.

Submitted street closures requirements and conditions will be reviewed for compliance with City restrictions for holidays and special days as well as with the closure charts. Our construction inspector will be available to assist City staff in order to review submitted information to confirm that the Contractor has accounted for keeping continuous and open access, during all stages of construction, and that delineated passages are available for pedestrians and bicyclists which frequent this area during daytime, evenings and weekends. The success of this project will be measured by how well the Contractor was able to maintain existing traffic patterns, while at the same time, minimized impacts from construction activities to local residents. Our construction inspector will also verify that the traffic control devices employed by the contractor are proper working order, that they present the visual appearance required by the product manufacturer and that the traffic control devices are continuously maintained during construction operations. As previously mentioned, we will verify that the placement of all traffic control signs, delineators, cones and flaggers follow conditions set forth in the Manual of Uniform Traffic Control Devices (MUTCD).

Supporting Private Residents

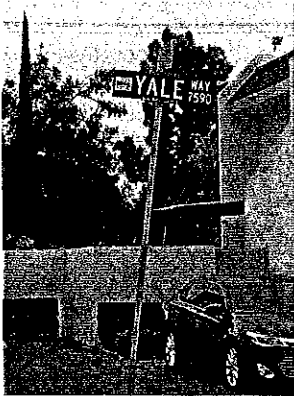
Maintaining through traffic is important, but to local residents being aware that their normal routine and access to their homes will be impacted by the planned work, will be even more important. The project specifications notify the Contractor of their responsibilities regarding maintaining access to residents, but constant vigilance and coordination on the part of Construction Inspector will be necessary to verify compliance. Our Construction Inspector will pay specific attention to the minimum notification requirements for advanced warnings to resident that on-street parking will be restricted for specified times and duration to allow for existing AC removal and new AC overlay operations. We will also verify that operations which restrict access to driveways is performed during allowed hours and that at the end of each work shift, all access to private driveways are open.



Our inspector will monitor dust control during AC removal operations to verify that the contractor takes all necessary measures to reduce resulting dust to the greatest extent possible. We will also verify that planned construction operations do not impede or restrict access to sidewalks or designated bikepaths unless allowed by the contract. Where curb reconstruction work is performed we will verify that alternate access paths are available and that the site is left in safe conditions at the end of each work shift.

Our inspector will also work closely with the Contractor to verify that all standard services such as refuse collection, mail deliveries, school bus stops, regional bus stops, etc., are open and accessible to service providers at all times. We will also meet with the Contractor prior to the start of work to discuss and develop an emergency vehicle response plan that would allow any emergency vehicle, access to any private residence, at all times, during construction.

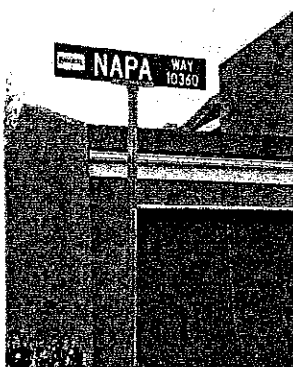
At Psomas we believe that by working directly with the Contractor and the local residents, in order to create a “team” environment, so that notifications of when work will occur outside a residence can be given in advance, so that alternative parking can be found for vehicles for the short period of inconvenience. It is our firm belief that actively involving residents in the construction process, and keeping them as informed as possible with upcoming activities, typically results in community *support*, not resistance, to the construction process.



Protection and Restoration of Existing Improvements

As part of our inspection duties, our inspector will address the protection and restoration of existing improvements of both the City and private landowners along the project limits. Prior to the start of work, our construction inspector will document the condition of existing improvements so in the event that contractor operations damage any of these items the contractor will be required to repair the area to pre-existing quality. If repairs cannot restore the item to previous condition, the contractor will then be required to replace the damaged item at no-cost to the City.

Existing improvements on private property are of equal importance as they can create significant areas of bad-will between the City and its’ residences. Protection of existing landscaping improvements, minimizing contractor intrusions and allowing construction operations to designated working hours can all help to maintain a cooperative environment that allows for the quickest possible construction contract duration.



Utility Service Access

Coordinating continuous access to City and private utility services will be another area of concern that will be addressed by our construction inspector. Where contract work calls for the cold milling of the entire roadway surface the contractor will be required to first *lower* all existing utility access lids, then after the AC overlay is complete, *raise* the utility access lids to finished grade. During pre-construction discussions, and working with City staff, our inspector will clearly explain the required time durations allowed by the City wherein limited or restricted access to existing utility lids will be allowed.

Another “first priority” will be to walk the project with the contractor and denote every utility access lid that will be impacted by the project. Each lid will be provided with a designated number and located by positive control methods that assure the location of the utility is documented correctly. Positive and accurate utility location efforts ultimately protect the final outcome of the project by eliminating the preventable mistake of digging into final lift AC layers only to find the utility is not present. These resulting, and preventable, “exploration patches” in the finished AC surface create weakened areas of the AC overlay and allow for water intrusion that can lead to a reduced life of the restored pavement. They also result in surface “bumps” in the finished

roadway that detract from the overall feeling of a project completed professionally and correctly.

In locations that the contractor is designated to lower, then ultimately raise, City owned utilities to finished grade, our inspector will obtain approved "stamped" copies from City staff for all materials proposed for incorporation into the work by the contractor. Upon receipt of the stamped material submittals, our inspector will this information readily available to verify materials prior to incorporation into the work. As previously mentioned above, any materials arriving to the site that do not conform to the approved submittals will immediately brought to the attention of the contractor and City staff. If the contractor continues with the installation of materials that have not been previously approved, our inspector will immediately provide the contractor a written notice of non-compliance and an associated written advisory warning that continuing with installation on non-approved materials may result in the contractor being required to remove and replace the unapproved material at no additional cost to the City of Stanton.

ADA Construction Requirements

Our inspector will pay close attention to all ADA requirements for new and temporary construction work. By working directly with the contractor on layout, grading and initial forming operations, Psomas has developed an understanding of how to minimize or eliminate costly re-working of critical components of ADA curb return and sidewalk construction. This includes considerations for utility vaults planned within sidewalk limits that can alter grades outside of required tolerances, accounting for drainage inlets, foundations behind sidewalks and other permanent facilities that are placed within or immediately adjacent to ADA compliant improvements. The requirements of ADA slopes, landings and street access depressions not only apply to new construction, but will also be applicable to temporary construction work that permits safe pedestrian traffic through the project during construction operations. Temporary access features will also be evaluated for durability should construction work become sporadic or temporarily suspended.

CDBG Administration

Psomas has experience working with projects receiving grant funding through the California Department of Housing & Community Development. This program is administered by the state and provides financial assistance to smaller cities and counties for various community improvements including infrastructure. All of our Construction Inspectors at Psomas are familiar with, and have experience in dealing with the need to document compliance with grant requirements. Prior to starting contract work, our Construction Inspector will be available to meet with designated City Staff to develop all project documentation standards that will be implemented on this project.



Robert Hendler

Construction Inspector



EDUCATION

1979/Construction Technology
Program/Orange Coast College

TRAINING/CERTIFICATION

Training and Certifications such as
ACI ASTM AASHTO and APWA

Robert (Bob) Hendler has over 33 years of experience as a construction manager and construction inspector on public works projects. He has supervised teams of construction inspectors, technicians, and clerical staff. He has been responsible for coordination of construction management staff, contractors, public utilities, residents, and business owners for capital improvement projects. His background includes numerous water and sewer lines, airport runway and taxiway reconstruction, residential and arterial street paving projects. Project components have included grading, reconstruction, landscaping, street lighting, traffic signal, and underground utilities. He is familiar with Caltrans requirements for federally funded projects. Title 24 retrofit inspections on municipal buildings, and marina and shoreline projects.

