



Regular Meeting Agenda July 19, 2016

Placentia City Council
Placentia City Council as Successor to the Placentia
Redevelopment Agency
Placentia Industrial Commercial
Development Authority

Jeremy B. Yamaguchi
Mayor

Craig S. Green
Mayor Pro Tem

Scott W. Nelson
Council Member

Constance M. Underhill
Council Member

Chad P. Wanke
Council Member

Patrick J. Melia
City Clerk

Kevin A. Larson
City Treasurer

Damien R. Arrula
City Administrator

Christian L. Bettenhausen
City Attorney

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870

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Mission Statement

The City Council is committed to keeping Placentia a pleasant place by providing a safe family atmosphere, superior public services and policies that promote the highest standards of community life.

Vision Statement

The City of Placentia will maintain an open, honest, responsive and innovative government that delivers quality services in a fair and equitable manner while optimizing available resources.

Copies of all agenda materials are available for public review in the Office of the City Clerk, online at www.placentia.org, and at the Placentia Library Reference Desk. Persons who have questions concerning any agenda item may call the City Clerk's Office, (714) 993-8231, to make inquiry concerning the nature of the item described on the agenda.

Procedures for Addressing the Council/Board Members

Any person who wishes to speak regarding an item on the agenda or on a subject within the City's jurisdiction during the "**Oral Communications**" portion of the agenda should fill out a "**Speaker Request Form**" and give it to the City Clerk BEFORE that portion of the agenda is called. Testimony for Public Hearings will only be taken at the time of the hearing. Any person who wishes to speak on a Public Hearing item should fill out a "**Speaker Request Form**" and give it to the City Clerk BEFORE the item is called.

The Council and Board members encourage free expression of all points of view. To allow all persons the opportunity to speak, please keep your remarks brief. If others have already expressed your position, you may simply indicate that you agree with a previous speaker. If appropriate, a spokesperson may present the views of an entire group. To encourage all views, the Council and Board discourage clapping, booing or shouts of approval or disagreement from the audience.

PLEASE SILENCE ALL PAGERS, CELL PHONES, AND OTHER ELECTRONIC EQUIPMENT WHILE COUNCIL AND BOARD MEMBERS ARE IN SESSION.

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 993-8231. Notification 48 hours prior to the meeting will generally enable City Staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

In compliance with California Government Code § 54957.5, any writings or documents provided to a majority of the City Council regarding any item on this agenda that are not exempt from disclosure under the Public Records Act will be made available for public inspection at the City Clerk's Office at City Hall, 401 East Chapman Avenue, Placentia, during normal business hours.

Study Sessions are open to the public and held in the City Council Chambers or City Hall Community Room. Executive Sessions are held in the Council Caucus Room. While the public may be in attendance during oral announcements preceding Executive Sessions, Executive Sessions are not open to the public.

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA- CLOSED SESSION
July 19, 2016
5:30 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

ROLL CALL: Councilmember/Board Member Nelson
Councilmember/Board Member Underhill
Councilmember/Board Member Wanke
Mayor Pro Tem/Board Vice Chair Green
Mayor/Board Chair Yamaguchi

ORAL COMMUNICATIONS:

At this time the public may address the City Council and Boards of Directors concerning any items on the Closed Session Agenda only. There is a five (5) minute time limit for each individual addressing the City Council and Boards of Directors.

The City Council and Boards of Directors will recess to the City Council Caucus Room for the purpose of conducting their Closed Session proceedings.

CITY COUNCIL:

1. Pursuant to Government Code Section 54956.9(d)(2)
CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION
Significant Exposure to Litigation: (2 Cases)

2. Pursuant to Government Code Section 54957.6
CONFERENCE WITH LABOR NEGOTIATOR
Agency Designated Representatives: Damien R. Arrula, City Administrator
Steve Pischel, Director of Administrative Services
Employee Organizations: Placentia City Employees Association (PCEA), Placentia Police Officers Association (PPOA) and Placentia Police Management Association (PPMA)

3. Pursuant to Government Code Section 54956.9(d)(2):
CONFERENCE WITH LABOR NEGOTIATOR
Agency Designated Representatives: Christian Bettenhausen, City Attorney
Steve Pischel, Director of Administrative Services
Employee Organizations: Placentia City Employees Association (PCEA) and Unrepresented Employees

RECESS: The City Council and Boards of Directors will recess to their 7:00 p.m. Regular Meeting.

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA
July 19, 2016
7:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

ROLL CALL: Councilmember/Board Member Nelson
Councilmember/Board Member Underhill
Councilmember/Board Member Wanke
Mayor Pro Tem/Board Vice Chair Green
Mayor/Board Chair Yamaguchi

INVOCATION: Police Chaplain Kenneth Curry

PLEDGE OF ALLEGIANCE:

Flag Ceremony by Placentia Boy Scout Troop 723

PRESENTATIONS:

- a. **ACC-OC Division Golden Hub of Innovation Award Presentation for the City of Placentia Electric Vehicle Fleet Project**
Recipient: City of Placentia
Presenter: Heather Stratman, Chief Executive Officer, Association of California Cities – Orange County

- b. **Present City Tile to St. Jude**
Recipient: Barry Ross, Vice President of Healthy Communities and Tracy Bryars, Healthy Communities Initiative Manager
Presenter: Mayor Yamaguchi

CLOSED SESSION REPORT:

CITY ADMINISTRATOR REPORT:

ORAL COMMUNICATIONS:

At this time the public may address the City Council and Boards of Directors concerning any agenda item, which is not a public hearing item, or on matters within the jurisdiction of the City Council and Boards of Directors. There is a five (5) minute time limit for each individual addressing the City Council and Boards of Directors.

CITY COUNCIL/BOARD MEMBER COMMENTS:

1. CONSENT CALENDAR (Items 1.a. through 1.m.):

All items on the Consent Calendar are considered routine and are enacted by one motion approving the recommended action listed on the Agenda. Any Member of the City Council and Boards of Directors or City Administrator may request an item be removed from the Consent Calendar for discussion. All items removed shall be considered immediately following action on the remaining items.

- 1.a. **Consideration to Waive Reading in Full of all Ordinances and Resolutions**
Fiscal Impact: None
Recommended Action: Approve.
- 1.b. **City Fiscal Year 2015-16 Register for July 19, 2016**
Check Register
Fiscal Impact: \$371,571.01
- City Fiscal Year 2016-17 Register for July 19, 2016**
Check Register
Fiscal Impact: \$34,704.08
- Electronic Disbursement Register**
Fiscal Impact: \$144,270.83
- Recommended Action: It is recommended that the City Council:
 1) Receive and file.
- 1.c. **Agreement with St. Jude Hospital to Accept a Restricted Project Grant to Prevent and Reduce Obesity**
Fiscal Impact: Expense: \$65,000
 Revenue: \$65,000 (St. Jude Grant)
Recommended Action: It is recommended that the City Council:
 1) Approve Restricted Project Grant Agreement with St. Jude Hospital to accept a \$65,000 Restricted Project Grant to prevent and reduce obesity; and
 2) Authorize the City Administrator or designee to execute all necessary documents, in a form approved by the City Attorney.
- 1.d. **Acceptance of Deed Agreements with the Orange County Transportation Authority for the Kraemer Boulevard Grade Separation Project**
Fiscal Impact: Expense: None
Recommended Action: It is recommended that the City Council:
 1) Accept the two (2) right-of-way grant deeds, two (2) public utility easement deeds, and wall foundation easement deed for the Project; and
 2) Authorize the Mayor to sign the Certificate of Acceptance for the grant deeds, and easement deeds on behalf of the City; and
 3) Direct the City Clerk to endorse the grant deeds and public utility easement deeds which embodies the acceptance of said right-of-ways and easements, and cause the documents to be submitted to the Orange County Clerk Recorder for recording of the documents.
- 1.e. **Acceptance of Deed Agreement with the Orange County Transportation Authority for the Placentia Avenue Grade Separation Project**
Fiscal Impact: Expense: None
Recommended Action: It is recommended that the City Council:
 1) Accept the attached right-of-way grant deed and storm drain and footing easement deed for the Project; and
 2) Authorize the Mayor to sign the Certificate of Acceptance for the right-of-way grant deed, and storm drain and footing easement deed on behalf of the City; and
 3) Direct the City Clerk to endorse the right-of-way grant deed and storm drain and footing easement deed which embodies the acceptance of said right-of-way and easement, and cause the documents to be submitted to the Orange County Clerk Recorder for recording of the documents.

- 1.f. **Professional Services Agreement for Old Town Sewer Rehabilitation Project**
Fiscal Impact: Expense: \$148,395
 Budgeted: \$150,000 Fiscal Year 2016-17 Capital Improvement Program Budget (Sewer Funds)
 No General Fund monies will be utilized on this project.
Recommended Action: It is recommended that the City Council:
 1) Approve the Professional Services Agreement with Dudek, Inc., to prepare the engineered plans and bid specifications for the Old Town Sewer Rehabilitation Project; and
 2) Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.
- 1.g. **Amendment No. 1 to Professional Services Agreement with West Coast Arborists, Inc. for Tree Trimming Services**
Fiscal Impact: Expense: \$120,000 Tree Trimming Services
 Budgeted: \$120,000 Fiscal Year 2016-17 Operating Budget (General Fund)
Recommended Action: It is recommended that the City Council:
 1) Approve Amendment No. 1 to the Professional Services Agreement with West Coast Arborists, Inc. extending the existing agreement to provide tree trimming services for an additional one-year term ending June 30, 2017; and
 2) Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.
- 1.h. **Amendment No. 2 to Professional Services Agreement with Siemens Industry, Inc. for Traffic Signal Maintenance Services**
Fiscal Impact: Expense: \$105,000 Traffic Signal Maintenance Services
 Budgeted: \$105,000 Fiscal Year 2016-17 Operating Budget (Gas Tax) No General Fund monies will be utilized for these services.
Recommended Action: It is recommended that the City Council:
 1) Approve Amendment No. 2 to Professional Services Agreement with Siemens Industry, Inc. extending the existing agreement to provide traffic signal maintenance services for an additional one-year term ending August 20, 2017; and
 2) Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.
- 1.i. **Professional Services Agreement with Dudek, Inc. for Sewer System Master Plan Update**
Fiscal Impact: Expense: \$253,455
 Budgeted: \$255,000 Fiscal Year 2016-17 Capital Improvement Project Budget
 No General Fund Monies will be used on this project
Recommended Action: It is recommended that the City Council:
 1) Approve the Professional Services Agreement with Dudek, Inc., to complete the Sewer System Master Plan Update; and
 2) Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.
- 1.j. **Resolution Authorizing Criminal History Information From Department of Justice for implementing additional LiveScan services**
Fiscal Impact: Expense: None
Recommended Action: It is recommended that the City Council:
 1) Adopt Resolution No. R-2016-39, A Resolution of the City Council of the City of Placentia authorizing City officials access to criminal background history information needed to evaluate eligibility of applicants for employment, or volunteers.

- 1.k. **Lease for Canon Copier Machines**
Fiscal Impact: Not to Exceed \$13,000 a year
Recommended Action: It is recommended that the City Council:
 1) Approve a five year Lease Agreement with Canon Solutions America in the amount of \$64,802.40, with a not to exceed amount of \$13,000 a year; and
 2) Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.
- 1.l. **Response to 2015-16 Grand Jury Report, "Drones: Know Before You Fly."**
Fiscal Impact: Expense: None
Recommended Action: It is recommended that the City Council:
 1) Authorize the Mayor to execute the letter to the Presiding Judge of the Superior Court, that responds to the findings and recommendations to the 2015-16 Orange County Grand Jury Report entitled, "Drones: Know Before You Fly."
- 1.m. **Designation of Voting Delegate for the 2016 League of California Cities Annual Conference**
Fiscal Impact:
Recommended Action: It is recommended that the City Council:
 1) Appoint Councilmember Scott Nelson as delegate to represent the City at the League of California Cities Annual Conference 2016; and
 2) Appoint Mayor Jeremy Yamaguchi as alternate to represent the City at the League of California Cities Annual Conference 2016.

2. **PUBLIC HEARING:** None

3. **REGULAR AGENDA:**

- 3.a. **Consideration of a Resolution of the City Council of the City of Placentia, California Calling for the holding of a General Municipal Election to be held on Tuesday, November 8, 2016 for the election of certain officers as required by the provisions of the charter and for the submission to the voters of a question relating to amending the Charter to establish by-district elections for the City Council and additional actions in support thereof.**
Fiscal Impact: Approximately \$44,000 for the General Election
 \$20,000 in MALDEF Attorney fees associated with Settlement Agreement. These items have been budgeted in the Fiscal Year 2016-17 General Fund Budget
Recommended Action: It is recommended that the City Council:
 1) Adopt Resolution No. R-2016-40, A Resolution Of The City Council Of The City Of Placentia, California, Calling For The Holding Of A General Municipal Election To Be Held On Tuesday, November 8, 2016, For The Election Of Certain Officers As Required By The Provisions Of The Charter And For The Submission To The Voters Of A Question Relating To Amending The Charter To Establish By-District Elections For The City Council; and
 2) Adopt Resolution No. R-2016-41, A Resolution of the City Council of the City of Placentia, California, requesting the Board of Supervisors of the County of Orange to Consolidate a General Municipal Election held on Tuesday, November 8, 2016 with the Statewide General Election held on the same date pursuant to Elections Code Section 10403; and

- 3) Adopt Resolution No. R-2016-42, A Resolution of the City Council of the City of Placentia, California, setting priorities for filing written arguments regarding a City measure and directing the City Attorney to prepare an impartial analysis; and
- 4) Adopt Resolution No. R-2016-43, A Resolution of the City Council of the City of Placentia, California, providing for the filing of rebuttal arguments for City measures submitted at municipal elections; and
- 5) Adopt Resolution No. R-2016-44, A Resolution of the City Council of the City of Placentia, California, adopting regulations for candidates for elective office pertaining to candidates statements submitted to the voters at an election to be held on Tuesday, November 8, 2016.

3.b. **Professional Services Agreement with the Pun Group, Certified Public Accountants, for Auditing Services for Fiscal Years 2015-2016, 2016-2017, and 2017-2018**

Fiscal Impact: \$68,000 Fiscal Year 2016-2017 Budgeted
 \$70,040 Fiscal Year 2017-2018
 \$72,142 Fiscal Year 2018-2019

Recommended Action: It is recommended that the City Council:

- 1) Approve a Professional Services Agreement with The Pun Group, Inc. for auditing services for Fiscal Years 2015-2016, 2016-2017 and 2017-2018 with the option for two additional one-year term extensions at the discretion of the City Council; and
- 2) Authorize the City Administrator to execute all necessary documents, in a form approved by the City Attorney.

CITY COUNCIL/BOARD MEMBERS REQUESTS:

Council/Board Members may make requests or ask questions of Staff. If a Council/Board Member would like to have formal action taken on a requested matter, it will be placed on a future Council or Board Agenda.

ADJOURNMENT:

The City Council/Successor Agency/ICDA Agency Board of Directors will adjourn to August 2, 2016 at 5:30 p.m.

CERTIFICATION OF POSTING

I, Rosanna Ramirez, Chief Deputy City Clerk of the City of Placentia and Assistant Secretary of the Industrial Commercial Development Authority and Successor Agency, hereby certify that the Agenda for the July 19, 2016 meetings of the City Council, Successor Agency, and Industrial Commercial Development Authority was posted on July 14, 2016.

Rosanna Ramirez, Chief Deputy City Clerk

City of Placentia
Check Register
For 07/19/2016
FY 15/16

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
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Grand Total: 371,571.01

Check Totals by ID

AP	371,571.01
EP	0.00
IP	0.00
OP	0.00

Fund Name	<u>Check Totals by Fund</u>
101-General Fund (0010)	271,882.49
226-Traffic Offender Fund (0051)	14,205.00
260-Street Lighting District (0028)	29,033.62
265-Landscape Maintenance (0029)	9,289.34
275-Sewer Maintenance (0048)	15,066.40
401-City Capital Projects (0033)	30,860.16
701-Special Deposits (0044)	1,234.00

Void Total: 0.00
Check Total: 371,571.01

Check Total: 371,571.01

Reviewed by:


**City of Placentia
Check Register
For 07/14/2016**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	ACTION EMBROIDERY CORP V000082	REC STAFF UNIFORMS	104071-6301 Special Department Supplies	AP071316	157.14	0304304		00091518	07/14/2016
					Check Total:	157.14			
MW OH	ADAMSON POLICE V007539	BODY ARMOR	103041-6360 / 50040-6360 Uniforms	AP071316	799.20	INV216135	P10680	00091519	07/14/2016
MW OH	ADAMSON POLICE V007539	SUMMIT VEST LEVEL II	103041-6360 / 50040-6360 Uniforms	AP071316	3,283.20	INV216152	P10822	00091519	07/14/2016
					Check Total:	4,082.40			
MW OH	ALBERT GROVER & V007111	TRAFFIC IMPACT STUDY - TOD	332531-6017 / 61086-6017 Special Studies	AP071316	8,505.00	16164-IN	P10792	00091520	07/14/2016
					Check Total:	8,505.00			
MW OH	ANIXTER INC. V002852	PROTECTIVE CABINET	102020-6315 Office Supplies	AP071316	249.29	143-783646		00091521	07/14/2016
					Check Total:	249.29			
MW OH	AT&T V004144	MAY-JUNE PHONE CHARGES	0010-1220 Accts Rec/Plac Library Dist	AP071316	9.59	061516		00091522	07/14/2016
MW OH	AT&T V004144	MAY-JUNE PHONE CHARGES	109595-6215 Telephone	AP071316	1,894.44	061516		00091522	07/14/2016
MW OH	AT&T V004144	MAY-JUNE PHONE CHARGES	109595-6215 / 61139-6215 Telephone	AP071316	20.45	061516		00091522	07/14/2016
MW OH	AT&T V004144	MAY-JUNE PHONE CHARGES	296561-6215 Telephone	AP071316	374.22	061516		00091522	07/14/2016
					Check Total:	2,298.70			
MW OH	ATHENS SERVICES V006622	MAY STREET SWEEPING	103652-6290 Dept. Contract Services	AP071316	14,748.18	2206726	P10655	00091523	07/14/2016
					Check Total:	14,748.18			
MW OH	BONILLA ROOFING V009721	ROOFING BOND REFUND	0044-2033 Construction & Demo Deposit	AP071316	100.00	30-16-047		00091524	07/14/2016
					Check Total:	100.00			

**City of Placentia
Check Register
For 07/14/2016**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	BRAUN, JOSEPH V010093	CLASS REFUND	100000-4340 / 79348-4340 Recreation Programs	AP071316	15.00 2001194.002		00091525	07/14/2016
					Check Total:	15.00		
MW OH	CALIFORNIA FORENSIC V000232	JUNE BLOOD TEST FOR PD	103040-6055 Medical Services	AP071316	1,290.25 06.30.16		00091526	07/14/2016
					Check Total:	1,290.25		
MW OH	CALIFORNIA NEWSPAPER V009955	JUNE LEGAL ADVERTISING	101002-6225 Advertising/Promotional	AP071316	1,104.42 07122016		00091527	07/14/2016
					Check Total:	1,104.42		
MW OH	CALIFORNIA POLICE CHIEFS V000196	JOBS LISTING - CHIEF OF POLICE	101512-6225 Advertising/Promotional	AP071316	300.00 2051		00091528	07/14/2016
					Check Total:	300.00		
MW OH	CALIFORNIA STATE V010097	JUNE LIVESCAN SVS	101512-6099 Professional Services	AP071316	154.00 ASR11084		00091529	07/14/2016
					Check Total:	154.00		
MW OH	CANON SOLUTIONS AMERICA V008809	JUNE COPIER USAGE	109595-6175 Office Equipment Rental	AP071316	150.71 4019559260		00091530	07/14/2016
					Check Total:	150.71		
MW OH	CAR WASH OF AMERICA V000771	JUNE CITY CAR WASHES	103658-6134 Vehicle Repair & Maintenance	AP071316	92.34 JUNE 16		00091531	07/14/2016
MW OH	CAR WASH OF AMERICA V000771	JUNE PD CAR WASHES	103658-6134 Vehicle Repair & Maintenance	AP071316	494.47 JUNE 16		00091531	07/14/2016
					Check Total:	586.81		
MW OH	CARDIEL, MARTHA V010094	SWIM CLASS TRANSFER BALANCE	100000-4340 Recreation Programs	AP071316	10.00 2001183.002		00091532	07/14/2016
					Check Total:	10.00		
MW OH	CHIEF LAW ENFORCEMENT V000255	RADIO BATTERIES	103043-6301 Special Department Supplies	AP071316	1,089.01 153896		00091533	07/14/2016
					Check Total:	1,089.01		

**City of Placentia
Check Register
For 07/14/2016**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	CITY OF BREA V000125	PRINTING SERVICES	101512-6225 Advertising/Promotional	AP071316	105.53	ASCS000128		00091534	07/14/2016
					Check Total:	105.53			
MW OH	CITY OF LA HABRA V000600	4TH QTR COURT LIASON SVS	103043-6290 Dept. Contract Services	AP071316	7,753.75	LH 16-304-AR	P10691	00091535	07/14/2016
					Check Total:	7,753.75			
MW OH	CITY SERVICE PAVING V009879	OUTDOOR EXERCISE EQUIPMENT	333555-6185 / 79542-6185 Construction Services	AP071316	21,300.00	92674-BB		00091536	07/14/2016
					Check Total:	21,300.00			
MW OH	CLEAR CHOICE LIEN SALES JUNE LIEN SERVICES V005847		103047-6182 Lien Services	AP071316	62.50	144C	P10694	00091537	07/14/2016
MW OH	CLEAR CHOICE LIEN SALES JUNE LIEN SERVICES V005847		103047-6182 Lien Services	AP071316	37.50	149F	P10694	00091537	07/14/2016
MW OH	CLEAR CHOICE LIEN SALES JUNE CSUF PD LIEN SERVICES V005847		103047-6182 Lien Services	AP071316	25.00	149G	P10694	00091537	07/14/2016
MW OH	CLEAR CHOICE LIEN SALES JUNE CSUF PD LIEN SERVICES V005847		103047-6182 Lien Services	AP071316	55.00	355	P10694	00091537	07/14/2016
MW OH	CLEAR CHOICE LIEN SALES JUNE LIEN SERVICES V005847		103047-6182 Lien Services	AP071316	7.50	7146	P10694	00091537	07/14/2016
MW OH	CLEAR CHOICE LIEN SALES JUNE CSUF PD LIEN SERVICES V005847		103047-6182 Lien Services	AP071316	7.50	7151	P10694	00091537	07/14/2016
					Check Total:	195.00			
MW OH	COLLISION FORENSIC V010062	TOTAL STATION DIAGRAM	510000-6840 Machinery & Equipment	AP071316	14,205.00	853	P10849	00091538	07/14/2016
					Check Total:	14,205.00			
MW OH	CREATIVE MANAGEMENT V004369	CLASS SPEC & MARKET SURVEY	101512-6001 Management Consulting Services	AP071316	2,860.00	07092016	P10828	00091539	07/14/2016
					Check Total:	2,860.00			
MW OH	CRESTLINE SPECIALTIES INC	FARMERS MARKET LOGO ON	104075-6301	AP071316	1,330.00	3078242	P10832	00091540	07/14/2016

**City of Placentia
Check Register
For 07/14/2016**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
	V010036		Special Department Supplies					
MW OH	CRESTLINE SPECIALTIES INC V010036	SET-UP CHARGE	104075-6301 Special Department Supplies	AP071316	63.00 3078242	P10832	00091540	07/14/2016
MW OH	CRESTLINE SPECIALTIES INC V010036	TAX/SHIPPING	104075-6301 Special Department Supplies	AP071316	262.50 3078242	P10832	00091540	07/14/2016
MW OH	CRESTLINE SPECIALTIES INC V010036	SET-UP CHARGE	104075-6301 Special Department Supplies	AP071316	63.00 3078188	P10833	00091540	07/14/2016
MW OH	CRESTLINE SPECIALTIES INC V010036	FARMERS MARKET LOGO ON TOTE	104075-6301 Special Department Supplies	AP071316	1,370.00 3078188	P10833	00091540	07/14/2016
MW OH	CRESTLINE SPECIALTIES INC V010036	TAX/SHIPPING	104075-6301 Special Department Supplies	AP071316	369.66 3078188	P10833	00091540	07/14/2016
Check Total:					3,458.16			
MW OH	DATAQUICK V000297	JUNE PROPERTY DATA COLLECTION	01523-6136 Software Maintenance	AP071316	130.50 B1-2555401		00091541	07/14/2016
Check Total:					130.50			
MW OH	DFS FLOORING INC V000099	DEC CARPET CLEANING	103654-6130 Repair & Maint/Facilities	AP071316	635.00 300098-128		00091542	07/14/2016
MW OH	DFS FLOORING INC V000099	MARCH CARPET CLEANING	103654-6130 Repair & Maint/Facilities	AP071316	300.00 305857-3		00091542	07/14/2016
Check Total:					935.00			
MW OH	DOOLEY ENTERPRISES INC V000347	INC.AMMUNITION	103043-6162 Range Training	AP071316	11,529.00 52736	P10848	00091543	07/14/2016
Check Total:					11,529.00			
MW OH	FABER, VENESSA V010095	SWIM CLASS REFUND	100000-4340 / 79348-4340 Recreation Programs	AP071316	60.00 2001192.002		00091544	07/14/2016
Check Total:					60.00			
MW OH	FAIRWAY FORD V000376	VEHICLE REPAIRS	103658-6134 Vehicle Repair & Maintenance	AP071316	1,230.83 C00288		00091545	07/14/2016
MW OH	FAIRWAY FORD	TAX	103658-6842	AP071316	2,560.64 161536	P10796	00091545	07/14/2016

**City of Placentia
Check Register
For 07/14/2016**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V000376		Vehicles						
MW OH	FAIRWAY FORD V000376	2016 FORD INTERCEPT	103658-6842 Vehicles	AP071316	31,928.00	161536	P10796	00091545	07/14/2016
MW OH	FAIRWAY FORD V000376	LICENSE/DOCUMENTATION	103658-6842 Vehicles	AP071316	425.75	161536	P10796	00091545	07/14/2016
					Check Total:	36,145.22			
MW OH	FEDEX V000394	SHIPPING CHARGES	101512-6325 Postage	AP071316	38.08	5-466-96876		00091546	07/14/2016
					Check Total:	38.08			
MW OH	GAS CO, THE V000909	MAY-JUNE GAS CHARGES	109595-6340 Natural Gas	AP071316	35.32	062916		00091547	07/14/2016
					Check Total:	35.32			
MW OH	GOLDEN STATE WATER V000928	APRIL-MAY WATER CHARGES	109595-6335 Water	AP071316	751.24	062216		00091548	07/14/2016
					Check Total:	751.24			
MW OH	GST V009410	JUNE IT SERVICE	101523-6290 Dept. Contract Services	AP071316	7,178.00	SINV104709	P10666	00091549	07/14/2016
					Check Total:	7,178.00			
MW OH	HALO CONFIDENTIAL V008544	JUNE PD TRAINING SVS	103040-6290 Dept. Contract Services	AP071316	2,806.00	0063	P10661	00091550	07/14/2016
					Check Total:	2,806.00			
MW OH	HI-WAY SAFETY RENTALS V000459	STREET SIGN	103652-6310 Street Signs	AP071316	88.00	46627		00091551	07/14/2016
					Check Total:	88.00			
MW OH	HONEYWELL V001388	A/C REPAIRS	103654-6130 Repair & Maint/Facilities	AP071316	1,923.10	5236824271		00091552	07/14/2016
MW OH	HONEYWELL V001388	A/C REPAIRS	103654-6130 Repair & Maint/Facilities	AP071316	200.49	5236841272		00091552	07/14/2016
					Check Total:	2,123.59			

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	HOYT ROOFS INC V003476	ROOFING BOND REFUND	0044-2033 Construction & Demo Deposit	AP071316	100.00	30-16-033		00091553	07/14/2016
MW OH	HOYT ROOFS INC V003476	ROOFING BOND REFUND	0044-2033 Construction & Demo Deposit	AP071316	100.00	30-16-035		00091553	07/14/2016
MW OH	HOYT ROOFS INC V003476	ROOFING BOND REFUND	0044-2033 Construction & Demo Deposit	AP071316	100.00	30-16-037		00091553	07/14/2016
Check Total:					300.00				
MW OH	HR GREEN INC V007928	MARCH CITY ENGINEERING SVS	103550-6015 Engineering Services	AP071316	2,863.60	104558		00091554	07/14/2016
MW OH	HR GREEN INC V007928	MARCH CITY ENGINEERING SVS	484356-6015 Engineering Services	AP071316	15,066.40	104558		00091554	07/14/2016
Check Total:					17,930.00				
MW OH	HUNTER SYSTEMS GROUP V009095	SMARTSHOT YEARLY SERVICE	103040-6290 Dept. Contract Services	AP071316	299.00	HSG-6318		00091555	07/14/2016
Check Total:					299.00				
MW OH	INTERNAL CONTROL V000504	JUNE PRE EMPLOYMENT EXAMS	103040-6099 Professional Services	AP071316	280.00	10874		00091556	07/14/2016
Check Total:					280.00				
MW OH	JOBS AVAILABLE V000534	JOB ADVERTISEMENT - CFO, PD	101512-6225 Advertising/Promotional	AP071316	873.00	1615029		00091557	07/14/2016
Check Total:					873.00				
MW OH	KNOWLES-MCNIFF INC V000558	JUNE SOFTWARE MAINT	101523-6136 Software Maintenance	AP071316	2,551.50	INV90857		00091558	07/14/2016
Check Total:					2,551.50				
MW OH	LOMA VISTA NURSERY V000595	PLANTS	109595-6301 Special Department Supplies	AP071316	545.40	162705		00091559	07/14/2016
Check Total:					545.40				
MW OH	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	AP071316	92.25	80170		00091560	07/14/2016

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	AP071316	1,461.50 80206		00091560	07/14/2016
MW OH	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	AP071316	631.52 80400		00091560	07/14/2016
MW OH	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	AP071316	649.07 80401		00091560	07/14/2016
MW OH	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	AP071316	1,289.52 80402		00091560	07/14/2016
MW OH	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	AP071316	757.68 80403		00091560	07/14/2016
MW OH	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	AP071316	210.75 80505		00091560	07/14/2016
Check Total:					5,092.29			
MW OH	MERCHANTS LANDSCAPE V010092	MAY LANDSCAPE SERVICES	103655-6115 Landscaping	AP071316	34,171.68 47802		00091561	07/14/2016
MW OH	MERCHANTS LANDSCAPE V010092	MAY LANDSCAPE SERVICES	0010-1220 Accts Rec/Plac Library Dist	AP071316	1,452.49 47802		00091561	07/14/2016
MW OH	MERCHANTS LANDSCAPE V010092	MAY LANDSCAPE SERVICES	296561-6115 Landscaping	AP071316	8,724.28 47802		00091561	07/14/2016
Check Total:					44,348.45			
MW OH	MOTO UNITED V009743	PD MOTORCYCLE REPAIRS	103658-6134 Vehicle Repair & Maintenance	AP071316	444.79 3046		00091562	07/14/2016
MW OH	MOTO UNITED V009743	PD MOTORCYCLE REPAIRS	103658-6134 Vehicle Repair & Maintenance	AP071316	1,516.16 3350		00091562	07/14/2016
Check Total:					1,960.95			
MW OH	MSI OFFICE FURNITURE LLC V007591	CONFERENCE ROOM FURNITURE	333523-6899 / 62003-6899 Other Capital Outlay	AP071316	1,055.16 231903		00091563	07/14/2016
Check Total:					1,055.16			
MW OH	NICKEY PETROLEUM	GASOLINE	103658-6345	AP071316	21,931.33 324926		00091564	07/14/2016

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V000696		Gasoline & Diesel Fuel						
				Check Total:	21,931.33				
MW OH	NOGALES, OLIVIER V008301	DEPOSIT REFUND - AGUIRRE	100000-4385 Facility Rental	AP071316	100.00	2001186.002		00091565	07/14/2016
				Check Total:	100.00				
MW OH	ORANGE COUNTY FIRE V000704	JUNE PLAN CHECK CHARGES	0044-2055 Or Co Fire Auth/Pln Rev Depos	AP071316	417.00	PC207109		00091566	07/14/2016
MW OH	ORANGE COUNTY FIRE V000704	JUNE PLAN CHECK CHARGES	0044-2055 Or Co Fire Auth/Pln Rev Depos	AP071316	417.00	PC207110		00091566	07/14/2016
				Check Total:	834.00				
MW OH	PERMIT MANAGEMENT V009865	6/27-30 BLDG PERMIT TECH SVS	102532-6290 Dept. Contract Services	AP071316	1,430.00	PL16-023	P10728	00091567	07/14/2016
				Check Total:	1,430.00				
MW OH	PISCHEL, STEVE V002520	PARSAC MTG TRAVEL	101512-6245 Meetings & Conferences	AP071316	120.00	71316		00091568	07/14/2016
				Check Total:	120.00				
MW OH	POWERSTRIDE BATTERY COBATTERY V000785		103658-6134 Vehicle Repair & Maintenance	AP071316	273.81	C 63434		00091569	07/14/2016
MW OH	POWERSTRIDE BATTERY COBATTERY V000785		103658-6134 Vehicle Repair & Maintenance	AP071316	178.76	C 63472		00091569	07/14/2016
MW OH	POWERSTRIDE BATTERY COBATTERY V000785		103658-6134 Vehicle Repair & Maintenance	AP071316	94.73	C 63509		00091569	07/14/2016
				Check Total:	547.30				
MW OH	RAGGED ROBIN RANCH INC V009274	6/27-30 PLANNING SERVICES	102531-6290 Dept. Contract Services	AP071316	2,440.00	CR63016	P10670	00091570	07/14/2016
MW OH	RAGGED ROBIN RANCH INC V009274	6/27-30 PLANNING TECH SERVICES	102531-6290 Dept. Contract Services	AP071316	1,490.00	CR63016	P10670	00091570	07/14/2016
				Check Total:	3,930.00				
MW OH	RELIANCE STANDARD LIFE	MAY STD INSURANCE PREMIUM	109595-5169	AP071316	2,352.17	050116		00091571	07/14/2016

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V008214		STD Ins Premium						
MW OH	RELIANCE STANDARD LIFE V008214	JUNE STD INSURANCE PREMIUM	109595-5169 STD Ins Premium	AP071316	2,352.17	060116		00091571	07/14/2016
Check Total:					4,704.34				
MW OH	SIEMENS INDUSTRY INC V008785	APRIL EMERGENCY SIGNAL MAINT	0010-1226 AR/City of Yorba Linda	AP071316	178.91	5620010620		00091572	07/14/2016
MW OH	SIEMENS INDUSTRY INC V008785	APRIL EMERGENCY SIGNAL MAINT	0010-1224 AR/City of Fullerton	AP071316	1,294.04	5620010620		00091572	07/14/2016
MW OH	SIEMENS INDUSTRY INC V008785	APRIL EMERGENCY SIGNAL MAINT	103652-6099 Professional Services	AP071316	8,662.15	5620010620		00091572	07/14/2016
MW OH	SIEMENS INDUSTRY INC V008785	APRIL EMERGENCY SIGNAL MAINT	0010-1228 AR/County of Orange	AP071316	63.50	5620010620		00091572	07/14/2016
MW OH	SIEMENS INDUSTRY INC V008785	APRIL EMERGENCY SIGNAL MAINT	0010-1232 Accts Rec/City of Anaheim	AP071316	1,178.77	5620010620		00091572	07/14/2016
Check Total:					11,377.37				
MW OH	SMITH, DONNA V001269	SUMMER INSTRUCTOR PAYMENT	104071-6060 Instructional Services	AP071316	1,058.20	SUMMER 2016		00091573	07/14/2016
Check Total:					1,058.20				
MW OH	SOUTHERN CALIFORNIA V000910	MAY-JUNE ELECTRICAL CHARGES	0010-1224 AR/City of Fullerton	AP071316	132.76	062416		00091574	07/14/2016
MW OH	SOUTHERN CALIFORNIA V000910	MAY-JUNE ELECTRICAL CHARGES	296561-6330 / 61139-6330 Electricity	AP071316	45.28	062416		00091574	07/14/2016
MW OH	SOUTHERN CALIFORNIA V000910	MAY-JUNE ELECTRICAL CHARGES	296561-6330 Electricity	AP071316	145.56	062416		00091574	07/14/2016
MW OH	SOUTHERN CALIFORNIA V000910	MAY-JUNE ELECTRICAL CHARGES	286560-6330 Electricity	AP071316	29,033.62	062416		00091574	07/14/2016
MW OH	SOUTHERN CALIFORNIA V000910	MAY-JUNE ELECTRICAL CHARGES	109595-6330 Electricity	AP071316	33,600.71	062416		00091574	07/14/2016
MW OH	SOUTHERN CALIFORNIA	MAY-JUNE ELECTRICAL CHARGES	109595-6330 / 61141-6330	AP071316	278.48	062416		00091574	07/14/2016

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V000910		Electricity						
MW OH	SOUTHERN CALIFORNIA V000910	MAY-JUNE ELECTRICAL CHARGES	0010-1220 Accts Rec/Plac Library Dist	AP071316	6,899.22	062416		00091574	07/14/2016
MW OH	SOUTHERN CALIFORNIA V000910	MAY-JUNE ELECTRICAL CHARGES	109595-6330 / 61139-6330 Electricity	AP071316	401.80	062416		00091574	07/14/2016
MW OH	SOUTHERN CALIFORNIA V000910	MAY-JUNE ELECTRICAL CHARGES	0010-1232 Accts Rec/City of Anaheim	AP071316	91.73	062416		00091574	07/14/2016
MW OH	SOUTHERN CALIFORNIA V000910	MAY-JUNE ELECTRICAL CHARGES	109595-6330 / 61138-6330 Electricity	AP071316	115.04	062416		00091574	07/14/2016
Check Total:					70,744.20				
MW OH	SPRINT V006126	JUNE PD RELAY SERVICES	109595-6215 Telephone	AP071316	612.21	95061161003497		00091575	07/14/2016
Check Total:					612.21				
MW OH	ST JOSEPH HERITAGE V001728	EMPLOYEE PHYSICALS	101512-6099 Professional Services	AP071316	235.00	58171		00091576	07/14/2016
MW OH	ST JOSEPH HERITAGE V001728	EMPLOYEE PHYSICALS	101512-6099 Professional Services	AP071316	105.00	58449		00091576	07/14/2016
Check Total:					340.00				
MW OH	T-MOBILE V004339	JUNE CELL PHONE CHARGES	109595-6215 Telephone	AP071316	1,274.02	JUNE 16		00091577	07/14/2016
MW OH	T-MOBILE V004339	JUNE PD CELL PHONE CHARGES	109595-6215 Telephone	AP071316	667.30	JUNE PD 16		00091577	07/14/2016
Check Total:					1,941.32				
MW OH	TEAM ONE MANAGEMENT V010070	JUNE PARK JANITORIAL SVS	103655-6115 Landscaping	AP071316	4,337.50	2		00091578	07/14/2016
Check Total:					4,337.50				
MW OH	THE SAUCE CREATIVE V007476	AQUATICS STAFF UNIFORMS	104071-6360 Uniforms	AP071316	193.32	2490		00091579	07/14/2016
Check Total:					193.32				

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	TODD, LARRY V002103	SUMMER INSTRUCTOR PAYMENT	104071-6060 Instructional Services	AP071316	243.00	SUMMER 2016		00091580	07/14/2016
					Check Total:	243.00			
MW OH	TRILLIUM CNG (1720) V007952	JUNE CNG FUEL	103658-6345 Gasoline & Diesel Fuel	AP071316	41.65	1607042022		00091581	07/14/2016
					Check Total:	41.65			
MW OH	UNITED STATES POSTAL V001085	BULK MAIL PERMIT PI#26 FEES	104071-6301 Special Department Supplies	AP071316	215.00	062016		00091582	07/14/2016
					Check Total:	215.00			
MW OH	WELLS FARGO VENOR FIN V010076	SEPT COPIER LEASE	109595-6175 Office Equipment Rental	AP071316	259.22	65131636		00091583	07/14/2016
					Check Total:	259.22			
MW OH	WEST COAST LIGHTS & SIRENS V006106	INSTALL LIGHTS/SIRENS	103658-6842 Vehicles	AP071316	12,418.50	13222	P10797	00091584	07/14/2016
MW OH	WEST COAST LIGHTS & SIRENS V006106	INSTALL LIGHTS/SIRENS	103658-6842 Vehicles	AP071316	12,418.50	13231	P10797	00091584	07/14/2016
					Check Total:	24,837.00			
					Type Total:	371,571.01			
					Check Total:	371,571.01			

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FY 16/17

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
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Grand Total: 34,704.08

Check Totals by ID

AP	34,704.08
EP	0.00
IP	0.00
OP	0.00

<u>Fund Name</u>	<u>Check Totals by Fund</u>
101-General Fund (0010)	34,704.08

Void Total: 0.00
Check Total: 34,704.08

Check Total: 34,704.08

Reviewed by:


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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	ARAMARK UNIFORM V004232	PW UNIFORMS	103650-6360 Uniforms	AP071416	336.00	531665482		00091585	07/14/2016
MW OH	ARAMARK UNIFORM V004232	FACILITY MAT CLEANING	103654-6301 Special Department Supplies	AP071416	252.91	531665483		00091585	07/14/2016
Check Total:					588.91				
MW OH	AT & T V008736	JULY IMPOUND YARD INTERNET SV	109595-6215 Telephone	AP071416	153.19	JULY PD 16		00091586	07/14/2016
Check Total:					153.19				
MW OH	CALIFORNIA MUNICIPAL V000219	2016/17 MEMBERSHIP DUES	102020-6255 Dues & Memberships	AP071416	195.00	JULY 2016		00091587	07/14/2016
Check Total:					195.00				
MW OH	CALIFORNIA POLICE CHIEFS V000196	2016/17 CPCA MEMBERSHIP DUES	103040-6255 Dues & Memberships	AP071416	662.00	3052		00091588	07/14/2016
Check Total:					662.00				
MW OH	CANON FINANCIAL SERVICES V008867	JULY COPIER LEASE	109595-6175 Office Equipment Rental	AP071416	30.17	16241198		00091589	07/14/2016
MW OH	CANON FINANCIAL SERVICES V008867	JULY COPIER LEASE	109595-6175 Office Equipment Rental	AP071416	482.63	16241199		00091589	07/14/2016
Check Total:					512.80				
MW OH	CANON SOLUTIONS AMERICA V008809	JULY COPIER USAGE FEES	109595-6175 Office Equipment Rental	AP071416	773.23	4019561706		00091590	07/14/2016
Check Total:					773.23				
MW OH	CITY OF BREA V000125	EXPLORER BROCHURE PRINTING	103041-6301 Special Department Supplies	AP071416	50.22	ASCS000126		00091591	07/14/2016
MW OH	CITY OF BREA V000125	BUSINESS CARD PRINTING	103041-6301 Special Department Supplies	AP071416	38.25	ASCS000130		00091591	07/14/2016
Check Total:					88.47				
MW OH	COMMERCIAL AQUATIC V005203	JULY WHITTEN POOL CHEMICALS	103654-6130 Repair & Maint/Facilities	AP071416	626.94	I16-3083		00091592	07/14/2016

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
				Check Total:	626.94				
MW OH	COUNTY OF ORANGE V007152	2016/17 LAFCO COSTS	101001-6255 Dues & Memberships	AP071416	5,364.48	GA16170030024		00091593	07/14/2016
				Check Total:	5,364.48				
MW OH	D & D SERVICES INC. V007321	JULY-SEPT ANIMAL DISPOSAL SVS	103045-6280 Animal Control Services	AP071416	735.00	13249		00091594	07/14/2016
				Check Total:	735.00				
MW OH	DOG SERVICES UNLIMITED V002335	SUMMER INSTRUCTOR PAYMENT	104071-6060 Instructional Services	AP071416	585.00	SUMMER 2016		00091595	07/14/2016
				Check Total:	585.00				
MW OH	FEDEX V000394	SHIPPING CHARGES	101512-6325 Postage	AP071416	17.43	5-474-04441		00091596	07/14/2016
MW OH	FEDEX V000394	SHIPPING CHARGES	103550-6325 Postage	AP071416	15.36	5-474-04441		00091596	07/14/2016
				Check Total:	32.79				
MW OH	GLASBY MAINT. SUPPLY V000445	COJANITORIAL SUPPLIES	103654-6301 Special Department Supplies	AP071416	49.25	269714A		00091597	07/14/2016
				Check Total:	49.25				
MW OH	GST V009410	ANITVIRUS SOFTWARE RENEWAL	101523-6136 Software Maintenance	AP071416	3,169.00	GSTQ139510		00091598	07/14/2016
				Check Total:	3,169.00				
MW OH	HENRY, LUCIA V009972	SUMMER INSTRUCTOR PAYMENT	104071-6060 Instructional Services	AP071416	717.60	SUMMER 2016		00091599	07/14/2016
				Check Total:	717.60				
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6301 Special Department Supplies	AP071416	1,595.39	2649061-00		00091600	07/14/2016
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6301 Special Department Supplies	AP071416	34.65	2649473-00		00091600	07/14/2016
MW OH	IMPERIAL SPRINKLER	IRRIGATION SUPPLIES	103655-6301	AP071416	217.48	2655261-00		00091600	07/14/2016

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V006506		Special Department Supplies						
				Check Total:	1,847.52				
MW OH	LAWSON PRODUCTS V000579	PW SUPPLIES	103654-6301 Special Department Supplies	AP071416	429.20	9304210806		00091601	07/14/2016
				Check Total:	429.20				
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	102020-6315 Office Supplies	AP071416	122.02	57197		00091602	07/14/2016
				Check Total:	122.02				
MW OH	ONE STOP PARTS SOURCE V007231	MOTOR OIL	103658-6345 Gasoline & Diesel Fuel	AP071416	36.68	597792		00091603	07/14/2016
				Check Total:	36.68				
MW OH	PARTS SOURCE V000817	VEHICLE PARTS	103658-6301 Special Department Supplies	AP071416	17.97	1720		00091604	07/14/2016
				Check Total:	17.97				
MW OH	PROCURE AMERICA V009591	JULY PRINTER MANAGEMENT SVS	109595-6137 Repair Maint/Equipment	AP071416	400.42	7-1614	P10862	00091605	07/14/2016
				Check Total:	400.42				
MW OH	PURE WATER TECHNOLOGY V009593	JULY PD WATER SERVICE	103041-6301 Special Department Supplies	AP071416	150.13	94658		00091606	07/14/2016
				Check Total:	150.13				
MW OH	RAGGED ROBIN RANCH INC V009274	7/5-7 PLANNING SERVICES	102531-6290 Dept. Contract Services	AP071416	2,440.00	CR7716	P10864	00091607	07/14/2016
MW OH	RAGGED ROBIN RANCH INC V009274	7/5-7 PLANNING TECH SERVICES	102531-6290 Dept. Contract Services	AP071416	1,130.00	CR7716	P10864	00091607	07/14/2016
				Check Total:	3,570.00				
MW OH	RELIANCE STANDARD LIFE V008214	JULY STD INSURANCE PREMIUM	109595-5169 STD Ins Premium	AP071416	2,352.17	070116		00091608	07/14/2016
				Check Total:	2,352.17				
MW OH	SOUTHERN CALIFORNIA	POWER TO BILLBOARD	102531-6099 / 45057-6099	AP071416	310.20	246607		00091609	07/14/2016

User: Teri Knutson

Report: AP1400M <3.00>: AP: Warrant List - Machine

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Check Register
For 07/14/2016**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V010002		Professional Services						
				Check Total:	310.20				
MW OH	TRACKER SOFTWARE CORP V008084	PUBWORKS SOFTWARE SUPPORT	101523-6290 Dept. Contract Services	AP071416	3,349.00	166-006		00091610	07/14/2016
				Check Total:	3,349.00				
MW OH	TRAINING INNOVATIONS INC V003664	NEY 16/17 TMS SOFTWARE SUPPORT	103040-6290 Dept. Contract Services	AP071416	750.00	15-112		00091611	07/14/2016
				Check Total:	750.00				
MW OH	UNITED STATES POSTAL V001085	BULK MAIL PERMIT #26	104070-6325 Postage	AP071416	6,000.00	071216	P10859	00091612	07/14/2016
				Check Total:	6,000.00				
MW OH	WAXIE SANITARY SUPPLY V001132	JANITORIAL SUPPLIES	103655-6301 Special Department Supplies	AP071416	1,115.11	76074590		00091613	07/14/2016
				Check Total:	1,115.11				
				Type Total:	34,704.08				
				Check Total:	34,704.08				

City of Placentia
Electronic Disbursement Register
 For 07/19/2016
 FY 16/17

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
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Grand Total: 144,270.83

EDR Totals by ID

AP	0.00
EP	144,270.83
IP	0.00
OP	0.00

Fund Name	<u>EDR Totals by Fund</u>
101-General Fund (0010)	191,963.20
265-Landscape Maintenance (0029)	1,090.53
275-Sewer Maintenance (0048)	3,953.24
501-Refuse Administration (0037)	478.89
601-Employee Health & Wlfre (0039)	-53,215.03

Void Total: 0.00
 EDR Total: 144,270.83

Electronic Disbursement Sub Totals: 144,270.83

Reviewed by:


City of Placentia
Electronic Disbursement Register
For 07/14/2016

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
EP	AMERICAN FIDELITY V010011	VOL/FLEX P/E 7/2 PD 7/8	0010-2188 Health Care SSA	ACH071316	766.69	76160		00008309	06/13/2016
EP	AMERICAN FIDELITY V010011	VOL/FLEX P/E 7/2 PD 7/8	0010-2155 Per Sec Plan - Opt. Life	ACH071316	42.90	76160		00008309	06/13/2016
EP	AMERICAN FIDELITY V010011	VOL/FLEX P/E 7/2 PD 7/8	0037-2188 Health Care SSA	ACH071316	6.96	76160		00008309	06/13/2016
EP	AMERICAN FIDELITY V010011	VOL/FLEX P/E 7/2 PD 7/8	395000-2187 Voluntary Plan Life	ACH071316	463.96	76160		00008309	06/13/2016
EP	AMERICAN FIDELITY V010011	VOL/FLEX P/E 7/2 PD 7/8	0048-2188 Health Care SSA	ACH071316	1.08	76160		00008309	06/13/2016
Check Total:					1,281.59				
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0010-2145 Employee PERS Payback W/H	ACH071316	148.81	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0010-2150 Survivor Benefit Package	ACH071316	113.85	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0010-2165 PERS Employer Payable	ACH071316	104.54	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0010-2195 PERS Uniform	ACH071316	27.92	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0029-2140 Employee PERS W/H	ACH071316	537.15	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0029-2145 Employee PERS Payback W/H	ACH071316	7.30	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0029-2150 Survivor Benefit Package	ACH071316	1.09	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0029-2195 PERS Uniform	ACH071316	0.42	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0037-2140 Employee PERS W/H	ACH071316	264.61	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC	PERS P/E 7/2 PD 7/8	0037-2150	ACH071316	0.28	7616P		00008310	06/13/2016

City of Placentia
Electronic Disbursement Register
For 07/14/2016

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
	V010053		Survivor Benefit Package						
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0048-2140 Employee PERS W/H	ACH071316	2,120.21	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0048-2145 Employee PERS Payback W/H	ACH071316	7.30	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0048-2150 Survivor Benefit Package	ACH071316	3.87	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0048-2165 PERS Employer Payable	ACH071316	4.00	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0048-2195 PERS Uniform	ACH071316	1.41	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	0010-2140 Employee PERS W/H	ACH071316	113,741.13	7616P		00008310	06/13/2016
EP	CALIFORNIA PUBLIC V010053	PERS P/E 7/2 PD 7/8	395083-5145 Retirement PERS	ACH071316	-53,678.99	7616P		00008310	06/13/2016
Check Total:					63,404.90				
EP	EMPLOYMENT V010052	STATE TAXES P/E 7/2 PD 7/8	0029-2135 Calif Income Tax W/H	ACH071316	102.91	7616M		00008311	06/13/2016
EP	EMPLOYMENT V010052	STATE TAXES P/E 7/2 PD 7/8	0037-2135 Calif Income Tax W/H	ACH071316	45.93	7616M		00008311	06/13/2016
EP	EMPLOYMENT V010052	STATE TAXES P/E 7/2 PD 7/8	0010-2135 Calif Income Tax W/H	ACH071316	14,706.73	7616M		00008311	06/13/2016
EP	EMPLOYMENT V010052	STATE TAXES P/E 7/2 PD 7/8	0048-2135 Calif Income Tax W/H	ACH071316	314.52	7616M		00008311	06/13/2016
Check Total:					15,170.09				
EP	EMPOWER RETIREMENT V010010	DEFERRED P/E 7/2 PD 7/8	0010-2172 Deferred Comp Pay. - Gr West	ACH071316	4,934.00	7816N		00008312	06/13/2016
EP	EMPOWER RETIREMENT V010010	DEFERRED P/E 7/2 PD 7/8	0029-2172 Deferred Comp Pay. - Gr West	ACH071316	16.00	7816N		00008312	06/13/2016
EP	EMPOWER RETIREMENT	DEFERRED P/E 7/2 PD 7/8	0048-2172	ACH071316	130.00	7816N		00008312	06/13/2016

City of Placentia
Electronic Disbursement Register
For 07/14/2016

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
	V010010		Deferred Comp Pay. - Gr West						
				Check Total:	5,080.00				
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0010-2115 Employee Medicare W/H	ACH071316	5,616.58	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0010-2120 Employer Medicare Payable	ACH071316	5,616.58	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0010-2110 Federal Income Tax W/H	ACH071316	46,062.29	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0010-2125 Employee Social Sec W/H	ACH071316	40.59	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0048-2120 Employer Medicare Payable	ACH071316	152.57	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0010-2130 Employer Soc Sec Payable	ACH071316	40.59	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0029-2110 Federal Income Tax W/H	ACH071316	338.22	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0029-2115 Employee Medicare W/H	ACH071316	43.72	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0029-2120 Employer Medicare Payable	ACH071316	43.72	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0037-2110 Federal Income Tax W/H	ACH071316	122.97	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0037-2115 Employee Medicare W/H	ACH071316	19.07	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0037-2120 Employer Medicare Payable	ACH071316	19.07	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0048-2110 Federal Income Tax W/H	ACH071316	1,065.71	7616L		00008313	06/13/2016
EP	INTERNAL REVENUE V010054	FED/MED/SS P/E 7/2 PD 7/8	0048-2115 Employee Medicare W/H	ACH071316	152.57	7616L		00008313	06/13/2016

City of Placentia
Electronic Disbursement Register
For 07/14/2016

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Ref #	Ref Date
				Check Total:	59,334.25				
				Type Total:	144,270.83				
				Check Total:	144,270.83				



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF COMMUNITY SERVICES

DATE: JULY 19, 2016

SUBJECT: **AGREEMENT WITH ST. JUDE HOSPITAL TO ACCEPT A RESTRICTED PROJECT GRANT TO PREVENT AND REDUCE OBESITY**

FISCAL EXPENSE: \$65,000

IMPACT: REVENUE: \$65,000 (ST. JUDE GRANT)

SUMMARY:

The St. Jude Hospital Board of Trustees Community Benefit Committee has approved a Healthy Communities grant of up to \$65,000 to the City of Placentia. The purpose of this grant is to partner with the City to promote environmental, system and policy changes that will improve health and reduce obesity in low income neighborhoods. The grant will allow the City to retain grant writing consultants to identify and apply for grants that promote healthy eating and physical activity, including a plan to implement the Placentia "Healthy Eating Active Living Resolution" (HEAL) to become a Fit or Active City, and will fund outdoor exercise equipment in parks in low income neighborhoods. This action will approve an agreement with St. Jude Hospital to accept a \$65,000 restricted project grant to prevent and reduce obesity.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve Restricted Project Grant Agreement with St. Jude Hospital to accept a \$65,000 Restricted Project Grant to prevent and reduce obesity; and
2. Authorize the City Administrator or designee to execute all necessary documents, in a form approved by the City Attorney.

DISCUSSION:

Over the past 2 years, St. Jude Hospital has generously given the City of Placentia over \$211,000 in grant funds to support program and policy changes, improve existing outdoor activity spaces, and incorporate health and wellness aspects when developing or refining City policies.

In 2010, the City began making several policy changes and program enhancements through the Orange County Nutrition and Physical Activity Collaborative (NuPAC) grant. The grant enabled the City to create healthier afterschool programs, preserve open park and field space, establish a farmers market, and support a city-wide collaborative of local community organizations focused on increasing access and consumption of healthy foods along with creating more opportunities for physical activity. The City Council continued to support these efforts in May 2011 by proclaiming the City of Placentia a Healthy Eating Active Living (HEAL) City. Since 2011, the City remains at an Eager level designation.

St. Jude Hospital approached the City with the opportunity to receive additional grant funding in Fiscal Year 2016-17 to further develop its wellness efforts with the goal of becoming a HEAL City at the Active or Fit level.

Previous St Jude Hospital Grant funds have been used to purchase and install outdoor exercise equipment in low income areas of the City. McFadden and Kraemer Parks have both received new equipment, and Parque De Los Ninos is now under construction to also receive new equipment. In addition, the grant has funded replastering and filtration equipment replacement at 2 (two) City recreational pools located at Gomez and Whitten Community Centers. The 2016-17 funding will be utilized to continue this effort of community wellness by installing outdoor exercise equipment at Santa Fe Park.

