



**AGENDA**  
**CITY COUNCIL/SUCCESSOR AGENCY/STANTON HOUSING AUTHORITY**  
**ADJOURNED JOINT REGULAR MEETING**  
**STANTON CITY HALL, 7800 KATELLA AVENUE, STANTON, CA**  
**TUESDAY, AUGUST 25, 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, AUGUST 24, 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](http://www.ci.stanton.ca.us).*

1.    **CLOSED SESSION**       None.
  
2.    **CALL TO ORDER REGULAR CITY COUNCIL / SUCCESSOR AGENCY / STANTON HOUSING AUTHORITY MEETING**
  
3.    **PLEDGE OF ALLEGIANCE**
  
4.    **ROLL CALL** Council/Agency/Authority Member Ramirez  
                  Council/Agency/Authority Member Shawver  
                  Council/Agency/Authority Member Warren  
                  Mayor Pro Tem/Vice Chairman Donahue  
                  Mayor/Chairman Ethans

CC/SA/SHA AGENDA – Adjourned Joint Regular Meeting – August 25, 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.

**5. SPECIAL PRESENTATIONS AND AWARDS**

1. Presentation of Certificate of Recognition honoring Mr. Charles Cargo as Veteran of the Month for the month of August 2015.
2. Introduction of new City Business License Specialist.
3. Presentation by the Orange County Animal Control; sharing their mission with the City Council and providing an update on their current operations.

**6. 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**

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

**RECOMMENDED ACTION:**

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

**6B. APPROVAL OF WARRANTS**

1. City Council approve demand warrants dated July 23, July 30, and August 11, 2015, in the amount of \$1,273,989.80; and
2. Approve demand warrants dated August 6, August 13, and August 25, 2015, in the amount of \$1,313,611.41.

**6C. APPROVAL OF MINUTES**

City Council/Agency/Authority Board approve Minutes of Regular Joint Meeting – July 28, 2015.

**6D. JULY 2015 INVESTMENT REPORT**

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

**RECOMMENDED ACTION:**

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment), and
2. Receive and file the Investment Report for the month of July 2015.

**6E. JULY 2015 INVESTMENT REPORT (SUCCESSOR AGENCY)**

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

**RECOMMENDED ACTION:**

1. Successor Agency find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment), and
2. Receive and file the Investment Report for the month of July 2015.

**6F. EXTENSION OF CONTRACT FOR TRAFFIC SIGNAL MAINTENANCE SERVICES WITH SIEMENS INDUSTRY INC. BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA**

A contract was awarded at the September 11, 2012 City Council meeting to provide Traffic Signal Maintenance Services for a period of three years. The current contract will soon expire and staff recommends an extension until June 30, 2016.

**RECOMMENDED ACTION:**

1. City Council declare that the project is categorically exempt under the California Environmental Quality Act, Class 1, Section 15301(b) as maintenance of existing facilities; and
2. Approve a contract extension to Siemens for traffic signal maintenance services until June 30, 2016; and
3. Authorize the City Manager to sign the contract extension with Siemens for traffic signal maintenance services until June 30, 2016.

**6G. EXTENSION OF CONTRACT TO GREAT SCOTT TREE SERVICE, INC. TO PROVIDE PROFESSIONAL CONSULTING SERVICES RELATED TO CITYWIDE TREE TRIMMING AND REMOVAL SERVICES**

A contract was awarded to Great Scott Tree Service, Inc. at the October 8, 2013 City Council meeting to provide Citywide Tree Trimming and Removal Services. On August 26, 2014 a one-year extension was granted to the original contract. The current contract will soon expire and staff recommends an additional extension until June 30, 2016.

**RECOMMENDED ACTION:**

1. City Council declare that the project is categorically exempt under the California Environmental Quality Act, Class 1, Section 15301(h) as maintenance of existing landscaping; and
2. Approve a contract extension to the firm of Great Scott Tree Service, Inc. for citywide tree trimming and removal services for the second (2) of four (4) allowable contract renewals at identical unit prices for the contract sum of \$53,304 annually; and
3. Authorize the City Manager to sign the contract extension with the firm of Great Scott Tree Service, Inc. for citywide tree trimming and removal services for the second (2) of four (4) allowable contract renewals at identical unit prices for the contract sum of \$53,304 annually.

**6H. SUPPORT HOUSE RESOLUTION 2775 – REMOTE TRANSACTIONS PARTY ACT (RTPA)**

House Resolution (HR) 2775 (Chaffetz, Conyers) would compel retailers to collect taxes on remote sales tax based on the location of the consumer. The consumer's residing state can compel out-of-state retailers to collect the use tax, either as a member of the Streamlines Sales Tax Governing Board or through the use of certified software providers.

**RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to California Environmental Quality Act ("CEQA") under Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
2. Adopt Resolution No. 2015-28, which declares support for the Remote Transactions Party Act, proposed House Resolution 2775.

**6I. OPPOSE ASSEMBLY BILL 113 – ADMINISTRATIVE COST ALLOWANCE (COMMITTEE ON BUDGET)**

AB 113 contains additional provisions and provides specificity to existing law governing the dissolution of redevelopment agencies (RDAs) and the wind-down of their existing activities and obligations. In addition, the measure addresses several ongoing issues relating to state-local fiscal situations. The bill is related to the implementation of the Budget Act of 2015.

**RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to California Environmental Quality Act ("CEQA") under Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
2. Adopt Resolution No. 2015-29, which expresses opposition for the Administrative Cost Allowance, proposed Assembly Bill 113.

**6J. REVIEW AND INTENTION TO AMEND THE CITY'S CONFLICT OF INTEREST CODE**

The City Council adopted an amended Conflict of Interest Code by Resolution dated October 28, 2014. Subsequent changed circumstances within the City have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the Code.

**RECOMMENDED ACTION:**

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Approve Resolution No. 2015-31 entitled:

**"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON AMENDING A CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974".**

**END OF CONSENT CALENDAR**

## **7. PUBLIC HEARINGS**

### **7A. ESTABLISHMENT OF A FEE FOR THE PERMIT PROCESSING OF SMALL RESIDENTIAL ROOFTOP SOLAR SYSTEMS**

On August 25, 2015, the City Council had a second reading of Ordinance No. 1038, to adopt an expedited, streamlined permitting process for small residential rooftop solar systems. This resolution would establish a fee to recover the costs associated with the permit processing for these systems.

#### **RECOMMENDED ACTION:**

1. City Council conduct a public hearing; and
2. Declare that the project is exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(4) – The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; and
3. Adopt Resolution No. 2015-27 establishing a permit fee for streamlined processing of small residential rooftop solar systems.

**8. UNFINISHED BUSINESS**

**8A. APPROVAL OF ORDINANCE NO. 1038**

This Ordinance was introduced at the regular City Council meeting of July 28, 2015.

**RECOMMENDED ACTION:**

1. City Clerk read the title of Ordinance No. 1038, entitled:

**"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADDING SECTION 16.16.020 OF CHAPTER 16.16 OF DIVISION I OF TITLE 16 TO THE CITY OF STANTON MUNICIPAL CODE TO PROVIDE AN EXPEDITED, STREAMLINED PERMITTING PROCESS FOR SMALL RESIDENTIAL ROOFTOP SOLAR SYSTEMS"; and**

2. Find that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15061(b)(3) (the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
3. Adopt Ordinance No. 1038.

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



**9. NEW BUSINESS**

**9A. APPROVAL OF CONTRACT WITH ALL CITY MANAGEMENT SERVICES TO PROVIDE CROSSING GUARD SERVICES**

Effective July 1, 2015, the City Council reinstated crossing guards in the budget due to funding from Measure GG. Written quotes were received from three potential vendors, and All City Management Services, Inc. is the recommended vendor.

**RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
2. Authorize the City Manager to sign a three-year contract with All City Management Services, Inc. in the amount of \$79,170 for crossing guard services.

**9B. AWARD OF CONTRACT FOR CONSTRUCTION OF BEACH BOULEVARD BEAUTIFICATION PROJECT TO USS CAL BUILDERS BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA**

The bids for the construction of Beach Boulevard Beautification Project were opened Tuesday, July 28, 2015. Based on the post-bid analysis of the two (2) bids received, staff recommends the bid submitted by USS Cal Builders to be the lowest responsive and responsible bid.

The cost for completing the Beach Boulevard Beautification Project is estimated at \$851,653.20, which includes a 10-percent contingency and a construction inspection fee that will be awarded, if necessary at a later time.

**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 construction of Beach Boulevard Beautification Project; and
3. Award a construction contract for the construction of Beach Boulevard Beautification Project to the lowest responsive and responsible bidder, USS Cal Builders, for the amount of \$740,568.00, and
4. Authorize the City Manager to bind the City of Stanton and USS Cal Builders in a contract for the construction of the Beach Boulevard Beautification Project; and
5. Authorize the City Manager to approve contract changes, not to exceed 10-percent.

## **10. 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.

## **11. WRITTEN COMMUNICATIONS                      None.**

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

### **12A. 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.

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

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

**12C. 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.

**12D. PARTICIPATION IN A MULTIPLE JURISDICTIONAL, COUNTYWIDE RECYCLING MARKET DEVELOPMENT ZONE**

The City of Huntington Beach is leading the effort to create a multiple jurisdictional, countywide Recycling Market Development Zone (RMDZ). There are currently 36 RMDZs in the state, none in Orange County. If the City of Stanton desired to become part of the RMDZ, the City would need to provide a letter of interest and a resolution to join the RMDZ. The letter and resolution would be brought to the Council at a subsequent meeting if so directed by the City Council.

**RECOMMENDED ACTION:**

1. City Council declare that the project is exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(5) – Organizational or administrative activities of governments that will not result in direct or indirect physical change in the environment; and
2. Direct staff to prepare a letter of intent and a resolution joining the countywide Recycling Market Development Zone.

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

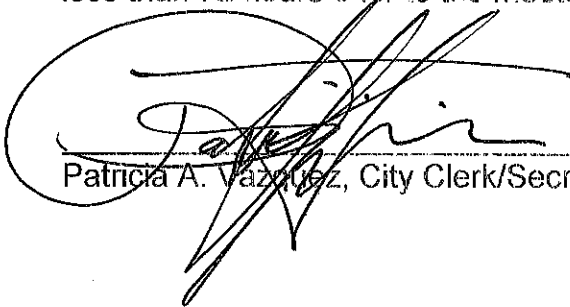
**14. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR**

**14A. ORANGE COUNTY FIRE AUTHORITY**

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

**15. 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 20<sup>th</sup> day of August, 2015.



Patricia A. Vazquez, City Clerk/Secretary

**CITY OF STANTON  
ACCOUNTS PAYABLE REGISTER**

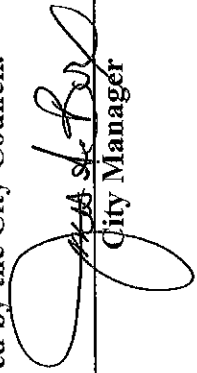
July 23, 2015	\$79,933.09
July 30, 2015	\$61,970.66
August 11, 2015	\$1,132,086.05

\$1,273,989.80
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Council  
Agenda Item #

6B

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.

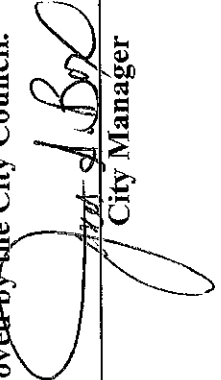
  
Administrative Services Director

CITY OF STANTON  
ACCOUNTS PAYABLE REGISTER

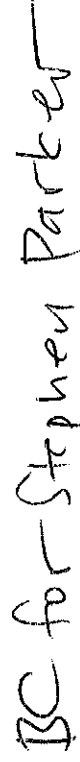
August 6, 2015	\$58,253.59
August 13, 2015	\$112,935.25
August 25, 2015	\$1,142,422.57

\$1,313,611.41
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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 / SUCCESSOR AGENCY / HOUSING AUTHORITY OF THE CITY OF STANTON REGULAR JOINT MEETING JULY 28, 2015

### 1. CALL TO ORDER / CLOSED SESSION

The City Council meeting was called to order at 6:06 p.m. by Mayor Ethans.

### 2. ROLL CALL

Present: Council Member Shawver, Council Member Warren, and Mayor Ethans

Absent: None.

Excused: Council Member Ramirez and Mayor Pro Tem Donahue.

### 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 6:06 p.m. for discussion regarding:

### 4A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Pursuant to Government Code Section 54956.9(a))

Musa Madain vs. City of Stanton, Orange County Superior Court Case Number: 30-2012-00582698 (Consolidated with OCSC Case No. 30-2009-00119013)

### 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.

### 6. ROLL CALL

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

Absent: None.

Excused: Agency/Authority Member Ramirez and Vice Chairman Donahue.



## **DRAFT**

The City Attorney reported that the Stanton City Council met in closed session from 6:06 to 6:30 p.m.

The City Attorney reported that there was no reportable action.

### **7. PLEDGE OF ALLEGIANCE**

Led by Deputy Scott McTighe, Orange County Sheriff's Department.

### **8. SPECIAL PRESENTATIONS AND AWARDS**

1. Lt. Jim England introduced new Orange County Sheriff's Department personnel, Deputy Ramiro Trujillo and Deputy Scott McTighe to the City Council.
2. Community Development Director Omar Dadabhoy introduced new City personnel, Code Enforcement Officer Rudy Meyer to the City Council.

### **9. CONSENT CALENDAR**

Motion/Second: Warren/Shawver

Motion unanimously carried by the following vote:

AYES: 3 (Ethans, Shawver, and Warren)

NOES: None

ABSTAIN: None

ABSENT: 2 (Donahue, Ramirez)

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

### **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**

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

#### **9B. APPROVAL OF WARRANTS**

The City Council approved demand warrants dated July 9, July 16, and July 28, 2015, in the amount of \$705,701.03.

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**THESE MINUTES ARE ISSUED FOR INFORMATION ONLY AND ARE SUBJECT TO  
AMENDMENT AND APPROVAL AT NEXT MEETING**

## **DRAFT**

### **9C. APPROVAL OF MINUTES**

The City Council/Agency/Authority Board approved Minutes of Regular Joint Meeting – July 14, 2015.

### **9D. JUNE 2015 INVESTMENT REPORT**

The Investment Report as of June 30, 2015 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment), and
2. Received and filed the Investment Report for the month of June 2015.

### **9E. JUNE 2015 INVESTMENT REPORT (SUCCESSOR AGENCY)**

The Investment Report as of June 30, 2015 has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

1. The Successor Agency finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment), and
2. Received and filed the Investment Report for the month of June 2015.

## **DRAFT**

### **9F. ACCEPTANCE OF THE FY 14-15 CITYWIDE STREET RECONSTRUCTION PROJECT BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA**

The FY 14-15 Citywide Street Reconstruction Project has been completed in accordance with the plans and specifications. The final construction and inspection cost for the project was \$511,600.21. The City Engineer, in his judgment, certifies that the work was satisfactorily completed as of July 28, 2015 and recommends that the City Council accept the completed work performed on this project.

1. The City Council declared this project categorically exempt under the California Environmental Quality Act, Class 1, and Section 15301; and
2. Accepted the completion of improvements for the FY 14-15 Citywide Street Reconstruction Project, as certified by the City Engineer, and affixed the date of July 28, 2015 as the date of completion of all work on this project; and
3. Approved the final construction contract amount of \$472,867.20 with Sully-Miller Contracting Company; and
4. Directed the City Clerk within ten (10) days from the date of acceptance to file the Notice of Completion with the County Recorder of the County of Orange; and
5. Directed City staff, upon expiration of the thirty-five (35) days from the filing of the "Notice of Completion," to make the retention payment to Sully-Miller Contracting Company in the amount of \$24,751.46.

### **END OF CONSENT CALENDAR**

**10. PUBLIC HEARINGS**          None.

**11. UNFINISHED BUSINESS**          None.

## **DRAFT**

### **12. NEW BUSINESS**

#### **12A. COUNCIL APPOINTMENTS TO FILL VACANCIES ON THE PUBLIC SAFETY COMMITTEE FOR TERMS COINCIDING WITH THE COUNCIL ELECTIONS**

The Public Safety Committee is comprised of six members appointed by the City Council. The Council Member holding the seat corresponding to that numbered seat on the Public Safety Committee shall be responsible for appointment of one Committee Member (who shall be a qualified elector of the City), with majority approval of the City Council. The terms of office shall coincide with the term of office of the Council Member or Mayor who made the appointment. Section 2.06.030 of the Stanton Municipal Code requires the submission of applications and interviews prior to appointment to any position.

Motion/Second: Warren/Shawver

Motion unanimously carried by the following vote:

AYES: 3 (Ethans, Shawver, and Warren)

NOES: None

ABSTAIN: None

ABSENT: 2 (Donahue, Ramirez)

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Conducted interviews of applicants; and
3. Appointed Mr. Michael Bates, Ms. Loreen Berlin, Ms. Jenny Lacayo, Mr. Andrew Marques, Mr. Adam Ontiveros, and Mr. Jerome Harold Ristrom to fill seats #1 (Donahue), #2 (Shawver), #3 (Ramirez), #4 (Warren), #5 and #6 (Ethans) on the Stanton Public Safety Committee.