Experience

City of Long Beach Public Works Engineering, Long Beach, CA:
Construction Inspector with the following responsibilities:

- Project Inspector on numerous CDBG funded residential and arterial street paving projects, including **all concrete improvements, grading, reconstruction, landscaping, street lighting, traffic signal, water mains, sewer lines, and underground utilities**
- Performed Title 24 retrofit inspections on City buildings, including City Hall
- Coordinated materials testing, survey, and performed quantity takeoff and measurement for payment

Pomona / 7th / Adella Roundabout Intersection Improvements, Coronado, CA: Construction Inspector for the permanent roundabout at the intersection of Pomona Avenue, 7th Street and Adella Avenue. The improvements included new curbing, traffic-calming landscaped islands and "speed tables," directional signing and striping, high visibility crosswalk striping with Rapid Flashing Beacons, and curb ramp upgrades for ADA compliance. The project was completed and opened for traffic well ahead of schedule. Located in the heart of Coronado's residential communities, extensive communications with local residents was necessary on this highly visible project.

Camino de Los Mares/Vaquero Storm Drain Upgrade, City of San Clemente, CA: Construction Manager/Inspector for the Camino de Los Mares/Vaquero Storm Drain Upgrade project.. A critical 12 inch water main was relocated to accommodate this project. Coordination with a community hospital, fire department and community outreach to 3 homeowners associations was required as well. The project also included asphalt paving, striping, traffic signal loops and implementing and monitoring the SWPPP plan.

ESTIMATED FEE SCHEDULE

Title	Hours	Hourly Rate	Amount
Construction Phase			
Construction Inspector	320	\$125	\$40,000
Total Estimated Fee			\$40,000

NOTES:

1. The estimated fees are based on a total of 320 hours per the RFP.
2. Psomas shall not be responsible for construction means, methods and techniques, or for safety measures, precautions or programs at the project site.
3. Construction delays or additional services caused by factors outside the control of Psomas may require additional fees.
4. Rates include miscellaneous related costs: vehicle, cell phone, digital camera and standard tools and equipment. All other direct expenses will be billed at cost.
5. A shift which commences after 2:00pm or before 4:00am, during any twenty-four hour period, commencing at 12:01am is subject to a twelve and one-half percent (12.5%) differential.
6. Overtime will be charged at 135% of the regular hourly rate. Sundays and holidays will be charged at 170% of the regular hourly rate.

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.

CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: March 24, 2015

SUBJECT: AWARD OF A CONSTRUCTION CONTRACT FOR THE FY14-15 CITYWIDE STREET RECONSTRUCTION PROJECT BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA

REPORT IN BRIEF:

The bids for the FY14-15 Citywide Street Reconstruction Project were opened on March 3, 2015. Based on the post-bid analysis of the six (6) bids received, staff recommends the bid submitted by Sully-Miller Contracting Company to be the lowest responsible bid.

The cost for completing the FY14-15 Citywide Street Reconstruction Project is estimated at \$560,200.00, which includes a 10-percent contingency and a construction management/inspection fee.

RECOMMENDED ACTION:

1. Approves the plans and specifications for the FY14-15 Citywide Street Reconstruction Project; and
2. Awards a construction contract for the FY14-15 Citywide Street Reconstruction Project to the lowest responsible bidder, Sully-Miller Contracting Company, for the amount of \$472,867.20; and
3. Authorizes the City Manager to bind the City of Stanton and Sully-Miller Contracting Company in a contract for the construction of the FY14-15 Citywide Street Reconstruction Project; and
4. Declares this project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301c; and
5. Authorizes the City Manager to approve contract changes, not to exceed 10-percent.

BACKGROUND:

The scope of this project will include concrete and asphalt improvements on several streets throughout the City. These roadway improvements include the removal and replacement of existing asphalt surfaces, damaged longitudinal gutters, curbs and gutters, and the installation of pedestrian accessibility ramps. This project will include the all the streets within the Stanton Park townhome community and the following street segments:

	STREET NAME	FROM	TO
1	Ruthann Avenue	Santa Rosalia Avenue	Stanton Avenue
2	Santa Maria Street	Ruthann Avenue	End
3	Mario Lane	Ruthann Avenue	End
4	Ale Lane	Ruthann Avenue	End
5	Joel Avenue	Santa Rosalia Avenue	Stanton Avenue
6	Eileen Street	Santa Rosalia Avenue	Stanton Avenue

The estimated project cost of \$560,200.00 is as follows:

Base Bid (Sully-Miller Contracting Company)	\$ 472,867.20
Construction Contingency – 10 percent	\$ 47,332.80
Construction Management/ Inspection (Psomas)	\$ 40,000.00
Total Estimated Project Cost	\$ 560,200.00

ANALYSIS/JUSTIFICATION:

The project was advertised for bids on February 3, 2015. Notices announcing the solicitation of bids for this project were posted in the City's social media sites, Bid America, and the F.W. Dodge publication known as the "Green Sheets."

The bids were publicly opened on March 3, 2015 at 2:00 p.m. Six (6) bids were received and are listed below:

RANK	CONTRACTOR	BID
Low Bid	Sully-Miller Contracting Company	\$472,867.20
2	Hardy & Harper, Inc.	\$543,000.00
3	R.J. Noble Company	\$578,600.00
4	All American Asphalt	\$588,588.00
5	Excel Paving Company	\$614,627.00
6	Shawnan	\$642,219.10

Staff has reviewed the submitted bid documents and found the low bidder in compliance with the contract documents. A check of the low bidder's references indicates that the low bidder has successfully completed similar projects for other municipalities within Southern California that are of similar scope and magnitude to this project. Upon successful execution of the contract documents, the project is scheduled to begin construction in April 2015. The contractor will have approximately eight weeks to complete the project.

The County of Orange approved \$250,000 of Community Development Block Grant (CDBG) funding for the FY14-15 Citywide Street Reconstruction Project. Additional funding for this project would come from the Measure M Fund.

FISCAL IMPACT:

This project is budgeted in the FY 14/15 Capital Improvement Program. This project will be funded by the accounts shown in the table below.

FUND	ACCOUNT NUMBER	AMOUNT
CDBG	222-3510-710205	\$ 250,000
Measure M	220-3510-710190	\$ 310,200
TOTAL		\$ 560,200

This project will not have any impact on the General Fund.

ENVIRONMENTAL IMPACT:

This project is categorically exempt under the California Environmental Quality Act, Class 1, and Section 15301c as replacement of existing facilities.


LEGAL REVIEW:

None.

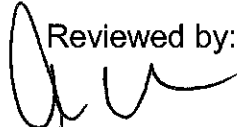
PUBLIC NOTIFICATION:

Notifications and advertisement were performed as prescribed by law.