In order to meet this goal, the City submitted a proposal to St. Jude Hospital to concentrate efforts on seeking additional funding to support program and policy changes, improve existing outdoor activity spaces, and incorporating health and wellness aspects when developing or refining City policies. St. Jude Hospital has accepted the City's proposal and awarded \$65,000 to support the following activities:

- **Grant Writing Services - \$15,000**

The City will hire professional grant writers to assist staff with identifying and applying for grant funding in the area of active transportation, park improvement, and opportunities that will promote physical activity and nutrition education in low income neighborhoods. In addition, these funds will be used to implement the Placentia "Healthy Eating Active Living Resolution" to become an Active or Fit City designation.

- **Outdoor Exercise Equipment in Low Income Neighborhoods - \$50,000**

Santa Fe Park is adjacent to two (2) of Placentia's Title I schools Melrose Elementary and Valadez Middle School Academy along with Placentia Headstart. The areas surrounding Santa Fe Park are Community Development Block Grant (CDBG) low income census tracts with many families sharing homes and apartments with very limited outdoor activity space. The northern area of the park has a very large open grass space that is underutilized. The grant will enable the City to improve the neighborhood with the installation of outdoor exercise equipment

to facilitate exercise for families that live nearby. The project would maximize the use of the space, provide a healthy amenity for parents and families that do not have access or cannot afford memberships to gyms, and deter graffiti and other negative activities from occurring at the park.

FISCAL IMPACT:

The agreement with St. Jude Hospital will provide up to \$65,000 in grant funding towards the items previously outlined. The grant does not require any matching funds from the City. The grant term will encompass expenditures from July 1, 2016 through June 30, 2017 unless otherwise agreed upon in writing by both St. Jude Hospital and the City. The funding will include grant expenditures of \$15,000 towards grant writing services, and \$50,000 toward capital improvements at Santa Fe Park. No General Fund dollars will be used on these projects.

Prepared by:

Reviewed and approved:

Sandra J. Gonzalez
Director of Community Services

Lawrence P. Schroeder
Interim Chief Financial Officer

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachment:

St. Jude Hospital Restricted Project Grant Agreement

St. Jude Hospital
Restricted Project Grant Agreement
City of Placentia
Grant Number 201706

This Restricted Project Grant Agreement (“Agreement”) upon execution on behalf of Grantee in the spaces provided for signature will evidence Grantee’s agreement with and commitment to City of Placentia (“City”) as follows:

I. Grantee’s Status

This grant is specifically conditioned upon Grantee’s status as an eligible grantee of St. Jude Hospital (“Hospital”) in accordance with this section. Grantee warrants and represents that it is a public organization. Grantee will notify the Hospital immediately of any actual or proposed change in tax status.

II. Purposes of Grant

To prevent and reduce obesity by assisting the City of Placentia in supporting residents to increase physical activity and eat healthier.

This grant is made only for the specific charitable purposes described in the Agreement as part of the hospital’s community benefit program. The grant funds may not be used for any other purpose without prior written approval from the Hospital.

III. Use of Grant Funds and Mutual Expectations

These grant funds will be used as follows:

1. SJMC will provide \$15,000 to hire consultant/staff to identify potential grant opportunities that will enhance physical activity and nutrition education in low-income neighborhoods. The city agrees to establish an interdepartmental head committee to review and prioritize grant opportunities, selecting a minimum of three grants to submit for funding. The consultant/staff will write and submit three grants based on the interdepartmental head committee recommendations.
2. The above mentioned interdepartmental committee shall also oversee the implementation of the Placentia “Healthy Eating Active Living Resolution” to become an Active or Fit City designation.
3. Hospital will provide up to \$50,000 for the city to purchase outdoor fitness equipment for use by adult and teens in one targeted low-income neighborhood that currently lack physical activity opportunities. The city shall be responsible for site preparation, installation and maintenance of the outdoor equipment. The City shall make a good faith effort to find funds for additional equipment in one other neighborhood that lack physical activity opportunities.
4. Partner with Placentia Community Collaborative on the Move More Eat Healthy Placentia Campaign by either designating city staff or

commissioners to work with the collaborative or establish a subcommittee of the Parks and Recreation or Planning Commission.

5. Placentia will provide a Mid-Year and Final Project Report to Hospital documenting the use of funds and Project progress and will participate in the initiative evaluation that is being done by California State University Fullerton.

IV. Amount of Grant

\$32,500 payable upon receipt of this executed Agreement and the remaining amount after the mid-year report is received and if adequate progress is documented.

V. Period of Grant

Grant funds are to be applied to expenses incurred for the period July 1, 2016 to June 30, 2017 unless otherwise agreed upon in writing by the Hospital and the City.

VI. Terms and Conditions of Grant

Grantee agrees that the grant is subject to the following conditions:

A. Expenditure of Grant Funds

1. Use of Funds. Grantee must spend the grant funds only for the purposes described above.
2. Prohibited Uses. Grantee shall not use any of the funds from this grant in a manner inconsistent with Section 501 (c) (3) of the Code, including:
 - a. carrying on propaganda, or otherwise attempt to, influence legislation,
 - b. influencing the outcome of any specific public election,
 - c. carrying on directly or indirectly any voter registration drive.
 - d. inducing or encouraging violations of law or public policy
 - e. causing any private inurement or improper private benefit to occur.

B. Return of Funds. Grantee shall return to the Hospital any unexpended grant funds under the following conditions:

1. If the Hospital, in its reasonable discretion, determines that the Grantee has not performed in Accordance with this Agreement;
or
2. Any portion of the funding is not used for grant purposes.

C. Records, Audits. Funds provided by the Hospital shall be accounted

for in the Grantee's books and records. The Grantee shall retain original substantiating documents related to restricted grant expenditures and make these records available for the Hospital's review upon request. The Collaborative reserves the right, upon written notice, to audit the Grantee's books and records relating to the expenditure of any funds provided by the Hospital as a restricted grant.

- D. Reports. Grantee shall make a written report to the Hospital by January 31, 2017 for the period 7/1/16-12/31/16 and by July 31, 2017 for the full term of the grant reporting on the grants submitted and their status, progress toward HEAL Active/Fit City designation, location of outdoor exercise equipment and an estimate of the number of residents using the equipment.
- E. Budgets. Expenditures of grant funds must be made substantially in accordance with the grant budget, which is attached as Exhibit A. Any material changes from the budget must be approved in advance by the Hospital.
- F. Licensing and Credentials. The Grantee hereby agrees to maintain, in full force and effect, all required governmental or professional licenses and credentials for itself, its facilities, and for its employees and all other persons engaged in work in conjunction with this grant.
- G. Management and Organizational Changes. The Grantee agrees to provide immediate written notice to the Hospital if significant changes or events occur during the term of this grant which could potentially impact the progress or outcome of the grant, including, without limitation, changes in the Grantee's management personnel or losses of funding.
- H. No Agency. Grantee is solely responsible for all activities supported by the grant funds, and in the manner in which any such product may be disseminated. This Agreement shall not create any agency relationship, partnership, or joint venture between the parties, and Grantee shall make no such representation to anyone.
- I. No Waivers. The failure of the Hospital to exercise any of its rights under this agreement shall not be deemed to be a waiver of such rights.
- J. No Further Obligations by the Hospital. This grant is made with the understanding that the Hospital has no obligation to provide other or additional support or grants to the Grantee.
- K. Remedies. If the Hospital determines, in its reasonable discretion, that Grantee has substantially violated or failed to carry out any provision of this Agreement, including but not limited to failure to submit reports when due, the Hospital may, in addition to other legal remedies it may

have, refuse to make any further grant payments to Grantee under this or any other grant agreement and the Hospital may demand return of all or part of the grant funds not properly spent or committed to third parties, which Grantee shall immediately pay to the Collaborative. The Hospital may also avail itself of any other remedies available by law.

- L. Indemnification. Grantee irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless the Hospital, its officers, directors, employees and agents, from and against any and all claims, liabilities, losses, and expenses (including reasonable attorneys' fees) directly, indirectly, wholly, or partially arising from and in connection with any act or omission of Grantee, its employees, or agents in applying for or accepting the grant, in expending or applying the grant funds, or in carrying out any project or program to be supported by the grant, except to the extent that such claims, liabilities, losses, or expenses arise from or in connection with any act or omission of the Hospital, its officers, directors, employees, or agents.

- M. Entire Agreement: Amendments and Modifications. This Agreement constitutes the entire agreement of the parties with respect to its subject matter supersedes any and all prior written or oral agreements or understandings with respect to the subject matter hereof. This Agreement may not be amended or modified, except in writing signed by both parties.

- N. Governing Law. This Agreement shall be governed by the laws of the State of California.

VII. Acceptance of Agreement

The Hospital reserves the right to withhold or suspend payments of grant funds if the Grantee fails to comply strictly with any of the terms and conditions of this Agreement.

If this Agreement correctly sets forth your understanding and acceptance of the arrangements made regarding this grant, please countersign and return to the Hospital.

Accepted on behalf of City of Placentia by:

Signature

Date

Damien R. Arrula

Printed Name

City Administrator

Title

Attest:

Patrick J. Melia
City Clerk

Date

Approved as to Form:

Christian L. Bettenhausen
City Administrator

Date

Accepted on behalf of St. Jude Hospital by:

Authorized Signature

Date

Printed Name

Title

Exhibit A

**Grant Number 201706
Budget**

Budget Item	Amount
Grant writing consultant to identify opportunities for increased physical activity and nutrition education in Placentia	\$15,000
Outdoor exercise equipment station in 1 low income neighborhood	\$50,000
TOTAL EXPENSES	\$65,000



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: ACTING DIRECTOR OF PUBLIC WORKS

DATE: JULY 19, 2016

SUBJECT: **ACCEPTANCE OF DEED AGREEMENTS WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR THE KRAEMER BOULEVARD GRADE SEPARATION PROJECT**

FISCAL
IMPACT: EXPENSE: NONE

SUMMARY:

The Orange County Transportation Authority (OCTA) is the lead agency overseeing the acquisition of right-of-way, design and construction of five grade separation projects in the City. Construction on the Kraemer Boulevard Grade Separation Project (the "Project") was completed in 2014. As part of the Cooperative Agreement with OCTA for this Project, OCTA acquired the necessary right-of-way and easements for the Project which will now be transferred to the City.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Accept the two (2) right-of-way grant deeds, two (2) public utility easement deeds, and wall foundation easement deed for the Project; and
2. Authorize the Mayor to sign the Certificate of Acceptance for the grant deeds, and easement deeds on behalf of the City; and
3. Direct the City Clerk to endorse the grant deeds and public utility easement deeds which embodies the acceptance of said right-of-ways and easements, and cause the documents to be submitted to the Orange County Clerk Recorder for recording of the documents.

DISCUSSION:

The City and OCTA entered into Cooperative Agreement C-9-0412 dated August 6, 2009 detailing each agency's responsibilities for the Project. Prior to construction, the City was required to provide right-of-way access for parcels necessary to construct the Project. The agreement provides for the construction of a railroad grade separation on the BNSF Orangethorpe Railroad Corridor at the Kraemer Boulevard crossing, and requires the City to

accept any necessary easements to maintain the grade separation. Construction of the Kraemer Boulevard railroad grade separation project is now complete and the constructed improvements within the City of Placentia have been accepted by the City. In accordance with the Cooperative Agreement, OCTA secured all right-of-way necessary for the construction of the Project and the City must now accept the conveyance of all of the properties acquired for the Project.

Attached are five (5) fully executed deeds for the property acquired on behalf of the City and by OCTA for the Project. The deeds are identified on the attached right-of-way requirements map and summarized as follows:

- KRA-046-01 (APN 340-314-04) - Grant Deed for right-of-way
- KRA-040-01 (APN 340-313-08 & 10) - Grant Deed for right-of-way
- KRA-045-01 (APN 340-313-13) - Easement for Public Utilities
- KRA-046-02 (APN 340-314-04) – Easement for Public Utilities
- KRA 040-03 (APN 340-313-08 and 10) – Easement for wall foundation

FISCAL IMPACT:

There is no fiscal impact associated with the recommended actions.

Prepared by:

Reviewed and approved:

Young Park
Contract City Engineer

Luis Estevez
Acting Director of Public Works

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachments:

1. Two (2) Grant Deed & Certificate of Acceptance
2. Three (3) Easement Deed & Certificate of Acceptance

NO FEE DOCUMENT

Exempt per Government Code §6103 & §27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870
Attn: Engineering Division

The Above Space For Recorder's Use Only

Project Name: Kraemer Boulevard Grade Separation Project
Address: West side of Kraemer Blvd., n/o Crowther Ave. and
s/o Chapman Ave., Placentia, CA
APN: 340-314-04
Project Parcel No.: KRA-046-01

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE.

GRANT DEED

ORANGE COUNTY TRANSPORTATION AUTHORITY, a public agency ("Grantor"), which acquired title in the Final Order of Condemnation on March 26, 2012, recorded in the Official Records of the Orange County Recorder as Instrument No. 2012000170735, hereby grants to **CITY OF PLACENTIA**, a public body corporate and politic ("Grantee"), all right, title and interest in and to that land in the City of Placentia, County of Orange, State of California, described as follows:

See Exhibit "A", legal description, and Exhibit "B", plat map attached hereto and made a part hereof.

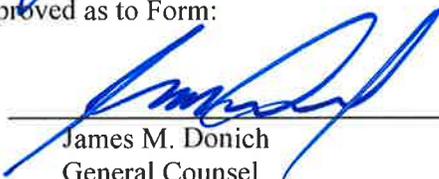
Dated this 12th day of May 2016.

Orange County Transportation Authority, a public
agency, Grantor

By  _____

Jim Beil,
Executive Director, Capital Programs

Approved as to Form:

By  _____

James M. Donich
General Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of Orange)
On May 12, 2016 before me, Nadia Lu Faelnar, notary public.
Date Here Insert Name and Title of the Officer
personally appeared James Gerard Beil
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Nadia Lu Faelnar
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

CERTIFICATE OF ACCEPTANCE

GRANT DEED

Orange County Transportation Authority, a public agency, conveys interest in real property by the Grant Deed dated _____ to the **CITY OF PLACENTIA**, a public body corporate and politic, is hereby accepted by the undersigned officer on behalf of the City of Placentia pursuant to the authority conferred by that Agreement of Conveyance of Property, adopted by motion of the Placentia City Council, and hereby consents to recordation thereof.

Dated: _____

By: _____
[name and title]

ATTEST:

EXHIBIT 'A'

LEGAL DESCRIPTION Partial Fee Take

KRA-046-1

That portion of Lot 1 of Tract No. 11677 in the City of Placentia, County of Orange, State of California, as per map recorded in Book 505 Pages 11 and 12 of Miscellaneous Maps, in the Office of the County Recorder of said County, more particularly described as follows:

Commencing at the centerline intersection of Crowther Avenue, 70.00 feet wide, and Kraemer Boulevard, 100.00 feet wide, as shown on said Tract No. 11677; thence northerly along the centerline of Kraemer Boulevard North $6^{\circ}26'17''$ West 30.63 feet to the beginning of a tangent curve concave northeasterly having radius of 1200.00 feet; thence northerly along said centerline and said curve 89.08 feet through a central angle of $4^{\circ}15'12''$; thence leaving said centerline North $87^{\circ}48'55''$ East 50.00 feet to a point on the easterly line of Kraemer Boulevard; said point being the beginning of a non-tangent curve concave to the east and having a radius of 1150.00 feet, a radial line through said beginning bears South $87^{\circ}49'05''$ West; said point also being the **TRUE POINT OF BEGINNING**; thence northerly along said easterly line and said curve 257.77 feet through a central angle of $12^{\circ}50'34''$; thence continuing along said easterly line North $10^{\circ}39'39''$ East 31.15 feet to the beginning of a non-tangent curve concave easterly and having a radius of 1550.00 feet, a radial through said beginning bears South $81^{\circ}02'27''$ East; thence leaving said easterly line southerly along said curve 327.12 feet through a central angle of $12^{\circ}05'30''$ to the intersection of the northerly line of that certain strip of land 60 feet wide granted to Santa Fe Land Improvement Company, in the City of Anaheim, County of Orange, State of California, described in the deed recorded March 23, 1911 in Book 196 Pages 122 through 124 of Deeds, in the office of the County Recorder of said county with the easterly line of Kraemer Boulevard; thence northerly along said easterly line North $11^{\circ}51'57''$ West 39.80 feet to the **TRUE POINT OF BEGINNING**.

Containing 1,466 square feet, more or less

Bearings and distances used in the above descriptions are based on the California Coordinate System of 1983, Zone 6. Multiply distances shown by 1.00000838 to obtain ground level distances.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors Act.

4-30-15
Date



Ian Easton
Ian Easton
L.S. No. 7016
Expiration Date: 06-30-16

NO FEE DOCUMENT
Exempt per Government Code §6103 & §27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870
Attn: Engineering Division

The Above Space For Recorder's Use Only

Project Name: Kraemer Boulevard Grade Separation Project
Address: West side of Kraemer Blvd., n/o Crowther Ave. and
s/o Chapman Ave., Placentia, CA
APN: 340-313-08 and 10
Project Parcel No.: KRA-040-1

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE.

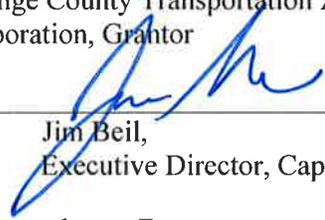
GRANT DEED

ORANGE COUNTY TRANSPORTATION AUTHORITY, a public corporation ("Grantor"), which acquired title in the Grant Deed on August 23, 2012, recorded in the Official Records of the Orange County Recorder as Instrument No. 2012000488761, hereby grants to **CITY OF PLACENTIA**, a public body corporate and politic ("Grantee"), all right, title and interest in and to that land in the City of Placentia, County of Orange, State of California, described as follows:

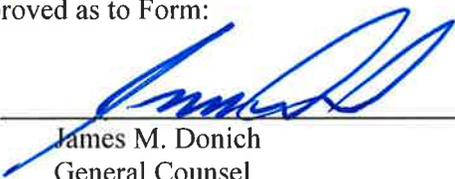
See Exhibit "A", legal description, and Exhibit "B", plat map attached hereto and made a part hereof.

Dated this 12th day of May 2016.

Orange County Transportation Authority, a public corporation, Grantor

By 
Jim Beil,
Executive Director, Capital Programs

Approved as to Form:

By 
James M. Donich
General Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)

County of Orange)

On May 12, 2010 before me, Nadia Lu Faelnar, notary public,
Date Here Insert Name and Title of the Officer

personally appeared James Gerard Beil
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Nadia Lu Faelnar
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

CERTIFICATE OF ACCEPTANCE

GRANT DEED

Orange County Transportation Authority, a public corporation, conveys interest in real property by the Grant Deed dated _____ to the **CITY OF PLACENTIA**, a public body corporate and politic, is hereby accepted by the undersigned officer on behalf of the City of Placentia pursuant to the authority conferred by that Agreement of Conveyance of Property, adopted by motion of the Placentia City Council, and hereby consents to recordation thereof.

Dated: _____

By: _____
[name and title]

ATTEST:

EXHIBIT 'A'

LEGAL DESCRIPTION

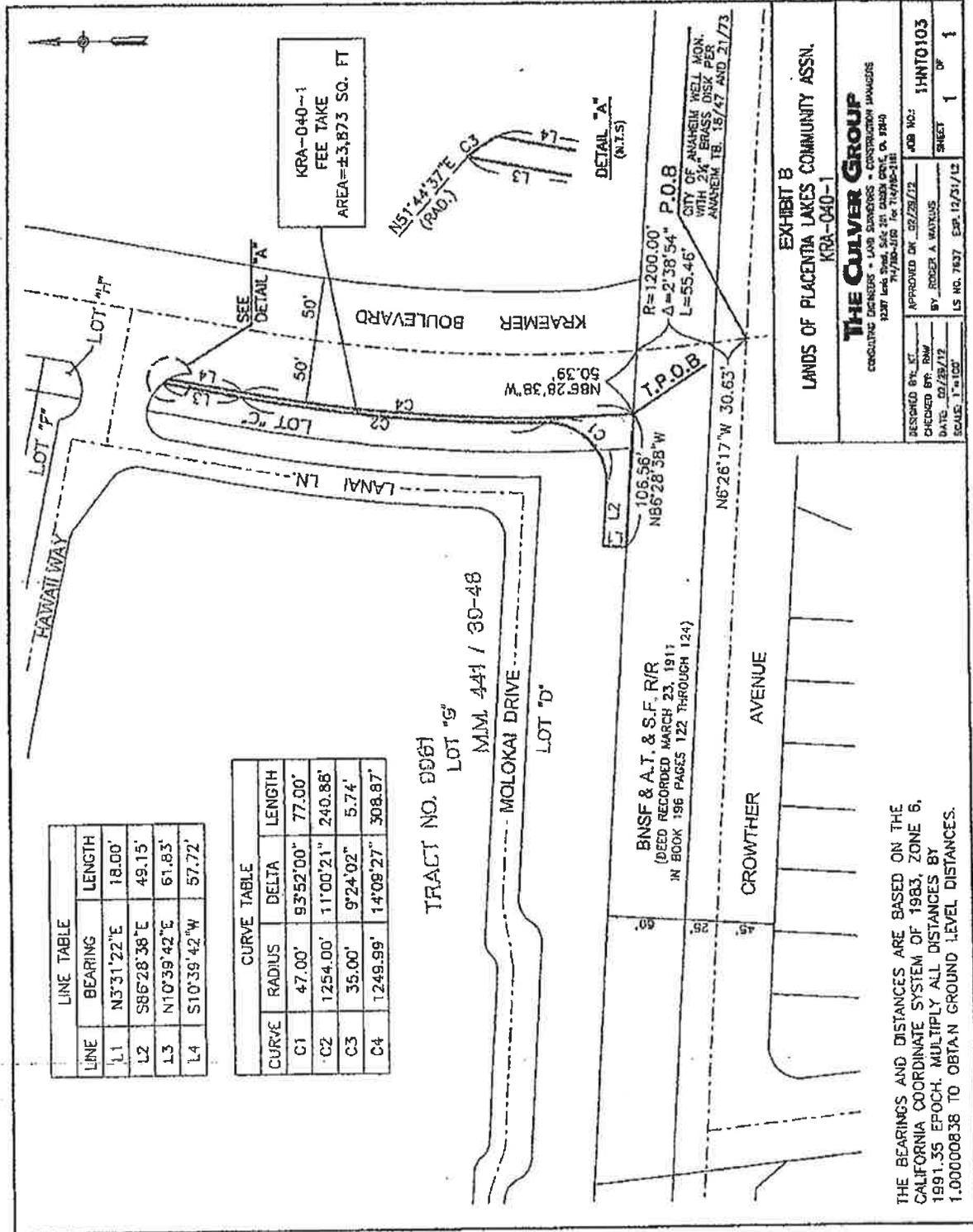
APN 340-313-08 & 10

KRA-040-1 (Fee Take)

That portion of Lots C and D of Tract No. 9961 in the City of Placentia, County of Orange, State of California, as per map recorded in Book 441 Pages 39 to 46 inclusive of Miscellaneous Maps, in the Office of the County Recorder of said County, more particularly described as follows:

BEGINNING at the centerline intersection of Crowther Avenue, 70.00 feet wide, and Kraemer Boulevard, 100.00 feet wide, as shown on said Tract No. 9961; thence northerly along the centerline of Kraemer Boulevard North $06^{\circ}26'17''$ West 30.63 feet to the beginning of a tangent curve concave to the east having radius of 1200.00 feet; thence northerly along said centerline and said curve 55.46 feet through a central angle of $02^{\circ}38'54''$ to the feet to the northerly line of that certain strip of land 60 feet wide granted to Santa Fe Land Improvement Company, in the City of Anaheim, County of Orange, State of California, described in the deed recorded March 23, 1911 in Book 196 Pages 122 through 124 of Deeds, in the office of the County Recorder of said county; thence westerly along said northerly line North $86^{\circ}28'38''$ West 50.39 feet to the westerly line of Kraemer Boulevard and the **TRUE POINT OF BEGINNING**; thence continuing along said northerly line North $86^{\circ}28'38''$ West 106.56 feet; thence leaving said northerly line North $03^{\circ}31'22''$ East 18.00 feet; thence South $86^{\circ}28'38''$ East 49.15 feet to the beginning of a curve concave to the northwest and having a radius of 47.00 feet; thence northeasterly along said curve 77.00 feet through a central angle of $93^{\circ}52'00''$ to the beginning of a reverse curve concave to the east and having a radius of 1254.00 feet; thence northerly along said curve 240.88 feet through a central angle of $11^{\circ}00'21''$; thence North $10^{\circ}39'42''$ East 61.83 feet to the northerly line of said Lot C and the beginning of a non-tangent curve concave southwest and having a radius of 35.00 feet, a radial line through said beginning bears North $51^{\circ}44'37''$ East; thence southeasterly along said northerly line and said curve 5.74 feet through a central angle of $9^{\circ}24'02''$ to the westerly line of Kraemer Boulevard; thence southerly along said westerly line South $10^{\circ}39'42''$ West 57.72 feet to the beginning of a curve concave to the east and having a radius of 1249.99 feet; thence continuing along said westerly line and said curve 308.87 feet through a central angle of $14^{\circ}09'27''$ to the **TRUE POINT OF BEGINNING**;

Containing 3,873 square feet, more or less



LINE TABLE		
LINE	BEARING	LENGTH
L1	N3°31'22"E	18.00'
L2	S86°28'36"E	49.15'
L3	N10°39'42"E	61.63'
L4	S10°39'42"W	57.72'

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	47.00'	93°52'00"	77.00'
C2	1254.00'	11°00'21"	240.88'
C3	35.00'	9°24'02"	5.74'
C4	1249.99'	14°06'27"	308.87'

KRA-040-1
FEE TAKE
AREA=±3,873 SQ. FT

TRACT NO. 0061
LOT "G"
M.M. 441 / 30-48

SEE DETAIL "A"
50'
50'
50'
N51°44'37"E C3
(RAD.)

LOT "F"
LOT "E"
LOT "D"
LOT "C"
LOT "B"
LOT "A"
KRAEMER BOULEVARD
LANAI LN.
MOLOKAI DRIVE
CROWTHER AVENUE
P.O.B
P.O.B
R=1200.00'
Δ=2°38'54"
L=55.46'
CITY OF ANAHEIM WELL MON.
WITH 2" BRASS DISK PER
ANAHEIM TB. 18/47 AND 21/73

BNSF & A.T. & S.F. R/R
(DEED RECORDED MARCH 23, 1911
IN BOOK 196 PAGES 122 THROUGH 124)

EXHIBIT B
LANDS OF PLACENTIA LAKES COMMUNITY ASSN.
KRA-040-1

THE CULVER GROUP
CONSULTING ENGINEERS • LAND SURVEYORS • CONSTRUCTION MANAGERS
12071 Lock Road, S44, 251 GARDEN CIRCLE, O. 97404
754/280-3100 fax 754/280-3118

DESIGNED BY: []
CHECKED BY: DMW
DATE: 02/28/12
SCALE: 1"=100'
APPROVED ON: 02/28/12
BY: ROSE A. WATKINS
JOB NO: 11HT0103
SHEET 1 OF 1

THE BEARINGS AND DISTANCES ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 6, 1991.35 EPOCH. MULTIPLY ALL DISTANCES BY 1.000000836 TO OBTAIN GROUND LEVEL DISTANCES.

NO FEE DOCUMENT
Government Code §6103 & §27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870
Attn: Engineering Division

The Above Space For Recorder's Use Only

Project Name: Kraemer Boulevard Grade Separation Project
Address: West side of Kraemer Blvd., n/o Crowther Ave. and
s/o Chapman Ave., Placentia, CA
APN: 340-313-13
Project Parcel No.: KRA-045-01

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE.

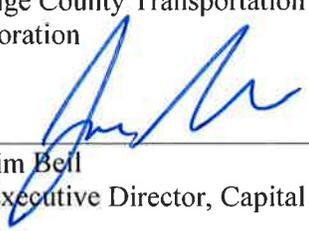
EASEMENT FOR PUBLIC UTILITY

ORANGE COUNTY TRANSPORTATION AUTHORITY, a public corporation ("Grantor"), which acquired title in the Easement for Public Utility Purposes recorded on December 14, 2011, in the Official Records of the Orange County Recorder as Instrument No. 2011000651125, hereby grants to **CITY OF PLACENTIA**, a public body corporate and politic ("Grantee"), a permanent exclusive easement for public utility purposes, inclusive of ingress and egress, for the construction, re-construction, installation, use, repair, rehabilitation and maintenance of public utilities including water, gas, sewer, drainage pipes, poles, overhead or underground wires, conduits for electrical, communication and television services, and appurtenances thereto, above, over, across, and under all that real property situated in the City of Placentia, County of Orange, State of California, described as follows:

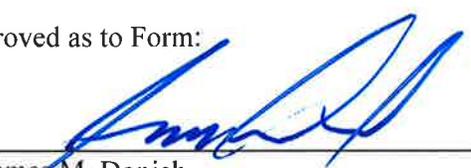
See Exhibit "A", legal description, and Exhibit "B", attached hereto and made a part hereof.

Dated this 12th day of May 2016.

Orange County Transportation Authority, a public corporation

By 
Jim Bell
Executive Director, Capital Programs

Approved as to Form:

By 
James M. Donich
General Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)

County of Orange)

On May 12, 2016 before me, Nadia Lu Faelnar, notary public
Date Here Insert Name and Title of the Officer

personally appeared James Gerard Beil
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature [Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

CERTIFICATE OF ACCEPTANCE

EASEMENT FOR PUBLIC UTILITY

Orange County Transportation Authority, a public corporation, conveys interest in real property by the Easement for Public Utility dated _____ to the **CITY OF PLACENTIA**, a public body corporate and politic, is hereby accepted by the undersigned officer on behalf of the City of Placentia pursuant to the authority conferred by that Agreement of Conveyance of Property, adopted by motion of the Placentia City Council, and hereby consents to recordation thereof.

Dated: _____

By: _____
[name and title]

ATTEST:

EXHIBIT 'A'

**LEGAL DESCRIPTION
PUBLIC UTILITY EASEMENT**

KRA-045-1

A public utility easement, upon, over and across the southerly portion of Lot B of Tract No. 9961 in the City of Placentia, County of Orange, State of California, as per map recorded in Book 441 Pages 39 to 46 inclusive of Tract Maps, in the Office of the County Recorder of said County, more particularly described as follows:

Commencing at the centerline intersection of Chapman Avenue, 100 feet wide, and Kraemer Boulevard, 100 feet wide, as shown on said Tract No. 9961; thence southerly along the centerline of Kraemer Boulevard South 10°39'42" West 431.73 feet; thence leaving said centerline North 79°20'18" West 50.00 feet to the southeast corner of said Lot B and the **TRUE POINT OF BEGINNING**; thence westerly along the southerly line of Lot B, North 79°20'18" West 27.00 feet to the westerly line of Lot B; thence northerly along said westerly line North 10°39'42" East 277.61 feet; thence leaving said westerly line South 79°20'18" East, 27.00 feet to the easterly line of said Lot B; thence southerly along said easterly line South 10°39'42" West 277.61 feet to the **TRUE POINT OF BEGINNING**.

Containing 7,496 square feet, more or less

Bearings and distances used in the above descriptions are based on the California Coordinate System of 1983, Zone 6. Multiply distances shown by 1.00000838 to obtain ground level distances.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors Act.

4-30-15
Date



Ian Easton
Ian Easton
L.S. No. 7016
Expiration Date: 06-30-2016

NO FEE DOCUMENT
Government Code §6103 & §27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870
Attn: Engineering Division

The Above Space For Recorder's Use Only

Project Name: Kraemer Boulevard Grade Separation Project
Address: West side of Kraemer Blvd., n/o Crowther Ave. and
s/o Chapman Ave., Placentia, CA
APN: 340-314-04
Project Parcel No.: KRA-046-02

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE.

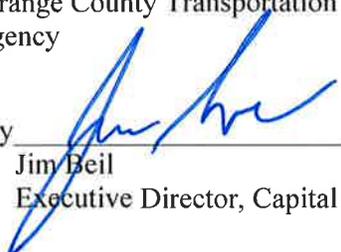
EASEMENT FOR PUBLIC UTILITY

ORANGE COUNTY TRANSPORTATION AUTHORITY, a public agency ("Grantor"), which acquired title in the Final Order of Condemnation recorded on March 26, 2012, in the Official Records of the Orange County Recorder as Instrument No. 2012000170735, hereby grants to **CITY OF PLACENTIA**, a public body corporate and politic ("Grantee"), a permanent easement for public utility purposes, inclusive of ingress and egress, for the construction, re-construction, installation, use, repair, rehabilitation and maintenance of public utilities including water, gas, sewer, drainage pipes, poles, overhead or underground wires, conduits for electrical, communication and television services, and appurtenances thereto, above, over, across, and under all that real property situated in the City of Placentia, County of Orange, State of California, described as follows:

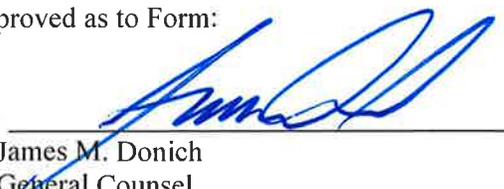
See Exhibit "A", legal description, and Exhibit "B", attached hereto and made a part hereof.

Dated this 12th day of May 2016.

Orange County Transportation Authority, a public
agency

By 
Jim Beil
Executive Director, Capital Programs

Approved as to Form:

By 
James M. Donich
General Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)

County of Orange)

On May 12, 2016 before me, Nadia Lu Faelnar, notary public,
Date Here Insert Name and Title of the Officer

personally appeared James Gerard Beil
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Nadia Lu Faelnar
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

CERTIFICATE OF ACCEPTANCE

EASEMENT FOR PUBLIC UTILITY

Orange County Transportation Authority, a public agency, conveys interest in real property by the Easement for Public Utility dated _____ to the **CITY OF PLACENTIA**, a public body corporate and politic, is hereby accepted by the undersigned officer on behalf of the City of Placentia pursuant to the authority conferred by that Agreement of Conveyance of Property, adopted by motion of the Placentia City Council, and hereby consents to recordation thereof.

Dated: _____

By: _____
[name and title]

ATTEST:

TRACT NO. 9961
M.M 441 / 39-46

BNSF AND A.T. & S.F.
(DEED RECORDED MARCH 23, 1911
IN BOOK 196 PAGES 122 THROUGH 124)

AVENUE

CROWTHER

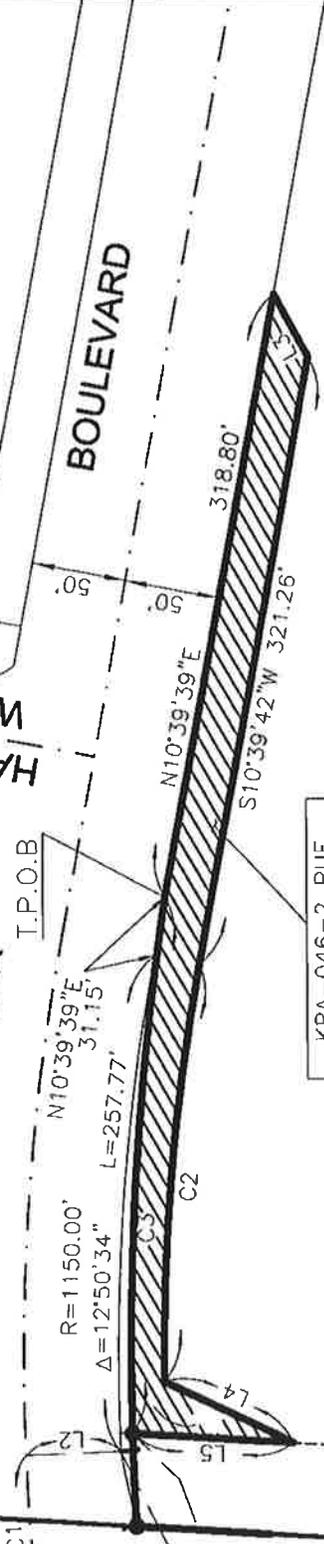
KRAEMER

HAWAII WAY

BOULEVARD

LINE TABLE		
LINE	BEARING	LENGTH
L1	N6°26'17"W	30.63'
L2	N87°48'55"E	50.00'
L3	S28°19'04"E	37.35'
L4	S64°45'34"E	74.89'
L5	N86°28'23"W	84.79'

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	1200.00'	04°15'12"	88.08'
C2	1128.00'	11°03'42"	217.59'
C3	1550.00'	10°18'30"	278.87'



KRA-046-2 PUE
AREA=±13,625 SQ. FT

EXHIBIT "B"
IN THE CITY OF PLACENTIA, COUNTY OF ORANGE
STATE OF CALIFORNIA

LOT 1

TRACT NO. 11677
M.M 505 / 11-12

EXHIBIT B
LANDS OF CINNAMON TREE HOA
PARCEL NO.: KRA-046-2 PUBLIC UTILITY EASEMENT

THE CULVER GROUP
CONSULTING ENGINEERS - LAND SURVEYORS - CONSTRUCTION MANAGERS
14841 Tolo Street, Suite 100, TUSTIN, CA 92780
714/288-7330 Fax 714/288-7337

DESIGNED BY: KT
CHECKED BY: IE
DATE: 04/16/15
SCALE: 1"=100'

APPROVED ON: 04/15/15
BY: IAN EASTON
LS NO. 7016 EXP. 06/30/16

JOB NO.: HNTD03
SHEET 3 OF 3

NO FEE DOCUMENT
Government Code §6103 & §27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870
Attn: Engineering Division

The Above Space For Recorder's Use Only

Project Name: Kraemer Boulevard Grade Separation Project
Address: West side of Kraemer Blvd., n/o Crowther Ave. and
s/o Chapman Ave., Placentia, CA
APN: 340-313-08 and 10
Project Parcel No.: KRA-040-3

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE.

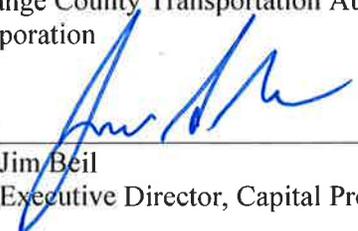
WALL FOUNDATION EASEMENT

ORANGE COUNTY TRANSPORTATION AUTHORITY, a public corporation ("Grantor"), which acquired title in the Wall Foundation Easement recorded on August 23, 2012, in the Official Records of the Orange County Recorder as Instrument No. 20120000488763, hereby grants to **CITY OF PLACENTIA**, a public body corporate and politic ("Grantee"), a wall foundation easement, upon, over and across that real property in the City of Placentia, County of Orange, State of California, described as follows:

See Exhibit "A", legal description, and Exhibit "B", attached hereto and made a part hereof.

Dated this 12th day of May 2016

Orange County Transportation Authority, a public
corporation

By 

Jim Beil
Executive Director, Capital Programs

Approved as to Form:

By 

James M. Donich
General Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)

County of Orange)

On May 12, 2016 before me, Nadia Lu Faelnar, notary public
Date Here Insert Name and Title of the Officer

personally appeared James Gerard Beil
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Nadia Lu Faelnar
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

CERTIFICATE OF ACCEPTANCE

WALL FOUNDATION EASEMENT

Orange County Transportation Authority, a public corporation, conveys interest in real property by the Wall Foundation Easement Deed dated _____ to the **CITY OF PLACENTIA**, a public body corporate and politic, is hereby accepted by the undersigned officer on behalf of the City of Placentia pursuant to the authority conferred by that Agreement of Conveyance of Property, adopted by motion of the Placentia City Council, and hereby consents to recordation thereof.

Dated: _____

By: _____
[name and title]

ATTEST:

EXHIBIT 'A'

LEGAL DESCRIPTION

APN 340-313-08

KRA-040-3 (Wall Foundation Easement)

A wall foundation easement, upon, over and across the easterly portion of Lot C of Tract No. 9961 in the City of Placentia, County of Orange, State of California, as per map recorded in Book 441 Pages 39 to 46 inclusive of Miscellaneous Maps, in the Office of the County Recorder of said County, more particularly described as follows:

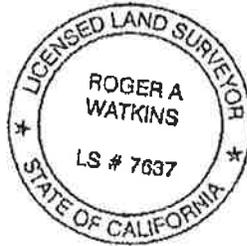
BEGINNING at the centerline intersection of Crowther Avenue, 70.00 feet wide, and Kraemer Boulevard, 100.00 feet wide, as shown on said Tract No. 9961; thence northerly along the centerline of Kraemer Boulevard North $06^{\circ}26'17''$ West 30.63 feet to the beginning of a tangent curve concave to the east having radius of 1200.00 feet; thence northerly along said centerline and said curve 127.63 feet through a central angle of $06^{\circ}05'38''$; thence leaving said centerline South $89^{\circ}39'22''$ West 54.00 feet to the **TRUE POINT OF BEGINNING**, said point also being the beginning of a curve concave to the southwest and having a radius of 47.00 feet, a radial line through said beginning bears North $89^{\circ}39'22''$ East; thence southwesterly along the westerly line of the land described in KRA-040-1 and said curve 29.04 feet through a central angle of $35^{\circ}24'23''$ to the beginning of a non-tangent curve concave to the northeast and having a radius of 1209.00 feet, a radial line through said beginning bears South $88^{\circ}28'42''$ West, thence leaving said westerly line and northerly along said curve 209.22 feet through a central angle of $9^{\circ}54'54''$; thence South $81^{\circ}36'23''$ East 8.00 feet to said westerly line and to beginning of a non-tangent curve concave to the southeast and having a radius of 1254.00 feet, a radial line through said beginning bears North $82^{\circ}05'19''$ West; thence southerly along said westerly line and said curve 180.68 feet through a central angle of $8^{\circ}15'20''$ to the **TRUE POINT OF BEGINNING**.

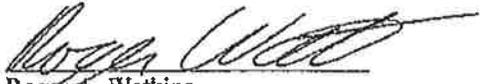
Containing 1,720 square feet, more or less

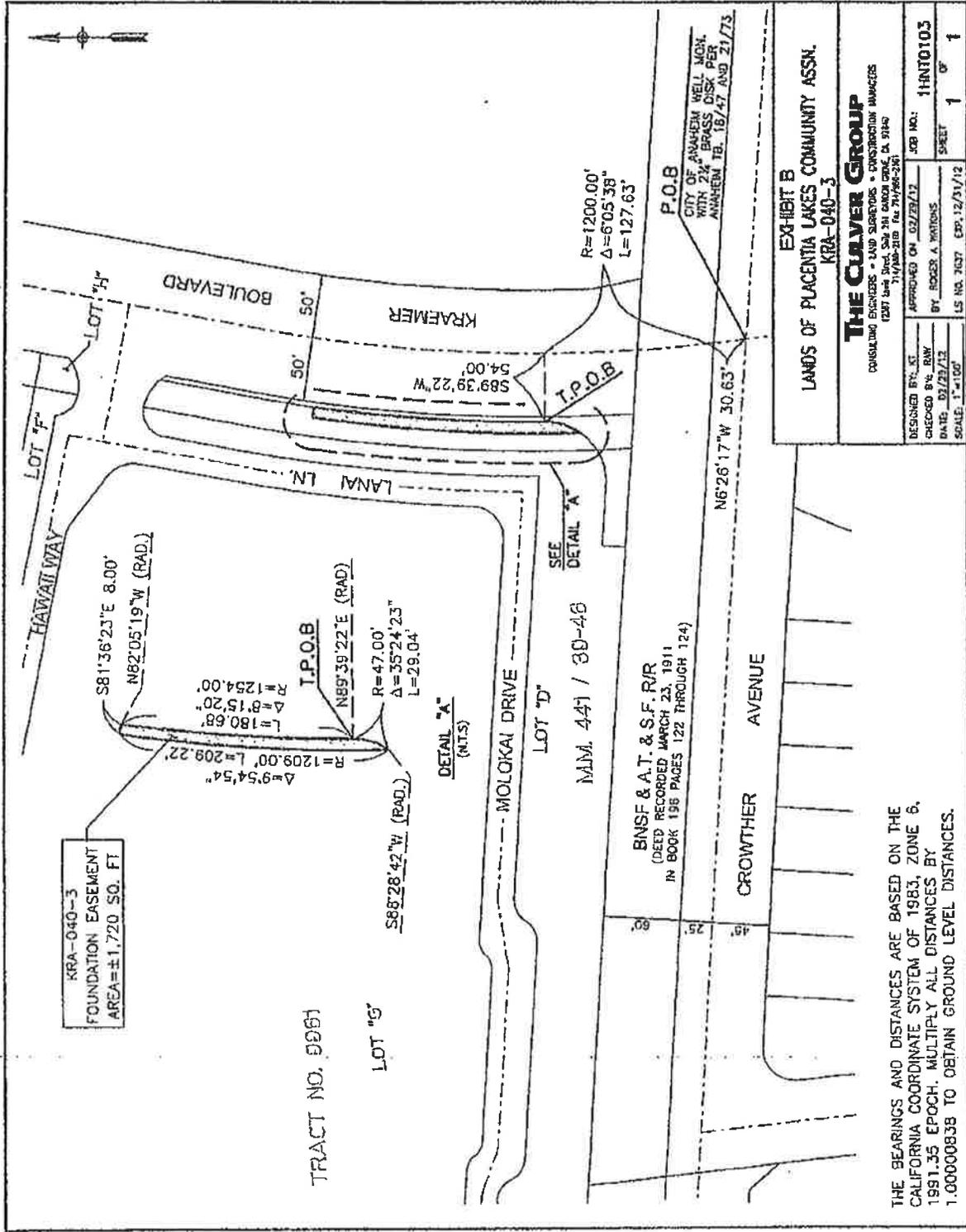
Bearings and distances used in the above descriptions are based on the California Coordinate System of 1983, Zone 5. Multiply distances shown by 1.00000838 to obtain ground level distances.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors Act.

02-29-2012
Date




Roger A. Watkins
L.S. No. 7637
Expiration Date: 12-31-2012



KRA-040-3
FOUNDATION EASEMENT
AREA=±1,720 SQ. FT.

TRACT NO. 0061

LOT "G"

DETAIL "A"
(N.T.S.)

LOT "D"

MM. 441 / 30-46

BNSF & A.T. & S.F.R/R
(DEED RECORDED MARCH 23, 1911
IN BOOK 196 PAGES 122 THROUGH 124)

CROWTHER AVENUE

MOLOKAI DRIVE

SEE
DETAIL "A"

P.O.B.

CITY OF ANAHEIM WELL MON.
WITH 2 1/2" BRASS DISK PER
ANAHEIM TB. 10/47 AND 21/73

EXHIBIT B
LANDS OF PLACENTIA LAKES COMMUNITY ASSN.
KRA-040-3

THE CULVER GROUP
CONSULTING ENGINEERS - LAND SURVEYORS - CONSTRUCTION MANAGERS
1281 East Blvd, Suite 301, CAROLINA, CA 91740
714/960-2100 Fax 714/960-2101

DESIGNED BY: J.S.	APPROVED ON: 02/28/12	JOB NO.:	11HNT0103
CHECKED BY: BAW	BY: ROGER A. WINTONS	SHEET	1 OF 1
DATE: 02/23/12	LS NO. 7027	EXP. 12/31/12	
SCALE: 1"=100'			

THE BEARINGS AND DISTANCES ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 6, 1997.35 EPOCH. MULTIPLY ALL DISTANCES BY 1.00000838 TO OBTAIN GROUND LEVEL DISTANCES.



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: ACTING DIRECTOR OF PUBLIC WORKS

DATE: JULY 19, 2016

SUBJECT: **ACCEPTANCE OF DEED AGREEMENTS WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR THE PLACENTIA AVENUE GRADE SEPARATION PROJECT**

FISCAL
IMPACT: EXPENSE: NONE

SUMMARY:

The Orange County Transportation Authority (OCTA) was the lead agency overseeing the acquisition of right-of-way, design and construction of the Placentia Avenue Grade Separation Project (the "Project") within the City of Placentia. Construction on this Project was completed in 2014. As part of Cooperative Agreement with OCTA for this Project, OCTA acquired the necessary right-of-way and easements for the Project which will now be transferred to the City.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Accept the attached right-of-way grant deed and storm drain and footing easement deed for the Project; and
2. Authorize the Mayor to sign the Certificate of Acceptance for the right-of-way grant deed, and storm drain and footing easement deed on behalf of the City; and
3. Direct the City Clerk to endorse the right-of-way grant deed and storm drain and footing easement deed which embodies the acceptance of said right-of-way and easement, and cause the documents to be submitted to the Orange County Clerk Recorder for recording of the documents.

DISCUSSION:

The City and OCTA entered into a Cooperative Agreement C-9-0412 dated August 6, 2009 detailing each agency's responsibilities and requirements for the Project. Prior to construction, the City was required to provide right-of-way access for parcels necessary to construct the Project. The agreement provides for the construction of a railroad grade separation on the BNSF Orangethorpe Railroad Corridor at the Placentia Avenue crossing, and requires the City

to accept any necessary easements to maintain the grade separation. Construction of Placentia Avenue railroad grade separation project is now complete and the constructed improvements within the City of Placentia have been accepted by the City. In accordance with the Cooperative Agreement, OCTA secured all right-of-way necessary for the construction of the Project and the properties must now be conveyed to the City.

Attached are two (2) fully executed deeds for the property acquired on behalf of the City by OCTA for the Project. The deeds are identified on the attached right-of-way requirements map and summarized as follows:

- PLA-005-01 (APN 339-443-01 & 339-443-02) - Grant Deed for right-of-way purposes
- PLA-005-02 (APN 339-443-01 & 339-443-02) – Easement for storm drain and footing

FISCAL IMPACT:

There is no fiscal impact associated with the recommended actions.

Prepared by:

Reviewed and approved:

Young Park
Contract City Engineer

Luis Estevez
Acting Director of Public Works

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachments:

1. Grant Deed & Certificate of Acceptance
2. Easement Deed & Certificate of Acceptance

NO FEE DOCUMENT

Exempt per Government Code §6103 & §27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870
Attn: Engineering Division

The Above Space For Recorder's Use Only

Project Name: Placentia Avenue Grade Separation Project
Address: Portions of 467 Industrial Way, # A / 824 W.
Crowther Avenue, Placentia, CA
APN: 339-443-01 & 339-443-02
Project Parcel No.: PLA-005-01

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE.

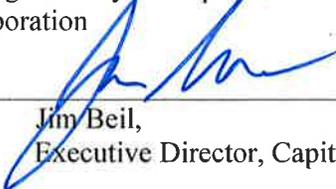
**GRANT DEED
(FOR RIGHT OF WAY PURPOSES)**

ORANGE COUNTY TRANSPORTATION AUTHORITY, a Public Corporation ("Grantor"), which acquired title in the Grant Deed recorded on December 29, 2010 in the Official Records of the Orange County Recorder as Instrument No. 2010000706629, hereby grants to **CITY OF PLACENTIA, a public body corporate and politic** ("Grantee"), all that real property situated in the City of Placentia, County of Orange, State of California, described as follows:

See Exhibit "A", legal description, and Exhibit "B", plat to accompany legal description, attached hereto and made a part hereof.

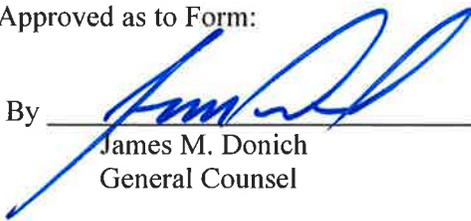
Dated this 12th day of May 2016.

Orange County Transportation Authority, a Public Corporation

By  _____

Jim Beil,
Executive Director, Capital Programs

Approved as to Form:

By  _____

James M. Donich
General Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of Orange)
On May 12, 2016 before me, Nadia Lu Faelnar, notary public
Date Here Insert Name and Title of the Officer
personally appeared James Gerard Beil
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature [Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

CERTIFICATE OF ACCEPTANCE

THIS IS TO CERTIFY that the interest in real property conveyed by the Grant Deed dated _____, 2016 from ORANGE COUNTY TRANSPORTATION AUTHORITY, a Public Corporation, to the **CITY OF PLACENTIA, a public body corporate and politic**, is hereby accepted by the undersigned officer on behalf of the City of Placentia pursuant to the authority conferred by that Agreement of Conveyance of Property, adopted by motion of the Placentia City Council, and hereby consents to recordation thereof.

Dated: _____

By: _____
[name and title]

ATTEST:

EXHIBIT 'A'

LEGAL DESCRIPTION APN 339-443-01 & 339-443-02

PLA-005-01 (Fee)

Being a portion of Lot 2 and Lot 5 of Tract No. 5836 filed for record June 17, 1965 in Book 217 of Miscellaneous Maps at Pages 22 & 23, Records of Orange County, situated in the City of Placentia, County of Orange, State of California, more particularly described as follows:

BEGINNING at the most westerly corner of said Lot 2, said westerly corner being a point on the southeasterly right of way of Placentia Avenue; thence northeasterly along the westerly lines of said Lot 2 and Lot 5 and the northerly line of said Lot 5 the following two (2) courses and distances: (1) North $14^{\circ}36'39''$ East, 202.33 feet, and (2) northeasterly along the arc of a tangent curve to the right, having a radius of 27.00 feet, through a central angle of $82^{\circ}49'26''$, an arc distance of 39.03 feet; thence leaving said northerly line of Lot 5 the following two (2) courses and distances: (1) South $14^{\circ}58'11''$ West, 151.47 feet to a point on the southerly line of said Lot 5, said point being the beginning of a non-tangent curve to the right, to which a radial line bears South $74^{\circ}49'02''$ East, and (2) southerly along the arc of said curve, having a radius of 2143.42 feet, through a central angle of $02^{\circ}04'35''$, an arc distance of 77.68 feet, to a point on the southerly line of said Lot 2; thence along said southerly line, North $75^{\circ}23'21''$ West, 20.50 feet to the **POINT OF BEGINNING**.

Containing 5,050 square feet, more or less.

Bearings and distances used in the above descriptions are based on the California Coordinate System of 1983, Zone 6. Multiply distance shown by 1.000009 to obtain ground level distances.

NO FEE DOCUMENT

Exempt per Government Code §6103 & §27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870
Attn: Engineering Division

The Above Space For Recorder's Use Only

Project Name: Placentia Avenue Grade Separation Project
Address: Portions of 467 Industrial Way, # A / 824 W.
Crowther Avenue, Placentia, CA
APN: 339-443-01 & 339-443-02
Project Parcel No.: PLA-005-02

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE.

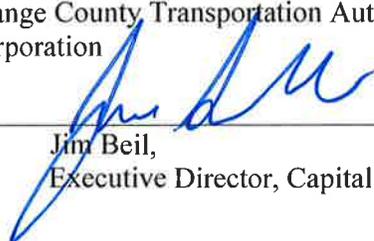
EASEMENT FOR FOOTING AND STORM DRAIN

ORANGE COUNTY TRANSPORTATION AUTHORITY, a Public Corporation ("Grantor"), which acquired title in the Easement for Footing and Storm Drain recorded on December 29, 2010 in the Official Records of the Orange County Recorder as Instrument No. 2010000706630, hereby grants to **CITY OF PLACENTIA, a public body corporate and politic** ("Grantee"), a perpetual right to construct, maintain, relocate and adjust, as applicable, storm drain and wall footing, outside of regular roadway rights-of-way and includes the right of ingress and egress and appurtenances thereto, over, across, and under all that real property situated in the City of Placentia, County of Orange, State of California, described as follows:

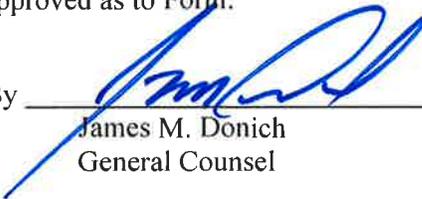
See Exhibit "A", legal description, and Exhibit "B", plat to accompany legal description, attached hereto and made a part hereof.

Dated this 12th day of May 2016.

Orange County Transportation Authority, a Public Corporation

By  _____
Jim Beil,
Executive Director, Capital Programs

Approved as to Form:

By  _____
James M. Donich
General Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

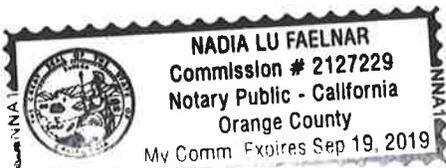
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)
On May 12, 2016 before me, Nadia Lu Faelnar, notary public,
Date Here Insert Name and Title of the Officer
personally appeared James Gerard Beil
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Nadia Lu Faelnar
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

CERTIFICATE OF ACCEPTANCE

THIS IS TO CERTIFY that the interest in real property conveyed by the Easement for Footing and Storm Drain Deed dated _____, 2016 from ORANGE COUNTY TRANSPORTATION AUTHORITY, a Public Corporation, to the **CITY OF PLACENTIA, a public body corporate and politic**, is hereby accepted by the undersigned officer on behalf of the City of Placentia pursuant to the authority conferred by that Agreement of Conveyance of Property, adopted by motion of the Placentia City Council, and hereby consents to recordation thereof.