## **DRAFT**

### **12B. INTRODUCTION OF AN ORDINANCE ADDING SECTION 16.16.020 TO CHAPTER 16.16 IN DIVISION 1 OF TITLE 16 TO THE MUNICIPAL CODE, TO PROVIDE AN EXPEDITED, STREAMLINED PERMITTING PROCESS FOR SMALL RESIDENTIAL ROOFTOP SOLAR SYSTEMS**

Introduce the Ordinance adding Section 16.16.020 to the Stanton Municipal Code requiring an expedited, streamlined permitting process be established for small residential rooftop solar systems. The purpose of the ordinance is to comply with statute requirements contained in Assembly Bill (AB) 2188.

Motion/Second: Shawver/Warren

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

1. The City Council declared that the ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15061(b)(3) (the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and

3. Introduced Ordinance No. 1038, entitled:

**"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADDING SECTION 16.16.020 OF CHAPTER 16.16 OF DIVISION I OF TITLE 16 TO THE CITY OF STANTON MUNICIPAL CODE TO PROVIDE AN EXPEDITED, STREAMLINED PERMITTING PROCESS FOR SMALL RESIDENTIAL ROOFTOP SOLAR SYSTEMS" and**

3. Set said ordinance for adoption at the regular City Council meeting of August 25, 2015.

## **DRAFT**

### **12C. CONSIDERATION OF A RESOLUTION APPROVING THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH FRONTIER REAL ESTATE INVESTMENTS, INC FOR ELEVEN PROPERTIES LOCATED AT 11382, 11430 AND 11462 BEACH BOULEVARD**

Consistent with the Successor Agencies Long Range Property Management Plan, Staff is recommending approval of the sale of eleven properties located at 11382, 11430 and 11462 Beach Boulevard to Frontier Real Estate Investments, Inc. for \$2,100,000.00.

Motion/Second: Shawver/Warren

Motion unanimously carried by the following vote:

AYES: 3 (Ethans, Shawver, and Warren)

NOES: None

ABSTAIN: None

ABSENT: 2 (Donahue, Ramirez)

1. The Successor Agency declared that the proposed development and disposition of the land pursuant to the Disposition and Development Agreement is consistent with the adopted Project EIR approved for the Stanton Plaza Specific Plan and directed staff to file the notice of determination; and
2. Approved Resolution No. SA 2015-05 approving the Disposition and Development Agreement for the sale and development of the properties identified by APN Nos. 131-691-49, 50, 51, 58, 59, 60, 61, 62, 63, 64, and 65 for a total of \$2,100,000.00 to Frontier Real Estate Investments, Inc.; and
3. Authorized the Executive Director to execute the necessary documents and take all actions reasonably necessary to complete the sale of the properties.

**13. ORAL COMMUNICATIONS – PUBLIC**                      None.

**14. WRITTEN COMMUNICATIONS**                      None.

## **DRAFT**

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

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

- Mayor Ethans reported on the Orange County Vector Control District's West Nile virus alerts and cases.
- Council Member Shawver reported that on behalf of the City and City Council, he accepted an award for 20 years of service as an Orange County Fire Authority board member, presented by the Orange County Fire Authority.
- Council Member Shawver requested that Community Services Director Roman report on the City's upcoming National Night Out event.
- Community Services Director Roman reported on the City's upcoming National Night Out event, which is scheduled to be held on August 4, 2015.
- Council Member Warren requested that Community Services Director Roman report on the City's upcoming Paws in the Park event.
- Community Services Director Roman reported on the City's upcoming Paws in the Park event, which is scheduled to be held on August 8, 2015.
- Council Member Shawver requested that Public Works Director/City Engineer Rigg provide a status report on the construction of Stanton Central Park.
- Public Works Director/City Engineer Rigg provided a status report on the construction of Stanton Central Park.

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

- Mayor Ethans requested to agendaize discussion regarding options for residential homes to install a drought tolerant /desert landscape setting in place of a grassy landscape setting.
- Council Member Shawver requested to agendaize discussion regarding the City participating in a multiple jurisdictional, countywide Recycling Market Development Zone (RMDZ) program.

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

None.

## **DRAFT**

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

None.

### **17. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR**

- City Manager Box reported that August 12, 2015 has been designated as Stanton Day at the Orange County Fair and also reported that the City would be offering free transportation to the Orange County Fair from City Hall to interested Stanton residents.
- City Manager Box reported that the Orange County Animal Control is scheduled to speak at the August 25, 2015 City Council meeting to provide the City Council with an update on their current operations.

### **17A. ORANGE COUNTY SHERIFF'S DEPARTMENT**

Lieutenant Jim England provided the City Council with an update on their current operations.

### **18. ADJOURNMENT** Motion/Second: Ethans/ Motion carried at 7:29 p.m.

---

MAYOR/CHAIRMAN

ATTEST:

---

CITY CLERK/SECRETARY



# **CITY OF STANTON**

## **REPORT TO THE CITY COUNCIL**

**TO:** Honorable Mayor and City Council

**DATE:** August 25, 2015

**SUBJECT: JULY 2015 INVESTMENT REPORT**

### **REPORT IN BRIEF:**

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

### **RECOMMENDED ACTION:**

That the City Council:

- 1) Find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment), and
- 2) Receive and file the Investment Report for the month of July 2015.

### **BACKGROUND:**

The attached reports summarize the City investments and deposit balances as of July 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 July 2015 was 0.320%. The City's other investments are shown on Attachment B and have a weighted investment yield of 1.11%. Including LAIF and the City's deposit in the Bank of the West money market account, the weighted investment yield of the portfolio is 0.49%, which exceeds the benchmark LAIF return of 0.320%.

The weighted average maturity of the City's investments at July 31, 2015 is 662 days. Including LAIF and the money market deposit, it is 200 days. LAIF's average maturity at July 31, 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 almost triple the LAIF average maturity.

#### **FISCAL IMPACT:**

All deposits and investments have been made in accordance with the City's 2015-16 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 controls the City's \$9.3 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.

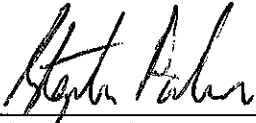
#### **PUBLIC NOTIFICATION:**

Through the agenda posting process.

#### **STRATEGIC PLAN OBJECTIVE ADDRESSED**

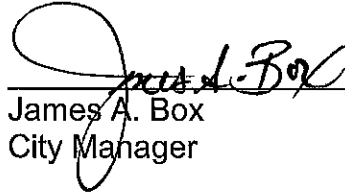
4. Ensure Fiscal Stability and Efficiency in Governance

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**  
**July 31, 2015**

Investment Type	Issuer	Date of Maturity	Interest Rate	Par Value	Cost	% of Total	Market Value	Market Value Source
State Pool (LAIF) - City portion <sup>1</sup>	State of California	On Demand	0.32%	\$ 9,450,971	\$ 6,072,248	39.54%	\$ 6,074,531	LAIF
Investments <sup>2</sup>	Various	Various	Various	\$ 9,255,636	9,284,242	60.46%	9,278,809	US Bank
Subtotal - Investments					\$ 15,356,490	100.00%	\$ 15,353,341	
Demand Deposits/Main Checking - City portion	Bank of the West	On Demand	N/A	N/A	\$ 3,031,587		\$ 3,031,587	Bank of the West
Money Market Account	Bank of the West	On Demand	0.29%	\$ 8,944,742	8,944,742		8,944,742	Bank of the West
Imprest Accts & Petty Cash	Bank of the West	On Demand	N/A	N/A	70,175		70,175	Bank of the West
Stanton Park Depository Account	US Bank	On Demand	0.02%	6,500,506	6,500,506		6,500,506	
Subtotal - Deposits					\$ 18,547,010		\$ 18,547,010	

Total Cash Investments and Deposits <sup>3</sup>

200	0.49%
Weighted Average Maturity (days)	Weighted Average Yield

\$ 33,903,500

\$ 33,900,351

<sup>1</sup> Par Value amount represents entire LAIF balance, including City and Successor Agency portions<sup>2</sup> Cost amount includes \$25,395 adjustment made to City's books at 6/30/15 to adjust portfolio to market value, per GASB 31<sup>3</sup> 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 2015-16 Investment Policy.

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

**CITY OF STANTON  
INVESTMENTS  
July 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
<b>State Treasurer's Pool</b>	Local Agency Investment Fund (LAIF)		0.32%				8/1/2015	NC	9,450,971	6,072,248	6,074,531	19.73%	100%
<b>Cash Equivalents</b>									42,945	42,945	42,945	0.14%	100%
<b>Chandler Asset Management</b>	First American Government Obligation	31848V203											
<b>Negotiable Certificates of Deposit:</b>													
Multi-Bank Securities	CD - GE Money Bank	36159UTE6	2.20%	2.200%	100	08/20/10	08/20/15	NC	200,000	200,000	200,168		
Multi-Bank Securities	CD - CIT Bank	17284AVP0	1.85%	1.850%	100	08/10/11	08/10/16	NC	148,000	148,000	150,520		
Multi-Bank Securities	CD - EnerBank USA	29266NRX7	1.75%	1.750%	100	08/15/11	08/15/16	NC	248,000	248,000	250,854		
First Empire Securities	CD - Camden National Bk	133033DL1	1.75%	1.750%	100	08/17/11	08/17/16	NC	248,000	248,000	250,862		
First Empire Securities	CD - Discover Bank	254670Q54	1.75%	1.750%	100	08/17/11	08/17/16	NC	140,000	140,000	141,613		
Time Value Investments	CD - GE Capital Bank	36160YSQ0	1.35%	1.350%	100	10/19/12	10/19/16	NC	248,000	248,000	249,833		
First Empire Securities	CD - Goldman Sachs Bank	38143ARY3	1.85%	1.850%	100	05/09/12	05/09/17	NC	97,000	97,000	98,327		
First Empire Securities	CD - Discover Bank	254671AT7	1.75%	1.750%	100	05/09/12	05/09/17	NC	100,000	100,000	101,369		
Multi-Bank Securities	CD - Sallie Mae Bank	799450PJ8	1.50%	1.500%	100	10/01/12	09/19/17	NC	100,000	100,000	101,006		
Multi-Bank Securities	CD - American Express	02587DL08	1.55%	1.550%	100	10/04/12	10/04/17	NC	248,000	248,000	250,115		
Time Value Investments	CD - HSBC	40431G3Q0	0.75%	Variable	100	10/26/12	10/26/17	NC	248,000	248,000	243,933		
First Empire Securities	CD - Everbank	29976DPY0	1.10%	1.100%	100	11/30/12	11/30/17	NC	248,000	248,000	249,949		
									2,273,000	2,273,000	2,288,550	7.39%	30%
<b>U.S. Government Agency Securities:</b>													
Multi-Bank Securities	FHLMC	3137EACN9	2.17%	1.750%	98.19	2/9/2011	9/10/2015	NC	75,000	73,642	75,125		
Chandler Asset Management	FHLB	3130A0SD3	0.32%	0.375%	100.04	09/29/14	02/19/16	NC	125,000	125,085	125,116		
Chandler Asset Management	FHLMC Deb	3137EADQ9	0.50%	0.500%	99.99	01/30/14	05/13/16	NC	200,000	199,985	200,204		
Chandler Asset Management	Federal Farm Credit Bks	3133EEQM6	1.11%	1.110%	100.175	03/24/15	02/20/18	NC	185,000	185,897	185,411		
Chandler Asset Management	FHLB	3130A4GJ5	0.97%	1.125%	100.485	05/28/14	04/28/18	NC	185,000	185,818	185,668		
Chandler Asset Management	FHLB	3130A2T97	0.86%	0.500%	99.71	09/29/14	08/28/16	NC	190,000	189,537	190,017		
Time Value Investments	FNMA - Zero Coupon	313359MEL3	1.02%	0.000%	95.25	8/20/2012	6/1/2017	NC	250,000	238,132	246,613		
Chandler Asset Management	FHLMC	3137EADJ5	1.03%	1.000%	99.93	09/25/14	07/28/17	NC	190,000	189,866	190,992		
Chandler Asset Management	FHLMC	3137EADK2	1.57%	1.250%	98.94	06/18/15	08/01/19	NC	180,000	177,745	178,423		
Chandler Asset Management	FNMA	3135G0E33	1.15%	1.125%	99.92	06/04/15	07/20/18	NC	115,000	114,790	114,983		
Chandler Asset Management	FNMA	3135G0ZL0	1.12%	1.000%	99.70	08/25/14	09/27/17	NC	90,000	89,679	90,452		
Chandler Asset Management	FNMA	3135G0TG8	0.88%	0.875%	99.17	12/05/14	02/08/18	NC	160,000	158,678	158,941		
Chandler Asset Management	FNMA	3135G0WJ8	0.88%	0.920%	99.62	04/30/15	04/16/18	NC	170,000	169,233	169,249		
									2,115,000	2,097,886	2,111,192	6.82%	100%
<b>US Treasury</b>													
Chandler Asset Management	US Treasury	912828U57	0.40%	0.375%	99.95	01/30/14	03/15/16	NC	210,000	209,894	210,164		
Chandler Asset Management	US Treasury	912828V52	0.45%	0.500%	100.10	06/13/14	06/15/16	NC	150,000	150,147	150,270		
Chandler Asset Management	US Treasury	912828A59	0.58%	0.625%	100.12	05/29/14	12/15/16	NC	165,000	165,200	165,284		
Chandler Asset Management	US Treasury	912828B74	0.89%	0.625%	99.81	02/28/14	02/15/17	NC	200,000	199,618	200,250		
Chandler Asset Management	US Treasury	912828C32	0.79%	0.750%	99.81	08/25/14	03/15/17	NC	190,000	189,800	190,608		
Chandler Asset Management	US Treasury	912828C73	0.71%	0.875%	100.47	05/29/14	04/15/17	NC	190,000	190,885	190,891		
Chandler Asset Management	US Treasury	912828T59	1.16%	1.625%	98.34	07/31/14	09/30/17	NC	185,000	181,922	184,552		
Chandler Asset Management	US Treasury	912828ST8	1.25%	1.250%	100.16	05/28/15	04/30/19	NC	160,000	160,007	160,050		
Chandler Asset Management	US Treasury	912828SX9	1.33%	1.125%	99.52	05/27/15	05/31/19	NC	185,000	183,541	184,060		
Chandler Asset Management	US Treasury	912828UU2	1.13%	0.750%	99.07	02/23/15	03/31/18	NC	190,000	187,833	189,244		
									1,825,000	1,818,843	1,825,373	5.91%	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	General Electric Capital Corp Note	38962G4T8	0.54%	2.250%	103.10	01/10/14	11/09/15	NC	150,000	154,644	150,681		
Chandler Asset Management	Charles Schwab Corp Callable Note	806513AK1	1.49%	1.500%	100.49	03/10/15	02/20/18	NC	100,000	99,874	100,183		
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	150,119		
Chandler Asset Management	Berkshire Hathaway Note	884664BX8	0.70%	0.950%	100.65	01/14/14	08/15/16	NC	150,000	150,972	150,428		
Chandler Asset Management	Coca Cola Company Note	191216AU4	0.89%	1.800%	102.87	01/14/14	09/01/16	NC	150,000	154,311	151,673		
Chandler Asset Management	Intel Corp Note	469140AH3	0.85%	1.950%	102.93	01/14/14	10/01/16	NC	150,000	154,388	152,114		
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	152,288		
Chandler Asset Management	Occidental Petroleum Note	674599CB9	1.05%	1.750%	102.10	01/24/14	02/15/17	NC	150,000	153,147	151,230		
Chandler Asset Management	Wells Fargo Corp Note	94974BFD7	1.26%	2.100%	102.67	01/24/14	05/09/17	NC	150,000	154,005	152,333		
Chandler Asset Management	US Bancorp MTN	91159HHD5	1.10%	1.650%	101.58	02/03/14	05/15/17	4/15/2017	150,000	152,389	151,620		
Chandler Asset Management	Pfizer Inc	717081D19	1.10%	1.100%	99.91	05/12/14	05/15/17	NC	35,000	34,969	35,031		
Chandler Asset Management	Qualcomm Inc	747525AG8	1.45%	1.400%	99.87	05/28/15	05/18/15	NC	135,000	134,787	133,431		
Chandler Asset Management	J.P. Morgan Note	48120EAA5	1.63%	2.000%	101.28	01/24/14	08/15/17	NC	150,000	151,925	151,352		
Chandler Asset Management	Oracle Corp Note	68389XAN5	1.40%	1.200%	99.27	01/13/14	10/15/17	NC	150,000	148,898	149,835		
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	148,291	149,291		
Chandler Asset Management	IBM Corp	459200HZ7	1.23%	1.125%	99.70	02/08/15	02/06/18	NC	115,000	114,649	114,463		
									2,185,000	2,211,327	2,196,068	7.19%	30%
Asset-Backed Securities:													
Chandler Asset Management	Toyota Auto Receivables 2012B	89231NAC7	0.39%	0.46%	100.06	01/16/14	07/15/16	NC	14,011	14,019	14,011		
Chandler Asset Management	Toyota Auto Receivables 2015A	89236WAC2	1.44%	1.12%	99.99	03/04/15	02/15/19	NC	85,000	84,987	84,935		
Chandler Asset Management	Honda Auto Receivables	43814CAC3	0.42%	0.46%	100.06	02/12/14	11/21/16	NC	40,680	40,674	40,674		
Chandler Asset Management	Honda Auto Receivables	43813NAC0	1.05%	1.04%	100.01	05/13/15	02/21/19	NC	105,000	104,984	104,773		
Chandler Asset Management	Chase Issuance Trust	161571FL3	0.49%	0.59%	100.18	02/12/14	08/15/17	NC	150,000	150,275	149,999		
Chandler Asset Management	American Honda Finance	02685WAQ4	1.54%	1.35%	100.43	12/11/14	02/11/17	NC	80,000	79,926	80,240		
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	74,918		
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	105,054		
Chandler Asset Management	Honda Auto Receivables	43814HAC2	0.89%	0.88%	99.98	08/20/14	06/15/18	NC	75,000	74,986	75,035		
Chandler Asset Management	John Deere Owner Trust	47787VAD6	1.07%	99.98%	99.78	09/03/14	11/15/18	NC	85,000	84,981	85,044		
									814,690	814,831	814,682	2.65%	10%
Subtotal Investments													
Prior Year Adjustment GABS 31													
Investments Held With US Bank													
LAIF													
Total Investments													
Depository Acct													

