



AGENDA
CITY COUNCIL/SUCCESSOR AGENCY/STANTON HOUSING AUTHORITY
ADJOURNED JOINT REGULAR MEETING
STANTON CITY HALL, 7800 KATELLA AVENUE, STANTON, CA
TUESDAY, SEPTEMBER 22, 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, SEPTEMBER 21, 2015 WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.

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

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

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

CC/SA/SHA AGENDA – Adjourned Joint Regular Meeting – September 22, 2015 - Page 1
Any writings or documents provided to a majority of the City Council/Successor Agency/Stanton Housing Authority regarding any item on this agenda will be made available for public inspection at the Public Counter at City Hall located at 7800 Katella Avenue, Stanton CA, during normal business hours.

4. CLOSED SESSION

**4A. CONFERENCE WITH LEGAL COUNSEL – 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)

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

GRFCO, Inc. vs. City of Stanton, Orange County Superior Court Case Number: 30-2015-00794793-CU-CO-CJC

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

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

7. PLEDGE OF ALLEGIANCE

8. SPECIAL PRESENTATIONS AND AWARDS

- Presentation regarding the City of Stanton's 60th Anniversary Celebration.
- Presentation of Proclamation for Fire Prevention Week.
- Presentation regarding OpenGov.

9. CONSENT CALENDAR

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

CONSENT CALENDAR

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

RECOMMENDED ACTION:

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

9B. APPROVAL OF WARRANTS

City Council approve demand warrants dated September 3 and September 10, 2015, in the amount of \$133,081.13.

9C. APPROVAL OF MINUTES

City Council/Agency/Authority Board approve Minutes of Regular Joint Meeting – September 8, 2015.

9D. AUGUST 2015 INVESTMENT REPORT

The Investment Report as of August 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 August 2015.

9E. AUGUST 2015 INVESTMENT REPORT (SUCCESSOR AGENCY)

The Investment Report as of August 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 August 2015.

9F. CARRYOVER PURCHASE ORDERS FROM FY 2014-15 TO FY 2015-16

At each fiscal year end, City staff reviews remaining unspent budget appropriations at the end of the year to determine if any encumbered purchase orders should be carried forward from one fiscal year to the next. This report requests the carryover of 10 open purchase orders from FY 2014/15 to FY 2015/16, totaling \$696,804.83.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a director reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and
2. Adopt Resolution No. 2015-34 approving the carryover of certain purchase orders from fiscal year 2014/15 to fiscal year 2015/16.

9G. REQUEST FROM PAN DE VIDA ETERNA TO OPERATE AS A NON-PROFIT ORGANIZATION FOR OPERATION OF A CHURCH AT 12602 HOOVER STREET

Pan De Vida Eterna has submitted an application for non-profit status. Chapter 5 of the Stanton Municipal Code requires that non-profit activities require City Council approval. This would exempt them from normal fees and allow them to operate as a church located at 12602 Hoover Street. In addition, the Planning Commission has granted them a Conditional Use Permit (C87-1) to operate as church with the P-D (Planned Development) Zone, located at 12602 Hoover Street.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a director reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and
2. Approve the application of Pan De Vida Eterna for non-profit status and authorize the issuance of a business license permit.

9H. APPROVE FIRST AMENDMENT TO INFORMATION TECHNOLOGY SUPPORT SERVICES AGREEMENT

BreaIT has provided support to the City of Stanton since 1999. The most recent contract was written in 2012 after going through an RFP process. The contract calls for two one-year options. This Amendment would pick up the first of the two options years.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and
2. Authorize the City Manager to sign the First Amendment to Information Technology Support Services Agreement.

9I. AGREEMENT WITH HDL SOFTWARE LLC

In order to allow business license applications and renewals online, to reduce staff time and to fully utilize the new Business License Specialist position, an agreement with HdL Software LLC to provide business license software and credit card processing services is being recommended.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and
2. Authorize the City Manager to sign a three-year contract with HdL Software LLC with a not to exceed value of \$48,287 for business license software and credit card processing services.

END OF CONSENT CALENDAR

10. PUBLIC HEARINGS

10A. PERMIT PARKING CONSIDERATION FOR ASBURY AVENUE, COURSON DRIVE, HAMDEN AVENUE, LITCHFIELD AVENUE, LOWDEN STREET, LOWELL STREET, RAMBLEWOOD DRIVE, THUNDERBIRD LANE AND IN FRONT OF 10651 AND 10661 WESTERN AVENUE

The City has received a petition to establish a 24-hour permit parking area for Asbury Avenue, Courson Drive, Hamden Ave, Litchfield Avenue, Lowden Street, Lowell Street, Ramblewood Drive and Thunderbird Lane and in front of 10651 and 10661 Western Avenue. The petition is submitted for City Council consideration.

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 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
3. Adopt Resolution No. 2015-30 establishing a 24-hour permit parking area for Asbury Avenue, Courson Drive, Hamden Ave, Litchfield Avenue, Lowden Street, Lowell Street, Ramblewood Drive and Thunderbird Lane and in front of 10651 Western Avenue and 10661 Western Avenue.

11. UNFINISHED BUSINESS

11A. APPROVAL OF ORDINANCE NO. 1039

This Ordinance was introduced at the regular City Council meeting of September 8, 2015.

RECOMMENDED ACTION:

1. City Clerk read the title of Ordinance No. 1039, entitled:

“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADDING CHAPTER 5.70 (COFFEEHOUSES) TO TITLE 5 OF THE STANTON MUNICIPAL CODE”; and

2. Declare that the project is exempt from the 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 Section 15262 (Feasibility and Planning Studies); and
3. Adopt Ordinance No. 1039.

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

12. NEW BUSINESS None.

13. ORAL COMMUNICATIONS - PUBLIC

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

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

14. WRITTEN COMMUNICATIONS None.

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

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

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

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

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

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

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

Currently Scheduled: None.

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

17. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR

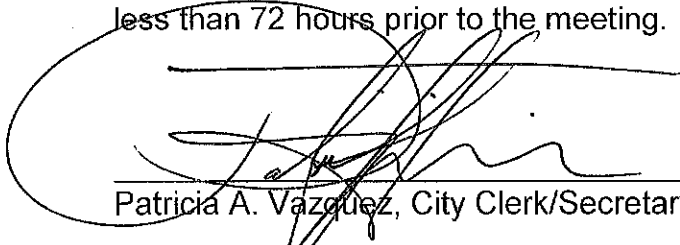
- Stanton Central Park construction updates.

17A. ORANGE COUNTY FIRE AUTHORITY

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

18. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, the foregoing agenda was posted at the Post Office, Stanton Community Services Center and City Hall, not less than 72 hours prior to the meeting. Dated this 17th day of September, 2015.



Patricia A. Vazquez, City Clerk/Secretary

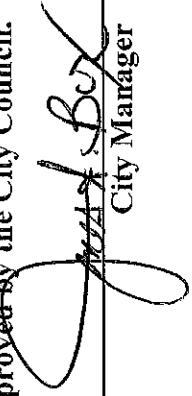
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Any writings or documents provided to a majority of the City Council/Successor Agency/Stanton Housing Authority regarding any item on this agenda will be made available for public inspection at the Public Counter at City Hall located at 7800 Katella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

**CITY OF STANTON
ACCOUNTS PAYABLE REGISTER**

September 3, 2015	\$55,666.99
September 10, 2015	\$77,414.14

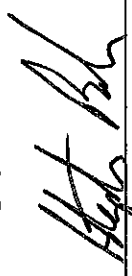
\$133,081.13

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 JOINT REGULAR MEETING SEPTEMBER 8, 2015

1. CLOSED SESSION None.

2. CALL TO ORDER

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

3. PLEDGE OF ALLEGIANCE

Led by a member of the audience.

4. ROLL CALL

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

Absent: None.

Excused: Council/Agency/Authority Member Shawver.

5. SPECIAL PRESENTATIONS AND AWARDS

1. Presentation of Certificate of Recognition honoring Ms. Anette L. Cox as Veteran of the Month for the month of September 2015 in the City of Stanton.
2. Presentation by Mr. Alan Dolch, Chairman, West Orange County Regional Chamber of Commerce; sharing their mission with the City Council and providing an update on their current operations.

6. CONSENT CALENDAR

Motion/Second: Ramirez/Warren
Motion unanimously carried by the following vote:

AYES: 4 (Donahue, Ethans, Ramirez, Warren)

NOES: None

ABSTAIN: None

ABSENT: 1 (Shawver)

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

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CONSENT CALENDAR

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

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

6B. APPROVAL OF WARRANTS

The City Council approved demand warrants dated August 20, August 26, and September 8, 2015, in the amount of \$427,219.50.

6C. APPROVAL OF MINUTES

1. The City Council approved Minutes of Special Meeting – August 18, 2015 (5:00 p.m.);
and
2. The City Council approved Minutes of Special Meeting – August 18, 2015 (7:00 p.m.);
and
3. The City Council/Agency/Authority Board approved Minutes of Adjourned Joint Regular Meeting – August 25, 2015.

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6D. AWARD OF A MAINTENANCE CONTRACT FOR THE SANITARY SEWER CLEANING SERVICES TO EMPIRE PIPE CLEANING AND EQUIPMENT, INC. BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA

As part of the preventive maintenance of the City's Sanitary Sewer System, the City of Stanton requires the use of a specialty contractor to perform sanitary sewer cleaning services on an annual basis. The cost for providing the City with this service is estimated at \$206,299.50 for one year of service. This cost includes a 10-percent contingency. The length of the contract will be for thirty three (33) months with an option to renew the contract thereafter.

1. The City Council declared this project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301b; and
2. Awarded a maintenance contract with Empire Pipe Cleaning and Equipment, Inc. to provide sanitary sewer cleaning services for a maximum contract amount of \$187,545 each year; and
3. Authorized the City Manager to bind the City of Stanton and Empire Pipe Cleaning and Equipment, Inc. in a contract to provide sanitary sewer cleaning services; and
4. Authorized the City Manager to approve contract changes, not to exceed 10-percent.

6E. APPROVAL OF RESOLUTION 2015-32 AND LETTER OF INTEREST TO PARTICIPATE 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.

1. The City Council declared 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. Approved Resolution No. 2015-32 approving the City's participation in a countywide Recycling Market Development Zone; and
3. Approved a letter of interest to participate in a countywide Recycling Market Development Zone to be signed by the Mayor.

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6F. AGREEMENT FOR PROVISION OF POINT OF DISPENSING SITE EQUIPMENT SERVICES

The County of Orange has released agreements to provide Point of Dispensing (POD) site equipment services to eligible cities that are part of the Orange County Operational Area (OA). The POD agreements are intended to strengthen the County's capability to distribute supplies to help citizens cope with emergency situations. The agreement period is July 1, 2015 to June 30, 2020.

1. The City Council declared that the project is exempt from the 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. Authorized the City Manager to sign a five-year agreement with the County of Orange for Point of Dispensing Site Equipment Services.

6G. ADMINISTRATIVE RULES AND REGULATIONS – ACCOUNTS PAYABLE PROCESSING

In September 2007, the City Council adopted an Administrative Policy Manual. As discussed at that time, as policies are revised, they will be brought forward to the City Council for consideration.

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060 (c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and
2. Approved Administrative Policy IV-4-1 - Accounts Payable Processing as revised.

DRAFT

6H. APPROVAL OF AN ASSIGNMENT AND ASSUMPTION AGREEMENT TRANSFERRING ALL POST CLOSING RIGHTS AND OBLIGATIONS UNDER A DISPOSITION AND DEVELOPMENT AGREEMENT WITH FRONTIER REAL ESTATE INVESTMENT, INC. FROM THE SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY TO THE CITY OF STANTON

The Successor Agency and Oversight Board approved a Disposition and Development Agreement (DDA) to sell eleven properties to Frontier Real Estate Investment, Inc. The State Department of Finance has raised concerns that this DDA would create new obligations for the Successor Agency, which is not permitted under State Law. This agreement would transfer these "obligations" or rights in the DDA to the City of Stanton, in an effort to address the DOF's concerns.

1. The Successor Agency declared that the project is exempt from the 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. Approved the attached Assignment and Assumption Agreement; and
3. Authorized the Executive Director and City Manager to execute the necessary documents and take all actions reasonably necessary to complete the sale of the properties.

END OF CONSENT CALENDAR

DRAFT

7. PUBLIC HEARINGS

7A. PROPOSITION 218 PUBLIC HEARING FOR SOLID WASTE COLLECTION SERVICES

On September 22, 1981 the City Council awarded a solid waste franchise agreement to CR&R, and CR&R has served the Stanton community since that time. Pursuant to Proposition 218, the City is required to conduct a public hearing and approve the Resolution containing the proposed solid waste service rates to be effective beginning October 1, 2015, and future adjustments to such rates for residential, multi-family and commercial customers.

The public hearing was opened.

- Mobile Home Resident, Stanton, spoke in opposition to the solid waste collection services increase.
 - Inquired if the City is seeking other service providers outside of CR&R.
 - Inquired about the option of curb side recycling.

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

Motion/Second: Ramirez/Warren

Motion unanimously carried by the following vote:

AYES: 4 (Donahue, Ethans, Ramirez, Warren)

NOES: None

ABSTAIN: None

ABSENT: 1 (Shawver)

1. The City Council conducted a public hearing; and
2. Declared 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
3. Adopted Resolution No. 2015-33 permitting CR&R to charge specific rates for solid waste collection services.

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7B. AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, IN ACCORDANCE WITH GOVERNMENT CODE SECTIONS 36937 AND 65858 TEMPORARILY PROHIBITING THE ESTABLISHMENT OF INTERNET CAFES AND CYBER CAFES PENDING STUDY AND ADOPTION OF REGULATORY AND ZONING STANDARDS

Due to numerous reports by jurisdictions all over the State, including the City of Stanton, of illegal gambling at internet and cyber cafes, the City Council is asked to consider an interim urgency ordinance to temporarily prohibit the establishment of such businesses. The interim urgency ordinance would provide the City sufficient time to study the potential impacts of these establishments and to adopt appropriate regulatory and zoning standards.

The public hearing was opened.

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

Motion/Second: Ramirez/Warren

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

Motion unanimously carried with the following addition to Ordinance No 1040:

1. The City Council conduct a public hearing; and
2. Declared that the project is exempt from the California Environmental Quality Act ("CEQA") under Section 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines. Moreover, this Ordinance is statutorily exempt from further CEQA review under Section 15262 (feasibility and planning studies); and
3. Introduced and adopted Ordinance No. 1040, entitled:

"AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, IN ACCORDANCE WITH GOVERNMENT CODE SECTIONS 36937 AND 65858 TEMPORARILY PROHIBITING THE ESTABLISHMENT OF INTERNET CAFES AND CYBER CAFES PENDING STUDY AND ADOPTION OF REGULATORY AND ZONING STANDARDS"; and

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Including the following language definition addition to the ordinance:

Definition of Internet café: *"Internet café means an establishment that provides one or more computers and or electronic devices for access to the worldwide web, internet, e-mail, gaming or computer software programs and which seeks compensation in any form from users. Internet café is synonymous with a personal computer, café, cyber café, and internet center, but does not include an internet learning center as defined in the Stanton Municipal code."*

- 8. **UNFINISHED BUSINESS** None.
- 9. **NEW BUSINESS**
- 9A. **APPROVAL AND ADOPTING THE RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE (ROPS) 15-16B AND ADMINISTRATIVE BUDGET PURSUANT TO SECTIONS 34177(I) AND 34177(j) OF CALIFORNIA HEALTH & SAFETY CODE FOR THE PERIOD OF JANUARY THROUGH JUNE 2016 (SUCCESSOR AGENCY)**

This report summarizes the obligations of the Successor Agency under AB X1 26 and AB 1484 to draft Recognized Obligation Payment Schedules (ROPS) and corresponding administrative budgets to be implemented in six-month periods. Staff recommends the Successor Agency adopt the attached resolutions approving ROPS 15-16B and the Successor Agency's administrative budget for the period January through June 2015.

Motion/Second: Ramirez/Warren

Motion unanimously carried by the following vote:

AYES: 4 (Donahue, Ethans, Ramirez, Warren)

NOES: None

ABSTAIN: None

ABSENT: 1 (Shawver)

- 1. The Successor Agency finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a director reasonably foreseeable indirect physical change in the environment) and 15060 (c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and
- 2. Adopted Resolution No. SA 2015-06 to approve the Recognized Obligation Payment Schedule (ROPS) No. 15-16B for the period January 1, 2016 through June 30, 2016.

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9B. AWARD OF THE CITYWIDE LANDSCAPE MAINTENANCE CONTRACT TO VENCO WESTERN, INC. BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA

Bids for the Citywide Landscape Maintenance Contract were opened on August 31, 2015. Based on the post-bid analysis of the three (3) bids received, staff recommends the contract for these services be awarded to Venco Western, Inc.

The annual cost for completing the Citywide Landscape Maintenance Contract will be \$178,344 for fiscal year 2015/16, and \$193,944 for fiscal years 2016/17 and 2017/2018 due to the completion of Stanton Central Park.