Dated: _____

By: _____
[name and title]

ATTEST:

CITY OF PLACENTIA
 COUNTY OF ORANGE
 STATE OF CALIFORNIA



N7°26'05"E(R) C2 L2

INDUSTRIAL WAY

28'

SOUTHERLY LINE R/W
 LINE INDUSTRIAL WAY

PARCEL NO. PLA-005-02
 PROPOSED FOOTING AND
 STORM DRAIN EASEMENT
 TOTAL AREA ±671 SQ.FT.(T)



PROPOSED
 RIGHT OF WAY

PLACENTIA AVENUE

LOT 5

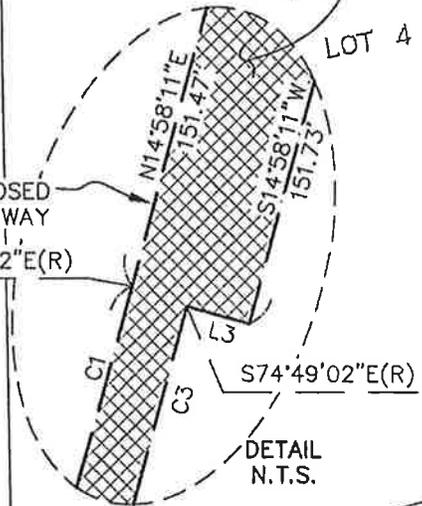
PROPOSED
 RIGHT OF WAY

S74°49'02"E(R)

PARCEL NO. PLA-005-02
 PROPOSED FOOTING AND
 STORM DRAIN EASEMENT
 TOTAL AREA ±671 SQ.FT.

APN: 339-443-01

WILL D. PROUT ET. AL.
 DOC. NO. 2007000092959



DETAIL
 N.T.S.

40'

SEE DETAIL

TRACT 5836
 M.M. 217/23

MOST WESTERLY
 CORNER OF LOT 2

LOT 2

WILL D. PROUT ET. AL.
 DOC. NO. 2007000253449

APN: 339-443-02

POB
 S72°44'27"E(R) L4

EASTERLY R/W LINE
 PLACENTIA AVENUE

LOT 1

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	2143.42	2°04'35"	77.68
C2	27.00	7°10'34"	3.38
C3	2144.25	2°04'31"	77.67



SCALE: 1 INCH = 40 FEET

BEARINGS AND DISTANCES USED ARE BASED ON THE
 CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 6.
 MULTIPLY DISTANCES SHOWN BY 1.000009 TO OBTAIN
 GROUND DISTANCES.

LINE TABLE		
LINE	BEARING	LENGTH
L1	N75°23'21"W	20.50'
L2	S75°23'21"E	0.63'
L3	N74°49'02"W	3.17'
L4	N75°23'21"W	0.83'

LEGEND



INDICATES AREA OF FOOTING AND STORM
 DRAIN EASEMENT TO BE CONVEYED, TOTAL
 AREA ±671 SQ.FT.

(R) RADIAL BEARING (FROM CENTER OF CIRCLE)

COMMON OWNERSHIP

POB POINT OF BEGINNING

EXHIBIT 'B'

PLAT TO ACCOMPANY LEGAL DESCRIPTION
 LANDS OF WILL D. PROUT ET. AL.
 APN: 339-443-01 & 339-443-02



MARK THOMAS & COMPANY, INC.
 Providing Engineering, Surveying, and Planning Services
 7571 N. Remington Avenue, Suite 102
 Fresno, CA 93711
 (559) 447-1938

DESIGNED BY <u>CRB</u>	APPROVED ON <u>2/5/10</u>	JOB NO. 8J-09103	SHEET 1 OF 1
CKD. BY <u>LEJ</u>	BY <u>LARRY E. JOHNSON</u>		
DATE <u>2/05/10</u>	LS NO. 4998	EXP. 12/31/11	
SCALE <u>1"=40'</u>			



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: ACTING DIRECTOR OF PUBLIC WORKS

DATE: JULY 19, 2016

SUBJECT: **PROFESSIONAL SERVICES AGREEMENT FOR OLD TOWN SEWER REHABILITATION PROJECT**

FISCAL
IMPACT: EXPENSE: \$148,395
BUDGETED: \$150,000 FISCAL YEAR 2016-17 CAPITAL IMPROVEMENT
PROGRAM BUDGET (SEWER FUNDS)
No General Fund monies will be utilized on this project.

SUMMARY:

The Fiscal Year (FY) 2016-17 Capital Improvement Program (CIP) Budget includes \$150,000 in Sewer Funds to prepare engineered construction plans and bid documents for the Old Town Sewer Rehabilitation Project (the "Project"). Given the age of the sewer collection system in Old Town, Dudek, Inc. (Dudek), completed a technical study report in 2015 which analyzed the condition of 135 sewer pipe segments within this part of the City. Staff recommends awarding a Professional Services Agreement to Dudek to prepare the engineered plans and construction documents to solicit bids for, and construct these improvements.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve the Professional Services Agreement with Dudek, Inc., to prepare the engineered plans and bid specifications for the Old Town Sewer Rehabilitation Project; and
2. Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.

DISCUSSION:

In June 2015, Dudek completed a technical study memorandum and report on the sewer collection system in Old Town based on analysis of closed-circuit television (CCTV) data collected on 135 sewer pipe segments. The purpose of the technical memorandum was to document Dudek's evaluation of these sewer pipe segments, provide a condition assessment of

the pipe segments, and provide rehabilitation recommendations. The majority of pipe segments evaluated can be rehabilitated with cured-in-place structural pipe liners. Approximately 25 pipe segments will require spot repairs and 7 pipe segments will need to be replaced entirely.

As part of its approval of the FY 2016-17 CIP Budget, the City Council allocated \$150,000 in Sewer Funds to prepare engineered plans and construction bid documents for the Old Town Sewer Rehabilitation Project. This effort will result in a full set of project construction documents for the City to use to solicit bids for construction and to ultimately construct the proposed improvements. Staff anticipates proceeding with construction on this project in FY 2017-18. Dudek has completed several sewer-related projects for the City in the past and is very familiar with the City's sewer utility system, especially the sewer system located in Old Town. This institutional knowledge of the City's sewer system is beneficial as it facilitates the consultant's ability to efficiently analyze and recommend effective rehabilitation strategies.

FISCAL IMPACT:

A total of \$150,000 in Sewer Funds has been budgeted in the FY 2016-17 CIP Budget for this project. No General Fund monies will be utilized on this project. Sufficient funds exist for the recommended actions.

Prepared by:

Reviewed and approved:

Luis Estevez
Acting Director of Public Works

Lawrence P. Schroeder
Interim Chief Financial Officer

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachment:

Professional Services Agreement

**CITY OF PLACENTIA
PROFESSIONAL SERVICES AGREEMENT
WITH DUDEK, INC.**

THIS AGREEMENT is made and entered into this 19th Day of July, 2016 (“Effective Date”), by and between the CITY OF PLACENTIA, a municipal corporation (“City”), and DUDEK, INC., a California corporation (“Consultant”).

WITNESSETH:

A. WHEREAS, City proposes to utilize the services of Consultant as an independent contractor to provide consulting services related to the City’s Old Town Sewer Rehabilitation Project, as more fully described herein; and

B. WHEREAS, Consultant represents that it is “design professional” as that term is defined by California Civil Code Section 2782.8 and has that degree of specialized expertise contemplated within California Government Code Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit “A” (the “Project”) and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of City has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in the Consultant’s Proposal (“Proposal”), attached hereto as Exhibit “A” and incorporated herein by this reference.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant’s performance of this Agreement. 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. Officers and employees shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this section.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work will be done by the City Administrator or his or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, a notice setting forth provisions of this non-discrimination clause.

Consultant shall, in all solicitations and advertisements for employees placed by, or on behalf of Consultant shall state that all qualified applicants will receive consideration for employment without regard to age, race, color, religion, sex, marital status, national origin, or mental or physical disability. Consultant shall cause the paragraphs contained in this Section to be inserted in all subcontracts for any work covered by the Agreement, provided that the foregoing provisions shall not apply to subcontracts for standard commercial supplies or raw materials.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization

by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

2.0. COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "A". Consultant's total compensation shall not exceed One Hundred Forty Eight, Three Hundred Ninety-Five Dollars (\$148,395.00).

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal or which is inconsistent with or in violation of the provisions of this Agreement unless the City or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable. Should the City request in writing additional services that increase the hereinabove described "SCOPE OF SERVICES", an additional fee based upon the Consultant's standard hourly rates shall be paid to the Consultant for such additional services. Such increase in additional fees shall be limited to 25% of the total contract sum or \$25,000 whichever is more. The City Engineer is authorized to approve a Change Order for such additional services.

2.3. Method of Billing. Consultant may submit invoices to the City for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within forty-five (45) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement. Said services shall be performed in strict compliance with the Project Schedule approved by City as set forth in Exhibit "A."

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party. If a delay beyond the control of the Consultant is encountered, a time extension may be mutually agreed upon in writing by the City and the Consultant. The Consultant shall present documentation satisfactory to the City to substantiate any request for a time extension.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of twelve months, ending on July 11, 2017, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing at least fifteen (15) days prior written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City. If the City suspends, terminates or abandons a portion of this Agreement such suspension, termination or abandonment shall not make void or invalidate the remainder of this Agreement.

If the Consultant defaults in the performance of any of the terms or conditions of this Agreement, it shall have ten (10) days after service upon it of written notice of such default 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.

The City shall have the right, notwithstanding any other provisions of this Agreement, to terminate this Agreement, at its option and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement, immediately upon service of written notice of termination on the Consultant, if the latter should:

- a. Be adjudged a bankrupt;
- b. Become insolvent or have a receiver of its assets or property appointed because of insolvency;
- c. Make a general assignment for the benefit of creditors;
- d. Default in the performance of any obligation or payment of any indebtedness under this Agreement;
- e. Suffer any judgment against it to remain unsatisfied or unbonded of record for thirty (30) days or longer; or
- f. Institute or suffer to be instituted any procedures for reorganization or rearrangement of its affairs.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination within thirty-five (35) days after service of the notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the City or in the possession of the Consultant. City shall not be liable for any claim of lost profits.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City. Any use of uncompleted documents without specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Broad-form commercial general liability, in a form at least as broad as ISO form #CG 00 01 11 88, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California and Employers Liability Insurance with a minimum limit of \$1,000,000 per accident. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers for losses arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

Before execution of this Agreement by the City, the Consultant shall file with the Public Works Director/City Engineer the following signed certification:

I am aware of, and will comply with, Section 3700 of the Labor Code, requiring every employer to be insured against liability of Workers' Compensation or to undertake self-insurance before commencing any of the work.

The Consultant shall also comply with Section 3800 of the Labor Code by securing, paying for and maintaining in full force and effect for the duration of this Agreement, complete Workers' Compensation Insurance, and shall furnish a Certificate of Insurance to the Public Works

Director/City Engineer before execution of this Agreement by the City. The City, its officers and employees shall not be responsible for any claims in law or equity occasioned by failure of the consultant to comply with this section.

- (d) Professional errors and omissions (“E&O”) liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. Architects’ and engineers’ coverage shall be endorsed to include contractual liability. If the policy is written as a “claims made” policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

Neither the CITY nor any of its elected or appointed officials, officers, agents, employees, or volunteers makes any representation that the types of insurance and the limits specified to be carried by Consultant under this Agreement are adequate to protect Consultant. If Consultant believes that any such insurance coverage is insufficient, Consultant shall provide, at its own expense, such additional insurance as Consultant deems adequate.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Placentia and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."
- (b) Notice: "Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Consultant shall forthwith obtain and submit proof of substitute insurance. Should Consultant fail to immediately procure other insurance, as specified, to substitute for any canceled policy, the City may procure such insurance at Consultant's sole cost and expense."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Placentia, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Placentia shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Placentia, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

5.5. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The City Administrator or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement. It shall be the Consultant's responsibility to assure that the Project Manager is kept informed of the progress of the performance of the services and the Consultant shall refer any decision, which must be made by City, to the Project Manager. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Project Manager.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement and who shall not be changed by Consultant without the express written approval by the City. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or if mailed, shall be addressed as set forth below and placed in a sealed envelope, postage prepaid, and deposited in the United States Postal Service. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by

personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 72 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

Dudek, Inc.
605 3rd Street
Encinitas, CA 92024
Tel: 626-204-9800

Attn: Bob Ohlund, P.E. Principal in
Charge

IF TO CITY:

City of Placentia
401 E. Chapman
Placentia, CA 92870
Tel: 714-993-8120

Attn: Luis Estevez

6.5. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.6. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California. Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

6.7. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.8. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the City, its elected and appointed officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, demands, actions, suits or other legal proceedings arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of Consultant brought against the City, its elected and appointed officials, officers, agents and employees arising out of the performance of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence, recklessness, or willful misconduct by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, recklessness, or willful misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected and appointed officials, officers, agents and employees based upon the negligence, recklessness, or willful misconduct of the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall

not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.9. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its or employees are in any manner agents or employees of City. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this paragraph.

6.10. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.11. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.12. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, preliminary notes, working documents, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City, but shall be made available to the City within ten (10) days of request or within ten (10) days of termination. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at

the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, preliminary notes and working documents, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City. Consultant or Consultant's agents shall execute such documents as may be necessary from time to time to confirm City's ownership of the copyright in such documents.

6.13. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Consultant informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.14. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.15. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

6.16. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.17. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.18. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.19. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.20. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.21. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.22. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.23. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.24. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.26. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF PLACENTIA,
A municipal corporation

Damien R. Arrula
City Administrator

Date: _____

ATTEST:

Patrick J. Melia
City Clerk and ex-officio Clerk
of the City of Placentia

CONSULTANT

Signature

Date: _____

Name and Title

Social Security or Taxpayer ID Number

APPROVED AS TO FORM:

Christian L. Bettenhausen
City Attorney

Date: _____

APPROVED AS TO INSURANCE:

Stephen D. Pischel
Director of Administrative Services

Date: _____

APPROVED AS TO CONTENT:

Luis Estevez
Project Manager

Date: _____

DEPARTMENTAL APPROVAL

Luis Estevez
Acting Director of Public Works

Date: _____

EXHIBIT A
CONSULTANT'S PROPOSAL

EXHIBIT B
CERTIFICATES OF INSURANCE

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1 Firm Background

Dudek is Southern California's leading mid-sized engineering and environmental consulting firm, specializing in water, wastewater, and recycled water services. For over 30 years, we have served Southern California cities and special districts on a variety of planning, design, permitting, construction management, and regulatory issues delivering practical, implementable, and cost effective solutions for engineering and environmental projects. We view our role as partners with our clients, working to identify effective, financially prudent solutions to the project challenges they face. Dudek's professional staff represents a broad spectrum of engineering design and management disciplines relevant to your identified needs.

Through in-depth understanding of local, regional, and State of California regulations and our depth of project experience, Dudek's professionals provide creative and successful solutions for projects by balancing regulatory mandates and technical requirements within financial and scheduling constraints.

Our professionals find practical, cost-effective approaches to help clients achieve their specific project goals. We offer constructive solutions with your project's long-term success in mind. With more than 300 professional, technical, and support staff we provide the following services to public and private clients:

- **Engineering.** Specialists in water, wastewater, stormwater and municipal infrastructure projects
- **Environmental.** One of California's largest full-service environmental practices offering planning/permitting (CEQA/NEPA), biological studies, habitat management, cultural resources, urban forestry, and other services
- **Construction Management.** Represents municipal agencies to avoid cost over-runs and schedule delays during facilities construction
- **Hydrogeology.** Specialists in hazardous waste investigation/remediation and groundwater supply assessments for public agencies and large private landowners

Sewer Rehabilitation Services

Characteristically, rehabilitation projects are complicated and require careful consideration of site constraints, structure limitations, construction access, temporary bypass pumping, and service maintenance during construction.

Our rehabilitation approach starts with thorough condition assessments and developing value-focused alternatives and recommendations. By providing alternative approaches, our clients have the opportunity to enhance bid competition and save money on project execution. In 2015, Dudek prepared a Sewer Rehabilitation Program Development technical report for the old town region of the collection system. The recommendations of this assessment and evaluation of rehabilitation needs included a combination of in-situ lining of pipelines with minor defects and replacement of six locations with significant defects.

Firm Snapshot

- Founded 1980, with more than 300 multidisciplinary employees
- Employee-owned, financially stable
- Headquartered in Southern California with eleven additional offices
- Top 150 US Environmental Firms (Engineering News-Record)
- Dun & Bradstreet 90% rating for reliability, timeliness, and responsiveness

Project Manager's Contact Information

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605 Third Street
Encinitas, CA 92024
T: 760.479.4107
F: 760.942.4508
rbergholz@dudek.com
www.dudek.com

2 Firm Experience and References

For the past 36 years, Dudek has successfully completed an array of sewer collection system rehabilitation projects, including Phase 1 of the City's Sewer Rehabilitation and Replacement Project. As an industry leader in trenchless technology we have completed dozens of projects using techniques such as Cured-In-Place Pipe (CIPP), Horizontal Directional Drilling (HDD), microtunneling, slip-lining, spot repair, spray lining, and manhole rehabilitation. Trenchless solutions offer many benefits to the client, especially for project locations that involve public inconvenience considerations, excessive depth, environmentally sensitive habitats, or other alignment complexities. Our team of engineers, environmental professionals, and construction managers combine extensive field experience and practical knowledge of specialized rehabilitation methods to provide a cost effective solution to aging infrastructure. Our rehabilitation approach starts with a thorough condition assessment and development of alternatives and recommendations. For large volume CIPP projects, we have developed a streamlined approach to creating bid documents that utilizes Geographic Information System (GIS) data. A summary of recent pipeline rehabilitation projects, particularly CIPP, completed in Southern California by the proposed team includes the following.

Experience Highlights

- Ranked #25 Top Trenchless Design Firm (Trenchless, 2013)
- Prepared the 2014 Sewer Rehabilitation Program Development report for the City
- Direct experience with obtaining funding and preparing bid documents in accordance with the Clean Water State Revolving Fund (CWSRF) Program

Sewer CIPP Rehabilitation Experience

Sewer Rehabilitation and Replacement Project – Phase 1 and 2

Client:	City of South Pasadena
Client Reference:	Shin Furukawa, Deputy Public Works Director, 626.403.7240
Approx. Footage:	64,000 LF of 6-18-in.
Completion Date:	In Construction

In 2013, the City hired Dudek to design Phase 1 of the rehabilitation and replacement program, addressing the 230 sewer segments with the highest repair priority. After careful review of the inspection videos of these pipes, it was determined that 197 segments totaling about 58,400 lineal feet of pipe ranging in diameter from 6-inch to 18-inch could be rehabilitated with CIPP lining, and only about 5,600 lineal feet of 6-inch and 8-inch pipe required open trench replacement. In addition, Phase 1 improvements included numerous in-situ and open trench point repairs of short defects, minor repairs to lateral connections to correct deficiencies with the potential to block flow in the sewer main, and replacement of 26 dead end flush tanks with standard manholes to allow access to the upstream end of those pipes for maintenance. The design included analysis of constructability and access constraints for pipes located outside of the street right-of-way so that costs could be appropriately accounted for in contractor bids. Dudek incorporated all CWSRF



PROJECT FEATURES

*64,000 LF of 6-18-in., Cured-in-Place Lining,
SRF Funded*

*This project won the 2015 Engineering
Achievement Award from CWEA – Los Angeles
Basin Section*

requirements into the project bid documents, including Disadvantaged Business Enterprise outreach during bidding, Davis-Bacon wage rates, and environmental mitigation measures. Construction was initiated in October 2014 and was completed on budget and ahead of schedule.

With the success of Phase 1, Dudek was contracted to provide design services for Phase 2 of the project which addresses approximately 353 sewer mains totaling over 103,000 lineal feet and will primarily consist of CIPP lining of pipe ranging in diameter from 8-inch to 18-inch.

Los Serranos - La Hermosa Sewer Rehabilitation

Client: Moulton Niguel Water District
Client Reference: Ray McDowell, Superintendent Engineering, 949.425.3527
Approx. Footage: 13,600 LF of 8-in.
Completion Date: August 2012

The existing sewer collection system within the residential neighborhood of La Serranos and La Hermosa in Laguna Niguel was 45-years old and in need of evaluation and rehabilitation. Dudek was hired to conduct a review of CCTV inspection videos of 13,600 lineal feet of 8-inch VCP and develop rehabilitation construction documents under a fast-track 3-month schedule. Based on chronic historic root intrusion, condition and hydraulics, Dudek prepared plans that included the utilization of a trenchless CIPP liner throughout the collection system as well as assessed the bypassing requirements to minimize public disturbance. The use of trenchless methods for pipeline rehabilitation and the development of specific construction documents resulted in rapid project development, and were completed both on schedule and on budget. The resulting project will keep the sewer collection system tight and operating smoothly for the next 50+ years.



PROJECT FEATURES

13,600 LF of 8-in, Cured in Place rehabilitation method

Sewer Rehabilitation Design Services – Phase 1 Design & Phase 2, 3 and 4 Oversight

Client: City of Culver City
Client Reference: Hong Wang, 310.253.5604
Approx. Footage: 139,600 LF of 6-18-in.
Completion Date: Ongoing

Dudek was hired by the City of Culver City (City) to provide professional civil engineering design services for the rehabilitation of four sewer service areas, totaling approximately 8,000 lineal feet of 6-inch to 12-inch diameter VCP sewers. In-situ methods require reliable sewage bypass systems, and Dudek's 35 years' experience in this type of work provided the City proven temporary bypass specifications and guidelines that minimized risk, with clear instructions to the construction bidder that are enforceable during construction. The Phase 1 project was highly



PROJECT FEATURES

Extensive pipeline and manhole assessment, 48,000 LF of 6-12-in pipe, Rehabilitation method evaluations, Cured in Place inversion lining, point repairs, bypass design, and traffic control

successful, completed on budget and schedule. Dudek continued to support the City with construction management and inspection services on Phase 1 and engineering oversight during subsequent phases designed by City staff. Phases 2, 3, and 4 are comprised of an additional 131,600 lineal feet of CIPP lining of sewers, forcemains, and siphons.

Bayside Drive Sewer Line Improvements

Client: Orange County Sanitation District
Client Reference: Martin Dix, Project Manager, 714.593.7831
Approx. Footage: 3,000 LF of 24-in.
Completion Date: December 2009

Dudek completed design and construction assistance for the Bayside Drive Improvement for the Orange County Sanitation District (OCSD). The project included structural in-situ CIPP structural liner replacement of an existing 24-inch diameter ductile iron pipe (DIP) sewer. This pipe was originally designed for full pipe flow, but was converted later to open channel flow. After operating in open channel flow conditions, the DIP severely corroded inside. The 3,000 feet of pipe is located within a winding and hilly section of Bayside Drive in the City of Newport Beach along the edge of Newport Harbor. The project was managed under a tight budget and schedule, with successful completion of the design and construction within a very rigid deadline. All stakeholders were very pleased with the final product.



PROJECT FEATURES

Cured in Place inversion lining, Newport Beach Encroachment Permit, Traffic control, and Odor Control

Spring Valley Outfall Sewer Rehabilitation

Client: County of San Diego
Client Reference: Mark Perrett, Project Manager, CIP Project Development, 858.694.2693
Approx. Footage: 2,300 LF of 39-in.
Completion Date: September 2010

Dudek prepared the detailed preliminary design and final design plans for the installation of a cured-in-place pipe through a large 39-inch RCP sewer trunk located in the community of Bonita. The project included detailed NASSCO Pipeline Assessment Certification Program (PACP) review of CCTV inspection video, Manhole Assessment Certification Program (MACP) manhole inspections, and the recommendation and design of the in-situ pipeline and manhole rehabilitation methods. Critical to the project was the design of a redundant and fail-safe bypass system for conveying peak hour flows of up to 20 million gallons per day around an environmentally sensitive area. Environmental impacts were avoided both during the rehabilitation process and by-pass implementation. Staging and working with neighboring businesses along the alignment were critical and highly successful.



PROJECT FEATURES

Cured in Place rehabilitation, 2,300 LF of 39-in RCP sewer pipeline, bypass design to accommodate flows of 20 MGD, manhole inspection, and traffic control

3 Staff Experience

Proven, Dedicated Project Team

The City of Placentia is seeking a consultant to evaluate, design, and prepare plans for the rehabilitation and repair of sewer pipeline segments throughout the old town region of the City. The City requires team that can proficiently recommend solutions for improvements regarding the design of sewer lining and repair projects, particularly in CIPP lining. The proposed Dudek team has all-encompassing experience in the design, construction, and inspection of hundreds of miles of pipeline projects of various materials and installation methods. Our experience, knowledge, responsiveness, and proven ability to perform will provide the City the confidence necessary to define and implement these services.

Experienced, Dedicated Project Team

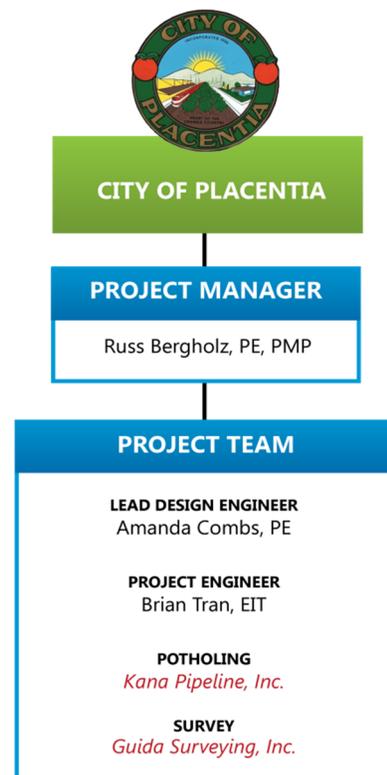
Led by a proven project management team, the Dudek team presents a collaborative group of highly trained and competent professionals that have a unique ability to find practical, cost effective solutions to pipeline rehabilitation. Dudek has proven experience and leadership in CIPP pipeline design and construction. Having designed and constructed multiple CIPP sewer rehabilitation projects ranging from 6-inch to 39-inch pipe, (some having multiple bends and requiring custom-designed bypass systems), our team is prepared to apply our knowledge and skills to the City’s project.

Dudek will serve as the prime consultant providing overall management and engineering services, and will be responsible for coordinating with City staff. Mr. Russ Bergholz will serve as your dedicated project manager, the main point of contact with the City. Working closely with Mr. Bergholz will be Ms. Amanda Combs. Ms. Combs has over 14 years of experience in pipe rehabilitation methods including CIPP. She recently served as project manager for the City of South Pasadena Sewer Rehabilitation Program, which includes rehabilitation of over 160,000 linear feet of 6 to 18-inch pipe using CIPP. Serving as project engineer, Brian Tran, EIT, is experienced in design, evaluation, and inspection of sewer pipelines, and works closely with the entire project team. Together, the Dudek team offers leading industry experts in pipeline rehabilitation and trenchless technologies. The project organization chart (Figure 1) illustrates our team structure, followed by key staff biographies. Full resumes for personnel are located in Appendix A.

Project Team Benefits to the City

- Experts in pipeline rehabilitation and trenchless technologies
- Successfully helped the City conduct a condition assessment and quantify rehabilitation needs.
- California-focused team
- Unique ability to find practical, cost effective solutions to pipe rehabilitation

FIGURE 1. ORGANIZATION CHART





Project Manager

Russ Bergholz, PE, PMP

Russell Bergholz, PE, PMP, is a Principal Engineer with Dudek. Mr. Bergholz is responsible for the management and engineering of water/recycled water-related system master plans and design projects. His experience includes the development of numerous water, recycled water, and sewer master plans, pipeline design projects (including trenchless technology), and infrastructure rehabilitation project for many southern California cities and special districts. Mr. Bergholz has 19 years' experience and a documented track record of keeping projects within scope and budget while maintaining quality control and addressing the critical success factors of his clients' projects. He manages the Dudek Water Infrastructure Group consisting of 21 managers, engineers and administrative staff.

As Project Manager, Mr Bergholz is responsible for the tracking, monitoring, team deligation, deliverable quality assurance, engineering guidance, accounting, and client and subconsubcondultant coordination associated with each project, including final stamp and signature of project plans and specifications.

Relevant Project Experience

- Technical Reviewer for City of South Pasadena Sewer Rehabilitation and Repair Project Phase 1
- Project Manager for Moulton Niguel Water District



Lead Design Engineer

Amanda Combs, PE

Amanda Combs is an accomplished civil/environmental engineer with over 14 years of experience in water and wastewater infrastructure design. She has experience in a variety of municipal water and wastewater projects and specializes in trenchless construction and rehabilitation of pipelines. Her experience includes providing a full range of engineering services from conceptual planning, preliminary design, final design, to construction phase services.

Ms. Combs will serve as the lead design engineer for the project. She recently completed design CIPP of over 160,000 linear feet of pipeline for the City of South Pasadena winning an Engineering Achievement Award from CWEA – Los Angeles Basin Section.

Relevant Project Experience

- Project Manager for City of South Pasadena Sewer Rehabilitation and Repair Project Phase 1 and 2
- Project Manager for City of Vista Sewer Condition Assessment and SRF-funded Sewer Rehabilitation – Rehabilitation of over 50,000 lineal feet of 8-12-inch pipe using CIPP
- City of Culver CIPP Phase 2, 3 and 4 Sewer Rehabilitation Construction Phase Services

EDUCATION

University of California, Davis
BS, Civil Engineering, 1995

LICENSES AND CERTIFICATIONS

Professional Civil Engineer,
CA No. 59395

Project Management Institute PMP
No. 1472209

EDUCATION

Virginia Polytechnic Institute and
State University

MS Environmental Engineering,
2001

Virginia Polytechnic Institute and
State University

BS Civil/Environmental Engineering,
1998

CERTIFICATIONS

Professional Civil Engineer
CA No. 67287



Project Engineer

Brian Tran, EIT

Brian Tran is a civil engineer focused on water and wastewater infrastructure. His experience includes performing construction inspections, verifying plan checks and construction submittals, and assisting with various planning and design tasks for water and wastewater projects.

EDUCATION

San Diego State University
BS, Civil Engineering, 2013
LEED Preparation Course, 2012

Brian will perform condition assessment review and assist with the preparation of plans and specifications.

Relevant Project Experience

- Project Engineer for City of South Pasadena Sewer Rehabilitation and Repair Project Phase 1
- Project Engineer for Joshua Basin Water District As-Needed Engineering Services
- Construction Inspector for various sewer projects with Leucadia Wastewater District



Lead CAD Designer

Paul Caligiuri

Paul Caligiuri has over 25 years' designer-level experience as a civil drafter and CADD operator. With the use of AutoCAD and Land Development Desktop software, he has been responsible for the plan preparation of numerous water, sewer, reclaimed water, and stormwater projects. Included in these projects are pipeline plan and profile, pump station and associated detail, traffic control, and right-of-way acquisition drawings. Mr. Caligiuri has worked on a variety of pipeline rehabilitation project involving trenchless design methods.

EDUCATION

Mira Costa College
Vocational Certificate, 1984
Palomar College
AA General Studies, 1986
Palomar College
Three Semesters 3D Modeling
and Animation, 1995

As he did during the Phase 1 design, Mr. Caligiuri will serve as the Lead CAD Designer and will manage CAD staff through the duration of the project

4 Subconsultant Experience

Dudek proposes the use of the high-quality team of subconsultants for surveying and potholing services that worked with us during the similar projects. Because of our existing relationships with these firms and their knowledge of the project conditions and the City, we are confident in our ability to work efficiently and collaboratively to deliver a successful project. Brief overviews of each firm, along with their qualifications, are provided below.

Surveying

Guida Surveying

Guida Surveying (Guida), a multi-disciplinary land surveying firm, has been providing surveying and mapping services throughout California since 1988. Guida maintains the most updated and technically advanced equipment in the practice in order to produce quality deliverables. Guida brings extensive land surveying experience with large municipal clients like Irvine Ranch Water District, Caltrans, Transportation Corridor Agencies, County of Orange, Port of Long Beach, San Diego County Water Authority, Metropolitan Water District, and various Cities throughout California. In addition, Guida recently performed surveying for several projects in the City of South Pasadena, including the Phase 1 Rehabilitation and Replacement Project. Their familiarity with the City and existing control means that they can very efficiently perform additional surveys needed for any open trench replacement work identified during Phase 2.



Ralph Guida, IV, PLS

Ralph Guida, IV, brings over 20 years of professional land surveying experience along with remarkable business, operations and managerial skills to the team. His experience in the practice of Professional Land Surveying is substantiated by the variety of completed projects in his portfolio, ranging from hundreds of topographic/design surveys, basemap developments, easement preparations, construction projects, and ALTA Surveys, to a Boundary Survey of the roughly 6,000 acre Barona Indian Reservation. Mr. Guida is responsible for the day-to-day management of the office and typically serves as Project Principal for most projects. Mr. Guida provided surveying services for the following:

- On-Call Surveying Services for Metropolitan Water District
- On-Call Surveying and Mapping for Orange County
- On Call Services for Irvine Ranch Water District

EDUCATION

Rancho Santiago College
Surveying/Mapping

CERTIFICATIONS

Professional Land Surveyor
CA No. 7076

Potholing

Kana Subsurface Engineering

Founded in 1984, Kana Pipeline, an employee-owned company, has grown to be a premier, sought after contractor that installs sewer, water, fire line, storm drain, and other storm drainage structure systems for small and large contractors and developers. Kana also provides vacuum utility potholing and private utility locating services known as subsurface utility engineering (SUE) to consulting firms and other businesses. As a subsurface utility



SUBCONSULTANT EXPERIENCE

engineering company specializing in wet utility contracting for more than 25 years, Kana Pipeline truly understands the value of gathering good underground utility data prior to construction. Their goal as an SUE contractor is to eliminate delays and extra costs associated with existing underground utilities. Kana has provided potholing holing service to a variety of local agencies including:

- Pasadena Avenue Street Improvement Project Phase I (as part of Dudek team)
- Orange County Sanitation District Costa Mesa Sewer Trunk Line (as part of Dudek team)
- City of Beverly Hills, Waterline Replacement

5 Understanding and Scope of Work

Project Understanding

The 2014 Sewer Rehabilitation Program Development technical report identified specific deficiencies with the sewer collection system and made recommendations for rehabilitation methods. The area evaluated included approximately 4.9 miles of gravity sewer pipelines in the old town area of the collection system. The resultant evaluation identified just over 15,000 linear feet of pipeline that would benefit from installation of a new structure internal liner. In addition, six (6) pipeline segments had evidence of defects too substantial for in-situ lining and were recommended for open trench pipeline replacement.

The City is taking the next step towards rehabilitation by developing the construction documents necessary for bidding and completion of the rehabilitation work. The following proposal provides the necessary design and engineering effort for preparation of construction documents. In-situ (trenchless) rehabilitation methods are the primary method to repair as many project sewer lines as possible. Where trenchless in-situ rehabilitation is not feasible, open trenching will be used for the pipeline replacement.

The project will include the following:

- 135 pipeline segments totaling 25,872 linear feet were evaluated and targeted for rehabilitation
- 4,540-ft of 6" pipe has been identified for cured-in-place (CIPP) pipe rehabilitation
- 7,590-ft of 8" pipe has been identified for cured-in-place (CIPP) pipe rehabilitation
- 2,230-ft of 10" pipe has been identified for cured-in-place (CIPP) pipe rehabilitation
- 800-ft of 12" pipe has been identified for cured-in-place (CIPP) pipe rehabilitation
- 25 points (4-ft in length or less) have been identified for in-situ repair
- Seven pipeline segments have been identified for replacement.

We understand that no manhole or lateral rehabilitation or replacement will be included in this project and that capacity-related hydraulic analysis and pipe replacement is not required. The City will be undergoing a system wide hydraulic and capacity analysis as part of the upcoming 2016 Sewer Collection Master Plan project.

Dudek is well versed in the use of CIPP lining and commonly advocates it as the most appropriate primary in-situ method for sewer pipeline rehabilitation. In our experience, it is unlikely that just one method will be appropriate for all in-situ repairs. We will draw upon our extensive project experience and knowledge of trenchless rehabilitation methods to prepare a customized, cost-effective, and low-risk approach to repairing the City's sewers.

The Ins and Outs of CIPP

Sewer pipeline rehabilitation with CIPP is widely used, but an experienced firm knows how to balance design variables to achieve the maximum value of rehabilitation dollars invested. Important factors to consider include partially deteriorated vs. fully deteriorated CIPP thickness calculations, resin type, hot water vs. steam curing methods, factory and field resin wet out procedures, and field sampling and testing for key CIPP strength parameters.

The largest cost component of CIPP is the resin; in fact, the construction profit in CIPP rehabilitation focuses on selling resin. Therefore, it is important to design a rehabilitation program around the cost of resin. There are two types of resins typically used for small diameter sewer CIPP rehabilitation, polyester and vinylester. Polyester resin is 10 to 15% cheaper than vinylester, but is slightly less chemical resistant. Dudek can advise the City on the advantages and disadvantages of each resin.

For an 8-inch pipe, the difference in cost between a liner designed for fully structural (deteriorated) conditions and one designed for partially structural (deteriorated) conditions is negligible. Therefore, Dudek typically recommends designing for fully deteriorated conditions and specifying a minimum liner thickness that includes an allowance for shrinkage after curing (e.g. 5.5 mm for an 8-inch pipe). This gives contractors the confidence to install the minimum specified thickness liner knowing that it will meet the strength requirements for a fully deteriorated host pipe.



24-inch Diameter CIPP Installation



Steam Curing of CIPP Liner

The selection of CIPP curing method should take into consideration project costs and community sensitivity. Because steam-cured CIPP can be installed in approximately one-half the time as water-cured CIPP, its use can reduce the impact to residences along the reach of pipeline being rehabilitated.

Through the years, Dudek has developed and refined a bid schedule structure and integrated measurement and payment section that minimizes change orders, is easy for the construction manager or inspector to use for quantity tracking, and encourages low construction bids by providing clarity to the quantities and construction issues the contractor can expect.

Scope of Work

Task 1 Project Administration/Management

Dudek's Project Manager and Principal in Charge will prepare a work plan and will be responsible for leading and implementing scope of work assignments in accordance with the project budget and schedule.

Project Kickoff and Progress Meetings

The project kick-off meeting is a key component of all Dudek projects. We will use this meeting to begin the communication process with the City, as well as to define the project work plan, schedule, budget and other project parameters. Our project manager and other appropriate team members will also participate in design-review meetings following submittal of the Preliminary Design TM and the 60% and 85% construction documents, including preparation of meeting agendas and minutes. A combination of design review and/or project management meetings will be held at least monthly via teleconference to report to City staff on progress versus the project schedule, to discuss potential project challenges, and to address any pressing project issues.

At the City's request, Dudek will attend up to two meetings with City Council and/or the Public Works Commission.

Earned-Value Project Schedule and Budget Tracking

Tracking systems are utilized to properly manage the development of a project through various phases of work. Dudek creates a resource loaded budget and schedule tracking system at the beginning of each project. The system includes each sub-task of the scope of work, specific Dudek team allocations for each task, and an amount of time to conduct and complete each task.

Quality Control and Quality Assurance

Our Project Manager is responsible for quality assurance and monitoring the completion of quality control reviews. The quality control review of all design documents and deliverables will be led by Steve Jepsen, a senior project manager with extensive experience in sewer rehabilitation projects. Additionally, the QC Reviewer, Principal in Charge, and Project Manager will collaborate on the checking of actual field conditions, project calculation reviews, cost opinions, deliverable review, permit requirements, and responses to City comments. In other words, the project's technical team will be focused on quality during every aspect of the project.

Task 2 Preliminary Design

Pipeline Repair and Rehabilitation Recommendations

During the 2014 Condition Assessment project, recommendations were provided to address rehabilitation needs identified as part of the assessments. These improvements were spread across three (3) phases. For this final design, all improvements will be consolidated within a single bid package. The City has recently obtained this additional CCTV video. Dudek will apply the same review and condition assessment methodology for the additional CCTV video of pipeline segments.

Preliminary Design Technical Memorandum

Dudek will document the results of our condition assessment review and recommendations for the rehabilitation or replacement of each sewer segment in a brief technical memorandum. The memorandum will be submitted prior to initiating the preparation of design plans and specifications and will include the information below.

- Identify and recommend the most appropriate repair, rehabilitation, or replacement methods for both the public sewer and manhole. Recommend the most appropriate construction approach for rehabilitation of the sewer facilities based on the condition assessment results,
- Identify pothole locations for any anticipated open trench point repair or pipeline replacement. Conduct utility research only where necessary,
- Verify that all sewer facilities to be included are located within existing street right-of-way or within appropriate utility/sewer easements. Determine any easement related requirements for design and construction. Identify any access issues associated with sewers located in easements,
- Provide a sample bid document construction plan drawing for the City review and approval using bid item takeoff by drawing. See the further discussion below regarding the level of detail recommended for construction plans.
- Identify special sewage bypass requirements and approach for the implementation of the recommended rehabilitation method(s), and
- Prepare preliminary construction cost opinion and construction schedule.

Task 3 Preparation of Construction Documents

Dudek will proceed with development of the construction documents following completion and acceptance of the recommendations set forth in the preliminary design memorandum.

Utility Research and Potholing

The depiction of existing utilities is only necessary for reaches of pipe that require open trenching, which is assumed to be up to 6 locations for the purposes of this proposal. Subsurface utility investigation will consist of researching record drawings for utilities in the vicinity of the open trench construction and potholing, if needed, to locate very critical facilities that pose a high risk to the contractor during excavation. For proposal purposes, it is assumed that as-built drawings for City facilities (sewer, water, and storm drain) will be provided by the City.

Dudek has included up to ten (10) potholes in our proposed scope and fee for utility locating as needed during the project. If required, additional potholes can be performed at a nominal unit cost per pothole. Potholing will be conducted with “soft dig” vacuum excavation equipment by Kana Pipeline. Records will be kept of the pavement and base thickness at each pothole. This information will be useful for determining the trench restoration pavement sections for sites in paved areas. Excavations will be backfilled using native material or fill sand and asphalt patching will be performed using a bagged high performance cold asphalt mix. An allowance for three (3) pages of stamped traffic control plans has been included for any pothole locations located in main streets.



A complete accounting of identified utilities, potholed utilities, and findings will be discussed thoroughly with City staff prior to completion of the potholing phase to assure that every effort has been made to identify and record any known utility that may affect the open trench work.

Topographic Survey

Guida Surveying, Inc. will provide topographic surveying for those locations requiring open trench construction (assumed to be 6 locations for the purposes of this proposal and to be verified during preliminary design) and generate a topographic/design survey basemap suitable for civil design. Guida will establish horizontal and vertical site control based upon the County Surveyor Vertical benchmark system, and horizontal control based on the California Coordinate System. They will perform a field survey data collection consisting of existing sewer manhole depths (through dipping) and rim elevations, roadway centerline and top of curb elevations at 50-foot intervals, and visible utility features within 10-feet of the centerline of the target sewer and manholes. Guida will also plot the record centerline and right-of-way.

Construction Plans

Sewer Rehabilitation Plans. The level of detail and nature of bidding documents for sewer rehabilitation vary widely. The sample plan sheet provided as **Figure 2** demonstrates the recent trend of creating GIS-based sewer rehabilitation plans using aerial photographs overlaid with sewer and manhole shape-files. Ground and pipe profiles are not provided, but manhole depths, pipe slope, and the direction of flow are indicated in plan. In addition to CIPP lining and lateral reinstatement, the sample plan shows locations and quantities of additional defects to be addressed, such as trimming intruding laterals, point repairs (excavated or in-situ), and heavy cleaning. Those locations requiring more-involved cleaning, traffic control, and bypassing are also noted on the plans, thereby streamlining the bid schedule quantification and construction inspection tasks and controlling costly change orders due to “unforeseen conditions”. We also routinely provide an estimate of the peak flows in each sewer segment in tabular format for flow bypassing. Dudek has used this construction plan format for successful sewer lining projects and has received positive feedback from CIPP contractors.

Key Benefit to the City

Dudek is experienced in preparing GIS-based rehabilitation plans that are integrated with the bid schedule and present a wealth of information in a clear, concise manner.

For this project, we recommend two aerial photo strips per drawing depicting up to 1,000 feet of pipe per 40-scale (1" = 40') aerial strip for a total of up to 2,000 feet of sewer per drawing. Using this method, the entire approximately 14,000 linear feet of sewer pipes to be rehabilitated by this project is estimated to be depicted on approximately seven drawings. Additional cover sheet, notes sheet(s), detail sheets, and traffic control sheets per WATCH manual, if needed, would also be provided. Details would include point repairs, open trench segment replacement, CIPP or other pipe rehab method cross-section with liner thickness requirements, and other items necessary to depict and define all bid items.

Sewer Replacement Plans. Plans for open trench replacement of a full section of pipe will be prepared using a traditional topographic ground survey-based plan and profile format. Existing utilities crossings in the immediate vicinity of the sewer to be replaced will be shown. Approximate manhole depths will be field-verified.

Technical Specifications

Concurrent with the development of the construction plans, Dudek will prepare the project construction bid form, and technical specifications. We understand that the City will provide the standard front-end construction specifications sections including notice of inviting bids, contract and related forms, general provisions, and general conditions. Specifications can be formatted per Greenbook or Construction Specifications Institute (CSI)

format. The following are the anticipated issues to be addressed in the City's front-end document and technical specifications sections for the sewer lining and repair project:

- Detailed unit cost bid schedule,
- SRF program disadvantaged business enterprise good faith effort and most current prevailing wage rate requirements,
- Sewer pipeline rehabilitation – Pre-cleaning requirements (standard and heavy) and basis of bid, pre- and post-rehab CCTV inspection, quality control requirements, CIPP lining, and other methods as needed,
- Resident notification,
- Laterals – protruding lateral trimming, re-instating, customer use management,
- Sealing of liner ends at manholes and elsewhere, "end seals,"
- Point repair bid items by type and incremental depth,
- Shoring and dewatering,
- Bypass pumping – as detailed below,
- Trenching, backfilling, and compacting,
- Gravity sewer pipe, including testing,
- Traffic control, and
- Other sections as needed for a complete biddable set of bid documents.

A construction sequence plan will be coordinated with City input to facilitate the construction with minimal risk to sanitary sewer overflow (SSO). Work will be sequenced to minimize impact to residents in terms of access to property and at times, limited use of sewer lateral connection during the rehabilitation effort directly in-front of affected homes. In addition, the process of in-situ lining requires high volume equipment for heating water or steam.

Sewer Bypass Requirements. Proven temporary bypass specifications and guidelines will minimize risk of SSO for the City's project. The specifications will include key enforceable bypass requirements that are fully included in the contractor bids.

A reliable wastewater bypass system is essential for a live sewer rehabilitation project. Bypass capacity and specific project requirements will be determined by Dudek, based specifically for the site conditions in the City's neighborhoods. A fully redundant pumping system is always required. Generally, neighborhood flows will be low and bypass pump sizes will be relatively small. Lay-flat hoses will likely be adequate for the bypass pump discharge piping and small ramps will be identified where needed to allow driveway and residential cross-street traffic to cross without impact to the system. In addition, plastic sheeting around the suction side manhole can provide further protection from spills. Final design of the bypass requirements will consider the features specified by Dudek on similar and larger sewer rehabilitation projects.



Engineer's Estimate

Dudek will prepare the engineer's opinion of probable construction cost at the 60%, 85% and final design stage. The cost estimate will include a detailed Basis for Cost Estimation, breakdown of construction cost items according to specification section, with quantity and unit costs, and consideration of additional cost factors such as profit, escalation, insurance, and contingency.

Final Design Deliverables

The design deliverables will be packaged and delivered in "ready to duplicate" format. Typically, Dudek provides final deliverables of plans on wet signed and stamped mylar format. Specifications are provided in a single loose bound format as well as in electronic format.

60% Design Package. The 60% design package will include construction plans, specifications, and Level 3 construction cost estimate. Plans will include partially annotated rehabilitation sheets and replacement plan and profile sheets. No detail sheets will be provided with this submittal. Submittal will include three (3) hard copies of all items.

85% Design Package. The 85% design package will include all construction plans, specifications, and a Level 2 construction cost estimate. Submittal will include three (3) hard copies of all items.

Final Design Package. The final design package will include a stamped and wet signed mylar (black and white) set of construction plans. A single loose bound set of final construction specifications will be provided in reproducible format. The final design construction cost estimate will also be provided. Electronic copies of the plans, specifications, and estimate in ".pdf" format and drawing files in AutoCAD ".dwg" format will also be included. Additional copies of the plans, specifications and estimate can be provided upon request.

Schedule Updates. The schedule of the design process will be provided at the start of the final design process. Updates to the schedule will be submitted to the City, as needed for review and acceptance.

Task 4 Bid Phase Services

Dudek will provide assistance to the City during the bidding phase, providing additional information as needed and supporting the City during the pre-bid meeting and preparation of one (1) addendum to the construction documents.

Task 5 Construction Services

Dudek will provide professional services for construction support. The level of effort required for construction support is difficult to estimate, therefore, our fee proposal is representative of the minimum level generally required. It is assumed the City will consider adjustments to the contract fee, if warranted.

Pre-Construction Meeting

Dudek will attend a pre-construction conference scheduled by the City and will be prepared to address construction concerns as well as comment on the Contractor's proposed means of construction and preliminary schedule.

Submittals

Dudek will review shop and work drawings submitted by the Contractor for compliance with the project specifications and plans. The review shall be prompt and normally shall not exceed two weeks. Dudek will log

UNDERSTANDING AND SCOPE OF WORK

and track all shop drawing submittals. Dudek inform City Staff of any outstanding shop drawings. All correspondence shall be through the City. *(Assumed 10 submittals assumed.)*

Additionally, Dudek will review vendor and lab reports, certifications or material test and inspections, and correlate such reports with the intentions of the Plans and Specifications. Dudek will maintain a submittal log throughout the project.

Consultation and Meetings

Dudek will furnish consultation and advice to City staff. Consultation will include, but not be limited to, responding to requests for information and requests for clarification. *(Assumed 20 hours project management time per RFP.)*

Dudek will attend meetings to resolve construction issues, as requested by City staff. *(Two meetings assumed)* City will modify the contract fee, if necessary, for additional consultation.

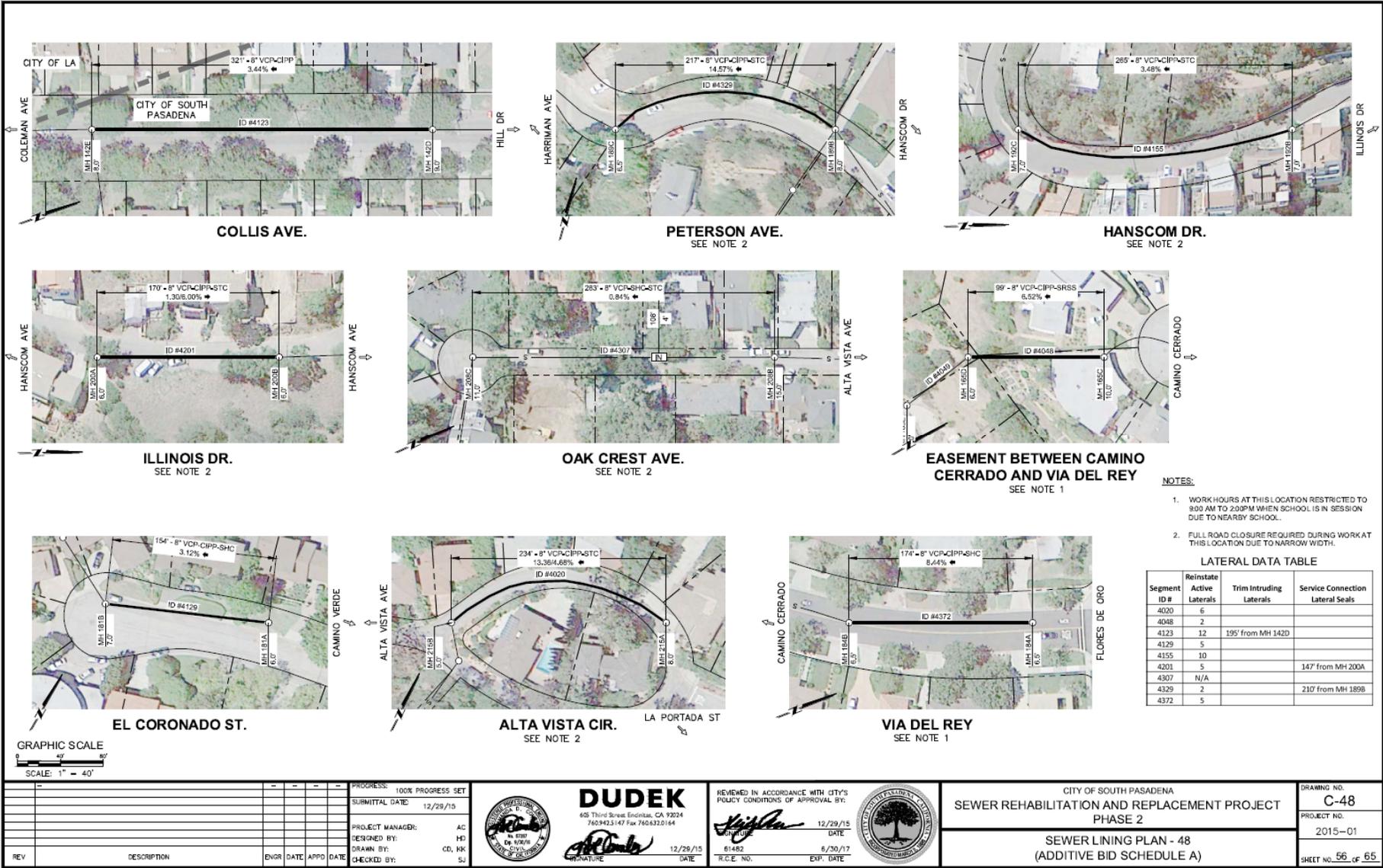
Change Orders

Dudek will assist the City with Change Orders, as needed. *(Assumed 16 hours project management time.)* Assistance will include preparation of change order drawings and specifications, providing opinions as to whether change orders are warranted, and assistance with cost estimates.

Record Drawings

Dudek will prepare record drawings (mylar and/or electronic format [AutoCAD]) when construction work has been completed and accepted by the City. Modifications to the drawings will be based upon information supplied by the City from their Construction Inspectors, Manager, and/or Contactor. Dudek will notify the City of discrepancies. The drawings will become City property.

FIGURE 2 – SAMPLE CIPP DESIGN SHEET



6 Fee

Our fee is provided below, and is broken down by key tasks, staff time and subconsultant costs.