Prepared by:


Stephanie Camorlinga
Engineering Assistant

Reviewed by:


Allan Rigg, P.E. AICP
Director of Public Works

Concur:


Stephen Parker, CPA
Administrative Services Director

Approved by:


James A. Box
City Manager

Attachments:

- (1) Bid Summary Sheet
- (2) Construction Contract (Sully-Miller Contracting Company)



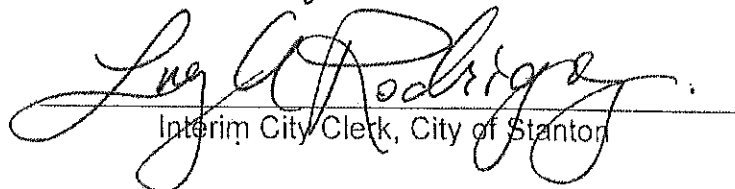
7800 Katella Avenue
Stanton, California 90680 • (714) 379-9222

BID RECAP SHEET

Project /Equipment FY 14-15 Citywide Street
Reconstruction Project
Date of Bid Opening Tuesday, March 2, 2015 Time 2:00 pm

VENDOR	AMOUNT OF BID
1. <u>All American Asphalt</u>	\$ <u>588,588</u> —
2. <u>Hardy & Harper, Inc.</u>	\$ <u>543,000</u> —
3. <u>Shawna</u>	\$ <u>642,219.10</u> <i>Low</i>
4. <u>Palp Inc DBA Excel Paving Co.</u>	\$ <u>614,627</u> —
5. <u>Sully-Miller Contracting Co.</u>	\$ <u>472,867.20</u>
6. <u>The R.J. Noble Company</u>	\$ <u>578,600</u> —
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____

The above bids were received and opened by Luz A. Rodriguez, Interim City Clerk.


Interim City Clerk, City of Stanton

**CITY OF STANTON
STANDARD CONTRACT**

FY 14-15 Citywide Street Reconstruction Project

I.

This Contract is made and entered into on the 24th Day of March, 2015 by and between the City of Stanton, a California General law Municipal Corporation ("City") and SULLY-MILLER CONTRACTING COMPANY ("Contractor"). City and Contractor, based upon their mutual promises contained herein and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, do hereby agree as follows:

The complete Contract includes all of the Contract Documents, to wit:

- A. Advertisement for Bids
- B. Information for Bidders
- C. Bid, dated
- D. Bid Bond
- E. Payment Bond
- F. Contract Performance Bond
- G. Certificates of Insurance, Certified Copies of Insurance Policies, and Endorsements
- H. Notice of Award
- I. Notice to Proceed
- J. Change Order
- K. Specifications entitled "Contract Documents and Specifications for the Construction of the "FY 14-15 Citywide Street Reconstruction Project" including the following sections:
 - 1. General Conditions
 - 2. Special Conditions
 - 3. Detailed Technical Provisions
 - 4. Site Specific Provisions
- L. Drawings entitled Not Applicable
- M. Addenda Nos. 1 & 2
- N. Certified Copy of the record of action of the City Council of City of Stanton, Stanton, California.
- O. Public Improvement Warranty

P. Latest Edition, Standard Specifications for Public Works Construction.

Q. Latest Edition, CALTRANS Standard Specifications and Standard Drawings.

Each of such documents in their entirety are incorporated herein by this reference as if set forth in full.

II. BID AMOUNTS

The Contractor agrees to perform the work set forth and particularly described in the aforementioned documents, incorporated herein by reference, in consideration of the amount of the BASE BID, to wit: \$ 472,867.20

III. BONDS

Contractor shall furnish a Labor and Material Bond in an amount equal to one-hundred percent (100%) of the Contract Price, and a Faithful Performance Bond in an amount equal to one-hundred percent (100%) of the Contract Price, said bonds to be secured from a surety company admitted and authorized to do business in California as such.

IV. INDEMNITY

Contractor and City agree that City, its employees, agents and officials should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys fees, litigation costs, defense costs, court costs, or any other cost arising out of or in any way related to the performance of this agreement. Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to the City. Contractor acknowledges that City would not enter into this agreement in the absence of the commitment of Contractor to indemnify and protect City as set forth here.

To the full extent permitted by law, Contractor shall defend, indemnify and hold harmless City, its employees, agents, and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, or costs of any kind, whether actual, alleged or threaten, actual attorney fees incurred by City, court costs, interest, defense costs including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of or in any way attributable actually or impliedly, in whole or in part to the performance of this agreement. All obligations under this provision are to be paid by Contractor as they are incurred by the City.

Without affecting the rights of City under any provision of this agreement or this section, Contractor shall not be required to indemnify and hold harmless City as set forth above for liability attributable to the sole fault of City, provided such sole fault is determined by

agreement between the parties or the findings of a court of competent jurisdiction. This exception will apply only in instances where the City is shown to have been solely at fault and not in instances where Contractor is solely or partially at fault or in instances where City's fault accounts for only a percentage of the liability involved. In those instances, the obligation of Contractor will be all-inclusive and City will be indemnified for all liability incurred, even though a percentage of the liability is attributable to conduct of the City.

Contractor acknowledges that its obligation pursuant to this section extends to liability attributable to City, if that liability is less than the sole fault of City. Contractor has no obligation under this agreement for liability proven in a court of competent jurisdiction or by written agreement between the parties to be the sole fault of City.

The obligations of Contractor under this or any other provision of this agreement will not be limited by the provisions of any workers compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City, its employees and officials.

Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor, subtier contractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance or subject matter of this agreement. In the event Contractor fails to obtain such indemnity obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section.

Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns, or heirs of Contractor and shall survive the termination of this agreement or this section.

V. INSURANCE

The Contractor shall secure and maintain throughout the term of the Contract the following types of insurance with limits as shown:

Workers Compensation - A program of Workers Compensation Insurance or a State-approved self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employers Liability with One-Million Dollars (\$1,000,000.00) limits, covering all persons providing services on behalf of the Contractor and all risks to such persons under this Contract.

General Liability - Such general liability insurance shall be written with a limit of liability of not less than Two-Million Dollars (\$2,000,000.00) combined single limits for damages arising out of bodily-injury, including sickness and death, injury to or

destruction of property of others, arising directly or indirectly out of or in connection with the performance of the Work under the Contract Documents including explosion, collapse, and underground exposure.

Vehicle Liability - Such vehicle liability insurance shall be written with a limit of liability of not less than One-Million Dollars (\$1,000,000.00) combined single limits for all bodily injury, including sickness and death or injury to or destruction of property of others, arising directly or indirectly out of or in connection with the performance of the Work under the Contract Documents including explosion, collapse, and underground exposure.

If the City determines to require the Contractor to procure such insurance, such insurance shall cover as insureds under all policies excepting workers compensation the City, its officers, employees, and agents. The policy or policies for such insurance may provide for a deductible amount not to exceed five percent (5%) of the Contract Price. As provided in Section 7105 of the California Public Contract Code; the Contractor is responsible for the cost of repairing or restoring work up to five percent (5%) of the contract amount.

All insurers shall be admitted and authorized to do business in California as insurance carriers.

Contractor shall immediately furnish certificates of insurance and the Contractor shall provide certified copies of all policies and endorsements to the City evidencing the insurance coverage above required prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the City, and shall maintain such insurance from the time Contractor commences performances of services hereunder until the completion of such services. Within thirty (30) days of award of the contract, Contractor shall provide City with certified copies of all insurance policies required hereunder.

All policies, with respect to the insurance coverage above required, except for the Workers' Compensation Insurance coverage and liability coverage, if applicable, shall obtain additional endorsements covering the City and its officers, employees, and agents, as insureds with respect to liabilities arising out of the performance of services hereunder.

The Contractor shall require the carriers of the above required coverage's to waive all rights of subrogation against the City, its officers, employees, contractors, agents, and subcontractors.

All policies required above are to be primary and noncontributing with any insurance or self-insurance programs carried or administered by the City.