Motion/Second: Warren/Ramirez
Motion unanimously carried by the following vote:

AYES: 4 (Donahue, Ethans, Ramirez, Warren)

NOES: None

ABSTAIN: None

ABSENT: 1 (Shawver)

1. The City Council declared this project to be categorically exempt under the California Environmental Quality Act, Class 1, and Section 15301h as maintenance of existing landscaping; and
2. Approved the scope of work for the Citywide Landscape Maintenance Contract; and
3. Awarded a maintenance contract for the Citywide Landscape Maintenance Contract to Venco Western, Inc, for a maximum annual amount of \$193,944; and
4. Authorized the City Manager to bind the City of Stanton and Venco Western, Inc in a contract for the Citywide Landscape Maintenance Contract.

DRAFT

9C. CONSIDERATION OF AN ORDINANCE PERTAINING TO THE REGULATION OF COFFEEHOUSES

Due to issues reported by local jurisdictions regarding beverage establishments that include adult-oriented features, the City Council is asked to consider an ordinance that regulates cafes, coffeehouses, and juice bars. Such regulations provide, among other things, that the business may not provide live entertainment and that employees such as waiters and waitresses must cover specified body parts while at the establishment.

Motion/Second: Ramirez/Donahue

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

Motion unanimously carried.

1. The City Council declared that the project is exempt from the 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. Introduced Ordinance No. 1039, entitled:

"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADDING CHAPTER 5.70 (COFFEEHOUSES) TO TITLE 5 OF THE STANTON MUNICIPAL CODE"; and

3. Set said ordinance for adoption at the regular City Council meeting of September 22, 2015.

10. ORAL COMMUNICATIONS – PUBLIC

- John A. Raposa, spoke in opposition to the solid waste collection services increase and inquired if the City is seeking other service providers outside of CR&R to challenge the current 15 year contract.
- Robert Cummings, Director of Scientific Technical Services, Orange County Vector Control District (OCVCD), spoke regarding the recent announcement made by the OCVCD regarding the aerial adult mosquito control application.

DRAFT

11. **WRITTEN COMMUNICATIONS** None.

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

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

Mayor Pro Tem Donahue reported on the Stanton Community Foundation's 2nd Annual Charity Shootout, which is scheduled to be held on October 7, 2015.

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

None

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

None.

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

None.

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

- City Manager Box reported that invitations for the City's State of the City event, which is scheduled to be held on October 15, 2015, have been mailed out to invitees.

14A. **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 7:30 p.m.

MAYOR/CHAIRMAN

ATTEST:

CITY CLERK/SECRETARY

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and City Council

DATE: September 22, 2015

SUBJECT: AUGUST 2015 INVESTMENT REPORT

REPORT IN BRIEF:

The Investment Report as of August 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 August 2015.

BACKGROUND:

The attached reports summarize the City investments and deposit balances as of August 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 August 2015 was 0.33%. The City's other investments are shown on Attachment B and have a weighted investment yield of 1.08%. Including LAIF and the City's deposit in the Bank of the West money market account, the weighted investment yield of the portfolio is 0.55%, which exceeds the benchmark LAIF return of 0.33%.

The weighted average maturity of the City's investments at August 30, 2015 is 685 days. Including LAIF, the Stanton Central Park depository account and a money market account, it is 301 days. LAIF's average maturity at August 31, 2015 was approximately 239 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:

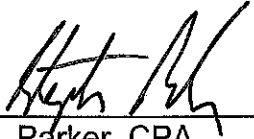
Through the agenda posting process.

STRATEGIC PLAN OBJECTIVE ADDRESSED

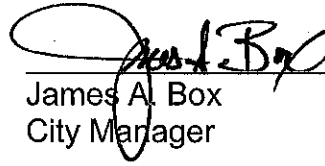
4. Ensure Fiscal Stability and Efficiency in Governance

Prepared by:

Approved:



Stephen M. Parker, CPA
Administrative Services Director/Treasurer



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
August 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 ¹	State of California	On Demand	0.33%	\$ 11,450,971	\$ 6,826,670	42.34%	\$ 6,829,237	LAIF
Investments ²	Various	Various	Various	\$ 9,270,053	9,296,765	57.66%	9,284,740	US Bank
Subtotal - Investments					\$ 16,123,435	100.00%	\$ 16,113,976	
Demand Deposits/Main Checking - City portion	Bank of the West	On Demand	N/A	N/A	\$ 629,436		\$ 629,436	Bank of the West
Money Market Account	Bank of the West	On Demand	0.29%	\$ (9,088,517)	8,946,870		8,946,870	Bank of the West
Imprest Accts & Petty Cash	Bank of the West	On Demand	N/A	N/A	71,675		71,675	Bank of the West
Stanton Park Depository Account	US Bank	On Demand	0.02%	6,500,506	6,500,506		6,500,506	
Clawback	Bank of the West	On Demand	0.29%	-9,088,517	(9,088,517)		(9,088,517)	
Subtotal - Deposits					\$ 7,059,969		\$ 7,059,969	

Total Cash Investments and Deposits ³

301	0.55%
Weighted Average Maturity (days)	Weighted Average Yield

\$ 23,183,404

\$ 23,173,946

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

² Cost amount includes \$25,395 adjustment made to City's books at 6/30/15 to adjust portfolio to market value, per GASB 31

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

NOTES:

The City's portfolio is in compliance with the City's 2015-16 Investment Policy.

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

**CITY OF STANTON
INVESTMENTS
August 2015**

Attachment B

Investment Type/ Broker	Institution	CUSIP Number	Purchase Yield	Coupon Rate	Purchase Price	Date Purchased	Date of Maturity	Next Call Date (NC=noncallable)	Par Value	Purchase Amount	Current Market Value	Percent of Portfolio	Maximum Percent
State Treasurer's Pool	Local Agency Investment Fund (LAIF)		0.33%				9/1/2015	NC	11,450,971	6,826,670	6,829,237	21.64%	100%
Cash Equivalents													
Chandler Asset Management	First American Government Obligation	31846V203							176,156	176,156	176,156	0.56%	100%
Negotiable Certificates of Deposit:													
Multi-Bank Securities	CD - CIT Bank	17284AVP0	1.85%	1.850%	100	08/10/11	08/10/16	NC	148,000	148,000	149,775		
Multi-Bank Securities	CD - EneBank USA	29266NRX7	1.75%	1.750%	100	08/15/11	08/15/16	NC	248,000	248,000	250,768		
First Empire Securities	CD - Camden National Bk	13303DL1	1.75%	1.750%	100	08/17/11	08/17/16	NC	248,000	248,000	250,768		
First Empire Securities	CD - Discover Bank	254670Q54	1.75%	1.750%	100	08/17/11	08/17/16	NC	140,000	140,000	141,564		
Time Value Investments	CD - GE Capital Bank	36160YSC0	1.35%	1.350%	100	10/19/12	10/19/16	NC	248,000	248,000	249,855		
First Empire Securities	CD - Goldman Sachs Bank	38143ARY3	1.85%	1.850%	100	05/09/12	05/09/17	NC	97,000	97,000	98,350		
First Empire Securities	CD - Discover Bank	254671AT7	1.75%	1.750%	100	05/09/12	05/09/17	NC	100,000	100,000	101,394		
Multi-Bank Securities	CD - Sallie Mae Bank	795450PJ8	1.60%	1.600%	100	10/01/12	09/19/17	NC	100,000	100,000	101,055		
Multi-Bank Securities	CD - American Express	02587DL08	1.55%	1.550%	100	10/04/12	10/04/17	NC	248,000	248,000	250,257		
Time Value Investments	CD - HSBC	40431G3Q0	0.75%	Variable	100	10/26/12	10/26/17	NC	248,000	248,000	244,106		
First Empire Securities	CD - Everbank	29876DPY0	1.10%	1.100%	100	11/30/12	11/30/17	NC	248,000	248,000	250,118		
									2,073,000	2,073,000	2,087,999	6.57%	30%
U.S. Government Agency Securities:													
Multi-Bank Securities	FHLMC	3137EACM9	2.17%	1.750%	98.19	2/9/2011	9/10/2015	NC	75,000	73,642	75,030		
Chandler Asset Management	FHLB	3130A0SD3	0.32%	0.375%	100.04	09/29/14	02/19/16	NC	125,000	125,095	125,051		
Chandler Asset Management	FHLMC Deb	3137EADQ9	0.50%	0.500%	99.99	01/30/14	05/13/16	NC	200,000	199,985	200,254		
Chandler Asset Management	Federal Farm Credit Bks	3133EEQM5	1.11%	1.110%	100.175	03/24/15	02/20/18	NC	185,000	185,697	185,394		
Chandler Asset Management	FHLB	3130A4GU5	0.97%	1.125%	100.485	05/28/15	04/25/18	NC	185,000	185,818	185,385		
Time Value Investments	FHLMC	3130A2T97	0.66%	0.500%	99.71	09/29/14	09/28/16	NC	190,000	189,537	189,970		
Chandler Asset Management	FHLMC	31359MEI3	1.02%	0.000%	95.25	8/20/2012	6/1/2017	NC	250,000	238,132	246,663		
Chandler Asset Management	FHLMC	3137EADJ5	1.03%	1.000%	99.93	03/25/14	07/28/17	NC	190,000	189,866	190,511		
Chandler Asset Management	FHLMC	3137EADK2	1.57%	1.250%	98.94	08/18/15	08/01/19	NC	180,000	177,745	179,372		
Chandler Asset Management	FHLMC	3137EADM8	1.25%	1.250%	99.15	08/31/15	10/02/18	NC	190,000	188,394	188,201		
Chandler Asset Management	FHLMC	3135G0E33	1.15%	1.125%	99.92	06/04/15	07/20/18	NC	115,000	114,790	115,003		
Chandler Asset Management	FHLMC	3135G0ZL0	1.12%	1.000%	98.70	08/25/14	09/27/17	NC	90,000	89,679	90,356		
Chandler Asset Management	FHLMC	3135G0TG8	0.88%	0.875%	99.17	12/05/14	02/08/18	NC	160,000	158,678	159,371		
Chandler Asset Management	FHLMC	3135G0WJ8	0.88%	0.920%	99.62	04/30/15	04/16/18	NC	170,000	169,233	168,949		
									2,305,000	2,286,290	2,289,510	7.25%	100%
US Treasury													
Chandler Asset Management	US Treasury	912828U57	0.40%	0.375%	99.95	01/30/14	03/15/16	NC	210,000	209,894	210,097		
Chandler Asset Management	US Treasury	912828VG2	0.45%	0.500%	100.10	06/13/14	06/15/16	NC	150,000	150,147	150,188		
Chandler Asset Management	US Treasury	912828A59	0.58%	0.625%	100.12	05/29/14	12/15/16	NC	165,000	165,200	165,155		
Chandler Asset Management	US Treasury	912828B74	0.69%	0.625%	99.81	02/28/14	02/15/17	NC	200,000	199,618	200,076		
Chandler Asset Management	US Treasury	912828C32	0.79%	0.750%	99.81	09/25/14	03/15/17	NC	190,000	189,800	190,369		
Chandler Asset Management	US Treasury	912828C73	0.71%	0.875%	100.47	05/29/14	04/15/17	NC	190,000	190,885	190,678		
Chandler Asset Management	US Treasury	912828T39	1.16%	0.825%	98.34	07/31/14	09/30/17	NC	185,000	181,922	184,380		
Chandler Asset Management	US Treasury	912828S78	1.25%	1.250%	100.16	05/28/15	04/30/19	NC	160,000	160,007	159,802		
Chandler Asset Management	US Treasury	912828SX9	1.33%	1.125%	99.52	05/27/15	05/31/19	NC	185,000	183,541	183,783		
Chandler Asset Management	US Treasury	912828UJ2	1.13%	0.750%	99.07	02/23/15	03/31/18	NC	190,000	187,833	188,932		
									1,825,000	1,818,848	1,823,459	5.77%	100%

**CITY OF STANTON
INVESTMENTS
August 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
Medium-Term Corporate Notes:													
Chandler Asset Management	General Electric Capital Corp Note	38952G4T8	0.54%	2.250%	103.10	01/10/14	11/09/15	NC	150,000	154,644	150,510		
Chandler Asset Management	Charles Schwab Corp Callable Note	808513AX1	1.49%	1.500%	100.48	03/10/15	02/20/18	NC	100,000	99,874	99,983		
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	150,075		
Chandler Asset Management	Berkshire Hathaway Note	084664BX8	0.70%	0.950%	100.65	01/14/14	08/15/16	NC	150,000	150,972	150,263		
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	151,599		
Chandler Asset Management	Intel Corp Note	458140AH3	0.85%	1.950%	102.93	01/14/14	10/01/16	NC	150,000	154,368	151,919		
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	152,111		
Chandler Asset Management	Occidental Petroleum Note	674599CB9	1.05%	1.750%	102.10	01/24/14	02/15/17	NC	150,000	153,147	150,897		
Chandler Asset Management	Wells Fargo Corp Note	949748FD7	1.26%	2.100%	102.87	01/24/14	05/08/17	NC	150,000	154,005	151,745		
Chandler Asset Management	US Bancorp MTN	911591HD5	1.16%	1.650%	101.58	02/03/14	05/15/17	4/15/2017	150,000	152,369	150,855		
Chandler Asset Management	Pfizer Inc	717081DJ9	1.10%	1.100%	99.91	05/12/14	05/15/17	NC	35,000	34,969	35,029		
Chandler Asset Management	Qualcomm Inc	747525AG8	1.45%	1.400%	99.87	05/28/15	05/18/15	NC	135,000	134,787	133,584		
Chandler Asset Management	JP Morgan Note	48126EAA5	1.63%	2.000%	101.28	01/24/14	08/15/17	NC	150,000	151,925	150,992		
Chandler Asset Management	Oracle Corp Note	68389XAN5	1.40%	1.200%	99.27	01/13/14	10/15/17	NC	150,000	148,888	149,436		
Chandler Asset Management	Chevron Corp Callable Note Cont	186764AA8	1.41%	1.104%	98.83	01/10/14	12/05/17	11/5/2017	150,000	148,241	149,089		
Chandler Asset Management	IBM Corp	459200HZ7	1.23%	1.125%	99.70	02/08/15	02/06/18	NC	115,000	114,649	114,186		
									2,185,000	2,211,327	2,192,250	9.85%	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	7,940	7,945	7,940		
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	84,817		
Chandler Asset Management	Toyota Auto Receivables Owner 2015 C	89231TAB6	0.93%	0.92%	99.99	08/26/15	02/15/18	NC	55,000	54,996	55,025		
Chandler Asset Management	Honda Auto Receivables	43814CAC3	0.42%	0.48%	100.06	02/12/14	11/21/16	NC	32,957	32,976	32,945		
Chandler Asset Management	Honda Auto Receivables	43813NAC0	1.05%	1.04%	100.01	05/13/15	02/21/19	NC	105,000	104,884	104,749		
Chandler Asset Management	American Honda Finance	02665WAC4	1.54%	1.55%	100.43	12/11/14	12/11/17	NC	80,000	79,926	80,164		
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	74,894		
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	104,899		
Chandler Asset Management	Honda Auto Receivables	43814HAC2	0.89%	0.88%	99.98	08/20/14	06/15/18	NC	75,000	74,986	74,881		
Chandler Asset Management	John Deere Owner Trust	477877AD6	1.07%	99.96%	99.78	09/03/14	11/15/18	NC	85,000	84,981	85,072		
									705,897	705,749	705,366	3.14%	10%
Subtotal Investments													
Prior Year Adjustment CASB 31													
Investments Held With US Bank													
LAIF													
Total Investments													
Depository Acct			0.02%										100%
Money Market Acct			0.29%										100%
Clawback			0.29%										100%
Total Money Market, LAIF Depository Account and Investments													
									6,500,506	6,500,506	6,500,506	28.95%	
									8,946,870	8,946,870	8,946,870	39.84%	
									-9,088,517	-9,088,517	-9,088,517	-40.47%	
									27,079,883	22,456,699	22,472,635	100.00%	

685
days
WAM

1.08%
Weighted
Average
Yield

301
days
WAM

0.55%
Weighted
Average
Yield

Total Money Market, LAIF Depository Account and Investments

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

Fund Type	Cash and Investments	Totals
General Fund:		
Pooled	\$ (4,857,925)	
Other Accounts *	15,727,298	\$ 10,869,373
Special Revenue, Capital Projects and Enterprise Funds:		
Gas Tax	1,368,292	
Proposition 1B	-	
Measure M	790,270	
Fire Emergency Services	(163,195)	
Lighting & Median Maint.	2,676,642	
Sewer Maintenance	2,625,424	
Other	3,500,469	10,797,902
Internal Service Funds		1,279,667
Trust Funds		236,463
Total Cash and Investment Balances		\$ 23,183,404

* 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: September 22, 2015

SUBJECT: AUGUST 2015 INVESTMENT REPORT

REPORT IN BRIEF:

The Investment Report as of August 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 August 2015.