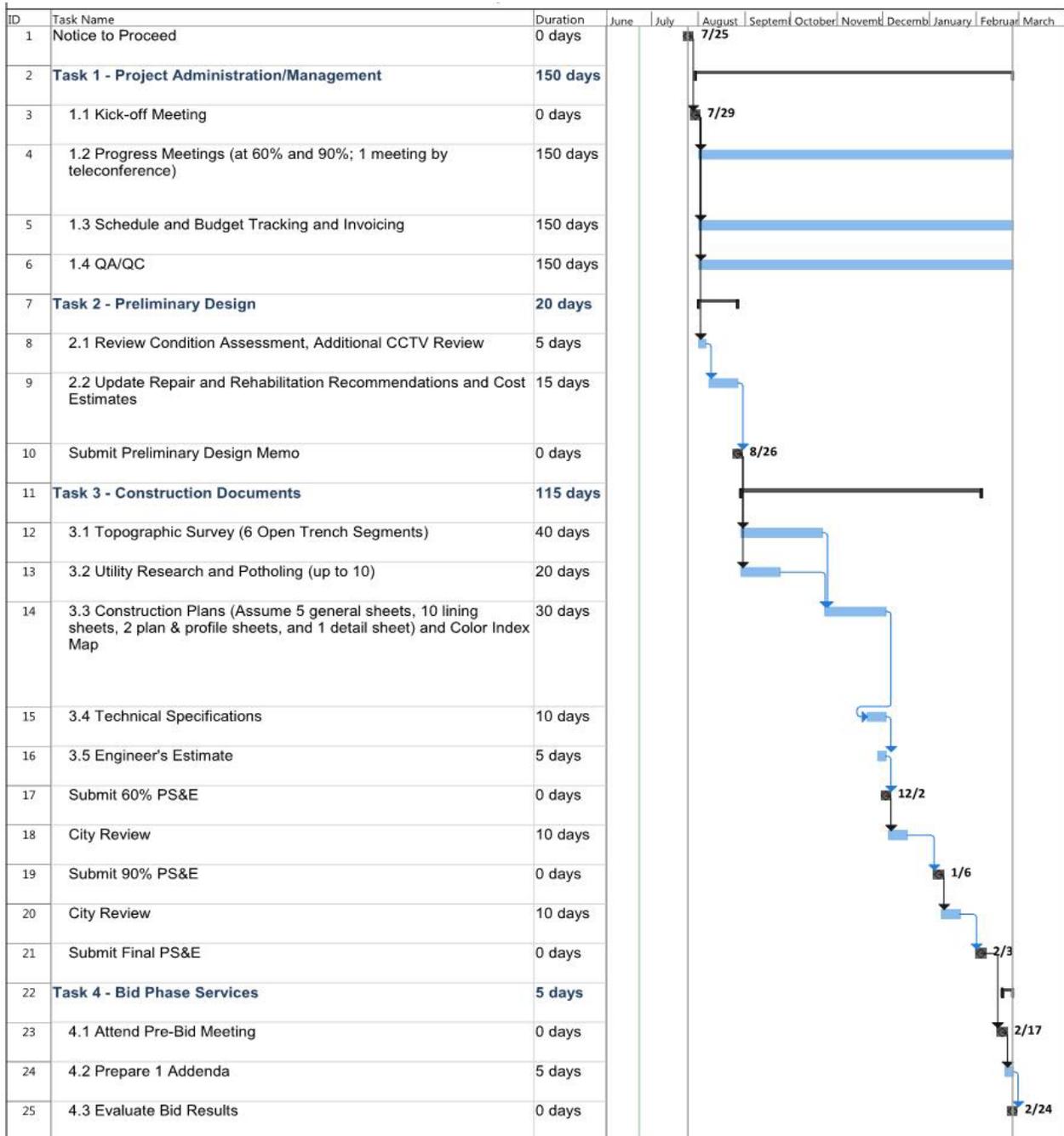
TABLE 2. PROJECT FEE

Project Team Role: Team Member:	Labor Hours and Rates							TOTAL HOURS	DUDEK LABOR COST	Subconsultants		OTHER DIRECT COSTS	TOTAL FEE	
	PIC/PM R.Bergholz	QA/QC S. Jepsen	Senior Engineer A. Combs	Project Engineer B. Tran	Senior Designer P. Calligiuri	CADD Operator K. King	Proj. Coord M.Kinney			Potholing (Kana Engineering) Fee	Topographic Survey (Guida) Fee			
	Billable Rate :	\$215	\$215	\$190	\$125	\$130	\$120			\$100				
Task 1 - Project Administration/Management														
1.1	Kick-off Meeting	8		4					12	\$ 2,480			\$ 100	\$ 2,580
1.2	Progress Meetings (at 60% and 90%; 1 meeting by teleconference)	12		4					16	\$ 3,340			\$ 200	\$ 3,540
1.3	Schedule and Budget Tracking and Invoicing	6						12	18	\$ 2,490				\$ 2,490
1.4	QA/QC	4	8						12	\$ 2,580				\$ 2,580
	Subtotal Task 1	30	8	8				12	58	\$ 10,890	\$ -	\$ -	\$ 300	\$ 11,190
Task 2 - Preliminary Design														
2.1	Review Condition Assessment, Additional CCTV Review	2		8	12			4	26	\$ 3,930				\$ 3,930
2.2	Update Repair and Rehabilitation Recommendations and Cost Estimates	2	12	16	8				38	\$ 7,050				\$ 7,050
	Subtotal Task 2	4	12	24	20			4	64	\$ 10,980	\$ -	\$ -	\$ -	\$ 10,980
Task 3 - Construction Documents														
3.1	Topographic Survey (6 Open Trench Segments)	4					4		8	\$ 1,380		\$12,650		\$ 14,030
3.2	Utility Research and Potholing (up to 10)	4			24			16	44	\$ 5,780	\$ 11,500			\$ 17,280
3.3	Construction Plans (Assume 5 general sheets, 10 lining sheets, 2 plan & profile sheets, and 1 detail sheet) and Color Index Map	20		60	120	60	120		380	\$ 52,900			\$ 150	\$ 53,050
3.4	Technical Specifications	4	4	24	40			12	84	\$ 12,480				\$ 12,480
3.5	Engineer's Estimate	4	2	4	16				26	\$ 4,050				\$ 4,050
3.6	Deliverables (60%, 90%, and Final)	8	4	4	8			12	44	\$ 6,220				\$ 6,220
	Subtotal Task 3	44	10	88	208	64	148	24	586	\$ 82,810	\$ 11,500	\$ 12,650	\$ 150	\$ 107,110
Task 4 - Bid Phase Services														
4.1	Attend Pre-Bid Meeting	4							4	\$ 860			\$ 100	\$ 960
4.2	Prepare 1 Addenda	4		4					8	\$ 1,620				\$ 1,620
4.3	Evaluate Bid Results	2		2					4	\$ 810				\$ 810
	Subtotal Task 4	10		6					16	\$ 3,290	\$ -	\$ -	\$ 100	\$ 3,390
Task 5 - Constructin Services														
5.1	Pre-Construction Meeting	6							6	\$ 1,290			\$ 100	\$ 1,390
5.2	Submittals (up to 10)	2		5	5				12	\$ 2,005			\$ 50	\$ 2,055
5.3	Consultantation and Meetings	20		8					28	\$ 5,820			\$ 100	\$ 5,920
5.4	Change Orders	16							16	\$ 3,440				\$ 3,440
5.5	Record Drawings	2			8			12	22	\$ 2,870			\$ 50	\$ 2,920
	Subtotal Task 5	46		13	13			12	84	\$ 15,425	\$ -	\$ -	\$ 300	\$ 15,725
Total Non-Optional Hours and Fee		134	30	139	241	64	164	36	808	\$123,395	\$11,500	\$12,650	\$850	\$148,395
<i>Percent of Hours:</i>		<i>17%</i>	<i>4%</i>	<i>17%</i>	<i>30%</i>	<i>8%</i>	<i>20%</i>	<i>4%</i>	<i>100%</i>					

7 Schedule

Dudek’s proposed design schedule is provided as Figure 3, below. We understand that the City would like to award the construction contract early in the 2016/17 fiscal year to allow construction to occur in the spring of 2017. Given that CIPP lining and open trench construction work can proceed concurrently, we estimate a construction duration of four months for this project. We will work closely with the City and our subconsultants to maintain an aggressive schedule and deliver a high-quality design that meets your schedule and budget requirements.

FIGURE 3 – PROPOSED PROJECT SCHEDULE



8 Contract and Insurance

Dudek has carefully reviewed the City's Standard Form Agreement. Dudek is in general concurrence with the terms and conditions and takes no exceptions to the agreement as this time.

Dudek will also provide Certificates of Insurance with coverage types and minimum limits as indicated in the City's Standard Form Agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
The City of Placentia and its elected and appointed boards, officers, officials, agents, employees, and volunteers	Project #9777
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
The City of Placentia and its elected and appointed boards, officers, officials, agents, employees, and volunteers	Project #9777

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

Waiver of Transfer Rights of Recovery Against Others - CG 24 04 11 85

Policy Amendment General Liability

Insured: Dudek

Policy Number: MXG80965258

Producer: Michael J. Hall & Company

Effective Date: August 28, 2015

Schedule

Name of Person or Organization

Any Person or Organization for which the insured has agreed by written contract executed prior to loss to furnish this waiver

(If no entry appears above, information required to complete this Endorsement will be shown in the Declarations as applicable to this Endorsement.)

We waive any right of recovery we may have against the person or organization shown in the Schedule because of payments we make for injury or damage

arising out of **your work** done under a contract with that person or organization. The waiver applies only to the person or organization shown in the Schedule.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy



Prochi

Workers' Compensation and Employers' Liability Insurance Policy Waiver of Our Right to Recover From Others Endorsement - California WC 04 03 06

If the following information is not complete, refer to the appropriate Schedule attached to the policy.

Insured: Dudek

Policy Number: WC81030014

Producer: Michael J. Hall & Company

Effective Date: August 28, 2015

Schedule

Person or Organization

Job Description

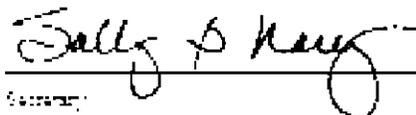
Any Person or Organization for which the insured has agreed by written contract executed prior to loss to furnish this waiver

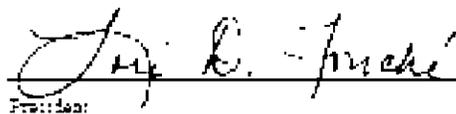
Additional Premium %

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule. The additional premium for this endorsement shall be the percentage, as shown in the Schedule applicable to this endorsement, of the California workers' compensation premium otherwise due on such remuneration.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy


Secretary


President

FleetCover Endorsement - CA 70 18 03 10

Policy Amendment(s) Commercial Business Auto Coverage Form - Motor Carrier Coverage Form

A. Broadened Named Insured

Section II - Liability Coverage, A. Coverage, 1. Who Is An Insured, the following is added:

Any organization you own on the inception of this policy, or newly acquire or form during the policy period, and over which you maintain during the policy period, majority ownership or majority interest will qualify as a Named Insured if:

- (1) There is no other similar insurance available to that organization; and
- (2) The first Named Insured shown in the Declarations of this policy has the responsibility of placing insurance for that organization; and
- (3) The organization is incorporated or organized under the laws of the United States of America.

However:

- (a) Coverage under this provision is afforded only until the next occurring 12 month anniversary of the beginning of the policy period shown in the Declarations, or the end of the policy period, whichever is earlier; and
- (b) Coverage under this provision does not apply to **bodily injury or property damage** that results from an **accident** that occurred before you acquired or formed the organization; and
- (c) No person or organization is an **insured** with respect to any current or past partnership, or joint venture that is not shown as a Name Insured in the Declarations; and
- (d) Coverage under A.(1), (2) and (3) above does not apply to any organization that is covered as an **insured** under any other automobile liability insurance policy whose limits of insurance have been exhausted or whose insurer has become insolvent.

B. Broadened Who Is an Insured

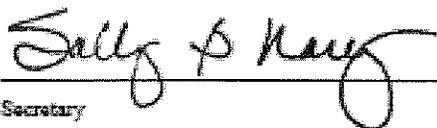
1. Form CA0001 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured**, item b.(2) is deleted, and d. is added as follows:
 - d. Your **employee** while using with your permission his owned **auto**, or an **auto** owned by a member of his or her house-hold, in your business or your personal affairs, provided you do not own, hire or borrow that **auto**.
2. Form CA0020 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured**, item b.(2) is deleted, and f. is added as follows:
 - f. Your **employee** or agent while using with your permission his owned **private passenger type auto**, or a **private passenger type auto** owned by a member of his or her household, in your business or personal affairs, provided you do not own, hire, or borrow that **auto**.

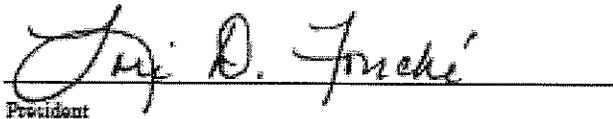
C. Additional Insured Coverage and Waiver of Subrogation

1. Form CA0001 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured**, the following is added as item e.; and form CA0020 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured**; the following is added as item g.: Any person or organization with respect to the operation, maintenance, or use, of a covered **auto**, provided that you and such person or organization have agreed under an expressed provision in a written **insured contract** or written agreement, or a written permit issued to you by a governmental or public authority, to add such person, organization, or governmental or public authority to this policy as an **insured**.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the Fireman's Fund Insurance Companies as named in the policy


Secretary


President

However, such person or organization is an **insured**:

- (1) Only with respect to the operation, maintenance, or use, of a covered **auto**; and
 - (2) Only for **bodily injury** or **property damage** caused by an **accident** which takes place after:
 - (a) You executed the **insured contract** or written agreement; or
 - (b) The permit has been issued to you.
2. Form CA0001 (if attached to this policy), **Section IV - Business Auto Conditions**, A. Loss Conditions, item 5.; and form CA0020 (if attached to this policy), **Section V - Motor Carrier Conditions**, A. Loss Conditions, item 6.; the following is added:

Waiver of Subrogation

If required by a:

- a. Written **insured contract** or written agreement executed prior to the **accident**; or
- b. Written permit issued to you by a governmental or public authority prior to the **accident**;

we waive any right of recovery we may have against any person or organization named in such contract, agreement or permit, because of payments we make for injury or damage arising out of the ownership, maintenance or use of a covered **auto**.

D. Auto Medical Payments - Increased Limit

For each covered **auto** described in the Declarations or shown in the Schedule as having Auto Medical Payments Coverage, the Medical Payments Limit of Insurance for those **autos** is revised to the greater of:

1. \$5,000; or
2. The limit shown in the Declarations

E. Hired Auto Physical Damage Coverage and Loss of Use Expenses

Hired Auto Physical Damage Coverage

If Physical Damage Coverage is provided by this policy on your owned covered **autos**, the following applies:

Any **auto** that you lease, hire, rent or borrow without a driver, will be covered under this policy for Physical Damage Coverage. However any such **auto**:

1. Will be covered only for the same Physical Damage Coverage that applies to your owned covered **autos**;
2. Will be subject to the same applicable deductible shown in the Declarations that applies to your most similar owned covered **auto**, except any Comprehensive Coverage deductible does not apply to **loss** caused by fire or lightning; and
3. The most we will pay for any one **loss** in any one **accident** is the lesser of the following:
 - a. Actual cash value of the damaged or stolen property as of the time of the **loss** as determined by us; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

In addition, we will pay costs and fees associated with such covered **loss** only for a maximum time period of seven days beginning with the date of **loss**, subject to a maximum of \$500.

However:

1. If form CA0001 is attached to this policy, this coverage does not apply to **autos** you lease, hire, rent or borrow from any of your **employees**, partners (if you are a partnership), members (if you are a limited liability company) or members of their households; and
2. If form CA0020 is attached to this policy, this coverage does not apply to any **private passenger type auto** you lease, hire, rent or borrow from any member of your household, any of your **employees**, partners (if you are a partnership), members (if you are a limited liability company), or agents or members of their households.

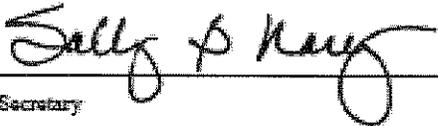
Amendment to Condition 4. Other Insurance – CG 72 53 09 05
Policy Amendment(s) Commercial General Liability

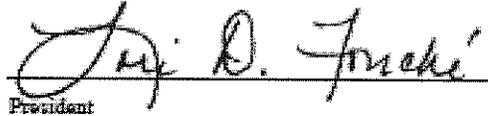
The following is added as a second paragraph to Section IV Conditions, Conditions 4, Other Insurance, Following paragraph b.(2).

However, if you have added any person, organization or vendor of yours as an additional insured to this policy by way of a MultiCover® endorsement and have agreed

in a written insured contract that this insurance is primary and non-contributory with other insurance available to that additional insured, this insurance is primary and we will not seek contribution from such additional insured's other insurance. This provision does not apply to other insurance to which such additional insured has been added as an additional insured.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy


Secretary


President



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: ACTING DIRECTOR OF PUBLIC WORKS

DATE: JULY 19, 2016

SUBJECT: **AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT WITH WEST COAST ARBORISTS, INC. FOR TREE TRIMMING SERVICES**

FISCAL
IMPACT: EXPENSE: \$120,000 TREE TRIMMING SERVICES
BUDGETED: \$120,000 FISCAL YEAR 2016-17 OPERATING BUDGET
(GENERAL FUND)

SUMMARY:

On July 15, 2014 the City entered into a maintenance services agreement with West Coast Arborists, Inc., (WCA) for tree trimming services. The term of the agreement was for two (2) years, with an option for two (2) additional one-year term extensions. Term extensions are based upon the contractor's performance and at the discretion of the City. This action will exercise the first one-year term extension. No other terms of the original agreement or compensation have been changed.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve Amendment No. 1 to the Professional Services Agreement with West Coast Arborists, Inc. extending the existing agreement to provide tree trimming services for an additional one-year term ending June 30, 2017; and
2. Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.

DISCUSSION:

The Public Works Department utilizes the services of WCA to maintain trees on arterial roadways, City parks, and public property owned and maintained by the City. The current service contract includes regular tree pruning and vine trimming along with as-needed tree removal, tree planting, emergency response, and arborist services. The current agreement for tree trimming expired on July 14, 2016.

In 2014, the City solicited competitive proposals for tree trimming services and the City Council awarded an agreement to WCA on July 15, 2014. WCA has provided the City with excellent service and has been responsive to the City's and the community's needs.

The recommended action will approve an amendment to the agreement extending the agreement term for an additional year. No other terms of the original agreement or compensation have been changed. Any future agreement term extension will be based on the contractor's performance and at the discretion of the City. Once the final eligible agreement term extension has been exhausted, staff will solicit new bids for these services.

FISCAL IMPACT:

The Fiscal Year 2016-17 General Fund Operating Budget includes \$120,000 for tree trimming services. Sufficient funds exist for the recommended actions.

Prepared by:

Reviewed and approved:

Luis Estevez
Acting Director of Public Works

Lawrence P. Schroeder
Interim Chief Financial Officer

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachment:

Amendment No. 1

**AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT**

This First Amendment ("First Amendment") is dated effective this 19th day of July, 2016 and is entered into between THE CITY OF PLACENTIA, a California charter city and municipal corporation ("City") and WEST COAST ARBORISTS, INC., a California Corporation ("Consultant").

RECITALS

WHEREAS, on July 15, 2014, City and Consultant entered into a Professional Services Agreement ("Agreement") whereby Contractor is to provide tree trimming services throughout City, referenced hereafter as ("Project"); and

WHEREAS, the Agreement provided for an original two (2) year term and further provided that the term may be extended for two additional one year terms; and

WHEREAS, City and Consultant now desire to again extend the term for an additional year ending June 30, 2017; and

WHEREAS, the City and Consultant mutually desire to amend, modify or alter certain terms and conditions of the Agreement.

TERMS AND CONDITIONS

NOW THEREFORE, in consideration of the mutual covenants and promises contained in this Third Amendment, the City and Consultant do hereby agree as set forth below:

1. The above recitals are true and correct and are incorporated herein.
2. The Agreement, including the Exhibits thereto that were incorporated therein by reference, is hereby amended to extend the term of the Agreement to June 30, 2017 unless further extended by the mutual agreement of the parties.
3. Except as expressly amended or modified by the terms of this First Amendment, all terms of the Agreement shall remain in full force and effect. In the event of a conflict between the terms of this First Amendment and the Agreement, the terms of this First Amendment shall prevail and control.
4. The provisions of the Agreement, as amended, including the recitals, comprise all of the terms, conditions, agreements, and representations of the parties with respect to the subject matter hereof.
5. This First Amendment may be executed in one or more counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same instrument.

6. Each party represents and warrants that the representative signing this First Amendment on its behalf has all right and authority to bind and commit that party to the terms and conditions of this First Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment.

CITY OF CALIFORNIA CITY

WEST COAST ARBORISTS, INC

By: _____

Damien R. Arrula
City Administrator

By: _____

Victor M. Gonzalez,
Vice President

Dated: _____

Dated: _____

ATTEST:

By: _____

Patrick J. Mejia
City Clerk

APPROVED AS TO FORM

By: _____

Christian L. Bettenhausen
City Attorney



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: ACTING DIRECTOR OF PUBLIC WORKS

DATE: JULY 19, 2016

SUBJECT: **AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT WITH SIEMENS INDUSTRY, INC. FOR TRAFFIC SIGNAL MAINTENANCE SERVICES**

FISCAL
IMPACT: EXPENSE: \$105,000 TRAFFIC SIGNAL MAINTENANCE SERVICES
BUDGETED: \$105,000 FISCAL YEAR 2016-17 OPERATING BUDGET (GAS TAX)
No General Fund monies will be utilized for these services.

SUMMARY:

On August 21, 2012, the City entered into a maintenance services agreement with Siemens Industry, Inc., (Siemens) for routine traffic signal maintenance and emergency repairs. The term of the agreement was for three (3) years, with an option for three (3) additional one-year term extensions. Term extensions are based upon the contractor's performance and at the discretion of the City. On July 21, 2015, City Council approved Amendment No. 1 to this agreement to extend the term for one additional year. The current agreement with Siemens is set to expire on August 20, 2016. This action will exercise the second available agreement term extension for one (1) additional year. No other terms of the original agreement or compensation have been changed.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve Amendment No. 2 to Professional Services Agreement with Siemens Industry, Inc. extending the existing agreement to provide traffic signal maintenance services for an additional one-year term ending August 20, 2017; and
2. Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.

DISCUSSION:

The City operates and maintains fifty-seven (57) signalized intersections including additional signal equipment used in connection with Railroad Quiet Zone Supplemental Safety Measures, traffic signal synchronization projects, and battery backup systems. Traffic signal maintenance costs are comprised of routine maintenance and emergency repairs or response. Routine maintenance generally covers monthly inspections of equipment, cleaning, preventative maintenance, and testing of the various equipment components. Payment for maintenance is based on a fixed

monthly rate per intersection. Emergency repair or response includes unanticipated extraordinary repairs that are necessary and are compensated on a time and materials basis.

In 2012, the City solicited competitive proposals for these services and the City Council awarded an agreement to Siemens on August 21, 2012. Siemens has provided the City with excellent service and has been responsive to Staff's and the community's needs.

The recommended action will approve a second one-year term extension to the agreement, for a cumulative contract term of five (5) years. No other terms of the original agreement or compensation have been changed. The final available contract term extension will be based on the contractor's performance and at the discretion of the City. Once the final eligible agreement term extension has been exhausted, Staff will solicit new bids for these services.

FISCAL IMPACT:

The annual not-to-exceed amount for this agreement is \$105,000. Funds for these services have been budgeted in the Fiscal Year 2016-17 Operating Budget utilizing Gas Tax funds. There are no General Fund monies utilized for these services.

Prepared by:

Reviewed and approved:

Luis Estevez
Acting Director of Public Works

Lawrence P. Schroeder
Interim Chief Financial Officer

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachment:

Amendment No. 2 to Agreement with Siemens Industry, Inc.

**AMENDMENT NO. 2
TO PROFESSIONAL SERVICES AGREEMENT**

This Second Amendment ("Second Amendment") is dated effective this 19th day of July, 2016 and is entered into between THE CITY OF PLACENTIA, a California charter city and municipal corporation ("City") and SIEMENS INDUSTRY, INC., a California Corporation ("Consultant").

RECITALS

WHEREAS, on August 21, 2012, City and Consultant entered into a Professional Services Agreement entitled "Maintenance Services Agreement" ("Agreement") whereby CONTRACTOR is to provide traffic signal maintenance services throughout CITY, referenced hereafter as ("Project"); and

WHEREAS, Section B, subsection 2 of the Agreement provided for an original three (3) year term and further provided that the term may be extended up to a maximum of three (3) years; and

WHEREAS, at or near the end of the first three year term, the City and Consultant agreed by written amendment to extend the term for an additional year to August 20, 2016 ("First Amendment"); and

WHEREAS, City and Consultant now desire to again extend the term for an additional year ending August 20, 2017; and

WHEREAS, the City and Consultant mutually desire to amend, modify or alter certain terms and conditions of the Agreement.

TERMS AND CONDITIONS

NOW THEREFORE, in consideration of the mutual covenants and promises contained in this Third Amendment, the City and Consultant do hereby agree as set forth below:

1. The above recitals are true and correct and are incorporated herein.
2. Section B, subsection 2 of the Agreement is hereby amended to extend the term of the Agreement to August 20, 2017 unless further extended by the mutual agreement of the parties.
3. Except as expressly amended or modified by the terms of this Second Amendment, all terms of the Agreement shall remain in full force and effect. In the event of a conflict between the terms of this Second Amendment and the Agreement, the terms of this Second Amendment shall prevail and control.
4. The provisions of the Agreement, as amended, including the recitals, comprise all of the terms, conditions, agreements, and representations of the parties with respect to the subject matter hereof.

5. This Second Amendment may be executed in one or more counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same instrument.
6. Each party represents and warrants that the representative signing this Second Amendment on its behalf has all right and authority to bind and commit that party to the terms and conditions of this Second Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment.

CITY OF CALIFORNIA CITY

SIEMENS INDUSTRY, INC .

By: _____
Damien R. Arrula
City Administrator

By: _____
Jeffrey Pierce

Dated: _____

Dated: _____

ATTEST:

By: _____
Patrick J. Mejia
City Clerk

APPROVED AS TO FORM

By: _____
Christian L. Bettenhausen
City Attorney



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: ACTING DIRECTOR OF PUBLIC WORKS

DATE: JULY 19, 2016

SUBJECT: **PROFESSIONAL SERVICES AGREEMENT WITH DUDEK, INC. FOR SEWER SYSTEM MASTER PLAN UPDATE**

FISCAL

IMPACT: EXPENSE: \$253,455
BUDGETED: \$255,000 Fiscal Year 2016-17 Capital Improvement Project Budget
No General Fund Monies will be used on this project.

SUMMARY:

Sewer system master plans are typically updated every ten years. The City's plan was last updated in 2005. Sewer system master plans include a sewer capacity analysis, condition assessment, evaluation of current maintenance and operation programs and a ten year sewer system capital improvement program (CIP). The proposed agreement will provide for an update to the City's current sewer system master plan.

RECOMMENDATION:

It is recommended that City Council take the following actions:

1. Approve the Professional Services Agreement with Dudek, Inc., to complete the Sewer System Master Plan Update; and
2. Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.

DISCUSSION:

The City currently owns and maintains approximately 75 miles of gravity sewer lines. The Yorba Linda Water District owns and maintains an additional 11 miles of sewer lines within the City's borders. The City does not own or operate any sewer lift or pump stations. A sewer system master plan (SSMP) is a planning document designed to evaluate the condition of an existing sewer infrastructure inventory, identifies areas where sewer capacity is restricted, assesses the condition of the sewer system, evaluates current system operation and maintenance programs and consolidates recommended improvements into a sewer system capital improvement

program. SSMPs are typically updated every ten (10) years and the City's master plan was last updated in 2005.

As part of this update to the master plan, Dudek will review existing City land uses as well as analyze future development areas to update the sewer hydraulic model to identify where sewer system capacity may be constrained. This information will yield data necessary to identify those locations where sewer lines may need to be upsized in order to provide sufficient capacity for projected future growth. Utilizing closed circuit television (CCTV) data captured from the interior of various sewer lines, a condition assessment will be produced which will note any defects, root intrusion, offset joints or cracked pipelines found within. In addition, approximately 100 sewer manholes will also be inspected to identify those manholes which will require rehabilitation as well. Lastly, a ten year sewer system capital improvement program (CIP) will be developed as part of this planning process. The CIP will include projects that involve routine repairs to damaged pipelines as well as projects that will increase the carrying capacity of the sewer system in areas where increased sewage generation is forecasted to occur.

Dudek prepared the previous SSMP update for the City in 2005 and has completed several other sewer-related projects for the City in the past. As such, Dudek is very familiar with the City's sewer utility system as well as the operations and maintenance of the system. Should the City Council elect to award this agreement, the project is expected to be completed by the end of November 2016.

FISCAL IMPACT:

A total of \$255,000 in Sewer Funds was budgeted for this project in the Fiscal Year 2016-17 CIP. No General Fund monies will be utilized on this project. Sufficient funds exist for the recommended actions.

Prepared by:

Reviewed and approved:

Luis Estevez
Acting Director of Public Works

Lawrence P. Schroeder
Interim Chief Financial Officer

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachment:

Professional Services Agreement

**CITY OF PLACENTIA
PROFESSIONAL SERVICES AGREEMENT
WITH DUDEK, INC.**

THIS AGREEMENT is made and entered into this 19th day of July, 2016 (“Effective Date”), by and between the CITY OF PLACENTIA, a municipal corporation (“City”), and DUDEK, INC., a California corporation (“Consultant”).

WITNESSETH:

A. WHEREAS, City proposes to utilize the services of Consultant as an independent contractor to provide consulting services related to the City’s Sanitary Sewer Master Plan Update and Condition Assessment, as more fully described herein; and

B. WHEREAS, Consultant represents that it is “design professional” as that term is defined by California Civil Code Section 2782.8 and has that degree of specialized expertise contemplated within California Government Code Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit “A” (the “Project”) and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of City has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in the Consultant’s Proposal (“Proposal”), attached hereto as Exhibit “A” and incorporated herein by this reference.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant’s performance of this Agreement. 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. Officers and employees shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this section.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work will be done by the City Administrator or his or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, a notice setting forth provisions of this non-discrimination clause.

Consultant shall, in all solicitations and advertisements for employees placed by, or on behalf of Consultant shall state that all qualified applicants will receive consideration for employment without regard to age, race, color, religion, sex, marital status, national origin, or mental or physical disability. Consultant shall cause the paragraphs contained in this Section to be inserted in all subcontracts for any work covered by the Agreement, provided that the foregoing provisions shall not apply to subcontracts for standard commercial supplies or raw materials.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization

by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

2.0. COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "A". Consultant's total compensation shall not exceed Two Hundred Fifty-Three Thousand, Four Hundred Fifty-Five Dollars (\$ 253,455.00).

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal or which is inconsistent with or in violation of the provisions of this Agreement unless the City or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable. Should the City request in writing additional services that increase the hereinabove described "SCOPE OF SERVICES", an additional fee based upon the Consultant's standard hourly rates shall be paid to the Consultant for such additional services.

2.3. Method of Billing. Consultant may submit invoices to the City for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within forty-five (45) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement. Said services shall be performed in strict compliance with the Project Schedule approved by City as set forth in Exhibit "A."

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party. If a delay beyond the control of the Consultant is encountered, a time extension may be mutually agreed upon in writing by the City and the Consultant. The Consultant shall present documentation satisfactory to the City to substantiate any request for a time extension.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of twelve months, ending on July 11, 2017, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing at least fifteen (15) days prior written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City. If the City suspends, terminates or abandons a portion of this Agreement such suspension, termination or abandonment shall not make void or invalidate the remainder of this Agreement.

If the Consultant defaults in the performance of any of the terms or conditions of this Agreement, it shall have ten (10) days after service upon it of written notice of such default 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.

The City shall have the right, notwithstanding any other provisions of this Agreement, to terminate this Agreement, at its option and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement, immediately upon service of written notice of termination on the Consultant, if the latter should:

- a. Be adjudged a bankrupt;
- b. Become insolvent or have a receiver of its assets or property appointed because of insolvency;
- c. Make a general assignment for the benefit of creditors;
- d. Default in the performance of any obligation or payment of any indebtedness under this Agreement;
- e. Suffer any judgment against it to remain unsatisfied or unbonded of record for thirty (30) days or longer; or
- f. Institute or suffer to be instituted any procedures for reorganization or rearrangement of its affairs.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination within thirty-five (35) days after service of the notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the City or in the possession of the Consultant. City shall not be liable for any claim of lost profits.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City. Any use of uncompleted documents without specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Broad-form commercial general liability, in a form at least as broad as ISO form #CG 00 01 11 88, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California and Employers Liability Insurance with a minimum limit of \$1,000,000 per accident. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers for losses arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

Before execution of this Agreement by the City, the Consultant shall file with the Public Works Director/City Engineer the following signed certification:

I am aware of, and will comply with, Section 3700 of the Labor Code, requiring every employer to be insured against liability of Workers' Compensation or to undertake self-insurance before commencing any of the work.

The Consultant shall also comply with Section 3800 of the Labor Code by securing, paying for and maintaining in full force and effect for the duration of this Agreement, complete Workers' Compensation Insurance, and shall furnish a Certificate of Insurance to the Public Works

Director/City Engineer before execution of this Agreement by the City. The City, its officers and employees shall not be responsible for any claims in law or equity occasioned by failure of the consultant to comply with this section.

- (d) Professional errors and omissions (“E&O”) liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. Architects’ and engineers’ coverage shall be endorsed to include contractual liability. If the policy is written as a “claims made” policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

Neither the CITY nor any of its elected or appointed officials, officers, agents, employees, or volunteers makes any representation that the types of insurance and the limits specified to be carried by Consultant under this Agreement are adequate to protect Consultant. If Consultant believes that any such insurance coverage is insufficient, Consultant shall provide, at its own expense, such additional insurance as Consultant deems adequate.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Placentia and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."
- (b) Notice: "Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Consultant shall forthwith obtain and submit proof of substitute insurance. Should Consultant fail to immediately procure other insurance, as specified, to substitute for any canceled policy, the City may procure such insurance at Consultant's sole cost and expense."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Placentia, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Placentia shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Placentia, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

5.5. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The City Administrator or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement. It shall be the Consultant's responsibility to assure that the Project Manager is kept informed of the progress of the performance of the services and the Consultant shall refer any decision, which must be made by City, to the Project Manager. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Project Manager.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement and who shall not be changed by Consultant without the express written approval by the City. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or if mailed, shall be addressed as set forth below and placed in a sealed envelope, postage prepaid, and deposited in the United States Postal Service. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by

personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 72 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

Dudek, Inc.
605 3rd Street
Encinitas, CA 92024
Tel: 626-204-9800

Attn: Bob Ohlund, P.E. Principal in
Charge

IF TO CITY:

City of Placentia
401 E. Chapman
Placentia, CA 92870
Tel: 714-993-8120

Attn: Luis Estevez

6.5. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.6. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California. Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

6.7. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.8. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the City, its elected and appointed officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, demands, actions, suits or other legal proceedings arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of Consultant brought against the City, its elected and appointed officials, officers, agents and employees arising out of the performance of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence, recklessness, or willful misconduct by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, recklessness, or willful misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected and appointed officials, officers, agents and employees based upon the negligence, recklessness, or willful misconduct of the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall

not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.9. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its or employees are in any manner agents or employees of City. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this paragraph.

6.10. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.11. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.12. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, preliminary notes, working documents, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City, but shall be made available to the City within ten (10) days of request or within ten (10) days of termination. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at

the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, preliminary notes and working documents, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City. Consultant or Consultant's agents shall execute such documents as may be necessary from time to time to confirm City's ownership of the copyright in such documents.

6.13. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Consultant informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.14. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.15. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

6.16. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.17. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.18. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.19. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.20. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.21. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.22. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.23. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.24. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.26. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF PLACENTIA,
A municipal corporation

Damien R. Arrula
City Administrator

Date: _____

ATTEST:

Patrick J. Melia
City Clerk and ex-officio Clerk
of the City of Placentia

CONSULTANT

Signature

Date: _____

Name and Title

Social Security or Taxpayer ID Number

APPROVED AS TO FORM:

Christian L. Bettenhausen
City Attorney

Date: _____

APPROVED AS TO INSURANCE:

Stephen D. Pischel
Director of Administrative Services

Date: _____

APPROVED AS TO CONTENT:

Luis Estevez
Project Manager

Date: _____

DEPARTMENTAL APPROVAL

Luis Estevez
Acting Director of Public Works

Date: _____

EXHIBIT A
CONSULTANT'S PROPOSAL

EXHIBIT B
CERTIFICATES OF INSURANCE

April 29, 2016

Mr. Luis Estevez
City of Placentia
401 East Chapman Avenue
Placentia, California 92870

Subject: Proposal for Sanitary Sewer Master Plan and Condition Assessment

Dear Mr. Estevez:

Dudek is proud to submit the following proposal for Sanitary Sewer Master Plan and Condition Assessment services. Dudek understand the goal of the project is the development of a comprehensive planning document that includes an inventory of existing infrastructure, identification of areas of capacity restrictions, evaluation of existing infrastructure, description of current operation and maintenances procedures, identification of capacity and rehabilitation needs and consolidation of recommended improvements into a 10-year capital improvement program (CIP).

Included within our base scope for work and level of effort is the development of an entirely new and calibrated sewer system hydraulic model. This tool will assist the City in identifying both existing capacity restrictions and specific improvements necessary to handle future redevelopment. Also included is the condition assessment of approximately 23% (15 miles) of the sewer collection system. Continuing with the approach and data collection process from the 2014 condition assessment work, we have estimated a 20% reduction in the level of effort by applying our data table methodology for logging defects, ranking, and quantifying recommended improvements. We have included the condition assessment of the remaining 77% (50 miles) as an optional task.

We are pleased to have the opportunity to continue our working relationship with the City of Placentia. If you have any questions, or require any additional information, please do not hesitate to call me or email Russ Bergholz at 760.479.4107 / rbergholz@dudek.com.

Sincerely,


Russ Bergholz, PE, PMP
Senior Project Manager

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1 Project Understanding & Approach

The Dudek team has supported numerous Southern California Cities and Special Districts with the planning, condition assessment, and rehabilitation of sewer collection systems. We value the opportunity to support the City of Placentia in undertaking the capacity analysis, condition assessment and development of the 10-year capital improvement program for your sewer collection system. Below is a brief presentation of our approach to the project followed by the scope of work.



Dudek recently completed the Old Town sewer condition assessment that identified approximately 3 miles of CIPP rehabilitation.

1.1 Project Understanding

We understand the goal of the project is the development of a comprehensive planning document that includes an inventory of existing infrastructure, identification of areas of capacity restrictions, condition assessment, description of current operation and maintenance procedures, consideration of ongoing rehabilitation efforts, and consolidation of recommended improvements into a 10-year capital improvement program (CIP).

The City, while 99% build out, is expecting considerable redevelopment over the next 10 years in the Old Town area. As the last system-wide sewer master plan was prepared over 10 years ago (2005), there is a need to take a fresh look at the system and establish a prioritized assessment of capacity and rehabilitation needs. In much of Southern California, the past 5-7 years has been relatively stagnant in sewer flows, even decreasing in some areas, due in part to both the economic downturn and the increase in water conservation efforts. With development and redevelopment picking up considerably across the state, the timing is right for planning and infrastructure evaluation. The City has already completed its Sewer System Management Plan, and intends to consolidate the condition assessment of existing facilities into the 2016 Sewer Master Plan and 10-Year CIP.

As part of the master plan preparation, we have the following understanding of availability of information and level of effort:

1. The existing sewer GIS contains the majority of pipeline geometry (length, diameter, slope, depth) for use in the modeling development. Where there is missing data, Dudek will estimate geometry based on minimum design slopes. Record drawings may be requested for clarification and/or confirmation of geometry. In the event the record drawings are unavailable, Dudek will request the City conduct the necessary field investigation to measure depths, elevations, diameters, connections, etc. to support the model development.
2. Dudek will install up to eight (8) sewer flow meters to capture dry weather sewer flows. Meters will be installed for 3-weeks. The resultant diurnal flow patterns will be used for the model calibration.
3. The City does not currently own a hydraulic modeling package and intends on this project to include the development of a calibrated sewer model for use in both existing and buildout capacity analysis.
4. The City has CCTV inspection video of the entire collection system. As part of this project, Dudek will review the CCTV inspection video to assess condition of pipelines and identify the recommended improvements for extending the useful life.
5. The combination of capacity related needs to address redevelopment and the rehabilitation needs to address condition will formulate the recommended capital improvement plan.

1.2 Project Approach

Dudek proposes to approach the development of the master plan document through the research and preparation of several concurrent work elements that address the various aspects of the system evaluation and infrastructure needs assessment. Following the completion of each of the work elements, the sewer master plan will be prepared based on the consolidated information. The following describes general nature of each work element:

Element 1 - Data Collection, Model Development and Collection System Evaluation

Dudek will collect and review existing related information associated with the sewer system infrastructure including, but not limited to:

- 2000 Flow Study
- 2005 Sewer Master Plan
- 2009 Sewer System Management Plan (SSMP)
- 2009 Waste Discharge Requirements (WDR)
- As-built drawings
- Sewer atlas maps
- GIS data including pipelines, parcels, landuse, roads, other related shapefiles
- Other related operations, planning, condition assessment information.

Dudek will coordinate the locating and installation of up to eight (8) sewer flow meters for capturing extended period flow patterns. Meters will be installed for 3-weeks, providing the ability to identify 24-hour peaking factors for weekday and weekends. This information will be used for the integration of flows into the hydraulic model and the calibration of the model. Assuming the City does not already have an immediately available GIS layer of sewer customers and their equivalent dwelling units (EDUs), Dudek will undergo a streamlined approach to distribute sewer flows.

Each flow meter represents the outfall of the upstream collection system network. Dudek will establish a selection set of the upstream pipeline network for each sewer flow basin, as defined by the existing flow meters. Using this pipeline selection set, the “nearest” parcels to the pipeline network will be selected. Average day sewer flows will be proportioned to each selected parcel, initially on a 1:1 basis. In the event that the City has supporting data, such as water billing data that provides further intelligence on the nature of sewer flows to each parcel, this information can be utilized to refine the distribution of flows. For example, a high-density residential customer may represent a single parcel, with dozens of residential units. Therefore, these locations will ideally be reflected in the portioning of sewer flows.



Dudek understands the City has 11 existing flow meters within the collection system and will work with the City to establish a selection set of upstream pipelines for each sewer flow basin.

Dudek will use the GIS-based InfoSewer hydraulic modeling software for the project. Using the existing sewer pipeline network as the starting point, Dudek will use a subroutine for assigning pipeline slopes and inverts for capacity analysis. For hydraulic capacity analysis, the existing pipeline diameter and slope are required. The

minimum design slope will be used for each pipeline, as a conservative effort, based on diameter. This approach will allow the initial capacity analysis of the system and focus the research of actual pipeline slopes where the capacity is not sufficient for existing and/or future flows. As the project does not include modification to the GIS, in the event that deficiencies become apparent using minimum design slope, Dudek will provide the locations of surcharging pipelines for the City to determine if there is a need to conduct further validation of the physical slope.

Average day flows will be assigned to the nearest node (manhole) within the hydraulic model. A typical 24-hour diurnal curve will be applied to each node, and then adjusted as part of the calibration process to reflect the measured downstream flow meter diurnal curve.

The City is anticipating redevelopment to occur within the sewer service area. Dudek anticipates a future land use GIS layer exists that represents areas planned for growth and redevelopment. Given these areas of growth, Dudek will increase sewer flows relative to the projected increase in population density. Once the future flows are identified and applied at the parcel level, Dudek will undergo the same flow distribution to nodes as conducted for existing flows.

Dudek will approach the sewer collection system operational evaluation by basing the hydraulic performance relative to industry standards and City standards. Average and peak hour depth over diameter values, flow velocity, and forcemain velocity will be tabulated for each pipeline segment.

Element 2 – Condition Assessment

In 2014, Dudek provided the review, condition assessment and recommendations improvements of existing sewers in the Old Town area of the City collection system. This effort addressed 135 sewer pipeline segments over 4.9 miles. For this next phase of the condition assessment, Dudek will apply the methodology for review, assessment, ranking, prioritization and grouping previously used to streamline the process.

The City has approximately 65 miles of remaining pipelines need review and assessment. We understand that all pipelines have CCTV information (within the past 10 years) to use for the review. If during our review we find segments needs to be re-inspected, the City will conduct these inspections in-house. Included as part of the project scope is the video inspection of up to 100 sewer manholes. The consolidation of recommended and ranked improvements will be included as part of the overall capital improvement project list.

Element 3 – Recommended Capital Improvement Program Projects

In the process of development of the master plan report, numerous projects will be identified support capacity needs, rehabilitation needs, replacement, maintenance, operational efficiency, etc. The summation, estimate of annual or project level costs and prioritization of these projects will in consolidated in the 10-year CIP project list. Dudek will be focused on capacity related projects associated with growth and redevelopment and rehabilitation projects derived from the condition assessment process. Projects originating from within the City operations staff associated with maintenance issues, access challenges, or operational efficiently will be included as provided.

Element 4 – Master Plan Report

To be successful, resulting deliverables must be clear and easy to read and must enable quick retrieval of information. In addition to being useful, the reports must:

- Provide a through system inventory of the collection system pipelines and facilities
- Contain clear explanations of design criteria based on both industry standards and the unique characteristics of the region
- Identify areas within the service areas with substandard performance or capacity
- Identify projects that improve performance and/or increase efficiency to meet growing needs as well as regulatory requirements

Accomplishing City master planning goals requires practical infrastructure planning. The Dudek team uses a variety of GIS and engineering techniques to identify required improvement recommendations, steering results towards efficient operation of existing facilities. However, we respect and build upon established City procedures to ensure that developed projects are consistent with historical workflow efforts.

Draft reports are planned to be submitted at the 50%, 90% and Final completion stages.

Element 5 – Project Management

Our management approach commits our technical expertise and underlying support to complete your 2016 Sewer Master Plan within identified scope and budget constraints. Our management process begins with the Project Management Plan (PMP), identifying each team member's responsibilities, project communications protocols, critical success factors, and risk management and quality control measures. Budget and schedule tracking is maintained with an earned-value (EV) tracking process, where progress is tracked using task-by-task completion/invoicing to assess budget and schedule status. Monthly reports, as requested, accompany monthly invoices, providing summaries of completed work and upcoming work and address scope or budget discussions.

Benefit to the City

A project management team approach that ensures coordinated project controls, continuous quality assurance, and collaborative assessments that provide high-quality deliverables.

We have assigned Russ Bergholz, PE, as our project manager. He understands the importance of identifying client's critical success factors for each project. Mr. Bergholz is part of our Dudek Project Management Training team, mentoring other project managers in successful project management. Included with daily project management responsibilities are the following aspects of the project management role:

- **Initial Kick-off Meeting-** The kick-off meeting documents contact information and responsibilities for each team member (consultant and client), initiates dialog between Dudek and the City, provides guidelines for project quality control, and details City expectations for a successful project (critical success factors). The Dudek team will provide an initial data request at the kick-off meeting, itemizing specific data needs for each plan component.
- **Close Coordination with City Staff-** Our consultant/client partnering encourages close working relationships between the Dudek team and City staff. Interactions between various staff take place at frequently, typically daily. As our project manager, engineers, planners, and principals have worked together for many years, communications networks are well established.
- **High-Quality Deliverables-** Our approach sets goals for technical excellence and high-quality deliverables. We understand that without achievement of these goals, the City will not have confidence in final recommendations. Clear and concise documents are critical, making maximum use of word processing, publishing, graphics, and mapping capabilities. Reports and presentations will reflect well on the City throughout your project.

2 Scope of Work

Task 1 Project Management & Meetings

Successful management is essential to ensuring quality and ensuring that tasks are completed in strict accordance with the scope of work and schedule. Strong communication between the Dudek and City will be maintained throughout completion.

The Project Management Plan (PMP) - The PMP defines team roles, project goals, communications, contract management, and other project actions. A critical component of the PMP is identifying and documenting the project critical success factors, referenced to ensure that the project is following the correct path toward successful project completion.

Tracking the Project- Dudek uses an Excel-based EV tracking system, proven effective in managing projects by keeping them on schedule and within budget. The tracking process compares budget expended to work completed on a task-by-task basis. Comparison of the intended production rate with the ongoing production rate provides excellent tracking of actual production. We use our EV tracking system to monitor progress and provide supporting data, as requested.

Progress Reports- Dudek provides monthly summary reports with the monthly invoices.

Meetings- Prior to start of master plan development, Dudek will hold a project kick-off meeting with City staff from the Public Works Department. The purpose of the kick-off meeting is for Dudek to best understand the existing wastewater system and for City staff to understand the elements and outline of the master plan being proposed. This intent of the meeting is to ensure that City staff will get a master plan that is a working document and that the Dudek's effort is properly utilized. In addition to the kickoff meeting, Dudek anticipates meetings during the sewer flow monitoring process (up to 2), review meetings of draft submittals (up to 4) and City Council presentation of the Final Report. Additional progress meetings will be conducted as needed during the duration of the progress, either in person (up to 2) or over conference calls.

Quality Assurance and Control - Dudek is committed to training project managers in proven methods of project management and project monitoring. Our commitment to quality project management includes maintenance of an in-house Project Managers Committee to establish guidelines for project management and review individual project manager performance. By applying proven principles of tracking and managing project administration, client satisfaction is improved, project quality is improved, and cost savings realized.



Communication is crucial to effective project management. Proactive client communications are always a part of the Dudek philosophy. Dudek project managers are accountable for providing proactive communication including written progress reports, accompanied by scheduled progress meetings. We maintain communication through regular conversations, discussing project issues and anticipating obstacles.

Task 2 Research, Data and Information Gathering

Dudek will obtain and review existing reports, maps, and other data relevant to the wastewater collection system. Existing reports and documents include the following, as a minimum:

- 2000 Flow Study
- 2005 Sewer Master Plan
- 2006 Sewer System Management Plan (SSMP)
- 2006 Waste Discharge Requirements (WDR)
- As-built drawings
- Sewer atlas maps

Dudek will research, gather and review existing land use jurisdictional documents within the City's planning area that will serve as the basis for the existing and build-out wastewater generation scenarios. The City will provide Dudek with the latest sewer GIS. The GIS will serve as the basis for the hydraulic model development. The City anticipates that the GIS information is not fully "model ready" and expects updates will be necessary to address missing information to allow meaningful hydraulic capacity analysis of the collection system.

A topology analysis will be conducted to confirm connectivity and establish flow directionality. Verification of missing or inappropriate data and completeness of hydraulic parameters will also be conducted. Missing pipe invert data necessary for hydraulic modeling will be based on existing topography and minimum slope assumptions. By using this approach, Dudek will avoid the extensive cost of as-built record research and conducting field surveys of manhole inverts. The required level of effort is difficult to project; therefore, for the purposes of this submittal proposed investigations are assumed to take up to 40 hours of data manipulation of the GIS data to determine a system-wide "minimum design slope" and/or locate missing data critical for modeling from as-built drawings and/or the sewer atlas maps.

Task 3 Flow Monitoring

Dudek will utilize the services of ADS to conduct sewer flow monitoring to support model calibration and unit flow factor development. Eight (8) flow monitoring devices will be installed over a 3-week period. A flow meter will be located at the outfall of each of the six basins, with two additional meters to be placed at to-be-determined locations to capture additional flows for calibration and unit flow projections.

Task 4 Performance Criteria and Unit Flow Factors

To determine the hydraulic capacity of the system, the operational goals for each facility type must be established. This is generally done through a review of the City's design specifications and through staff interview. Dudek will review design and performance criteria used in past studies, evaluate those criteria based on experience and staff input and develop evaluation criteria for existing and future system.

Task 5 Unit Flow Factors and Build-Out Projection

The existing sewer service area is approximately 98% built-out. Infill and redevelopment are anticipated to be minimal in the foreseeable future. Dudek will validate the estimated build-out stage and account for any projected redevelopment as part of the model development process based on City staff input and review of the City general plan.

Determine Existing and Future EDUs - Existing equivalent dwelling units (EDUs) within the City's service boundaries will be identified for distribution of flows in the hydraulic model. EDUs will be calculated for residential parcels using the City's GIS, county parcel maps, EDU conversion factors for multi-family development, and the City's sewer customer database. Non-residential EDUs will be calculated from established EDU conversion factors. Flow distribution within the existing system model (flow per EDU) will be adjusted to match average flows at each metered basin.

Future EDUs will be projected for build out conditions within the service area based on current and future General Plan land use information. Dudek staff will meet City staff to identify existing or future developments projected to have significant expansion plans. Future infill EDUs will be calculated for these projects individually.

Average day flows, average 24-hour diurnal flow pattern, and peak flows will be established for each flow meter location. A summary of the assumed average, peak, and 24-hour flow patterns will be provided for confirmation before proceeding with distributing these flows into the hydraulic model.

Task 6 Sewer Model Development

Dudek will develop a hydraulic model for the entire collection system. The software selected shall be Windows-based InfoSEWER (or approved equal) and compatible with the existing City GIS software. The model will be constructed using the City's existing GIS. Flow loading will be based on flow monitoring (Task 3), development of unit flow factors based on both flow monitoring and industry standards for the primary land uses within the drainage basin, and flow allocation throughout the City, using the City's customer database, which includes APNs which can be linked to the City-provided parcel layer.

Dudek will investigate wet weather peaking factors utilized by OCSD for the Placentia region to estimate peak wet weather flows. Once determined, an estimate of peak inflow and infiltration (I/I) will be applied to the model inflow database, allocated relative to pipeline segment length.

Future development research conducted under Task 5 will be added to existing system model based on the identified future EDUs within the service area. Distribution of future flows will be developed similar to that for existing flows unless specific redevelopment areas are identified, such as in the Old Town region. Preliminary alignments and extensions for required new facilities to serve future service areas will be identified considering topographic constraints and planned roadways. It is anticipated that the same unit flows, peaking flow curves, and I/I rates used in the existing system model will apply to future flow conditions.

Task 7 Sewer System Analysis

Task 7.1 Existing System Analysis

The model shall be calibrated based on existing dry weather and wet weather flows reflected during flow monitoring data gathered in Task 3. Calibrated model is expected to be within 10% of actual measured flows. Once the model is calibrated, peak dry weather flow (PDWF) and peak wet weather flow (PWWF) scenarios shall be run on the existing system. System shall be evaluated against the design and performance criteria established in Task 4. Dudek will identify improvements to correct capacity deficiencies and PDWF and PWWF scenarios shall be re-run to confirm improvements are sufficient.

- Flow scenarios for Task 7.1 include:
- Existing Dry Weather (Calibration)

- Existing Wet Weather (Calibration)
- Existing Dry Weather (Capacity Analysis)
- Existing Wet Weather (Capacity Analysis)
- Existing Wet Weather with Capacity Improvements (Capacity Analysis Proof)

Task 7.2 Build-out System Analysis

PDWF and PWWF scenarios shall be run on the build-out system. System shall be evaluated against the design and capacity criteria established in Task 4. Consultant shall recommend improvements to correct capacity deficiencies and build-out PDWF and PWWF scenarios shall be re-run to confirm improvements are sufficient.

- Flow scenarios for Task 7.2 include:
- Build-out Dry Weather (Capacity Analysis)
- Build-out Wet Weather (Capacity Analysis)
- Build-out Wet Weather with Capacity Improvements (Capacity Analysis Proof)

A Proposed Facilities Map will be prepared to graphically display the build-out collection system required to collect and convey future tributary flow. Dudek will meet with City staff to identify projected timeframes for new development. Future facilities will be prioritized and phased based on the severity of capacity deficiency and build-out timeframes.

Task 8 Condition Assessment

A condition assessment of sewer pipelines in the Downtown area was conducted for the City in 2015 and a collection of recommended improvements was created for repairs and rehabilitation. For this master plan, the remaining portion of the collection system will be reviewed to assess condition and identify repair and rehabilitation needs.

The City has CCTV inspection video for the entire collection system (conducted between 2005 and 2015). The total length of pipelines to be reviewed is approximately 65 miles. Dudek will base the assessment and recommendations from these videos. For each reach, documentation of defects, laterals, debris, roots, grease, offset joints, cracks, or other noted problems will be stored within a table. The priority for rehabilitation will be estimated based on the severity/quantity of defects, flow, location, and other factors. The specific rehabilitation method recommended will be identified and a cost assigned. A map will be prepared within GIS to highlight recommended repairs and rehabilitation needs.

Dudek will utilize the services of ProPipe for conducting video inspections of up to 100 Manholes. Specific manholes selected for the inspection will be coordinated with City staff. Inspections for manholes within roadways will primarily be conducted at night to reduce the impact to traffic. The inspection will consist of suspending a panoramic camera into the manhole to obtain a 360 degree scan with a MACP Level-2 condition assessment report.

Task 9 Operational Narrative

The operational narrative shall review and document the operation of the City's collection system as documented in the current State Waste Discharge Requirements (WDR) and the City's Sewer System Management Plan (SSMP). This task will also include a summary of the City's cleaning and CCTV process.

Task 10 Develop Capital Improvement Program Project List and Recommendations

Dudek will develop a 10-year CIP, including cost estimates and phasing recommendations based on budgetary considerations. The goal of this program is to provide the City with a long-range planning document for constructing wastewater infrastructure improvements on a prioritized basis. The City's available funds for this program and its ability to administer the implementation of the projects will be an important consideration. The elements of the CIP, as a minimum, shall include the following:

- Collection system capacity improvements as identified by the hydraulic modeling
- Collection system improvements as identified by the condition assessment
- A graphical representation of the proposed CIP

Task 11 Report Preparation

Following the completion of the above project elements, Dudek will consolidate the analysis and recommendations into the Sewer Master Plan Report. The specific outline of chapters and content will be unique to the City. Tabular data and graphics will be integrated throughout the report. The following outline represents an estimate of the anticipated report structure.

- Executive Summary
- Introduction
 - Background
 - Service Area Overview
 - Land Use
 - Planned and Anticipated Redevelopment
 - Previous Master Plans
 - Sewer System Management Plan
 - Waste Discharge Requirements
- Existing System Description
 - General
 - Collection System
 - Collection System Operation and Management
 - Inter-Agency Agreements
 - City of Brea
 - OCSD
- Existing Wastewater Flows
 - Historical (Year 2000) Flows
 - Recent Flow Monitoring Program
 - Average Dry Weather Flows
 - Peak Dry Weather Flows
 - Inflow and Infiltration
 - Existing Unit Flow Factor Analysis

- Existing System Evaluation
 - Design Criteria
 - Pipeline Evaluation or “Trigger” Criteria
 - Existing System Hydraulic Model
 - Modeling Software
 - Physical Data Input
 - Dry Weather Flow Loading
 - Model Calibration
 - Wet Weather Flow Loading
 - Capacity Analysis Results
 - Gravity Pipelines
 - Inter-Agency Pipeline Flows
 - Flows to OCSD
- Build-out Flow Projections and Analysis
 - Planned Sewer System Improvements
 - Future Growth Projections
 - Future Flow Generation Factors
 - Projected Build-out Flows
 - Capacity Analysis Results
- Operational Analysis
 - State of California Waste Discharge Requirements
 - Sewer System Management Plan
- Condition Assessment
 - Pipeline Assessments and Recommendations
 - Manhole Assessments and Recommendations
- Capital Improvement Program
 - Annual Program Budget
 - Prioritization
 - Cost Estimates
 - Recommended Phasing

Deliverables: Dudek will provide three (3) hard copies of the Draft Master Plan with all figures, tables and attachments for City staff review. The City will provide a consolidated set of comments for return and review by Dudek. Dudek will review and incorporate comments into the Final Master plan. Dudek will provide three (3) hard copies of the final report with all figures, tables and attachments and a complete version in PDF format submitted electronically.