**CITY OF STANTON**  
**CASH AND INVESTMENT BALANCES BY FUND TYPE**  
**July 31, 2015**

<b>Fund Type</b>	<b>Cash and Investments</b>	<b>Totals</b>
<b>General Fund:</b>		
Pooled	\$ (4,037,305)	
Other Accounts *	24,799,665	\$ 20,762,360
<b>Special Revenue, Capital Projects and Enterprise Funds:</b>		
Gas Tax	1,407,349	
Proposition 1B	-	
Measure M	1,082,043	
Fire Emergency Services	(163,195)	
Lighting & Median Maint.	2,711,936	
Sewer Maintenance	2,703,753	
Other	3,882,495	11,624,381
<b>Internal Service Funds</b>		<b>1,287,712</b>
<b>Trust Funds</b>		<b>229,047</b>
<b>Total Cash and Investment Balances</b>	<b>\$</b>	<b>33,903,500</b>

\* 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:** August 25, 2015

**SUBJECT: JULY 2015 INVESTMENT REPORT**

### **REPORT IN BRIEF:**

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

### **RECOMMENDED ACTION:**

That the Successor Agency:

- 1) Find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment), and
- 2) Receive and file the Investment Report for the month of July 2015.

### **BACKGROUND:**

The attached reports summarize the Successor Agency investments and deposit balances as of July 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 July 2015 was 0.320%. 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 2015-16 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.

**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

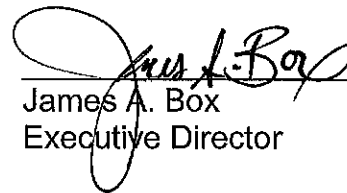
4. Ensure Fiscal Stability and Efficiency in Governance

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  
July 31, 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	0.32%	\$ 3,378,723	\$ 3,378,723	\$ 3,379,646	LAIF
Demand Deposits/Main Checking - SA portion	Bank of the West		On Demand	N/A	1,686,837	1,686,837	1,686,837	Bank of the West

Total Cash Investments and Deposits

\$ 5,065,560    \$ 5,066,483

Bond Funds Managed by Trustees:

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
<b>2005 Tax Allocation Bonds - Series A (Taxable)</b>								
Principal:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$0	0.33	0.33	US Bank
Principal:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$ 1.11	\$ 1.11	\$ 1.11	US Bank
Interest:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$ 3.15	\$ 3.15	\$ 3.15	US Bank
Reserve Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,264,052.25	1,264,052.25	1,264,052.25	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)

\$ 1,264,868    \$ 1,264,868

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
<b>2005 Tax Allocation Bonds - Series B (Tax-Exempt)</b>								
Principal								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$ 0.80	\$ 0.80	\$ 0.80	US Bank
Interest								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$ 1.51	\$ 1.51	\$ 1.51	US Bank
Special Fund								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$ 0.10	\$ 0.10	\$ 0.10	US Bank
Reserve Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	701,914.84	701,914.84	701,914.84	US Bank
Redevelopment Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	-	-	-	US Bank

Total 2005 Tax Allocation Bonds - Series B (Tax-Exempt) \$ 701,917 \$ 701,917

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
<b>2010 Tax Allocation Bonds (Tax-Exempt)</b>								
Principal								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$0.88	\$0.88	\$0.88	US Bank
Interest								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$10.84	\$10.84	\$10.84	US Bank
Reserve Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$1,561,939.74	\$1,561,939.74	\$1,561,939.74	US Bank
Redevelopment Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$0.00	\$0.00	\$0.00	US Bank

Total 2010 Tax Allocation Bonds (Tax-Exempt) \$1,561,952.75 \$1,561,952.75

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
<b>2011 Tax Allocation Bonds - Series A (Taxable)</b>								
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%	1,474,609	1,474,609	1,474,609	US Bank
Project Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	4,726,960	4,726,960	4,726,960	US Bank
DS Fund								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1	1	1	US Bank
Interest Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	7	7	7	US Bank

\$ 6,201,577 \$ 6,201,577

Total 2011 Tax Allocation Bonds - Series A (Taxable)

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
<b>2011 Tax Allocation Bonds - Series B (Taxable)</b>								
Bond Reserve Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,349,153	1,349,153	1,349,153	US Bank
Redevelopment Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,582,374	1,582,374	1,582,374	US Bank
Special Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1	1	1	US Bank
Interest Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	5	5	5	US Bank

\$ 2,931,533 \$ 2,931,533

Total 2011 Tax Allocation Bonds - Series B (Taxable)

### Total Bond Fund Investments and Deposits (3)

\$ 12,661,848 \$ 12,661,848

#### 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**

July 31, 2015

<b>Fund</b>	<b>Cash Balance</b>
710 Project 2000 Debt Service Fund	-
711 Redevelopment Debt Service Fund	-
712 Redevelopment Obligation Retirement Fund	5,113,881
720 Low and Moderate Income Housing Fund	-
721 Housing Successor Fund	-
730 Community Redevelopment Administration Fund	-
731 Successor Agency Admin Fund	(47,928)
740 Redevelopment Project Fund	-
741 Successor Agency Project Fund	-
741 Cash DDR Clawback	9,088,517

TOTAL CASH BALANCE

**\$ 14,154,470**

# **CITY OF STANTON**

## **REPORT TO CITY COUNCIL**

**TO:** Honorable Mayor and Members of the City Council

**DATE:** August 25, 2015

**SUBJECT: EXTENSION OF CONTRACT FOR TRAFFIC SIGNAL MAINTENANCE SERVICES WITH SIEMENS INDUSTRY INC. BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA**

### **REPORT IN BRIEF:**

A contract was awarded at the September 11, 2012 City Council meeting to provide Traffic Signal Maintenance Services for a period of three years. The current contract will soon expire and staff recommends an extension until June 30, 2016.

### **RECOMMENDED ACTION:**

1. City Council declare that the project is categorically exempt under the California Environmental Quality Act, Class 1, Section 15301(b) as maintenance of existing facilities; and
2. Approve a contract extension to Siemens for traffic signal maintenance services until June 30, 2016; and
3. Authorize the City Manager to sign the contract extension with Siemens for traffic signal maintenance services until June 30, 2016.

### **BACKGROUND:**

The City is responsible for maintaining 12 signalized intersections throughout the City. Routine preventative maintenance is necessary to keep the City's traffic signal system operational and requires the services of a specialized contractor. The City also owns and operates seven battery back-up systems, two flashing beacons, and one signalized crosswalk that require maintenance as well. In addition, numerous times a year unexpected work is necessary to keep the traffic signal system functioning properly. These unexpected work items are classified as extraordinary maintenance and have been included in this contract. Examples of extraordinary maintenance include replacement of LED signal head lamps, replacement of pedestrian LED modules, replacement of city owned street lights, emergency response and numerous other items.

A request for proposals was advertised on the City website on August 14, 2012 and was due back on August 29, 2012. Staff obtained three (3) proposals to provide traffic signal maintenance services. After reviewing the proposals, staff has determined Republic ITS to be the most qualified consultant to provide these services. Republic ITS currently provides traffic signal maintenance services for numerous cities in Orange County.

This maintenance contract consists of a 3-year agreement to provide both routine and extraordinary traffic signal maintenance for all of the city maintained signals throughout the City. The estimated project cost of \$216,884 is as follows:

Maintenance Contract (Republic ITS)	\$ 180,738
Maintenance Contingency—10 percent	\$ 18,073
Construction Management/Inspection—10 percent	<u>\$ 18,073</u>
Total Estimated Project Cost	\$ 216,884

In February of 2013 Republic ITS was purchased by Siemens and became the traffic signal maintenance vendor.

Staff has received a letter requesting an extension of the contract at the same prices through the end of fiscal year 2015/16. Staff would like to extend this contract as proposed so that in the future this contract can correspond to fiscal year budgets and purchase orders.

#### **ANALYSIS/JUSTIFICATION:**

Since taking over the contract Siemens has performed very well and has been well within budget each year. They have responded quickly to calls for service and have maintained the City's signals in great shape. Most recently a signal was knocked down by a motorist and Siemens had the new signal post up and operational within hours.

#### **FISCAL IMPACT:**

Funds for traffic signal maintenance services are available from account 225-3520-604110.

#### **ENVIRONMENTAL IMPACT:**

This project is categorically exempt under the California Environmental Quality Act, Class 1, Section 15301(b) as maintenance of existing facilities.

#### **LEGAL REVIEW:**

The City Attorney's office has reviewed the contract amendment and the ability to extend the contract for less than the one year provided in the original contract.

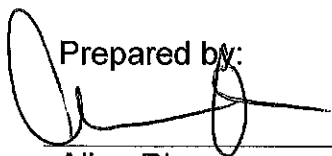
**PUBLIC NOTIFICATION:**

Notifications were performed through normal agenda process.

**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

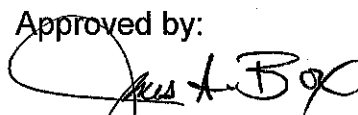
3 - Provide a quality infrastructure.

Prepared by:



Allan Rigg  
Public Works Director

Approved by:



James A. Box  
City Manager

**Attachments:**

- (1) Written Request for Contract Extension
- (2) Letter Agreement to Extend Contract



# SIEMENS

Siemens Industry Inc.  
2200 W Orangewood Ave, Suite 210  
Orange, California 92868  
714.456.9902  
714.456.9905 Fax  
[www.usa-siemens.com/mobility](http://www.usa-siemens.com/mobility)

August 11, 2015

Alan Rigg, PE, AICP  
City of Stanton  
Public Works Director/ City Engineer  
7800 Katella Ave  
Stanton, CA 90680

Subject: FY 2015-2016 Letter of Intent to Provide Services

Dear Mr. Rigg,

This shall serve as a letter of intent to continue providing traffic signal maintenance services as per the terms and conditions of the existing Agreement for Maintenance Services between Siemens Industry Inc. and the City of Stanton for the Fiscal year 2015/16. We are not requesting an increase at this time but reserve the right to do so during the next request for renewal as is typical (Per the CPI). Please feel free to contact me if you have any questions or concerns.

Thank you for another opportunity to work with the City of Stanton. We look forward to working together to maintain and improve your traffic signal and safety lighting systems.

Sincerely,  
Siemens Industry Inc.



Michael J. Hutchens  
Sr. Service Account Manager

Enclosures:  
Cc: Candace Gallaher



August 25, 2015

Alexander A. Ethans  
Mayor

Brian Donahue  
Mayor Pro Tem

Rigoberto A. Ramirez  
Council Member

David J. Shawver  
Council Member

Carol Warren  
Council Member

James A. Box  
City Manager

Siemens Industry Inc.  
Attention: Michael Hutchens  
2200 W. Orangewood Avenue, Suite 210  
Orange, CA 92868

Re: Letter Agreement to extend Professional Services Agreement Between City and Siemens Industry Inc. for Traffic Signal Maintenance Services

Dear Mr. Hutchens:

This letter will memorialize and confirm the terms and conditions of an extension of that certain Professional Services Agreement dated September 11, 2012 (the "Agreement") by and between the City of Stanton ("City") and Siemens Industry Inc. ("Contractor"). The City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties".

The City, under the Agreement, retained the services of the Contractor for traffic signal maintenance services. The City and Contractor desire to extend the Agreement from September 11, 2015 to June 30, 2016.

Except as amended by this extension, all other provisions of the Agreement remain in full force and effect. The Parties irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this extension.

AGREED and ACCEPTED:

**CITY OF STANTON**

**SIEMENS INDUSTRY INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

James A. Box  
City Manager

7800 Katella Avenue  
Stanton, CA 90680  
Phone (714) 379-9222  
Fax (714) 890-1443  
[www.ci.stanton.ca.us](http://www.ci.stanton.ca.us)



**Alexander A. Ethans**  
*Mayor*

**Brian Donahue**  
*Mayor Pro Tem*

**Rigoberto A. Ramirez**  
*Council Member*

**David J. Shawver**  
*Council Member*

**Carol Warren**  
*Council Member*

**James A. Box**  
*City Manager*

*Attest:*

By: \_\_\_\_\_  
Patricia A. Vazquez  
City Clerk

*Approved as to form:*

\_\_\_\_\_  
Best Best & Krieger LLP  
City Attorney

# **CITY OF STANTON**

## **REPORT TO CITY COUNCIL**

**TO:** Honorable Mayor and Members of the City Council

**DATE:** August 25, 2015

**SUBJECT: EXTENSION OF CONTRACT TO GREAT SCOTT TREE SERVICE, INC.  
TO PROVIDE PROFESSIONAL CONSULTING SERVICES RELATED  
TO CITYWIDE TREE TRIMMING AND REMOVAL SERVICES**

### **REPORT IN BRIEF:**

A contract was awarded to Great Scott Tree Service, Inc. at the October 8, 2013 City Council meeting to provide Citywide Tree Trimming and Removal Services. On August 26, 2014 a one-year extension was granted to the original contract. The current contract will soon expire and staff recommends an additional extension until June 30, 2016.

### **RECOMMENDED ACTION:**

1. City Council declare that the project is categorically exempt under the California Environmental Quality Act, Class 1, Section 15301(h) as maintenance of existing landscaping; and
2. Approve a contract extension to the firm of Great Scott Tree Service, Inc. for citywide tree trimming and removal services for the second (2) of four (4) allowable contract renewals at identical unit prices for the contract sum of \$53,304 annually; and
3. Authorize the City Manager to sign the contract extension with the firm of Great Scott Tree Service, Inc. for citywide tree trimming and removal services for the second (2) of four (4) allowable contract renewals at identical unit prices for the contract sum of \$53,304 annually.

### **BACKGROUND:**

In 2013, numerous trees in the City were identified as overgrown, and in some instances in need of removal. Trimming and removing these trees acts as a preventive measure to ensure the safety of the area around these trees and would help limit the City's liability for damage claims. The City did not have the proper equipment or expertise to safely and properly trim and remove the larger trees in the City of Stanton. As a result, staff bid these services out to obtain a licensed professional contractor to perform the work under the City Forester's supervision.

**ANALYSIS/JUSTIFICATION:**

At the October 8, 2013 Council Meeting a contract was awarded to Great Scott Tree Service, Inc. to perform citywide tree trimming and removal. Great Scott Tree Service, Inc. was the low bidder of three bids received for this contract as listed below:

<b>Contractor</b>	<b>Base Bid</b>
Great Scott Tree Service, Inc.	\$53,304
West Coast Arborists, Inc.	\$61,078
Mariposa Landscapes, Inc.	\$69,345

The contract includes the following provision:

The City has the right to extend the term of this contract for four (4) additional one year periods (the "Additional Terms"), based upon the same conditions of the initial term, subject to the bid prices stated in the bid proposal. The City shall notify the Contractor in writing of its exercise of its option for an Additional Term not less than thirty (30) days prior to the end of the then current term.

Staff feels that Great Scott Tree Service, Inc. has done a satisfactory job maintaining city trees and landscaping and recommends an extension as allowed by the contract. The contract would be extended less than one year as allowed by the contract, until June 30, 2016, to coincide with the City's fiscal year. This will allow for easier tracking of the contract's budget and purchase orders.

Staff has worked with Great Scott Tree Service, Inc. to inventory all trees in the City and to methodically trim each tree at least once every three years. Additionally each quarter a variety of trees are reviewed for issues such as palm fronds, seed pods, vehicle clearances, and pedestrian clearances. These are all addressed immediately to keep the trees healthy, attractive, and safe.