BACKGROUND:

The attached reports summarize the Successor Agency investments and deposit balances as of August 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 August 2015 was 0.33%. 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:

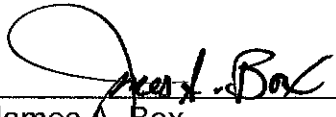
4. Ensure Fiscal Stability and Efficiency in Governance

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
August 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	0.33%	\$ 4,624,302	\$ 4,624,302	\$ 4,625,565	LAIF
Demand Deposits/Main Checking - SA portion	Bank of the West	On Demand	N/A	426,372	426,372	426,372	Bank of the West
Clawback - Demand Deposits/Money Market Account	Bank of the West	On Demand	Various	9,088,517	9,088,517	9,088,517	Bank of the West

Total Cash Investments and Deposits

\$ 14,139,190 \$ 14,140,454

Bond Funds Managed by Trustees:

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2005 Tax Allocation Bonds - Series A (Taxable)								
Principal:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$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%	1,264,073.72	1,264,073.72	1,264,073.72	US Bank
Redevelopment Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	-	-	-	US Bank

Total 2005 Tax Allocation Bonds - Series A (Taxable)

\$ 1,264,078 \$ 1,264,078

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2005 Tax Allocation Bonds - Series B (Tax-Exempt)								
Principal								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$ 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%	701,926.76	701,926.76	701,926.76	US Bank
Redevelopment Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	0.04	0.04	0.04	US Bank

Total 2005 Tax Allocation Bonds - Series B (Tax-Exempt) \$ 701,929 \$ 701,929

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2010 Tax Allocation Bonds (Tax-Exempt)								
Principal								
Special Fund					\$1.29	\$1.29	\$1.29	US Bank
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%	\$1,561,966.27	\$1,561,966.27	\$1,561,966.27	US Bank
Redevelopment Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	\$81.88	\$81.88	\$81.88	US Bank

Total 2010 Tax Allocation Bonds (Tax-Exempt) \$1,562,061.16 \$1,562,061.16

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2011 Tax Allocation Bonds - Series A (Taxable)								
Principal:								
US Bank Money Market Fund	US Bank				1	1	1	US Bank
Reserve Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,474,634	1,474,634	1,474,634	US Bank
Project Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	4,727,040	4,727,040	4,727,040	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

Total 2011 Tax Allocation Bonds - Series A (Taxable) \$ 6,201,683 \$ 6,201,683

Investment Type	Issuer	CUSIP Number	Date of Maturity	Interest Rate	Par Value	Cost	Market Value	MV Source
2011 Tax Allocation Bonds - Series B (Taxable)								
Bond Reserve Fund:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,349,176	1,349,176	1,349,176	US Bank
Redevelopment Account:								
US Bank Money Market Fund	US Bank	9AMMF05B2	On Demand	0.03%	1,582,400	1,582,400	1,582,400	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

Total 2011 Tax Allocation Bonds - Series B (Taxable) \$ 2,931,583 \$ 2,931,583

Total Bond Fund Investments and Deposits (3) **\$ 12,661,334 \$ 12,661,334**

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**

August 31, 2015

Fund	Cash Balance
710 Project 2000 Debt Service Fund	-
711 Redevelopment Debt Service Fund	-
712 Redevelopment Obligation Retirement Fund	5,108,100
720 Low and Moderate Income Housing Fund	-
721 Housing Successor Fund	-
730 Community Redevelopment Administration Fund	-
731 Successor Agency Admin Fund	(56,982)
740 Redevelopment Project Fund	-
741 Successor Agency Project Fund	-
741 Cash DDR Clawback	9,088,517

TOTAL CASH BALANCE

\$ 14,139,635

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and City Council

DATE: September 22, 2015

SUBJECT: CARRYOVER PURCHASE ORDERS FROM FY 2014-15 TO FY 2015-16

REPORT IN BRIEF:

At each fiscal year end, City staff reviews remaining unspent budget appropriations at the end of the year to determine if any encumbered purchase orders should be carried forward from one fiscal year to the next. This report requests the carryover of 10 open purchase orders from FY 2014/15 to FY 2015/16, totaling \$696,804.83.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a director reasonably foreseeable indirect physical change in the environment) and 15060 (c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and
2. Adopt Resolution No. 2015-34 approving the carryover of certain purchase orders from fiscal year 2014/15 to fiscal year 2015/16.

BACKGROUND:

At the end of each fiscal year, departments are asked to review their budgets and determine, what, if any, purchase orders should be carried over to the subsequent fiscal year or closed. City Council is requested by staff to carry over to the next fiscal year purchase orders for which remaining funds are available on the purchase order and the project is not completed.

ANALYSIS:

No budget adjustment is necessary this year to provide for the carryover of unspent appropriations as of June 30, 2015 to fiscal year 2015/16.

City staff does request that \$696,804.83 of encumbered appropriations from 10 open purchase orders as of June 30, 2015 be carried over to fiscal year 2015/16. Details for these 10 purchase orders (purchase order number, account number, vendor name, description and amount) are listed on the accompanying Attachment B.

FISCAL IMPACT:

The action to carryover the requested \$696,804.83 of encumbered appropriations will increase the fiscal year 2015/16 Budget by those amounts. The most significant dollars in encumbrances are in the Measure M and Stanton Central Park Grant Funds. None of the encumbered appropriations affect the General Fund. When the 2015/16 Budget was being developed, the amount of remaining funds in the related purchase orders was unable to be determined.

ENVIRONMENTAL IMPACT:

None.

LEGAL REVIEW:

The City Attorney has reviewed and approved this report.

PUBLIC NOTIFICATION:

Through the agenda posting process.

STRATEGIC PLAN OBJECTIVE ADDRESSED:

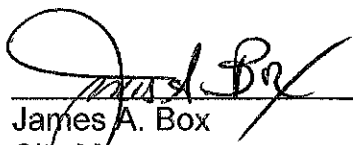
4. Ensure Fiscal Stability and Efficiency in Governance

Prepared by:



Stephen M. Parker, CPA
Administrative Services Director

Approved:



James A. Box
City Manager

Attachments:

- A. Resolution No. 2015-34
- B. Purchase Order Carryover List

RESOLUTION NO. 2015-34

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, APPROVING THE CARRYOVER OF CERTAIN APPROPRIATIONS FROM FY 2014-15 TO FY 2015-16

WHEREAS, the City Council of the City of Stanton adopted the FY 2015-17 City Budget with the passage of Resolution No. 2015-25; and

WHEREAS, certain 2014-15 purchase orders identified in Attachment A will not be closed until FY 2015-16 and were not included in the 2015-16 adopted budget due to timing constraints inherent in the budgetary process.

NOW THEREFORE, BE IT RESOLVED that the appropriations for the expenditures included in Attachments A shall be carried over into FY 2015-16, and that the Administrative Services Director shall cause the necessary increases in appropriations to be made to the 2015-16 Budget to reflect such carryovers.

ADOPTED, SIGNED AND APPROVED this 22nd day of September, 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. 2015-34 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 September 22, 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
Purchase Order Carryovers From FY 2014-15 to FY 2015-16

PO Number	Account Number	Vendor Name	Description	Amount
412	501-3700-608105	Civil Source, Inc.	Design of the Western Avenue Sewer	\$ 3,951.00
480	225-3520-608105	Hartzog & Crabill	Additional services Knott Ave traffic light synchronization	558.14
488	305-3510-710176	AndersonPenna Partners, Inc	Design of Kermore Lane Reconstruction Project	1,742.45
500	225-3520-608105	Hartzog & Crabill	To update the City's local signal synchronization plan	1,105.00
502	501-3700-730105	Civil Source, Inc.	Design of Thunderbird Lane Sewer Improvement	1,593.00
530	220-3500-710190	Hartzog & Crabill	Beach Blvd and Village Center Dr construction	6,408.42
536	220-3500-710190	PTM General Engineering Services	Village Center Drive Traffic Signal Improvement	379,209.20
538	501-3700-608105	NBS Government Finance Group	Sewer Rate Study	5,974.08
539	501-3700-730105	AKM Consulting Engineers	Thunderbird Sewer Construction Management & Inspection	32,355.00
543	253-5100-750101	Civil Source, Inc.	Central Park Const Mgmt & Inspection Services	263,908.54
				\$ 696,804.83

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: September 22, 2015

SUBJECT: **REQUEST FROM PAN DE VIDA ETERNA TO OPERATE AS A NON-PROFIT ORGANIZATION FOR OPERATION OF A CHURCH AT 12602 HOOVER STREET**

REPORT IN BRIEF:

Pan De Vida Eterna has submitted an application for non-profit status. Chapter 5 of the Stanton Municipal Code requires that non-profit activities require City Council approval. This would exempt them from normal fees and allow them to operate as a church located at 12602 Hoover Street. In addition, the Planning Commission has granted them a Conditional Use Permit (C87-1) to operate as church with the P-D (Planned Development) Zone, located at 12602 Hoover Street.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a director reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and
2. Approve the application of Pan De Vida Eterna for non-profit status and authorize the issuance of a business license permit.

BACKGROUND:

The Stanton Municipal Code, Section 5.04.060 specifies that organizations granted non-profit status shall not be required to pay a license fee to conduct, manage or carry on any business, occupation or activity conducted, managed or carried on wholly for the benefit of charity from which no profit is derived, whether directly or indirectly. 5.04.420 requires the City Council to approve the permit to conduct such activity.

Pan De Vida Eterna has met all the conditions of approval required by the Planning Department. The conditions are specified in Section 3 of Resolution No. 1249. The Planning Department has verified that 12602 Hoover Street is a permitted use and has been issued Zoning Clearance.

FISCAL IMPACT:

None

Council
Agenda Item #

96

ENVIRONMENTAL IMPACT

Not applicable.

LEGAL REVIEW:

None.

PUBLIC NOTIFICATION:

Through the normal agenda process.

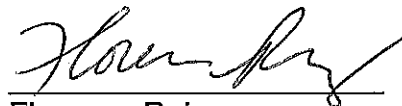
STRATEGIC PLAN OBJECTIVE ADDRESSED:

1 — Provide a Strong Local Economy.

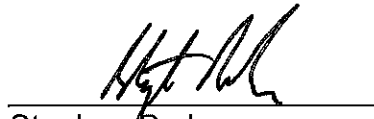
Prepared By:

Reviewed by:

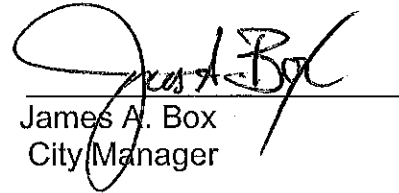
Approved by:



Florence Ruiz
Administrative Services
Coordinator



Stephen Parker
Administrative Services
Director



James A. Box
City Manager

Attachment: Business License Application



CITY OF STANTON

APPLICATION FOR A BUSINESS CERTIFICATE

7800 Katella Ave., Stanton, CA 90680

(714) 890-4230 • Fax (714) 890-1443 • Website www.ci.stanton.ca.us

Business Name PAN DE VIDA ETERNA
 Business Owner PAN DE VIDA ETERNA
 Business Address 12602 HOOVER ST. GARDEN GROVE, CA 92641
 (If different from Business Address) SAHE AS ABOVE
 Business Phone 714 381-6668 Home Phone _____
 Fax _____ Email _____
 Home Address _____
 (If different from Business Address) _____

Type of Business (Provide a fully detailed description, attach additional sheets if necessary) SPANISH CHRISTIAN church.

Ownership Type ☐ Corporation ☐ Partnership ☐ Sole Proprietor ☒ Other NON PROFIT RELIGIOUS CORP.
 If Corporation, List Officers and Titles JOSE SORIANO (PRESIDENT) MAXIMILIANO ABUZO (SECRETARY) ANIBAL SANCHEZ (TREASURER)

Federal/State Employer ID No. _____ State Sales Tax No. CITY OF STANTON PAID
 State License No. _____ Class _____

Owner's Drivers License No. _____ Social Security No. _____
 Opening Date at This Location _____ Social Security No. (Partnership) AUG 31 2015

☐ New Business ☐ New Owner (List Previous Owner) _____ AUTHORIZATION # _____
☐ Business Name Change (List Previous Name) _____
☐ Address Change (List Previous Address) _____
☐ Legal Status Change _____ ☐ Other _____

I declare under the penalties of perjury that this application and any attachments thereto, have been examined by me and to the best of my knowledge and belief represent a true, correct and complete statement of facts.

Applicant's Signature [Signature] Date 08/09/2015

FOR OFFICE USE ONLY

Copy of

Bus. No.	Chair(s)	Employee(s)	B/L Fee	
Lic. Type	Bus. Type	SB-1186 \$1 IFC Fee \$40	App. Review \$95	
Additional Approval by	Home Occ.	Other		
Remarks	B/L years 2012-2015			
		Total:		

- ☐ Fict. Business Statement (DBA)
- ☐ Sellers Permit
- ☐ Articles of
- ☐ Statement of Info
- ☐ Medical License
- ☐ Authorization Letter (Notarized)
- ☐ Other

INVESTIGATION FOR COMPLIANCE

CUP? C87-1 Zoning P1D Comments Approved for church in compliance with C87-1

Planning Approval [Signature] Date 8/12/15 ☐ FOG Approval (if applicable) _____ Date _____
☐ Hold for Tenant Improvements ☐ Building Approval (if applicable) _____ Date _____



STATE OF CALIFORNIA
LABOR AND WORKFORCE DEVELOPMENT AGENCY
WORKERS' COMPENSATION DECLARATION

The State of California passed AB 3251 in September 1992, with an effective date of January 1, 1993. The bill requires every employer who applies for or RENEWS a business license must provide proof of valid workers' compensation insurance or proof of compliance with self-insurance provisions.

Please complete the form below and return it with your license forms and payment. Your cooperation is appreciated. If you have any questions, please contact the Labor and Workforce Development Agency at (916) 653-9900.

AB 3251 SEC. 2 SECTION 371.1 of the Labor Code is amended to read:

371.1 (a) Every employer who applies for any license or for renewal of any license for a business issued pursuant to Section 37101 of the Government Code or Section 7284 of the Revenue and Taxation Code shall complete and sign a declaration that states the following:

WORKERS' COMPENSATION DECLARATION

I hereby affirm, under penalty of perjury, one of the following declarations:

☐

I have and will maintain a certificate of consent to self-insure for workers' compensation, as provided by Section 3700, for the duration of any business activities conducted for which the license is issued.

☐

I have and will maintain workers' compensation insurance, as required by Section 3700 for the duration of any business activities conducted for which this license is issued.

My workers' compensation insurance carrier and policy number are:

Carrier

Policy Number

Expiration Date



I certify that in the performance of any business activities for which this license is issued I shall not employ any person in any manner so as to become subject to the workers' compensation laws of California, and agree that if I should become subject to the workers' provisions of Section 3700 of the Labor Code, I shall forthwith comply with the provisions of Section 3700.

Applicant Signature

Date

8/12/15

WARNING: FAILURE TO SECURE WORKERS' COMPENSATION COVERAGE IS UNLAWFUL AND SHALL SUBJECT AN EMPLOYER TO CRIMINAL PENALTIES AND CIVIC FINES UP TO \$100,000 IN ADDITION TO THE COST OF COMPENSATION, DAMAGES, INTEREST AND ATTORNEY'S FEES AS PROVIDED FOR IN SECTION 3706 OF THE LABOR CODE.

Business Name

Business Owner

Business Address

PAN DE VIDA Eterna
ANGEL SANCHEZ Phone (714) 381-6668
(Tresura) 12602 HOOVER ST GARDEN
Planned Devel Grove, CA
92841



12602 HOOVER ST., GARDEN GROVE, CA 92841
UNA IGLESIA LLENA DE "AMOR, FE Y ARMONIA"

To: City of Stanton
7800 Katella Avenue
Stanton, CA 90680

From: Pan De Vida Eterna
12602 Hoover St
Garden Grove, CA

RE: Stanton Non – Profit Organization Application

08/21/2015

Business License Department:

We are preparing the enclosed documents to apply for a business license in the city of Stanton. Here is a background of who we are. We are a Christian Church operating as a Nonprofit Religious Corporation under the name of Pan De Vida Eterna. We have been holding services since July 2011 at the same location in the Hoover Business Park in Garden Grove.

We were the Spanish congregation for the Christian Thrust Center for three years until they closed in 2014. Since then we have taken over the church operation. Before our launch date we consulted with an Attorney and completed all proper documentation for Federal and State License however they missed the City License.. Unfortunately the attorney did not advise that we needed a license for the City of Stanton.

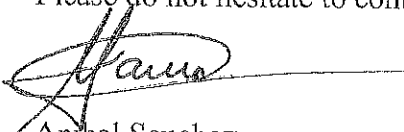
Our location address includes the city of Garden Grove so naturally we thought we were taken care of in regards to city licensing until we received your letter dated 08/13/2015.

Our desire is to be in compliance with the city.

In regards to City of Stanton Check List for Non- Profit Solicitation, we do not conduct solicitations. We collect tithes and offerings of the members of our church to pay the costs of operations. We understand that if your permit is granted, it will not be used or represented in any way as an endorsement by the City of Stanton or by any department or officer.

Please review all enclosed applications and documentation to apply for a business license.

Please do not hesitate to contact me with any questions.