3 Project Team

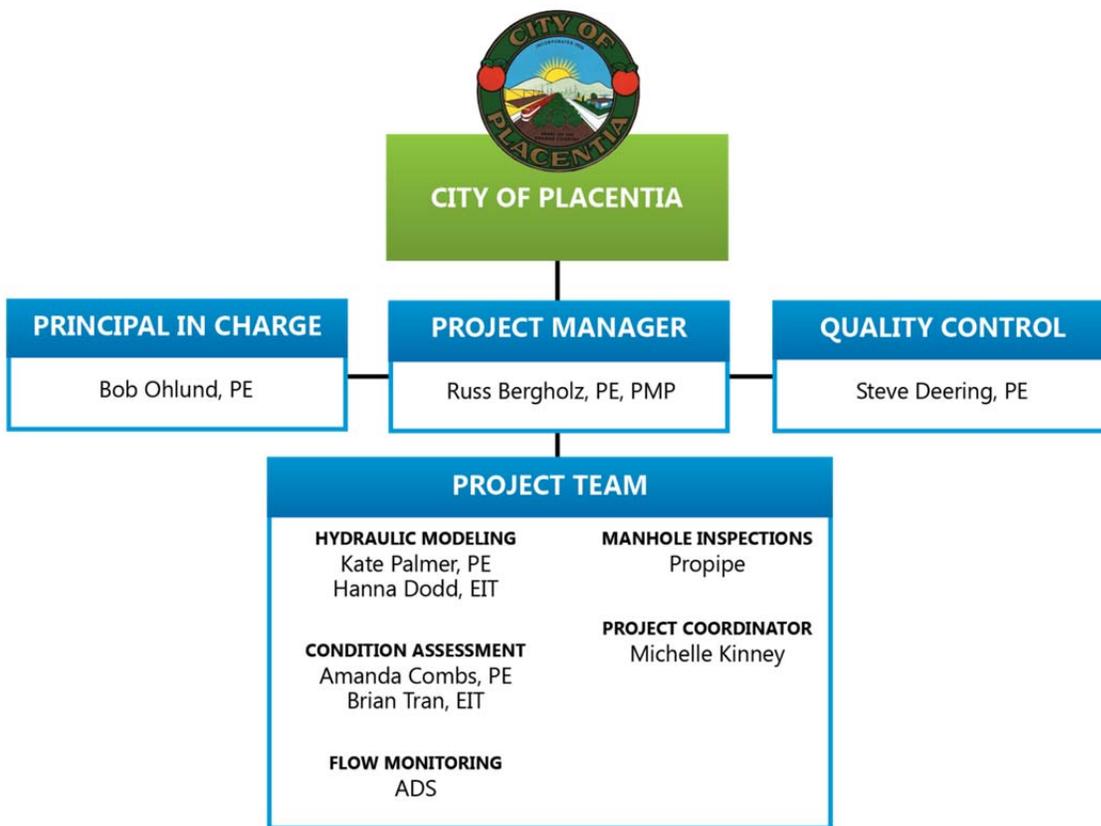
The Dudek team includes a concise array of professionals who built their careers designing, permitting, managing, maintaining and constructing water, wastewater, and recycled water facilities. The following discussion introduces key team members and summarizes their project responsibilities and relevant recent experience. Key team members are summarized below along with their experience working on similar municipal planning projects. Full resumes are available upon request.

Benefit to the City

The Dudek team has successfully completed sewer master planning projects that deliver unparalleled expertise with a value-based approach to the City.

The key team members provide the requisite expertise in sewer master planning, geographic information system (GIS), and hydraulic modeling essential to deliver effective and efficient service to the City. **Figure 1** provides our project organization chart, illustrating the roles and responsibilities of each person assigned to your project. The Dudek team members are dedicated to your project for its duration to the extent necessary to complete their assigned tasks. No changes in staff assignments will occur without prior written approval from City staff.

FIGURE 1. PROJECT ORGANIZATION CHART



Team Bios

Project Manager - Russ Bergholz, PE, PMP

Russ Bergholz is a senior manager with Dudek and responsible for overseeing the Dudek water infrastructure group and is assigned as the lead project engineer for the City's proposed project. Mr. Bergholz specializes in the planning, design, and construction of public water and water infrastructure projects. His experience includes water-related system master planning and design, various as-needed special studies, preliminary design reports, GIS development projects, and other related engineering services. He is currently providing as-needed hydraulic modeling services to Irvine Ranch Water District. Other recent master planning experience includes:

- City of Carlsbad, Water and Sewer Master Plan Update
- Irvine Ranch Water District, Lake Forest Subarea Sewer Master Plan
- Irvine Ranch Water District, Sewer Collection System Master Plan
- Rainbow Municipal Water District, Water and Sewer Master Plan.

EDUCATION

University of California, Davis
BS Civil Engineering, 1995

CERTIFICATIONS

Professional Civil Engineer
PE, CA No. 59395
Project Management Institute
PMP No. 1472209

Principal in Charge - Bob Ohlund, PE

Bob Ohlund is Vice-President of Dudek, with more than 33 years of engineering consulting experience focused on developing creative and sustainable solutions for public infrastructure. Mr. Ohlund is an expert in water, wastewater, and recycled water resource projects, serving in program management, project management, and construction management roles. His leadership in planning, design and construction of new facilities and rehabilitation of existing facilities has culminated in many successful projects.

Mr. Ohlund provided district engineering services for Los Alisos Water District and the Santiago Aqueduct Commission from 1985 to 1993. In this role, he worked closely with Board of Directors, management, and operations and maintenance staff and was responsible for master planning, design, and construction implementation of facilities to ensure efficient and effective operations. He has additionally provided master planning for a variety of Los Angeles and Orange County agencies over the years. Recent experience includes:

- Irvine Ranch Water District, Lake Forest Subarea Sewer Master Plan
- City of San Juan Capistrano, Sanitary Sewer Master Plan
- Port of Long Beach, Sewer System Master Plan
- City of Santa Ana, Sewer System Master Plan

EDUCATION

University of Southern California
BS Civil Engineering, 1983

CERTIFICATIONS

Professional Civil Engineer,
CA No. 41006

Quality Control Manager - Steve Deering, PE

Steve Deering has been a principal engineer at Dudek for 30 years. He has over 42 years' experience with planning, designing, and managing water, wastewater, and recycled water facilities. Mr. Deering has served as a District Engineer for several local San Diego agencies, including Leucadia Wastewater District and Ramona Municipal Water District. As part of his role as District Engineer, he has been responsible for numerous master planning efforts and updates. Other relevant experience includes:

- City of Solana Beach, Master Plan
- Leucadia Wastewater District, Sewer Master Plan
- City of Encinitas, Sewer Master Plan
- Irvine Ranch Water District, Domestic Waster Master Plan
- City of Poway, Reclamation Master Plan
- City of Oceanside, Reclamation Master Plan
- City of Carlsbad, Reclamation Master Plan.

For this project, Mr. Deering will serve as the Quality Control Manager. He will be responsible for review of project deliverables.

EDUCATION

University of California, Berkeley
MS, Sanitary Engineering, 1977

Tufts University
BS, Civil Engineering, 1972

CERTIFICATIONS

Professional Civil Engineer
PE, CA No. 26514
NASSCO Certified: MACP, PACP

Lead Engineer/Modeler - Kate Palmer, PE

Kate Palmer has worked as a professional engineer throughout California for the past 15 years. Her engineering responsibilities include project engineering and management, consisting of systems analysis, modeling, planning, and design of water, wastewater, and reclaimed water facilities. She is knowledgeable in computer-based hydraulic modeling using WaterGEMS, SewerGEMS, InfoWater, InfoSewer, InfoWorks, H₂O Map Water, and H₂O Map Sewer, and in GIS using ESRI ArcView 10.0 SP4, ESRI ArcGIS Desktop 10.0 SP4, and Autodesk Map 3D 2012.

Ms. Palmer's recent hydraulic modeling experience includes Coastal Zone 2 Hydraulic Model Development for Irvine Ranch Water District, the Sewer Master Plan for the City of El Cajon, and model updates for Lee Lake Water District.

EDUCATION

Stanford University
MS, Civil & Environmental Engineering,
2003

Michigan State University
BS, Biosystems Engineering, 2001

LICENSE AND CERTIFICATIONS

Professional Civil Engineer
CA No. 68695 LEED Green Associate

Project Engineer/Modeler – Hanna Dodd, EIT

Hanna Dodd is a project engineer focused on water resources and water and wastewater infrastructure. Her experience includes a large array of water and wastewater treatment and facilities design analyses. Her expertise consists of novel water treatment techniques, with a particular emphasis in removal of pathogens, mechanical systems, and energy usage and reduction assessments.

EDUCATION

Stanford University
MS, Civil & Environmental Engineering,
2015

California Institute of Technology
BS, Mechanical Engineering, 2013

LICENSE/CERTIFICATIONS

Engineer in Training
CA No. 157828

Condition Assessment - Amanda Combs, PE

Amanda Combs is an accomplished civil/environmental engineer with over 14 years of experience in water and wastewater infrastructure design. She has experience in a variety of municipal water and wastewater projects and specializes in trenchless construction and rehabilitation of pipelines. Her experience includes providing a full range of engineering services from conceptual planning, preliminary design, final design, to construction phase services.

Ms. Combs will serve as the condition assessment engineer for the project. She recently completed the condition assessment and design CIPP of over 160,000 linear feet of pipeline for the City of South Pasadena winning an Engineering Achievement Award from CWEA – Los Angeles Basin Section.

- Project Manager for City of South Pasadena Sewer Rehabilitation and Repair Project Phase 1
- Project Manager for City of South Pasadena SRF Assistance - \$11 Million CWSRF Loan
- Project Manager for City of Vista Sewer Condition Assessment and SRF-funded Sewer Rehabilitation – Rehabilitation of over 50,000 lineal feet of 8-12-inch pipe using CIPP
- Lead Engineer for Inland Empire Brineline Reach V Rehab, Santa Ana Watershed Project Authority
- City of Culver CIPP Phase 2, 3 and 4 Sewer Rehabilitation Construction Phase Services

EDUCATION

Virginia Polytechnic Institute and State University
MS Environmental Engineering, 2001
Virginia Polytechnic Institute and State University
BS Civil/Environmental Engineering, 1998

CERTIFICATIONS

Professional Civil Engineer
CA No. 67287

Condition Assessment - Brian Tran, EIT

Brian Tran is a civil engineer focused on water and wastewater infrastructure. His experience includes performing construction inspections, verifying plan checks and construction submittals, and assisting with various planning and design tasks for water and wastewater projects.

Brian will perform condition assessment review and assist with the preparation of plans and specifications.

- Project Engineer for City of South Pasadena Sewer Rehabilitation and Repair Project Phase 1 and 2
- Project Engineer for Joshua Basin Water District As-Needed Engineering Services
- Construction Inspector for various sewer projects with Leucadia Wastewater District

EDUCATION

San Diego State University
BS, Civil Engineering, 2013
LEED Preparation Course, 2012

4 Qualifications & References

Dudek is an employee-owned, privately held California Corporation founded in 1980. For more than 35 years, Southern California municipal agency/public-sector clients have relied on Dudek to deliver practical, workable, and cost-effective solutions for environmental, infrastructure and construction management projects. With more than 300 employees based in California, we are one of the region's leading mid-sized engineering, construction management, and environmental firms. Our structure allows us to be nimble problem solvers with project managers who stay involved in clients' projects from start to finish while offering a depth and variety of services. We work to build your trust, which allows us to offer constructive solutions with your project's long-term success in mind.

Dudek Benefits to the City

- Proven partnership and ability to perform
- Knowledge and understanding of the City's system
- Strong wastewater master planning experience
- Unique ability to finalize practical, cost-effective solutions to wastewater planning

Master Planning Experts

Dudek has extensive qualifications and technical experience with regard to master planning. A properly prepared master plan will meet several objectives for the maintenance and management of water, wastewater, and recycled water facilities. By utilizing state-of-the-art GIS and hydraulic models, Dudek has completed over 30 similar comprehensive master plans that assist agencies with planning appropriately for improvements, meeting regulatory requirements, and enhancing operations for increased reliability and efficiency.

The Dudek team has extensive master planning experience. A summary of recent projects is provided and summarized in **Table 1**. References are provided for each highlighted project to confirm our past performance. Dudek encourages you to contact our references, as we take pride in meeting or exceeding the expectations of each client.

TABLE 1. DUDEK MASTER PLANNING EXPERIENCE

Services	Water	Recycled Water	Wastewater	GIS Demand Loading	Model Development	CIP Development
Client Project						
Carpinteria Sanitary District, Sewer Master Plan			X	X		X
City of Carlsbad, Water and Wastewater Master Plan Updates	X		X	X	X	X
City of Encinitas, Sewer Master Plan Update			X		X	X
City of Huntington Beach, Water System Master Plan	X				X	X
City of Oceanside, Sewer Master Plan			X	X		X
City of San Juan Capistrano, Sanitary Sewer Master Plan			X			X
City of Santa Ana, Water System Master Plan & Sewer System Master Plan	X		X		X	X
City of Vista, Sewer and Stormwater Master Plan			X	X		X
Coachella Wastewater Master Plan			X	X		X

Services	Water	Recycled Water	Wastewater	GIS Demand Loading	Model Development	CIP Development
Client Project						
Indio Water Authority, Water System Master Plan	X					X
IRWD Sewer Collection System Master Plan			X	X	X	X
IRWD, Lake Forest Subarea Master Plan	X	X	X	X	X	X
Laguna Beach County Water District, Water Master Plan Update	X					X
Lee Lake Water District Water, Wastewater, and Non-Potable Water Model	X	X	X	X		X
Leucadia Wastewater District Master Plan			X	X		X
Los Alisos Water District, Water and Reclaimed Water System Master Plan	X	X				X
Moulton Niguel Water District, Water System Master Plan	X					X
OCSD, Potable Water Assessment Study	X				X	X
Padre Dam Municipal Water District, Recycled Water Reclamation Master Plan		X				X
Phase I Northern Service Area Reclaimed Water System Master Plan		X				X
Port of Long Beach, Water System Master Plan & Sewer System Master Plan	X		X		X	X
Rainbow Municipal Water District, Water and Sewer Master Plan	X		X	X		X
Rancho California, Indirect Potable Reuse Study		X				
San Luis Obispo, Water Re-Use Master Plan		X		X		X
Santa Fe Irrigation District, Recycled Water Master Plan		X		X		X
Valley Sanitary District, Wastewater Master Plan Update			X	X	X	X
Yucaipa Valley Water District, Water, Wastewater, and Reclaimed Master Plan	X	X	X	X		X

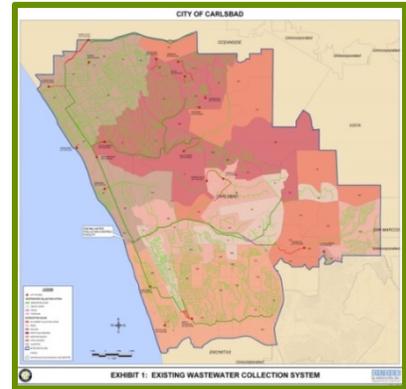
Water and Sewer Master Plans

Client: City of Carlsbad
Client Reference: Terry Smith, Senior Civil Engineer, 760.602.2765

Dudek completed updates for the 2003 Water and Sewer Master Plans for the City of Carlsbad (City). The plans identified 84 individual water and sewer improvement projects for construction and were recommended for approval by City officials.

In 2008, Dudek updated the Sewer Master Plan using the latest computer hydraulic modeling and GIS database management technology. Dudek crafted a sewer master plan that included defining existing and future system facilities, reviewing design and planning criteria, creating and performing computer model simulations under varied development scenarios, and recommending facility improvements for both City and developer implementation.

The sewer component of this project also included creation of a sewer system GIS. To enhance Citywide use capabilities, the GIS was developed at the City's offices, with equipment that was integrated with the City's existing computer network. Dudek provided model training to the City staff. The CIP identified the City's ongoing fiscal requirements to implement the plan, including a 20-year program in 5-year increments with associated estimated costs and mapping in a format that facilitates associated CEQA documentation.



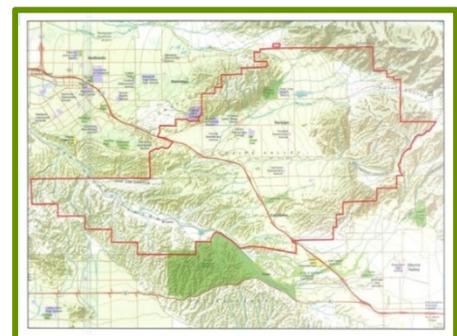
PROJECT FEATURES

- Incorporation of corrected and updated GIS files into model
- Model training for City staff
- Study of current land use and associated usage, working with City staff to present a sequenced set of CIP improvements based on budget

Water, Wastewater, & Recycled Water Master Plans

Client: Yucaipa Valley Water District
Client Reference: Joe Zoba, General Manager, 909.797.5119

Dudek developed system mapping and modeling analysis for the Yucaipa Valley Water District's existing and projected water, wastewater, and reclaimed water infrastructure. GIS-based mapping and modeling techniques were used to identify the existing parcel base and facilities. This information was then used by the HYDRA and H₂O NET modeling programs to prepare computer simulation of each system. The hydraulic simulations provide a determination of the existing system and the future system improvements needed with regard to treatment, conveyance, collection, storage, and disposal issues. Water supplies were evaluated and a complete Urban Water Management Plan prepared as part of this project. As part of this project, our environmental division prepared a Program EIR.



PROJECT FEATURES

- GIS data collection, entry and conversion
- 25-year Collection System CIP
- GIS allowed information to be consistently presented to city, state, and the public

Lake Forest Subarea Master Plan & Sewer Master Plan

Client: Irvine Ranch Water District
Client Reference: Eric Ashioki, Principal Engineer, 949.453.5553

Irvine Ranch Water District (IRWD) merged with the Los Alisos Water District (LAWD) in 2000 and had not fully integrated the operation and planning of the LAWD into the existing IRWD water, sewer, and recycled water infrastructure. IRWD hired Dudek to prepare a Subarea Master Plan that not only documents the existing water, sewer, and recycled system facilities and their current operation, but also projects the future infrastructure needs of the service area. Dudek prepared three independent hydraulic models, quantified and input existing flows/demands, and simulated existing and future development to identify both existing and future needs of each water resource. The Lake Forest Subarea Master Plan provides IRWD with a prioritized list of improvement projects to provide both short-term reliability and redundancy of the water infrastructure, and a phased plan for future improvements as the area develops over time.



PROJECT FEATURES

- Preparation of three independent hydraulic models
- Calculation and input of existing flow/demands
- Improvement in short-term reliability and redundancy of water infrastructure
- Phased plan for future improvements

Dudek also created a GIS-based hydraulic model calibrated to flow measurement data to complete IRWD’s Sewer Collection System Master Plan. The model identifies needed improvements, determines design criteria, and meets regulatory requirements. Risk-index-based design requirements and action plans were derived to minimize sanitary sewer overflows. A capacity assurance plan was completed by reviewing maintenance practices and problem areas. The master plan also included an extensive water and sewer flow generation analysis to determine the future market for additional recycled water. Dudek worked closely with IRWD staff, training IRWD project engineers on the model for continued in-house use of the system.

Wastewater Master Plan

Client: City of Vista
Client Reference: John Conley, Community Development Director, 760.639.6100

To determine build-out capacity and CIPs, the City of Vista (City) needed to both update its wastewater master plan and map and create a master plan of the stormwater collection system. The City services 90,000 residences over an 18.5-square-mile area. Dudek was hired to develop a state-of-the-art wastewater GIS-based link-node hydraulic model and to create a GIS for the stormwater system. Dudek provided a unique, three-phased approach to the GIS development. The firm started by collecting as-built information for data entry. Field surveys then were conducted for verification of facilities and condition assessments. The third stage involved developing an adjustment for each facility to a uniform vertical datum (NAVD29) to provide a basis for hydraulic modeling. Once the GIS was complete, Dudek proceeded with the hydrologic and hydraulic analysis of the system to identify both capacity deficiencies and



PROJECT FEATURES

- GIS-based hydraulic model
- Phased plan for GIS development
- Field surveys
- Determination of build-out capacity and CIP improvements

requirements for future development. The GIS layers provide the City with a complete picture of its wastewater and stormwater facilities and respond to the City's desire to encourage the use of GIS for interdepartmental needs, such as code compliance and water quality impact review.

Sewer Master Plan Update

Client: City of Encinitas
Client Reference: Kipp Hefner, 760.633.2775

The City of Encinitas (city) contracted Dudek to evaluate and update the Cardiff and Encinitas Sewer Master Plans and to develop an Ultimate Master Facilities Plan. Dudek was responsible for the following:



- Determining existing and future equivalent dwelling units (EDUs) using the city's Geographic Information Systems (GIS) software, SanGIS parcel maps, EDU conversion factors for multifamily development, and the city's sewer customer database
- Calculating the current and future/ultimate EDUs within the Cardiff and Encinitas Sanitary Districts' service boundaries
- Determining EDUs from non-standard wastewater generation sites (e.g., San Elijo State Campground) using water use records
- Conducting meetings with adjacent agencies contributory to the Olivenhain Trunk Sewer (i.e., Rancho Santa Fe Community Services District and City of Solana Beach)
- Verifying/updating existing system documentation by conducting a quality assurance/quality control analysis of the existing sewer systems' GIS-based model to verify the accuracy of the data
- Recommending/developing hydraulic computer model by working with City staff to select the most appropriate computer hydraulic model for its intended uses
- Analyzing of flow distribution and existing system peak flow to quantify average and peak flows for each significant sewer unit using topographical maps, flow metering, computer modeling, wet-weather data and other mapping tools
- Analyzing of future flow distribution and peak flow analysis Future flow based on identified future EDUs was added to the existing flow models to identify future facilities needed and associated infrastructure improvements
- Preparation of a proposed facilities map to graphically display the ultimate collection systems, prioritized and phased based on the severity of capacity deficiency and estimated build-out
- Evaluation of the existing sewage system for physical condition and remaining useful life through collaboration with city staff
- Preparation a comprehensive list of improvement projects including new, expanded, and replacement facilities; recommended methods of construction; schedule; and estimates of useful remaining life. The list of recommended projects is prioritized for each system based on overall importance for service level, operations and maintenance, and projected EDU/flow growth rates. Capital cost opinions are included for each recommended improvement or replacement project.

PROJECT FEATURES

- *GIS-based hydraulic model*
- *Phased plan for GIS development*
- *Determined EDUs from non-standard wastewater generation sites*
- *Comprehensive list of projects for CIP*

- Evaluation of existing ArcGIS wastewater mapping system and recommendations for upgrades, including additional fields for asset management

Dudek is also responsible for preparation and presentation of the Master Plan document which provides the city with a comprehensive working document that serves as a fully modernized and expanded sewage system guide through build-out conditions. The recommended capital improvement and rehabilitation programs are included in both color-coded map form and in tabular format with probable construction costs, to allow for the subsequent preparation of an associated financial plan.

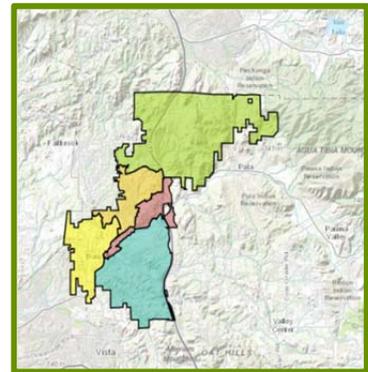
Water & Sewer Master Plan Update

Client: Rainbow Municipal Water District
Client Reference: Sherry Kirkpatrick, District Engineer, 760.728.1178

Dudek prepared the Rainbow Municipal Water District (Rainbow) water and sewer master plans in a systematic manner. Initially, Dudek developed a system wide GIS for both the water system and the sewer system. This was a difficult task, as Rainbow has grown over the years through the purchase of various smaller water and sewer utilities. As a result, record drawings and other necessary information was incomplete.

Dudek cataloged available information and collected the remaining information through field surveying and reconnaissance efforts. Dudek combined GIS data and the collected information to conduct an evaluation of the water and sewer systems and create base maps for use in the master plans. The master plans used the mapped facilities as source data for the hydraulic modeling efforts. Hydraulic models of the water and sewer systems were developed and evaluated. The resulting plan recommendations were summarized in a CIP document.

Dudek has continued to work with Rainbow to update the model and master plans as development continues in the service area. Dudek has also assisted Rainbow with rate and fee development, community relations, and other efforts in support of funding and implementing the master plan recommendations.



PROJECT FEATURES

- System-wide GIS development, data collection, entry, and conversion
- 20-year Collection System CIP
- Water and sewer system model development
- Rate and fee development

5 Fee

Our fee is provided below and is broken down by key tasks, staff time and sub-consultant costs.

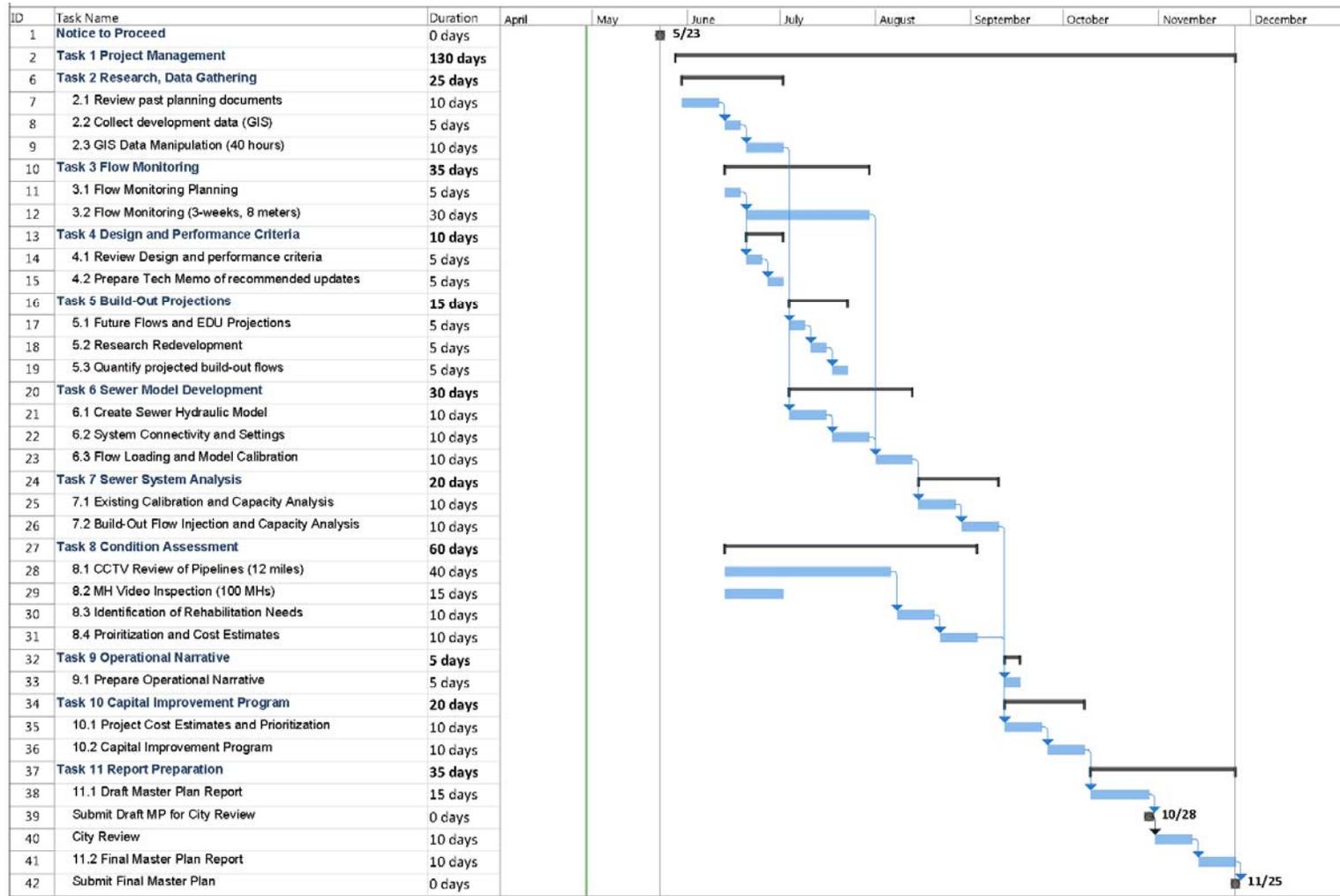
TABLE 2. PROJECT FEE

Task	Project Team Role: Team Member:	Labor Hours and Rates							TOTAL DUDEK HOURS	DUDEK LABOR COSTS	Subconsultant Fees		OTHER DIRECT COSTS	TOTAL FEE
		PIC/ PM	Lead Engineer	Condition Asmt.	Modeling	CCTV Review	Proj. Coord	CAD Designer			Flow Monitoring ADS	MH Inspection ProPipe		
		R.Bergholz	K.Streams	A.Combs	H.Dodd	B.Tran	M.Kinney	K.King			Fee	Fee		
Task 1 Project Management														
1.1	Kickoff Meeting	4	4	4				12	\$ 2,360				\$ 100	\$ 2,460
1.2	Progress Meetings (est. 4)	16	8					24	\$ 4,920				\$ 400	\$ 5,320
1.3	Project Management, Accounting, Scheduling	16						32	\$ 4,960					\$ 4,960
	Subtotal Task 1	36	12	4				68	\$ 12,260	\$ -	\$ -	\$ 500		\$ 12,760
Task 2 Research, Data Gathering														
2.1	Review past planning documents	4	12	8				24	\$ 4,640					\$ 4,640
2.2	Collect development data (GIS)	4	16		20			40	\$ 6,520					\$ 6,520
2.3	GIS Data Manipulation (40 hours)		40					40	\$ 7,400					\$ 7,400
	Subtotal Task 2	8	68	8	20			104	\$ 18,560	\$ -	\$ -	\$ -		\$ 18,560
Task 3 Flow Monitoring														
3.1	Flow Monitoring Planning	8	8				4	20	\$ 3,700				\$ 100	\$ 3,800
3.2	Flow Monitoring (3-weeks, 8 meters)	4						4	\$ 860	\$ 28,750				\$ 29,610
	Subtotal Task 3	12	8				4	24	\$ 4,560	\$ 28,750	\$ -	\$ -	\$ 100	\$ 33,410
Task 4 Design and Performance Criteria														
4.1	Review Design and performance criteria	2	16					18	\$ 3,390					\$ 3,390
	Prepare Tech Memo of recommended updates	4	12					16	\$ 3,080					\$ 3,080
	Subtotal Task 4	6	28					34	\$ 6,470	\$ -	\$ -	\$ -		\$ 6,470
Task 5 Build-Out Projections														
5.1	Future Flows and EDU Projections		8		12			20	\$ 3,100				\$ 100	\$ 3,200
5.2	Research Redevelopment	4	16					20	\$ 3,820					\$ 3,820
5.3	Quantify projected build-out flows	4	8		8			20	\$ 3,420					\$ 3,420
	Subtotal Task 5	8	32		20			60	\$ 10,340	\$ -	\$ -	\$ 100		\$ 10,440
Task 6 Sewer Model Development														
6.1	Create Sewer Hydraulic Model	4	12		24			40	\$ 6,320					\$ 6,320
6.2	System Connectivity and Settings	8	20		20			48	\$ 8,120					\$ 8,120
6.3	Flow Loading and Model Calibration	4	20		40			64	\$ 9,960					\$ 9,960
	Subtotal Task 6	16	52		84			152	\$ 24,400	\$ -	\$ -	\$ -		\$ 24,400
Task 7 Sewer System Analysis														
7.1	Existing Calibration and Capacity Analysis	8	20		16			44	\$ 7,580					\$ 7,580
7.2	Build-Out Flow Injection and Capacity Analysis	8	16		12			36	\$ 6,300					\$ 6,300
	Subtotal Task 7	16	36		28			80	\$ 13,880	\$ -	\$ -	\$ -		\$ 13,880
Task 8 Condition Assessment														
8.1	CCTV Review of Pipelines (12 miles)	4		40	100	100		244	\$ 35,660					\$ 35,660
8.2	MH Video Inspection (100 MHs)	8		20	20	40		68	\$ 11,020	\$ 23,000				\$ 34,020
8.3	Identification of Rehabilitation Needs	8		16	20	20		64	\$ 10,240					\$ 10,240
8.4	Prioritization and Cost Estimates	3		16	10	10		39	\$ 6,465					\$ 6,465
	Subtotal Task 8	23		92	130	170		415	\$ 63,385	\$ -	\$ 23,000	\$ -		\$ 86,385
Task 9 Operational Narrative														
9.1	Prepare Operational Narrative	4	16				4	24	\$ 4,200					\$ 4,200
	Subtotal Task 9	4	16				4	24	\$ 4,200	\$ -	\$ -	\$ -		\$ 4,200
Task 10 Capital Improvement Program														
10.1	Project Cost Estimates and Prioritization	8	8	16		12		44	\$ 7,940					\$ 7,940
10.2	Capital Improvement Program	8	24				16	48	\$ 8,160					\$ 8,160
	Subtotal Task 10	16	32	16		12	16	92	\$ 16,100	\$ -	\$ -	\$ -		\$ 16,100
Task 11 Report Preparation														
11.1	Draft Master Plan Report	16	42	12	8		12	16	\$ 17,770				\$ 200	\$ 17,970
11.2	Final Master Plan Report	12	24				8	8	\$ 8,780				\$ 100	\$ 8,880
	Subtotal Task 11	28	66	12	8		20	24	\$ 26,550	\$ -	\$ -	\$ 300		\$ 26,850
Total Base Hours and Fee		173	350	132	290	182	40	44	1211	\$ 200,705	\$ 28,750	\$ 23,000	\$ 1,000	\$ 253,455
<i>Percent of Hours:</i>		<i>14%</i>	<i>29%</i>	<i>11%</i>	<i>24%</i>	<i>15%</i>	<i>3%</i>	<i>4%</i>	<i>100%</i>					
Optional Services														
Task 12														
12.1	CCTV Review of Pipelines (48 miles)	20		160	400	400		980	\$ 143,500					\$ 143,500
12.2	Identification of Rehabilitation Needs	32		64	80	80		256	\$ 40,960					\$ 40,960
12.3	Prioritization and Cost Estimates	12		64	40	40		156	\$ 25,860					\$ 25,860
	Subtotal Task 12	64		288	520	520		1392	\$ 210,320	\$ -	\$ -	\$ -		\$ 210,320
Total Base and Optional Hours and Fee		237	350	420	810	182	40	44	2603	\$ 411,025	\$ 28,750	\$ 23,000	\$ 1,000	\$ 463,775

6 Schedule

Figure 2 provides an illustration of the proposed project schedule for the City’s Sanitary Sewer Master Plan. Based on our projections, project will be completed by November 25, 2016.

FIGURE 2. PROJECT SCHEDULE



7 Contract and Insurance

Dudek has carefully reviewed the City's Standard Form Agreement. Dudek is in general concurrence with the terms and conditions and takes no exceptions to the agreement as this time.

Dudek will also provide Certificates of Insurance with coverage types and minimum limits as indicated in the City's Standard Form Agreement.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
7/5/2016

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

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

PRODUCER Michael J Hall & Company A/E Insurance Services 19660 10th Ave NE Poulsbo WA 98370	CONTACT NAME: Michael J Hall & Company License #0792445	
	PHONE (A/C, No., Ext): 360-598-3700	FAX (A/C, No.):
E-MAIL ADDRESS: certificates@hallandcompany.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: American Automobile Insurance Co		21849
INSURER B: Indian Harbor Insurance Company		36940
INSURER C: American Automobile Insurance Compa		21849
INSURER D:		
INSURER E:		
INSURER F:		

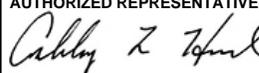
COVERAGES **CERTIFICATE NUMBER:** 2051436031 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> OCP/XCU/BFPD <input checked="" type="checkbox"/> Cross Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			MXG80965258	8/28/2015	8/28/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
C	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			MXG80965258	8/28/2015	8/28/2016	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$0			CGX48875322	8/28/2015	8/28/2016	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WC81030014	8/28/2015	8/28/2016	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
B	Professional Liab Claims Made Contractors Pollution Liab: Occur			PEC002403108	8/28/2015	8/28/2016	\$1,000,000 Per Claim \$1,000,000 Aggregate

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

Project #9778 Sewer Master Plan Update
 The City of Placentia and its elected and appointed boards, officers, officials, agents, employees, and volunteers are an Additional Insured on the Commercial General Liability and Auto Liability when required by written contract or agreement regarding activities by or on behalf of the Named Insured. The Commercial General Liability insurance is primary insurance and any other insurance maintained by the Additional Insured shall be excess only and non-contributing with this insurance. A waiver of subrogation applies to the Commercial General Liability, Auto Liability, Umbrella / Excess Liability and Workers Compensation / Employers Liability in favor of the Additional Insured.

CERTIFICATE HOLDER City of Placentia 401 E. Chapman Placentia CA 92870	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
--	--

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
The City of Placentia and its elected and appointed boards, officers, officials, agents, employees, and volunteers	Project #9778 Sewer Master Plan Update
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
The City of Placentia and its elected and appointed boards, officers, officials, agents, employees, and volunteers	Project #9778 Sewer Master Plan Update

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

Waiver of Transfer Rights of Recovery Against Others - CG 24 04 11 85

Policy Amendment General Liability

Insured: Dudek

Policy Number: MXG80965258

Producer: Michael J. Hall & Company

Effective Date: August 28, 2015

Schedule

Name of Person or Organization

Any Person or Organization for which the insured has agreed by written contract executed prior to loss to furnish this waiver

(If no entry appears above, information required to complete this Endorsement will be shown in the Declarations as applicable to this Endorsement.)

We waive any right of recovery we may have against the person or organization shown in the Schedule because of payments we make for injury or damage

arising out of **your work** done under a contract with that person or organization. The waiver applies only to the person or organization shown in the Schedule.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy



Prochi

Workers' Compensation and Employers' Liability Insurance Policy Waiver of Our Right to Recover From Others Endorsement - California WC 04 03 06

If the following information is not complete, refer to the appropriate Schedule attached to the policy.

Insured: Dudek

Policy Number: WC81030014

Producer: Michael J. Hall & Company

Effective Date: August 28, 2015

Schedule

Person or Organization

Job Description

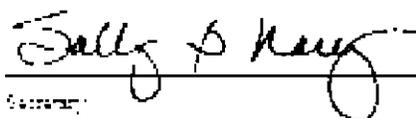
Any Person or Organization for which the insured has agreed by written contract executed prior to loss to furnish this waiver

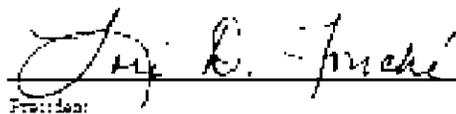
Additional Premium %

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule. The additional premium for this endorsement shall be the percentage, as shown in the Schedule applicable to this endorsement, of the California workers' compensation premium otherwise due on such remuneration.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy


Secretary


President

FleetCover Endorsement - CA 70 18 03 10

Policy Amendment(s) Commercial Business Auto Coverage Form - Motor Carrier Coverage Form

A. Broadened Named Insured

Section II - Liability Coverage, A. Coverage, 1. Who Is An Insured, the following is added:

Any organization you own on the inception of this policy, or newly acquire or form during the policy period, and over which you maintain during the policy period, majority ownership or majority interest will qualify as a Named Insured if:

- (1) There is no other similar insurance available to that organization; and
- (2) The first Named Insured shown in the Declarations of this policy has the responsibility of placing insurance for that organization; and
- (3) The organization is incorporated or organized under the laws of the United States of America.

However:

- (a) Coverage under this provision is afforded only until the next occurring 12 month anniversary of the beginning of the policy period shown in the Declarations, or the end of the policy period, whichever is earlier; and
- (b) Coverage under this provision does not apply to **bodily injury or property damage** that results from an **accident** that occurred before you acquired or formed the organization; and
- (c) No person or organization is an **insured** with respect to any current or past partnership, or joint venture that is not shown as a Name Insured in the Declarations; and
- (d) Coverage under A.(1), (2) and (3) above does not apply to any organization that is covered as an **insured** under any other automobile liability insurance policy whose limits of insurance have been exhausted or whose insurer has become insolvent.

B. Broadened Who Is an Insured

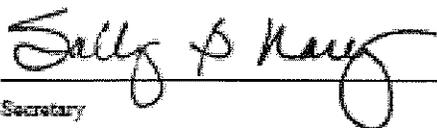
1. Form CA0001 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured**, item b.(2) is deleted, and d. is added as follows:
 - d. Your **employee** while using with your permission his owned **auto**, or an **auto** owned by a member of his or her house-hold, in your business or your personal affairs, provided you do not own, hire or borrow that **auto**.
2. Form CA0020 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured**, item b.(2) is deleted, and f. is added as follows:
 - f. Your **employee** or agent while using with your permission his owned **private passenger type auto**, or a **private passenger type auto** owned by a member of his or her household, in your business or personal affairs, provided you do not own, hire, or borrow that **auto**.

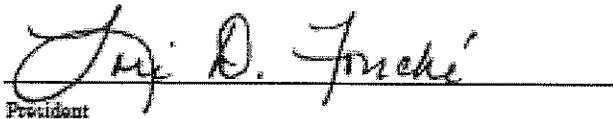
C. Additional Insured Coverage and Waiver of Subrogation

1. Form CA0001 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured**, the following is added as item e.; and form CA0020 (if attached to this policy), **Section II - Liability Coverage, 1. Who Is An Insured**; the following is added as item g.: Any person or organization with respect to the operation, maintenance, or use, of a covered **auto**, provided that you and such person or organization have agreed under an expressed provision in a written **insured contract** or written agreement, or a written permit issued to you by a governmental or public authority, to add such person, organization, or governmental or public authority to this policy as an **insured**.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the Fireman's Fund Insurance Companies as named in the policy


Secretary


President

However, such person or organization is an **insured**:

- (1) Only with respect to the operation, maintenance, or use, of a covered **auto**; and
 - (2) Only for **bodily injury** or **property damage** caused by an **accident** which takes place after:
 - (a) You executed the **insured contract** or written agreement; or
 - (b) The permit has been issued to you.
2. Form CA0001 (if attached to this policy), **Section IV - Business Auto Conditions**, A. Loss Conditions, item 5.; and form CA0020 (if attached to this policy), **Section V - Motor Carrier Conditions**, A. Loss Conditions, item 6.; the following is added:

Waiver of Subrogation

If required by a:

- a. Written **insured contract** or written agreement executed prior to the **accident**; or
- b. Written permit issued to you by a governmental or public authority prior to the **accident**;

we waive any right of recovery we may have against any person or organization named in such contract, agreement or permit, because of payments we make for injury or damage arising out of the ownership, maintenance or use of a covered **auto**.

D. Auto Medical Payments - Increased Limit

For each covered **auto** described in the Declarations or shown in the Schedule as having Auto Medical Payments Coverage, the Medical Payments Limit of Insurance for those **autos** is revised to the greater of:

1. \$5,000; or
2. The limit shown in the Declarations

E. Hired Auto Physical Damage Coverage and Loss of Use Expenses

Hired Auto Physical Damage Coverage

If Physical Damage Coverage is provided by this policy on your owned covered **autos**, the following applies:

Any **auto** that you lease, hire, rent or borrow without a driver, will be covered under this policy for Physical Damage Coverage. However any such **auto**:

1. Will be covered only for the same Physical Damage Coverage that applies to your owned covered **autos**;
2. Will be subject to the same applicable deductible shown in the Declarations that applies to your most similar owned covered **auto**, except any Comprehensive Coverage deductible does not apply to **loss** caused by fire or lightning; and
3. The most we will pay for any one **loss** in any one **accident** is the lesser of the following:
 - a. Actual cash value of the damaged or stolen property as of the time of the **loss** as determined by us; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

In addition, we will pay costs and fees associated with such covered **loss** only for a maximum time period of seven days beginning with the date of **loss**, subject to a maximum of \$500.

However:

1. If form CA0001 is attached to this policy, this coverage does not apply to **autos** you lease, hire, rent or borrow from any of your **employees**, partners (if you are a partnership), members (if you are a limited liability company) or members of their households; and
2. If form CA0020 is attached to this policy, this coverage does not apply to any **private passenger type auto** you lease, hire, rent or borrow from any member of your household, any of your **employees**, partners (if you are a partnership), members (if you are a limited liability company), or agents or members of their households.

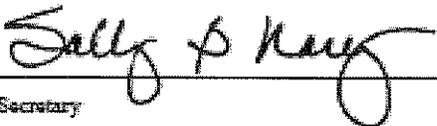
Amendment to Condition 4. Other Insurance – CG 72 53 09 05
Policy Amendment(s) Commercial General Liability

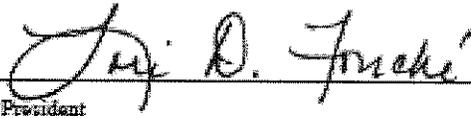
The following is added as a second paragraph to Section IV Conditions, Conditions 4, Other Insurance, Following paragraph b.(2).

However, if you have added any person, organization or vendor of yours as an additional insured to this policy by way of a MultiCover® endorsement and have agreed

in a written insured contract that this insurance is primary and non-contributory with other insurance available to that additional insured, this insurance is primary and we will not seek contribution from such additional insured's other insurance. This provision does not apply to other insurance to which such additional insured has been added as an additional insured.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the Fireman's Fund Insurance Companies as named in the policy


Secretary


President



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL
VIA: CITY ADMINISTRATOR
FROM: DIRECTOR OF ADMINISTRATIVE SERVICES
DATE: JULY 19, 2016
SUBJECT: **RESOLUTION AUTHORIZING CRIMINAL HISTORY INFORMATION FROM DEPARTMENT OF JUSTICE FOR IMPLEMENTING ADDITIONAL LIVESCAN SERVICES**

FISCAL
IMPACT: NONE

SUMMARY:

The City utilizes a LiveScan machine in its Police Department for its citywide operations in obtaining criminal history files based upon arrest records substantiated by fingerprint submittals. In addition to processing criminal subjects, the City accesses these files when processing applications for City employment and certain types of licensing. Based upon an evaluation of the City's operations, a second LiveScan machine has been purchased specifically for Human Resources operations. In order to appropriately activate the machine, a resolution is required to authorize the City to receive such information from the California Department of Justice (DOJ).

Based upon direction from DOJ, a new resolution, which would complement existing Resolution R-2001-24, is necessary to provide updated reporting access to appropriate Human Resources personnel. This action would approve the new DOJ resolution and allow for improved and expedited background processing of both new employee hires and volunteers.

RECOMMENDATION:

1. Adopt Resolution No. R-2016-XX, A Resolution of the City Council of the City of Placentia authorizing City officials access to criminal background history information needed to evaluate eligibility of applicants for employment, or volunteers.

DISCUSSION:

State of California Penal Code Sections 11105(b)(11) and 13300(b)(11) authorize cities, counties, and districts to access state and local summary criminal history information for employment, licensing, or certification purposes through the fingerprinting process (either manual or LiveScan).

The City utilizes LiveScan data for obtaining background information on prospective new employee hires, volunteers as well as criminal subjects. In an effort to improve efficiency and turnaround time of responses to new applicants and based upon an evaluation of the City's operations, a second LiveScan machine has been purchased specifically for Human Resources operations. In order to appropriately activate the machine, a resolution is required to authorize the City to receive such information from DOJ.

Specifically to meet the conditions required by DOJ, the governing board of the city, county, or district must implement an ordinance or regulation that expressly refers to specific criminal conduct and contains requirements or exclusions, or both, expressly based upon such criminal conduct.

It is in the best interest of the City to do adopt a resolution implementing the second LiveScan system and a resolution has been prepared for City Council's approval.

Prepared by:

Reviewed and Approved:

Sandra L. Vera
Human Resources Analyst

Stephen D. Pischel
Director of Administrative Services

Reviewed and Approved:

Damien R. Arrula
City Administrator

Attachment:

Resolution No. R-2016-XX

Resolution NO. R-2016-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA AUTHORIZING CITY OFFICIALS ACCESS TO CRIMINAL BACKGROUND HISTORY INFORMATION NEEDED TO EVALUATE ELIGIBILITY OF APPLICANTS FOR EMPLOYMENT, OR VOLUNTEERS.

WHEREAS, Penal Code Sections 11105(b)(11) and 13300(b)(11) authorize cities, counties, districts and joint powers authorities to access state and local summary criminal history information for employment, licensing or certification purposes; and

WHEREAS, Penal Code Section 11105(b)(11) authorizes cities, counties, districts and joint powers authorities to access federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation; and

WHEREAS, Penal Code Sections 11105(b)(11) and 13300(b)(11) require that there be a requirement or exclusion from employment based on specific criminal conduct on the part of the subject of the record; and

WHEREAS, Penal Code Sections 11105(b)(11) and 13300(b)(11) require the city council, board of supervisors, governing body of a city, county or district or joint powers authority to specifically authorize access to summary criminal history information for employment purposes.

NOW THEREFORE, BE IT RESOLVED, that the city officials of Placentia responsible for hiring are hereby authorized to access state and federal level summary criminal history information for employment (including volunteers and contract employees) purposes and may not disseminate the information to a private entity.

BE IT FURTHER RESOLVED THAT the City of Placentia shall not consider a person who has been convicted of a felony or misdemeanor involving moral turpitude eligible for employment (including volunteers); except, that such conviction may be disregarded if it is determined that mitigating circumstances exist, or that the conviction is not related to the employment or volunteerism in question.

PASSED AND ADOPTED THIS 19rd DAY OF July, 2016.

Jeremy B. Yamaguchi, Mayor

ATTEST:

Patrick J. Melia, City Clerk

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Resolution was introduced and adopted at a regular meeting of the City Council of the City of Placentia, held on the 19th day of July, 2016, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

Patrick J. Melia, City Clerk

APPROVED AS TO FORM:

Christian L. Bettenhausen,
City Attorney



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF ADMINISTRATIVE SERVICES

DATE: JULY 19, 2016

SUBJECT: **LEASE FOR CANON COPIER MACHINES**

FISCAL
IMPACT: EXPENSE: NOT TO EXCEED \$13,000 A YEAR

SUMMARY:

The City currently holds multiple agreements with Canon Solutions America for three (3) copier machines which support the City Clerk's Office, Police Department, and Finance Department. These leases are set to expire later this year. In an effort to consolidate and lower costs, the IT Division took considerable time researching and reviewing comparable replacement machines and services. An updated lease with Canon is proposed for a five year agreement for equipment, supplies, and maintenance services. In the proposal new equipment will be provided which will be more efficient, retain all existing functionality, and provide enhanced features. In addition, this proposal will reduce the overall cost to the City. The lease agreement will also allow for the option to upgrade equipment at the fourth year. This action will approve an agreement for the City to enter into a new lease agreement with Canon Solutions of America for copying equipment and maintenance services.

RECOMMENDATION:

1. Approve a five year Lease Agreement with Canon Solutions America in the amount of \$64,802.40, with a not to exceed amount of \$13,000 a year; and
2. Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.

DISCUSSION:

The City currently utilizes several Canon and OCE Copiers through several lease agreements. The current copiers' lease agreements for the three copiers identified are set to expire in Fall 2016. The copiers are also due for a replacement.

Given the large volume of copy and print jobs within the City Clerk's Office such as the City Council Meeting packets, agreements and other project documents, any service disruption can cause a significant issue. The current copier is not able to produce the amount of copy and print

jobs required by the Clerk’s Office. As a result, the copier that was selected for the Clerk’s Office will function at a greater capacity, printing more pages per minute to meet the demand.

The copier within the Police Department is an older model copier that has reached its end of life capacity and has lost scanning functionality. The replacement copier will be a current model of Canon copiers, bringing it in line with our current fleet of copiers throughout the City. This is a critical component to the efficiency and effectiveness of the Police Department’s internal operations.

The third copier, located within the Finance Department, currently receives faxes but other copiers must be utilized to make copies. The replacement unit will not only receive faxes but also function as a high volume copier for the Department.

The copiers are all similar Canon models, ensuring a consistent interface across all copiers in the City. This common interface will entail less employee training and improve shared use across departments. Along with the lease agreements, maintenance agreements are included in the annual lease amount.

FISCAL IMPACT:

The current cost of the three copier monthly lease, service and supplies agreements totals approximately \$1,575 per month. With this new agreement, the three copier monthly lease, service and supplies to the City will be \$1,080 per month. This results in a savings of \$495 per month, and a projected savings of approximately \$29,700 over the course of the 60 month lease agreement.

Prepared by:

Reviewed by:

David J. McLaren
Production Coordinator

Sagar Patel
Management Assistant

Reviewed and approved:

Reviewed and approved:

Stephen D. Pischel
Director of Administrative Services

Lawrence P. Schroeder
Interim Chief Financial Officer

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachments:

1. Lease Upgrade and Buyout Agreement
2. Acquisition Agreement
3. Lease Agreement
4. Maintenance Agreement
5. Personal Property Tax Addendum



CANON SOLUTIONS AMERICA

Canon Solutions America, Inc. ("CSA")
One Canon Park, Melville, NY 11747
(800) 613-2228

LEASE UPGRADE, TRADE-IN, RETURN OR BUY-OUT
REIMBURSEMENT ADDENDUM TO AGREEMENT #
S0566486.02 (the "AGREEMENT")

Customer ("You"):
Customer Account: 1535450
Company: CITY OF PLACENTIA
Address: 401 E CHAPMAN AVE
City: PLACENTIA County: ORANGE
State: CA Zip: 92870-6101 Phone #: 714.993.8272
Email: dmclaren@placentia.org

Buy-out Reimbursement
\$ to be paid under the circumstances described in Section 1 below.
Payable to: You Canon Financial Services, Inc.
Reason for check issuance:

Lease Upgrade or Buy-out Acknowledgement
If this transaction includes a lease upgrade or buy-out to be paid upon delivery and acceptance of the Equipment listed on the Agreement, select one of the following:
List the leasing company and lease number associated with any lease upgrade or buy-out.

Return Authorization
Please select one:
Trade-In
Return Equipment to selected Leasing Company
Return Equipment to CSA.
Pick-Up Information:
Special Removal Instructions: Finance Department

Table with columns: Return Code, Item Code, Description, Serial #, Meter Reading, Equipment location, Contact Name & Phone, Email, Alt. Pick Up Date

Return Codes: Trade-In:TRD Return to CFS:R-CFS Return to CIT:R-CIT Return to CSA:R-CSA

You have agreed to acquire from CSA certain Listed Items pursuant to the Agreement. By your signature below, you agree to supplement the terms of the Agreement as follows:
1. If Buy Out Reimbursement is selected: The Buy-Out Reimbursement indicated above will be paid directly to the designated party by CSA upon installation and testing of the Listed Items...
2. If Trade-in Equipment or Return to Leasing Company is selected: You hereby authorize CSA to pick up the Trade-in or Return Equipment listed above...
3. DATA. You acknowledge that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that you may store for purposes of normal operation of the Equipment ("Data").

THIS ADDENDUM SHALL BECOME EFFECTIVE AT THE SAME TIME AS THE AGREEMENT BECOME EFFECTIVE IN ACCORDANCE WITH THE TERMS THEREOF. EXCEPT AS SUPPLEMENTED HEREBY THE AGREEMENT SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.

Customer's Authorized Signature

Printed Name Title Date



CANON SOLUTIONS AMERICA

Canon Solutions America, Inc. ("CSA")
One Canon Park, Melville, NY 11747
(800) 613-2228

LEASE UPGRADE, TRADE-IN, RETURN OR BUY-OUT
REIMBURSEMENT ADDENDUM TO AGREEMENT #
S0566486.02 (the "AGREEMENT")

Customer ("You"): Customer Account: 1535450
Company: CITY OF PLACENTIA
Address: 401 E CHAPMAN AVE
City: PLACENTIA County: ORANGE
State: CA Zip: 92870-6101 Phone #: 714.993.8272
Email: dmclaren@placentia.org

Buy-out Reimbursement
\$ _____ to be paid under the circumstances described in
Section 1 below.
Payable to: [] You [] Canon Financial Services, Inc.
Reason for check issuance: _____

Lease Upgrade or Buy-out Acknowledgement
If this transaction includes a lease upgrade or buy-out to be paid upon delivery and
acceptance of the Equipment listed on the Agreement, select one of the following:
[] Not Applicable
[] You will return the equipment to the leasing company according to the terms
and conditions of your lease agreement.
[X] CSA will return the equipment to the leasing company per Section 2 below.
[] You will retain the equipment. If so, will the equipment remain under a CSA
Maintenance Agreement? Yes [] No []
[] CSA will pick up the equipment for Trade In.
List the leasing company and lease number associated with any lease upgrade or buy-out.
Leasing Company Name Lease Number
CFS 001-0641337-001

Return Authorization
Please select one:
[] Trade-In
Please note that any applicable trade-in credit is reflected in the periodic lease
payments or purchase price as specified in the Agreement.
Equipment Condition: [] Good Working Condition [] As is condition
[X] Return Equipment to selected Leasing Company
[X] Canon Financial Services
[] Return Equipment to CSA. Original Order Date _____
Pick-Up Information:
[X] Same Date as Delivery of Listed Items specified on the Agreement.
[] Other Specified Date: ___/___/___
(Contact Name: _____ Phone: _____
E-Mail: _____
Special Removal Instructions: City Clerks

Table with 9 columns: Return Code, Item Code, Description, Serial #, Meter Reading, Equipment location, if different than above, Contact Name & Phone, Email, Alt. Pick Up Date. Row 1: UGTR, 5988B002, IRADV6265, NML01101, [], [], DAVID MCLAREN 714.993.8272, dmclaren@placentia.org, []

Return Codes: Trade-In:TRD Return to CFS:R-CFS Return to CIT:R-CIT Return to CSA:R-CSA

You have agreed to acquire from CSA certain Listed Items pursuant to the Agreement. By your signature below, you agree to supplement the terms of the Agreement as follows:
1. If Buy Out Reimbursement is selected: The Buy-Out Reimbursement indicated above will be paid directly to the designated party by CSA upon installation and testing of the Listed Items and payment to CSA (by you or by the Leasing Company) of the purchase price for the Listed Items. The Buy-Out Reimbursement will be paid for the sole purpose of reimbursement of early termination charges or fees and associated expenses payable for (a) early termination of the lease of the Trade-in or Return Equipment or for other equipment being replaced by the Listed Items under the Agreement, (b) refinancing the lease of other equipment or (c) preparation of the site for installation of Listed Items. You acknowledge and agree that CSA's financial obligation is limited to the Buy-Out Reimbursement amount, and that you are responsible for any other obligations, including any charges which are not covered by the Buy-Out Reimbursement.
2. If Trade-in Equipment or Return to Leasing Company is selected: You hereby authorize CSA to pick up the Trade-in or Return Equipment listed above. You agree to pay CSA's removal charges if, on the date specified above, the Trade-in or Return Equipment is unavailable for pickup and removal through no fault of CSA. Trade-in Equipment shall be conveyed to CSA, and (a) you represent that CSA will receive good and marketable title to each unit of Trade-in Equipment, free and clear of any and all liens and leasehold interests, (b) you warrant that the Trade-In Equipment will be delivered to CSA (unless specified above that the trade-in is on an "As Is" basis) in good working condition, reasonable wear and tear excepted, and (c) you shall make the Trade-In Equipment available for pickup by CSA on the relevant date specified above. If you breach or fail to comply with any of the foregoing, CSA may, without limiting its other remedies under applicable law, return the Trade-In Equipment to you (at your expense both for the return and the original pickup) and rescind, or require you to refund to CSA, promptly upon receipt of CSA's invoice, the full amount of any trade-in credit reflected in the Agreement (which amount shall equal the fair market value of such Trade-In Equipment, as determined by CSA). Return Equipment shall be shipped to the Leasing Company specified above, and CSA's sole obligation is to use commercially reasonable efforts to pick-up and remove the Return Equipment and to arrange, on your behalf and at CSA's expense and risk (but only to the extent of obvious damage in transit), for the shipment of the Return Equipment to the Leasing Company.
3. DATA. You acknowledge that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that you may store for purposes of normal operation of the Equipment ("Data"). You acknowledge that CSA is not storing Data on behalf of you and that exposure or access to the Data by CSA, if any, is purely incidental to the services performed by CSA. Neither CSA nor any of their affiliates has an obligation to erase or overwrite Data upon Your return of the Equipment to CSA or any leasing company. You are solely responsible for: (i) your compliance with applicable law and legal requirements pertaining to data privacy, storage, security, retention and protection; and (ii) all decisions related to erasing or overwriting Data. The terms of this section shall solely govern as to Data, notwithstanding that any provisions of this Agreement or any separate confidentiality or data security or other agreement now or hereafter entered into between you and CSA could be construed to apply to Data.