VI. CONTRACT PRICE

The City agrees to pay, and the Contractor agrees to accept in full payment for the work outlined, in the Contract Documents, the sum of ^{FOUR HUNDRED SEVENTY TWO THOUSAND, EIGHT HUNDRED SIXTY SEVEN DOLLARS AND TWENTY CENTS} ~~(\$472,867.20)~~ subject to additions and deductions, if any, in accordance with said documents. Payment shall not be made more often than once each thirty (30) days, nor shall amount paid be in excess of ninety percent (95%) of the Contract at time of completion. Final payment to be made thirty-five (35) days subsequent to filing of Notice of Completion. Contractor may, upon Contractor's written request, and approved by the City Council, at Contractor's expense, deposit eligible substitute securities, as described in Government Code Section 16430, and as authorized by Public Contract Code, Section 22300, in lieu of retention monies withheld to insure performance.

VII. COMMENCEMENT AND COMPLETION OF WORK

The Contractor shall commence the work required by this Contract within ten (10) days of the date specified in the Notice to Proceed and shall complete the Work within Forty (40) working days. City and Contractor have discussed the provisions of Government Code Section 53069.85 and the damages which may be incurred by City if the Work is not completed within the time specified in this Contract. The City and Contractor hereby represent that at the time of signing this Contract, it is impracticable and extremely difficult to fix the actual damage which will be incurred by City if the Work is not completed within the number of calendar days allowed. Accordingly, City and Contractor agree that the sum of One Thousand Dollars (\$1,000.00) per day is a reasonable sum to assess as damages to City by reason of the failure of Contractor to complete the Work within the time specified.

VIII. MISCELLANEOUS

The Contractor acknowledges that, in accordance with Section 1777.5 of the State Labor Code, he/she will be held responsible for compliance with the provisions of this Section for all apprenticeable occupations.

The Contractor hereby waives for himself/herself and for Contractor's Subcontractors any right Contractor may now or in the future possess in relation to this Contract and these Contract Documents and the work thereunder, to utilize the provisions of Civil Code Section 47(b) in any action, proceeding, or prosecution pursuant to California False Claims Act, Government Code Section 12650 et seq.

IX.

Contractor acknowledges and agrees that Contractor must have all appropriate contractor's licenses. Contractor further warrants and represents that he/she/they has/have the appropriate contractor's license to perform the work hereunder. Contractor's failure to have or maintain all appropriate licenses during the entire term of this contract, or any period thereof, shall be cause for the immediate and summary termination of this

Contract by City. Contractor shall be liable for all City's costs to complete the work and this Contract.

X.

The person or persons executing this Contract on behalf of Contractor warrants and represents he/she/they has/have the authority to execute this Contract on behalf of his/her/their corporation, partnership, or business entity and warrant and represents that he/she/they has/have the authority to bind Contractor to the performance of its obligations hereunder.

XI.

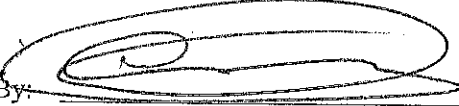
This Contract contains the completely final, entire, and exclusive agreement between the parties with respect to the subject matter hereof, and no waiver, alteration, or modification of any of the provisions hereof or rights to act hereunder shall be binding unless in writing. Any attempted modification, amendment, or alteration in violation hereof shall be void.

IN WITNESS WHEREOF, each of the parties hereto has caused the Contract to be executed in its name on its behalf by a duly authorized officer as of this day and year first above written.

CITY OF STANTON:

[CONTRACTOR]:

By: _____
CITY MANAGER

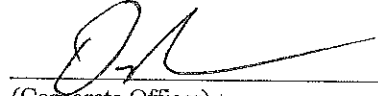
By: _____
(Corporate Officer)

Title: PRESIDENT

Print Name: DAVID MARTINEZ

ATTEST:

By: _____
Interim CITY CLERK

By: _____
(Corporate Officer)

Title: ASSISTANT SECRETARY

Print Name: DENNIS GANSEN

APPROVED AS TO FORM:

By: _____
CITY ATTORNEY

NOTARY REQUIRED

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

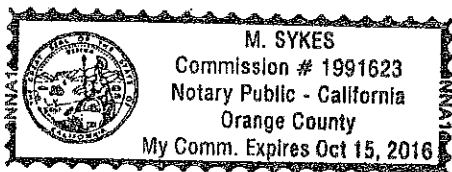
State of California)
County of Orange)

On March 17, 2015 before me, M. Sykes, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared David Martinez and Dennis Gansen
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~/are subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in ~~his~~/her/their authorized capacity(ies), and that by ~~his~~/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature M. Sykes
Signature of Notary Public
M. Sykes, Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Standard Contract Document Date: March 17, 2015
Number of Pages: 1 Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

Signer's Name: David Martinez
☒ Corporate Officer — Title(s): President
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: Sully-Miller Contracting Company

Signer's Name: Dennis Gansen
☒ Corporate Officer — Title(s): Asst. Secretary
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: Sully-Miller Contracting Company

CERTIFICATE OF INCUMBENCY AND RESOLUTION

I, Anthony L. Martino, II, do hereby certify that I am the Secretary of Sully-Miller Contracting Company, a Delaware corporation, and that as such I have access to and custody of the corporate records and minute books of said corporation.

And I do hereby further certify that the following persons are duly elected officers of said corporation.

TITLE

NAME

Chairman of the Board
President

Gordon R. Crawley
David Martinez

Vice President, Chief Financial Officer and Treasurer
Vice President and Assistant Secretary

Timothy P. Orchard
Michael Edwards

Vice President

Scott Bottomley

Secretary

Anthony L. Martino II

Assistant Secretary

Jae Won

Assistant Secretary

Raymond Sanchez

Assistant Secretary

Dennis Gansen

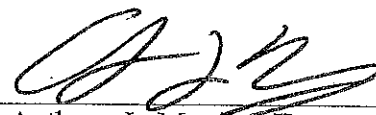
I further certify that the following is a true and correct copy of a resolution duly adopted by the Board of Directors of said Company at a meeting held on December 12, 2013, and that this resolution has not been in any way rescinded, annulled, or revoked but the same is still in full force and effect:

"BID TENDERS: GENERAL

RESOLVED, that any officer of the Corporation be and they hereby are authorized in the name and on behalf of the Corporation, under its corporate seal or otherwise (i) to prepare proposals and bids for the supplying of construction materials and the performance by itself or in joint venture, of work of whatsoever nature in connection with the construction or paving of highways, roads and airports and in connection with earthworks and civil engineering projects of all kinds, together with all work incidental thereto, (ii) to execute and submit any and all such proposals and bids to any governmental authority, instrumentality, or agency of the United States, its several states, territories and possessions, including without limitation, any municipality or other political or corporate subdivision thereof, and to any corporation, partnership, sole proprietorship, or other business entity, (iii) in connection with any such submission, to deliver bid deposits or bonds as may be required and (iv) to execute and deliver definitive agreements binding the Corporation to perform work in accordance with any proposals and bids authorized hereby."

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal this 7th day of February 2014.