Anibal Sanchez
714 381-6668
Treasurer



I, ANIBAL SANCHEZ, have read and understand the conditions stated within Resolution Number 1249 as written in Conditional Use Permit Number 087-1. I hereby promise to adhere to and uphold all of the conditions stated within. I understand that any failure to comply with the conditions stated herein may result in the result in the revocation of my business license.

Sincerely,

Date:

8/10/15

PANDE VIDS ETORIS
TREASURER.-



State of California
Secretary of State

N

Statement of Information

(Domestic Nonprofit, Credit Union and Consumer Cooperative Corporations)

Filing Fee: \$20.00. If this is an amendment, see instructions.
IMPORTANT - READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

F768409

FILED

In the office of the Secretary of State
of the State of California

AUG-13 2015

1. CORPORATE NAME

PAN DE VIDA ETERNA

2. CALIFORNIA CORPORATE NUMBER

C3407244

This Space for Filing Use Only

Complete Principal Office Address (Do not abbreviate the name of the city. Item 3 cannot be a P.O. Box.)

3. STREET ADDRESS OF PRINCIPAL OFFICE IN CALIFORNIA, IF ANY

CITY

STATE

ZIP CODE

12602 HOOVER ST, GARDEN GROVE, CA 92841

4. MAILING ADDRESS OF THE CORPORATION

CITY

STATE

ZIP CODE

Names and Complete Addresses of the Following Officers (The corporation must list these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

5. CHIEF EXECUTIVE OFFICER/

ADDRESS

CITY

STATE

ZIP CODE

JOSE SORIANO

6. SECRETARY

ADDRESS

CITY

STATE

ZIP CODE

MAXIMILIANO ALONZO

7. CHIEF FINANCIAL OFFICER/

ADDRESS

CITY

STATE

ZIP CODE

ANIBAL SANCHEZ

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 9 must be completed with a California street address, a P.O. Box address is not acceptable. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 9 must be left blank.

8. NAME OF AGENT FOR SERVICE OF PROCESS

LARRY THORNTON

9. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL

CITY

STATE

ZIP CODE

150 S. LOS ROBLES AVE SUITE 650, PASADENA, CA 91101

Common Interest Developments

10. ☐ Check here if the corporation is an association formed to manage a common interest development under the Davis-Stirling Common Interest Development Act, (California Civil Code section 4000, et seq.) or under the Commercial and Industrial Common Interest Development Act, (California Civil Code section 6500, et seq.). The corporation must file a Statement by Common Interest Development Association (Form SI-CID) as required by California Civil Code sections 5405(a) and 6760(a). Please see instructions on the reverse side of this form.

11. THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT.

08/13/2015

ANIBAL SANCHEZ

TREASURER

DATE

TYPE/PRINT NAME OF PERSON COMPLETING FORM

TITLE

SIGNATURE

SI-100 (REV 01/2014)

APPROVED BY SECRETARY OF STATE



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0540

Entity Status Letter

Date: 8/27/2015

ESL ID: 1120808766

According to our records, the following entity information is true and accurate as of the date of this letter.

Entity ID: 3407244

Entity Name: PAN DE VIDA ETERNA

- ☒ 1. The entity is in good standing with the Franchise Tax Board.
- ☐ 2. The entity is not in good standing with the Franchise Tax Board.
- ☒ 3. The entity is currently exempt from tax under Revenue and Taxation Code (R&TC) Section 23701 d.
- ☐ 4. We do not have current information about the entity.

The above information does not necessarily reflect:

- The entity's status with any other agency of the State of California, or other government agency.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or the entity did business in California at a time when it was not qualified or not registered to do business in California:
 - The status or voidability of any contracts made in California by the entity at a time when the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
 - For entities revived under R&TC Section 23305b, any time limitations on the revivor or limitation of the functions that can be performed by the entity.

Internet and Telephone Assistance

Website: ftb.ca.gov

Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

3407244

Articles of Incorporation

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

AUG 22 2011

The name of the corporation is Pan De Vida Eterna

II

- A. This corporation is a Religious Corporation and is not organized for private gain of any person. It is organized under the Nonprofit Religious Corporation Law exclusively for religious purposes.
- B. The specific purpose of this corporation is to operate a Christian Church.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

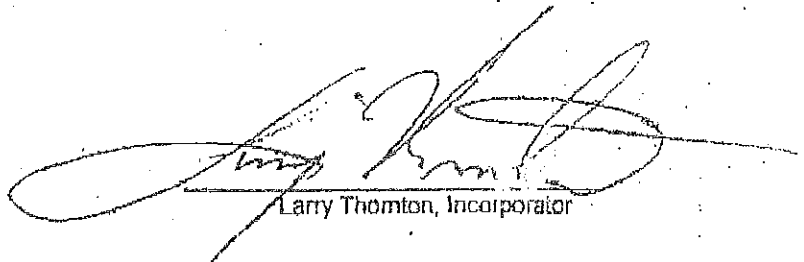
Larry Thornton
150 S. Los Robles Ave., Suite 650
Pasadena, Ca 91101

IV

- A. This corporation is organized and operated exclusively for religious purpose within the meaning of Internal Revenue Code Section 501 (c) (3).
- B. No Substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

V

The property of this corporation is irrevocably dedicated to religious purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer, or member thereof or to the benefit of any private person. Upon the dissolution or winding up the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for religious purposes and which has established its tax exempt status under Internal Revenue Code Section 501(c)(3).



Larry Thornton, Incorporator



I hereby certify that the foregoing
transcript of _____ page(s)
is a full, true and correct copy of the
original record in the custody of the
California Secretary of State's office.

SEP 12 2011

Date: _____

Debra Bowen
DEBRA BOWEN, Secretary of State

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **APR 17 2012**

PAN DE VIDA ETERNA
150 S LOS ROBLES AVE STE 650
PASADENA, CA 91101

Employer Identification Number:

DLN:

Contact Person:

DALE T SCHABER

ID# 31175

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

170(b)(1)(A)(i)

Form 990 Required:

No

Effective Date of Exemption:

August 22, 2011

Contribution Deductibility:

Yes

Addendum Applies:

No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

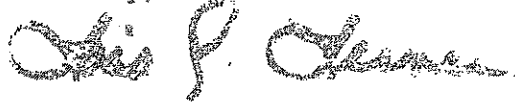
Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

PAN DE VIDA ETERNA

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lois G. Lerner". The signature is fluid and cursive, with the first name "Lois" being more prominent.

Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-PC



State of California
Franchise Tax Board

PO Box 1286
Rancho Cordova CA 95741-1286

PAN DE VIDA ETERNA
12602 HOOVER ST
GARDEN GROVE CA 92841

Date: 03.27.12
Case: 26620476780938013
Case Unit: 26620476780938016
In reply refer to: 760:TLS:F120

Regarding	: Tax-Exempt Status
Organization's Name	: Pan De Vida Eterna
CCN	: 3407244
Purpose	: Church
R&TC §	: 23701d
Form of Organization	: Incorporated
Accounting Period Ending	: 12/31
Tax-Exempt Status Effective	: 08/22/2011

Exempt Determination Letter

We have determined the organization is tax-exempt from California franchise or income tax as stated in the above Revenue and Taxation Code (R&TC) section (§).

To retain tax-exempt status, the organization must be organized and operating for nonprofit purposes within the provisions of the above R&TC section. An inactive organization is not entitled to tax-exempt status.

We have based our decision on the information submitted and the assumption that the organization's present operations will continue unchanged or conform to those proposed in the organization's application. In order for us to determine any affect on the tax-exempt status, the organization must immediately report to us any change in:

- Operation
- Character
- Purpose
- Name
- Address

Our determination may no longer be applicable, if these changes occur:

- Material facts or circumstances relating to the organization application.
- Relevant statutory, administrative, or judicial case law.

- Federal interpretation of federal law in cases where our decision was based on such interpretation.

It is the organization's responsibility to be aware of these changes should they occur. This paragraph constitutes written advice, other than a chief counsel ruling, within the meaning of R&TC §21012(a)(2).

For filing requirements, get Pub. 1068, *Exempt Organizations - Filing Requirements and Filing Fees*. Go to ftb.ca.gov and search for 1068.

This exemption is for state franchise or income tax purposes only. For information regarding sales tax exemption, contact the State Board of Equalization at 800.400.7115, or go to their website at boe.ca.gov.

Theresa L. Schock
Telephone: (916) 845-4171
Fax: (916) 843-0932

Cc: Larry Thornton

CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: September 22, 2015

**SUBJECT: APPROVE FIRST AMENDMENT TO INFORMATION TECHNOLOGY
SUPPORT SERVICES AGREEMENT**

REPORT IN BRIEF:

BreaIT has provided support to the City of Stanton since 1999. The most recent contract was written in 2012 after going through an RFP process. The contract calls for two one-year options. This Amendment would pick up the first of the two options years.

RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and
2. Authorize the City Manager to sign the First Amendment to Information Technology Support Services Agreement.

BACKGROUND:

Since 1999 the City has been contracting with the Brea IT/City of Brea to provide Comprehensive Information Technology (IT) Services. Through 2012, annual contracts were approved by the City Manager. On July 16, 2012 staff sent out a Request For Proposals (RFP) to 15 consultants/companies that are well respected in the Orange County area and posted the RFP to the City's website. BreaIT was selected as the winning vendor from that RFP process due to cost, years of experience as a business, years of experience of the staff and years of experience in government IT Services.

The contract signed with BreaIT called for three years with two option years for comprehensive IT services.

ANALYSIS/JUSTIFICATION:

The City of Brea IT/City of Brea is a large full service provider that has over 22 years of Comprehensive Information Technology (IT) Service experience and has helped more than 20 agencies meet their technological needs. The City has been using BreaIT since 1999 and staff is pleased with the service that they perform. It is prudent to pick up the first option year for this agreement.

Brea IT's cost proposal for this new year is \$91 per hour with regular services of eight hours per week for an annual compensation of \$37,856. This amounts to a \$1,664 increase (or 4.6%) from the 2012 rate. Emergency or unscheduled services requested by the City shall be charged at the rate of \$95 per hour with a minimum of two hours.

FISCAL IMPACT:

Sufficient funds for this contract are included in the Information Technology Budget – 101-1510-608145.

ENVIRONMENTAL IMPACT:

Not applicable.

PUBLIC NOTIFICATION:

Through the normal agenda process.

STRATEGIC PLAN OBJECTIVE ADDRESSED:

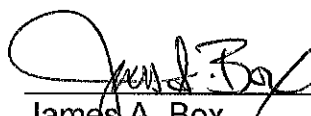
4. Ensure Fiscal Stability and Efficiency in Government

Prepared by:



Stephen M. Parker, CPA
Administrative Services Director

Reviewed by:



James A. Box
City Manager

Attachment A: First Amendment to Information Technology Support Services Agreement

CITY OF STANTON

FIRST AMENDMENT TO INFORMATION TECHNOLOGY SUPPORT SERVICES AGREEMENT

1. PARTIES AND DATE.

This First Amendment to the Information Technology Support Services Agreement ("First Amendment") is entered into on the 22nd day of September, 2015, by and between the City of Stanton, a municipal corporation, organized under the laws of the State of California, with its principal place of business at 7800 Katella Avenue, Stanton, CA 90680 ("City") and City of Brea, a municipal corporation, organized under the laws of the State of California, with its principal place of business at 1 Civic Center Circle, Brea, CA 92821 ("BreaIT"). City and BreaIT are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Agreement. The Parties entered into that certain Information Technology Support Services Agreement, dated September 25, 2012 ("Agreement").

2.2 First Amendment. The Parties now desire to amend the Agreement in order to renew the term of the Agreement and increase the amount of compensation under the Agreement.

3. TERMS.

3.1 Term. Pursuant to Section (B)(1) of the Agreement, the Parties hereby extend the original term of the Agreement for an additional, one year term, or from September 25, 2015 to September 25, 2016, which term shall be subject to all provisions in the Agreement and this First Amendment.

3.2 Compensation. Section (B)(1)(a) of the Agreement is hereby amended in its entirety to read as follows:

"As consideration for the use of BreaIT, City shall pay to BreaIT a fee of ninety-one dollars (\$91.00) per hour for each hour worked, which shall be payable upon receipt of invoice for said services from BreaIT. The hourly rates are subject to modification annually, as may be agreed between the Parties in writing. In exchange for the base monthly fee, BreaIT will provide City service time, not to exceed 40 hours per month for the following identified services: A specialist visiting the City's site two (2) times a week for four (4) hours per visit to complete the identified services stated in the attached Exhibit "A", which is incorporated herein by reference, and the services provided herein. BreaIT will, in its sole reasonable discretion, determine which personnel shall be assigned to task/service requests."

3.3 Additional Specialist Hours. Section (B)(1)(c) of the Agreement is hereby amended in its entirety to read as follows:

"Additional Specialist hours, which may be required during BreaIT's standard hours of operation, will be billed at a rate of ninety one dollars (\$91.00) per hour. Emergency call-out and off-hours work will be billed at ninety five dollars (\$95.00) per hour

with a two hour minimum. BreaIT will, in its sole reasonable discretion, determine which support level shall be assigned to task/service requests. Hourly rates are subject to modification annually, as may be agreed between the parties in writing."

3.4 Payment. Section (B)(1)(d) of the Agreement is hereby amended in its entirety to read as follows:

"BreaIT shall receive annual compensation of \$37,856 for regular services. Emergency or unscheduled services shall be billed charged and billed as set forth above."

3.5 Payment. Section (B)(1)(e) of the Agreement is hereby amended in its entirety to read as follows:

"City agrees to pay all undisputed invoice amounts within forty-five (45) days of the invoice date. City agrees to notify BreaIT of any disputed invoice amounts within ten (10) days of the invoice date."

3.6 Contract Representative. Section (B)(8)(b) of the Agreement is hereby amended in its entirety to read as follows:

"Contract Representative. The Contract Representative shall be Stephen Parker, or such other person as designated by the City Manager of the City of Stanton. It shall be BreaIT's responsibility to assure that the Contract Representative is kept informed of the progress of the performance of the services, and BreaIT shall refer any decision that must be made by the City to the Contract Representative. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Representative."

3.7 Remaining Provisions of Agreement. Except as otherwise specifically set forth in this First Amendment, the remaining provisions of the Agreement shall remain in full force and effect.

CITY OF STANTON

CITY OF BREA

By: _____
James A. Box, City Manager

By: _____
William Gallardo, City Manager

ATTEST:

By: _____
Patricia A. Vazquez, City Clerk

By: _____

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

By: _____

CITY OF STANTON

REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and City Council

DATE: September 22, 2015

SUBJECT: AGREEMENT WITH HDL SOFTWARE LLC

REPORT IN BRIEF:

In order to allow business license applications and renewals online, to reduce staff time and to fully utilize the new Business License Specialist position, an agreement with HdL Software LLC to provide business license software and credit card processing services is being recommended.

RECOMMENDED ACTION:

That City Council

- 1) Find that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060 (c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.
- 2) Authorize the City Manager to sign a three-year contract with HdL Software LLC with a not to exceed value of \$48,287 for business license software and credit card processing services.

BACKGROUND:

Since 2007 the City of Stanton has outsourced its business license enforcement to Municipal Auditing Services (MAS). MAS utilized internal software to assist in the collection of information from the Board of Equalization, Franchise Tax Board and other sources to ensure that businesses registered in the City of Stanton were paying their business license tax.

In 2007 the City implemented Springbrook Software as its General Ledger software. Incorporated in that software is a Business License module, which allows for the collection and tracking of information for businesses licensed with the City. The ability

to export information out of the Business License module is quite poor, with the only option being a text file that truncates information. In addition, the Business License module lacks other functionality that business license-specific software on the market regularly includes (such as the ability to import files from the Board of Equalization and Franchise Tax Board to identify businesses registered with the state that reside in the City of Stanton).

In the 2015 Strategic Plan, initiative #6.2 calls for modifying and enhancing the City website to include additional transparency and easier navigation. One of the goals of the Administrative Services department was to allow business license applications and renewals to be submitted online. As such, funding was put in the FY 2015-17 budget to attempt to get business licenses online in Stanton.

ANALYSIS/JUSTIFICATION:

Staff contacted the three largest vendors in the state for quotes for business license software – HdL, Progressive Solutions and MuniServices. MuniServices' quote included processing the licenses, and was more than twice as expensive annually. With the City's recent issues of outsourcing business license functions, this option was quickly ruled out. Staff reviewed presentations, called references and completed site visits for the other two vendors – Progressive Solutions Inc. and HdL Software LLC.

Of the three proposals received, staff believes that HdL Software LLC is the best software for the City based on a superior user interface, simple online renewal process, ease of use and ability to offer more code compliance capabilities. In addition, the City already has a proven partnership with HdL for sales and property tax services.

HdL Software has expanded to over 140 agencies and nine states while maintaining a 99% retention rate. They have put significant investments in research and development to ensure that their software applications are constantly improving and keeping pace with breakthroughs in technology and design. Their software is developed, installed and implemented by people who have intimate knowledge about what cities do because they have done it themselves.