THIS ADDENDUM SHALL BECOME EFFECTIVE AT THE SAME TIME AS THE AGREEMENT BECOME EFFECTIVE IN ACCORDANCE WITH THE TERMS THEREOF. EXCEPT AS SUPPLEMENTED HEREBY THE AGREEMENT SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.

Customer's Authorized Signature _____
Printed Name _____ Title _____ Date _____



CANON SOLUTIONS AMERICA

Canon Solutions America, Inc. ("CSA")
One Canon Park, Melville, NY 11747
(800) 613-2228

ACQUISITION AGREEMENT LEASE OR PURCHASE

National IPA

S0566486.02

Salesperson Stavroula Sakellakos Order Date: 6 / 22 / 2016

Table with customer and ship-to information including Company, Address, City, County, State, Zip, Phone, Contact, and Email.

Lease or Purchase:

You agree to lease the items listed below or in any addendum(s) to this Agreement from the Leasing Company identified below, at the fixed periodic lease payments indicated below or in any addendum(s) to this Agreement...

Canon Financial Services, Inc. Other (Name of Leasing Company):

You agree to purchase the items listed below or in any addendum(s) to this Agreement, for the purchase price specified.

The "bill to" for the items listed is the Leasing Company or you, depending on which box is checked above.

PLEASE PRINT

Equipment, Supplies and Licenses of Application Software with listed third party support contracts:

Table with 5 columns: Item Code, Product Description, Qty, Unit Price, Periodic Lease Payment or Purchase Price. Lists items like IMAGERUNNER ADVANCE 500IF, CASSETTE MODULE-AA1, etc.

This transaction shall be governed in all respects by the Terms and conditions of contract # CP-002-13 dated 10-1-2013 between Canon Solutions America, Inc. and DuPage County and any terms and conditions which conflict with, vary from or supplement the Agreement terms shall be deemed null and void.

Table with Payment Terms, Other Requirements, and Subtotal/Total/Deposit/Balance Due information.

Table with Shipping Instructions, Customer Delivery Information, and Customer IT Contact Information.

BY YOUR SIGNATURE BELOW, YOU AGREE TO LEASE OR PURCHASE, AS SPECIFIED ABOVE, THE ITEMS LISTED ABOVE OR IN ANY ADDENDUM(S) TO THIS AGREEMENT.

Customer's Authorized Signature

Printed Name Title Date

ADDITIONAL TERMS AND CONDITIONS

S0566486.02

These are the additional terms and conditions referred to on the face page to which they are attached. Such face page and addendum(s), collectively with these terms and conditions, the "Agreement."

1. LEASE OR PURCHASE PRICE AND PAYMENT. You agree to lease or purchase the units of equipment and supplies (the "Equipment") and licenses of application software with separate support contracts (the "Listed Software" and, together with the Equipment, the "Listed Items"), in each case as indicated on the face page hereof or in any addendum(s) hereto. (a) If purchasing the Listed Items, the total purchase price specified in the Agreement, including sales taxes and delivery/installation charges, is due and payable in accordance with the payment terms of this Agreement. (b) If leasing the Listed Items, CSA shall sell the Listed Items to the Leasing Company subject in all respects to the warranty limitations and disclaimers and limitations of liability in this Agreement. You shall enter into a lease agreement with the Leasing Company providing, in addition to such terms and conditions as the Leasing Company shall require, for fixed periodic lease payments indicated herein over a fixed lease term as specified in the lease agreement. Delivery/installation charges, if separately itemized in this Agreement, are due and payable in accordance with the payment terms of this Agreement. You are responsible for payment of sales or use taxes on monthly rentals if applicable, even if not specified in this Agreement. (c) In addition to the amounts shown in this Agreement, you shall pay CSA's rates for any special rigging for delivery and installation when CSA notifies you of in advance, subject to your approval. (d) CSA will, at no additional charge, install all Equipment in accordance with its normal practices and requirements. Maintenance and any other post-installation support of Equipment is not covered by this Agreement, and will only be provided by CSA if a separate maintenance agreement is entered into and to the extent provided therein. (e) Installation/Implementation of Listed Software may be at an additional charge except to the extent included as a Listed Item, and may be conditioned on your agreement to a separate statement of work or other document covering the scope and schedule of installation/implementation, configuration options, responsibilities of each party, and other matters, which shall solely govern as to the matters covered therein. Additional charges may apply for work beyond the initial scope described in such separate document. (f) Support for Listed Software is provided directly by the respective developers thereof and as set forth in each developer's applicable separate support contract, and is not provided by CSA under this Agreement except as expressly provided herein. Support for Listed Software may require separate purchase by you of a support contract, unless included under this Agreement as a Listed Item. The terms of support contracts for Listed Software are available from the developers, or will be provided to you by CSA upon request. (g) CSA shall make available to you from time to time upgrades and bug fixes for the Listed Software, but: (i) only if such upgrades and bug fixes are provided to CSA by the developers of such Listed Software, (ii) availability of upgrades and bug fixes may be at additional charge, and (iii) installation of such upgrades and bug fixes by CSA if requested by you shall be at additional charge. You are not required to use CSA for installation of either Listed Software or for any upgrades and bug fixes, but if installation is done by anyone other than CSA, CSA shall have no responsibility for any performance or other issues that may result from such installation. CSA shall also use reasonable efforts to provide Level 1 support for the Listed Software for so long as a CSA maintenance agreement for the related Equipment remains in effect, except that for certain Listed Software, Level 1 support shall be provided only if and so long as a separate software support contract for such Listed Software from the developer thereof is in effect. Level 1 support consists of providing help-line telephone assistance in operating the Listed Software and identifying service problems, facilitating contact between you and the developer of the Listed Software to attempt to rectify such problems and maintaining a log of such problems to assist in tracking the same. (h) CSA reserves the right to withhold shipment of the Listed Items (i) until you make full payment of the total price specified in this Agreement or if CSA revokes any credit extended to you because of your failure to pay any amounts when due or for any other reason affecting your creditworthiness, or (ii) until you enter into a lease agreement with the Leasing Company and the Leasing Company commits to full payment of the purchase price agreed to between CSA and the Leasing Company. If at any time prior to shipment, CSA discovers any mistake in pricing or Equipment configuration for any Listed Item(s), CSA reserves the right to notify you of the mistake in writing, and such notification will constitute the non-acceptance of this Agreement by it with respect to such Listed Items without liability.

2. LIMITED WARRANTY. All Canon and Ocè brand Equipment is provided with a manufacturer's end user limited warranty from Canon USA, Inc. CSA is an authorized Canon service dealer and provides warranty service under the Canon USA limited warranties. All other Listed Items are provided subject to such end user warranties and license terms as are provided by the manufacturer or developer as packaged or otherwise provided with the Listed Items. CSA shall upon your request provide to you copies of all such end user warranties and license. SUCH WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, RELATING TO THE USE OR PERFORMANCE OF THE LISTED ITEMS, AND ALL SUCH OTHER WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED. YOU EXPRESSLY ACKNOWLEDGE THAT SUCH WARRANTIES DO NOT ASSURE UNINTERRUPTED OPERATION AND USE OF THE LISTED ITEMS.

3. DATA. You acknowledge that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that you may store for purposes of normal operation of the Equipment ("Data"). You acknowledge that CSA is not storing Data on your behalf and that exposure or access to the Data by CSA, if any, is purely incidental to the services performed by CSA. Neither CSA nor

any of their affiliates has an obligation to erase or overwrite Data upon your return of the Equipment to CSA or any leasing company. You are solely responsible for: (i) your compliance with applicable law and legal requirements pertaining to data privacy, storage, security, retention and protection; and (ii) all decisions related to erasing or overwriting Data. Without limiting the foregoing, you should, (a) enable the Hard Disk Drive (HDD) data erase functionality that is a standard feature on certain Equipment and/or (b) prior to return or other disposition of the Equipment, utilize the HDD (or comparable) formatting function (which may be referred to as "Initialized All Data/Settings" function) if found on the Equipment to perform a one pass overwrite of Data or, if you have higher security requirements, you may purchase from CSA at current rates an appropriate option for the Equipment, which may include (x) an HDD Data Encryption Kit option which disguises information before it is written to the hard drive using encryption algorithms, (y) a HDD Data Erase Kit that can perform up to a 3-pass overwrite of Data (for Equipment not containing data erase functionality as a standard feature), or (z) a replacement hard drive (in which case you should properly destroy the replaced hard drive). The terms of this Section 3 shall solely govern as to Data, notwithstanding that any provisions of this Agreement or any separate confidentiality or data security or other agreement now or hereafter entered into between you and CSA could be construed to apply to Data.

4. SECURITY; LATE PAYMENT. As security for the payment of all amounts due to CSA, you hereby grant to CSA a security interest in the Listed Items. To the extent permitted by applicable law, you hereby authorize CSA to file with the appropriate governmental authorities any and all financing statements necessary to evidence or perfect CSA's security interest in the Listed Items. Without limiting any of CSA's right and remedies under applicable law, if payments are late, you shall pay the actual and reasonable costs and expenses of collection incurred by CSA, including the maximum attorney's fees permitted by law and CSA may charge you and you agree to pay, a late charge equal to the higher of five percent (5%) of the amount due or \$10 as reasonable collection fees, not to exceed the maximum amount permitted by law.

5. WARRANTY OF BUSINESS PURPOSE. You represent and warrant that that the Listed Items will not be used for personal, family or household purposes.

6. LIMITATION OF LIABILITY. CSA SHALL NOT BE LIABLE FOR INJURY OR DAMAGE EXCEPT TO THE EXTENT CAUSED BY CSA'S NEGLIGENCE OR WILLFUL MISCONDUCT. CSA SHALL NOT BE LIABLE FOR LOSS OF REVENUE OR PROFIT, LOSS, CORRUPTION OR RELEASE OF DATA, FAILURE TO REALIZE SAVINGS OR OTHER BENEFITS, STORAGE CHARGES OR INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, REGARDLESS OF THE LEGAL THEORY ON WHICH THE CLAIM IS BASED AND EVEN IF CSA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. CHOICE OF LAW AND FORUM. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. YOU CONSENT TO THE EXCLUSIVE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE CITY OF NEW YORK UPON SERVICE OF PROCESS MADE IN ACCORDANCE WITH THE APPLICABLE STATUTES AND RULES OF THE STATE OF NEW YORK OR THE UNITED STATES. ANY AND ALL SUITS COMMENCED BY YOU AGAINST CSA, WHETHER OR NOT ARISING UNDER THIS AGREEMENT AND REGARDLESS OF THE LEGAL THEORY UPON WHICH SUCH SUITS ARE BASED, SHALL BE BROUGHT ONLY IN THE STATE OR FEDERAL COURTS LOCATED WITHIN THE CITY OF NEW YORK. YOU HEREBY WAIVE OBJECTIONS AS TO VENUE AND CONVENIENCE OF FORUM. ANY SUIT BETWEEN THE PARTIES HERETO, OTHER THAN ONE SEEKING PAYMENT OF AMOUNTS DUE HEREUNDER, SHALL BE COMMENCED, IF AT ALL, WITHIN ONE (1) YEAR OF THE DATE THAT THE CLAIM ACCRUES. THE PARTIES IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUIT BETWEEN THEM.

8. GENERAL. This Agreement shall be binding on you upon your signature and on CSA upon the delivery of any of the Listed Items. All provisions of this Agreement including Section 3, which by their nature can be construed to survive the expiration or termination of the Agreement shall so survive. This Agreement, together with any related CSA credit application, constitutes the entire agreement between the parties with respect to the furnishing of the Listed Items, superseding all previous proposals and agreements, oral or written. No lease agreement entered into between you and the Leasing Company with respect to any Listed Items shall be binding on CSA in any respect or affect your rights or CSA's obligations hereunder. Any purchase order utilized by you shall be for your administrative convenience only, and any terms therein which conflict with, vary from or supplement the provisions of this Agreement shall be deemed null and void. No representation or statement not contained on the original of this Agreement shall be binding upon CSA as a warranty or otherwise, nor shall this Agreement be modified or amended except by a writing signed by you and a designated representative of CSA. If a court finds any provision of this Agreement (or part thereof) to be unenforceable, the remaining provisions of this Agreement shall remain in full force and effect. This Agreement shall not be assignable by you without CSA's prior written consent, and any attempted assignment without such consent, which shall not be unreasonably withheld, shall be void; except that you may, as described above, assign to your leasing company your right to acquire the Listed Items and your warranty rights hereunder, but your other rights hereunder, are not assignable to the leasing company and such assignment shall not relieve you of any of your obligations hereunder. You expressly disclaim having relied upon any representation or statement concerning the capability, condition, operation, performance or specifications of the Listed Items, except to the extent set forth on the original of this Agreement. You agree that CSA may accept an electronic image of this Agreement as an original, and that electronic copies of your signature will be treated as an original for all purposes.

This transaction shall be governed in all respects by the Ts&Cs of contract # CP-002-13 dated 10-1-2013 between CSA and DuPage County and any Ts&Cs which conflict with, vary from or supplement the Agreement terms shall be deemed null and void.



CANON SOLUTIONS AMERICA
 Canon Solutions America, Inc. ("CSA")
 One Canon Park, Melville, NY 11747
 (800) 613-2228

**ADDENDUM TO ADD ADDITIONAL EQUIPMENT TO
 ACQUISITION AGREEMENT # S0566486.02 (the "Agreement")**

Salesperson Stavroula Sakellakos Order Date: 6 / 22 / 2016

Customer ("you"):				
Company: CITY OF PLACENTIA			Contact: DAVID MCLAREN	
Address: 401 E CHAPMAN AVE			Phone: 714.993.8272	Fax:
City: PLACENTIA	State: CA	Zip: 92870-6101	E-Mail: dmclaren@placentia.org	

PLEASE PRINT

Equipment, Supplies and Licenses of Application Software with listed third party support contracts and Ship To locations and contacts:

Item Code	Product Description	Qty	Unit Price	Periodic Payment/ Purchase Price	Ship To location (if different than above)	Elev. (y/n)	# of Step	Load Dock (y/n)	Contact Name & Phone Number	E-Mail
3654B007	CASSETTE FEEDING UNIT-AD2	1		Included						
5587B002	STAPLE FINISHER-J1 (INCLUDES BUFFER PASS	1		Included						
3660B006	EXTERNAL 2/3 HOLE PUNCHER-B2	1		Included						
3675B012	SUPER G3 FAX BOARD-AE2	1		Included						
5592B005	PCL PRINTER KIT-AR1	1		Included						
5593B005	PS PRINTER KIT-AR1	1		Included						
5595B001	ADDITIONAL MEMORY TYPE D (512MB)	1		Included						
1972V064	ESP NEXT GEN PCS POWER FILTER (120V/15A)	1		Included						
2368V125	INSTALL PAK C5250 & C5255/C5045 & C5051	1		Included						
2368V120	MID VOLUME CONNECTIVITY 30+PPM	1		Included						
IntSupplies	Pre-install supplies installed in machine	1		Included						
5774B009	IMAGERUNNER ADVANCE C7270 SET	1		Included						
5789B001	STAPLE FINISHER-L1	1		Included						
3705B002	EXTERNAL 2/3 HOLE PUNCHER-A1	1		Included						
Carry forward to Face side of Agreement			Subtotal							

BY YOUR SIGNATURE BELOW, YOU AGREE TO LEASE OR PURCHASE, AS SPECIFIED ON THE FACE PAGE OF THE ACQUISITION AGREEMENT, THE ITEMS LISTED ABOVE, IN ACCORDANCE WITH ALL OF THE TERMS AND CONDITIONS OF THE ACQUISITION AGREEMENT. THIS ADDENDUM SHALL BECOME EFFECTIVE AND BINDING AS PROVIDED IN PARAGRAPH 8 OF THE ADDITIONAL TERMS AND CONDITIONS OF THE ACQUISITION AGREEMENT. EXCEPT AS PROVIDED HEREIN, THE ACQUISITION AGREEMENT SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.

Customer's Authorized Signature _____ Printed Name _____ Title _____ Date _____



LEASE AGREEMENT

CFS-1020 (07/13)



CANON FINANCIAL SERVICES, INC. ("CFS")
Remittance Address: 14904 Collections Center Dr.
Chicago, Illinois 60693 (800) 220-0200

AGREEMENT NUMBER S0566486.02

Table with columns: COMPANY LEGAL NAME, CITY OF PLACENTIA, DBA, PHONE, BILLING ADDRESS, CITY, PLACENTIA, COUNTY, ORANGE, STATE, CA, ZIP, 92870-6101, EQUIPMENT ADDRESS, CITY, PLACENTIA, COUNTY, ORANGE, STATE, CA, ZIP, 92870-6101

Table with columns: EQUIPMENT INFORMATION (Quantity, Serial Number, Make/Model/Description), NUMBER AND AMOUNT OF PAYMENTS (Number of Payments, Total Payment *), FIRST PAYMENT AMOUNT (FIRST & LAST PAYMENT(S), SECURITY DEPOSIT, TOTAL DUE AT SIGNING), Term in months, Payment Frequency, END OF TERM PURCHASE OPTION

THIS AGREEMENT IS EFFECTIVE ONLY UPON SIGNING BY BOTH PARTIES. THIS AGREEMENT IS NON-CANCELABLE BY CUSTOMER. CUSTOMER REPRESENTS THAT ALL ACTION REQUIRED TO AUTHORIZE THE EXECUTION OF THIS SCHEDULE ON BEHALF OF THE CUSTOMER BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN.

ACCEPTED
CANON FINANCIAL SERVICES, INC.
By:
Title:
Date:

AUTHORIZED CUSTOMER SIGNATURE
By: X Title:
Printed Name:
Tax ID#: If proprietor, DOB:
By: X Title:
Printed Name:

ACCEPTANCE CERTIFICATE
To: Canon Financial Services, Inc. ("CFS")
The Customer certifies that (a) the Equipment referred to in the above Agreement has been received, (b) installation has been completed, (c) the Equipment has been examined by Customer and is in good operating order and condition and is, in all respects, satisfactory to the Customer, and (d) the Equipment is irrevocably accepted by the Customer for all purposes under the Agreement. Accordingly, Customer hereby authorizes billing under this Agreement.
Signature: Printed Name:
Title (if any): Date:

TERMS AND CONDITIONS
1. AGREEMENT: CFS leases to Customer, a organized under the laws of the State of with its chief executive office at and Customer leases from CFS, with its place of business at 158 Gaither Drive, Suite 200, Mount Laurel, New Jersey 08054, all the equipment described above, together with all replacement parts and substitutions for and additions to all such equipment (the "Equipment"), upon the terms and conditions set forth in this Lease Agreement ("Agreement"). The amount of each Payment specified in Number and Amount of Payments section above and the 10% or Other Purchase Option price specified above are based on the supplier's best estimate of the cost of the Equipment. Such Payments and Purchase Option prices will be adjusted upward or downward if the actual total cost of the Equipment, including any sales or use tax, is more or less than the estimate and, in that event, Customer authorizes CFS to adjust such Payments and Purchase Option price by up to fifteen percent (15%).
2. AGREEMENT PAYMENTS: Customer agrees to pay to CFS, as invoiced, during the term of this Agreement, (a) the payments specified under "Number and Amount of Payments," and (b) such other amounts permitted hereunder as invoiced by CFS ("Payments").
3. APPLICATION OF PAYMENTS: All payments received by CFS from Customer under this Agreement will be applied to amounts due and payable hereunder chronologically, based on the date of CFS's charge as shown on the invoice for each such amount, and among amounts having the same date in such order as CFS, in its discretion, may determine.
4. TERM OF AGREEMENT: The term of this Agreement shall commence on the date the Equipment is delivered to Customer, provided Customer executes CFS's Acceptance Certificate or otherwise accepts the Equipment as specified herein. After acceptance of the Equipment, Customer shall have no right to cancel this Agreement during the term hereof. The term of this Agreement shall end, unless sooner terminated by CFS, when all amounts required to be paid by Customer under this Agreement have been paid as provided and either (a) Customer has purchased the Equipment in accordance with the terms hereof or (b) the Equipment has been returned at the end of the scheduled term or renewal term in accordance with the terms hereof. Customer has no right to return the Equipment to CFS prior to the end of the scheduled term of this Agreement for any reason whatsoever, including, without limitation, payment of all amounts due under the Agreement prior to the end of the scheduled term.
5. ADVANCE PAYMENTS: SECURITY DEPOSIT: CFS may apply, but shall not be obligated to apply, any "Advance Payment(s)" or "Security Deposit" specified above to cure any default of Customer, in which event Customer shall promptly restore to CFS any amount so applied. In no event shall any advance payment or security deposit earn interest except where required by applicable law. No portion of any security deposit will be refunded to Customer until all of Customer's obligations have been fully performed as expressly provided in this Agreement. If the "Nonrefundable" box is checked, no portion of the security deposit will be refunded to Customer for any reason whatsoever.
SEE REVERSE SIDE FOR ADDITIONAL TERMS AND CONDITIONS.

PERSONAL GUARANTY
The undersigned, (whether one or more are specified, the "Guarantor(s)"), in consideration of CANON FINANCIAL SERVICES INC. ("CFS") entering into an Agreement (together with any schedules or supplements thereto, the "Agreement") with Customer identified above ("Customer") irrevocably and unconditionally, jointly and severally, guarantee to CFS, and its successors and assigns, the payment when due of all amounts owed under the Agreement (whether at maturity or upon the occurrence of an event of default or otherwise) and the performance by Customer of all promises, obligations and terms of the Agreement and any other financial transaction between Customer and CFS (collectively, the "Liabilities"). If Customer shall fail to pay or perform all or any part of the Liabilities when due, the Guarantors agree, upon demand, to pay any amounts which may be due from Customer and to take any action required of Customer under the Agreement. The Guarantors agree that this is an absolute and continuing guaranty and that their liability under this Guaranty is primary and will not be affected by any settlement, extension, renewal or modification of the Agreement or any discharge or release of Customer's obligations whether or not by operation of law.
If any payment applied by CFS to the Liabilities is thereafter set aside, recovered or required to be returned for any reason (including without limitation the bankruptcy, insolvency or reorganization of Customer or any other person), the Liabilities to which such payment was applied shall for the purposes of this Guaranty be deemed to have continued in existence, notwithstanding such application, and this Guaranty shall be enforceable as to such Liabilities as fully as if such application had never been made. This Guaranty may be terminated only upon 60 days prior written notice to CFS, and such termination shall be effective only as to Liabilities arising under Schedules, supplements, or agreements entered into after the effective date of termination and shall not affect CFS's rights under this Guaranty arising out of the Agreement or other agreements entered into prior to such date.
The Guarantors waive all damages, demands, presentments and notices of every kind and nature, any rights of set-off, and any defenses available to a guarantor (other than the defense of payment and performance in full) under applicable law. The Guarantors further waive any (i) notice of the incurring of indebtedness by Customer and the acceptance of this Guaranty, (ii) right to require suit against Customer or any other party before enforcing this Guaranty and (iii) right of subrogation to CFS's rights against Customer until Customer's indebtedness is paid in full and Customer's other obligations have been fully performed. The Guarantors consent and agree that any (i) renewals and extensions of time of payment, (ii) release, substitution or compromise of or realization upon the Equipment, other guaranties or any collateral security and (iii) exercise of any other right under this or any other agreement between CFS and Customer or any third party, may be made, granted and effected by CFS without notice to the Guarantors and without in any manner affecting the Guarantors' liability under this Guaranty.
The Guarantors agree to pay all expenses (including attorney's fees and legal expenses) paid or incurred by CFS in endeavoring to collect the Liabilities, or any part thereof and in enforcing the Guaranty. THIS GUARANTY SHALL FOR ALL PURPOSES BE DEEMED A CONTRACT ENTERED INTO IN THE STATE OF NEW JERSEY. THE RIGHTS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. ANY ACTION BETWEEN THE GUARANTORS AND CFS SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE COUNTY OF CAMDEN OR BURLINGTON, NEW JERSEY, OR AT CFS' SOLE OPTION, IN THE STATE WHERE THE GUARANTORS OR THE EQUIPMENT IS LOCATED. THE GUARANTORS, BY THEIR EXECUTION AND DELIVERY HEREOF, IRREVOCABLY WAIVE OBJECTIONS TO THE JURISDICTION OF SUCH COURTS AND OBJECTIONS TO VENUE AND CONVENIENCE OF FORUM. THE GUARANTORS, BY THEIR EXECUTION AND DELIVERY HEREOF, AND CFS, BY ITS ACCEPTANCE HEREOF, HEREBY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS.
The Guarantors agree that CFS may accept a facsimile or other electronic transmission copy of this Guaranty as an original, and that facsimile or electronically transmitted copies of the Guarantor's signatures will be treated as an original for all purposes.
Printed Name: Signature: (No Title) Date:
Address: Phone:
Printed Name: Signature: (No Title) Date:
Address: Phone:

6. NO CFS WARRANTIES: CUSTOMER ACKNOWLEDGES THAT CFS IS NOT A MANUFACTURER, DEALER, OR SUPPLIER OF THE EQUIPMENT. CUSTOMER AGREES THAT THE EQUIPMENT IS LEASED "AS IS" AND IS OF A SIZE, DESIGN, AND CAPACITY SELECTED BY CUSTOMER. CFS HAS MADE NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE SUITABILITY OR DURABILITY OF THE EQUIPMENT, THE ABSENCE OF ANY CLAIM OF INFRINGEMENT OR THE LIKE, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Any warranty with respect to the Equipment made by the supplier, dealer, or manufacturer is separate from, and is not a part of, this Agreement and shall be for the benefit of CFS, Customer and CFS's purchaser or assignee, if any. So long as Customer is not in breach or default of this Agreement, CFS assigns to Customer, solely for the purpose of making and prosecuting any such claim, the rights, if any, which CFS may have against the supplier, dealer or manufacturer for breach of warranty or other representation respecting any item of Equipment. CUSTOMER ACKNOWLEDGES AND AGREES THAT NEITHER THE SUPPLIER NOR ANY DEALER IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OF THIS AGREEMENT, OR MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THIS AGREEMENT OR THE EQUIPMENT ON BEHALF OF CFS.

7. ACCEPTANCE; DELIVERY: Customer's execution of the Acceptance Certificate, or Customer's provision to CFS of other confirmation of its acceptance of the Equipment, shall conclusively establish that the Equipment has been delivered to and accepted by Customer for all purposes of this Agreement and Customer may not, for any reason, revoke that acceptance; however, if Customer has not, within ten (10) days after delivery of the Equipment, delivered to CFS written notice of non-acceptance of any of the Equipment, specifying the reasons therefore and specifically referencing this Agreement, Customer shall be deemed to have irrevocably accepted the Equipment. CFS is the lessor and Customer is the lessee of the Equipment under this Agreement. As between CFS and Customer only, this Agreement shall supersede any Customer purchase order in its entirety. Customer agrees to waive any right of specific performance of this Agreement and to hold CFS harmless from damages if for any reason the Equipment is not delivered as ordered, if the Equipment is unsatisfactory or if CFS does not execute this Agreement. Customer agrees that any delay in delivery of the Equipment shall not affect the validity of this Agreement.

8. LOCATION; LIENS; NAMES; OFFICES: Customer shall not move the Equipment from the location specified herein except with the prior written consent of CFS. Customer agrees that it will keep the Equipment free and clear of all claims and liens other than those created as a result of this Agreement. Customer's legal name (as set forth in its constituent documents filed with the appropriate government office or agency) is set forth herein. Upon request, Customer will deliver to CFS a good standing certificate and/or state certified constituent documents. The jurisdiction of organization of Customer is as set forth herein. The chief executive office of Customer is located at the address set forth herein. Customer will not change its name, the location of its chief executive office or its corporate structure (including, without limitation, its jurisdiction of organization) unless CFS has been given at least 30 days prior written notice thereof and Customer has executed and delivered to CFS such financing statements and other instruments required or appropriate.

9. USE; FINANCING STATEMENTS: Customer shall comply with all laws or regulations relating to the use or maintenance of the Equipment. Customer shall put the Equipment only to the use contemplated by the manufacturer of such Equipment.

Customer authorizes CFS (and any third party filing service designated by CFS) to execute and file, (a) financing statements evidencing the interest of CFS in the Equipment, (b) continuation statements in respect thereof, and (c) amendments (including forms containing a broader description of the Equipment than the description set forth herein) and Customer irrevocably waives any right to notice thereof.

10. INDEMNITY: Customer agrees to reimburse CFS for and to defend CFS against any claim for losses or injury caused by the Equipment. This Section shall survive termination of this Agreement.

11. MAINTENANCE; ALTERATIONS: Customer will keep and maintain the Equipment in good working order and shall, at Customer's expense, supply and install all replacement parts and accessories when required to maintain the Equipment in good working condition. Customer shall not, without the prior written consent of CFS, make any changes or substitutions to the Equipment. Any and all replacement parts, accessories, authorized changes and/or substitutions for the Equipment shall become part of the Equipment and subject to the terms of this Agreement.

12. TAXES; OTHER FEES AND CHARGES: CUSTOMER SHALL PAY AND DISCHARGE WHEN DUE ALL LICENSE AND REGISTRATION FEES, ASSESSMENTS, SALES, USE, PROPERTY AND OTHER TAXES, AND OTHER EXPENSES AND CHARGES, together with any applicable penalties, interest, and administrative fees now or at any time imposed upon any item of the Equipment, the Payments payable under this Agreement, or Customer's performance or non-performance of its obligations hereunder, whether payable by or assessed to CFS or Customer. If Customer fails to pay any fees, assessments, taxes, expenses or charges as required by the Agreement, CFS shall have the right but not the obligation to pay those fees, assessments, taxes, expenses or charges. If such payments are made by CFS, Customer shall promptly reimburse CFS, upon demand, for all such payments made plus administration fees and costs, if any. Customer acknowledges that where required by law, CFS will file any notices and pay personal property taxes levied on the Equipment. Customer shall reimburse CFS for the expense of personal property taxes as invoiced by CFS and pay CFS a processing fee not to exceed \$50 per year per item of Equipment which is subject to such tax. Customer agrees that CFS has not, and will not, render tax advice to Customer and that the payment of such taxes is an administrative act. ON THE DATE OF THE FIRST SCHEDULED PAYMENT AND THE DATE OF THE FIRST SCHEDULED PAYMENT AFTER THE ADDITION OF ANY EQUIPMENT, CUSTOMER SHALL PAY TO CFS AN ADMINISTRATIVE FEE, IN THE AMOUNT OF \$65, TO REIMBURSE CFS FOR ITS ADMINISTRATIVE AND RECORDING COSTS.

13. INSURANCE: Customer, at its sole cost and expense, shall obtain, maintain and pay for (a) insurance against the loss, theft, or damage to the Equipment for the full replacement value thereof, and (b) comprehensive public liability and property damage insurance. All such insurance shall provide for a deductible not exceeding \$5,000 and be in form and amount, and with companies satisfactory to CFS. Each insurer providing such insurance shall name CFS as additional insured and loss payee and provide CFS thirty (30) days written notice before the policy in question shall be materially altered or canceled. Customer shall pay the premiums for such insurance, shall be responsible for all deductible portions thereof, and shall deliver certificates of other evidence of insurance to CFS. The proceeds of such insurance, at the option of CFS, shall be applied to (a) replace or repair the Equipment, or (b) pay CFS the "Remaining Lease Balance." For purposes of this Agreement, the "Remaining Lease Balance" shall be the sum of: (i) all amounts then owed by Customer to CFS under this Agreement; (ii) the present value of all remaining Payments for the full term of this Agreement; (iii) the "Asset Value," and the "Asset Value" shall be: (A) for an Agreement with a \$1.00 purchase option, \$1.00; (B) for an Agreement with no purchase option or a Fair Market Value purchase option, the Fair Market Value of the Equipment shall be as defined in the terms hereof; and (C) for an Agreement with an Other or 10% Purchase Option, the amount indicated as the respective dollar amount of such Purchase Option on the face of this Agreement; plus (iv) any applicable taxes, expenses, charges and fees. For purposes of determining present value under this Agreement, Payments shall be discounted at 6% per year. Customer hereby appoints CFS as Customer's attorney-in-fact to make claim for, receive payment of, and execute and endorse all documents, checks, or drafts for any loss or damage under any such insurance policy. If within ten (10) days after CFS's request, Customer fails to deliver satisfactory evidence of such insurance to CFS, then CFS shall have the right, but not the duty, to obtain insurance with respect to the Equipment satisfactory to CFS, at the expense of the Customer. Customer hereby agrees that CFS shall be entitled to retain any fees earned by it in connection with any insurance obtained under this Agreement.

14. LOSS; DAMAGE: Customer assumes and shall bear the entire risk of loss, theft, or, or damage to the Equipment from any cause whatsoever, effective upon delivery to Customer. No such loss, theft or damage shall relieve Customer of any obligation under this Agreement. In the event of damage to any item of Equipment, Customer shall immediately repair such damage at Customer's expense. If any item of Equipment is lost, stolen, or damaged beyond repair, Customer, at the option of CFS, will (a) replace the same with like equipment in a condition acceptable to CFS and convey clear title to such equipment to CFS (such equipment will become "Equipment" subject to the terms of this Agreement), or (b) pay CFS the Remaining Lease Balance. Upon CFS's receipt of the Remaining Lease Balance, Customer shall be entitled to whatever interest CFS may have in the Equipment, in its then condition and location, without warranties of any kind.

15. DEFAULT: Any of the following events or conditions shall constitute an Event of Default under this Agreement: (a) if Customer defaults in the payment when due of any indebtedness of Customer to CFS, whether or not arising under this Agreement, without notice or demand by CFS; (b) if Customer or any Guarantor ceases doing business as a going concern; (c) if Customer or any Guarantor becomes insolvent or makes an assignment for the benefit of creditors; (d) if a petition or proceeding is filed by or against Customer or any Guarantor under any bankruptcy or insolvency law; (e) if a receiver, trustee, conservator, or liquidator is appointed for Customer, any Guarantor, or any of their property; (f) if any statement, representation or warranty made by Customer or any Guarantor to CFS is incorrect in any material respect; (g) if Customer or any Guarantor defaults under any loan or credit agreement; or (h) if Customer or any Guarantor who is a natural person dies.

16. REMEDIES: Upon the happening of any one or more Events of Default, CFS shall have the right to exercise any one or all of the following remedies (which shall be cumulative), simultaneously, or serially, and in any order: (a) to declare all unpaid Payments and other amounts due and payable under this Agreement, with CFS retaining title to the Equipment; (b) to terminate any and all agreements with Customer; (c) with or without notice, demand or legal process, to retake possession of any or all of the Equipment (and Customer authorizes and empowers CFS to enter upon the premises wherever the Equipment may be found) and (i) retain such Equipment and all Payments and other sums paid under this Agreement, or (ii) re-lease the Equipment and recover from Customer the amount by which the Remaining Lease Balance exceeds the value attributed to the Equipment by CFS for purposes of calculating the payment under the new Agreement, or (iii) sell the Equipment and recover from Customer the amount by which the Remaining Lease Balance exceeds the net amount received by CFS from such sale; or (d) to pursue any remedy permitted at law or in equity. CFS (i) may dispose of the Equipment in its then present condition or following such preparation and processing as CFS deems commercially reasonable; (ii) shall have no duty to prepare the Equipment prior to sale; (iii) may disclaim warranties of title, possession, quiet enjoyment and the like; and (iv) may comply with any applicable state or federal law requirements in connection with a disposition of the Equipment and none of the foregoing actions shall be deemed to adversely affect the commercial reasonableness of the disposition of the Equipment. In the event the Equipment is not available for sale, the Customer shall be liable for the Remaining Lease Balance and any other amounts due under this Agreement.

17. LATE CHARGES; EXPENSES OF ENFORCEMENT: If Customer fails to pay any sum to be paid by Customer to CFS under this Agreement on or before the applicable due date, Customer shall pay CFS, upon demand, an amount equal to ten percent (10%) of each such delayed Payment or ten dollars (\$10) whichever is greater for each billing period or portion of a billing period such Payment is delayed to the extent permitted by law. The amounts specified above shall be paid as liquidated damages and as compensation for CFS's internal operating expenses incurred in connection with such late payment. In addition, Customer shall reimburse CFS for all of its out-of-pocket costs and expenses incurred in exercising any of its rights or remedies under this Agreement or in enforcing any of the terms or provision of this Agreement, including, without limitation, reasonable attorney's fees and expenses and fees and expenses of collection agencies, whether or not suit is brought. If CFS should bring court action, Customer and CFS agree that attorney's fees equal to twenty-five percent (25%) of the total amount sought by CFS shall be deemed reasonable for purposes of this Agreement.

18. ASSIGNMENT: CUSTOMER SHALL NOT ASSIGN OR PLEDGE THIS AGREEMENT IN WHOLE OR IN PART, NOR SHALL CUSTOMER SUBLET OR LEND ANY ITEM OF EQUIPMENT WITHOUT THE PRIOR WRITTEN CONSENT OF CFS. CFS may pledge or transfer this Agreement. Customer agrees that if CFS transfers this Agreement, the new owner will have the same rights and benefits that CFS has now and will not have to perform any of CFS's obligations which CFS will continue to perform. Customer agrees that the rights of the new owner will not be subject to any claims, defenses, or set-offs that Customer may have against CFS, including without limitation, claims, defenses or set-offs arising out of service obligations, if any, under this Agreement. If Customer is given notice of any such transfer, Customer agrees, if so directed therein, to pay directly to the new owner all or any part of the amounts payable hereunder.

19. RENEWAL; RETURN: Except in the case of an Agreement containing \$1.00 purchase option, this Agreement shall automatically renew on a month to month basis at the same Payment amount and frequency unless Customer, at least sixty (60) days before the end of the scheduled term or any renewal term, either (i) exercises the purchase option in accordance with the terms hereof or (ii) sends to CFS written notice that Customer does not want to renew this Agreement, and at the end of such term returns the Equipment as provided below. CFS may cancel the automatic renewal term by, at least sixty (60) days before the end of any term, sending the Customer written notice that CFS does not want the Agreement to renew. Unless this Agreement automatically renews or Customer purchases the Equipment as provided in this Agreement, Customer shall, at the termination of this Agreement, return the Equipment at its sole cost and expense in good operating condition, ordinary wear and tear resulting from proper use excepted, to a location specified by CFS. If for any reason Customer shall fail to return the Equipment to CFS as provided in this Agreement by the last day of the applicable term, Customer shall pay to CFS upon demand one billing period's Payment for each billing period or portion thereof that such delivery is delayed.

20. PURCHASE OPTION: (A) END OF TERM PURCHASE OPTION. Customer shall give CFS sixty (60) days prior irrevocable written notice (unless the Purchase Option is \$1.00) that it will purchase all the Equipment at the end of the initial term or any renewal term for the purchase option price indicated on the face of this Agreement plus any applicable taxes, expenses, charges and fees. (B) PRIOR TO MATURITY PURCHASE. Customer may, at any time, upon sixty (60) days irrevocable written notice purchase all (but not less than all) the Equipment at a price equal to the sum of all remaining Payments plus the Fair Market Value, plus any applicable taxes, expenses, charges and fees. For purposes of this Agreement, "Fair Market Value" shall be CFS's retail price at the time Customer notifies CFS of its intent to purchase the Equipment, but not less than 20% of the total cost of the Equipment. Equipment purchases shall not be available to Customer if a default hereunder has occurred and is continuing. Upon proper notice and payment by Customer of the amounts specified above, CFS shall transfer the Equipment to Customer "AS-IS WHERE-IS" without any representation or warranty whatsoever, except for title, and this Agreement shall terminate.

21. DATA: Customer acknowledges that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that Customer may store for purposes of normal operation of the Equipment ("Data"). Customer acknowledges that CFS is not storing Data on behalf of Customer and that exposure or access to the Data by CFS, if any, is purely incidental to the services performed by CFS. Neither CFS nor any of its affiliates has an obligation to erase or overwrite Data upon Customer's return of the Equipment to CFS. Customer is solely responsible for: (i) its compliance with applicable law and legal requirements pertaining to data privacy, storage, security, retention and protection; and (ii) all decisions related to erasing or overwriting Data. Without limiting the foregoing, Customer should, prior to return or other disposition of the Equipment, utilize the Hard Disk Drive (HDD) (or comparable) formatting function (which may be referred to as "Initialized All Data/Settings" function) if found on the Equipment to perform a one pass overwrite of Data or, if Customer has higher security requirements, Customer may purchase from its Canon dealer at current rates an appropriate option for the Equipment, which may include (a) an HDD Data Encryption Kit option which disguises information before it is written to the hard drive using encryption algorithms, (b) an HDD Data Erase Kit that can perform up to a 3-pass overwrite of Data or (c) a replacement hard drive (in which case the Customer should properly destroy the replaced hard drive). Customer will indemnify CFS, their subsidiaries, directors, officers, employees and agents from and against any and all costs, expenses, liabilities, claims, damages, losses, judgments or fees (including reasonable attorneys' fees) arising or related to the storage, transmission or destruction of the Data. This section survives termination or expiration of this Agreement.

22. WARRANTY OF BUSINESS PURPOSE: Customer represents and warrants the Equipment will not be used for personal, family, or household purposes.

23. PERSONAL PROPERTY: The Equipment shall remain personal property regardless of whether it becomes affixed to real property or permanently rests upon any real property or any improvement to real property.

24. MAXIMUM INTEREST; RECHARACTERIZED AGREEMENT: No Payment is intended to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable laws, and any such excess Payment will be applied to payments due under this Agreement, in inverse order of maturity, and thereafter shall be refunded. If this Agreement is recharacterized as a conditional sale or loan, Customer hereby grants to CFS, its successors and assigns, a security interest in the Equipment to secure payment and performance of Customer's obligations under this Agreement.

25. UCC - ARTICLE 2A: CUSTOMER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT IS INTENDED AS A "FINANCE LEASE" AS THAT TERM IS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND THAT CFS IS ENTITLED TO ALL BENEFITS, PRIVILEGES AND PROTECTIONS OF A LESSOR UNDER A FINANCE LEASE.

26. WAIVER OF OFFSET: This Agreement is a net lease. If the Equipment is not properly installed, does not operate as represented or warranted, or is unsatisfactory for any reason, Customer shall make such claim solely against the supplier, dealer, or manufacturer. Customer waives any and all existing and future claims and offsets against any Payments or other charges due under this Agreement, and unconditionally agrees to pay such Payments and other charges, regardless of any offset or claim which may be asserted by Customer or on its behalf.

27. NOTICES: All notices required or permitted under this Agreement shall be sufficient if delivered personally, sent via facsimile or other electronic transmission, or mailed to such party at the address set forth in this Agreement, or at such other address as such party may designate in writing from time to time. Any notice from CFS to Customer shall be effective three days after it has been deposited in the mail, duly addressed. All notices to CFS from Customer shall be effective after it has been received via U.S. Mail, express delivery, facsimile or other electronic transmission.

28. ELECTRONIC ACCEPTANCE: Customer agrees that CFS may accept a facsimile or other electronic transmission of this Agreement or any Acceptance Certificate as an original, and that facsimile or electronically transmitted copies of Customer's signature will be treated as an original for all purposes.

29. NON-WAIVER: No waiver of any of Customer's obligations, conditions or covenants shall be effective unless contained in a writing signed by CFS. Failure to exercise any remedy which CFS may have shall not constitute a waiver of any obligation with respect to which Customer is in default.

30. MISCELLANEOUS: If there should be more than one party executing this Agreement as Customer, all obligations to be performed by Customer shall be the joint and several liability of all such parties. Customer's representations, warranties, and covenants under this Agreement shall survive the delivery and return of the Equipment. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement. No such prohibition or unenforceability in any jurisdiction shall invalidate or render unenforceable such provision in any other jurisdiction. Customer agrees that CFS may insert missing information or correct other information on this Agreement including the Equipment's description, serial number, and location, otherwise, this Agreement contains the entire arrangement between Customer and CFS and no modifications of this Agreement shall be effective unless in writing and signed by the parties.

31. GOVERNING LAW; VENUE; WAIVER OF JURY TRIAL: THIS AGREEMENT HAS BEEN EXECUTED BY CFS IN, AND SHALL FOR ALL PURPOSES BE DEEMED A CONTRACT ENTERED INTO IN, THE STATE OF NEW JERSEY. THE RIGHTS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. ANY ACTION BETWEEN CUSTOMER AND CFS SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE COUNTY OF CAMDEN OR BURLINGTON, NEW JERSEY, OR AT CFS' SOLE OPTION, IN THE STATE WHERE THE CUSTOMER OR THE EQUIPMENT IS LOCATED. CUSTOMER, BY ITS EXECUTION AND DELIVERY HEREOF, IRREVOCABLY WAIVES OBJECTIONS TO THE JURISDICTION OF SUCH COURTS AND OBJECTIONS TO VENUE AND CONVENIENCE OF FORUM. CUSTOMER, BY ITS EXECUTION AND DELIVERY HEREOF, AND CFS, BY ITS ACCEPTANCE HEREOF, HEREBY WAIVES ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS.



CANON SOLUTIONS AMERICA

Canon Solutions America, Inc. ("CSA")
One Canon Park, Melville, NY 11747
(800) 613-2228

MAINTENANCE AGREEMENT

National IPA

Related Acquisition Agreement # S0566486.02

Salesperson Stavroula Sakellakos Order Date: 6 / 22 / 2016

Customer ("you"): Customer Account: Equipment Location: Customer Account:
Company: CITY OF PLACENTIA
Address: 401 E CHAPMAN AVE
City: PLACENTIA County: ORANGE
State: CA Zip: 92870-6101 Phone #: 714.993.8272
Contact: DAVID MCLAREN Fax #:
Email: dmclaren@placentia.org

Maintenance Billing Entity PO Required Meter Read Collection Options
Base Charge: [] CSA [x] Canon Financial Services, Inc. ("CFS")
Per Image Charge: [] CSA [x] Canon Financial Services, Inc. ("CFS")
Base Charge Billing Cycle Initial Term Coverage Plan
Excess Per Image* Charge Billing Cycle Price Plan Consumables Inclusive

Subject to the terms and conditions of this Agreement, CSA agrees to service the Equipment listed below or in any Addendum(s) to this Agreement at the charges stated herein or therein. For newly installed Equipment, the Start Date is provided in Paragraph 1 of the Additional Terms and Conditions. The Start Date for previously in place Equipment is ___/___/___.

Table with columns: Model, Serial #, Start Meter (B & W, Color), Covered Images per unit or Fleet included in Base Charge (B & W, Color, Long Sheet), Per Image Charge in excess of Covered Images (B & W, Color, Long Sheet), Base Charge per unit or Fleet, Alt Meter Method*. Includes rows for IRADV500IF, RADVC5255, RADVC7270 and a summary section for Subtotal, Tax, and Total (\$435.45).

BY YOUR SIGNATURE BELOW, YOU AGREE TO PURCHASE THE MAINTENANCE SERVICES SPECIFIED ABOVE. YOU ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT, CONSISTING OF 2 PAGES INCLUDING THIS FACE PAGE. THE ADDITIONAL TERMS AND CONDITIONS ON PAGE 2 HEREOF AND IN ANY ADDENDUM(S) HERETO, ARE INCORPORATED AND MADE A PART OF THIS AGREEMENT.

Customer's Authorized Signature _____

Printed Name _____ Title _____ Date _____

ADDITIONAL TERMS AND CONDITIONS

These are the additional terms and conditions referred to on the face page to which they are attached (such face page, and any addendum(s) hereto, collectively with these terms and conditions, the "Agreement").

1. TERM. Maintenance under this Agreement shall start on the date (the "Start Date") of installation for newly installed equipment (inclusive of standard embedded Canon brand software) (the "Equipment") covered under toner inclusive service. For all other newly installed Equipment, the Start Date shall be at the end of the relevant Equipment warranty or 90 days from installation, whichever comes first. The Start Date is stated on the face page for all previously in place Equipment. (a) The initial term specified on the face page shall renew for successive 12 month renewal terms unless either party gives written notice of non-renewal at least 30 days prior to the expiration of the then-current term. The renewal charges shall be reflected on the invoice for the first billing cycle of the renewal period. You shall have the right to terminate this Agreement during any renewal term with 30 days advance written notice to CSA.

2. CHARGES. Base charges shall be billed in advance and per image charges, shall be billed in arrears. Invoices shall be due and payable within 30 days of the invoice date unless otherwise stated on the invoice. Applicable taxes shall be added to the charges. If payments are late, (i) you shall pay the actual and reasonable costs and expenses of collection incurred by CSA, including the maximum attorney's fees permitted by law and (ii) CSA may charge you and you agree to pay, a late charge equal to five percent (5%) of the amount due for each billing period or portion of a billing period such payment is delayed or \$10 as reasonable collection fees, not to exceed the maximum amount permitted by law. If the Standard Price Plan is selected on the face side, during the initial term, the charges specified on the face page are subject to an annual increase up to 10% (as determined by CSA in its sole discretion) either (i) on each anniversary of the start date or (ii) once in each calendar year if you have selected the Aggregate Coverage Plan. Fixed Price Plans shall not increase during the initial term. If you have selected CFS on the face page as the billing entity, your maintenance charges will appear on your periodic lease invoice along with standard lease charges. CFS will remit your payment of maintenance charges to CSA upon receipt. (a) Consumables Inclusive service includes replenishment of consumables specified on the face page for exclusive use with the Equipment. CSA may terminate this Agreement if you use the consumables in a different manner. In the event your toner usage exceeds by more than 10% the published manufacturer specifications for conventional office image coverage, as determined by CSA, CSA may invoice you for such excess usage. You may purchase additional toner from CSA if required during the term. You shall bear all risk of loss, theft or damage to unused consumables, which shall remain CSA's property and shall be returned promptly upon termination of this Agreement. (b) If you have selected the Fleet or Aggregate Coverage Plan, the Base Charge and the Covered Images shall apply to all of the Equipment on the Schedule unless otherwise indicated. If specified on the face page that the Listed Items are being added to an existing Fleet Coverage Plan under a previous agreement between you and CSA, (i) the fleet shall include the listed items under the previous agreement, and all other agreements for which the add to existing fleet option was selected, and (ii) the maintenance term for all Listed Items under this Agreement shall be the same as the maintenance term for all listed items under all such previous agreements. (c) If specified on the face page that the Listed Items are being added to an existing Aggregate Coverage Plan under a previous agreement between you and CSA, the Covered Images shall apply to all of the Equipment on the schedule, unless otherwise indicated, plus the listed items under the previous agreement(s), and all other agreements for which the add to existing Aggregate Coverage Plan was selected, on an aggregated basis, for so long as the maintenance term for all such listed items continues. (d) Unless otherwise indicated on the face page, you authorize CSA to use networked features of the Equipment including imageWARE Remote to receive software updates, activate features/new licenses and/or transmit use and service data accumulated by the Equipment over your network by means of an HTTPS protocol and to store, analyze and use such data for purposes related to servicing the Equipment and product improvement. (e) You agree to provide meter readings to CSA, if applicable, in accordance with the meter read option selected and CSA's normal procedures. If you selected CSA's eManage website, you shall complete CSA's registration process governing access to and use of such website. CSA may change your meter read options from time to time upon 60 days notice. If CSA does not receive timely meter readings from you, you agree to pay invoices that reflect CSA's estimates of meter readings. CSA reserves the right to verify the accuracy of any meter readings from time to time, and to invoice you for any shortfall in the invoice for the next periodic billing cycle.

3. COVERED SERVICE. CSA shall provide all routine preventive maintenance and emergency service necessary to keep the Equipment in good working order in accordance with this Agreement and CSA's normal practice. Such service shall be performed during CSA's local regular business hours (8:30 A.M. to 5:00 P.M. Monday through Friday, except holidays). (a) You shall afford CSA reasonable access to the Equipment to perform on-site service. CSA may terminate its maintenance obligations as to any Equipment if you relocate it to a site outside CSA's service territory. If, in CSA's opinion, any Equipment cannot be maintained in good working order through CSA's routine maintenance services, CSA may, at its option, (i) substitute comparable Equipment or (ii) cancel any balance of the term of this Agreement as to such Equipment and refund the unearned portion of any prepaid charges hereunder. Parts or Equipment replaced or removed by CSA in connection with maintenance services hereunder shall become the property of CSA and you disclaim any interest therein. (b) CSA shall make available to you from time to time upgrades and bug fixes for the software licensed as part of the Equipment ("Embedded Software"), but: (i) only if such upgrades and bug fixes are provided to CSA by the developers of such Embedded Software, (ii) availability of upgrades and bug fixes may be at additional charge, and (iii) installation of such upgrades and bug fixes by CSA if requested by you shall be at additional charge. You are not required to use CSA for installation of any upgrades and bug fixes, but if installation is done by anyone other than CSA, CSA shall have no responsibility for any performance or other issues that may result from such installation. CSA shall also use reasonable efforts to provide Level 1 support for the Embedded Software. Level 1 support consists of providing help-line telephone assistance in operating the Embedded Software and identifying service problems, facilitating contact between you and the developer of the Listed Software to attempt to rectify such problems and maintaining a log of such problems to assist in tracking the same. Embedded Software as used herein does not include separately-priced application software supplied by CSA to you under any separate acquisition agreement, and support therefor shall be solely governed by the provisions thereof.

4. NON-COVERED SERVICE. The following services, and any other work beyond the scope of this Agreement, shall be invoiced in accordance with CSA's then current labor, parts and supply charges: (a) replacement of any consumable supply item, including, without limitation, paper, toner, ink, waste containers, fuser oil or staples (except for toner inclusive service to the extent provided in Subparagraph 2(a) above), other media, print heads and puncher dies; (b) repairs necessitated by factors other than normal use including, without limitation, any willful act, negligence, abuse or misuse of the Equipment; the use of parts, supplies or software which

are not supplied by CSA and which cause abnormally frequent service calls or service problems; service performed by personnel other than CSA personnel; accident; use of the Equipment with non-compatible hardware or software components; electrical power malfunction or heating, cooling or humidity ambient conditions; (c) de-installation, re-installation or relocation of Equipment, (d) repairs to or realignment of Equipment, and related training, necessitated by changes you made to your system configuration or network environment; (e) work which you request to be performed outside of CSA's regular business hours; or (f) repair of any network/system connection device, except when listed on face page.

5. DATA. You acknowledge that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that you may store for purposes of normal operation of the Equipment ("Data"). You acknowledge that CSA is not storing Data on behalf of you and that exposure or access to the Data by CSA, if any, is purely incidental to the services performed by CSA. Neither CSA nor any of their affiliates has an obligation to erase or overwrite Data upon your return of the Equipment to CSA or any leasing company. You are solely responsible for: (i) your compliance with applicable law and legal requirements pertaining to data privacy, storage, security, retention and protection; and (ii) all decisions related to erasing or overwriting Data. Without limiting the foregoing, you should, (a) enable the Hard Disk Drive (HDD) data erase functionality that is a standard feature on certain Equipment and/or (b) prior to return or other disposition of the Equipment, utilize HDD (or comparable) formatting function (which may be referred to as "Initialized All Data/Settings" function) if found on the Equipment to perform a one pass overwrite of Data or, if you have higher security requirements, you may purchase from CSA at current rates an available option for the Equipment, which may include (x) an HDD Data Encryption Kit option which disguises information before it is written to the hard drive using encryption algorithms, (y) a HDD Data Erase Kit that can perform up to a 3-pass overwrite of Data (for Equipment not containing data erase functionality as a standard feature), or (z) a replacement hard drive (in which case you should properly destroy the replaced hard drive). The terms of this Section 5 shall solely govern as to Data, notwithstanding that any provisions of this Agreement or any separate confidentiality or data security or other agreement now or hereafter entered into between you and CSA could be construed to apply to Data.