(SEAL)



Anthony L. Martino, II
Secretary
Sully-Miller Contracting Company
135 S. State College Blvd., Ste. 400
Brea, CA 92821

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

[Labor Code §§ 1720, 1773.8, 1775, 1776, 1777.5, 1813, 1860, 1861, 3700]


The undersigned Contractor certifies that it is aware of and hereby agrees to fully comply with the following provisions of California law:

1. Contractor acknowledges that this contract is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and the awarding public agency ("Agency") and agrees to be bound by all the provisions thereof as though set forth in full herein.
2. Contractor agrees to comply with the provisions of California Labor Code Section 1773.8 which requires the payment of travel and subsistence payments to each worker needed to execute the work to the extent required by law.
3. Contractor agrees to comply with the provisions of California Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the Agency, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for the work or craft in which the worker is employed for any public work done under the contract by Contractor or by any subcontractor.
4. Contractor agrees to comply with the provisions of California Labor Code Section 1776 which require Contractor and each subcontractor to (1) keep accurate payroll records, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the Agency of the location of the records. The Contractor is responsible for compliance with Section 1776 by itself and all of its subcontractors.
5. Contractor agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that Contractor is responsible for compliance with Section 1777.5 by itself and all of its subcontractors.
6. Contractor agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the Agency, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code.
7. California Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

Date MARCH 17, 2015

Signature


DENNIS GANSEN, ASSISTANT SECRETARY

**STATEMENT ACKNOWLEDGING PENAL AND CIVIL PENALTIES
CONCERNING THE CONTRACTORS' LICENSING LAWS**

[Business & Professions Code § 7028.15]

[Public Contract Code § 20103.5]

I, the undersigned, certify that I am aware of the following provisions of California law and that I, or the entity on whose behalf this certification is given, hold a currently valid California contractor's license as set forth below (required at time of award):

Business & Professions Code § 7028.15:

(a) It is a misdemeanor for any person to submit a bid to a public agency in order to engage in the business or act in the capacity of a contractor within this state without having a license therefor, except in any of the following cases:

(1) The person is particularly exempted from this chapter.

(2) The bid is submitted on a state project governed by Section 10164 of the Public Contract Code or on any local agency project governed by Section 20104 [now § 20103.5] of the Public Contract Code.

(b) If a person has been previously convicted of the offense described in this section, the court shall impose a fine of 20 percent of the price of the contract under which the unlicensed person performed contracting work, or four thousand five hundred dollars (\$4,500), whichever is greater, or imprisonment in the county jail for not less than 10 days nor more than six months, or both.

In the event the person performing the contracting work has agreed to furnish materials and labor on an hourly basis, "the price of the contract" for the purposes of this subdivision means the aggregate sum of the cost of materials and labor furnished and the cost of completing the work to be performed.

(c) This section shall not apply to a joint venture license, as required by Section 7029.1. However, at the time of making a bid as a joint venture, each person submitting the bid shall be subject to this section with respect to his or her individual licensure.

(d) This section shall not affect the right or ability of a licensed architect, land surveyor, or registered professional engineer to form joint ventures with licensed contractors to render services within the scope of their respective practices.

(e) Unless one of the foregoing exceptions applies, a bid submitted to a public agency by a contractor who is not licensed in accordance with this chapter shall be considered non-responsive and shall be rejected by the public agency. Unless one of the foregoing exceptions applies, a local public agency shall, before awarding a contract or issuing a purchase order, verify that the contractor was properly licensed when the contractor submitted the bid. Notwithstanding any other provision of law, unless one of the foregoing exceptions applies, the registrar may issue a citation to any public officer or employee of a public entity who knowingly awards a contract or issues a purchase order to a contractor who is not licensed pursuant to this chapter. The amount of civil penalties, appeal, and finality of such citations shall be subject to Sections 7028.7 to 7028.13, inclusive. Any contract awarded to, or any purchase order issued to, a contractor who is not licensed pursuant to this chapter is void.

(f) Any compliance or noncompliance with subdivision (e) of this section, as added by Chapter 863 of the Statutes of 1989, shall not invalidate any contract or bid awarded by a public agency during which time that subdivision was in effect.

(g) A public employee or officer shall not be subject to a citation pursuant to this section if the public employee, officer, or employing agency made an inquiry to the board for the purposes of

verifying the license status of any person or contractor and the board failed to respond to the inquiry within three business days. For purposes of this section, a telephone response by the board shall be deemed sufficient.

Public Contract Code § 20103.5:

In all contracts subject to this part where federal funds are involved, no bid submitted shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the agency that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. The agency shall include a statement to that effect in the standard form of pre-qualification questionnaire and financial statement.

Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

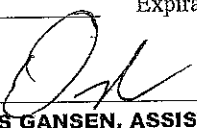
License no.: 747612

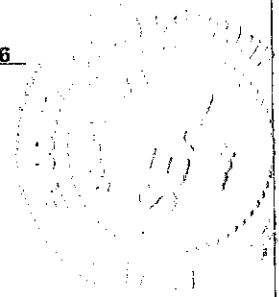
Class: A

Expiration date: MARCH 31, 2016

Date MARCH 17, 2015

Signature


DENNIS GANSEN, ASSISTANT SECRETARY



CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: March 24, 2015

SUBJECT: PUBLIC HEARING TO CONSIDER ORDINANCE NO. 1034 TO AMEND PERMITTED FENCE HEIGHTS IN THE BP (BUSINESS PARK), IG (INDUSTRIAL GENERAL) AND PUBLIC/INSTITUTIONAL (PI) ZONES

REPORT IN BRIEF:

Staff is recommending amendments to Table 3-3 (Standards for Fences, Walls, and Hedges) in the Stanton Municipal Code to allow for open fencing up to six feet in height in the Public Institutional (PI), BP (Business Park) and Industrial General (IG) zones.

RECOMMENDED ACTION:

1. Conduct a public hearing;
2. Declare that the project is exempt from CEQA under Section 15228 (Ministerial Projects) and Section 21080(b)(1) of the Public Resources Code; and
3. That the City Council introduce Ordinance No. 1034, entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, AMENDING TABLE 3-3 (STANDARDS FOR FENCES, WALLS, AND HEDGES) IN SECTIONS 20.310.030 OF THE STANTON MUNICIPAL CODE PERTAINING TO ALLOWABLE FENCE, WALL AND HEDGE HEIGHTS IN VARIOUS ZONING DISTRICTS

BACKGROUND:

Table 3-3 in the Stanton Municipal Code sets maximum heights for fences, walls and hedges for each zoning district. Recently, Saint Polycarp church (located in the Public Institutional zone) and several business owners (located in the Business Park and Industrial General zones) have contacted staff requesting higher fence heights in the front setback due to security concerns.

Currently, in the PI (Public Institutional), BP (Business Park) and IG (Industrial General) zones, fence and hedge heights are limited to 42 inches in the front setback. Ordinance No. 1034 would allow for construction of fences between 42.1 inches and 72

inches in height in all three zones as long as they do not obscure more than 25% of the vision through the vertical plane.

ANALYSIS/JUSTIFICATION:

In response to numerous requests to increase perimeter fence heights in the three zoning districts listed above, Staff has researched the potential impacts related to possible increases in fence, wall and hedge heights. It was concluded that solid fences and hedges at an increased height would be inappropriate in the front setback due to the potential visual obstruction of pedestrian and motorists. However, allowing for open fencing is a possible compromise to allowing businesses increased fence heights to protect their properties and equipment while ensuring proper visibility into their facilities for public safety purposes and to maintain a certain level of aesthetics.

To ensure proper visibility in traffic safety zones (namely around street intersections and adjacent to driveways), fences, walls and hedges in these areas would still be subject to the 30 inch height requirement, unless the fence is considered an open fence with less than 25% of the vision through the vertical plane obstructed. Open fences within the traffic safety area may still be built to the maximum height.