**FISCAL IMPACT:**

This contract will be funded 10% from the General Fund and 90 % from the Lighting and Median Maintenance (1972 Act) Fund, proportionate to the City's tree inventory.

**ENVIRONMENTAL IMPACT:**

This project is categorically exempt under the California Environmental Quality Act, Class 1, Section 15301(h) as maintenance of existing landscaping.

**LEGAL REVIEW:**

The City Attorney's office has reviewed the contract amendment and the ability to extend the contract for less than the one year provided in the original contract.

**PUBLIC NOTIFICATION:**

Notifications were performed through normal agenda process.

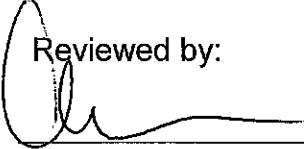
**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

3 - Provide a quality infrastructure.

Prepared by:

  
Stephanie Camorlinga  
Engineering Assistant

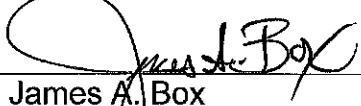
Reviewed by:

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

Concur:

  
Stephen Parker  
Administrative Services Director

Approved by:

  
James A. Box  
City Manager

**Attachments:**

- (1) Written Request for Contract Extension
- (2) Letter Agreement to Extend Contract



State Contractors License  
#556832



ISA Certified Arborist #WC-0901

August 10, 2015

City of Stanton  
Attn: Allan Rigg, Public Works Director  
7800 Katella Avenue,  
Stanton, CA 90680

RE: Citywide Tree Trimming and Removal Services

Mr. Rigg,

Great Scott Tree Service Inc., upon mutual consent with the City of Stanton, respectfully requests the second (2) of four (4) allowable annual contract renewals; hereby extending the current agreement for the period of *October 8, 2015 – June 30, 2016*.

We value our longstanding relationship with the City of Stanton, and look forward to our continued success in making this great city a beautifully landscaped and responsibly maintained home for all of its residents and businesses. We want to thank you in advance for your attentiveness regarding this issue.

Should you have any questions or additional concerns, please do not hesitate to contact me.

Sincerely,

Scott P. Griffiths

President

Great Scott Tree Service, Inc.



August 25, 2015

**Alexander A. Ethans**  
*Mayor*

**Brian Donahue**  
*Mayor Pro Tem*

**Rigoberto A. Ramirez**  
*Council Member*

**David J. Shawver**  
*Council Member*

**Carol Warren**  
*Council Member*

**James A. Box**  
*City Manager*

Great Scott Tree Service, Inc.  
10761 Court Ave  
Stanton, CA 90680

Re: Letter Agreement to extend Professional Services Agreement Between City and Great Scott Tree Service, Inc. for Tree Trimming Services

Dear Mr. Griffiths:

This letter will memorialize and confirm the terms and conditions of an extension of that certain Professional Services Agreement dated October 8, 2013 (the "Agreement") by and between the City of Stanton ("City") and Great Scott Tree Service, Inc. ("Contractor"). The City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties".

The City, under the Agreement, retained the services of the Contractor for tree trimming services. The City and Contractor extended the term of the Agreement, as authorized pursuant to the terms of the Agreement, from October 2014 to October 2015. The City and Contractor desire to extend the Agreement a second time, from October 8, 2015 to June 30, 2016 ("Second Extension").

Except as amended by this Second Extension, all other provisions of the Agreement remain in full force and effect. The Parties irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Second Extension.

AGREED and ACCEPTED:

**CITY OF STANTON**

**GREAT SCOTT TREE  
SERVICE, INC.**

By: 

James A. Box  
City Manager

By: 

Scott Griffiths  
CEO/President:

7800 Katella Avenue  
Stanton, CA 90680  
Phone (714) 379-9222  
Fax (714) 890-1443  
[www.ci.stanton.ca.us](http://www.ci.stanton.ca.us)





**Alexander A. Ethans**  
*Mayor*

**Brian Donahue**  
*Mayor Pro Tem*

**Rigoberto A. Ramirez**  
*Council Member*

**David J. Shawver**  
*Council Member*

**Carol Warren**  
*Council Member*

**James A. Box**  
*City Manager*

*Attest:*

By: \_\_\_\_\_  
Patricia A. Vazquez  
City Clerk

*Approved as to form:*

\_\_\_\_\_  
Best Best & Krieger LLP  
City Attorney

# **CITY OF STANTON**

## **REPORT TO THE CITY COUNCIL**

**TO:** Honorable Mayor and City Council and Honorable Chairman

**DATE:** August 25, 2015

**SUBJECT: SUPPORT HOUSE RESOLUTION 2775 – REMOTE TRANSACTIONS PARTY ACT (RTPA)**

### **REPORT IN BRIEF:**

House Resolution (HR) 2775 (Chaffetz, Conyers) would compel retailers to collect taxes on remote sales tax based on the location of the consumer. The consumer's residing state can compel out-of-state retailers to collect the use tax, either as a member of the Streamlines Sales Tax Governing Board or through the use of certified software providers.

### **RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to California Environmental Quality Act ("CEQA") under Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
2. Adopt Resolution No. 2015-28, which declares support for the Remote Transactions Party Act, proposed House Resolution 2775.

### **BACKGROUND:**

The consumer failure of paying online sales and use taxes on remote sales result in the loss of billions of dollars per year in taxes owed to state and local governments. The Department of Commerce received \$225.5 billion dollars in e-commerce sales in 2012. The National Conference of State Legislators proclaimed that the sales produced approximately \$23 billion in unpaid sales and use taxes during that time.

### **ANALYSIS/JUSTIFICATION:**

The Remote Transactions Party Act (RTPA) would compel retailers to administer the collection of taxes on remote sales based on a consumer's location. It would enable state and local governments to collect the sales tax of online purchases already owed to them, but not being paid. The RTPA would level the playing field for brick and motor business to compete as they face a 5-10% competitive disadvantage with the current remote sales tax laws.

All 45 states that impose a sales tax already require consumers to pay a tax on online purchases, but no federal law exists to enable the states to compel online stores requiring consumers to pay a use tax. These use taxes are used to pave roads and provide services for public safety and education.

The enactment of federal legislation would allow online retailers to collect and remit taxes from their remote sales. This would close a tax loophole while helping state and local governments to provide safety services, advance economic development, and create local jobs. A study from a former member of the Reagan Economic Policy Advisory Board estimates that the legislation would allow the creation of 1.5 million new jobs and add \$563 billion in GDP over the next 10 years.

Online sales have seen a constant growth from year to year. As the sales continue to increase, the amount of taxes going unpaid to state and local governments also increases. Stanton small businesses will continue to be hit with a disadvantage as online retail growth continues to force them out of price competitiveness.

### **FISCAL IMPACT:**

The City of Stanton may be able to receive a share of the \$4.2 billion estimated uncollected sales tax owed to the State of California. Financial tax firm MuniServices estimates the projected annual payout of use tax for the City of Stanton at \$280,162. Stanton could use the allocated tax remittance collected to provide greater public safety services, street maintenance and recreational programs.

### **ENVIRONMENTAL IMPACT:**

None.

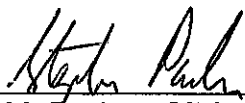
### **STRATEGIC PLAN OBJECTIVE ADDRESSED:**

4. Ensure Fiscal Stability and Efficiency in Government

### **PUBLIC NOTIFICATION:**

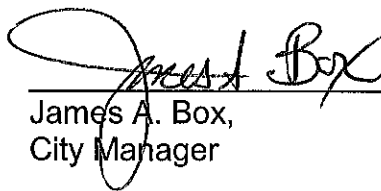
Through the regular agenda process.

Prepared by:



Stephen M. Parker, CPA,  
Director of Administrative Services

Approved by:



James A. Box,  
City Manager

Attachments:

A. City Council Resolution No. 2015-28

**RESOLUTION NO. 2015-28**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, IN SUPPORT OF HOUSE RESOLUTION 2775 (CHAFFETZ, CONYERS) – REMOTE TRANSACTIONS PARTY ACT (RTPA)**

**WHEREAS**, sales tax has been an essential tool in the financial sustainability of public safety, street maintenance, recreational, and other benefiting programs in the City of Stanton; and

**WHEREAS**, the uncollected payments of online and remote sales tax result in the loss of billions of dollars per year to state and local governments; and

**WHEREAS**, the estimated unpaid sales tax nation-wide in 2012 was \$23 billion; and

**WHEREAS**, the RTPA would compel retailers to administer the collection of taxes on remote sales based on a consumer's location enabling state and local governments to collect sales tax of online purchases already owed to them that are not being paid ; and

**WHEREAS**, the RTPA would level the playing field for city-based businesses facing a 5-10% competitive disadvantage with current remote sales tax laws; and

**WHEREAS**, in addition to the support of this legislation, greater funding of growth for economic development and job creation could be created locally; and

**WHEREAS**, with the continuing increase in online sales, unpaid taxes to state and local governments also continues to increase; and

**WHEREAS**, the City of Stanton is projected to receive an annual loss of remote sales tax of \$280,162 without RTPA legislation; and

**WHEREAS**, HR 2775 would amend current tax law loopholes and issue tax allocations back to cities of consumer purchases; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF STANTON DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The City of Stanton declares that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**SECTION 2.** That the City of Stanton hereby supports the passage of House Resolution 2775 (Chaffetz, Conyers) – Remote Transactions Party Act.

**SECTION 3.** The City Clerk shall certify as to the adoption of this Resolution.

**ADOPTED, SIGNED AND APPROVED** this 25<sup>th</sup> day of August, 2015.

\_\_\_\_\_  
A.A. ETHANS, MAYOR

APPROVED AS TO FORM:

\_\_\_\_\_  
MATTHEW E. RICHARDSON, CITY ATTORNEY

ATTEST:

I, Patricia A. Vazquez, City Clerk of the City of Stanton, California DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. 2015-28 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 August 25, 2015, and that the same was adopted, signed and approved by the following vote to wit:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK

# **CITY OF STANTON**

## **REPORT TO THE CITY COUNCIL**

**TO:** Honorable Mayor and City Council and Honorable Chairman

**DATE:** August 25, 2015

**SUBJECT: OPPOSE ASSEMBLY BILL 113 -- ADMINISTRATIVE COST ALLOWANCE  
(COMMITTEE ON BUDGET)**

### **REPORT IN BRIEF:**

AB 113 contains additional provisions and provides specificity to existing law governing the dissolution of redevelopment agencies (RDAs) and the wind-down of their existing activities and obligations. In addition, the measure addresses several ongoing issues relating to state-local fiscal situations. The bill is related to the implementation of the Budget Act of 2015.

### **RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to California Environmental Quality Act ("CEQA") under Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
2. Adopt Resolution No. 2015-29, which expresses opposition for the Administrative Cost Allowance, proposed Assembly Bill 113.

### **BACKGROUND:**

AB 113, a budget trailer bill introduced on June 18, 2015 and amended July 9, 2015, reverses and revises key provisions of the redevelopment dissolution laws offered to local agencies as incentives for resolving issues with the Department of Finance and obtaining a "finding of completion." These were promises that were made to cities in AB 1484 of 2012. Agencies that did so would be rewarded with the ability to have previous city-RDA loans repaid at interest rates benchmarked against a conservative fund managed by the State Treasurer. Now that 85% of the successor agencies in the State have made the

concessions to the Department of Finance necessary to obtain these findings, AB 113 seeks to change the rules.

### **ANALYSIS/JUSTIFICATION:**

The two provisions of AB 113 causing the most concern are:

1. Reversing the *Watsonville* Court of Appeal decision that upheld the very common (and lawful) practice in which a city and its redevelopment agency agreed that the city would pay for public improvements or services needed to implement the redevelopment project and be repaid by the redevelopment agency with tax increment funds.
2. Reversing the *Glendale* Court of Appeal decision that upheld the methodology described in AB 1484 for calculating accrued interest on loans between the redevelopment agency and the city that were reinstated after receiving a finding of completion.

Reversal of these two Court decisions will cost successor agencies substantially more money than will be saved by any purported beneficial provisions included in AB 113.

In addition, the Department of Finance, through AB 113, seeks to insulate itself from legal challenge to the decisions it makes about how to implement the law by (1) exempting itself from the Administrative Procedures Act; and (2) denying successor agencies funding for legal representation to challenge the Department of Finance in court.

The potential, but difficult to quantify benefits of reducing the administrative workload of complying with the Dissolution Law are far out-weighed by the serious negative fiscal impact of other provisions of Assembly Bill 113, which the Department of Finance fails to mention in its email.

Staff has not been able to verify that the three agreements with the City of Stanton lending money to the former Redevelopment Agency are subject to the impacts of AB 113. If the agreements are affected, the City could lose over \$7 million in repayments on future Recognized Obligation Payment Schedules. Regardless, a recommendation is made to publicly declare opposition to this proposed bill which seeks to change the rules after the fact.

### **FISCAL IMPACT:**

Staff has not been able to verify that the three agreements with the City of Stanton lending money to the former Redevelopment Agency are subject to the impacts of AB 113. If the agreements are affected, the City could lose over \$7 million in repayments on future Recognized Obligation Payment Schedules.



**ENVIRONMENTAL IMPACT:**

None.

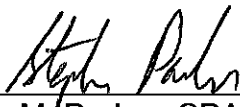
**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

4. Ensure Fiscal Stability and Efficiency in Government

**PUBLIC NOTIFICATION:**

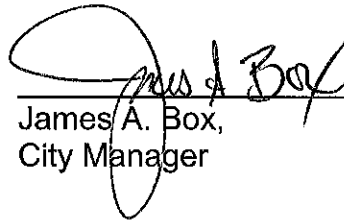
Through the regular agenda process.

Prepared by:



Stephen M. Parker, CPA,  
Director of Administrative Services

Approved by:



James A. Box,  
City Manager

Attachments:

A. City Council Resolution No. 2015-29

## RESOLUTION NO. 2015-29

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, IN OPPOSITION OF ASSEMBLY BILL 113 (COMMITTEE ON BUDGET) – ADMINISTRATIVE COST ALLOWANCE**

**WHEREAS**, in 2011 the Legislature enacted AB 1X 26 which dissolved redevelopment agencies formed under the Community Redevelopment Law; and

**WHEREAS**, in 2012 the Legislature amended AB 1X 26 by enacting AB 1484 which required redevelopment agencies to make three payments for the benefit of taxing entities; and

**WHEREAS**, AB 1484 included certain statutory provisions that were intended to provide incentives for the prompt and accurate submittal of these three payments by the successor agencies to the former redevelopment agencies; and

**WHEREAS**, one of these incentives allowed a successor agency's oversight board to approve the reinstatement of loan agreements, including the payment of accrued interest, between the city or county and the former redevelopment agency which had previously had been made unlawful by the terms of AB 1X 26; and

**WHEREAS**, subsequent to the enactment of AB 1484, approximately 85% of successor agencies made the three payments required by AB 1484 and received Findings of Completion; and

**WHEREAS**, the oversight boards of many of these successor agencies approved the reinstatement of loan agreements at the interest rate provided for in AB 1484 only to have those actions disapproved by the Department of Finance; and

**WHEREAS**, the courts of appeal have rejected the Department of Finance's interpretation of the phrase "loan agreement" and method of calculating the interest rate (*Watsonville* and *Glendale*); and

**WHEREAS**, the Department of Finance, in AB 113, is attempting to reverse and revise these key provisions of the dissolution laws offered to local agencies as incentives for making the required payments and resolving other issues with the Department of Finance; and

**WHEREAS**, in addition to undoing the promises made to local agencies in AB 1484, AB 113 contains several provisions that would tip the balance on matters of interpretation of dissolution laws even further by exempting the Department of Finance from the Administrative Procedures Act and eliminating language in the law that was previously agreed to by the Department of Finance and the Legislature in 2012 that enabled successor agencies to fund legal representation in the only due process forum where Department of Finance staff decisions could be reviewed-- Sacramento County Superior Court.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF STANTON DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

1. As locally elected legislators, we are committed to abiding by the promises we make. We urge the State Legislature to do the same by defeating AB 113 which breaks the promises the Legislature made to local agencies in the enactment of AB 1484.
2. One of the purposes of our court system is to adjudicate the meaning and application of statutory enactments. We urge the State Legislature to accept the decisions of the courts of appeal in the *Watsonville* (definition of "loan agreement") and *Glendale* (methodology for calculating interest rate) and defeat AB 113, which seeks to reverse both of these court decisions.
3. We further urge the State Legislature to defeat AB 113 because it unfairly denies access to the court system for successor agencies by disallowing funding for legal representation.
4. The provisions of AB 113 that are described as "streamlining" do not offset the negative impact of the provisions discussed in this resolution.

**SECTION 1.** The City of Stanton declares that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**SECTION 2.** The City of Stanton hereby opposes the passage of Assembly Bill 113 (Committee on Budget) – Administrative Cost Allowance.