FISCAL IMPACT:

HdL's implementation cost is \$18,000, with an annual maintenance expense of \$7,500 (pro-rated by half for the first fiscal year), which increases by CPI with a cap of 5%. In addition, any business licenses renewed online would be processed through HdL's merchant services vendor at a rate of 2.9% + \$0.30 per transaction. The attached not to exceed contract assumes the maximum 5% CPI as well as 800 businesses renewing \$100,000 worth of business licenses online in the first year, with 25% growth for the subsequent two years. Funding for this expense is found in the Information Technology Budget in account 101-1510-608145.

ENVIRONMENTAL IMPACT:

None.

LEGAL REVIEW:

The City Attorney has reviewed and approved the attached resolution and agreements.

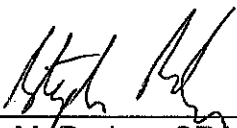
PUBLIC NOTIFICATION:

Through the agenda posting process.

STRATEGIC PLAN OBJECTIVES ADDRESSED:

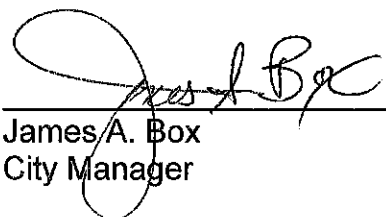
- 4. Ensure Fiscal Stability and Efficiency in Government
- 6.2 Modify and Enhance the City's website to include additional transparency and easier navigation

Prepared by:



Stephen M. Parker, CPA
Administrative Services Director

Approved by:



James A. Box
City Manager

Attachment:

- A. HdL Software LLC Professional Standards Agreement

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT, is made and effective as of September 22, 2015 between the City of Stanton, a California Municipal Corporation ("City") and HdL Software LLC ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM**

This Agreement shall commence on September 22, 2015 and shall remain and continue in effect until tasks described herein are completed, but in no event later than January 1, 2019 unless sooner terminated pursuant to the provisions of this Agreement. Prior to the expiration of this Agreement on January 1, 2019, the City may, in its sole discretion, extend this Agreement for two 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 Exhibits A and B, attached hereto and incorporated herein by reference.

3. **PERFORMANCE**

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

4. **CITY MANAGEMENT**

City's Director of Administrative Services shall represent City in all matters pertaining to the administration of this Agreement, review and approve all products submitted by Consultant, but not including the authority to enlarge the Scope of Service 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 Scope of Service or change Consultant's compensation, subject to Section 5 hereof.

5. **PAYMENT**

(a) The City agrees to pay Consultant annually the monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit "B", attached hereto and incorporated herein by this

reference as though set forth in full. This amount shall not exceed forty eight thousand, two hundred eighty seven dollars (\$48,287) for the total term of the Agreement unless additional payment is approved as provided in this Agreement.

(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 four thousand, eight hundred and twenty eight dollars and seventy cents (\$4,828.70). 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 thirty days (30) 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 5.

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 thirty days (30) 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 D 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:	HdL Software LLC 1340 Valley Vista Drive, Suite 200 Diamond Bar, California 91765
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17. **ASSIGNMENT**

The Consultant shall not 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 HdL Software LLC 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, Exhibits "A" and "B" hereto. City and Consultant are also bound by the "General Terms and Conditions" provided in Exhibit "C," which is attached hereto and incorporated herein by reference. Should a conflict arise between the contents of the Exhibits to this Agreement and this Agreement, the contents of the Exhibits should prevail.

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

CONSULTANT

By: _____
James A. Box
City Manager

By: _____
(Signature), Title

(Typed Name)

Attest:

Patricia A. Vazquez, City Clerk

Approved As To Form:

Matthew E. Richardson, City Attorney

EXHIBIT A

SCOPE OF SERVICE

EXHIBIT A - SCOPE OF SERVICE

1. Prime Software System

- 1.1. **City Management Support** - HdL will assist the City in evaluating current policies and procedures in order to enhance operational efficiency. This may include suggestions to redesign forms/reports, implement new processes, or adopt new strategies for improving communication with the business community and other City departments.
- 1.2. **Data Conversion** - HdL will convert the City's existing data. If City is migrating from HdL "Classic" Business License, City will provide a current backup of the existing Microsoft Access or Microsoft SQL Server HdL database. If City is converting from another vendor's software, the City agrees to provide its current data in ASCII delimited file format, SQL Server backup, or another format agreed upon between HdL and the City; along with a file layout detailing the content of the file. This data will be required a minimum of two times during the conversion process. The City understands that the second (and any subsequent) data set must be provided in the same format and layout as the first data set. Any inconsistencies between the first and second data sets will result in a delayed installation date and additional charges for conversion.

1.3. Implementation

1.3.1. HdL's responsibilities

- 1.3.1.1. **Project manager** - HdL will provide a project manager (PM) to guide the software implementation process. The primary responsibility for the HdL PM is to ensure successful and timely completion of each step of the software implementation schedule. The HdL PM will work closely with the City's designated project manager to define the software implementation schedule, identify City needs and configure the software accordingly, validate the data conversion, provide user training, and generally shepherd the City through the software implementation process.
- 1.3.1.2. **IT support** - HdL will provide a dedicated IT staff member to provide IT support during the software implementation process. This individual will provide the necessary instruction and assistance in order to install the software in the City's computing environment, and will provide any needed technical support.
- 1.3.1.3. **Training** - HdL will provide software training as defined in the agreed upon software implementation schedule. This generally consists of two separate training sessions. The size and participants of each training session will be determined by the HdL PM and the City's designated project manager.
- 1.3.1.4. **User manual** - HdL will provide access to a digital copy of the software user manual. The City may use the manual as needed for internal use by City staff. The user manual contains proprietary and confidential information, and as such is bound by the confidentiality portion of this agreement. The user manual may not in any circumstances be distributed to any 3rd party or any individual that is not a current City staff member responsible for using or maintaining the software.

1.3.2. City's responsibilities

- 1.3.2.1. **Project manager** - The City will designate a staff member to serve as the City's project manager (PM). This individual must be intimately involved in the daily business processes which the software will automate, and be empowered to make, or quickly secure from management, decisions required for the implementation of the software. The primary responsibility for the City PM is to ensure that all City responsibilities during the software implementation are met according to the agreed upon software implementation schedule. The City PM will be instrumental in the successful implementation of the software; working closely with the HdL PM to verify data conversion, review and approve reports, establish business rules, and configure all aspects of the software.
- 1.3.2.2. **IT support** - The City will designate an IT staff member to work with HdL staff throughout the software implementation process. This individual must be knowledgeable about the City's computing environment and be authorized to manage the SQL Server database and install

and configure software on the network server and workstations. The primary responsibility of the City's IT designee is to provide data to HdL for conversion (if required), install the SQL Server database, and install the software in the City's computing environment.

- 1.3.3. **Schedule** – The default timeline for complete implementation (including “Go Live”) of the software is approximately 60 days from the start of implementation. When the Agreement is signed by all parties, HdL will immediately work with the City to establish a specific implementation schedule.
- 1.4. **Payment Gateway** - For online payment functionality HdL's solutions include built in payment gateway services supporting both credit card and eCheck transactions. If a different payment gateway is required, there will be a \$5,000 development cost to establish the custom payment gateway integration.
- 1.5. **Maintenance and Support**
 - 1.5.1. **Customer Support** - HdL will provide customer support by telephone, email and the web during the term of this Agreement. In the United States, no charge support is available as follows: For customer support between the hours of 8:00 am and 5:00 pm Pacific time, Monday through Friday, email support@hdlcompanies.com or call the HdL offices at (909) 861-4335 and ask for software support. For technical support before 8:00 am or after 5:00 pm Pacific time, Monday through Friday (or anytime Saturday), email 911@hdlcompanies.com and an HdL staff member will be paged. Please only include your name, agency and contact # in emails to 911@hdlcompanies.com. You will be contacted as soon as possible.
 - 1.5.2. **Support Policy Regarding Reports** - HdL provides a number of reports with the installation of the software. These reports are developed using Crystal Reports and fall into one of two categories, standard or HdL custom developed. HdL provides support on both standard and HdL custom developed reports, provided that the reports have not been modified by the client or other third party. As part of support, HdL will make minor modifications to reports as needed by the City. This includes change of logo, phone #, address, signatures, and minor text edits. Other report edits and modifications requested by the City may not be covered under the Software Use Fee, and will be developed on a time and material basis at the current rate.
 - 1.5.3. **Software Upgrades** - Except to the extent that upgrades of the software include new modules or features not previously offered as part of the software as of the date hereof, City is entitled to upgrades of the software within the terms of this Agreement. Though rare, additional costs may apply depending on the extent of the upgrade. Potential additional costs include training, consulting, configuration, or other requested services.
 - 1.5.4. **Outside Connections to HdL Database** - HdL programs rely on the integrity of the database to operate properly. As such, it is critical that any outside connection to the database be implemented with HdL's full knowledge and participation. Only “read only” connections will be established to the HdL database. No modifications will be made to the HdL database, including database/table design and data content. Any repair work necessary due to violations of the above items will not be covered by the Software Use Fee, and as such will be billable to the client on a time and material basis. The City shall contact HdL for instructions if any added functionality is required, including reading additional data or writing to the HdL database.
- 1.6. **System Requirements** - The software and database will be installed on the City's network on hardware supplied by the City. Any specifications provided below indicate minimum requirements. It is the City's responsibility to ensure that any hardware used to host the software/database or run the client application meets the specifications dictated by the operating system and any software/services hosted by the hardware. For example, minimum operating system specifications will not be sufficient if the file server is also hosting the City's email system.
 - 1.6.1. **Application Server Specifications** - The application server will host the HdL Prime web service, which serves as the HdL Prime business layer. The HdL Prime web service uses the Microsoft Windows Server with IIS platform. The following versions are supported: MS Windows Server 2003 / 2003 R2, with IIS v6.0 or later, MS Windows Server 2008 / 2008 R2, with IIS v7.0 or later, MS Windows Server 2012 / 2012 R2, with IIS v8.0 or later. The application server should have at least 200 megabytes of space available.
 - 1.6.2. **Database Server Specifications** - The database server will host all application data. The database server should be dedicated to server related functions. Using a client's PC as the database server in

a multi-user environment is not supported. HdL Software systems use the Microsoft SQL Server database platform. The following versions are supported: MS SQL Server 2008 / 2008 Express, MS SQL Server 2008 R2 / 2008 R2 Express, MS SQL Server 2012 / 2012 Express, MS SQL Server 2014/ 2012 Express. Any server operating system supported by the selected version of SQL Server is supported as a database server; provided it meets the hardware specifications indicated by both the operating system and the version of SQL Server. The database server should have at least 15 gigabytes of space available to allow for the initial database and growth.

- 1.6.3. **Workstation Specifications** - The software will be run on the client workstation. HdL Prime is deployed to the workstation via a click once installer. The Crystal Reports and .NET 4.x runtimes will also need to be installed on the workstation. The following hardware recommendations are based on user feedback regarding performance levels: 4+GB Memory, 1280x1024 screen resolution, MS Windows XP Pro/Vista/7/8/10 operating system.
- 1.6.4. **Network Specifications** - The software communicates via web services, and is designed to operate efficiently over the network. High-speed local area network connections are always helpful, but Prime will also run without difficulty over slower WAN connections such as T1 or mobile broadband.
- 1.6.5. **Printer Specifications** - The software is designed to work with laser printers. A PCL compliant laser printer is recommended. Each make and model of printer has different drivers and therefore has slightly different results when printing. We design forms/reports using HP LaserJet printers.

2. Payment Processing Services

- 2.1. **Payment Processing** - HdL shall provide its Services to support payments remitted to City. HdL shall transmit transactions for authorization and settlement through HdL's certified payment processor. Funds for transactions processed by HdL hereunder shall be submitted to City's designated bank account as follows: (i) no more than two (2) business banking days after all Transactions (other than electronic Check Transactions) that are successfully processed prior to 5:00 p.m. ET on each business banking day (e.g., a Transaction authorized at 2:00 p.m. ET on Monday will be submitted on Wednesday; a Transaction successfully processed at 8:00 p.m. ET on Monday will be submitted on Thursday); and (ii) no more than five (5) business banking days for all electronic Check Transactions that are successfully processed prior to 5:00 p.m. ET on each business banking day. HdL makes no representation or warranty as to when funds will be made available by Client's bank.
- 2.2. **Support** - HdL shall provide City with payment processing related customer service as needed. City shall timely report any problems encountered with the service. HdL shall promptly respond to each report problem based on its severity, the impact on City's operations and the effect on the service. HdL shall either resolve the problem or provide City with the information needed to enable the City to resolve it.
- 2.3. **Transaction Errors** - HdL's sole responsibility for any Transaction error or reversed Transaction is to determine whether the result indicates a problem with HdL's service and, if necessary, reprocess and resubmit the Transaction without additional charge. In the event that a Transaction is reversed or refunded to any Customer of City, for any reason, HdL may offset such amount against funds remitted to City, or invoice City for such amount, at HdL's discretion. City shall pay any such invoice within 30 days of receipt.
- 2.4. **Electronic Check Authorization** - If City elects to accept electronic Checks as a form of payment, the following subsections apply. For the purpose of this section, "checks" means checks drawn on accounts held in the U.S. ("Check(s)").
 - 2.4.1. As part of the implementation plan, City shall select risk management controls governing Check acceptance and assumes sole responsibility for the choice of controls.
 - 2.4.2. HdL shall provide confirmation on a submitted ABA number as part of the Service to assist Client with the decision whether to accept a Check and shall route accepted Checks.
 - 2.4.3. City hereby authorizes HdL to debit the City's financial institution account in the amount of any returned item that is received by HdL.
- 2.5. **City Responsibilities**
 - 2.5.1. As a condition to its receipt of the Service, City shall execute and deliver any and all applications, agreements, certifications or other documents required by Networks or other third parties whose consent or approval is necessary for the processing of Transactions. "Network" is an entity or

association that operates, under a common service mark, a system which permits participants to authorize, route, and settle Transactions among themselves, including, for example, networks operated by VISA USA and Mastercard, Inc., NYCE Corporation, American Express, and Discover.

2.5.2. City represents, warrants, and agrees that it does and will comply with applicable Laws and regulations and Network rules, regulations or operating guidelines. City shall notify HdL in writing as soon as possible in the event a claim is either threatened or filed against City by any governmental organization having jurisdiction over City or a Customer related to the Service. City shall also notify HdL in writing as soon as possible in the event a claim is either threatened or filed against City relating to Transactions or the Services or a fine or other penalty is assessed or threatened relating to Transactions or the Services.

2.5.3. City represents, warrants and agrees that it is and will continue to be in full compliance with all applicable requirements of the Client Information Security Program of VISA, the Site Data Protection Program of MasterCard, and similar programs of other Networks, and any modifications to such programs that may occur from time to time. Upon the request of HdL, City shall provide HdL with documentation reasonably satisfactory to HdL verifying compliance with this Section.

2.5.4. City hereby grants HdL the full right, power and authority to request, receive and review any Data or records reflected in a Transaction report. City represents and warrants that it has the full right and authority to grant these rights.

2.6. Fees

2.6.1. If a convenience fee will be charged, the City authorizes HdL to collect each convenience fee.

2.6.2. The fees set forth in Exhibit B Payment Schedule do not include expenses, late fees or charges, or taxes, all of which shall be the responsibility of City. In addition to the charges specified in Exhibit B Payment Schedule, City shall be responsible for (a) all interchange and network provider fees, (b) all dues, fees, fines and assessments established and owed by City to Visa and/or Mastercard, (c) for all costs and fees associated with changes to ATM protocol caused by City's conversion to the Services, and (d) any increase in postage charges, provided that any increase in charges resulting from (a) through (d) shall not exceed the actual increase incurred by HdL.

2.6.3. HdL reserves the right to review and adjust all City and convenience fee pricing on an annual basis in June. This adjustment may be consistent with the then most recent ECI adjustment or three percent (3%) whichever is greater. Items that will be considered in the review of fees may include, but are not limited to: regulatory changes, card association rate adjustments, card association category changes, bank/processor dues and assessments, average consumer payment amounts, and card type utilization.

2.6.4. City agrees to maintain a depository account with a financial institution reasonably acceptable to HdL for the payment of amounts payable hereunder, and hereby authorizes HdL to initiate debit entries to such account for the payment of amounts payable hereunder. City agrees to provide HdL with any and all information necessary for HdL to initiate such debit entries via the Automated Clearing House (ACH) system. For any amount that is not paid within thirty (30) days after its due date, City shall pay a late fee equal to the lesser of one and one-half percent (1 ½%) per month of the unpaid amount or the maximum interest rate allowed by Law.