Additionally, at their regularly scheduled meeting on March 18, 2015, the Planning Commission adopted Resolution No. 2365, recommending that the City Council adopt Ordinance No. 1034. As part of their action, the Planning Commission also added the requirement that any pilasters constructed as part of fences in the three affected zoning districts be treated with anti-graffiti coating.

FISCAL IMPACT:

None.

ENVIRONMENTAL IMPACT:

In accordance with the requirements of the CEQA, this project has been determined to be exempt under Sections 15268 (Ministerial Projects) and 21080(b)(1) of the Public Resources Code

PUBLIC NOTIFICATION:

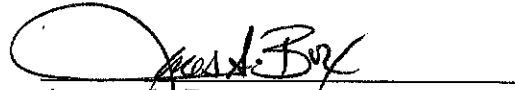
Notice of Public Hearing was posted at three public places and made public through the agenda-posting process.

Prepared By:



Omar M. Dadabhoy
Community Development Director

Approved by:



James A. Box
City Manager

Attachment

A. Ordinance No. 1034

ORDINANCE NO. 1034

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, AMENDING TABLE 3-3 STANDARDS FOR FENCES, WALLS, AND HEDGES IN SECTIONS 20.310.030 OF THE STANTON MUNICIPAL CODE PERTAINING TO ALLOWABLE FENCE, WALL AND HEDGE HEIGHTS IN VARIOUS ZONING DISTRICTS

WHEREAS, the Stanton Municipal Code currently regulates heights of fences, wall and hedge heights in Table 3-3 of Section 20.310.030; and

WHEREAS, property owners in the BP (Business Park), IG (Industrial General) and the Public/Institutional (PI) zones have indicated the need for additional security measures through the provision of greater fence and wall heights; and

WHEREAS, the City wishes to allow for greater fence and wall heights in order to promote the public safety; and

WHEREAS, Stanton Municipal Code ("SMC") sections 20.610.020 and 20.610.040 authorize the Planning Commission to initiate a Zoning Code amendment and recommend approval of the amendment's adoption to the City Council; and

WHEREAS, the Planning Commission conducted a public hearing on the proposed Zoning Code Amendment AZC14-03 at a regular meeting on March 18, 2015, in accordance with SMC section 20.610.030(C), and recommended that the City Council approve Zoning Code Amendment AZC14-03 and approve this Ordinance; and

WHEREAS, the City Council conducted a public hearing on the proposed Zoning Code Amendment AZC 14-03 at a regular meeting on March 24, 2015, in accordance with SMC sections 20.610.030(C) and 20.610.050(A)(1), 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: Table 3-3 in Section 20.310.030 of the Stanton Municipal Code is hereby amended, in part to read as follows:

Table 3-3
Standards for Fences, Walls, and Hedges

<i>Location</i> <i>See definition of Setback Area in Article 7 (Definitions).</i>	<i>Maximum Height</i> <i>See definition of abutting and adjacent in Article 7 (Definitions).</i>	<i>Limitations (1)(2)(3)</i> <i>See Section 20.310.050 (Fence Types and Materials Standards).</i>
All Zones		
Traffic Visibility Area	30 in for solid fencing; 54 in for open fencing	Section 20.305.100
Public utility electric distribution and transmission substations	6 ft; 8 ft on side or rear not adjacent to a street	Solid wall
Sports facilities (ball fields and tennis courts)	12 ft	Court fencing set back at least 5 ft from lot line
Residential Zones (RE, RL, RM, RH)		
Within Front Setback Area	Up to 42 in	Solid structures or plants
	42.1 – 54 in	Open fence, not obscuring more than 25% of vision through the vertical plane if in compliance with Section 20.310.050.F
	Up to 60 in	Privacy screen of either a solid fence/wall if in compliance with Section 20.310.050.G.
Outside Front Setback Area	6 ft	<ul style="list-style-type: none"> Open work structures or plants Combination of solid wall and wrought iron Solid, decorative masonry wall
Within Street-Side Setback Area	Up to 30 in above nearest street curb elevation	Only solid or open fence/wall in Traffic Visibility Area (Section 20.305.090)
	Up to 54 in above nearest street curb elevation	Open fence and pilasters/columns, not obscuring more than 25% of vision through the vertical plane between 30 inches and 54 inches, if in compliance with Section 20.310.050.F.
Outside Street Side Setback Area	6 ft; 8 ft if adjacent to nonresidential zone	<ul style="list-style-type: none"> Open work structures or plants Combination of solid wall and wrought iron Solid, decorative masonry wall
Within and Outside Rear and Interior Side Setback Area	6 ft; 8 ft if RE and RL abutting RM, RH, public right-of-way, or nonresidential zone	<ul style="list-style-type: none"> Open work structures or plants Combination of solid wall and wrought iron Solid, decorative masonry wall
Commercial (CN, CG) and Mixed-Use		
Within Front Setback Area	Up to 42 in	Solid structures or plants
Outside Front Setback Area	6 ft	<ul style="list-style-type: none"> Open work structures or plants Combination of solid wall and wrought iron Solid, decorative masonry wall
Within Street-Side Setback Area	Up to 30 in above nearest street curb elevation	Only solid or open fence/wall in Traffic Visibility Area (Section 20.305.090)
	Up to 54 in above nearest street curb elevation	Open fence and pilasters/columns, not obscuring more than 25% of vision through the vertical plane between 30 inches and 54 inches, if in compliance with Section 20.310.050.F.
Outside Street Side Setback Area	6 ft	<ul style="list-style-type: none"> Solid masonry Solid to a height of 42 in with open wrought iron above Open from ground
Within Rear and Interior Side Setback Area	6 ft	Any solid, open or combination fence/wall
Adjacent to residential zones	8 ft	Solid, decorative masonry wall
Industrial Zones (BP, IG)		
Within Front Setback Area	Up to 42 in	<ul style="list-style-type: none"> Solid masonry Open work structures or plants

Table 3-3 Standards for Fences, Walls, and Hedges		
<i>Location</i> <i>See definition of Setback Area in Article 7 (Definitions).</i>	<i>Maximum Height</i> <i>See definition of abutting and adjacent in Article 7 (Definitions).</i>	<i>Limitations (1)(2)(3)</i> <i>See Section 20.310.050 (Fence Types and Materials Standards).</i>
	42.1 in – 6 ft	<ul style="list-style-type: none"> • Combination of solid wall and wrought iron Open fence, not obscuring more than 25% of vision through the vertical plane, with an allowance of pilaster/columns up to 6 ft, with a width no more than 2 feet, and separated a minimum of 12 feet. Pilasters must be treated with anti-graffiti coating.
Outside Front Setback Area	8 ft	<ul style="list-style-type: none"> • Solid masonry • Open work structures or plants • Combination of solid wall and wrought iron
Street Side Setback Area	8 ft	<ul style="list-style-type: none"> • Solid masonry • Open work structures or plants • Combination of solid wall and wrought iron
Rear and Interior Side Setback Area	8 ft	Any solid, open, or combination
Adjacent to any Residential zone	6 ft	Solid, decorative masonry wall
Open Space (OS) and Parks/Recreation (PR) Zones		
Within Front, Street Side, Rear Setback Areas	42 in	Within 20 ft of public right-of-way or as determined by Director
Within Interior Side Setback Area and Outside Front, Street Side, Rear Setback Areas	8 ft	<ul style="list-style-type: none"> • Solid masonry • Open from ground • Solid with wrought iron above
Public Institution (PI) Zone		
Within Front Setback Area	Up to 42 in	<ul style="list-style-type: none"> • Solid masonry • Open work structures or plants • Combination of solid wall and wrought iron
	42.1 in – 6 ft	Open fence, not obscuring more than 25% of vision through the vertical plane, with an allowance of pilaster/columns up to 6 ft, with a width no more than 2 feet, and separated a minimum of 12 feet. Pilasters must be treated with anti-graffiti coating.
Outside Front Setback Area	8 ft	<ul style="list-style-type: none"> • Solid masonry • Open work structures or plants • Combination of solid wall and wrought iron
Street Side Setback Area	8 ft	<ul style="list-style-type: none"> • Solid masonry • Open work structures or plants • Combination of solid wall and wrought iron
Rear and Interior Side Setback Area	8 ft	Any solid, open, or combination
Notes: (1) Limitations shall not apply in the following circumstances: a. Where a greater height is required by any other provision of this Zoning Code. b. Where a greater height or type of fence, wall or hedge is required by condition of approval. (2) Fences or walls in zones not specifically listed shall be reviewed by the Director based upon the use characteristics of the lot. (3) A retaining wall less than 30 inches in height above finished grade may be located anywhere within a setback area.		