**SECTION 3.** The City Clerk shall certify as to the adoption of this Resolution.

**ADOPTED, SIGNED AND APPROVED** this 25<sup>th</sup> day of August, 2015.

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A.A. ETHANS, MAYOR

APPROVED AS TO FORM:

\_\_\_\_\_  
MATTHEW E. RICHARDSON, CITY ATTORNEY

ATTEST:

I, Patricia A. Vazquez, City Clerk of the City of Stanton, California DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. 2015-29 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 August 25, 2015, and that the same was adopted, signed and approved by the following vote to wit:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK

# **CITY OF STANTON**

## **REPORT TO THE CITY COUNCIL**

**TO:** Honorable Mayor and Members of the City Council

**DATE:** August 25, 2015

**SUBJECT: REVIEW AND INTENTION TO AMEND THE CITY'S CONFLICT OF INTEREST CODE**

### **REPORT IN BRIEF:**

The City Council adopted an amended Conflict of Interest Code by Resolution dated October 28, 2014. Subsequent changed circumstances within the City have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the Code.

### **RECOMMENDED ACTION:**

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Approve Resolution No. 2015-31 entitled:

**"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON AMENDING A CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974".**

### **BACKGROUND:**

The State of California enacted the Political Reform Act of 1974, Government Code Section 81000, et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the City of Stanton (the "City"), and which requires all public agencies to adopt and promulgate a conflict of interest code.

### **ANALYSIS/JUSTIFICATION:**

Subsequent changed circumstances within the City have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the Code.

**FISCAL IMPACT:**

None.

**ENVIRONMENTAL IMPACT:**

This item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment).

**LEGAL REVIEW**

The City Attorney has reviewed and approved the accompanying resolution as to form.

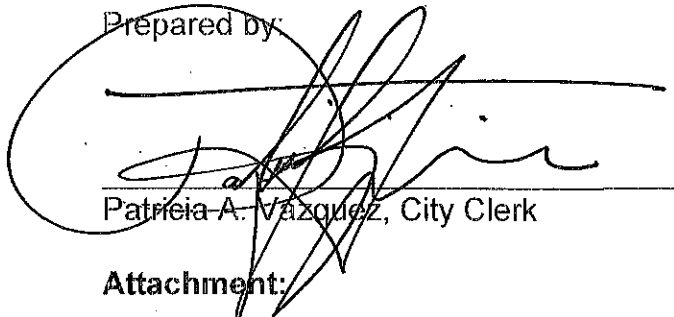
**PUBLIC NOTIFICATION:**

Through the regular agenda process and posting of a public hearing notice.

**STRATEGIC PLAN COMPONENT ADDRESSED:**

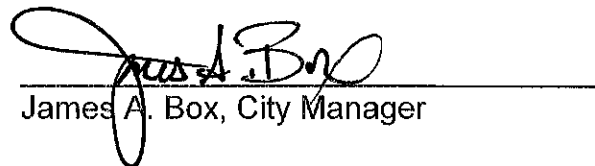
Objective 6: Maintain and Promote a Responsive, High Quality and Transparent Government.

Prepared by:



Patricia A. Vazquez, City Clerk

Approved by:



James A. Box, City Manager

**Attachment:**

A. Resolution No. 2015-31 w/ Amended Conflict of Interest Code Attached

## **RESOLUTION NO. 2015-31**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON AMENDING A CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974**

**WHEREAS**, the State of California enacted the Political Reform Act of 1974, Government Code Section 81000, et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the City of Stanton (the "City"), and which requires all public agencies to adopt and promulgate a conflict of interest code; and

**WHEREAS**, the City Council adopted an amended Conflict of Interest Code (the "Code") by Resolution dated October 28, 2014; and

**WHEREAS**, subsequent changed circumstances within the City have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the Code; and

**WHEREAS**, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the City being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

**WHEREAS**, notice of the time and place of a public meeting on, and of consideration by the City Council of, the proposed amended Code was provided to each designated employee and was publicly posted for review; and

**WHEREAS**, a public meeting was held upon the proposed amended Code at a regular meeting of the City Council on August 25, 2015, at which all present were given an opportunity to be heard on the proposed amended Code.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, AS FOLLOWS:**

**Section 1:** The City Council does hereby approve and adopt the amended Conflict of Interest Code, a copy of which is attached hereto and shall be on file with the City Clerk and available to the public for inspection and copying during regular business hours;

**Section 2:** That the said amended Conflict of Interest Code shall become effective immediately upon adoption and approval; and

**Section 3:** This Resolution rescinds all previous Conflict of Interest Codes of the City including codes adopted by other City Boards, Committees and Commissions, including Parks and Recreation Commission, Parking Authority, Public Financing Authority, Housing Authority, and the Successor Agency to the Stanton Redevelopment Agency.

**PASSED, ADOPTED AND APPROVED** by the City Council of the City of Stanton on this 25<sup>th</sup> day of August, 2015.

\_\_\_\_\_  
A. A. ETHANS, MAYOR

APPROVED AS TO FORM:

\_\_\_\_\_  
MATTHEW E. RICHARDSON, CITY ATTORNEY

ATTEST:

I, Patricia A. Vazquez, City Clerk of the City of Stanton, California DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. 2015-31 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 August 25, 2015, and that the same was adopted, signed and approved by the following vote to wit:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK



# **CONFLICT OF INTEREST CODE OF THE CITY OF STANTON**

# **CONFLICT OF INTEREST CODE OF THE CITY OF STANTON**

**(Amended August 25, 2015)**

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs. § 18730) that contains the terms of a standard conflict of interest code which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **City of Stanton (the "City")**.

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **City Clerk** as the City's Filing Officer. The **City Clerk** shall make and retain a copy of all statements filed by the Mayor, Members of the City Council and Planning Commission, the City Manager, the City Attorney and the City Treasurer, and forward the originals of such statements to the Fair Political Practices Commission. The **City Clerk** shall retain the original statements filed by all other officials and designated positions and will make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

**APPENDIX**

**CONFLICT OF INTEREST CODE**

**OF THE**

**CITY OF STANTON**

(Amended August 25, 2015)

**PART "A"**

The Mayor, Members of the City Council and Planning Commission, the City Manager, the City Attorney, the City Treasurer, and all Other City Officials who manage public investments, as defined by 2 Cal. Code of Regs. §18700.3, are NOT subject to the City's Code but must file disclosure statements under Government Code section 87200 et seq. [Regs. § 18730(b)(3)]

**OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

It has been determined that the positions listed below are Other City Officials who manage public investments<sup>1</sup>. These positions are listed here for informational purposes only.

Administrative Services Director/Treasurer  
Financial Consultant

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<sup>1</sup> Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

## **DESIGNATED POSITIONS**

### **GOVERNED BY THE CONFLICT OF INTEREST CODE**

#### **DESIGNATED POSITIONS'** **TITLE OR FUNCTION**

#### **DISCLOSURE CATEGORIES** **ASSIGNED**

Administrative Services Manager	4, 7
Assistant City Engineer	2, 3, 5
Assistant City Manager	1, 2
Assistant to the City Manager	5
Associate Planner	1, 2
Building Inspector	6
Building Official	5, 6
Business License Specialist	5, 6
City Attorney (not filing under GC 87200)	1, 2
City Clerk/Executive Assistant to the City Manager	5
Civil Engineer	2, 3, 5
Code Enforcement Officer	2, 5
Code Enforcement/Parking Control Supervisor	2, 5
Community Development Director	2, 3, 5, 6
Community Services Coordinator	5
Deputy City Clerk	5
Engineering Assistant	2, 3, 5

**DESIGNATED POSITIONS'**  
**TITLE OR FUNCTION**

**DISCLOSURE CATEGORIES**  
**ASSIGNED**

Facilities Maintenance Supervisor	2, 5
Housing Authority Associate	2, 5, 6, 7
Housing Authority Specialist	5, 6, 7
Park Ranger	5
Parks and Recreation Director	5
Parks and Recreation Manager	5
Parks and Recreation Supervisor	5
Planning Manager	2, 3, 5, 6
Planning Specialist	2, 3
Public Works Director/City Engineer	2, 3, 5, 6
Public Works Manager	5
Recreation Leader	5
Successor Agency Associate	2, 3, 5, 7
Youth Outreach Coordinator	5, 7

**MEMBERS OF BOARDS,**  
**COMMITTEES & COMMISSIONS**

Oversight Board of Successor Agency	1, 2
Parks & Recreation Commission	2, 3, 5
Stanton Community Foundation	1, 2
Successor Agency	1, 2

**DESIGNATED POSITIONS'**  
**TITLE OR FUNCTION**

**DISCLOSURE CATEGORIES**  
**ASSIGNED**

Consultants and New Positions<sup>2</sup>

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<sup>2</sup> Individuals serving as a consultant as defined in FPPC Reg. 18700.3 or in a new position created since this Code was last approved that make or participate in making decisions must file under the broadest disclosure set forth in this Code subject to the following limitation:

The City Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code §. 82019; FPPC Regs. 18219 and 18734.). The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code §. 81008.)

## **PART "B"**

### **DISCLOSURE CATEGORIES**

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.<sup>3</sup> Such economic interests are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the City.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in or own real property within the jurisdiction of the City.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the boundaries of the City.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the City.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the City.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, subject to the regulatory, permit, or licensing authority of the designated employee's department, unit or division.

Category 7: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, or income from a nonprofit organization, if the source is of the type to receive grants or other monies from or through the City or its subdivisions.

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<sup>3</sup> This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

# **CITY OF STANTON**

## **REPORT TO CITY COUNCIL**

**TO:** Honorable Mayor and Members of the City Council

**DATE:** August 25, 2015

**SUBJECT: ESTABLISHMENT OF A FEE FOR THE PERMIT PROCESSING OF  
SMALL RESIDENTIAL ROOFTOP SOLAR SYSTEMS**

### **REPORT IN BRIEF:**

On August 25, 2015, the City Council had a second reading of Ordinance No. 1038, to adopt an expedited, streamlined permitting process for small residential rooftop solar systems. This resolution would establish a fee to recover the costs associated with the permit processing for these systems.

### **RECOMMENDED ACTION:**

1. City Council conduct a public hearing; and
2. Declare that the project is exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(4) – The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; and
3. Adopt Resolution No. 2015-27 establishing a permit fee for streamlined processing of small residential rooftop solar systems.

### **BACKGROUND:**

In August of 2015, the City Council passed Ordinance No. 1038 to establish an expedited, streamlined permitting process for small residential rooftop solar systems.

The current solar panel permit fee does not reflect the reduction in time for the expedited review. As such, to properly assess the fee to recover the costs of processing the new expedited review, the creation of a Small Residential Rooftop Solar System fee is proposed.

### **ANALYSIS/JUSTIFICATION:**

Section 16.16.020, as added per Ordinance No. 1038, has established the requirements of application submittal, review, and processing for Small Residential Rooftop Solar Systems. As part of the application processing, a checklist is utilized to determine whether the project meets the requirements for permit expediting. So long

Council  
Agenda Item #

7A



as the items on the checklist are provided, and the applicant utilizes the standardized plans, the project would need no further review and a permit could be issued. With the new expedited review, it is anticipated that the review time would be reduced by approximately half from the standard solar system permit review.

As such, staff is recommending a new fee for the expedited permits that would be roughly half the cost of the base fee for all other residential solar installations. The identified fee necessary to recover the City's costs would be \$180 per application. This is a 50% reduction in the current base fee for all other residential solar installations of \$365.

#### **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:**

In accordance with the requirements of the CEQA, this project has been determined to be exempt under Section 15378(b)(4).

#### **PUBLIC NOTIFICATION:**

Public notice for this item was posted in a newspaper of local circulation twice within a fourteen-day period prior to the meeting, posted in three public places, and made available through the regular agenda process.

#### **STRATEGIC PLAN OBJECTIVE ADDRESSED:**

4 – Ensure Fiscal Stability and Efficiency in Governance.

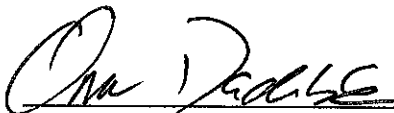
Prepared By:

Reviewed By:

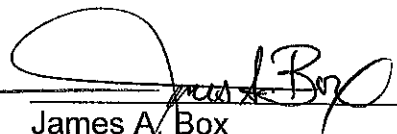
Approved by:



Kelly Haft  
Associate Planner



Omar M. Dadabhoy  
Community and Economic  
Development Director



James A. Box  
City Manager

Attachment

A. Resolution No. 2015-27

**RESOLUTION NO. 2015-27**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADOPTING A PERMITTING FEE FOR THE EXPEDITED PROCESSING FOR SMALL RESIDENTIAL ROOFTOP SOLAR SYSTEMS IN THE CITY**

**WHEREAS**, the City Council of the City of Stanton seeks to implement AB 2188 (Chapter 521, Statutes 2014) through the creation of an expedited, streamlined permitting process for small residential rooftop solar energy systems; and

**WHEREAS**, the City Council wishes to advance the use of solar energy by all of its residents; and

**WHEREAS**, it is in the interest of the health, safety and welfare of the residents of the City to provide an expedited permitting process for small rooftop solar systems to assure the effective deployment of solar technology, in accordance with the requirements of AB 2188; and

**WHEREAS**, on August 25, 2015, the City Council passed an Ordinance which established the procedures for the expedited processing of a small residential rooftop solar system permit; and

**WHEREAS**, the City Council desires to recover all staff and related costs associated with the impacts of processing the expedited small residential rooftop solar system permit, in accordance with the City's cost recovery formula; and

**WHEREAS**, the City has determined that the figure of \$180.00 represents the costs borne by the City in processing each small residential rooftop solar system permit, excluding the additional standard fees associated with the building permit plan check process, and that the \$180.00 amount should be recovered through the establishment of a permit fee for each 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 finds that this Resolution is not subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15378(b)(4) as the project

relates to the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

**Section 3.** The permit fee for small residential rooftop solar systems in the City shall be \$180.00 per application, and the City is authorized to collect from each applicant the permit fee set forth herein.

**Section 4.** The \$180.00 permit fee shall be exclusive of, and in addition to other previously established fees charged by the City or other agencies.

**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.** 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 Avenue, Stanton, California 90680. The Community and Economic Development Director is the custodian of the record of proceedings.

**Section 7.** Within five (5) working days after the passage and adoption of this Resolution, the City Council hereby authorizes and directs staff to prepare, execute and file with the Orange County Clerk a Notice of Exemption for the proposed project.

**Section 8.** This Resolution shall take effect immediately upon its adoption.

**ADOPTED, SIGNED AND APPROVED** this 25<sup>th</sup> day of August, 2015.

---

A.A. ETHANS, MAYOR

APPROVED AS TO FORM:

---

MATTHEW E. RICHARDSON, CITY ATTORNEY

ATTEST:

I, PATRICIA A. VAZQUEZ, City Clerk of the City of Stanton, California DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. 2015-27 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 August 25, 2015, and that the same was adopted, signed and approved by the following vote to wit:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK

## ORDINANCE NO. 1038

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADDING SECTION 16.16.020 OF CHAPTER 16.16 OF DIVISION I OF TITLE 16 TO THE CITY OF STANTON MUNICIPAL CODE TO PROVIDE AN EXPEDITED, STREAMLINED PERMITTING PROCESS FOR SMALL RESIDENTIAL ROOFTOP SOLAR SYSTEMS.**

**WHEREAS**, the City Council of the City of Stanton seeks to implement AB 2188 (Chapter 521, Statutes 2014) through the creation of an expedited, streamlined permitting process for small residential rooftop solar energy systems; and

**WHEREAS**, the City Council wishes to advance the use of solar energy by all of its residents; and

**WHEREAS**, it is in the interest of the health, safety and welfare of the residents of the City to provide an expedited permitting process for small rooftop solar systems to assure the effective deployment of solar technology, in accordance with the requirements of AB 2188.

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

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

**SECTION 2.** Section 16.16.020 of Chapter 16.16 of Division 1 of Title 16 of the City of Stanton Municipal Code, is added to read:

**A. Purpose and Applicability.**

This Section applies to the permitting of all small residential rooftop solar energy systems in the City. The purpose of this Section is to create an expedited, streamlined solar permitting process that complies with the Solar Rights Act, as amended by AB 2188 (Chapter 521, Statutes 2014), to achieve timely and cost-effective installations of small residential rooftop solar energy systems. This Section encourages the use of small residential rooftop solar energy systems by removing unreasonable barriers, minimizing costs to property owners and the City, and expanding the ability of property owners to install small rooftop solar energy systems. This Section allows the City to achieve these goals while protecting the public health and safety.

**B. Definitions.**

"Association" means a nonprofit corporation or unincorporated association created for the purpose of managing a common interest development.

"Common interest development" means any of the following:

- i. A community apartment project.

- ii. A condominium project.
- iii. A planned development.
- iv. A stock cooperative.

"Director" means the Community Development Director.

"Electronic submittal" means the utilization of one or more of the following:

- i. Email;
- ii. The Internet;
- iii. Facsimile.