EXHIBIT B
COMPENSATION

EXHIBIT B - COMPENSATION

1. Prime Software System

One Time Project Costs

Item	Price	Comments
Prime Business License - Software License Fee	\$18,000	5 Users
Prime Web Module	Included	
Finance System Integration	Included	
Implementation	Included	Project management, installation, configuration, report design, training, etc.
Data Conversion	Included	
Travel Expenses	\$200.00	At Cost
Training Costs - 1 day	Included	6 hour day for up to 6 people
TOTAL	\$18,200	Total one-time costs

Recurring Costs

Item	Price	Comments
Annual Software Use Fee	\$7,500	\$3,750 pro ration for implementation year

- 1.1. **Software License Fee** - The license fee includes the use of the software by the specified number of users, software user manual in digital format, and all standard forms and reports. Additional user licenses are available for \$2,500 license fee plus \$500 annual software use fee.
- 1.2. **Annual Software Use Fee** - The software use fee is billed annually, and provides for ongoing customer support and updates to the software. The software use fee shall be adjusted at the beginning of each calendar year by the change in the Consumer Price Index - West Urban (CPI-WU) as reported by the Bureau of Labor Statistics. Each CPI adjustment will not be less than two percent (2%) or greater than five percent (5%). The software use fee shall also be adjusted to include any amounts paid for any City licenses or permits which were required for this service.
- 1.3. **Implementation** - The implementation fee covers all efforts involved for installation and configuration of the software. This includes one session of pre-installation and process evaluation, one session of "go live" training, installation support, design and programming of standard forms and reports, and configuration of the software.
- 1.4. **Data Conversion** - Data will be converted from the City provided source files. Includes one (1) conversion when migrating from an HdL system, and two (2) conversions when migrating from another vendor's system. Additional conversions can be performed, upon request, at a cost of \$2,500 per conversion. The source files must be provided in the same format for all conversions, otherwise custom programming costs will apply in order to accommodate the varying data formats.
- 1.5. **Travel Expenses** - Travel and lodging expenses are billed at cost and apply to all meetings; including process, pre-installation, installation, training, and support. HdL is dedicated to conserving public funds, and ensures any travel costs are indeed required and reasonable.

- 1.6. **Parcel Data** - HdL Prime includes comprehensive land management functionality. There are three ways to acquire the parcel data.
 - 1.6.1. If the City is a client for HdL property tax services, the parcel data will be provided at no cost.
 - 1.6.2. If the City is not a client for HdL property tax services, the parcel data may be purchased from HdL.
 - 1.6.3. If the City wishes to use any other source of parcel data, HdL can work with the City to create a re-useable import utility. The development of this utility will be billed on a time and material basis. Once the source data has been reviewed, a statement of work will be provided including a cost estimate.
- 1.7. **Customizing Services** - The software is a table-driven system and has been developed to meet almost all of the needs of a City. However, should the need occur, HdL is available to provide custom enhancements to the software on a pre-determined time and material basis. No work shall be performed without prior written approval of the City.
- 1.8. **Payment Schedule** – Compensation for the contract amount shall be as follows:
 - 1.8.1. One time project costs and the first year Software Use Fee. 60% shall be due and payable within 30 days of the effective date of the Agreement. 30% within 60 days of the effective date of the Agreement. 10% within 30 days of full system delivery or first production use of the system, whichever comes first.
 - 1.8.2. Travel Expenses. Travel and lodging expenses are billed at cost as they are incurred. Travel expenses shall be due and payable within 30 days of the billing date.
 - 1.8.3. Annual Software Use Fee. The software use fee will be invoiced each year on the anniversary of 60 days after the effective date of the Agreement, and shall be due and payable within 30 days of the invoice date. The software use fee billing cycle can be prorated as needed should the City desire an alternative billing cycle.

2. **Payment Processing Services** - HdL will provide City with eCheck, credit and debit card payment processing (merchant) services under an Agency Funded Interchange Pass-through pricing model. HdL reserves the right to not accept any payment type in situations where doing so may be in violation of the rules and regulations governing that payment type.

Service (Agency Funded Model)	Compensation
Credit and Debit Cards processing	2.9% + \$0.30 per transaction
ACH/eCheck processing	\$0.50 per transaction
Monthly Reporting and Statement Fee	Waived
Monthly Hosting and Maintenance	\$30.00 per month
ACH and eCheck Returns	\$10.00 per event
Chargebacks	\$25.00 per event

3. **Payment**

HdL will provide detailed invoices for all work completed. City will submit payment to HdL for undisputed services within 30 days of receiving the invoice.

EXHIBIT C

GENERAL TERMS AND CONDITIONS

EXHIBIT C
GENERAL TERMS AND CONDITIONS

1. OWNERSHIP OF MATERIALS, CONFIDENTIALITY.

- 1.1. Software License. If access to any HdL software systems are provided to City as part of this Agreement, HdL hereby provides a license to the City to use HdL's software while the associated service is in effect through this Agreement. The software shall only be used by the City. The City shall not sublet, duplicate, modify, decompile, reverse engineer, disassemble, or attempt to derive the source code of said software. The license granted hereunder shall not imply ownership by City of said software, rights of the City to sell said software, or rights to use said software for the benefits of others. This license is not transferable. City shall not create any derivative work or product based on or derived from the Software or documentation, or modify the Software or documentation without the prior written consent of HdL. In the event of a breach of this provision (And without limiting HdL's remedies), said modification, derivative work or product based on the Software or documentation is hereby deemed assigned to HdL. Upon termination, the software license shall expire, all copies of the software shall be removed from the City's computers and network and all digital copies deleted or otherwise destroyed.
- 1.2. Agency Data. HdL acknowledges that the data provided by the City ("Agency Data") during the course of this Agreement is the property of the City. City authorizes HdL to access, import, process and generate reports from the Agency Data with its various proprietary systems. No confidential or otherwise sensitive information will be released. If appropriate, at the termination of this Agreement the Agency Data will be made available to the City in a format acceptable to both the City and HdL.
- 1.3. Proprietary Information. As used herein, the term "proprietary information" means any information which relates to HdL's software systems, audit processes or related services, techniques, or general business processes. City shall hold in confidence and shall not disclose to any other party any HdL proprietary information in connection with this Agreement, or otherwise learned or obtained by the City in connection with this Agreement. The obligations imposed by this Paragraph shall survive any expiration or termination of this Agreement. The terms of this section shall not apply to any information that is public information.

2. OPTIONAL SERVICES. Optional services beyond the scope of this Agreement are available at HdL's hourly rates in effect at the time service is requested. HdL will provide City a Statement of Work specifying the scope, timeline, and cost for the requested service. Depending on the personnel assigned to perform the work, HdL's standard hourly rates range between \$75 and \$275 per hour.

3. MISCELLANEOUS EXPENSES. HdL will notify the City of any miscellaneous expenses and request authorization to proceed. HdL will not be reimbursed for any miscellaneous expenses unless authorized by the City. Miscellaneous expenses may include travel, lodging and meal expenses, and other expenses which are above and beyond the ordinary expenses associated with performance of this Agreement.

4. PRICING ADJUSTMENTS. All pricing listed in this Agreement will be honored during initial implementation of the services. Any additional/optional services needed after services are active will be provided using the pricing currently established at the time the service is requested.

5. LICENSE, PERMITS, FEES AND ASSESSMENTS. HdL shall, in its sole expense, obtain such licenses, permits and approvals (collectively the "Permits") as may be required by law for the performance of the services required by this Agreement. City shall assist HdL in obtaining such Permits, but does not guarantee or assure that such Permits will be granted or approved.

6. TERMINATION. This Agreement, or individual services provided by this Agreement, may be terminated as follows:

- 6.1. Software – Software services may be terminated by either party upon written notice at least 30 days prior to the end of the established annual billing cycle. Software services are provided on an annual basis. No credit will be provided for any unused portion of the annual term. Upon termination, the software license shall expire and (a) City will immediately remove the software from computers, servers and network, and destroy or erase all copies of the software and any Proprietary Information and confirm destruction of same by signing and returning to HdL an "Affidavit of Destruction" acceptable to HdL, and (b) upon City's request, HdL will assist in extracting the City data in a format acceptable to both the City and HdL.
- 6.2. Services – City may discontinue a service by sending a letter of intent to HdL at least 30 days prior to desired last date of service.

EXHIBIT D

INSURANCE REQUIREMENTS

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

Consultant shall provide the following types and amounts of insurance:

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

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

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

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

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

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

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

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

EXHIBIT A - SCOPE OF SERVICE

1. Prime Software System

- 1.1. **City Management Support** - HdL will assist the City in evaluating current policies and procedures in order to enhance operational efficiency. This may include suggestions to redesign forms/reports, implement new processes, or adopt new strategies for improving communication with the business community and other City departments.
- 1.2. **Data Conversion** - HdL will convert the City's existing data. If City is migrating from HdL "Classic" Business License, City will provide a current backup of the existing Microsoft Access or Microsoft SQL Server HdL database. If City is converting from another vendor's software, the City agrees to provide its current data in ASCII delimited file format, SQL Server backup, or another format agreed upon between HdL and the City; along with a file layout detailing the content of the file. This data will be required a minimum of two times during the conversion process. The City understands that the second (and any subsequent) data set must be provided in the same format and layout as the first data set. Any inconsistencies between the first and second data sets will result in a delayed installation date and additional charges for conversion.

1.3. Implementation

1.3.1. HdL's responsibilities

- 1.3.1.1. **Project manager** - HdL will provide a project manager (PM) to guide the software implementation process. The primary responsibility for the HdL PM is to ensure successful and timely completion of each step of the software implementation schedule. The HdL PM will work closely with the City's designated project manager to define the software implementation schedule, identify City needs and configure the software accordingly, validate the data conversion, provide user training, and generally shepherd the City through the software implementation process.
- 1.3.1.2. **IT support** - HdL will provide a dedicated IT staff member to provide IT support during the software implementation process. This individual will provide the necessary instruction and assistance in order to install the software in the City's computing environment, and will provide any needed technical support.
- 1.3.1.3. **Training** - HdL will provide software training as defined in the agreed upon software implementation schedule. This generally consists of two separate training sessions. The size and participants of each training session will be determined by the HdL PM and the City's designated project manager.
- 1.3.1.4. **User manual** - HdL will provide access to a digital copy of the software user manual. The City may use the manual as needed for internal use by City staff. The user manual contains proprietary and confidential information, and as such is bound by the confidentiality portion of this agreement. The user manual may not in any circumstances be distributed to any 3rd party or any individual that is not a current City staff member responsible for using or maintaining the software.

1.3.2. City's responsibilities

- 1.3.2.1. **Project manager** - The City will designate a staff member to serve as the City's project manager (PM). This individual must be intimately involved in the daily business processes which the software will automate, and be empowered to make, or quickly secure from management, decisions required for the implementation of the software. The primary responsibility for the City PM is to ensure that all City responsibilities during the software implementation are met according to the agreed upon software implementation schedule. The City PM will be instrumental in the successful implementation of the software; working closely with the HdL PM to verify data conversion, review and approve reports, establish business rules, and configure all aspects of the software.
- 1.3.2.2. **IT support** - The City will designate an IT staff member to work with HdL staff throughout the software implementation process. This individual must be knowledgeable about the City's computing environment and be authorized to manage the SQL Server database and install

and configure software on the network server and workstations. The primary responsibility of the City's IT designee is to provide data to HdL for conversion (if required), install the SQL Server database, and install the software in the City's computing environment.

- 1.3.3. **Schedule** – The default timeline for complete implementation (including “Go Live”) of the software is approximately 60 days from the start of implementation. When the Agreement is signed by all parties, HdL will immediately work with the City to establish a specific implementation schedule.
- 1.4. **Payment Gateway** - For online payment functionality HdL's solutions include built in payment gateway services supporting both credit card and eCheck transactions. If a different payment gateway is required, there will be a \$5,000 development cost to establish the custom payment gateway integration.
- 1.5. **Maintenance and Support**
 - 1.5.1. **Customer Support** - HdL will provide customer support by telephone, email and the web during the term of this Agreement. In the United States, no charge support is available as follows: For customer support between the hours of 8:00 am and 5:00 pm Pacific time, Monday through Friday, email support@hdlcompanies.com or call the HdL offices at (909) 861-4335 and ask for software support. For technical support before 8:00 am or after 5:00 pm Pacific time, Monday through Friday (or anytime Saturday), email 911@hdlcompanies.com and an HdL staff member will be paged. Please only include your name, agency and contact # in emails to 911@hdlcompanies.com. You will be contacted as soon as possible.
 - 1.5.2. **Support Policy Regarding Reports** - HdL provides a number of reports with the installation of the software. These reports are developed using Crystal Reports and fall into one of two categories, standard or HdL custom developed. HdL provides support on both standard and HdL custom developed reports, provided that the reports have not been modified by the client or other third party. As part of support, HdL will make minor modifications to reports as needed by the City. This includes change of logo, phone #, address, signatures, and minor text edits. Other report edits and modifications requested by the City may not be covered under the Software Use Fee, and will be developed on a time and material basis at the current rate.
 - 1.5.3. **Software Upgrades** - Except to the extent that upgrades of the software include new modules or features not previously offered as part of the software as of the date hereof, City is entitled to upgrades of the software within the terms of this Agreement. Though rare, additional costs may apply depending on the extent of the upgrade. Potential additional costs include training, consulting, configuration, or other requested services.
 - 1.5.4. **Outside Connections to HdL Database** - HdL programs rely on the integrity of the database to operate properly. As such, it is critical that any outside connection to the database be implemented with HdL's full knowledge and participation. Only “read only” connections will be established to the HdL database. No modifications will be made to the HdL database, including database/table design and data content. Any repair work necessary due to violations of the above items will not be covered by the Software Use Fee, and as such will be billable to the client on a time and material basis. The City shall contact HdL for instructions if any added functionality is required, including reading additional data or writing to the HdL database.
- 1.6. **System Requirements** - The software and database will be installed on the City's network on hardware supplied by the City. Any specifications provided below indicate minimum requirements. It is the City's responsibility to ensure that any hardware used to host the software/database or run the client application meets the specifications dictated by the operating system and any software/services hosted by the hardware. For example, minimum operating system specifications will not be sufficient if the file server is also hosting the City's email system.
 - 1.6.1. **Application Server Specifications** - The application server will host the HdL Prime web service, which serves as the HdL Prime business layer. The HdL Prime web service uses the Microsoft Windows Server with IIS platform. The following versions are supported: MS Windows Server 2003 / 2003 R2, with IIS v6.0 or later, MS Windows Server 2008 / 2008 R2, with IIS v7.0 or later, MS Windows Server 2012 / 2012 R2, with IIS v8.0 or later. The application server should have at least 200 megabytes of space available.
 - 1.6.2. **Database Server Specifications** - The database server will host all application data. The database server should be dedicated to server related functions. Using a client's PC as the database server in

a multi-user environment is not supported. HdL Software systems use the Microsoft SQL Server database platform. The following versions are supported: MS SQL Server 2008 / 2008 Express, MS SQL Server 2008 R2 / 2008 R2 Express, MS SQL Server 2012 / 2012 Express, MS SQL Server 2014/ 2012 Express. Any server operating system supported by the selected version of SQL Server is supported as a database server; provided it meets the hardware specifications indicated by both the operating system and the version of SQL Server. The database server should have at least 15 gigabytes of space available to allow for the initial database and growth.

1.6.3. Workstation Specifications - The software will be run on the client workstation. HdL Prime is deployed to the workstation via a click once installer. The Crystal Reports and .NET 4.x runtimes will also need to be installed on the workstation. The following hardware recommendations are based on user feedback regarding performance levels: 4+GB Memory, 1280x1024 screen resolution, MS Windows XP Pro/Vista/7/8/10 operating system.

1.6.4. Network Specifications - The software communicates via web services, and is designed to operate efficiently over the network. High-speed local area network connections are always helpful, but Prime will also run without difficulty over slower WAN connections such as T1 or mobile broadband.

1.6.5. Printer Specifications - The software is designed to work with laser printers. A PCL compliant laser printer is recommended. Each make and model of printer has different drivers and therefore has slightly different results when printing. We design forms/reports using HP LaserJet printers.

2. Payment Processing Services

2.1. Payment Processing - HdL shall provide its Services to support payments remitted to City. HdL shall transmit transactions for authorization and settlement through HdL's certified payment processor. Funds for transactions processed by HdL hereunder shall be submitted to City's designated bank account as follows: (i) no more than two (2) business banking days after all Transactions (other than electronic Check Transactions) that are successfully processed prior to 5:00 p.m. ET on each business banking day (e.g., a Transaction authorized at 2:00 p.m. ET on Monday will be submitted on Wednesday; a Transaction successfully processed at 8:00 p.m. ET on Monday will be submitted on Thursday); and (ii) no more than five (5) business banking days for all electronic Check Transactions that are successfully processed prior to 5:00 p.m. ET on each business banking day. HdL makes no representation or warranty as to when funds will be made available by Client's bank.

2.2. Support - HdL shall provide City with payment processing related customer service as needed. City shall timely report any problems encountered with the service. HdL shall promptly respond to each report problem based on its severity, the impact on City's operations and the effect on the service. HdL shall either resolve the problem or provide City with the information needed to enable the City to resolve it.

2.3. Transaction Errors - HdL's sole responsibility for any Transaction error or reversed Transaction is to determine whether the result indicates a problem with HdL's service and, if necessary, reprocess and resubmit the Transaction without additional charge. In the event that a Transaction is reversed or refunded to any Customer of City, for any reason, HdL may offset such amount against funds remitted to City, or invoice City for such amount, at HdL's discretion. City shall pay any such invoice within 30 days of receipt.