SECTION 3. Zoning Code Amendment AZC14-03 is consistent with the goals, policies and general land uses and programs specified in the General Plan, specifically: Goal CHS 4.4.1 (b) to “encourage the use of design measures that address security and safety in residential and non-residential developments such as lighting, landscaping access, placement of buildings, etc.”; Goal CD-1.3, “Promote compatibility between land uses, including existing, redeveloped, and new uses, to further cohesiveness along the city’s primary and secondary corridors.”, and Strategy LU 1.1.2 (a), “Require that

commercial and industrial development that abuts residential or educational uses by adequately screened and buffered from the residential neighborhood or education facility."

SECTION 4: The Zoning Code AZC14-03 will not be detrimental to the public interest, health, safety, convenience, or welfare of the City. Rather, the proposed Amendment is recommended to protect the public safety by allowing for greater securitization of properties.

SECTION 5: The Zoning Code Amendment AZC14-03 is internally consistent with other applicable provisions of the Zoning Code.

SECTION 6. The City Council further finds that this Ordinance will impact only ministerial type projects and as such, per the California Environmental Quality Act ("CEQA"), Public Resources Code section 21000 *et seq.*, the State CEQA Guidelines, 14 C.C.R. section 15000 *et seq.*, the City Council has exercised its independent judgment and finds that the proposed Ordinance is statutorily exempt from CEQA pursuant to Section 15268 (Ministerial Projects) and Section 21080(b)(1) of the Public Resources Code.

SECTION 7: The documents and materials associated with this Resolution that constitute the record of proceedings on which these findings are based are located at Stanton City Hall, 7800 Katella Ave., Stanton, California 90680. The Economic and Community Developer Director is the custodian of the record of proceedings.

SECTION 8. 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 9. 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 14th day of April, 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. 1034 was introduced at a regular meeting of the City Council of the City of Stanton, California, held on the 24th day of March, 2015, and was duly adopted at a regular meeting of the City Council held on the 14th day of April, 2015, by the following roll-call vote, to wit:

AYES: COUNCILMEMBERS: _____

NOES: COUNCILMEMBERS: _____

ABSENT: COUNCILMEMBERS: _____

ABSTAIN: COUNCILMEMBERS: _____

CITY CLERK, CITY OF STANTON

CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: March 24, 2015

SUBJECT: ESTABLISHMENT OF A FEE FOR THE PROCESSING OF MASSAGE ESTABLISHMENT LICENSES

REPORT IN BRIEF:

In January of 2015, the City Council adopted Ordinance No. 1031, which created new requirements for massage establishments in the City. As part of the new regulations, massage establishments are now required to obtain a Massage Establishment License. This resolution would establish a fee to recover the costs associated with the processing of the Massage Establishment License applications.

RECOMMENDED ACTION:

1. Conduct a public hearing;
2. Declare 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. That the City Council adopt Resolution No. 2015-09 establishing a licensing fee for processing of Massage Establishment Licenses.

BACKGROUND:

In January of 2015, the City Council passed Urgency Ordinance No. 1031, and Ordinance No. 1032 to establish new regulations for massage uses. As part of the new regulations, Title 5 was modified to require the approval of a Massage Establishment License for each massage business.

The Massage Establishment license application would include the review of proposed business operations, background checks, compliance with the Municipal Code, inspections of the units, and investigation of the applicant's previous business

operations over a five year period. To recover the costs of processing each Massage Establishment license application, the creation of a Massage Establishment License application fee is proposed.

ANALYSIS/JUSTIFICATION:

Chapter 5.16 as amended per Ordinance No. 1032 has established the requirements of application submittal, review, and processing for a Massage Establishment License. Based on the requirements set forth in Chapter 5.16 (Massage Establishments), the following are anticipated time allocations to complete the processing procedure:

1. Administrative Functions (logging in application, filing documents, closing out file, etc.) – 20 minutes
2. Application Review (determination of completeness, review for accuracy, inspections, etc.) – 90 minutes
3. Application Determination Process (drafting findings and conditions, City Attorney review, draft letter of determination, etc.) – 135 minutes

Based on the procedures and time allocation for the processing of the application, the identified fee necessary to recover the City's costs would be \$390 per application. In addition to the \$390 City fee, the applicant would be responsible to pay the separate fee for processing a background check through the Department of Justice.

FISCAL IMPACT:

The proposed fee would cover, but not exceed, the estimated reasonable cost of providing the service for which the fee is charged. The fee would be established as a cost recovery mechanism.

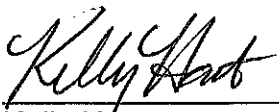
ENVIRONMENTAL IMPACT:

None.

PUBLIC NOTIFICATION:

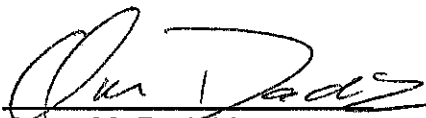
Public notice for this item was made through the regular agenda process.

Prepared By:



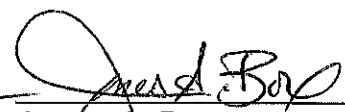
Kelly Hart
Associate Planner

Reviewed By:



Omar M. Dadabhoy
Community and Economic
Development Director

Approved by:



James A. Box
City Manager

Attachment

A. Resolution No. 2015-09

RESOLUTION NO. 2015-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADOPTING A LICENSING FEE FOR THE PROCESSING OF MASSAGE ESTABLISHMENT LICENSES IN THE CITY OF STANTON

WHEREAS, Assembly Bill 1147, signed recently by Governor Jerry Brown, was created in response to criticism against Senate Bill 731 and allows local agencies to impose reasonable zoning, business licensing, and health and safety requirements on massage establishments. Assembly Bill 1147 went into effect on January 1, 2015; and

WHEREAS, the City wishes to amend the Stanton Municipal Code to ensure that the City regulates massage establishments in compliance with the provisions of Assembly Bill 1147; and

WHEREAS, the City is also authorized by Government Code Section 51030 *et seq.*, to regulate massage establishments by imposing reasonable standards relative to the skill and experience of massage operators and massage technicians, and reasonable conditions on the operation of the massage establishments; and

WHEREAS, on January 13, 2015, the City Council passed an Ordinance which established the requirement of a Massage Establishment License for all operators of massage businesses; and

WHEREAS, the City Council desires to recover all staff and related costs associated with the impacts of processing the massage establishment license application, in accordance with the City's cost recovery formula; and

WHEREAS, the City has determined that the figure of \$390.00 represents the costs borne by the City in processing each massage establishment license application, excluding the additional fees associated with the processing of a background check, and that the \$390.00 amount should be recovered through the establishment of a licensing fee for each application; and

WHEREAS, in addition to the fee established by this resolution, the applicant shall be responsible to pay the required fee, as established by the Department of Justice, for the processing of a background check, in accordance with the requirements of the massage establishment license application; and

WHEREAS, it is the intention of the City Council that the permit fee set forth herein shall cover, but not exceed, the estimated reasonable cost of providing the service for which the fee is charged.