"Reasonable restrictions" on a solar energy system are those restrictions that do not significantly increase the cost of the system or significantly decrease its efficiency or specified performance, or that allow for an alternative system of comparable cost, efficiency, and energy conservation benefits.

"Small residential rooftop solar energy system" means all of the following:

- i. A solar energy system that is no larger than 10 kilowatts alternating current nameplate rating or 30 kilowatts thermal.
- ii. A solar energy system that conforms to all applicable state fire, structural, electrical, and other building codes as adopted or amended by the City and all state and City health and safety standards.
- iii. A solar energy system that is installed on a single or duplex family dwelling.
- iv. A solar panel or module array that does not exceed the maximum legal building height as defined by the City.

"Solar Energy System" means either of the following:

- i. Any solar collector or other solar energy device whose primary purpose is to provide for the collection, storage, and distribution of solar energy for space heating, space cooling, electric generation, or water heating.
- ii. Any structural design feature of a building, whose primary purpose is to provide for the collection, storage, and distribution of solar energy for electricity generation, space heating or cooling, or for water heating.

#### C. Small Residential Rooftop Solar System Requirements.

1. All solar energy systems that qualifies as a small residential rooftop solar energy system shall meet applicable health and safety standards and requirements imposed by the state, the City and local fire department, and shall be processed in accordance with this Section.
2. Solar energy systems for heating water in single-family residences and for heating water in swimming pool applications shall be certified by an accredited listing agency as defined by the California Plumbing and Mechanical Code.

3. Solar energy systems for producing electricity shall meet all applicable safety and performance standards established by the California Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

D. Applicant Obligations.

1. Verify, to the applicant's reasonable satisfaction, through the use of standard engineering evaluation techniques that the support structure for the small residential rooftop solar energy system is stable and adequate to transfer all wind, seismic, and dead and live loads associated with the system to the building foundation.
2. At the applicant's cost, verify to the applicant's reasonable satisfaction, using standard electrical inspection techniques that the existing electrical system including existing line, load, ground and bonding wiring as well as main panel and subpanel sizes are adequately sized, based on the existing electrical system's current use, to carry all new photovoltaic electrical loads.

E. Duties of Building Department and Building Official

1. All documents required for the submission of an expedited solar energy system application shall be made available on the publicly accessible City Website.
2. Electronic submittals of the required permit application and documents by email and the Internet shall be made available to all small residential rooftop solar energy system permit applicants.
3. An applicant's electronic signature shall be accepted on all forms, applications, and other documents in lieu of a wet signature.
4. The City's Building Department shall adopt a standard plan and checklist of all requirements with which small residential rooftop solar energy systems shall comply to be eligible for expedited review.
5. The small residential rooftop solar system permit process, standard plan(s), and checklist(s) shall substantially conform to recommendations for expedited permitting, including the checklist and standard plans contained in the most current version of the *California Solar Permitting Guidebook* adopted by the Governor's Office of Planning and Research.
6. All fees prescribed for the permitting of small residential rooftop solar energy system must comply with Government Code Section 65850.55, Government Code Section 66015, Government Code Section 66016, and State Health and Safety Code Section 17951, and shall be established by City Council Resolution.

F. Electronic Processing.

1. All documents required for the submission of an expedited small residential rooftop solar energy system application shall be made available on a publicly accessible City website.
2. Electronic submittal of the required permit application and documents by electronic means shall be made available to all small residential rooftop solar energy system permit applicants. The City's website shall specify the permitted method of electronic document submission.
3. An applicant's electronic signature shall be accepted on all forms, applications, and other documents in lieu of a wet signature.

#### G. Application Review

1. An application that City staff determines satisfies the information requirements contained in the City's checklist(s) for expedited small residential rooftop solar system processing, including complete supporting documents, shall be deemed complete.
2. If an application is deemed incomplete, a written correction notice detailing all deficiencies in the application and any additional information or documentation required to be eligible for expedited permit issuance shall be sent to the applicant for resubmission.
3. After City staff deems an application complete, City staff shall review the application to determine whether the application meets local, state, and federal health and safety requirements.
4. City staff shall issue a building permit or other nondiscretionary permit within a reasonable period of time after receipt of a complete application that meets the requirements of the approved checklist, standard plan and this Article.
5. The City shall not condition approval of an application on the approval of an association, as defined in Section 4080 of the Civil Code.

#### H. Inspections

1. Only one inspection shall be required and performed by the Building Department for small residential rooftop solar energy systems eligible for expedited review.
2. The inspection shall be done in a timely manner and should include consolidated inspections. An inspection will be scheduled within one business day of a request.
3. If a small residential rooftop solar energy system fails inspection, a subsequent inspection is authorized but need not conform to the requirements of this Ordinance.

**SECTION 3.** The City Council finds that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15061(b)(3) (the activity is



covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**SECTION 4.** 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 5.** 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.

**SECTION 6.** The City Clerk shall certify as to the adoption of this Ordinance.

**PASSED, APPROVED, AND ADOPTED** this 25<sup>th</sup> day of August, 2015.

\_\_\_\_\_  
ALEXANDER A. ETHANS, MAYOR

ATTEST:

\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK

APPROVED AS TO FORM

\_\_\_\_\_  
MATTHEW E. RICHARDSON, CITY ATTORNEY

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

I, PATRICIA A. VAZQUEZ, City Clerk of the City of Stanton, California, do hereby certify that the foregoing Ordinance No. 1038 was introduced at a regular meeting of the City Council of the City of Stanton, California, held on the 28<sup>th</sup> day of July, 2014, and was duly adopted at a regular meeting of the City Council held on the 25<sup>th</sup> day of August, 2015, by the following roll-call vote, to wit:

AYES: COUNCILMEMBERS: \_\_\_\_\_  
\_\_\_\_\_  
NOES: COUNCILMEMBERS: \_\_\_\_\_  
ABSENT: COUNCILMEMBERS: \_\_\_\_\_  
ABSTAIN: COUNCILMEMBERS: \_\_\_\_\_

\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK

# **CITY OF STANTON**

## **REPORT TO CITY COUNCIL**

**TO:** Honorable Mayor and Members of the City Council

**DATE:** August 25, 2015

**SUBJECT: APPROVAL OF CONTRACT WITH ALL CITY MANAGEMENT SERVICES TO PROVIDE CROSSING GUARD SERVICES**

### **REPORT IN BRIEF:**

Effective July 1, 2015, the City Council reinstated crossing guards in the budget due to funding from Measure GG. Written quotes were received from three potential vendors, and All City Management Services, Inc. is the recommended vendor.

### **RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) as the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and
2. Authorize the City Manager to sign a three-year contract with All City Management Services, Inc. in the amount of \$79,170 for crossing guard services.

### **BACKGROUND:**

For over twenty years, the City of Stanton provided crossing guard services to the local schools at an annual cost of approximately \$50,000 for six locations in three school districts including: Magnolia School District, Savanna School District and Anaheim Union High School District. During the adoption of the 2011-13 budget, the crossing guards were eliminated from the budget. The school districts were notified of the change and they requested that the City continue to manage the contract for the crossing guards, but that the school districts would pay for the cost. In conjunction with the change, the number of sites serviced was reduced to three sites.

**ANALYSIS/JUSTIFICATION:**

School safety has always been a priority of the City of Stanton. City Council was pleased to be able to include funding in the current fiscal years' budget for crossing guards servicing the local school districts thanks to additional funding received from the approval of Measure GG and the corresponding transactions and use tax.

Staff sought out local vendors to obtain quotes for services. While there is only one company that exclusively provides crossing guard services, there are some security companies that provide crossing guards on the side. Three quotes were received, with the least expensive being \$16.00 an hour and the most expensive was \$21.00 an hour. In the end, staff recommends issuing a contract to All City Management Services, Inc, as their price of \$16.29 an hour is only 1.8% higher than the lowest price, but the lowest price had no long-term crossing guard service experience. In addition, the City has had a longstanding positive relationship with the All City Management and they currently have over 150 agencies to whom they provide crossing guard services.

Attachment A shows a letter from Savanna School District thanking the City for taking over the payment for the crossing guard contract. Attachment B reflects the written quote from All City Management Services, Inc., and Attachment C contains the contract with All City Management Services, Inc.

**FISCAL IMPACT:**

The cost of this contract will be \$26,390 per year for the next three fiscal years. There are sufficient funds budgeted in 102-1600-608175 due transactions and use tax funds received as a result of Stanton residents' approval of Measure GG in November 2014.

**ENVIRONMENTAL IMPACT:**

Not applicable.

**LEGAL REVIEW:**

None.

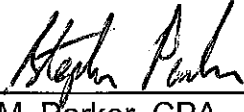
**PUBLIC NOTIFICATION:**

Through the normal agenda process.

**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

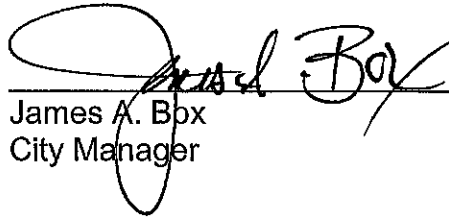
1. Provide a Safe Community.

Prepared by:



Stephen M. Parker, CPA  
Administrative Services Director

Approved by:



James A. Box  
City Manager

**Attachment:**

- A. Letter from local school districts
- B. Written Quote from All City Management Services, Inc.
- C. Contract between City and All City Management Services, Inc.

DR. SUE JOHNSON  
SUPERINTENDENT

## Savanna School District

1330 SOUTH KNOTT AVENUE  
ANAHEIM, CALIFORNIA 92804-4798  
PHONE: (714) 236-3800

### CITY OF STANTON

June 9, 2015

JUN 16 2015

OFFICE OF THE CITY MANAGER

James A. Box, City Manager  
City of Stanton  
7800 Katella Avenue  
Stanton, CA 90680

Dear Mr. Box,

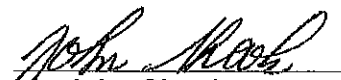
On behalf of the children and families of the Savanna School District, we cannot thank the City of Stanton enough for its continued commitment to the safety and protection of its most valuable resource: its residents. Through your commitment to ensuring that crossing guards are available at the busiest intersections, our children are able to walk to and from school safely; parents are assured that children will not be crossing the busy streets on their own. Indeed, the school crossing guards are an essential aspect of public safety for our children.


We're especially grateful to the residents of Stanton for their support of Measure GG that has allowed the City of Stanton to continue to provide this essential service for our children. By protecting our children, you are indeed investing in the future of our community.

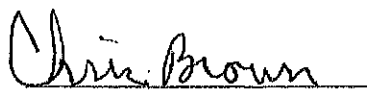
We are extremely grateful for the ongoing support that the City of Stanton has shown to our students, parents, and community. This is another example that, together, we have made a difference in the lives of Stanton residents, making Stanton a great place to live!

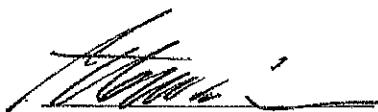
Sincerely,


  
Dr. Sue Johnson  
Superintendent

  
Mr. John Shook  
Board President

  
Mrs. Carol Sundman  
Board Vice-President

  
Mrs. Chris Brown  
Board Clerk

  
Mr. Edward Erdtsieck  
Board Member

  
Mrs. Linda Weinstock  
Board Member



## ALL CITY MANAGEMENT SERVICES

### Proposed Hourly Rate

As a full service contractor, the hourly rate quoted is a fully loaded rate, meaning all of our costs are included in the proposed hourly billing rate. This would include but be not limited to; recruitment, background clearance, training, equipment, insurance, supervision and management of the **City of Stanton** Crossing Guard Program.

**Proposed Hourly Rate:** Sixteen dollars and Twenty-nine cents (\$16.29) per hour, per guard. This pricing is based upon 3 crossing guards compensated an average of 3.0 hours per day for 180 school days annually. Local field supervision and substitute guards are also included in the rate, as are all other costs except as noted below. Based upon 1,620 hours annually we project a **Not to Exceed price of \$26,390** for each contract years 1- 3.

Invoices for services are mailed every two weeks. Included with each invoice is a Work Summary, which details each site, each day and the hours worked at that site. **Stanton** would only be billed for Crossing Guard services rendered on designated "school days" unless otherwise requested by the City.

The hourly rate does not include additional safety equipment, crosswalk delineators, cones or safety devices. If the City should desire any such additional equipment the additional cost would be billed to the City.

### ACMS Contact Information

Business Address: 10440 Pioneer Blvd, Suite 5 Santa Fe Springs, CA 90670

Phone numbers: 310.202.8284 or 800.540.9290

Fax number: 310.202.8325

Website address: [www.thecrossingguardcompany.com](http://www.thecrossingguardcompany.com)

24 Hour Emergency Dispatch: 877.363.2267

General Manager cellular number: 310.877.7336

Email address: [baron@thecrossingguardcompany.com](mailto:baron@thecrossingguardcompany.com)

General Manager: Baron Farwell

Director of Operations: Patricia Pohl: [pat@thecrossingguardcompany.com](mailto:pat@thecrossingguardcompany.com)

Director of Marketing: Harlan Sims: [harlan@thecrossingguardcompany.com](mailto:harlan@thecrossingguardcompany.com)

This pricing is valid for a period of 60 days.



## ALL CITY MANAGEMENT SERVICES

### COMPANY PROFILE

**All City Management Services, Inc. (ACMS)**, is a California based Corporation founded in 1985. We are the largest provider of School Crossing Guard services, managing both large and small Crossing Guard Programs. We currently employ over 3,500 School Crossing Guards dedicated to safety, serving cities, towns, communities, schools and school districts nationwide.

One defining issue that distinguishes **ACMS** is that we are the only company that *exclusively* provides School Crossing Guard Services. It is our commitment to limiting the scope and focus of the company to School Crossing Guards that has helped us emerge as "***The Crossing Guard Company***". We have successfully privatized the Crossing Guard programs for over 150 agencies. Ultimately our clients become the beneficiaries of our single-minded approach toward this industry.

The heart of our business is in assuming responsibility for the task and challenges of conducting a successful Crossing Guard Program. Toward that end, in our typical contractual arrangement we assume responsibility for; recruitment, local hiring, background clearance compliant with Department of Justice standards, initial and ongoing training, payroll and administrative support functions, coordination of assigning qualified substitutes during absences, local supervision, complaint investigation and resolution, communicating with schools and site safety inspections.

One of the benefits we bring to any agency is our expertise in overseeing a seamless transition from public to private management of the program. The continuity of the Crossing Guards' employment is a key component of a seamless transition. We value the experiences and understanding of the Crossing Guards currently working in each program we manage. Much of our success with individual programs is a result of the experience and knowledge these Crossing Guards bring to our management.

With over 30 years of experience, **ACMS** leads the Crossing Guard Industry in the development of Crossing Guard standards for training, supervision and safety. We are currently working with several cities in the design, development, use and testing of innovative traffic and safety devices.

Each program we have taken on has brought a unique set of issues and challenges. The heart of our success has been our ability to articulate these challenges and experiences into our training, policies and procedures to benefit all Crossing Guards in all the cities, towns and communities we service.



## **ACMS Crossing Guard Service References**

### **City of Fullerton Police Department**

237 Commonwealth Ave.

Fullerton, CA 92832

Lt. Rudisil

714 738 6816

### **City of Santa Ana Police Department:**

60 Civic Center Plaza

Santa Ana, CA 92701

Commander Ibarra

714 245 8210

### **Orange County Sheriff's Department:**

North County Operations

714 647 1850

Beth Patterson

### **City of Buena Park Police Department:**

6640 Beach Blvd.

Buena Park, CA 90621

714 562 3943

Sgt. Roger Powell

## **Applicant Screening**

Background checks and fingerprinting will be completed on all potential employees as allowed by California state law. Successful completion of the background check and Social Security verification via E-Verify is required prior to the employee being hired.

Internal minimum passing standards along with established standards would prevent any person from working as a Crossing Guard for the City of Stanton program who has been convicted of any felony, a crime of moral turpitude or a crime against children, including, but not limited to:

- Conduct in violation of California Penal Code or which requires registration under California Penal Code
- Conduct which requires registration under California Health and Safety Code;
- Any offense involving the use of force or violence upon another person;
- Any offense involving theft, fraud, dishonesty or deceit;
- Any offense involving the manufacture, sales, possession or use of a controlled substance
- Conspiracy or attempt to commit any of the aforementioned offenses.

Summary reports of background clearance on employees within the Stanton Crossing Guard program will be regularly available to the City's representative.

## **Recruitment and Staffing**

ACMS Managers would assess additional **staffing** needs of the program after meeting with your agency and again following our initial orientation and training meeting. We would then focus further recruitment efforts in the geographical areas where additional Crossing Guards will be needed.

We have developed a comprehensive plan for **recruitment** of new Crossing Guards. As a part of our Staffing strategy we encourage a very aggressive recruitment program. We utilize soft advertising, local media advertising, targeted flyers, on-site solicitation, school flyers and employee referral bonuses as parts of our overall recruitment strategy. We often work closely with school districts in some of our recruitment drives.