2.4. Electronic Check Authorization - If City elects to accept electronic Checks as a form of payment, the following subsections apply. For the purpose of this section, "checks" means checks drawn on accounts held in the U.S. ("Check(s)").

2.4.1. As part of the implementation plan, City shall select risk management controls governing Check acceptance and assumes sole responsibility for the choice of controls.

2.4.2. HdL shall provide confirmation on a submitted ABA number as part of the Service to assist Client with the decision whether to accept a Check and shall route accepted Checks.

2.4.3. City hereby authorizes HdL to debit the City's financial institution account in the amount of any returned item that is received by HdL.

2.5. City Responsibilities

2.5.1. As a condition to its receipt of the Service, City shall execute and deliver any and all applications, agreements, certifications or other documents required by Networks or other third parties whose consent or approval is necessary for the processing of Transactions. "Network" is an entity or

association that operates, under a common service mark, a system which permits participants to authorize, route, and settle Transactions among themselves, including, for example, networks operated by VISA USA and Mastercard, Inc., NYCE Corporation, American Express, and Discover.

- 2.5.2. City represents, warrants, and agrees that it does and will comply with applicable Laws and regulations and Network rules, regulations or operating guidelines. City shall notify HdL in writing as soon as possible in the event a claim is either threatened or filed against City by any governmental organization having jurisdiction over City or a Customer related to the Service. City shall also notify HdL in writing as soon as possible in the event a claim is either threatened or filed against City relating to Transactions or the Services or a fine or other penalty is assessed or threatened relating to Transactions or the Services.
- 2.5.3. City represents, warrants and agrees that it is and will continue to be in full compliance with all applicable requirements of the Client Information Security Program of VISA, the Site Data Protection Program of MasterCard, and similar programs of other Networks, and any modifications to such programs that may occur from time to time. Upon the request of HdL, City shall provide HdL with documentation reasonably satisfactory to HdL verifying compliance with this Section.
- 2.5.4. City hereby grants HdL the full right, power and authority to request, receive and review any Data or records reflected in a Transaction report. City represents and warrants that it has the full right and authority to grant these rights.

2.6. Fees

- 2.6.1. If a convenience fee will be charged, the City authorizes HdL to collect each convenience fee.
- 2.6.2. The fees set forth in Exhibit B Payment Schedule do not include expenses, late fees or charges, or taxes, all of which shall be the responsibility of City. In addition to the charges specified in Exhibit B Payment Schedule, City shall be responsible for (a) all interchange and network provider fees, (b) all dues, fees, fines and assessments established and owed by City to Visa and/or Mastercard, (c) for all costs and fees associated with changes to ATM protocol caused by City's conversion to the Services, and (d) any increase in postage charges, provided that any increase in charges resulting from (a) through (d) shall not exceed the actual increase incurred by HdL.
- 2.6.3. HdL reserves the right to review and adjust all City and convenience fee pricing on an annual basis in June. This adjustment may be consistent with the then most recent ECI adjustment or three percent (3%) whichever is greater. Items that will be considered in the review of fees may include, but are not limited to: regulatory changes, card association rate adjustments, card association category changes, bank/processor dues and assessments, average consumer payment amounts, and card type utilization.
- 2.6.4. City agrees to maintain a depository account with a financial institution reasonably acceptable to HdL for the payment of amounts payable hereunder, and hereby authorizes HdL to initiate debit entries to such account for the payment of amounts payable hereunder. City agrees to provide HdL with any and all information necessary for HdL to initiate such debit entries via the Automated Clearing House (ACH) system. For any amount that is not paid within thirty (30) days after its due date, City shall pay a late fee equal to the lesser of one and one-half percent (1 ½%) per month of the unpaid amount or the maximum interest rate allowed by Law.

EXHIBIT B - COMPENSATION

1. Prime Software System

One Time Project Costs

Item	Price	Comments
Prime Business License - Software License Fee	\$18,000	5 Users
Prime Web Module	Included	
Finance System Integration	Included	
Implementation	Included	Project management, installation, configuration, report design, training, etc.
Data Conversion	Included	
Travel Expenses	\$200.00	At Cost
Training Costs – 1 day	Included	6 hour day for up to 6 people
TOTAL	\$18,200	Total one-time costs

Recurring Costs

Item	Price	Comments
Annual Software Use Fee	\$7,500	\$3,750 pro ration for implementation year

- 1.1. **Software License Fee** - The license fee includes the use of the software by the specified number of users, software user manual in digital format, and all standard forms and reports. Additional user licenses are available for \$2,500 license fee plus \$500 annual software use fee.
- 1.2. **Annual Software Use Fee** - The software use fee is billed annually, and provides for ongoing customer support and updates to the software. The software use fee shall be adjusted at the beginning of each calendar year by the change in the Consumer Price Index – West Urban (CPI-WU) as reported by the Bureau of Labor Statistics. Each CPI adjustment will not be less than two percent (2%) or greater than five percent (5%). The software use fee shall also be adjusted to include any amounts paid for any City licenses or permits which were required for this service.
- 1.3. **Implementation** - The implementation fee covers all efforts involved for installation and configuration of the software. This includes one session of pre-installation and process evaluation, one session of “go live” training, installation support, design and programming of standard forms and reports, and configuration of the software.
- 1.4. **Data Conversion** – Data will be converted from the City provided source files. Includes one (1) conversion when migrating from an HdL system, and two (2) conversions when migrating from another vendor’s system. Additional conversions can be performed, upon request, at a cost of \$2,500 per conversion. The source files must be provided in the same format for all conversions, otherwise custom programming costs will apply in order to accommodate the varying data formats.
- 1.5. **Travel Expenses** - Travel and lodging expenses are billed at cost and apply to all meetings; including process, pre-installation, installation, training, and support. HdL is dedicated to conserving public funds, and ensures any travel costs are indeed required and reasonable.

- 1.6. **Parcel Data** - HdL Prime includes comprehensive land management functionality. There are three ways to acquire the parcel data.
 - 1.6.1. If the City is a client for HdL property tax services, the parcel data will be provided at no cost.
 - 1.6.2. If the City is not a client for HdL property tax services, the parcel data may be purchased from HdL.
 - 1.6.3. If the City wishes to use any other source of parcel data, HdL can work with the City to create a re-useable import utility. The development of this utility will be billed on a time and material basis. Once the source data has been reviewed, a statement of work will be provided including a cost estimate.
- 1.7. **Customizing Services** - The software is a table-driven system and has been developed to meet almost all of the needs of a City. However, should the need occur, HdL is available to provide custom enhancements to the software on a pre-determined time and material basis. No work shall be performed without prior written approval of the City.
- 1.8. **Payment Schedule** – Compensation for the contract amount shall be as follows:
 - 1.8.1. One time project costs and the first year Software Use Fee. 60% shall be due and payable within 30 days of the effective date of the Agreement. 30% within 60 days of the effective date of the Agreement. 10% within 30 days of full system delivery or first production use of the system, whichever comes first.
 - 1.8.2. Travel Expenses. Travel and lodging expenses are billed at cost as they are incurred. Travel expenses shall be due and payable within 30 days of the billing date.
 - 1.8.3. Annual Software Use Fee. The software use fee will be invoiced each year on the anniversary of 60 days after the effective date of the Agreement, and shall be due and payable within 30 days of the invoice date. The software use fee billing cycle can be prorated as needed should the City desire an alternative billing cycle.

2. **Payment Processing Services** - HdL will provide City with eCheck, credit and debit card payment processing (merchant) services under an Agency Funded Interchange Pass-through pricing model. HdL reserves the right to not accept any payment type in situations where doing so may be in violation of the rules and regulations governing that payment type.

Service (Agency Funded Model)	Compensation
Credit and Debit Cards processing	2.9% + \$0.30 per transaction
ACH/eCheck processing	\$0.50 per transaction
Monthly Reporting and Statement Fee	Waived
Monthly Hosting and Maintenance	\$30.00 per month
ACH and eCheck Returns	\$10.00 per event
Chargebacks	\$25.00 per event

3. Payment

HdL will provide detailed invoices for all work completed. City will submit payment to HdL for undisputed services within 30 days of receiving the invoice.

CITY OF STANTON

REPORT TO CITY COUNCIL

TO: Honorable Mayor and Members of the City Council

DATE: September 22, 2015

SUBJECT: PERMIT PARKING CONSIDERATION FOR ASBURY AVENUE, COURSON DRIVE, HAMDEN AVENUE, LITCHFIELD AVENUE, LOWDEN STREET, LOWELL STREET, RAMBLEWOOD DRIVE, THUNDERBIRD LANE AND IN FRONT OF 10651 AND 10661 WESTERN AVENUE

REPORT IN BRIEF:

The City has received a petition to establish a 24-hour permit parking area for Asbury Avenue, Courson Drive, Hamden Ave, Litchfield Avenue, Lowden Street, Lowell Street, Ramblewood Drive and Thunderbird Lane and in front of 10651 and 10661 Western Avenue. The petition is submitted for City Council consideration.

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 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
3. Adopt Resolution No. 2015-30 establishing a 24-hour permit parking area for Asbury Avenue, Courson Drive, Hamden Ave, Litchfield Avenue, Lowden Street, Lowell Street, Ramblewood Drive and Thunderbird Lane and in front of 10651 Western Avenue and 10661 Western Avenue.

BACKGROUND:

On August 3, 2015, the City of Stanton reviewed a completed petition to implement a permit parking program for the neighborhood at Asbury Avenue, Courson Drive, Hamden Ave, Litchfield Avenue, Lowden Street, Lowell Street, Ramblewood Drive,

Thunderbird Lane and in front of 10651 and 10661 Western Avenue. The community requested that 24-hour permit parking be established on these streets (Attachment B). The total number of homes in the area is 110. As part of the Permit Parking Guidelines, 67 percent of residents or homeowners in the area must vote to approve a new permit parking area. Moreover, this requested permit parking area is adjacent to an existing permit parking area which includes a portion of Asbury Avenue, Courson Drive, Idywild Drive, Middlesex Drive and Ramblewood Drive Avenue. If approved, the requested permit parking area would be added to the existing area.

ANALYSIS/JUSTIFICATION:

The proposed permit parking area is entirely comprised of single-family detached homes that are close to multi-family apartment buildings. Some petitioners have expressed support for the parking restrictions based on alleged parking difficulties in the area. For example, residents have complained to the City that residents living outside of the neighborhood occasionally partially or completely block the single-family driveways with their vehicles. Residents have also complained that some people park on the street and only move their vehicles, weekly, for street sweeping. Moreover some permit parking proponents have general complaints, such as trash and used alcoholic beverage bottles left on the street and people in parked vehicles playing music loudly and disturbing surrounding residents.

The City is also aware that the proposed permit parking area is adjacent to an existing permit parking area, which includes a portion of Asbury Avenue, Courson Drive, Idywild Drive, Middlesex Drive and Ramblewood Drive Avenue. Once the City established that permit parking area, residents in the proposed permit parking area complained that overflow parking spilled into their neighborhood. As a result of the latter parking conditions, residents petitioned the City for parking regulations.

In total, 81 homeowners and/or tenants voted in favor of establishing permit parking, which surpasses the minimum required vote of 74 to pass. Moreover, 17 homeowners/tenants failed to submit a ballot. The following table summarizes the total vote count.

Proposed Streets	Yes	No	Blank/Missing/ Not Submitted	Total Homes	% Of Yes Vote
Asbury Avenue	7	1	3	11	
Courson Drive	5	1	0	6	
Hamden Avenue	8	1	3	12	
Litchfield Avenue	4	4	3	11	
Lowden Street	13	1	1	15	
Lowell Street	12	0	1	13	

Ramblewood Drive	7	0	1	8	
Thunderbird Lane	23	4	5	32	
Western Ave	2	0	0	2	
Total	81	12	17	110	73.6%

If the City Council establishes the requested permit parking area, residents who desire permit parking passes must obtain them from City Hall every two years. Only those residents who live in the designated permit parking area are eligible to receive them. All residents are not required to obtain permit parking passes, only those that would like to park on the street. Each residence in this neighborhood is a single-family detached home with a two-car garage and a driveway that can accommodate a total of four vehicles parked on their private property. However, if residents' desire parking passes, the first two can be obtained for free while the third and fourth cost \$25 each and guest parking passes are \$5 for the first and \$25 for the second. If a resident or non-resident has an existing disabled placard or license plate, he may park on the City street without a parking permit, as allowed under the California Vehicle Code.

As required by the permit parking guidelines (Attachment C), if the City Council adopts Resolution No. 2015-30, within 60 days, 50 percent of households within the permit parking area shall register for parking permits. If the 50 percent requirement is not met, the City Council approval shall automatically (without further notice, additional public hearing, or City Council action) be deemed rescinded. In the event of such rescission, no new area resident petition for the same, or substantially the same area shall be accepted by the City until the expiration of a minimum 6 months following the effective date of such rescission.

FISCAL IMPACT:

City costs will be offset by issuance fees charged to residents obtaining permit parking passes.

ENVIRONMENTAL IMPACT:

The request to establish a permit parking area is exempt from the 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.

LEGAL REVIEW:

The City Attorney has reviewed staff's report.

PUBLIC NOTIFICATION:

Through the regular agenda posting process.

STRATEGIC PLAN OBJECTIVE ADDRESSED:

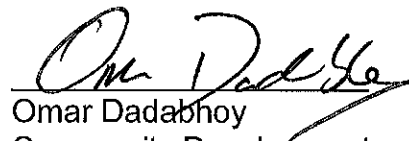
This item is generally attributable to in Strategic Plan Goal # 5 to Provide a High Quality of Life.

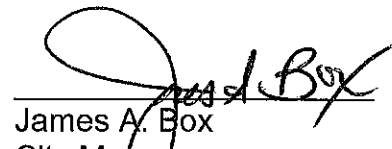
Prepared By:

Concurred by:

Approved by:


Keith Gifford
Code Enforcement
Supervisor


Omar Dadabhoy
Community Development
Director


James A. Box
City Manager

Attachments:

- A. Resolution No. 2015-30
- B. Vicinity Map
- C. Permit Parking Guidelines

RESOLUTION NO. 2015-30

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, TO ESTABLISH 24-HOUR PERMIT PARKING FOR ASBURY AVENUE, COURSON DRIVE, HAMDEN AVENUE, LITCHFIELD AVENUE, LOWDEN STREET, LOWELL STREET, RAMBLEWOOD DRIVE, THUNDERBIRD LANE AND IN FRONT OF 10651 AND 10661 WESTERN AVENUE

WHEREAS, Section 10.08.060 of the Stanton Municipal Code provides that the City Council may, by resolution, designate that certain streets be restricted to permit parking only under a preferential parking system for the residents adjacent to such streets, pursuant to the requirements of Vehicle Code Section 22507; and

WHEREAS, residents who live along portions of Asbury Avenue, Courson Drive, Hamden Ave, Litchfield Avenue, Lowden Street, Lowell Street, Ramblewood Drive, and Thunderbird Lane and in front of 10651 and 10661 Western Avenue ("Permit Parking Area") in Stanton submitted a petition to the City, which was signed by not less the two-thirds (2/3) of the households within the proposed permit parking area; and

WHEREAS, some of the residents who support the proposed Permit Parking Area based their support on alleged parking difficulties in the area. Specifically, the Permit Parking Area is comprised entirely of single-family detached homes that are close to multi-family apartment buildings. Some residents who support the Permit Parking Area have asserted that residents of the multi-family apartment buildings park in the Permit Parking Area and occasionally partially or completely block the single-family driveways. The City has also received complaints that the Permit Parking Area has become a parking storage area for some, who park on the street and only move their vehicles, weekly, for street sweeping. Moreover some residents have expressed to the City general complaints, such as trash and used alcoholic beverage bottles left on the street and people in parked vehicles playing music loudly and disturbing surrounding residents; and

WHEREAS, the City is also aware that the proposed Permit Parking Area is adjacent to an existing permit parking area, which includes a portion of Asbury Avenue, Courson Drive, Idylwild Drive, Middlesex Drive and Ramblewood Drive Avenue. Once that existing permit parking area was established, residents also complained that overflow parking spilled into the Permit Parking Area, and therefore, the proposed Permit Parking Area needs to be regulated; and

WHEREAS, the requirements to establish a permit parking in the aforementioned area, as set forth in the City's adopted Permit Parking Guidelines, have been met; and

WHEREAS, attached hereto, marked as Exhibit "A," and incorporated herein by this reference, is a vicinity map of the permit parking area to be established and to be restricted pursuant to the terms of this Resolution; and

WHEREAS, all legal prerequisites prior to the adoption of this Resolution have occurred; and

WHEREAS, in accordance with the requirements of the California Environmental Quality Act (CEQA) the project has been determined to be categorically exempt under Section 15301, Class 1 and Section 15332 Class 32.

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

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

SECTION 2: That a 24-hour permit parking area for Asbury Avenue, Courson Drive, Hamden Ave, Litchfield Avenue, Lowden Street, Lowell Street, Ramblewood Drive, and Thunderbird Lane and in front of 10651 Western Avenue and 10661 Western Avenue is established, as depicted in Exhibit A. No person shall stop, park, or leave standing any vehicle in the Permit Parking Area at any time, unless that person displays a valid parking permit.