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

Section 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. 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 3. The licensing fee for massage establishment licenses in the City shall be \$390.00 per application, and the City is authorized to collect from each applicant the permit fee set forth herein.

Section 4. The \$390.00 licensing fee shall be exclusive of, and in addition to other previously established fees charged by the City or other agencies, such as the California Massage Therapy Council licenses.

Section 5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council declares that the City Council would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 6. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 24th day of March, 2015.

A.A. ETHANS, MAYOR

APPROVED AS TO FORM:

MATTHEW E. RICHARDSON, CITY ATTORNEY

ATTEST:

I, LUZ A. RODRIGUEZ, Interim City Clerk of the City of Stanton, California DO
HEREBY CERTIFY that the foregoing Resolution, being Resolution No. 2015-09 has
been duly signed by the Mayor and attested by the City Clerk, all at a regular meeting of
the Stanton City Council, held on March 24, 2015, and that the same was adopted,
signed and approved by the following vote to wit:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

LUZ A. RODRIGUEZ, INTERIM CITY CLERK

CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: March 24, 2015

SUBJECT: CONSIDERATION OF A TEMPORARY ICE SKATING RINK WITHIN THE CITY DURING THE HOLIDAY SEASON

REPORT IN BRIEF:

Mayor Ethans has asked that staff investigate the feasibility and cost for a temporary ice skating rink to be located within the City during the holiday season. Staff has investigated the issue and has prepared this report along with a proposal for a temporary ice skating rink.

RECOMMENDED ACTION:

City Council provides direction to staff regarding the possibility of a temporary ice skating rink at City Hall during the holidays.

BACKGROUND:

In the December 25, 2014 issue of the Garden Grove Journal, an article focused on a business in Stanton, Design Forms. One focus of the company is the fabrication of travelling outdoor ice rinks. Some of their projects have included ice rinks at the Queen Mary, Pershing Square in downtown Los Angeles, and at Dodger Stadium in early 2014 at which the Kings and Ducks played. This article prompted Mayor Ethans to inquire regarding the possibility of using this Stanton business to provide an ice rink for Stanton residents.

Staff spoke to Glenn Baldwin who owns the company regarding this possibility. Mr. Baldwin informed staff that although his firm does create and build movable ice rinks for their clients, the City may be better served by a company that rents ice rinks. One company referenced in the news article was Bietak Productions in Santa Monica. Staff contacted Ron Napolitano of Bietak to learn more about the details and costs of temporary ice rinks.

In summary here are some of the most important considerations:

- Skating surface – Creating an ice surface is not only a time-consuming operation but also quite expensive. Many temporary skating rinks have a surface that is

created by interlocking panels that do not need any refrigeration. The final product appears and feels like ice for the purposes of ice skating. Often a lubricant is added to the surface to ease in the friction between the skates and the surface.

- Area for the rink – With either synthetic panels or real ice, the surface must be extremely, if not completely, flat. It is difficult to create ice on a slanted surface, and skaters will tend to end up on the low side of a rink with a tilt.
- Skates – Any consideration of a rink should also accommodate the need for skates for the participants.
- Security – As the rink is typically left up overnight due to the time to set up the rink, it needs to be in an area where it will not be disturbed or vandalized.

The attached proposal from Bietak provides for a temporary ice skating rink approximately 30 feet by 40 feet in size for 10 days of operation with a synthetic surface. The quote also includes the rental of 150 pairs of skates.

In regards to a location staff has found one that seems to be excellent. The location is within the Community Center rooms in City Hall. This area is shielded from the weather, is very flat, and would be very secure. All three rooms would need to be utilized to accommodate the size of the rink.

FISCAL IMPACT:

The proposed cost for the rental of the temporary ice skating rink is \$27,500. There are currently no funds budgeted for this activity.

ENVIRONMENTAL IMPACT:

None.

LEGAL REVIEW:

None.

PUBLIC NOTIFICATION:

Notifications and advertisement were performed as prescribed by law.

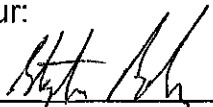
Prepared by:



Allan Rigg, P.E.

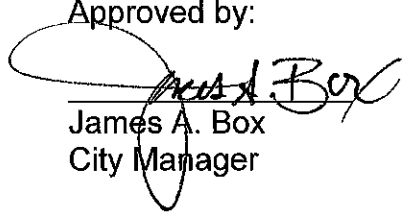
Director of Public Works/City Engineer

Concur:



Stephen Parker, CPA
Administrative Services Director

Approved by:



James A. Box
City Manager

ATTACHMENTS:

(1) Proposal from Bietak Productions



February 10, 2015

Allen Rigg
City of Stanton
7800 Katella Ave.
Stanton CA, 90680

ARTIFICIAL ICE SKATING RINK FOR A HOLIDAY EVENT – 2015

Dear, Allen

Thank you for your interest in Willy Bietak Productions providing your artificial ice rink for your upcoming event. Subject to equipment availability and the information that we have at this time, we would like to propose the following:

• Location	Stanton City Hall
• Ice size	1200Sq. Ft (approx. 30' x 40' skatable surface)
• Install	December 2015 (exact date TBD)
• Operating Days	10
• Public skating	December 2015 (exact date TBD)
• Remove	December 2015 (exact date TBD)

SCOPE OF SERVICES PROVIDED BY WILLY BIETAK PRODUCTIONS:

- A complete artificial Ice Skating surface and all necessary related equipment.
- Supervision of installation and removal of Ice Rink by a Bietak Production Manager.
- Dasher board system.
- 150 pairs of skates to accommodate up to 50 people on the ice at a time.
- Rubber matting for the skate change area.
- Labor to deliver, install and remove the artificial ice rink and all it's components.
- Round trip trucking of all WBP equipment.
- Round trip transportation of WBP staff.
- Worker's Comp insurance for Bietak employees.

YOUR RESPONSIBILITIES:

To help achieve a smooth and successful implementation, it will be your responsibility to provide:

- A flat surface on which to install the artificial ice rink that will span at least 38' x 48'
- A skate changing area that will span at least 20' x 30'
- Staff to operate rink and vend ice skates.
- Event Liability insurance.

COSTS AND PROFESSIONAL FEES:

Based on the information we have at the moment and equipment availability, our price for the above mentioned service would be:

Rental Fee for 10 days

\$ 27,500 USD

A deposit of \$ 13,750.00 (50%) will be due upon signing of this proposal. The remainder of \$ 13,750.00 will be due on the first day of operation.

CLOSING:

Willy Bietak Productions appreciates the opportunity to service your artificial ice rink needs. If you would like to accept this proposal, Please sign and return a copy agreeing to the specified terms above.

Sincerely,

Ron Napolitano

Agreed and Accepted,

Agreed and Accepted,

Willy Bietak
Willy Bietak Productions, Inc.

Allen Rigg
City of Stanton