6. EXCLUSION OF WARRANTIES AND LIMITATION OF LIABILITY. CSA EXPRESSLY DISCLAIMS ALL WARRANTIES EXPRESS OR IMPLIED INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE RELATING TO THE USE OR PERFORMANCE OF THE EQUIPMENT AND SOFTWARE OR ANY METER READ COLLECTION METHOD PROVIDED BY CSA. YOU EXPRESSLY ACKNOWLEDGE THAT THE FURNISHING OF MAINTENANCE SERVICE UNDER THIS AGREEMENT DOES NOT ASSURE UNINTERRUPTED OPERATION AND USE OF THE EQUIPMENT, SOFTWARE OR METER COLLECTION METHODS. CSA SHALL NOT BE LIABLE FOR INJURY OR DAMAGE EXCEPT TO THE EXTENT CAUSED BY CSA'S NEGLIGENCE OR WILLFUL MISCONDUCT. CSA SHALL NOT BE LIABLE FOR EXPENDITURES FOR SUBSTITUTE EQUIPMENT OR SERVICES, LOSS OF REVENUE OR PROFIT, LOSS, CORRUPTION OR RELEASE OF DATA, FAILURE TO REALIZE SAVINGS OR OTHER BENEFITS, STORAGE CHARGES OR INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT REGARDLESS OF THE LEGAL THEORY ON WHICH THE CLAIM IS BASED AND EVEN IF CSA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. DEFAULT. You shall be in default of this Agreement if you fail to perform any of your obligations under this Agreement, including making prompt undisputed payments when due. CSA may withhold service under this Agreement in whole or in part until any delinquent payment is received by CSA. CSA may terminate this Agreement in whole or in part upon your default with thirty (30) days notice to you, unless such default is cured by you within the thirty (30) day period. If an overdue payment is disputed in good faith within thirty (30) days after the due date thereof, you shall pay all undisputed amounts and promptly make a good faith effort to resolve such dispute with CSA. In the event of your default, CSA may, without limiting its other rights and remedies available under applicable law and this Agreement, require you to pay all charges then due but unpaid, including any applicable late charges, plus an early termination fee equal to three (3) times the average monthly billing to date and any excess toner charges per Section 2(b). You agree that such charges are reasonable liquidated damages for loss of bargain and not a penalty.

8. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. YOU CONSENT TO THE EXCLUSIVE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE CITY OF NEW YORK UPON SERVICE OF PROCESS MADE IN ACCORDANCE WITH THE APPLICABLE STATUTES AND RULES OF THE STATE OF NEW YORK OR THE UNITED STATES. ANY AND ALL SUITS COMMENCED BY YOU AGAINST CSA, WHETHER OR NOT ARISING UNDER THIS AGREEMENT AND REGARDLESS OF THE LEGAL THEORY UPON WHICH SUCH SUITS ARE BASED, SHALL BE BROUGHT ONLY IN THE STATE OR FEDERAL COURTS LOCATED WITHIN THE CITY OF NEW YORK. YOU HEREBY WAIVE OBJECTIONS AS TO VENUE AND CONVENIENCE OF FORUM. ANY SUIT BETWEEN THE PARTIES HERETO, OTHER THAN ONE SEEKING PAYMENT OF AMOUNTS DUE HEREUNDER, SHALL BE COMMENCED, IF AT ALL, WITHIN ONE (1) YEAR OF THE DATE THAT THE CLAIM ACCRUES. THE PARTIES IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY SUIT BETWEEN THEM.

9. ENTIRE AGREEMENT. This Agreement shall be binding upon your signature and upon the installation of the Equipment by CSA or commencement of the covered services if this Agreement is for renewal of a prior maintenance agreement or for equipment previously installed. This Agreement constitutes the entire agreement between the parties with respect to the furnishing of maintenance service for the Equipment, superseding all previous proposals and agreements, oral or written. All provisions of this Agreement including Section 5, which by their nature can be construed to survive the expiration or termination of the Agreement shall so survive. Any purchase order utilized by you shall be for your administrative convenience only, and any terms therein which conflict with, vary from or supplement the provisions of this Agreement shall be deemed null and void. No representation or statement not contained on the original of this Agreement shall be binding upon CSA as a warranty or otherwise, nor shall this Agreement be modified or amended except by a writing signed by both you and a designated representative of CSA. If a court finds any provision of this Agreement (or part thereof) to be unenforceable, the remaining provisions of this Agreement shall remain in full force and effect. This Agreement shall not be assignable by you without CSA's prior written consent, and any attempted assignment without such consent shall be void. You expressly disclaim having relied upon any representation or statement concerning the capability, condition, operation, performance or specifications of the Equipment and Software, except to the extent set forth on the original of this Agreement. You agree that CSA may accept an electronic image of this Agreement as an original, and that electronic copies of your signature will be treated as an original for all purposes.

This transaction shall be governed in all respects by the Terms and conditions of contract # CP-002-13 dated 10-1-2013 between Canon Solutions America, Inc. and DuPage County and any terms and conditions which conflict with, vary from or supplement the Agreement terms shall be deemed null and void.



CANON FINANCIAL SERVICES, INC. (CFS)
 Remittance address:
 14904 Collections Center Drive
 Chicago, Illinois 60693
 (800) 220-0200 www.cfs.canon.com

**Agreement Addendum
 PERSONAL PROPERTY TAX**
 CFS-1123 (08/12)

Agreement Number:

Customer: City of Placentia

This Personal Property Tax Addendum ("Addendum") is made a part of the above mentioned Agreement (whether designated a lease, rental, Master Lease together with any Schedules thereto, or otherwise, the "Agreement"), by and between the above mentioned Customer ("Customer") and Canon Financial Services, Inc. ("CFS") pursuant to which Customer is or shall become the renter or lessee of certain Equipment (as defined in the Agreement). Capitalized terms used herein but not defined will have the same meanings assigned to them in the Agreement.

1. Notwithstanding anything to the contrary contained in the Agreement regarding taxes, fees, and other charges, in consideration of CFS waiving Customer's obligation to reimburse CFS for state and local personal property taxes on the Equipment, Customer agrees to pay CFS the increased monthly payment set forth in the Agreement. Customer remains responsible for all other taxes, fines or penalties relating to the Agreement or the Equipment.
2. This Addendum supplements and amends the Agreement only to the extent and in the manner set forth herein, and in all other respects the Agreement remains in full force and effect.

Customer agrees that CFS may accept a facsimile or other electronically transmitted copies of this Addendum as an original, and that facsimile or other electronically transmitted copies of Customer's signature will be treated as an original for all purposes.

AGREED	AUTHORIZED CUSTOMER SIGNATURE
Canon Financial Services, Inc.	Customer: <u>City of Placentia</u>
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: INTERIM CHIEF OF POLICE

DATE: JULY 19, 2016

SUBJECT: **RESPONSE TO 2015-16 GRAND JURY REPORT, "DRONES: KNOW BEFORE YOU FLY."**

FISCAL
IMPACT: NONE

SUMMARY:

The Orange County Grand Jury issued a final report for 2015-16 titled, "Drones: Know Before You Fly." The report includes several findings and recommendations based on the Grand Jury's investigation into the use of unmanned aerial vehicles (UAV), commonly referred to as "drones", and the potential for increased public safety through education and enforcement. The report requires that the City respond to Findings F1 - F7 and Recommendations R1 - R5 and R9 pursuant to California Penal Code § 933, which requests that agencies develop local ordinances and promote drone education through various means. The attached letter addresses each Finding and Recommendation as required; the City both agrees and partially agrees with several of the Findings and/or Recommendations and also disagrees with some. Additionally, some Recommendations require further analysis and input from other Orange County cities and the County before implementation may occur.

RECOMMENDATION:

It is recommended that the City Council take the following action:

1. Authorize the Mayor to execute the letter to the Presiding Judge of the Superior Court, that responds to the findings and recommendations to the 2015-16 Orange County Grand Jury Report entitled, "Drones: Know Before You Fly."

DISCUSSION:

On May 27, 2016, the Orange County Grand Jury issued a final report for 2015-16 investigation titled, "Drones: Know Before You Fly." The report includes numerous Findings and Recommendations based on the Grand Jury's investigation into the increased use of and problems associated with unmanned aerial vehicles (UAV's) commonly referred to as "drones". The report designates what entity or person must respond to each Finding and/or Recommendation pursuant to California Penal Code § 933 and 933.05. In this case, they have requested that the Mayor respond to Findings F1 - F7 and Recommendations R1 - R5 and R9 of the report. The Findings discuss the increase in recreational drones and the potential public safety threats, what rules and/or laws regulate the use of these UAV's, ordinances enacted to address misuse of drones, educational

programs available, registration of drones, and procedures for reporting drone incidents. For each Finding the respondent is required to either, “agree” or “disagree wholly or partially...with an explanation.”

The Recommendations made by the Grand Jury include having a city attorney’s report on existing laws for drone’s within an agency’s jurisdiction, adoption of an ordinance, community outreach regarding drones, social media advertisements regarding drones, and data gathering/analysis for distribution throughout the county. These recommendations were made for all Orange County cities and for the County to consider when responding.

The Grand Jury indicates that the reasons for their present study are because the increase in sales for drones is anticipated to be over one million (in 2015), that rogue or careless users may become a problem and/or will interfere with emergency responders, and that safety is the primary concern for airborne (manned) vehicles that could have contact with small drones that enter restricted airspace having the potential, “for causing lethal damage when flying at low altitudes.”

In summary, the Grand Jury concludes that, "The FAA now receives more than 100 UAS (Unmanned Aerial System) sightings each month from pilots, citizens, and law enforcement." Additionally, Orange County cities received nearly 100 drone-related complaints over a period of one year and the Grand Jury feels it is short-sighted for (our) county and cities to ignore this emerging concern.

The Grand Jury concluded seven (7) findings and nine (9) recommendations relating to the imposition of an ordinance for drone enforcement, education for citizens who use or witness drone activity, and the collection of data related to drone incidents. The City is required to respond to all of the Findings and six (6) of the nine (9) recommendations.

Pursuant to California Penal Code § 933, any public agency which the Grand Jury has reviewed, and about which it has issued a final report, is required to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the agency. Staff has prepared a draft response for Council's consideration based on the instructions provided.

Prepared by:

Reviewed and approved:

Richard Pascarella
Captain

Ronald E. Lowenberg
Interim Chief of Police

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachments:

1. Orange County Grand Jury Report – Drones: Know Before You Fly
2. Proposed Response Letter to the Honorable Charles Margines

DRONES: KNOW BEFORE YOU FLY



GRAND JURY 2015-2016

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EXECUTIVE SUMMARY

Recent exponential growth in the purchase of low cost unmanned aircraft, popularly called drones, has created new issues for all consumers and government entities regarding safety and privacy. What was once a relatively small, build-it-yourself hobby segment has evolved into a much larger population of consumers interested in using drones as platforms for low cost still and video photography. In the past, the hobby community organized itself into self-policing groups which functioned according to acceptable community standards. Now consumers purchasing drones are much more likely to operate them outside any organized activity, and this raises questions and concerns about safety and privacy.

The Federal Aviation Administration (FAA) is responsible for all airspace in the United States, and issues operational guidelines for aircraft. It has chosen to require registration of a drone weighing more than 0.55 lbs. (8.8oz.), but less than 55 lbs., and used solely for outdoor hobby or recreation. The FAA has not addressed the use of drones operated at altitudes below 400 ft. with the exception of requiring operator registration. Registration creates a unique FAA identification number which must be marked on the registered aircraft. The new FAA registration requirement provides local law enforcement with the means for tracing ownership of drones and gives teeth to any local ordinances that may be enacted in the future.

Concurrent with the publication of this report, legislation is going through Congress that could affect local efforts to regulate the design, ownership, and operation of drones. This could affect the recommendations of this report. As with all pending legislation, however, it could change significantly prior to passage, or even fail to pass.

Governor Brown recently vetoed several drone bills that had bipartisan support citing existing laws that already prohibit interference with first responder duties. Meanwhile, local communities in California have experienced several serious incidents involving interference with fire-fighting and law enforcement aircraft, as well as complaints regarding invasion of privacy. Since neither the Federal nor California State governments have yet interceded, regulation falls to local communities to enact ordinances tailored to local use of these drones.

In December 2015, the City of Los Angeles passed an ordinance, based upon FAA operational guidelines, which could serve as a model for the County of Orange and its cities. As a result of this investigation and in the interest of public safety, the Grand Jury recommends that cities and the county develop local ordinances and promote drone education.

BACKGROUND

Scope of this Report

The Grand Jury investigated the vulnerability of the Orange County Fire, Police, and Sheriff/Coroner Departments to the anticipated increase in ownership of privately-owned hobby drones, but restricted examination of the topic of drones to the expanding recreational/hobbyist market and its consequences for Orange County's emergency responders. Therefore this investigation does not include drones used for commercial purposes such as surveying, entertainment industry activities and news gathering, or publicly owned drones, such as those used by law enforcement and public safety entities.

The Market

Until recently, the remotely piloted aircraft community was a relatively small hobbyist group primarily interested in building and piloting model aircraft. In the past, building a remote-controlled aircraft entailed a large commitment of time and energy. Flying club enthusiasts enforced piloting norms and behavior. However, as low-cost drones have become available, the self-regulating influence of the hobbyist/modeling community has waned. In addition to inexpensive drones, economical high resolution still and video cameras are available everywhere. The public's coupling the two has led to a new and very large market – the hobbyist/recreational user.

Reasons for the Current Focus on Drones

The publication *Money Watch* estimated that more than one million small drones were sold in 2015. Speaking at an industry conference, Rich Swayze, FAA Assistant Administrator for Policy, International Affairs and Environment, predicted "a million drones under people's Christmas trees." A senior industry analyst at Frost & Sullivan said the FAA's guess was fairly accurate. Mr. Swayze estimated hobby drone sales of 714,000 and about 214,000 commercial drone sales for 2015, for a total of slightly less than 1 million (Berr 1).

While most new owners will operate responsibly, rogue or careless users may become a problem. In 2015, San Bernardino County had two incidents where a drone caused a fire-helicopter to stop dropping water in order to avoid a collision (North Fire 1-2). A Los Angeles County police-helicopter also had a similar experience (Serna 1-2).

Safety is a prime concern for other airborne vehicles, such as incoming and outgoing aircraft at the Orange County airports, as well as fixed wing and rotary aircraft operated by the Orange County Fire Authority, the Sheriff/Coroner's Department, and all first responders. Encounters

with small drones that enter restricted airspace have the potential for causing lethal damage, and county officials have expressed concern for the safety of the general public who may be hit by drones flying at very low altitudes. The new market and the way consumer drones can be flown raise an important question for Orange County municipalities: Are these consumer drones safe for operation in a local setting?

The Grand Jury also recognizes, and briefly considered, the issue of privacy. Drones flying over private property may lead to conflicts with property owners. Drones flying over public property, such as beaches and parks, may also lead to conflicts over the public enjoyment of such venues. Several cities reported concerns with privacy during this Grand Jury investigation. While these concerns do not rise to the level of statistical evidence, they do raise awareness of the nature of this new problem. Certainly, local municipalities may wish to create ordinances to address specific issues involving these small drones. (Law1). Privacy is a valid concern but the scope of this investigation is focused on the safety issues for our first responders.

METHODOLOGY

The Grand Jury conducted research two ways:

1. Online and through print publications such as newspapers, professional journals, FAA Press Releases and numerous web sites. In conducting online and print research, the Grand Jury studied information about the consumer drone market, and current and pending municipal, state and federal legislation. It also looked at safety issues and researched incidents involving small drones.
2. Collection of original data from Orange County sources:

From September 21 to November 4, 2015, the Grand Jury conducted a survey among Orange County stakeholders. This included all thirty-four cities and four additional entities: John Wayne Airport, Fullerton Municipal Airport, the Orange County Fire Authority and the Sheriff/Coroner Department. This survey and subsequent interviews asked about experiences with drones, plans for any local legislation relating to small drones and whether or not the entities had or contemplated plans to educate the public in the use of small drones.

INVESTIGATION AND ANALYSIS

The FAA is responsible for all airspace, but, with the exception of requiring operator registration, has not addressed the use of drones operated at altitudes below 400 ft.

A drone is any aircraft without an on-board pilot. Within this definition there is an incredible range in shapes, sizes, and capabilities that characterize today's unmanned aircraft. Personal

drones are currently a hobbyist's item most often used for simple entertainment or for aerial photography.

A drone system generally consists of three elements: the platform, command and control, and the payload.

- **Platform.** The term refers to the actual aircraft. In general it may be fixed-wing or rotary. Currently, consumers prefer various forms of rotary or helicopter platforms because of their hovering ability. The platform is sometimes given the acronym UAV for Unmanned Aerial Vehicle.
- **Command and Control.** The term refers to the operator on the ground and the equipment used to send signals to the platform, telling it what maneuvers to make, how to navigate and how to operate the onboard sensors.
- **Payload.** The term refers to any package mounted on the platform such as a still or video camera or other sensor.

While all three elements are technically necessary for a complete system, the portion consisting of the platform plus payload, namely, that part which is airborne, is generally called the drone. There is, however, some confusion in terminology, as these systems have various acronyms which are often used interchangeably. Terms, such as unmanned aerial systems (UAS) or small unmanned aerial systems (sUAS) are good examples of interchangeable terms. The acronym UAV (Unmanned Aerial Vehicle) is used for both the platform and payload or the entire system. For clarity, the consumer must consider the context. For example, FAA regulations regarding weight, which are concerned only with the airborne portion, may use only the acronym UAS.

Who has Jurisdiction over Hobbyist-Drones?

Federal Aviation Administration (FAA)

The Federal Aviation Act of 1958 established the FAA and made it responsible for the control and use of navigable airspace within the United States. The FAA created the National Airspace System (NAS) to protect persons and property on the ground, and to establish a safe and efficient air space environment for civil, commercial, and military aviation.

In 2012 Congress passed the FAA Modernization and Reform Act (FMRA), which carved out a special exemption for model aircraft. The FAA issued guidelines for model aircraft operations which include the following requirements (Model, 1):

- Fly below 400 Feet and remain clear of surrounding obstacle
- Keep the aircraft within visual line of sight (VLOS) at all times
- Remain clear of and do not interfere with manned aircraft operations

- Do not fly within 5 miles of an airport unless you contact the airport and control tower before flying
- Do not fly near people or stadiums
- Do not fly an aircraft that weighs more than 55 lbs.
- Do not be careless or reckless with your unmanned aircraft; you could be fined for endangering people or other aircraft.

Hobby/recreational drones weighing less than 55 lbs. are currently exempt from the FAA Certification of Authorization (COA) but must operate in accordance with community-based safety guidelines such as those required by the Academy of Model Aeronautics (AMA), a national organization recognized by the FAA. The AMA Safety Code allows the public to fly radio-controlled models in First-Person View (FPV) mode and requires a “spotter” to avoid a collision. The AMA prohibits public use of vision/video glasses or goggles while operating a drone. AMA members can take advantage of training programs and mentorships, and these are guided by best practices. The AMA has also recommended guidelines for selecting flying-sites that have worked well for decades (Appendix G.)

Section 336 of the 2012 FMRA prohibits the FAA Administrator from promulgating rules or regulations regarding model aircraft flown strictly for hobby or recreational purposes. There are some however who believe other governmental agencies, including local jurisdictions, may issue rules within this domain. Others believe that only the FAA may hold sway there. Both sides do agree that other entities may impose rules related to takeoff and landing of drones.

In November 2015, the FAA began to require registration of the small systems classified as UAS whose platform plus payload weighs between 0.55 lbs. (8.8 oz.) and 55 lbs. These specifications are not related to altitude of operation, but are based solely on weight. Since these small drones may be used for commercial purposes or recreation, there are different registration criteria for each. This registration requirement is a powerful tool for identifying owners of drones who may, intentionally or not, fly in restricted locations or who create a danger or nuisance to the public (UAS 1-10). It provides a means for enforcing rules and imposing penalties. Registration data is available to the public at <http://registry.faa.gov/aircraftinquiry/> . As of December 21, 2015 registration is required (FAA Small 1-2). Requirements are listed below:

- UAS that weighs 8.8 ounces to 55 pounds needs registration before operating;
- Registration numbers must be affixed to aircraft and the number covers any/all UAS the registrant owns;
- Operators must be at least 13 years old; and
- A fee of \$5.00 must accompany online registration.

Nearly 300,000 owners registered their small, unmanned aircraft in the first 30 days of the FAA online registration requirement (Rosenberg 1).

Concurrent with the publication of this report, the United States Congress is considering the Federal Aviation Administration Reauthorization Act of 2016. The legislation contains a provision calling for federal pre-emption of State or local laws which may affect the ability of local governments to regulate the design, ownership, and operation of drones. As with all pending legislation, any of the provisions could change significantly before passage. Therefore, the Grand Jury advises that the County and cities in Orange County monitor the legislation as they consider responses to the recommendations of this report.

California State Drone Laws

Although a number of bills regulating the use of drones have passed in both houses of the California legislature, Governor Jerry Brown signed only one: AB 856, which expands privacy protections to prevent paparazzi from flying drones over private property. The Governor stated that existing penal codes cover the criminality of any interference with emergency responders.

The two California laws he refers to are Penal Code 148, sections 148.1, 148.2 and Penal Code 402. Briefly stated, each code says every person who willfully resists or interferes with the lawful efforts of any public officer, peace officer, fireman, or emergency rescue personnel in the discharge or attempts to discharge an official duty is guilty of a misdemeanor (Appendix C,D,E).

The Governor did not rule out future legislation at the state level. He added that while drone technology raises novel issues, it needs to be considered more carefully.

Ordinances in Neighboring Communities

While some states, including California, have taken a go-slow approach, other communities within the state have recognized the inadequacy of this approach by enacting local drone ordinances tailored to specific local conditions (State 1-3). On October 14, 2015, the Los Angeles City Council approved Ordinance Number 183912 of the Los Angeles Municipal Code covering hobbyist/recreational and commercial drones. This ordinance reflects FAA civilian drone guidelines and makes, among other things, three salient points:

1. No Person shall operate any Model Aircraft within the City Los Angeles and within 5 miles of an airport without the prior express authorization of the airport air traffic control tower.
2. No Person shall operate any Model Aircraft within the City of Los Angeles in a manner that interferes with manned aircraft, and shall always give way to any manned aircraft.

3. No Person shall operate any Model Aircraft within the City of Los Angeles more than 400 feet above the earth's surface.

Violation of this ordinance is a misdemeanor, punishable by up to \$1,000 in fines and six months in jail (Appendix A).

Another nearby locality that has enacted a drone ordinance is the city of Poway, in San Diego County. On September 1, 2015 (later updated in October 2015) the Poway City Council approved an ordinance that bans use of recreational drones in certain designated areas during emergency situations, particularly brush fires (Jones, 1-2).

Safety Concerns

Airport Safety

The most serious safety concerns involve interaction between small drones and manned aircraft, especially near airports. The *Bard College Center for Study of the Drone* report is a comprehensive and detailed analysis of incidents involving unmanned aircraft and manned aircraft in the U.S. National Airspace System. Bard College analyzed records from 921 incidents involving drones and manned aircraft in the national airspace, dating from December 17, 2013 to September 12, 2015 (Gettinger, 5). Two hundred forty six (246) of the 340 drones identified in the Bard report were multirotor (i.e. quadcopters, hexacopters, etc.), which are currently the most desirable for the consumer market. These multirotors represent nearly three quarters of the drones involved and are indicative of the potential threat to manned aircraft.

Recent incidents involved a pilot or an air traffic controller spotting a drone flying within or near the flight paths of manned aircraft but not posing an immediate threat of collision. Other encounters involved incidents of manned aircraft traveling close enough to a drone to meet the Federal Aviation Administration's definition of a "near midair collision" or close enough that there was a possible danger of collision. It is important to note over 90% of all incidents occurred *above* 400 feet, the maximum altitude at which hobby drones are allowed to fly.

The Bard College report noted that a majority of the incidents reported occurred within five miles of an airport (prohibited airspace for all drones, regardless of the altitude at which they are flying). While John Wayne Airport was not part of the report, the Bard College report does show that there are a significant number of drones that violate FAA guidelines. With the number of small drones increasing, the potential for lethal incidents also increases. Since Orange County is home to one large, busy airport, John Wayne, and hosts another smaller airport, Fullerton Municipal, this information is cause for local concern (Pilot, 1-2).

Fire and Law Enforcement Safety

A drone in the immediate airspace of any aircraft is a serious, physical threat. In July 2015 firefighting aircraft were grounded for 26 minutes in Southern California because of fear of collisions with five unmanned aerial vehicles that had been seen in the area. It was the fourth time in as many weeks that drones had hampered firefighters in Southern California (Guttman, July 2015). Public safety makes this a big issue. Our first responders need community support as they perform their duties. Dodging drones should not be an obstacle to our county's emergency professionals in how they conduct their business.

Orange County first-responders, Fire, Police and Sheriff, have the same safety concerns as airports. They recognize when drones are encountered at an emergency incident, aircraft operations must be suspended until the hazard can be mitigated. While assisting San Bernardino with the Lake Fire, the Orange County Fire Authority experienced a "near miss." First responders recognize the potential for danger. A police helicopter, tracking a stolen vehicle, could be seriously challenged with a near-miss drone. The drone could be pulled into a helicopter engine or collide with its windshield. A fire helicopter, facing the same danger, could be forced off-course in order to avoid impact.

The Grand Jury learned another concern of custodial law enforcement is the potential use of drones to smuggle contraband into detention facilities. One deputy described an incident in which a drone was used to drop a tennis ball filled with drugs into the recreation area.

No one wants a mid-air collision to be the wake-up call for our communities. FAA Administrator Michael Huerta said, "If you don't know the rules, how can you follow them?" Accidents are inevitable in the absence of carefully considered local ordinances and educational opportunities for hobbyist drone owners.

Personal Safety Concerns

Drones flying over large public gatherings at the beach or sporting events may also pose a potential for injury or damage if the drone is operated improperly. On December 23, 2015, a World Cup ski race was interrupted when a drone fell out of the sky just missing a racer during his run (Associated Press). While this incident involved a commercial drone, it indicates the potential threat drones pose to personal safety.

Drone Ordinance Survey

The Grand Jury sent a ten question drone survey to all 34 cities in the County, as well as the Orange County Fire Authority, John Wayne Airport, Fullerton Municipal Airport and the Sheriff/Corner Department. The Grand Jury offered three fact-finding options: schedule a personal visit; schedule a phone interview; or return a written response. The majority of cities responded in writing. Four cities did not answer, creating a response rate of 88%.

The survey questions were divided into three areas: existing policy; experience; and education.

1. Does your agency/department have a policy for the operation of privately-owned drones?
2. Does your agency/department have a policy for the operation of Commercial drones?
3. If there are no policies, why not?
4. Do you feel creating or supporting a drone policy will have a financial impact on your budget? How?
5. Does your agency/department allow first responders to use drones for emergency response?
6. Have there been any reported drone accidents or “near misses” by your agency/department?
7. Have there been any incidents or public complaints involving drones in your jurisdiction?
8. Has physical damage of property, resulting from drone use, been addressed?
9. If a city resident has concerns with a hovering drone, whom should they call or contact?
10. Are there agency-sponsored educational programs available for public awareness regarding the safety and danger factors involved with operating a drone?

The survey used open-ended questions to allow each entity to share knowledge or concerns. The Grand Jury reviewed and categorized all responses for analysis and statistical review. The respondents were as follows: City Managers, Assistant City Manager, Senior Executive Airport Personnel, Assistant Chief of Operations, Chief of Police, Sergeant, and Deputy Chief. An Executive Secretary stated her boss answered “No to everything.”

Responses from the Cities

Policy- Questions #1-5

Does your agency/dept have a policy for the operation of privately-owned drones?

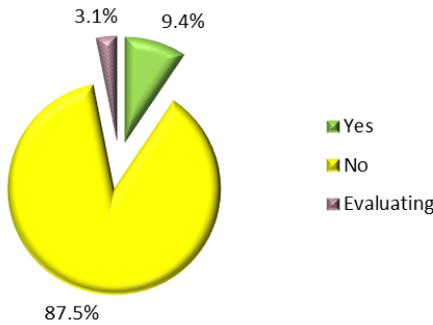


Figure 1

If there are no policies, why not?

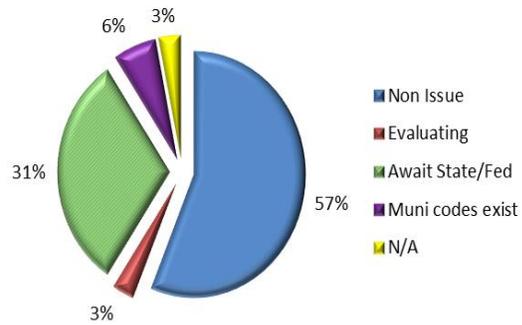


Figure 2

The first five survey questions related to the existence of any policy concerning drones. The results show that the vast majority of Orange County cities have not addressed the presence of small drones. The survey indicated 88% of responding Orange County cities do not have a policy or ordinance that addresses the operation of privately-owned recreational drones (Figure 1).

Fifty seven percent (57%) of responding cities consider drones a non-issue. Examples of comments received from some cities include: “our council has not given us direction”; “we have not experienced any drone problems”; and “there is little to no issue with our police department.” However there are exceptions: Huntington Beach has a municipal code that restricts remote controlled model aircraft, which they are updating to include both private and commercial drones. Dana Point has a municipal code but only in relation to the protection of environmentally sensitive habitat areas. Thirty one percent (31%) of responding cities are interested in a policy while stating they are awaiting State or Federal guidelines (Figure 2). The Orange County Fire Authority agrees a drone poses a collision risk to firefighting aircraft and, if spotted, air operations must temporarily cease. In response to whether or not implementing a drone ordinance would have a budgetary effect, half of those responding do not believe that it would have a significant impact. Those concerned about the impact on their budget cite the following reasons: staff and legal resources needed to create and enforce an ordinance, along with the costs to update websites/newsletters, and creating and hosting community educational workshops.

Experience with Small, Privately Owned Drones- Questions #6-9

Have there been any reported Drone accidents or "near misses" by your agency/Dept?

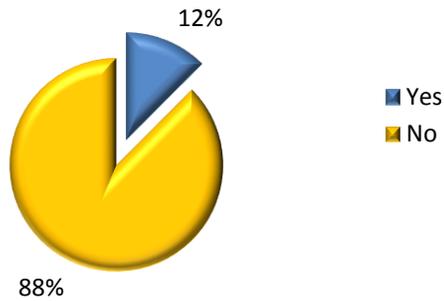


Figure 3

Have there been any incidents or public complaints involving drones in your jurisdiction?

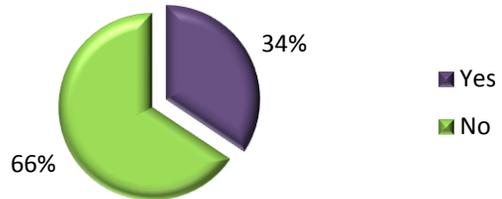


Figure 4

If a city resident has concerns with a hovering drone, whom should they call?

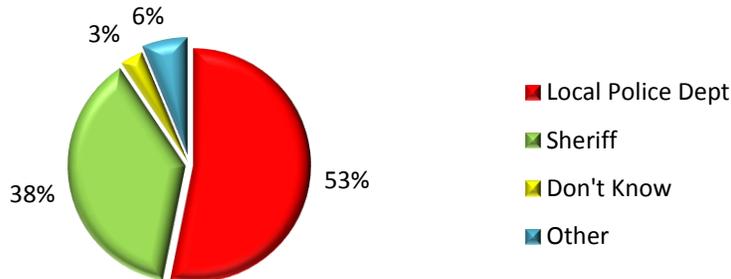


Figure 5

Four of the survey questions asked about experience with drones and whether there were reported incidents or complaints. Eleven of the respondent cities reported complaints involving small drones (Figure 4), including four respondents who reported accidents or near misses (Figure 3).

The FAA now receives more than 100 UAS sightings each month from pilots, citizens, and law enforcement. The Grand Jury survey revealed that Orange County cities received nearly 100 drone-related complaints over a period of one year. The Grand Jury feels it is short-sighted for our county and cities to ignore this emerging concern.

To illustrate one such complaint, consider that Huntington Beach reported the Air Support Unit of their police department employs a helicopter to assist with daily calls for service. This helicopter has experienced several near misses with drones during routine air patrols and at active crime scenes. Huntington Beach also noted that residents have complained about drones hovering over their bedroom windows.

Another beach city also received reports of drones flying over the pier area and recording sunbathers on the beach. On a different occasion, a Go-Pro camera fell from a drone during an event and hit the ground near several people, including children. Consider too, that one city manager reported 37 calls for service involving small drones while another city manager reported 29 complaints. While hosting a large July 4th parade/festival, a city received several complaints of nuisance drones in spite of an event flyer stating “NO DRONES.”

Most respondents identified a law enforcement agency (police/sheriff) as the source to notify if a resident has a drone concern. Other entities responded with answers as varied as Community Services, Code Enforcement, Public Safety, City Manager, 911, and FAA. The Grand Jury noted the lack of education and consistency in the responses. Members of the public who witness potential incidents have no information about how and where to report. The OCSB Bomb Squad said reporting a drone incident is a “major under-reported event.” This failure to report indicates a result of lack of educational information or policy.

Educational Outreach to the Small Drone Community- Question #10

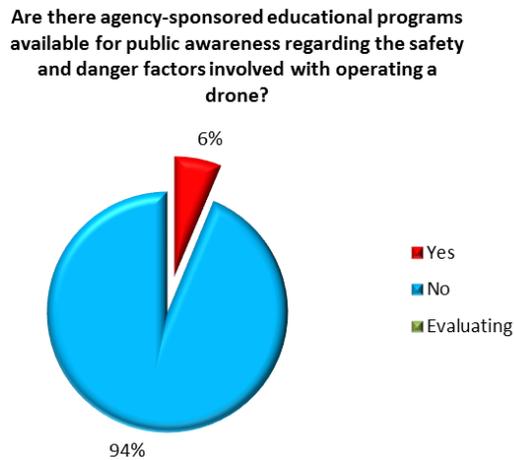


Figure 6

To provide guidance to hobbyists, the FAA has partnered with three of the largest hobby drone manufacturers to create the *Know before You Fly* website www.knowbeforeyoufly.org. This website is heavily promoted by the FAA, hobby drone manufacturers, and responsible hobby

drone owners (AMA 1-2). The [B4UFLY](#) smartphone application is another educational resource (FAA Releases 1).

In addition to educational resources provided by the FAA, two of the cities reported having educational resources available to educate operators of hobbyist drones. Costa Mesa has a Video/TV production CMTV3. Huntington Beach plans to include drone safety information, along with other safety programs, on their Facebook page. These two cities are the exception. The majority of the cities responded to Question #10 on our survey to the effect that there are no city sponsored educational programs available at this time for public awareness regarding the safety and danger of operating a drone. The various explanations included:

- “Educational materials are available with an online search”
- “We can put an FAA flyer in each mailer that goes out to all residents”
- “The Aircraft Owners and Pilots Association (AOPA) have excellent educational materials”
- “We have a bi-weekly newsletter online, but no drone info on it”
- “Our goal is to distribute information from State and Federal sources”
- “We could consider a quarterly newsletter”
- “The schools should be teaching drone safety”
- “We are a very small department”

The county and cities have a myriad of untapped, inexpensive options with which to speak to the local residents. Notices delivered to residents via postal or electronic mail should contain information on drone safety. FAA- Model Aircraft flyers should be available at libraries, city buildings, police departments, and schools. County and city websites should address safety issues. Parades, festivals and street fairs should promote drone safety.

Additionally, Orange County has nearly 5,000 Homeowners Associations. Most HOAs have a website or newsletter. The Davis-Stirling Common Interest Act suggests each HOA board create a rule to address drone noise, safety and privacy issues. If drones are flown by people outside the association, the HOA would need to go to the city or county to seek a ban. (Davis-Stirling)

Know Before You Fly

Except for a small smattering of inconsequential incidents, there have been no major problems reported. This is good news, considering that airports and fire/law enforcement departments have the most at stake from drone mishaps. Hobby-recreational drones are the “new-kid on the block.” It is no surprise that 94% of our cities have no educational programs available for public awareness regarding the safety and danger factors involved with flying a drone. Most drone operators want to do the right thing but where are the guides, mentors or teachers? This is a new

generation challenge. The safety issues that have surfaced world-wide should elevate this concern to top of the “needs-attention” list. Having a drone ordinance on record would be saying that this is what our community standards are. The public needs to know and our first responders need to feel community support. No one should be at risk because somebody wants a video to go viral.

FINDINGS

In accordance with California Penal Code Section 933 and Section 933.05, the 2015-2016 Grand Jury requires (or, as noted, requests) responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled “*Drones: Know Before You Fly*”, the 2015-2016 Orange County Grand Jury has arrived at seven principal findings, as follows:

F.1. Recreational drones have greatly increased in number since December 2015 and it is probable their unregulated use will pose significant threats to public safety and privacy in Orange County cities and unincorporated areas.

F.2. With the exception of the recent Federal Aviation Administration registration rule, recreational drone owners are largely self-policed, which leads to a wide range of behavior.

F.3. Most of the cities and unincorporated areas of the County of Orange do not have a drone ordinance, nor do they have any immediate plans to enact an ordinance in the near future.

F.4. Most of the cities provide no educational programs for public awareness of the safety issues connected to recreational drones.

F.5. Some Orange County cities, despite recognizing potential issues with drones, are awaiting drone-related legislative action or other guidance by the State of California or FAA before enacting local ordinances.

F.6. The FAA-required registration of recreational drones provides a useful tool for local enforcement of drone ordinances.

F.7. Orange County cities have not established a procedure for reporting drone incidents, which results in under-reporting of drone safety and privacy events.

RECOMMENDATIONS

In accordance with California Penal Code Section 933 and Section 933.05, the 2015-2016 Grand Jury requires (or, as noted, requests) responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled “*Drones: Know Before You Fly*”, the 2015-2016 Orange County Grand Jury makes the following nine recommendations:

R.1. Each City Council should direct its City Attorney to provide a report to the city’s police department and City Council on existing laws that can be applied to the use of recreational drones in the city’s jurisdiction by December 30, 2016. (F.2., F.3., F.5., F.6.)

R.2. Each City should adopt a recreational drone ownership and operation ordinance, with regulations similar to those found in Los Angeles City ordinance #183912, by March 31, 2017, to the extent not preempted or superseded by Federal law or Federal regulations. (F.1., F.2., F.3., F.5., F.6.)

R.3. Each City should inform its citizens about laws and ordinances that apply to recreational drone operators through print media, city-related web sites, social media sites and/or public forums by March 31, 2017. (F.4., F.6.)

R.4. Each City should establish and publish on its website a point of contact for drone-related citizen complaints by December 30, 2016. (F.7.)

R.5. Each City should post FAA drone ownership and operation educational links on city-related websites, newsletters, and flyers by December 30, 2016. (F.4.)

R.6. The Orange County Board of Supervisors should direct County Counsel to provide a report to the Orange County Sheriff-Coroner Department and the Board of Supervisors on existing laws that can be applied to the use of recreational drones in county-governed parks and unincorporated areas by December 30, 2016. (F.2., F.3., F.6.)

R.7. The County should adopt a recreational drone ownership and operation ordinance similar to Los Angeles City Ordinance #183912 for the parks and unincorporated areas under its jurisdiction by March 31, 2017, to the extent not preempted or superseded by Federal law or Federal regulations. (F.1., F.2., F.3., F.6.)

R.8. The County should inform its citizens about laws and ordinances that apply to recreational drone operators through print media, County-related web sites, social media sites and/or public forums by March 31, 2017. (F.4., F.6.)

R.9. The County and each City should formally gather data on recreational drone incidents within their jurisdictions and review these data annually and report the results publicly. The first analysis and publication should occur within 1 year of the publication of this report. (F.1., F.2., F.3., F.7.)

REQUIRED RESPONSES

The California Penal Code Section 933 requires any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the agency. Such comment shall be made *no later than 90 days* after the Grand Jury publishes its report (filed with the Clerk of the Court); except that in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official (e.g. District Attorney, Sheriff, etc.), such elected County Official shall comment on the findings and recommendations pertaining to the matters under that elected officials control *within 60 days* to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05, subdivisions (a), (b), (c), details, as follows, the manner in which such comment(s) are to be made:

(a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:

(1) The respondent agrees with the finding

(2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

(b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:

(1) The recommendation has been implemented, with a summary regarding the implemented action.

(2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.

(3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.

Drones: Know Before You Fly

(4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefore.

(c) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary /or personnel matters over which it has some decision making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code Section 933.05 are required from:

Responses Required:

	Required Respondent	Findings							Recommendations									
		F 1	F 2	F 3	F 4	F 5	F 6	F 7	R 1	R 2	R 3	R 4	R 5	R 6	R 7	R 8	R 9	
1	City of Aliso Viejo	X	X	X	X	X	X	X	X	X	X	X	X	X				X
2	City of Anaheim	X	X	X	X	X	X	X	X	X	X	X	X	X				X
3	City of Brea	X	X	X	X	X	X	X	X	X	X	X	X	X				X
4	City of Buena Park	X	X	X	X	X	X	X	X	X	X	X	X	X				X
5	City of Costa Mesa	X	X	X	X	X	X	X	X	X	X	X	X	X				X
6	City of Cypress	X	X	X	X	X	X	X	X	X	X	X	X	X				X
7	City of Dana Point	X	X	X	X	X	X	X	X	X	X	X	X	X				X
8	City of Fountain Valley	X	X	X	X	X	X	X	X	X	X	X	X	X				X
9	City of Fullerton	X	X	X	X	X	X	X	X	X	X	X	X	X				X
10	City of Garden Grove	X	X	X	X	X	X	X	X	X	X	X	X	X				X
11	City of Huntington Beach	X	X	X	X	X	X	X	X	X	X	X	X	X				X
12	City of Irvine	X	X	X	X	X	X	X	X	X	X	X	X	X				X
13	City of La Habra	X	X	X	X	X	X	X	X	X	X	X	X	X				X
14	City of La Palma	X	X	X	X	X	X	X	X	X	X	X	X	X				X
15	City of Laguna Beach	X	X	X	X	X	X	X	X	X	X	X	X	X				X
16	City of Laguna Hills	X	X	X	X	X	X	X	X	X	X	X	X	X				X
17	City of Laguna Niguel	X	X	X	X	X	X	X	X	X	X	X	X	X				X
18	City of Laguna Woods	X	X	X	X	X	X	X	X	X	X	X	X	X				X
19	City of Lake forest	X	X	X	X	X	X	X	X	X	X	X	X	X				X
20	City of Los Alamitos	X	X	X	X	X	X	X	X	X	X	X	X	X				X
21	City of Mission Viejo	X	X	X	X	X	X	X	X	X	X	X	X	X				X
22	City of Newport Beach	X	X	X	X	X	X	X	X	X	X	X	X	X				X

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	Required Respondent	Findings							Recommendations									
		F 1	F 2	F 3	F 4	F 5	F 6	F 7	R 1	R 2	R 3	R 4	R 5	R 6	R 7	R 8	R 9	
23	City of Orange	X	X	X	X	X	X	X	X	X	X	X	X	X				X
24	City of Placentia	X	X	X	X	X	X	X	X	X	X	X	X					X
25	City of Rancho Santa Margarita	X	X	X	X	X	X	X	X	X	X	X	X					X
26	City of San Clemente	X	X	X	X	X	X	X	X	X	X	X	X					X
27	City of San Juan Capistrano	X	X	X	X	X	X	X	X	X	X	X	X					X
28	City of Santa Ana	X	X	X	X	X	X	X	X	X	X	X	X					X
29	City of Seal Beach	X	X	X	X	X	X	X	X	X	X	X	X					X
30	City of Stanton	X	X	X	X	X	X	X	X	X	X	X	X					X
31	City of Tustin	X	X	X	X	X	X	X	X	X	X	X	X					X
32	City of Villa Park	X	X	X	X	X	X	X	X	X	X	X	X					X
33	City of Westminster	X	X	X	X	X	X	X	X	X	X	X	X					X
34	City of Yorba Linda	X	X	X	X	X	X	X	X	X	X	X	X					X
35	OC Board of Supervisors	X	X	X				X						X	X	X	X	X

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APPENDICES

Appendix A: Los Angeles City Municipal Ordinance

ORDINANCE NO. 183912

An ordinance adding Section 56.31 to Article 6 of Chapter V of the Los Angeles Municipal Code to impose community-based safety requirements on the operation of Model Aircraft and to impose restrictions consistent with certain Federal Aviation Rules on the operation of both Model Aircraft and Civil Unmanned Aircraft Systems (UASs), commonly known as drones.

WHEREAS, the operation of Unmanned Aircraft such as Model Aircraft and Civil UASs can at times pose a hazard to full-scale aircraft in flight and to persons and property on the ground; and

WHEREAS, imposing community-based safety requirements on the operation of Model Aircraft and imposing restrictions on the operation of both Model Aircraft and Civil UASs consistent with Federal Aviation Rules is necessary to mitigate such risks and to protect the public from the hazards associated with the operation of Unmanned Aircraft.

NOW, THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. A new Section 56.31 is added to Article 6 of Chapter V of the Los Angeles Municipal Code to read as follows:

SEC. 56.31. UNMANNED AIRCRAFT SYSTEMS.

(a) For purposes of this section:

1. **"Unmanned Aircraft"** shall mean an aircraft, including, but not limited to, an aircraft commonly known as a drone, that is operated without the possibility of direct human intervention from within or on the aircraft.

2. **"Unmanned Aircraft System"** shall mean an Unmanned Aircraft and associated elements, including, but not limited to, any communication links and components that control the Unmanned Aircraft.

3. **"Person"** shall have the same meaning as set forth in Subsection (a) of Section 11.01 of this Code.

4. **"Model Aircraft"** shall mean an Unmanned Aircraft or Unmanned Aircraft System operated by any Person strictly for hobby or recreational purposes.

5. **"Civil UAS"** shall mean an Unmanned Aircraft or Unmanned Aircraft System operated by any Person for any purposes other than strictly

hobby or recreational purposes, including, but not limited to, commercial purposes or in furtherance of, or incidental to, any business or media service or agency.

6. "Public UAS" shall mean an Unmanned Aircraft or Unmanned Aircraft System operated by any public agency for government related purposes.

(b) The following shall apply to the operation of any Model Aircraft within the City of Los Angeles:

1. No Person shall operate any Model Aircraft within the City of Los Angeles and within 5 miles of an airport without the prior express authorization of the airport air traffic control tower.

2. No Person shall operate any Model Aircraft within the City of Los Angeles in a manner that interferes with manned aircraft, and shall always give way to any manned aircraft.

3. No Person shall operate any Model Aircraft within the City of Los Angeles beyond the visual line of sight of the person operating the Model Aircraft. The operator must use his or her own natural vision (which includes vision corrected by standard eyeglasses or contact lenses) to observe the Model Aircraft. People other than the operator may not be used in lieu of the operator for maintaining visual line of sight. Visual line of sight means that the operator has an unobstructed view of the Model Aircraft. The use of vision-enhancing devices, such as binoculars, night vision goggles, powered vision magnifying devices, and goggles or other devices designed to provide a "first-person view" from the model, do not constitute the visual line of sight of the person operating the Model Aircraft.

4. No Person shall operate any Model Aircraft within the City of Los Angeles other than during daylight hours defined as between official sunrise and official sunset for local time.

5. No Person shall operate any Model Aircraft within the City of Los Angeles more than 400 feet above the earth's surface.

6. Excluding takeoff and landing, no Person shall operate any Model Aircraft within the City of Los Angeles closer than 25 feet to any individual, except the operator or the operator's helper(s).

(c) The following shall apply to the operation of any Model Aircraft or Civil UAS within the City of Los Angeles:

1. No Person shall operate any Model Aircraft or Civil UAS within the City of Los Angeles in a manner that is prohibited by any federal statute or regulation governing aeronautics.

2. No Person shall operate any Model Aircraft or Civil UAS within the City of Los Angeles in violation of any temporary flight restriction (TFR) or notice to airmen (NOTAM) issued by the Federal Aviation Administration.

3. No Person shall operate any Model Aircraft or Civil UAS within the City of Los Angeles in a careless or reckless manner so as to endanger the life or property of another. The standard for what constitutes careless and reckless operation under this section shall be the same as the standard set forth in any federal statutes or regulations governing aeronautics including but not limited to Federal Aviation Rule 91.13.

(d) It shall be unlawful for any Person to violate or fail to comply with this section. Any Person violating the provisions of this section shall be guilty of a misdemeanor and subject to the provisions of Subsection (m) of Section 11.00 of this Code.

(e) This section shall not apply to any Public UAS operated pursuant to, and in compliance with, the terms and conditions of any current and enforceable authorization granted by the Federal Aviation Administration.

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of OCT 14 2015.

HOLLY L. WOLCOTT, City Clerk

By  Deputy

Approved 10/22/15

 Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
JANET KARKANEN
Deputy City Attorney

Date SEP 16 2015

File No. 15-0927

DECLARATION OF POSTING ORDINANCE

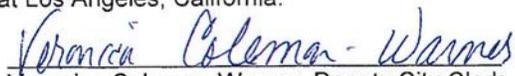
I, VERONICA COLEMAN-WARNER, state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

Ordinance No.183912 – Adding Section 56.31 to Article 6 of Chapter V of the Los Angeles Municipal Code to impose community-based safety requirements on the operation of Model Aircraft and to impose restrictions consistent with certain Federal Aviation Rules on the operation of both Model Aircraft and Civil Unmanned Aircraft Systems, commonly known as drones - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on October 14, 2015, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, on October 23, 2015 I posted a true copy of said ordinance at each of the three public places located in the City of Los Angeles, California, as follows: 1) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; 2) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; 3) one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Copies of said ordinance were posted conspicuously beginning on October 23, 2015 and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.

Signed this 23rd day of October, 2015 at Los Angeles, California.


Veronica Coleman-Warner, Deputy City Clerk

Ordinance Effective Date: December 2, 2015

Council File No. 15-0927

Appendix B: Acronyms/Glossary

Air Space	From the ground up. Hobby drones need to remain under 400 feet from ground.
AMA	Academy of Model Aircraft
Civil Aviation drones	Numerous uses include surveying of crops, filmmaking, search and rescue, inspecting power lines, counting wildlife, law enforcement, scientific research, disaster relief and wildfires, to name a few.
Civil UAS	Unmanned aerial system (drone) used by <u>private sector</u> (non-government) for scientific research, company/business/non-profit, and private university.
COA	Certification of Authorization. FAA grants approval for specific flight operation.
Commercial drone	Drone used with the expectation of a sale, financial gain, or other consideration.
Commercial operator	Person who operates a drone for financial gain.
DOT	Department of Transportation
Drone	An unmanned aerial vehicle (UAV), without a human pilot aboard. Its flight is controlled either autonomously-autopilot- by onboard computers or by the remote control of a pilot on the ground or in another vehicle. The typical launch and recovery method of an unmanned aircraft is by the function of an automatic system or an external operator on the ground.
FAA	Federal Aviation Authority regulates U.S. airspace and defines any unmanned flying craft as a UAV. FAA is an agency of DOT.
First responder	First member of emergency response team to be on the scene of an accident or emergency.
FPV	First Person View-controlling a UAV from operator's viewpoint.
FMRA	FAA Modernization and Reform Act.
Hobbyist drone	Used for hobby/ recreational purpose. Not flown for a profit endeavor.
Manned aircraft	Human on board aircraft to operate it. (Pilot)

Model aircraft	Unmanned aircraft that is capable of sustained flight in the atmosphere, flown within visual line of sight of the person operating the aircraft and flown for hobby or recreational purposes.
Municipal code	Laws that are enacted and enforced by a city or county. Can be an ordinance.
No-Fly fields/zones	Air space off limits to all aircraft; when the Pope visited the USA, numerous NO-FLY Zones were declared by FAA.
Public UAS	Unmanned aerial system (drone) owned by our <u>government</u> and commonly used by law enforcement, firefighting, border patrol, disaster relief, search and rescue, Public University. Requires FAA certification.
RC	A remote control. A device used to issue commands (wirelessly) from a short distance.
RCA	Radio-Controlled Aircraft is controlled with a handheld radio transmitter, which communicates with a receiver aboard the aircraft
Recreational Drone	Used for hobby purpose; not flown for a profit-making endeavor.
sUAS	Small unmanned aerial system primarily used in civil and commercial operations, due to versatility, low initial cost and operating expenses. They weigh less than 55 pounds.
UAS	Unmanned aerial system, an aircraft without a human pilot and emphasizes other elements such as ground control stations, data links and other support equipment; also known as a drone
UAV	Unmanned aerial vehicle, an aircraft without a human pilot; commonly known as a drone. Can be remotely piloted or on autopilot.
VLOS	Visual line of site means keeping the UAS in visual-line-of-site at all times; no flying into clouds, fog, behind buildings, trees, etc.; also means unaided except for prescription glasses/contacts or sunglasses.

Appendix C: CA Penal Code Section 148.1

148.1. (a) Any person who reports to any peace officer listed in Section 830.1 or 830.2, or subdivision (a) of Section 830.33, employee of a fire department or fire service, district attorney, newspaper, radio station, television station, deputy district attorney, employees of the Department of Justice, employees of an airline, employees of an airport, employees of a railroad or bus line, an employee of a telephone company, occupants of a building or a news reporter in the employ of a newspaper or radio or television station, that a bomb or other explosive has been or will be placed or secreted in any public or private place, knowing that the report is false, is guilty of a crime punishable by imprisonment in a county jail not to exceed one year, or pursuant to subdivision (h) of Section 1170.

(b) Any person who reports to any other peace officer defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 that a bomb or other explosive has been or will be placed or secreted in any public or private place, knowing that the report is false, is guilty of a crime punishable by imprisonment in a county jail not to exceed one year or pursuant to subdivision (h) of Section 1170 if (1) the false information is given while the peace officer is engaged in the performance of his or her duties as a peace officer and (2) the person providing the false information knows or should have known that the person receiving the information is a peace officer.

(c) Any person who maliciously informs any other person that a bomb or other explosive has been or will be placed or secreted in any public or private place, knowing that the information is false, is guilty of a crime punishable by imprisonment in a county jail not to exceed one year, or pursuant to subdivision (h) of Section 1170.

(d) Any person who maliciously gives, mails, sends, or causes to be sent any false or facsimile bomb to another person, or places, causes to be placed, or maliciously possesses any false or facsimile bomb, with the intent to cause another to fear for his or her personal safety or the safety of others, is guilty of a crime punishable by imprisonment in a county jail not to exceed one year, or pursuant to subdivision (h) of Section 1170.

(Amended by Stats. 2011, Ch. 15, Sec. 259. (AB 109) Effective April 4, 2011. Operative October 1, 2011, by Sec. 636 of Ch. 15, as amended by Stats. 2011, Ch. 39, Sec. 68.)

Appendix D: CA Penal Code Section 148.2

148.2. Every person who willfully commits any of the following acts at the burning of a building or at any other time and place where any fireman or firemen or emergency rescue personnel are discharging or attempting to discharge an official duty, is guilty of a misdemeanor:

1. Resists or interferes with the lawful efforts of any fireman or firemen or emergency rescue personnel in the discharge or attempt to discharge an official duty.
2. Disobeys the lawful orders of any fireman or public officer.
3. Engages in any disorderly conduct which delays or prevents a fire from being timely extinguished.
4. Forbids or prevents others from assisting in extinguishing a fire or exhorts another person, as to whom he has no legal right or obligation to protect or control, from assisting in extinguishing a fire.

(Amended by Stats. 1973, Ch. 471.)

Appendix E: CA Penal Code Section 402

402. (a) Every person who goes to the scene of an emergency, or stops at the scene of an emergency, for the purpose of viewing the scene or the activities of police officers, firefighters, emergency medical, or other emergency personnel, or military personnel coping with the emergency in the course of their duties during the time it is necessary for emergency vehicles or those personnel to be at the scene of the emergency or to be moving to or from the scene of the emergency for the purpose of protecting lives or property, unless it is part of the duties of that person's employment to view that scene or activities, and thereby impedes police officers, firefighters, emergency medical, or other emergency personnel or military personnel, in the performance of their duties in coping with the emergency, is guilty of a misdemeanor.

(b) Every person who knowingly resists or interferes with the lawful efforts of a lifeguard in the discharge or attempted discharge of an official duty in an emergency situation, when the person knows or reasonably should know that the lifeguard is engaged in the performance of his or her official duty, is guilty of a misdemeanor.

(c) For the purposes of this section, an emergency includes a condition or situation involving injury to persons, damage to property, or peril to the safety of persons or property, which results from a fire, an explosion, an airplane crash, flooding, windstorm damage, a railroad accident, a traffic accident, a power plant accident, a toxic chemical or biological spill, or any other natural or human-caused event.

(Amended by Stats. 1989, Ch. 214, Sec. 1.)

Appendix F: Model Aircraft Guidelines

Hobby / Recreational Flying

What Can I Do With My Model Aircraft?

Having fun means flying safely! Hobby or recreational flying doesn't require FAA approval but you must follow safety guidelines. Any other use requires FAA authorization.