SECTION 3: The City Engineer is authorized to place signs restricting parking for permit parking. The permit parking program shall not take effect until appropriate signs have been installed.

SECTION 4: The City Clerk shall certify as to the adoption of this Resolution.

ADOPTED, SIGNED AND APPROVED this 22nd day of September, 2015.

A. A. ETHANS, MAYOR

APPROVED AS TO FORM:

MATTHEW E. RICHARDSON, CITY ATTORNEY

ATTEST:

I, Patricia Vazquez, City Clerk of the City of Stanton, California DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. 2015-30 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 September 22, 2015, and that the same was adopted, signed and approved by the following vote to wit:

AYES: _____

NOES: _____

ABSENT: _____

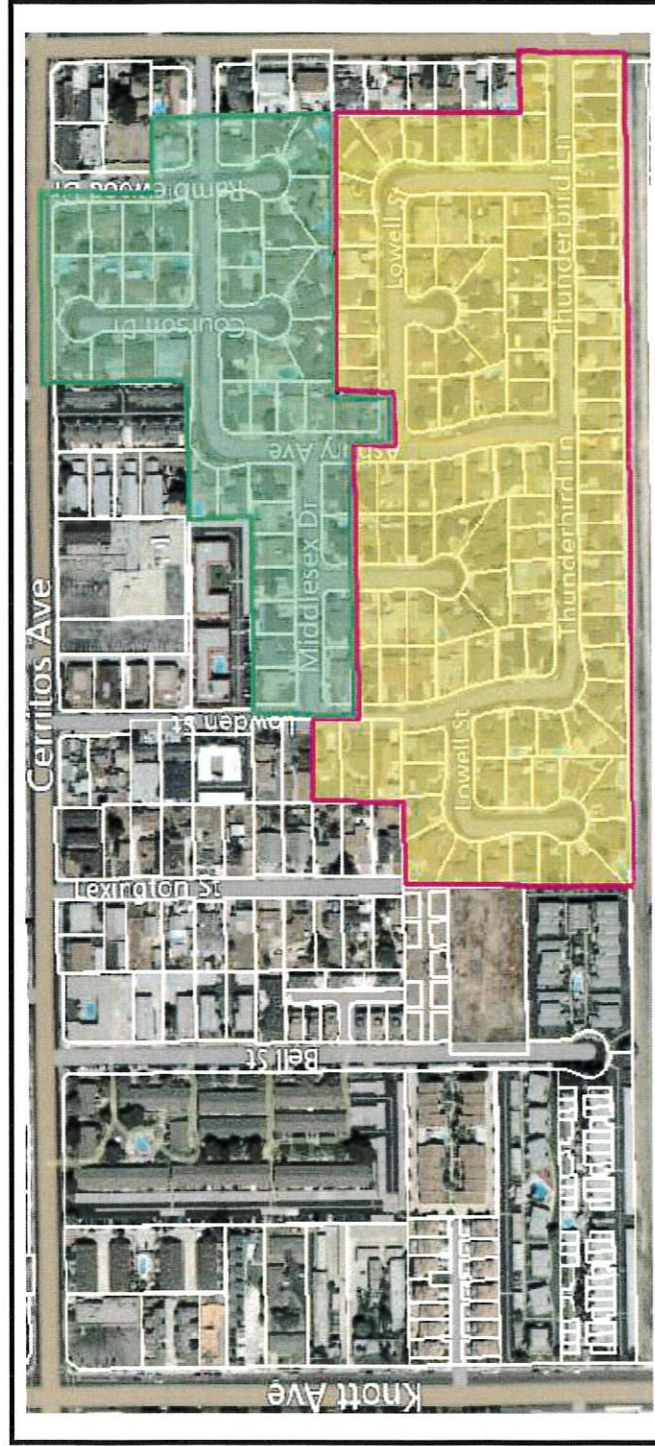
ABSTAIN: _____

PATRICIA VAZQUEZ, CITY CLERK

Exhibit A

Permit Parking Area Map

Proposed Permit Parking Area Thunderbird/Lowden Neighborhood



LEGEND	
	Existing Permit Parking Area
	Proposed Permit Parking Area

Notes:
Proposed Streets -
Litchfield, Lowell,
Lowden, Hamden,
Thunderbird, Asbury,
Courson and
Ramblewood

PERMIT PARKING PROGRAM GUIDELINES

Section I – Introduction

1. The permit parking program is intended to preserve and protect the integrity of residential neighborhoods from excess intrusion of parked vehicles belonging to persons residing outside the neighborhood.
2. Objectives
 - a. The permit parking program seeks to minimize the impact to residential neighborhoods caused by parked vehicles belonging to persons outside the neighborhood.
 - b. The permit parking program seeks to effectively meet the needs of the individual neighborhoods participating in the permit parking program.

Section II – Procedures to Establish a Permit Parking Area

1. Area Resident Petition
 - a. Residents requesting that a neighborhood be added to the program must submit a petition, supplied by the City, signed by not less than two-thirds (2/3) of the households within the proposed permit area. (Only one vote can be cast per household from either the property owner or tenant.) If the submitted petition does not include the signatures of at least two-thirds (2/3) of the subject households, the petition fails to qualify. The residents then must observe a minimum six (6) month waiting period to reapply.
2. City Council Initiation
 - a. The City Council may request the matter of establishing a permit parking area be scheduled for a public hearing before the City Council
3. City Manager Initiation
 - a. The City Manager may place a request on the City Council agenda for City Council consideration of the initiation of a permit parking area.

Section III – Permit Parking Program Alternatives

1. 24-hour Parking Permit
 - a. On-street parking permits would be required 24 hours per day within the permit parking area.
2. Overnight Parking Permit
 - a. On-street parking permits would be required only for overnight parking within the permit parking area.
3. Modified Hours Parking Permits
 - a. On-street parking permits would be required only during specified hours within the permit parking area, as incorporated into petition.

Section IV – Parking Permits; Types, Number per Household and Fees

1. Resident Permit

- a. Renewed annually during months of November and December.
- b. Permits will be color-coded specific to each permit parking area and year of issue.
- c. Each household eligible for two (2) residents permits issued at no cost.
- d. Two (2) additional resident permits may be issued to each household for a fee of \$25 per permit.
- e. Maximum number of four (4) resident permits may be issued to each eligible household within the permit parking area.
- f. Each household may be eligible for up to four free parking permits, if the combined income of all residents living in the household is below the federal poverty line as indicated by the latest year's tax returns.
- g. Proof of vehicle registration address required for issuance of resident permit.
- h. Permit must be permanently affixed to registered vehicle

2. Guest Permit

- a. No annual renewal required.
- b. Maximum number of two (2) guest permits may be issued to each eligible household within the permit parking area.
- c. An issuance fee of \$5 will be required for the first guest permit.
- d. An issuance fee of \$25 will be required for the second guest permit.
- e. Permit will be the hanging reflective-type and must be readily visible when in use.

3. Temporary Permit

- a. Valid for a ninety-day (90) period only.
- b. Temporary permits are intended to be used when a household has purchased a new vehicle, long-term household guests or other similar situations. It is not a substitute for a resident permit or guest permit.
- c. Temporary permits will be vehicle specific.
- d. Maximum number of two (2) temporary permits may be issued to each eligible household within the permit parking area at any given time.
- e. An issuance fee of \$35 per permit shall required for the first temporary permit, \$10 of which is a refundable deposit when the permit has been returned to the City.
- f. An issuance fee of \$35 per permit shall be required for the two (2) temporary permit(s)

4. Special Event Permit

- a. Valid for a specific twenty-four (24) hour period, as indicated on the permit.

- b. No maximum number of special event permit that may be issued to an eligible household in the permit parking area.
- c. One week notice to City required for issuance of special event permit, with the exception of an immediate family emergency.
- d. Special event permits will be color-coded specific to each particular permit parking area.

Section V – City Council Action

- 1. Upon receipt and verification of signatures of residents' petition a noticed public hearing will be scheduled for City Council consideration of request.
- 2. Public hearing will be noticed subject to provisions of Section 10.08.060 of the Stanton Municipal Code.
- 3. Upon closure of the public hearing, the City Council may adopt a resolution establishing the permit parking area.
- 4. Within sixty (60) days of City Council adoption of the resolution, fifty percent (50%) of households within the permit parking area shall register for parking permits. If the fifty percent (50%) requirement is not met, the City Council approval shall automatically, without further notice, additional public hearing or City Council action, be deemed rescinded.
- 5. In the event of such a rescission, no new Area Resident Petition for the same, or substantially the same, area shall be accepted by the City until the expiration of a minimum six (6) months following the effective date of such rescission.

Section VI – Procedures to Dissolve an Adopted Permit Parking Area

- 1. A permit parking area may be dissolved upon
 - a. Submission of residents petition, or
 - b. City Council initiation
- 2. Said process shall follow the procedures as provided in Sections II and IV, establishing a permit parking area and City Council action.

ORDINANCE NO. 1039

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADDING CHAPTER 5.70 (COFFEEHOUSES) TO TITLE 5 OF THE STANTON MUNICIPAL CODE

WHEREAS, Article 11, Section 7 of the California Constitution authorizes the City of Stanton ("City") to make and enforce within its limits all ordinances and regulations not in conflict with general laws; and

WHEREAS, the City is aware of media reports that some coffeehouses, cafes, and teahouses have been associated with lewd behavior, indecent exposure, stripping, prostitution, and money laundering in other locales. For example, according to press reports, the baristas at one 'bikini coffee shop' in Washington State were also selling sex acts. Snohomish County prosecutors charged the owner with promoting prostitution and money laundering. According to another press report, law enforcement raids into some Orange County, California cafes found evidence of illegal gambling, nudity, and prostitution, prompting nearby cities, including Garden Grove, to enact stricter laws regulating coffeehouses; and

WHEREAS, the City is also aware that these kind of adult-oriented food and beverage establishments threaten the public health, safety, and welfare. Numerous studies, reports and letters prepared by other jurisdictions detail the detrimental social, health and economic effects on persons and properties surrounding adult-oriented businesses. These studies include Upland, California (1992); Garden Grove, California (1991); Tucson, Arizona (1990); Seattle, Washington (1989); Austin, Texas (1986); Oklahoma City, Oklahoma (1986); Indianapolis, Indiana (1984); Houston, Texas (1983); Beaumont, Texas (1982); Minneapolis, Minnesota (1980); P phoenix, Arizona (1979); Whittier, California (1978); Amarillo, Texas (1977); Cleveland, Ohio (1977); Los Angeles, California (1977); State of Minnesota, Attorney General Report (1989); Newport news, Virginia (1996); St. Paul, Minnesota (1987); Corpus Christi, Texas (1995); and National Law Center (1995); (collectively "Studies"). The Studies substantiate the adverse, secondary effects of adult-oriented businesses; and

WHEREAS, based on the foregoing Studies, the City Council has serious concerns about the secondary effects of coffeehouses, cafes, and teahouses that serve as adult-oriented establishments, which may have impacts similar to other adult-oriented businesses, such as increases in the crime rates of those areas in which they are located and that surround them; and

WHEREAS, the Stanton Municipal Code includes regulations on adult-oriented businesses and certain prohibitions against indecent exposure by waiters and waitresses (see SMC §§ 9.20.010 et seq.; 5.65.010 et seq.; 20.46.010 et seq.). However, the City lacks specific regulatory standards to ensure that coffeehouses, cafes, and teahouses do not evolve into adult-oriented businesses or otherwise feature

adult-oriented characteristics that may adversely affect the health, welfare, and safety of the public; and

WHEREAS, the City Council desires to adopt specific regulatory standards to ensure that coffeehouses, cafes, and teahouses do not become adult-oriented establishments or otherwise feature adult-oriented characteristics; and

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

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

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

SECTION 2: Ordinance. Chapter 5.70 of Title 5 of the Stanton Municipal Code is hereby added, as set forth in Exhibit "A" ("Chapter 5.70, Coffeehouses"), attached hereto and incorporated herein.

SECTION 3. CEQA. The City Council further finds that this Ordinance is not subject to the 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 4: Location and Custodian of Records. The documents and materials associated with this Resolution that constitute the record of proceedings on which these findings are based are located at Stanton City Hall, 7800 Katella Ave., Stanton, California 90680. The City Clerk is the custodian of the record of proceedings.

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

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

PASSED, APPROVED, and ADOPTED this 22nd day of September, 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. 1039 was introduced at a regular meeting of the City Council of the City of Stanton, California, held on the 8th day of September, 2015, and was duly adopted at a regular meeting of the City Council held on the 22nd day of September, 2015, by the following roll-call vote, to wit:

AYES: COUNCILMEMBERS: _____

NOES: COUNCILMEMBERS: _____

ABSENT: COUNCILMEMBERS: _____

ABSTAIN: COUNCILMEMBERS: _____

CITY CLERK, CITY OF STANTON

Exhibit "A"

Title 5, Chapter 5.70 (Coffeehouses)

Section 5.70.010 – Purpose and Intent.

The purpose of regulating cafes, coffeehouses, juice bars, and teahouses is to ensure compatibility with surrounding uses and properties, and to avoid any impacts associated with such uses. An additional purpose of regulating cafes, coffeehouses, juice bars, and teahouses is to ensure the public health and safety.

Section 5.70.020 – Definitions

For the purposes of carrying out the intent of this Chapter, unless the content clearly indicates to the contrary, the following words, phrases, and terms shall have the following meanings:

Amusement devices. Any arcade game, pinball machine, electronic table top game, billiard or pool table, or other device or machine that can be used by a person or operator as a game or contest of skill, chance, or amusement, which is offered to guests or patrons by or with the permission of the coffeehouse owner or operator for the purpose of holding the attention of, gaining the attention or interest of, or amusing guests or patrons.

Coffeehouse. Includes coffee shops, teahouses, juice bars, and other retail, beverage-centered establishments whose principle operation includes the preparation and service of non-alcoholic hot or cold beverages for on- or off-premises consumption. Hot or cold food, which may be packaged or fresh, may be provided, but such establishment does not generally include a full service kitchen and a full service food menu. Such establishment may include the use of microwaves or other reheating devices to provide hot food.

Live entertainment. Public entertainment, including, but not limited to any act, play, burlesque, show, revue, scene, song, dance, instrumental music, karaoke, disc jockey, or motion picture.

Minor. Any person under the age of 18 years shall be deemed to be a minor.

Section 5.70.030 – Operational Requirements.

The following operational requirements apply to coffeehouses:

- A. No tinting or placement of any covering or material on or in any windows or glass doors of a coffeehouse is allowed other than lawful window displays authorized pursuant to Chapter 20.325 of this Code. Windows or glass portions of the

entrances shall be clear and unobstructed, so as to allow an unimpaired line of sight by a peace officer into the interior of the business premises during business hours. .

- B. Illumination within the business shall not be less than 10.0 footcandles at any location in the premises.
- C. No live entertainment shall be permitted at any time. Any entertainment other than electronically pre-recorded music shall be subject to the requirements of Section 20.400.170 (Live Entertainment) and approval of a conditional use permit as referenced in Chapter 20.550 (Use Permits – Minor and Conditional) of this Code.
- D. No televisions or monitors for video or audio transmission shall be provided, except for use by the business as a price board.
- E. No amusement devices shall be in the business at any time.
- F. No computers and/or other electronic devices for access to the world wide web, internet, e-mail, video games, or computer software programs may be offered to any customer at any time.
- G. No type or amount of alcoholic beverages shall be sold or allowed to be present at any time, for any purpose, on the premises.
- H. "No Loitering" signs shall be posted on the front and rear of the business.
- I. No smoking shall be permitted within the establishment at any time.
- J. Public restrooms shall be required pursuant to the California Building Code and any other relevant State or local law.
- K. No person aged 17 or younger shall be permitted in the establishment after 10:30 p.m. on any day.
- L. Hours of operation may only be between the hours of 5:00 a.m. and 10:30 p.m. during any day of the week. Drive-through windows may operate between the hours of 4:00 a.m. and 12:00 midnight. Any hours of operation beyond those authorized in this Subsection "K" shall be subject to approval of a conditional use permit as referenced in Chapter 20.550 (Use Permits – Minor and Conditional) of this Code.
- M. No platform or stage is permitted on the premises at any time.
- N. No person, including, without limitation, employees, may be permitted, caused, or allowed to expose: (1) Any part of the male or female genitals, anal region, pubic hair, buttocks, natal cleft, perineum, or pubic hair region; (2) More than one-half of the female breast by area; or (3) Any portion of female breast at or below the

areola thereof. Coffeehouse waiters, waitresses, or other food or beverage servers are subject to the regulations provided in Sections 9.20.010 (Prohibitions and definitions – Waiters, waitresses, and entertainers) and 9.20.030 (Counseling or assisting) of this Code.

5.70.040 – Application to Existing Coffeehouses.

Any existing coffeehouse in the City shall comply with all requirements of this chapter, not later than sixty (60) days from the effective date of the ordinance codified in this chapter.

5.70.050 – Enforcement.

Any person who violates any provision of this chapter is subject to the penalties provided in Chapters 1.10 and 1.12 of this code.