Our ability to effectively staff a Crossing Guard Program remains a fundamental benefit that ACMS brings to most Crossing Guard Programs. Staffing sites is one of the primary responsibilities of the Area Supervisors. They are trained to continuously recruit and train prospective Crossing Guards. New recruits are first processed and submitted to the Department of Justice for background clearance.

Supervisors are also responsible for coordinating the staffing for all sites under their supervision. As part of our staffing strategy Area Supervisors aggressively enforce the following policies and procedures for Crossing Guards.

- ◆ Supervisors must maintain an adequate alternate or substitute guard roster. We encourage at least a 5 to 1 ratio of sites versus alternate guards
- ◆ We require any guard not reporting for duty to notify the Area Supervisor as early as possible utilizing our 24/7 Guard Hotline or directly notifying their Area Supervisor. Notifications less than 1 hour prior to shift starts are considered unexcused absences.
- ◆ Our employee policy is "No call, No show, No Job" Throughout our training we emphasize the importance of insuring the safety of children by our presence. As such, we cannot allow the children's safety to be compromised by failing to call or show for duty.

**Supervisor Teams** - Area Supervisors are grouped together by their geographic location. These Teams meet every quarter and team members are encouraged to work together. This cooperative effort allows them to share alternate guards with each other. This has resulted in alternates guards getting more hours as they are "shared" with other Supervisors. Consequently, we are able to retain a more stable group of alternate guards.

## Training

Effective initial and ongoing training is essential in a profession dedicated to the safety of children. With over 30 years of experience and a commitment to working cooperatively with other public safety professionals, ACMS is recognized as an industry leader in the development and implementation of School Crossing Guard training and standards of excellence.

The process begins during the first contact with a potential employee when our phone interview process outlines job expectations and our zero tolerance policy for failure to report for a scheduled shift. Throughout the application process prospective employees are reminded about the critical nature of our assignments and the work ethic and integrity required of our employees.

Once hired, the training process starts in the classroom where employees review sections of the ***“Employee Handbook for School Crossing Guards”*** and are shown the professionally produced training DVD, ***“Crossing Guard Safety”***. The process then moves to a field practicum where the trainer demonstrates proper procedures and allows the employee to practice correct techniques. The employee’s progress is closely noted on the detailed steps outlined on the **Field Training Check List** to ensure the employees’ field competence. This cross-modality approach not only exposes the employee to the necessary training components but also addresses the needs of the visual, auditory and kinesthetic learner. While the classroom setting is expected to require approximately one hour and the field training approximately two hours, it’s important to note that the low ratio of students to trainer allows for accurate assessments of the employees readiness to move forward.

The new employee is typically assigned to alternate work and closely supervised during their early assignments. They benefit from their trainer completing of a written assessment of their work which better allows them to understand their strengths and weakness and make improvements where necessary (the **Site Performance Evaluation**). Additionally, all new employees are required to carry and regularly refer to the **Field Training Cards**. This pocket-sized card (listing all steps for a safe cross) allows the employee to self-evaluate their performance prior to the time they have all steps of the procedures memorized.

Throughout their employment, employees are subjected to the same Site Performance Evaluation as an ongoing training and assessment tool. These evaluations happen in both side-by-side sessions as well as unannounced observations without the knowledge of the employee.

The standard issue equipment and clothing includes:

- ANSI II compliant high-visibility retro-reflective vest marked with the required insignia of a Crossing Guard
- MUTCD compliant 18” STOP/STOP paddle
- Picture Identification Card with emergency contact information
- Company-issued cap or visor with corporate logo
- Whistle for emergency alert to vehicles and pedestrians
- High-visibility ANSI II compliant wind-breaker jacket

Client#: 1514175

306ALLCITYM

ACORD™

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

04/01/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> <b>BB&amp;T-Knight Insurance Services</b> <b>535 N. Brand Blvd. 10th Floor</b> <b>Glendale, CA 91203</b> <b>818 662-4200</b>		<b>CONTACT NAME:</b> Nysa Gallegos <b>PHONE (A/C, No, Ext):</b> 818 662-4234 <b>FAX (A/C, No):</b> 877-297-9262 <b>E-MAIL:</b> NGallegos@bbandt.com <b>ADDRESS:</b>	
		<b>INSURER(S) AFFORDING COVERAGE</b>	
		<b>INSURER A:</b> Tokio Marine Specialty Insuranc	
		<b>INSURER B:</b> National Union Fire Ins Co of P	
		<b>INSURER C:</b> Depositors Insurance Company	
		<b>INSURER D:</b>	
		<b>INSURER E:</b>	
		<b>INSURER F:</b>	

**COVERAGES** **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

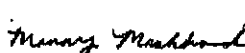
INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> <b>CLAIMS-MADE</b> <input checked="" type="checkbox"/> <b>OCCUR</b> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> <b>POLICY</b> <input checked="" type="checkbox"/> <b>PROJECT</b> <input type="checkbox"/> <b>LOC</b>	X	X	PPK1316352	04/01/2015	04/01/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$Excluded PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COM/POP AGG \$2,000,000 \$
C	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> <b>ANY AUTO</b> <input type="checkbox"/> <b>ALL OWNED AUTOS</b> <input type="checkbox"/> <b>SCHEDULED AUTOS</b> <input checked="" type="checkbox"/> <b>HIRED AUTOS</b> <input checked="" type="checkbox"/> <b>NON-OWNED AUTOS</b>	X		ACP7825954504	12/21/2014	12/21/2015	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> <b>OCCUR</b> <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> <b>CLAIMS-MADE</b> <input type="checkbox"/> <b>DED</b> <input checked="" type="checkbox"/> <b>RETENTION \$0</b>			BE065159478	04/01/2015	04/01/2016	EACH OCCURRENCE \$8,000,000 AGGREGATE \$8,000,000 \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> <b>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?</b> <input type="checkbox"/> <b>Y/N</b> (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			Not Applicable			<input type="checkbox"/> <b>WC STATUS</b> <input type="checkbox"/> <b>OTH-ER</b> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
				Not Applicable			

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

As respects General Liability and required by written contract; Certificate Holder is named as additional Insured. Insurance is Primary & Non-Contributory. Waiver of Subrogation applicable.

## CERTIFICATE HOLDER

## CANCELLATION

<b>City of Stanton</b> <b>7800 Katella Ave.</b> <b>Stanton, CA 90680</b>	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	<b>AUTHORIZED REPRESENTATIVE</b> 

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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
4/2/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER ROBERTS & CROW, INC. 12221 Merit Drive Suite 300 Dallas TX 75251	CONTACT NAME: Trend Certificate Coordinator PHONE (A/C No. Ext): (214) 553-5505 FAX (A/C No.): (214) 553-5525 E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE: INSURER A: Technology Insurance Co., Inc. NAIC # 42376 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:
INSURED Trendsetter HR, LLC L/C/F All City Management Services, Inc. 2701 Sunset Ridge Drive, Suite 500 Rockwall TX 75032	

COVERAGES CERTIFICATE NUMBER: All City Management REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURANCE	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/PROP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	TWC3474660	4/1/2015	4/1/2016	X WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
			Location Coverage Period:	4/1/2015	4/1/2016	Client #331371

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Coverage is provided for only those employees leased to but not subcontractors of All City Management Services, Inc.

## CERTIFICATE HOLDER

City of Stanton  
7800 Katella Ave.  
Stanton, CA 90680

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Barry Crow/JKS

## **CITY OF STANTON**

### **AGREEMENT FOR CONSULTANT SERVICES**

**THIS AGREEMENT** is made and effective as of August 25, 2015, between the City of Stanton, a California Municipal Corporation ("City") and All City Management Service, Inc. ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM**

This Agreement shall commence on August 25, 2015 and shall remain and continue in effect until tasks described herein are completed, but in no event later than June 30, 2018 unless sooner terminated pursuant to the provisions of this Agreement. Prior to the expiration of this agreement on June 30, 2018, the City may in its sole discretion extend this agreement for additional one-year periods upon terms acceptable to the City.

2. **SERVICES**

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A.

3. **PERFORMANCE**

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

4. **CITY MANAGEMENT**

The City Manager 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 \$79,170 for the total term of the Agreement unless additional payment is approved as provided in this Agreement. The total amount consists of \$26,390 annually for 1,620 hours a year at the rate of \$16.29 per hour.

(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). 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 B attached to and part of this Agreement.

11. **INDEPENDENT CONSULTANT**

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

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

12. **LEGAL RESPONSIBILITIES**

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

13. **UNDUE INFLUENCE**

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

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

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

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

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

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

16. **NOTICES**

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

To City:	City of Stanton 7800 Katella Ave Stanton, California 90680 Attention: City Clerk
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To Consultant:	All City Management 1749 S. La Cienega Blvd. Los Angeles, CA 90035
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17. **ASSIGNMENT**

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

18. **LICENSES**

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

19. **GOVERNING LAW**

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

20. **ENTIRE AGREEMENT**

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

21. **CONTENTS OF PROPOSAL**

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

22. **AUTHORITY TO EXECUTE THIS AGREEMENT**

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

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

**CITY OF STANTON**

By: \_\_\_\_\_  
James A. Box  
City Manager

**CONSULTANT**

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Typed Name)

Its: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Patricia A. Vazquez, City Clerk

Approved As To Form:

\_\_\_\_\_  
Matthew E. Richardson, City Attorney

## **EXHIBIT A**

### **TASKS TO BE PERFORMED**

Consultant agrees to provide three (3) crossing guards at the three sites selected by the City with normal off site supervision. The agreement shall be for three years, and subsequently renew from year to year with the same terms and conditions provided the parties agree in writing to any changes relative to the number of crossing guards, the hourly fee to be charged, and any other matters deemed necessary by either party.

The guards will be located at the following three intersections within or near the City:

1. Chanticleer and Dale Avenue (Robert M. Pyles Elementary)
2. Magnolia and Pacific Avenue (Ester L. Walter Elementary)
3. Cerritos and Knott Avenue (Hansen Elementary)

Consultant agrees that all individuals employed under this agreement will be employees of Consultant and that the Consultant will provide the recruitment, hiring, firing, payroll services, and yearly tax reporting of and for employees. Consultant will maintain personnel records on all employees, conduct background investigations on each individual hired to assure that the individual is qualified to serve as a crossing guard and represents to the City that each person will be competent to provide said services.

Consultant agrees to provide the service during such hours as are established by the City and on all days when public schools in the City are in session. Any guard hours required by the City in excess of the established hours shall result in an increase in the contract time.

Crossing guards will assist students and other pedestrians to cross the streets at their assigned intersection.

Consultant will be responsible for the supervision of all employees at all sites, including placement of alternate guards, monitoring of guard performance, and all guard training. All personnel complaints will be referred to and handled by the Consultant.

Consultant shall provide all equipment to be used by the crossing guards. This equipment typically consists of, but is not limited to; a jacket, stop sign, whistle, safety vest, shirt, and rain gear. Equipment shall be worn and used at all times in accordance with accepted standards within the industry and shall be properly and adequately maintained.



## **EXHIBIT B**

### **INSURANCE REQUIREMENTS**

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

Consultant shall provide the following types and amounts of insurance:

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

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

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

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

the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City option.

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

13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.
14. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.
15. Consultant will renew the required coverage annually as long as 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:** August 25, 2015

**SUBJECT: AWARD OF CONTRACT FOR CONSTRUCTION OF BEACH BOULEVARD BEAUTIFICATION PROJECT TO USS CAL BUILDERS BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA**

### **REPORT IN BRIEF:**

The bids for the construction of Beach Boulevard Beautification Project were opened Tuesday, July 28, 2015. Based on the post-bid analysis of the two (2) bids received, staff recommends the bid submitted by USS Cal Builders to be the lowest responsive and responsible bid.

The cost for completing the Beach Boulevard Beautification Project is estimated at \$851,653.20, which includes a 10-percent contingency and a construction inspection fee that will be awarded, if necessary at a later time.

### **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 construction of Beach Boulevard Beautification Project; and
3. Award a construction contract for the construction of Beach Boulevard Beautification Project to the lowest responsive and responsible bidder, USS Cal Builders, for the amount of \$740,568.00; and
4. Authorize the City Manager to bind the City of Stanton and USS Cal Builders in a contract for the construction of the Beach Boulevard Beautification Project; and
5. Authorize the City Manager to approve contract changes, not to exceed 10-percent.

## **BACKGROUND:**

The purpose of this project is to enhance the landscaping in the medians throughout Beach Boulevard as well as replace monument, street name identification, and way finding signage. In early 2013, Staff presented monument and way finding sign concepts to City Council for approval to before proceeding with construction plans. After several iterations, City Council approved a conceptual design provided by RRM Design Group and on June 3, 2013 staff issued a Request for Proposals (RFP) to qualify landscape architect firms to prepare construction documents for this project.

In June 25, 2013 City Council awarded a contract to David Volz Design to prepare construction and landscaping plans and specifications for the Beach Boulevard Beautification Project that would carry on the Council-approved conceptual design. The services included the preparation of final construction documents for the monument signs, street name identification signs, and way finding signs, and landscaping improvements. This contract also includes the coordination with utility agencies and with Caltrans to obtain an encroachment permit, bidding assistance, and construction support. Two new monument signs will also be installed on Katella Avenue.

In April 28, 2015 and May 12, 2015 staff brought the approved sign designs back to the City Council for review in light of recent changes to the City's logo. The Council approved revisions to the monument, way finding, and street name identification signage. The revisions were incorporated into the final construction plans.

Inspection services will be awarded at a later time if necessary.

The estimated construction cost of this project of \$851,653.20 is as follows:

Base Bid (USS Cal Builders)	\$ 740,5680.00
Construction Contingency (10%)	\$ 74,056.80
Construction Inspection Services (5%)	\$ 37,028.40
Total Estimated Project Cost	\$ 851,653.20

## **ANALYSIS/JUSTIFICATION:**

The project was advertised for bids on June 29, 2015. Notices announcing the solicitation of bids for this project were posted on F.W. Dodge publications known as "Green Sheets," on Bid America, and on the City website. Staff also sent the notice inviting bids to firms that specialize in similar projects that have worked with the project designer in the past.

The bids were publically read Tuesday, July 28, 2015 at 2:00 PM. Two (2) bids were received:

<b>Rank</b>	<b>Company</b>	<b>Bid</b>
1	Green Giant Landscaping	\$ 591,903.00
2	USS Cal Builders	\$ 740,568.00

The Green Giant Landscaping bid was determined to be non-responsive as the bid documents submitted were found to be incomplete. Staff has reviewed the submitted bid documents and found USS Cal Builders in compliance with all bid documents. A check of the references submitted indicates that the bidder has successfully completed similar and larger projects within Southern California. Upon successful execution of the contract documents, the project is expected to begin construction in the fall of 2015. The contractor will have approximately eight (8) weeks to complete the project. Please note that the design engineer estimated that the construction cost would be about \$610,000 but that was not accounting for the engineering of traffic control plans and permit modifications from Caltrans. Therefore, staff feels comfortable with the cost of the bid.

**FISCAL IMPACT:**

Funds for the construction of the Beach Boulevard Beautification Project are available in the Lighting/Median Maintenance Fund Balance Account 225-3530-608100. This project will not have any impact on the General Fund.

**ENVIRONMENTAL IMPACT:**

None.

**LEGAL REVIEW:**

The City Attorney has reviewed the bid documents.

**PUBLIC NOTIFICATION:**

Notifications and advertisement were performed as prescribed by law.



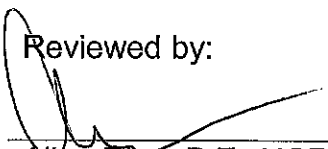
**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

3 - Provide a quality infrastructure.

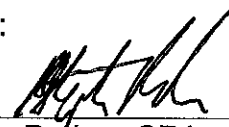
Prepared by:

  
Stephanie Camorlinga  
Engineering Assistant

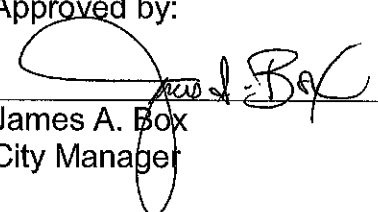
Reviewed by:

  
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) Construction Contract

**CITY OF STANTON  
STANDARD CONTRACT**

**Beach Boulevard Beautification Project**

**I.**

This Contract is made and entered into on the **25<sup>th</sup> Day of August, 2015** by and between the City of **Stanton**, a California General law Municipal Corporation ("City") and **USS Cal Builders** ("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 "Beach Boulevard Beautification 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: \$ 740,568.00.

## 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 Seven Hundred Forty Thousand, Five Hundred Sixty Eight Dollars (\$740,568.00) 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.

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.

## CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California )

County of Orange )

On 8/19/15 before me, Mona Sultan  
(here insert name and title of the officer)

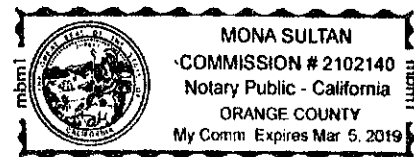
personally appeared Allen Ohman and Eric Ohman

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 [Signature]



(Seal)

### OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

#### Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of \_\_\_\_\_

containing \_\_\_\_\_ pages, and dated \_\_\_\_\_

The signer(s) capacity or authority is/are as:

- ☐ Individual(s)  
☐ Attorney-in-Fact  
☐ Corporate Officer(s) \_\_\_\_\_ Title(s) \_\_\_\_\_  
  
☐ Guardian/Conservator  
☐ Partner - Limited/General  
☐ Trustee(s)  
☐ Other: \_\_\_\_\_

representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

#### Additional Information

##### Method of Signer Identification

Proved to me on the basis of satisfactory evidence:  
☐ form(s) of identification ☐ credible witness(es)

Notarial event is detailed in notary journal on:

Page # \_\_\_\_\_ Entry # \_\_\_\_\_

Notary contact: \_\_\_\_\_

##### Other

☐ Additional Signer(s) ☐ Signer(s) Thumbprint(s)

☐ \_\_\_\_\_



**CITY OF STANTON:**

**[CONTRACTOR]:**

By: \_\_\_\_\_  
CITY MANAGER

By:  \_\_\_\_\_  
(Corporate Officer)

Title: Secretary

Print Name: Eric Othman

**ATTEST:**

By: \_\_\_\_\_  
CITY CLERK

By:  \_\_\_\_\_  
(Corporate Officer)

Title: CEO

Print Name: Allen Othman

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
CITY ATTORNEY

**NOTARY REQUIRED**

# **CITY OF STANTON**

## **REPORT TO CITY COUNCIL**

**TO:** Honorable Mayor and Members of the City Council

**DATE:** August 25, 2015

**SUBJECT: PARTICIPATION IN A MULTIPLE JURISDICTIONAL, COUNTYWIDE  
RECYCLING MARKET DEVELOPMENT ZONE**

### **REPORT IN BRIEF:**

The City of Huntington Beach is leading the effort to create a multiple jurisdictional, countywide Recycling Market Development Zone (RMDZ). There are currently 36 RMDZs in the state, none in Orange County. If the City of Stanton desired to become part of the RMDZ, the City would need to provide a letter of interest and a resolution to join the RMDZ. The letter and resolution would be brought to the Council at a subsequent meeting if so directed by the City Council

### **RECOMMENDED ACTION:**

1. Declare that the project is exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(5) – Organizational or administrative activities of governments that will not result in direct or indirect physical change in the environment.; and
2. City Council to direct staff to prepare a letter of intent and a resolution joining the countywide Recycling Market Development Zone.

### **BACKGROUND:**

The California Public Resources Code Section 42010 established the RMDZ program throughout the state. This economic development program, administered by CalRecycle, a division of the California Environmental Protection Agency, provides incentives to stimulate the development of post-consumer and secondary materials markets for recyclables; basically, businesses and manufacturers that use recycled materials or recyclable materials to create new products or partner with other local companies to use their discards to create new products.

Inclusion in an RMDZ is an economic development tool that utilizes the growing supply of recycled and recyclable materials to fuel new businesses, expand existing

businesses, create jobs, increase local revenues, and divert waste from landfills. Eligible businesses within an RMDZ may apply for low interest loans of up to \$2 million, get technical assistance, and receive free business-to-business product marketing.

As the Lead Agency for this application, the City of Huntington Beach will conduct the environmental analysis and will submit the application to CalRecycle by October 2015. Currently, five Orange County cities including Garden Grove, Huntington Beach, Mission Viejo, Orange, and Placentia are joining in the RMDZ. In order for a city to be included in an RMDZ, the State program requires that cities adopt a resolution approving the designation and participation in the program, which is then included in the application to CalRecycle by the lead agency.

#### **ANALYSIS/JUSTIFICATION:**

Inclusion in the program could provide for significant benefits for businesses with the City of Stanton. There does not seem to be any potential negative impact from this program.

#### **FISCAL IMPACT:**

As a participant in the program, there is no negative financial impact to the City. City staff will make information about the program available via the City's website and will refer businesses to the program. All incentives are provided by the State.

#### **ENVIRONMENTAL IMPACT:**

This project is categorically exempt from the California Environmental Quality Act ("CEQA") under Section 15378(b)(5) – Organizational or administrative activities of governments that will not result in direct or indirect physical change in the environment.

#### **LEGAL REVIEW:**

None.

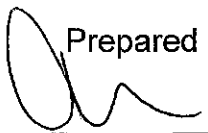
#### **PUBLIC NOTIFICATION:**

Notifications were performed through normal agenda process.

#### **STRATEGIC PLAN OBJECTIVE ADDRESSED:**

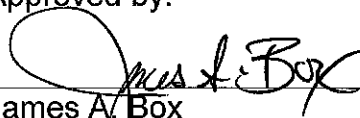
3 - Provide a strong local economy.

Prepared by:



Allan Rigg  
Public Works Director

Approved by:



James A. Box  
City Manager

**Attachments:**

(1) White Paper Regarding RMDZs from Huntington Beach

# The Recycling Market Development Zone Program

## White Paper

### July 2015

## Overview

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The Recycling Market Development Zone (RMDZ) program is a three-way partnership among businesses, local governments, and the California Department of Resources Recycling and Recovery (CalRecycle).

The RMDZ Program provides the following incentives to businesses that:

- Use recycled materials to make new products;
- Prevent or reduce waste as part of their manufacturing processes;
- Process or recondition a product to enable it to be reused again, or that use a non-combustion process (conversion technology) to produce electricity.

These incentives include low-interest loans, technical assistance, and free product marketing to businesses that use materials from the waste stream to manufacture their products and are located within a zone. The zones cover about 88,000 square miles of California from the Oregon border to San Diego. RMDZ combines recycling with economic development to foster new businesses, expand existing ones, create jobs, and divert waste from landfills.

Assistance is provided by local zone administrators. Local government incentives may include relaxed building codes and zoning laws, streamlined local permit processes, reduced taxes and licensing, and increased and consistent secondary material feedstock supply. Local incentives vary from jurisdiction to jurisdiction. In addition to loans, CalRecycle offers free product marketing through the RecycleStore.

## Loan Program

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The Department of Resources Recycling and Recovery (CalRecycle) administers a RMDZ Loan Program to encourage recycling businesses located within California to site new manufacturing facilities and expand existing operations. This program provides low-interest loans for the purchase of equipment and for other relevant business costs. The intent of the RMDZ Loan Program is to help California manufacturers increase their processing capabilities and create additional markets for recycled-content products.

## RMDZ Benefits

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- Loan program through CalRecycle – low interest rate
  - Fixed low-interest rate for term of loan
  - Maximum loan term is 15 years, if secured by commercial real estate

- A loan not secured by commercial real estate is based on the useful life of the asset(s) being financed, with a maximum term of 10 years.
  - Loan of up to 75 percent of the direct costs for an eligible project or up to \$2 million, whichever is less.
- Technical Assistance
- Free Product Marketing
- Business networking for secondary materials
- Promotion of businesses and their operations
- Helps to meet diversion goals
  - Between 1994 and 2000, RMDZ manufacturers diverted over 20 million tons of waste from California landfills. By offering incentives such as an attractive loan program and technical assistance, the RMDZ program encourages businesses to divert materials from landfills and to use them in the manufacturing of products.
  - The RMDZ is an innovative way to encourage manufacturers to move to certain "zones" in California. And, not only does this program divert waste, but studies have concluded that recycling creates jobs and tax revenue. Whether it's glass, plastic, newsprint, tires, agricultural residue, wood/yard waste, or other recyclable materials of which a jurisdiction has an abundance of, there may be a company that can use it.
- Economic development tool
  - Stimulates the expansion of recycled content product manufacturers into Orange County
  - Decreases dependence on landfills
  - Creates jobs
  - Increases local revenues
  - Contributes to reduction of GHG

RMDZ funds may be used for:

- Purchase of machinery and equipment
- Working capital
- Purchase of real estate
- Real estate improvements
- Refinancing of onerous debt previously incurred for a project that results in increased diversion
- Financing of loan closing points

## **Eligibility**

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Eligible applicants are businesses with manufacturing and processing facilities in California that produce recycled-content materials and products within an RMDZ.

## Questions and Answers

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**1. Who can apply for a RMDZ?**

Cities and counties can apply for a RMDZ.

**2. Can a Regional Agency be an applicant or only counties and cities?**

Yes, regional agencies can become a zone.

**3. When can cities and counties apply for RMDZ? Who can apply?**

Application Period – The current annual RMDZ Designation Cycle runs June 1 to October 30, 2015. Individual jurisdictions, groups of jurisdictions, regional agencies, and nongovernment entities such as nonprofit economic development corporations may apply.

**4. Who is the lead RMDZ applicant? How many and which cities have agreed to participate in the RMDZ?**

The City of Huntington Beach is leading the effort along with other Orange County cities to apply to the State for designation as a Zone. The City of Huntington Beach has held several workshops and also presented the RMDZ program to 34 cities at the County of Orange quarterly Recycling Coordinators meeting. However, to date only three cities have agreed to participate in the RMDZ program: Garden Grove, Orange, and Santa Ana.

**5. Why have only three cities agreed to participate in RMDZ?**

Several jurisdictions have limited resources and are uncertain on the number of staff hours necessary to administrate the RMDZ program in their city.

**6. Who is/selects the local Zone Administrator?**

The City of Huntington Beach has agreed to initiate the lead role of the Zone Administrator. However, a RMDZ with multiple jurisdictions has the ability to rotate the lead role of the local Zone Administrator and/or stay the same.

**7. Does a Zone Administrator have to dedicate a full-time staff person or can it be part-timer? Any staffing criteria? Team of people?**

A Zone Administrator can be part-time. As far as staffing criteria, it really depends on the particulars of a Zone. Large urban zones may require a full-time Zone Administrator plus a team of available staff from a number of disciplines. A smaller rural zone might only require a part-time Zone Administrator and additional staff available on an as needed basis.

**8. Is a full-time position a requirement for Zone Administrator?**

As described above, a full-time position is not required. Nevertheless, each Zone must identify one person as the official Zone Administrator. Multiple people could handle the different tasks of a Zone Administrator. From CalRecycle's observations, zones that have a full-time position for a Zone Administrator are generally more successful.

**9. Does the Zone Administrator have to be a local government staff person?**

Zone administrators do not have to be a government staff person.

**10. For existing Zone Administrators, what percentage of their time do they spend working the program?**

There is no clear-cut formula to determine how much time Zone Administrators need to spend on their Zone Programs. CalRecycle estimates that a Zone Administrator spends at least one-third to one-half of their annual hours on their Zone.

**11. If a jurisdiction wanted to join or rejoin an existing zone is the designation cycle the time to do it?**

No, joining or rejoining an existing zone is an expansion. There is no set time period for a zone expanding. The 2015 Designation Cycle is for only those jurisdiction or local agencies that want to become a new zone (not part of the existing zones).

**12. Does CalRecycle have available promotional materials on the RMDZ program (i.e. folder w/ info) that can be used to get our stakeholders on board and get local approval to apply for a zone?**

There are general promotional materials for Zone advertising that can be customized for the local area. Also, CalRecycle is currently working on new promotional materials that can be used by Zone Administrators.

**13. Does the Zone Administrator or CalRecycle determine who receives the financial assistance?**

The local Zone Administrator serves as a liaison to CalRecycle's RMDZ staff. CalRecycle's RMDZ loan staff determines if the project qualifies for a RMDZ loan.

**14. How many RMDZ have been established?**



Currently there are 36 RMDZs – None in Orange County. The zones cover roughly 88,000 square miles of California from the Oregon border to San Diego.

**15. How does it enhance economic development within the City and County?**

Through monetary loans and business development assistance, the RMDZ benefits the cities and counties in the following ways:

- Stimulates the expansion of recycled-content product manufacturers into the region
- Decreases dependence on landfills – which in turn decreases disposal costs
- Adds jobs – recycling creates jobs through converting raw materials into products
- Increases local revenues – through sales tax, i.e., retain, attract, and create business opportunities
- Provides for equipment investment by local businesses through low cost loans

**16. Is there a limit on how many cities and counties can be part of a multijurisdictional zone?**

No. However, cities and counties must have some type of connection as identified in the Public Resources Code (PRC) below.

PRC Section 42002 (d) "Recycling market development zone" or "zone" means any single or joint, contiguous parcels of property that, based on the determination of the board, meets the following criteria:

- (1) The area has been zoned an appropriate land use for the development of commercial, industrial, or manufacturing purposes.
- (2) The area is identified in the countywide or regional agency integrated waste management plan as part of the market development area.
- (3) The area is located in a city with an existing postconsumer waste collection infrastructure.
- (4) The area may be used to establish commercial, manufacturing, or industrial processes which would produce end products that consist of not less than 50 percent recycled materials.

**17. Are there requirements for individual cities to become a zone, such as population or businesses located in an area?**

There are no specific requirements regarding population, but a zone should be large enough to be sustainable. Additionally, there must be appropriate zoning and an existing postconsumer collection infrastructure as stated in PRC Section 42002 (d) above.

**18. Why is this program important for businesses within cities and counties?**

The RMDZ program is specifically designed for businesses and manufactures that utilize products that normally would end up in a landfill. A business may be eligible for RMDZ benefits if their operations include any of the following:

- Processes that make products reusable again by repair, reconditioning, and/or washing;
- Manufacturing that makes recycled-content products; and
- Conversion technology and biomass processes that convert waste to energy and fuel.

The RMDZ program offers eligible businesses below market terms financing for new development and expansion projects, technical assistance and free product marketing. The benefits include:

- Loans of up to \$2 million or 75% of project costs
- Low Interest Rates (1-4%)
- Technical Assistance
  - Locating manufacturing materials (feedstock)
  - Providing current market conditions/trends
  - Evaluating technology and equipment
  - Creating relationships with industry contacts, local recyclers, and waste haulers

**19. If the County has no industrial zoning for siting manufacturing, how would the County lead in creating a regional zone and act as administrator?**

CalRecycle would recommend meeting with the jurisdictions that have the appropriate zoning and volunteer to be the Zone Administrator. It would be up to the County to make a case for your county being the lead.

**20. How long is a zone designation? Can you extend or reapply a zone designation?**

A zone is designated for 10 years. The RMDZ lead applicant with participating jurisdictions will have to reapply in order to obtain zone designation for another 10 years.

**21. If one zone is established for the County of Orange, what role would the County of Orange play?**

OC Waste & Recycling (OCWR) would determine our role after meeting with the City of Huntington Beach. Below are some potential roles:

- Designate an OCWR staff to participate in the RMDZ quarterly meeting.
- Collaborate with RMDZ partners to develop and implement a regional public Education and Outreach program for RMDZ participants.
- Identify and establish opportunities to collaborate with private and public partners to implement Conversion Technology facilities in Orange County.

**22. What are the potential benefits to OCWR from participating?**

Below are OCWR's potential benefits.

- Provide sustainable economic incentives through private and public partnerships which embrace OCWRs strategic initiatives goals.
- RMDZ component provides OCWR the opportunity to provide regional leadership as defined in Countywide Integrated Waste Management Plan.
- As RMDZ evolves OCWR will have the ability to track and provide meaningful measurement and recycling results to the Board of Supervisors, Waste Management Commission, and the State.

**23. What has changed from prior years to consider designating an RMDZ program in Orange County?**

There are two bills recently that place pressure on the diversion compliance requirements as set forth in AB 939, AB 1594 (Williams) Green Waste Diversion and AB 1826 (Chesbro) Mandatory Commercial Organics. Jurisdictions such as the City of Huntington Beach have 226 business that qualify under the RMDZ criteria and are willing to take the lead to implement an RMDZ program. RMDZ will help RMDZ partners and participants reduce financial impact and assist jurisdictions by creating economic incentives for businesses to implement organics recycling programs and sustainable local markets in Orange County and utilize products that normally would end up in the Orange County Landfills.

**Additional Questions and Answers**

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**1. Do demonstration projects meet RMDZ loan qualifications?**

No

**2. Do RMDZ interest rates go down or up when interest rates change for the RMDZ loan applicant? How is the interest rate calculated? What is it tied to, etc.**

The interest rate is 4% fixed. It is commercial rate 360/30 calculation. It is not tied to any outside rate. 3)

**3. What is the default rate? If a business does default is the onus on the business or the zone...I think it's the business but just want to make sure.**

The business is financially responsible for their loan, the zone and CalRecycle are not liable for the debt.

**4. Can RMDZ funds be used for working capital? If so, explain how.**

Yes, working capital is an approved use of funds.

5. **Verify if the City of Huntington Beach executives agree to move their RMDZ Agenda to the week of October 5<sup>th</sup>?**

The City of Huntington Beach has moved their RMDZ Agenda to the week of October 5<sup>th</sup>.

6. **A copy of the City of Santa Ana resolution.**

See attachment

7. **A copy of Clean Tech OC and Association of California Cities of Orange County ACC-OC Letter of Support**

See attachment