AVOID DOING ANYTHING HAZARDOUS TO OTHER AIRPLANES OR PEOPLE AND PROPERTY ON THE GROUND

- ✓ **DO** fly a model aircraft/UAS at the local model aircraft club
- ✓ **DO** take lessons and learn to fly safely
- ✓ **DO** contact the airport or control tower when flying within 5 miles of the airport
- ✓ **DO** fly a model aircraft for personal enjoyment
- ✗ **DON'T** fly near manned aircraft
- ✗ **DON'T** fly beyond line of sight of the operator
- ✗ **DON'T** fly an aircraft weighing more than 55 lbs unless it's certified by an aeromodelling community-based organization
- ✗ **DON'T** fly contrary to your aeromodelling community-based safety guidelines
- ✗ **DON'T** fly model aircraft for payment or commercial purposes



For more information about safety training and guidelines, visit www.knowbeforeyoufly.org

For more information, visit www.faa.gov/uas



Federal Aviation Administration

FAA022-CTR-1229

Appendix G: Academy of Model Aeronautics National Model Aircraft Safety Code

Effective January 1, 2014

A. **GENERAL:** A model aircraft is a non-human-carrying aircraft capable of sustained flight in the atmosphere. It may not exceed limitations of this code and is intended exclusively for sport, recreation, education and/or competition. All model flights must be conducted in accordance with this safety code and any additional rules specific to the flying site.

1. Model aircraft will not be flown:

- (a) In a careless or reckless manner.
- (b) At a location where model aircraft activities are prohibited.

2. Model aircraft pilots will:

- (a) Yield the right of way to all human-carrying aircraft.
- (b) See and avoid all aircraft and a spotter must be used when appropriate. (AMA Document #540-D.)
- (c) Not fly higher than approximately 400 feet above ground level within three (3) miles of an airport without notifying the airport operator.
- (d) Not interfere with operations and traffic patterns at any airport, heliport or seaplane base except where there is a mixed use agreement.
- (e) Not exceed a takeoff weight, including fuel, of 55 pounds unless in compliance with the AMA Large Model Airplane program. (AMA Document 520-A.)
- (f) Ensure the aircraft is identified with the name and address or AMA number of the owner on the inside or affixed to the outside of the model aircraft. (This does not apply to model aircraft flown indoors.)
- (g) Not operate aircraft with metal-blade propellers or with gaseous boosts except for helicopters operated under the provisions of AMA Document #555.
- (h) Not operate model aircraft while under the influence of alcohol or while using any drug that could adversely affect the pilot's ability to safely control the model.
- (i) Not operate model aircraft carrying pyrotechnic devices that explode or burn, or any device which propels a projectile or drops any object that creates a hazard to persons or property.

Exceptions:

- . Free Flight fuses or devices that burn producing smoke and are securely attached to the model aircraft during flight.
- . Rocket motors (using solid propellant) up to a G-series size may be used provided they remain attached to the model during flight. Model rockets may be flown in accordance with the National Model Rocketry Safety Code but may not be launched from model aircraft.
- . Officially designated AMA Air Show Teams (AST) are authorized to use devices and practices as defined within the Team AMA Program Document. (AMA Document #718.)
- (j) Not operate a turbine-powered aircraft, unless in compliance with the AMA turbine regulations. (AMA Document #510-A.)

3. Model aircraft will not be flown in AMA sanctioned events, air shows or model demonstrations unless:

- (a) The aircraft, control system and pilot skills have successfully demonstrated all maneuvers intended or anticipated prior to the specific event.
- (b) An inexperienced pilot is assisted by an experienced pilot.

4. When and where required by rule, helmets must be properly worn and fastened. They must be OSHA, DOT, ANSI, SNELL or NOCSAE approved or comply with comparable standards.

B. RADIO CONTROL (RC)

- 1. All pilots shall avoid flying directly over unprotected people, vessels, vehicles or structures and shall avoid endangerment of life and property of others.
- 2. A successful radio equipment ground-range check in accordance with manufacturer's recommendations will be completed before the first flight of a new or repaired model aircraft.

3. At all flying sites a safety line(s) must be established in front of which all flying takes place. (AMA Document #706.)

(a) Only personnel associated with flying the model aircraft are allowed at or in front of the safety line.

(b) At air shows or demonstrations, a straight safety line must be established.

(c) An area away from the safety line must be maintained for spectators.

(d) Intentional flying behind the safety line is prohibited.

4. RC model aircraft must use the radio-control frequencies currently allowed by the Federal Communications Commission (FCC). Only individuals properly licensed by the FCC are authorized to operate equipment on Amateur Band frequencies.

5. RC model aircraft will not knowingly operate within three (3) miles of any pre-existing flying site without a frequency-management agreement. (AMA Documents #922 and #923.)

6. With the exception of events flown under official AMA Competition Regulations, excluding takeoff and landing, no powered model may be flown outdoors closer than 25 feet to any individual, except for the pilot and the pilot's helper(s) located at the flightline.

7. Under no circumstances may a pilot or other person touch an outdoor model aircraft in flight while it is still under power, except to divert it from striking an individual.

8. RC night flying requires a lighting system providing the pilot with a clear view of the model's attitude and orientation at all times. Hand-held illumination systems are inadequate for night flying operations.

9. The pilot of an RC model aircraft shall:

(a) Maintain control during the entire flight, maintaining visual contact without enhancement other than by corrective lenses prescribed for the pilot.

(b) Fly using the assistance of a camera or First-Person View (FPV) only in accordance with the procedures outlined in AMA Document #550.

(c) Fly using the assistance of autopilot or stabilization system only in accordance with the procedures outlined in AMA Document #560.

C. FREE FLIGHT

1. Must be at least 100 feet downwind of spectators and automobile parking when the model aircraft is launched.

2. Launch area must be clear of all individuals except mechanics, officials, and other fliers.

3. An effective device will be used to extinguish any fuse on the model aircraft after the fuse has completed its function.

D. CONTROL LINE

1. The complete control system (including the safety thong where applicable) must have an inspection and pull test prior to flying.

2. The pull test will be in accordance with the current Competition Regulations for the applicable model aircraft category.

3. Model aircraft not fitting a specific category shall use those pull-test requirements as indicated for Control Line Precision Aerobatics.

4. The flying area must be clear of utility wires or poles and a model aircraft will not be flown closer than 50 feet to any above-ground electric utility lines.

5. The flying area must be clear of all nonessential participants and spectators before the engine is started.

The People are the City



Mayor
JEREMY B. YAMAGUCHI

Mayor Pro Tem
CRAIG S. GREEN

Councilmembers:
SCOTT W. NELSON
CONSTANCE M. UNDERHILL
CHAD P. WANKE

City Clerk:
PATRICK J. MELIA

City Treasurer
KEVIN A. LARSON

City Administrator
DAMIEN R. ARRULA

401 East Chapman Avenue – Placentia, California 92870

July 20, 2016

The Honorable Charles Margines
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

SUBJECT: City of Placentia response to Grand Jury Report: “Drones: Know Before You Fly.”

Dear Judge Margines,

This letter is in response to the 2015-16 Orange County Grand Jury Report entitled, “Drones: Know Before You Fly.” The Placentia City Council has reviewed the content of the report, and, on July 19, 2016, authorized the following responses. The Report required that the City of Placentia respond to Findings F.1 through F.7 and Recommendations R.1 through R.5 and R.9.

FINDINGS:

Grand Jury Finding 1 (F.1): Recreational drones have greatly increased in number since December 2015 and it is probable their unregulated use will pose significant threats to public safety and privacy in Orange County cities and unincorporated areas.

Response (F.1): The City agrees that the “unregulated” use *could* pose significant threats to public safety and privacy, but it has not experienced as many (documented) problems as similar size cities since recreational drones have become more popular. In fact, the City of Placentia has not experienced any “*significant threats to public safety*” as a result of drone incidents.

Grand Jury Finding 2 (F.2): With the exception of the recent Federal Aviation Administration (FAA) registration rule, recreational drone owners are largely self-policed, which leads to a wide range of behavior.

Response (F.2): The City agrees that most owners are not subject to rules and tend to behave differently depending on their motivations and intention when operating a drone.

Grand Jury Finding 3 (F.3): Most of the cities and unincorporated areas of the County of Orange do not have a drone ordinance, nor do they have any immediate plans to enact an ordinance in the near future.

Response (F.3): The City agrees there is no drone ordinance at this time for the City of Placentia, nor is there any future plan to address this issue within the next year unless there is a specific need.

Grand Jury Finding 4 (F.4): Most of the cities provide no educational programs for public awareness of the safety issues connected to recreational drones.

Response (F.4): The City agrees that there is little government sponsored educational programs for safety or public awareness, but notes there is privately sponsored training and education available to those who are seeking assistance.

Grand Jury Finding 5 (F.5): Some Orange County cities, despite recognizing potential issues with drones, are awaiting drone-related legislative action or other guidance by the State of California or FAA before enacting local ordinances.

Response (F.5): The City partially agrees with the finding that many local governments are awaiting direction by the State of California or Federal Government, but this does not signify there are or has been an increase in "potential issues" for every Orange County city. Some cities may have a propensity to attract hobbyists or others who operate these unmanned aircraft because of locations within their jurisdictions to operate them or events that take place within their city, but there are cities that have little to no problems that would make enacting a local ordinance a priority.

Grand Jury Finding 6 (F.6): The FAA-required registration of recreational drones provides a useful tool for local enforcement of drone ordinances.

Response (F.6): The City partially agrees with this Finding. Although the registration of drones is FAA-required, it is estimated that less than a quarter of the drones sold in the United States have been registered since inception. This registration number could be a useful tool, but only if the drone and/or operator who were violative of a local, state or federal law was located.

Grand Jury Finding 7 (F.7): Orange County cities have not established a procedure for reporting drone incidents, which results in under-reporting of drone safety and privacy events.

Response (F.7): Drone incidents or calls for the City of Placentia are documented through the Police Department who respond based on the availability of units and what is being reported. Although there is no specific policy on reporting "incidents" to any particular agency, the Police Department would report observed or documented violations directly to the FAA in addition to investigating any known criminal offenses. At this time the City is not aware of any Orange County procedure or protocol that mandates or makes optional the reporting of drone-involved incidents, therefore only partially agrees with this Finding.

RECOMMENDATIONS:

Grand Jury Recommendation 1 (R.1): Each City Council should direct its City Attorney to provide a report to the city's policy department and City Council on existing laws that can be applied to the use of recreational drones in the city's jurisdiction by December 30, 2016.

Response (R.1): Although the City understands and appreciates the concerns over the increase in drone use and the potential for future problems, we do not believe the recommendation is warranted at this time and, therefore, will not be implemented. The FAA provides information on existing laws on its website and investigates violations of these laws

upon request. Additionally, the state has continued to introduce legislation that addresses more stringent laws to the hobbyist and business owners for drone use and is expected to review more this year. Lastly, the majority of drone violations noted have been for "near miss" violations that interfere with manned aircraft, which have not occurred or have been reported in the City of Placentia.

Grand Jury Recommendation 2 (R.2): Each City should adopt a recreational drone ownership and operation ordinance, with regulations similar to those found in Los Angeles City ordinance #183912, by March 31, 2017, to the extent not preempted or superseded by Federal law or Federal regulations.

Response (R.2): The City believes that the imposition of local ordinances should address problems or potential problems that require government oversight. Even though there has been a significant increase in associated problems related to drone use throughout the state and nation, this does not translate to increased problems within the City of Placentia. In fact, the City has had only five drone-related calls to the police department since December 2015 and none of them are the result of "near misses" with manned aircraft. This recommendation will not be implemented for these reasons because it is not warranted at this time.

Grand Jury Recommendation 3 (R.3): Each City should inform its citizens about laws and ordinances that apply to recreational drone operators through print media, city-related web sites, social media sites and/or public forums by March 31, 2017.

Response (R.3): The City of Placentia believes in providing as much information as possible as it relates to city news, laws, and city events to its citizens and those who work or travel within this community. With that in mind, it is not feasible to list everything that a person may or may not need information on through advertisements, web sites, or social media. This recommendation requires further analysis to determine the benefits of listing this information through the proposed methods prior to implementation. Prior to any decision being made on listing this information, the City will seek input to determine both the feasibility and cost to implement this recommendation.

Grand Jury Recommendation 4 (R.4): Each City should establish and publish on its website a point of contact for drone-related citizen complaints by December 30, 2016.

Response (R.4): It is understood that a number of cities experience an abundant amount of calls generated by incidents involving drones and this recommendation would address the issue of what department or person would handle the complaint. The City of Placentia has not experienced an amount of calls that would require citizens be directed to a specific department or point-of-contact for complaints. Those who do call to report incidents are directed to the police department who handle the calls as directed and will contact the complainant if desired.

Grand Jury Recommendation 5 (R.5): Each City should post FAA drone ownership and operation educational links on city-related websites, newsletters, and flyers by December 30, 2016.

The Honorable Charles Margines
City of Placentia response: "Drones: Know Before You Fly"
July 20, 2016
Page 4 of 4

Response (R.5): This recommendation has not yet been implemented, but will require further analysis to determine the best approach to provide the most up-to-date information to the proper website and what cost, if any, would be required of the City to put into operation.

Grand Jury Recommendation 9 (R.9): The County and each City should formally gather data on recreational drone incidents within their jurisdictions and review these data annually and report the results publicly. The first analysis and publication should occur within 1 year for the publication of this report.

Response (R.9): Although the City does not "formally" gather data on drone incidents annually, the police department does keep information on the different calls generated by drone-related complaints. This recommendation would require further analysis to determine the benefits for collecting such data and to what government entity it would be reported. Prior to implementing such a process, the City will request information from the County and other cities on the different variables of information that would be needed and how the data would be reported.

Thank you for affording us this opportunity to comment upon the findings and recommendations of the Grand Jury. Should you have any questions or need clarification regarding the City's responses contained herein, please do not hesitate to contact my office at (714) 993-8186.

Sincerely,

Jeremy B. Yamaguchi,
Mayor

cc: Peter Hersh, Foreman
2015-2016 Orange County Grand Jury
700 Civic Center Drive West
Santa Ana CA 92701



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: CHIEF DEPUTY CITY CLERK

DATE: JULY 19, 2016

SUBJECT: **DESIGNATION OF VOTING DELEGATE FOR THE 2016 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE**

FISCAL
IMPACT: N/A

SUMMARY:

The League of California Cities 2016 Annual Conference (“Annual Conference”) is scheduled for October 5 through October 7, 2016. As part of the Annual Conference, a business meeting is conducted. To participate in this meeting, each city is required to designate a delegate. This action will appoint one (1) delegate and one (1) alternate to vote on the City’s behalf at the Annual Conference business meeting.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Appoint Councilmember Scott Nelson as delegate to represent the City at the League of California Cities Annual Conference 2016; and
2. Appoint Mayor Jeremy Yamaguchi as alternate to represent the City at the League of California Cities Annual Conference 2016.

DISCUSSION:

The League of California Cities (“League”) bylaws require that each respective city designate a delegate to vote on its behalf at the Annual League Conference Business Meeting. Such designation must be approved by the City Council and confirmation of the designation is to be provided to the League in advance of the Annual Conference. The City may also appoint up to two (2) alternate voting delegates, one (1) of which may vote in the event that the designated voting delegate is unable to serve.

A copy of the League letter to the City of Placentia is attached along with a copy of the form which must be completed and returned to the League by Friday, September 23, 2016.

Prepared by:

Reviewed and approved:

Rosanna Ramirez
Chief Deputy City Clerk

Stephen D. Pischel
Director of Administrative Services

Reviewed by:

Damien R. Arrula
City Administrator

Attachments:

1. Correspondence from League of California Cities
2. Voting Delegate/Alternate Form

Council Action Advised by July 31, 2016

June 10, 2016

TO: Mayors, City Managers and City Clerks

**RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES
League of California Cities Annual Conference – October 5 – 7, Long Beach**

The League's 2016 Annual Conference is scheduled for October 5 – 7 in Long Beach. An important part of the Annual Conference is the Annual Business Meeting (during General Assembly), scheduled for noon on Friday, October 7, at the Long Beach Convention Center. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

Please complete the attached Voting Delegate form and return it to the League's office no later than Friday, September 23, 2016. This will allow us time to establish voting delegate/alternate records prior to the conference.

Please note the following procedures that are intended to ensure the integrity of the voting process at the Annual Business Meeting.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates must be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. To register for the conference, please go to our website: www.cacities.org. In order to cast a vote, at least one voter must be present at the

Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.

- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.
- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the Long Beach Convention Center, will be open at the following times: Wednesday, October 5, 8:00 a.m. – 6:00 p.m.; Thursday, October 6, 7:00 a.m. – 4:00 p.m.; and Friday, October 7, 7:30–10:00 a.m. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

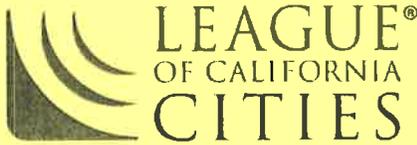
Once again, thank you for completing the voting delegate and alternate form and returning it to the League office by Friday, September 23. If you have questions, please call Kayla Gibson at (916) 658-8247.

Attachments:

- Annual Conference Voting Procedures
- Voting Delegate/Alternate Form

Annual Conference Voting Procedures

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.



CITY: _____

2016 ANNUAL CONFERENCE
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Friday, September 23, 2016. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

Please note: Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: _____
Title: _____

2. VOTING DELEGATE - ALTERNATE

Name: _____
Title: _____

3. VOTING DELEGATE - ALTERNATE

Name: _____
Title: _____

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: _____ E-mail _____
Mayor or City Clerk _____ Phone: _____
(circle one) (signature)
Date: _____

Please complete and return by Friday, September 23, 2016

League of California Cities
ATTN: Kayla Gibson
1400 K Street, 4th Floor
Sacramento, CA 95814

FAX: (916) 658-8240
E-mail: kgibson@cacities.org
(916) 658-8247



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF ADMINISTRATIVE SERVICES

DATE: JULY 14, 2016

SUBJECT: **CONSIDERATION OF A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE CHARTER AND FOR THE SUBMISSION TO THE VOTERS OF A QUESTION RELATING TO AMENDING THE CHARTER TO ESTABLISH BY-DISTRICT ELECTIONS FOR THE CITY COUNCIL AND ADDITIONAL ACTIONS IN SUPPORT THEREOF**

FISCAL

IMPACT: APPROXIMATELY \$44,000 FOR THE GENERAL ELECTION.
\$20,000 IN MALDEF ATTORNEY'S FEES ASSOCIATED WITH SETTLEMENT AGREEMENT. THESE ITEMS HAVE BEEN BUDGETED IN THE FISCAL YEAR 2016-17 GENERAL FUND BUDGET.

SUMMARY:

In accordance with the California Elections Code, resolutions are presented pertinent to the calling and notice of the General Municipal Election, establishing regulations for candidates' statements, and submitting a request to the Orange County Board of Supervisors for consolidation of the General Municipal Election with the Statewide Election. Additionally, the resolution proposes placing a measure on the November 8, 2016 ballot asking the voters whether the City of Placentia's Charter should be amended to establish elections of City Council members by-district. The placement of the by-district Council elections ballot measure on the November 2016 ballot is as a result of the City complying with the terms of a settlement agreement by and between the City and the Mexican American Legal Defense Fund ("MALDEF").

RECOMMENDATION:

It is recommended the City Council adopt the following resolutions:

1. Adopt Resolution No. R-2016-40, a Resolution Of The City Council Of The City Of Placentia, California, Calling For The Holding Of A General Municipal Election To Be Held On Tuesday, November 8, 2016, For The Election Of Certain Officers As Required By The Provisions Of The Charter And For The Submission To The Voters

Of A Question Relating To Amending The Charter To Establish By-District Elections For The City Council; and

2. Adopt Resolution No. R-2016-41, a Resolution Of The City Council Of The City Of Placentia, California, Requesting The Board Of Supervisors Of The County Of Orange To Consolidate A General Municipal Election Held On Tuesday, November 8, 2016 With The Statewide General Election Held On The Same Date Pursuant To Elections Code Section 10403; and
3. Adopt Resolution No. R-2016-42, a Resolution Of The City Council Of The City Of Placentia, California Setting Priorities For Filing Written Arguments Regarding A City Measure And Directing The City Attorney To Prepare An Impartial Analysis; and
4. Adopt Resolution No. R-2016-43, a Resolution Of The City Council Of The City Of Placentia, California Providing For The Filing Of Rebuttal Arguments For City Measures Submitted At Municipal Elections; and
5. Adopt Resolution No. R-2016-44, a Resolution Of The City Council Of The City Of Placentia, California, Adopting Regulations For Candidates For Elective Office Pertaining To Candidates Statements Submitted To The Voters At An Election To Be Held On Tuesday, November 8, 2016.

BACKGROUND

The City Charter calls for elections to be held in accordance with the California Elections Code. At the November 8, 2016 general election, the following seats are up for election: three (3) City Council seats and the City Treasurer. In order for the City of Placentia to conduct the General Municipal Election in conjunction with the statewide general election, the proposed resolutions need to be adopted.

In addition to calling the general municipal election, the proposed resolution will allow the question to voters whether to elect city council members by-district. On December 11, 2015, the City received a demand letter from the Mexican American Legal Defense Fund ("MALDEF") alleging the City's at-large system of electing city council members violates the California Voting Rights Act ("CVRA") and must be converted to afford Latino voters an equal opportunity to elect city council candidates. The letter threatened a lawsuit if the City did not comply with MALDEF's demands. After evaluating the merits of the letter with the City Attorney's Office and analyzing other cities' losses under similar threats, the City entered into a settlement agreement (Agreement) with MALDEF (collectively "the Parties") in February 2016. The Agreement required the City to put forth a ballot measure for voter consideration on or before July 2017.

The required ballot measure would seek to afford Latino voters an equal opportunity to elect City Council candidates by creating City Council election districts. If the ballot measure does not pass in November 2016, the City under the current Agreement may be exposed to additional liability for not complying with the CVRA. To afford additional protections to the City in event the ballot measure does not pass in November 2016, the parties have proposed to amend the Agreement (Amended Agreement). This will ensure that, in the event the measure does not

pass in November 2016, the City agrees to place the measure on the ballot in November 2018. Subsequent to any approved by-district ballot measure the City Council would be required to select a district map during a public hearing process. The map would be prepared in accordance with the terms of the CVRA and use the services of a demographer.

Legal Analysis

Under the CVRA, a City is required to move from electing City Council members at-large to, instead, “by-district” if the at-large election prevents minority members from electing their chosen candidates and/or impairs the ability of minority voters to *influence* elections. Whereas, an “at-large method of election” system is one where voters may choose any candidate on the ballot; “by district” electoral system is one where there are elections of members of the City Council for separate districts “by voters of the district alone.” Cal. Elec. Code § 14026; Cal. Govt. Code § 34871.

A number of cities throughout the State of California have unsuccessfully challenged lawsuits alleging violation of the CVRA at great expense to cities due, in large part, to the fact that the CVRA does not require proof of discriminatory intent. Instead, a mere showing of impairing the ability of minority voters to influence elections is all that is necessary to show a violation of the CVRA. Several cities throughout the State have had to comply with the CVRA and similar demands, including the Orange County cities of Garden Grove, Fullerton, and Costa Mesa.

As proposed in the attached resolution, the question presented to voters is whether to move to create five equal districts. The City Attorney’s Office has provided a proposed ballot measure and draft resolutions calling for election of City Council members and City Treasurer as well as posing the question to voters whether to elect City Council members by-district. While there are other options available to the Council, the City Attorney’s Office recommends that, based on the Amended Agreement with MALDEF, the five equal district model be submitted to the voters for consideration.

Resolutions to Place the Measure on the Ballot, Consolidate Election, Arguments & Candidate Statements

The City Council must adopt resolutions calling the election for the ballot measure(s), request consolidation of the election with the County of Orange, setting priorities for written arguments regarding the measure(s), directing the City Attorney to prepare an impartial analysis and providing for the filing of rebuttal arguments for the measure(s). The consolidation resolution would authorize the Orange County Registrar of Voters to conduct the election on behalf of the City and canvass the election results.

The resolution setting priorities for filing written arguments regarding a ballot measure and directing the City Attorney to prepare an impartial analysis must accompany the resolution calling for the placement of the question(s) on the ballot. In the case of the by-district elections, the resolution authorizes up to five (5) Council Members to file written arguments in favor of the measure, not to exceed 300 words. Per the Amended Agreement, Council members may not submit arguments against the by-district elections measure. The last day to file arguments regarding the by-district elections measure is 10 days after City Council adopts the resolution calling the election. A ballot argument may have up to five authors. The

resolution also directs the City Attorney to file the Impartial Analysis of the ballot measure, consisting of no more than 500 words, with the City Clerk's Office, on the same date as the deadline for direct ballot arguments.

The resolution pertaining to rebuttal arguments allows authors of direct ballot arguments to submit, or authorize in writing another author to submit, rebuttal arguments not exceeding 250 words. No more than five authors may sign a rebuttal argument. The last day to submit a rebuttal argument is 10 days after the final date for filing direct arguments for or against the measure.

Finally, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidates' statement. The final resolution is proposed in accordance with Elections Code Section 13307.

The Registrar of Voters must canvass the votes and certify the election no later than December 8, 2016. Historically, the Orange County Registrar of Voters certifies the election in time for City Council to declare the results of the election and install newly elected officials at the first City Council meeting in December.

FISCAL IMPACT

The City's cost of holding a consolidated election is estimated at \$44,000. If the City were to conduct a special election, as originally envisioned, it would cost the City an estimated \$142,000. In addition, the Amended Agreement calls for the City to pay MALDEF's attorney's fees in an amount not-to-exceed \$20,000. All of these funds are budgeted for in the FY 16-17 General Fund budget.

Prepared and submitted by:

Reviewed and approved:

Yolanda Summerhill
Deputy City Attorney

Stephen D. Pischel
Director of Administrative Services

Reviewed and approved:

Damien R. Arrula
City Administrator

Attachments:

1. Resolutions
2. Amended Settlement Agreement

RESOLUTION NO. R-2016-40

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE CHARTER AND FOR THE SUBMISSION TO THE VOTERS OF A QUESTION RELATING TO AMENDING THE CHARTER TO ESTABLISH BY-DISTRICT ELECTIONS FOR THE CITY COUNCIL.

A. Recitals.

WHEREAS, under the provisions of the Charter, a General Municipal Election shall be held on November 8, 2016, for the election of Municipal Officers; and

WHEREAS, the City Council also desires to submit to the voters at the election a question relating to a proposed amendment to the City Charter to provide for by-district elections of the city council;

B. Resolution.

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

SECTION 1.

That pursuant to the requirements of the Charter, there is called and ordered to be held in the City of Placentia, California, on Tuesday, November 8, 2016, a General Municipal Election for the purpose of electing three (3) Members of the City Council for the full term of four years; a City Treasurer for the full term of four years.

SECTION 2.

That the City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election the following question(s):

Limited to 75 words	
Shall Ordinance No. ____ be approved to amend the City Charter to require the City Council to establish five equal, geographically based districts from which council members will be elected by residents of those districts to serve four year terms?	YES
	NO

SECTION 3.

That the proposed complete text of the measure for Charter Amendment submitted to the voters is attached as Exhibit A, and the complete text of the ordinance amending the Charter is attached as Exhibit B.

SECTION 4.

That the vote requirement for the measure to pass is a majority (50%+1) of the votes cast.

SECTION 5.

That the ballots to be used at the election shall be in form and content as required by law.

SECTION 6.

The City Council authorizes, instructs and directs the City Clerk to coordinate with the County of Orange Registrar of Voters to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia necessary in order to properly and lawfully conduct the election.

SECTION 7.

The polls for the election shall open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall close, pursuant to Election Code Section 10242, except as provided in Section 14401 of the Elections Code of the State of California.

SECTION 8.

In all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 9.

Notice of the time and place of holding the election is given and the City Council authorizes, instructs and directs the City Clerk to give further or additional notice of the election in time, form and manner as required by law.

SECTION 10.

The City Council authorizes the City Clerk to administer said election and the City shall pay all reasonable and actual election expenses upon presentation of a properly submitted bill.

SECTION 11.

That in the event of a tie vote (if any two or more persons receive an equal and the highest number of votes for an office) as certified by the County of Orange Registrar-Recorder/County Clerk, the City Council, in accordance with Election Code § 15651(a), shall set a date and time and place and summon the candidates who have received the tie votes to appear and will determine the tie by lot.

SECTION 12.

That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, APPROVED, AND ADOPTED this 19th day of July, 2016.

JEREMY B. YAMAGUCHI, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Placentia, held on the 19th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA
CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN
CITY ATTORNEY

FULL TEXT OF MEASURE ____
CITY OF PLACENTIA

The People of the City of Placentia do ordain as follows:

Placentia Charter sections 600 and 601 shall be amended to provide that commencing in 2018, City Council Members shall be elected by-district, with voters in each district only being permitted to vote for a council member residing in that district to the City Council. Current Council Member terms of office will not be affected. The term of office shall be four years and council members will continue to be elected on a staggered basis. There shall be five districts, to be determined by the City Council in any manner provided by law. Revisions to boundaries may be made by ordinance periodically to adjust for a change in the City boundaries and following issuance of United States census data every 10 years to maintain districts with approximately equal population. The number of districts may not be changed without a vote of the people.

**IF YOU DESIRE A COPY OF THE DISTRICT ELECTIONS ORDINANCE
PLEASE CALL THE CITY CLERK'S OFFICE AT (714) 993-8217, AND A COPY
WILL BE MAILED AT NO COST TO YOU.**

ORDINANCE NO. _____

AN ORDINANCE OF THE PEOPLE OF THE CITY OF PLACENTIA, CALIFORNIA, AMENDING SECTIONS 600 AND 601 OF THE CHARTER OF THE CITY OF PLACENTIA TO ESTABLISH BY-DISTRICT ELECTION OF COUNCIL MEMBERS

A. Recitals.

WHEREAS, Placentia's City Charter, enacted by voters in 1965, provides for five city council members to be elected at large, with staggered terms of office, at municipal elections held on the second Tuesday in November of even numbered years; and

WHEREAS, both state and federal law have changed since the adoption of the City's Charter, requiring a variety of actions to ensure fair and equal access to the electoral system by all citizens; and

WHEREAS, the City takes special steps at each City election to ensure compliance with the federal and California Voting Rights Act, preparation and distribution of ballot materials, registration and vote-by-mail materials, and election related information in five different languages, publicizing the city elections, and promotion of registration and voting by all those eligible; and

WHEREAS, a Placentia citizen has recently raised concerns about whether the City's electoral system violates the California Voting Rights Act; and

WHEREAS, the City Council agreed to place a proposed ballot measure before the City's voters to decide whether to amend the City's Charter to provide for district voting rather than at large voting.

B. Resolution.

NOW THEREFORE THE PEOPLE OF THE CITY OF PLACENTIA, CALIFORNIA, DO ORDAIN AS FOLLOWS:

SECTION 1. Section 600 of the Placentia Charter is repealed and replaced in its entirety with the following:

SECTION 600. Number and Term.

- A. Council Terms. There shall be a City Council consisting of five members elected from the City by district, at the times and in the manner in this Charter provided. The term of office for members of the City Council shall be four years, or in the case of an appointment or election to an unexpired term of office, the term of office shall be equal to the unexpired term of office, and until their respective successors qualify. No person shall serve more than three consecutive terms of

office as a member of the City Council, including any portion of an unexpired term of office to which such person has been appointed or elected. The term limit provisions of this section shall apply prospectively only and shall apply only to terms of office commencing on or after the date this amendment to the City Charter was approved by the City's electorate. (Amended by the electorate of the city at an election held on November 5, 2002.)

- B. Regular Election. The regular election of the City Council members shall be held on the first Tuesday, following the first Monday, in November of each even-numbered year. The candidates receiving the highest number of votes shall be elected. The term of all members shall commence at the first regular Council meeting following the certification of the election results and each member shall serve until a successor is elected and qualified. Any ties in voting shall be settled by the casting of lots. (Amended by the electorate of the city at an election held November 5, 1985.)

- C. Council Districts. The City is hereby divided into five (5) Council districts, to be determined by the City Council in any manner provided by law. Candidates for Council seats shall be nominated and elected by such district and shall be residents of such district.

- D. Changes in Boundaries of Council Districts. The boundaries of said Council districts, but not the number thereof, may be changed by ordinance adopted by the Council by a three-fifths (3/5) vote of all its members; provided, that districts established by the Council shall be as nearly equal in population and as geographically compact as practical. Boundaries shall be evaluated within at least one (1) year subsequent to the availability of the information from each decennial United States census or on another basis adopted by three-fifths (3/5) vote of the total membership of the Council; however, the Council shall not change the boundaries of districts more than once in any two-year period and no such change shall be made within the period of one hundred eighty (180) days preceding a general municipal election. The preceding limitations shall not apply to changes made necessary by changes to the City boundaries. After the Council has once exercised its power to change the boundaries of districts, these changes shall immediately be reflected in the district boundaries specified by ordinance adopted by the Council.

- E. Current Office Holders. The five members of the city council in office at the time this section takes effect shall continue in office until their terms expire.

- F. Council Elections Sequenced. The members of the Council of the second and fourth Council districts shall be elected commencing in the year 2018 to the Council seats then open, and in each fourth year thereafter. The members of the Council of the first, third and fifth Council districts shall be elected commencing in the year 2020 to the Council seats then open, and in each fourth year thereafter.

SECTION 2. Section 601 of the Placentia Charter is repealed and replaced in its entirety with the following:

SECTION 601. Eligibility.

No person shall be eligible to hold office as a member of the City Council unless he shall be a qualified elector at the time of his nomination, and shall have been a resident of the City for at least that minimum period provided for under State law for General law cities next preceding the date of his election or appointment. Each member of the Council must also be a resident of the council district from which the member is nominated at the times the member is nominated and elected. In the event any member of the Council shall cease to be a resident of the district from which the member (or, in the case of an appointee, a predecessor) was nominated, the office shall immediately become vacant and shall be filled in the same manner as herein provided for other vacancies by a resident of that district. If a member of the Council ceases to be a resident of the district from which the member (or, in the case of an appointee, a predecessor) was nominated solely because of a change in the boundaries of any district as in this Charter provided, the member shall not lose office during that term by reason of such change. (Amended by the electorate of the city at the election held April 3, 1976: amended by Assembly Concurrent Resolution No. 96 Paragraph 1, ratified by the qualified electors of the city at a general municipal election held April 11, 1972)

SECTION 3. Should any section, subsection, clause or provision of this ordinance for any reason be held to be invalid, such invalidity shall not affect the validity of the remaining portions of this ordinance, it being hereby expressly declared that this ordinance, and each and every section, subsection, sentence, clause and phrase hereof would have been prepared, proposed, approved, adopted and/or ratified irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases of this ordinance be declared invalid.

SECTION 4. After this ordinance amending the charter as provided for herein is approved by a majority vote of the voters, the Mayor and City Clerk shall certify that the charter amendment was submitted to the voters of the city and that it was approved by a majority vote. One copy of the approved charter amendment shall be filed with the County Recorder's office and one shall be kept in the City's archive. A third copy of the charter amendment shall be submitted by the City Clerk to the Secretary of State with (1) copies of all publications and notices in connection with the calling of the election; (2) certified copies of any arguments for or against the charter proposal which were mailed to the voters; (3) a certified abstract of the vote at the election on the charter amendment. The City Clerk shall certify to the passage and adoption of this ordinance and shall cause the same to be published in the manner required by law. The charter amendment approved by this Ordinance will go into effect immediately after it has been filed and accepted by the Secretary of State.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2016.

JEREMY B. YAMAGUCHI, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Placentia, held on the ____ day of _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA
CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN
CITY ATTORNEY

RESOLUTION NO. R-2016-41

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION HELD ON TUESDAY, NOVEMBER 8, 2016 WITH THE STATEWIDE GENERAL ELECTION HELD ON THE SAME DATE PURSUANT TO ELECTIONS CODE SECTION 10403

A. Recitals.

The City Council of the City of Placentia, California called a General Municipal Election to be held on November 8, 2016 for the purpose of the election of three Members of the City Council; and

The City Council wishes to submit to the voters a question relating to amending the Charter to establish By-District Elections for the City Council; and

The City of Placentia desires to consolidate the General Municipal Election with the Statewide General Election to be held on the same date and that within the city, the precincts, polling places and election officers of the two elections be the same and that the county election department of the County of Orange canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election;

B. Resolution.

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

SECTION 1.

Pursuant to the requirements of Section 10403 of the Elections Code, the City Council of the City of Placentia hereby requests that the Board of Supervisors of the County of Orange consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 8, 2016 for the purpose of the election of three Members of the City Council.

SECTION 2.

The following measure is to appear on the ballot as follows:

Shall Ordinance No. ____ be approved to amend the City Charter to require the City Council to establish five equal, geographically based districts from which council members will be elected by residents of those districts to serve four year terms?	YES
	NO

SECTION 3.

The proposed complete text of the measure submitted to the voters is attached as Attachment 1, and the proposed ordinance to be enacted is attached as Attachment 2.

SECTION 4.

The measure requires a majority 50% + 1 of the votes cast to pass.

SECTION 5.

The county election department is authorized to canvass the returns of the General Municipal Election. The election shall be held in all respects as if there were only one election and only one form of ballot shall be used. The election will be held and conducted in accordance with the provisions of law regulating the statewide election.

SECTION 6.

The Board of Supervisors is requested to issue instructions to the county election department to take any and all steps necessary for the holding of the consolidated election.

SECTION 7.

The City of Placentia recognizes that the County will incur additional costs by reason of this consolidation and agrees to reimburse the County for any costs.

SECTION 8.

The City Council directs the City Clerk to file a certified copy of this resolution with the Board of Supervisors and the county election department of the County of Orange.

SECTION 9.

The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED this 19th day of July, 2016.

JEREMY B. YAMAGUCHI, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Placentia, held on the 19th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA
CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN
CITY ATTORNEY

FULL TEXT OF MEASURE ____
CITY OF PLACENTIA

The People of the City of Placentia do ordain as follows:

Placentia Charter sections 600 and 601 shall be amended to provide that commencing in 2018, City Council Members shall be elected by-district, with voters in each district only being permitted to vote for a council member residing in that district to the City Council. Current Council Member terms of office will not be affected. The term of office shall be four years and council members will continue to be elected on a staggered basis. There shall be five districts, to be determined by the City Council in any manner provided by law. Revisions to boundaries may be made by ordinance periodically to adjust for a change in the City boundaries and following issuance of United States census data every 10 years to maintain districts with approximately equal population. The number of districts may not be changed without a vote of the people.

**IF YOU DESIRE A COPY OF THE DISTRICT ELECTIONS ORDINANCE
PLEASE CALL THE CITY CLERK'S OFFICE AT (714) 993-8217, AND A COPY
WILL BE MAILED AT NO COST TO YOU.**

ORDINANCE NO. _____

AN ORDINANCE OF THE PEOPLE OF THE CITY OF PLACENTIA, CALIFORNIA, AMENDING SECTIONS 600 AND 601 OF THE CHARTER OF THE CITY OF PLACENTIA TO ESTABLISH BY-DISTRICT ELECTION OF COUNCIL MEMBERS

A. Recitals.

WHEREAS, Placentia's City Charter, enacted by voters in 1965, provides for five city council members to be elected at large, with staggered terms of office, at municipal elections held on the second Tuesday in November of even numbered years; and

WHEREAS, both state and federal law have changed since the adoption of the City's Charter, requiring a variety of actions to ensure fair and equal access to the electoral system by all citizens; and

WHEREAS, the City takes special steps at each City election to ensure compliance with the federal and California Voting Rights Act, preparation and distribution of ballot materials, registration and vote-by-mail materials, and election related information in five different languages, publicizing the city elections, and promotion of registration and voting by all those eligible; and

WHEREAS, a Placentia citizen has recently raised concerns about whether the City's electoral system violates the California Voting Rights Act; and

WHEREAS, the City Council agreed to place a proposed ballot measure before the City's voters to decide whether to amend the City's Charter to provide for district voting rather than at large voting.

B. Resolution.

NOW THEREFORE THE PEOPLE OF THE CITY OF PLACENTIA, CALIFORNIA, DO ORDAIN AS FOLLOWS:

SECTION 1. Section 600 of the Placentia Charter is repealed and replaced in its entirety with the following:

SECTION 600. Number and Term.

- A. Council Terms. There shall be a City Council consisting of five members elected from the City by district, at the times and in the manner in this Charter provided. The term of office for members of the City Council shall be four years, or in the case of an appointment or election to an unexpired term of office, the term of office shall be equal to the unexpired term of office, and until their respective successors qualify. No person shall serve more than three consecutive terms of

office as a member of the City Council, including any portion of an unexpired term of office to which such person has been appointed or elected. The term limit provisions of this section shall apply prospectively only and shall apply only to terms of office commencing on or after the date this amendment to the City Charter was approved by the City's electorate. (Amended by the electorate of the city at an election held on November 5, 2002.)

- B. Regular Election. The regular election of the City Council members shall be held on the first Tuesday, following the first Monday, in November of each even-numbered year. The candidates receiving the highest number of votes shall be elected. The term of all members shall commence at the first regular Council meeting following the certification of the election results and each member shall serve until a successor is elected and qualified. Any ties in voting shall be settled by the casting of lots. (Amended by the electorate of the city at an election held November 5, 1985.)

- C. Council Districts. The City is hereby divided into five (5) Council districts, to be determined by the City Council in any manner provided by law. Candidates for Council seats shall be nominated and elected by such district and shall be residents of such district.

- D. Changes in Boundaries of Council Districts. The boundaries of said Council districts, but not the number thereof, may be changed by ordinance adopted by the Council by a three-fifths (3/5) vote of all its members; provided, that districts established by the Council shall be as nearly equal in population and as geographically compact as practical. Boundaries shall be evaluated within at least one (1) year subsequent to the availability of the information from each decennial United States census or on another basis adopted by three-fifths (3/5) vote of the total membership of the Council; however, the Council shall not change the boundaries of districts more than once in any two-year period and no such change shall be made within the period of one hundred eighty (180) days preceding a general municipal election. The preceding limitations shall not apply to changes made necessary by changes to the City boundaries. After the Council has once exercised its power to change the boundaries of districts, these changes shall immediately be reflected in the district boundaries specified by ordinance adopted by the Council.

- E. Current Office Holders. The five members of the city council in office at the time this section takes effect shall continue in office until their terms expire.

- F. Council Elections Sequenced. The members of the Council of the second and fourth Council districts shall be elected commencing in the year 2018 to the Council seats then open, and in each fourth year thereafter. The members of the Council of the first, third and fifth Council districts shall be elected commencing in the year 2020 to the Council seats then open, and in each fourth year thereafter.

SECTION 2. Section 601 of the Placentia Charter is repealed and replaced in its entirety with the following:

SECTION 601. Eligibility.

No person shall be eligible to hold office as a member of the City Council unless he shall be a qualified elector at the time of his nomination, and shall have been a resident of the City for at least that minimum period provided for under State law for General law cities next preceding the date of his election or appointment. Each member of the Council must also be a resident of the council district from which the member is nominated at the times the member is nominated and elected. In the event any member of the Council shall cease to be a resident of the district from which the member (or, in the case of an appointee, a predecessor) was nominated, the office shall immediately become vacant and shall be filled in the same manner as herein provided for other vacancies by a resident of that district. If a member of the Council ceases to be a resident of the district from which the member (or, in the case of an appointee, a predecessor) was nominated solely because of a change in the boundaries of any district as in this Charter provided, the member shall not lose office during that term by reason of such change. (Amended by the electorate of the city at the election held April 3, 1976: amended by Assembly Concurrent Resolution No. 96 Paragraph 1, ratified by the qualified electors of the city at a general municipal election held April 11, 1972)

SECTION 3. Should any section, subsection, clause or provision of this ordinance for any reason be held to be invalid, such invalidity shall not affect the validity of the remaining portions of this ordinance, it being hereby expressly declared that this ordinance, and each and every section, subsection, sentence, clause and phrase hereof would have been prepared, proposed, approved, adopted and/or ratified irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases of this ordinance be declared invalid.

SECTION 4. After this ordinance amending the charter as provided for herein is approved by a majority vote of the voters, the Mayor and City Clerk shall certify that the charter amendment was submitted to the voters of the city and that it was approved by a majority vote. One copy of the approved charter amendment shall be filed with the County Recorder's office and one shall be kept in the City's archive. A third copy of the charter amendment shall be submitted by the City Clerk to the Secretary of State with (1) copies of all publications and notices in connection with the calling of the election; (2) certified copies of any arguments for or against the charter proposal which were mailed to the voters; (3) a certified abstract of the vote at the election on the charter amendment. The City Clerk shall certify to the passage and adoption of this ordinance and shall cause the same to be published in the manner required by law. The charter amendment approved by this Ordinance will go into effect immediately after it has been filed and accepted by the Secretary of State.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2016.

JEREMY B. YAMAGUCHI, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Placentia, held on the ____ day of _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA
CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN
CITY ATTORNEY

RESOLUTION NO. R-2016-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS REGARDING A CITY MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS

A. Recitals.

The City Council of the City of Placentia, California called a General Municipal Election to be held on November 8, 2016 at which there will be submitted to the voters the following measure:

Shall Ordinance No. ____ be approved to amend the City Charter to require the City Council to establish five equal, geographically based districts from which council members will be elected by residents of those districts to serve four year terms?	YES
	NO

B. Resolution.

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

SECTION 1.

That the City Council authorizes any or all members of the City Council to file written arguments in Favor of the City Measure not exceeding 300 words regarding the City measure as specified above, accompanied by the printed names and signatures of the authors submitting it, in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California. Authors may change or withdraw arguments until and including the date fixed by the City Clerk after which no arguments for or against the City measure may be submitted to the City Clerk.

The arguments shall be filed with the City Clerk, signed with the printed names and signatures of the authors submitting it, or if submitted on behalf of an organization, the name of the organization and the printed name and signature of at least one of its principal officers who is the author of the argument. The Form of Statement To Be Filed By Authors of Arguments shall accompany all arguments filed.

SECTION 2.

The City Council directs the City Clerk to transmit a copy of the measure to the City Attorney, unless the organization of salaries of the office of the city attorney are affected.

A. The City Attorney shall prepare an impartial analysis of the measure not exceeding 500 words showing the effect of the measure on existing law and the operation of the measure. If the measure affects the organization or salaries of the office of the city attorney, the City Clerk shall prepare the impartial analysis.

B. The impartial analysis shall include a statement indicating whether the measure was placed on the ballot by petition signed by the requisite number of voters or by the governing body of the City.

C. In the event the entire text of the measure is not printed on the ballot, nor in the voter information portion of the sample ballot, there shall be printed immediately below the impartial analysis, in no less than 10-point type, the following: "The above statement is an impartial analysis of Ordinance No. ___. If you desire a copy of the ordinance or measure, please call the election official's office at (714) 993-8217 and the Election Official will make a copy at no cost to you."

D. The City Attorney shall file the impartial analysis with the City Clerk's Office by the date set by the City Clerk for the filing of primary arguments.

SECTION 3.

The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED this 19th day of July, 2016.

JEREMY B. YAMAGUCHI, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Placentia, held on the 19th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA

CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN

CITY ATTORNEY

RESOLUTION NO. R-2016-43

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR CITY MEASURES SUBMITTED AT MUNICIPAL ELECTIONS

A. Recitals.

California Elections Code Section 9282 provides for the filing of written arguments in favor or against city measures not to exceed 300 words in length; and

California Elections Code Section 9285 authorizes the City Council, by majority vote, to adopt provisions to provide for the filing of rebuttal arguments for city measures submitted at municipal elections;

B. Resolution.

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

SECTION 1.

Pursuant to California Elections Code Section 9285, when the elections official has selected arguments for and against the measure, not exceeding 300 words each, which will be printed and distributed to the voters, the elections official shall send a copy of an argument in favor of the proposition to the authors of any argument against the measure and a copy of an argument against the measure to the authors of any argument in favor of the measure, immediately upon receiving the arguments.

The author or a majority of the authors of an argument relating to a city measure may prepare and submit a rebuttal argument not exceeding 250 words or may authorize in writing any other person or persons to prepare, submit or sign the rebuttal argument.

No more than five authors may sign a rebuttal argument.

The rebuttal arguments shall be filed with the City Clerk, signed with the printed names and signatures of the authors submitting it, or if submitted on behalf of an organization, the name of the organization and the printed name and signature of at least one of its principal officers, not more than 10 days after the final date for filing direct arguments for or against the measure. The rebuttal arguments shall be accompanied by the Form of Statement To Be Filed By Authors of Argument.

Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

SECTION 2.

This resolution repeals previous resolutions providing for the filing of rebuttal arguments for city measures.

SECTION 3.

In all other particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 4.

The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions. This resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 19th day of July, 2016.

JEREMY B. YAMAGUCHI, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Placentia, held on the 19th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA
CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN
CITY ATTORNEY

RESOLUTION NO. R-2016-44

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016.

A. Recitals.

(i). § 13307 of the Election Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidates statement.

(ii). All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. GENERAL PROVISIONS. That pursuant §13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an Election to be held in the City of Placentia on November 8, 2016, may prepare a candidate's statement on an appropriate form provided by the City Clerk. The statement may include the name, age, and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed in typewritten form in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

3.FOREIGN LANGUAGE POLICY.

A. Pursuant to the Federal Voting Rights Act, candidates statements will be translated into all languages required by the County of Orange ("County"). The County is required to translate candidates statements into the following languages: Spanish, Korean, Chinese, and Vietnamese.

B. The County will print and mail sample ballots and candidates statements to all voters in Spanish, Korean, Chinese, and Vietnamese or the County will mail separate

sample ballots and candidates statements in Spanish, Korean, Chinese, and Vietnamese to only those voters who are on the County voter file as having requested a sample ballot in a particular language. The County will make the sample ballots and candidates statements in the required languages available at all polling places, on the County's website, and in the Election Official's office.

4. PAYMENT.

A. Translations.

1. The candidate shall be required to pay for the cost of translating the candidates statement into any required foreign language as specified in (A) and (B) of §3, above, pursuant to Federal and/or State law.

2. The candidate shall be required to pay for the cost of translating the candidate's statement into any foreign language that is not required as specified in (A) and (B) of §3 above, pursuant to Federal and/or State law, but is requested as an option by the candidate.

B. Printing.

1. The candidate shall be required to pay for the cost of printing the candidate's statement in English in the main voter pamphlet.

2. The candidate shall be required to pay for the cost of printing the candidates statement in a foreign language required in A of §3 above, in the main voter pamphlet.

3. The candidate shall be required to pay for the cost of printing the candidates statement in a foreign language requested by the candidate per B of §3 above, in the main voter pamphlet.

The City Clerk shall estimate the total cost of printing, handling, translating, and mailing the candidates statements filed pursuant to this section, including costs incurred as a result of complying with the Voting Rights Act of 1965 (as amended), and require each candidate filing a statement to pay in advance to the local agency his or her estimated *pro rata* share as a condition of having his or her statement included in the voter pamphlet. In the event the estimated payment is required, the estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the City Clerk is not bound by the estimate and may, on a *pro rata* basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the Clerk shall prorate the excess amount among the candidates and refund the excess amount paid within thirty (30) days of the election.

5. MISCELLANEOUS.

A. All translations shall be provided by professionally-certified translators.

B. The City Clerk shall comply with all recommendations and standards set forth by the California Secretary of State regarding occupational designations and other matters relating to elections.

6. ADDITIONAL MATERIALS. No candidate will be permitted to include additional materials in the sample ballot package.

7. That the City Clerk shall provide each candidate or the candidates representative a copy of this Resolution at the time nominating petitions are issued.

8. That all previous resolutions establishing Council policy on payment for candidates statements are repealed.

9. That this resolution shall apply only to the election to be held on November 8, 2016, and shall then be repealed.

10. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions and hereby is directed to file a certified copy of this Resolution with the Board of Supervisors and the County Election Department of the County of Orange.

PASSED, ADOPTED AND APPROVED this 19th day of July, 2016.

JEREMY B. YAMAGUCHI,
MAYOR

ATTEST:

PATRICK J. MELIA,
CITY CLERK

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, PATRICK J. MELIA, CITY CLERK of the City of Placentia do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Placentia held on the 19TH day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA,
CITY CLERK

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN
CITY ATTORNEY

AMENDED SETTLEMENT AGREEMENT

This Settlement Agreement (hereinafter “Agreement”) is entered into as of _____, 2016, by and between CITY OF PLACENTIA, a California charter law municipal corporation, (“Placentia”) and JOSEPH V. AGUIRRE, an individual (“Plaintiffs”). Placentia and Plaintiffs are collectively hereinafter referred to as the “Parties.”

WHEREAS, Placentia currently utilizes an at-large method of electing its five city council members (“Placentia’s Election System”); and,

WHEREAS, Plaintiffs allege that Placentia’s Election System violates the California Voting Rights Act (the “CVRA”), and are prepared to file a lawsuit seeking to enjoin Placentia from conducting further at-large elections (the “Litigation”); and,

WHEREAS, Placentia denies that Placentia’s Election System violates any provision of the CVRA or any other provision of law and asserts that Placentia’s Election System is legal in all respects and further denies any wrongdoing whatsoever in connection with the manner in which it has conducted its city council elections; and,

WHEREAS, On February 23, 2016, the Parties executed a Settlement Agreement relating to the CVRA claims and potential Litigation; and

WHEREAS, Since execution of the original Settlement Agreement, circumstances have changed and the parties desire to enter into an Amended Settlement Agreement (“Amended Agreement”); and

WHEREAS, On or before August 12, 2016, the Placentia City Council will place on its agenda for action a resolution to place a City sponsored initiative measure (“Charter Amendment Measure”) on the November 8, 2016 Statewide General Election Ballot asking the voters of Placentia whether the Placentia City Charter should be amended to change from an at-large method of election to a by-district method of election with the districts established by Ordinance for City Council elections following a public hearing; and,

WHEREAS, The Parties stipulate that if the Charter Amendment Measure to change the method of election does not pass based on the results of the November 2016 general election provided for herein, a second measure will be placed on the November 2018 Statewide General Election Ballot asking the voters of Placentia whether the Placentia City Charter should be amended to change from an at-large method of election to a by-district method of election with the districts established by Ordinance for City Council elections following a public hearing; and

WHEREAS, The Parties stipulate that if the Charter Measure to change the method of election does not pass based on the results of the November 2018 general election, Plaintiffs explicitly retain and do not waive their right to take legal action against Placentia under the CVRA, the Federal Voting Rights Act (“FVRA”) and any and all other state and federal voting rights laws; and,

WHEREAS, The Parties now desire to settle and resolve any and all claims arising out of the Litigation; and,

WHEREAS, The Parties warrant and represent that each is the sole owner and holder of all rights, interests, and claims asserted against the other, and that each has the full right, power, and authority to settle and compromise all claims asserted in the Litigation without the consent of any other person or entity; and,

WHEREAS, The Parties acknowledge the terms of this Agreement are contractual and not merely recitals, and the Parties further acknowledge that they are bound by this Agreement and their respective obligations as set forth herein.

NOW, THEREFORE, for value received and in consideration of the mutual covenants and conditions as set forth below, the Parties agree as follows:

1. **Charter Amendment Measure to be Placed on Ballot.** On or before August 12, 2016, the City Council of Placentia (“City Council”) will place on its agenda for action a resolution to place a Charter Amendment Measure on the Statewide General Election Ballot on November 8, 2016 asking whether the Placentia City Charter should be amended to change from an at-large method of election to a by-district method of election with the actual district lines being established by Ordinance and requiring by-district elections for the November 2018 City Council elections and thereafter. The City Council shall adopt the draft Charter Amendment Measure and related documents so that they are submitted to the Orange County Registrar of Voters before the deadline to place on the ballot for voters in the City of Placentia for the general election.

2. **Ballot Argument in Favor of Charter Amendment Measure.** On or before the statutory deadline for submitting arguments, the City Council shall authorize, pursuant to California Elections Code Section 9282(b), the City Council with up to five Members thereof as signatories to file jointly a written Argument in Favor of the Charter Amendment Measure. Should the City Council or any member(s) thereof determine to submit a written argument in favor of the Charter Amendment Measure, it shall be made available for public review prior to City Council action. The City Council agrees that it shall not file a ballot Argument against the Charter Amendment Measure pursuant to California Elections Code Section 9282(b). No City Council member shall sign a ballot argument or rebuttal opposing the Charter Amendment using that Member’s title as a City Council Member for identification purposes in the signature block. Other than as provided in this paragraph, nothing in this Amended Agreement limits the right of any City Council Member personally to campaign for or against the Ballot measure as permitted by law.

3. **Second Ballot Measure.** If the ballot measure does not pass at the November 2016 election, on or before August 1, 2018, the City Council of Placentia (“City Council”) will place on its agenda for action a resolution to place a second Charter Amendment Measure on the Statewide General Election Ballot at the November 2018 general election asking whether the Placentia City Charter should be amended to change from an at-large method of election to a by-district method of election with the actual district lines being established by Ordinance and requiring by-district elections for the November 2020 City Council elections and thereafter. The

City Council shall adopt the draft Charter Amendment Measure and related documents so that they are submitted to the Orange County Registrar of Voters before the deadline to place on the ballot for voters in the City of Placentia for the November 2018 general election.

4. **Electoral District Map.** The intent of the Parties is that the electoral map shall include one electoral district in which Latinos constitute a majority of the citizen voting age population according to the most recently available relevant estimates from the Census Bureau's American Community Survey, drawn in a manner consistent with applicable law. The boundaries of the electoral district map required by Paragraph 1 shall be drawn in accordance with the criteria set forth in the following order of priority:

- i. Districts shall contain reasonably equal total population;
- ii. Districts shall comply with applicable federal and state law, including, without limitation, the CVRA, the Constitution of the United States and of the State of California, and the federal Voting Rights Act of 1965, as amended, 52 U.S.C. §§ 10301, et seq.;
- iii. Districts shall be geographically contiguous and drawn to encourage geographic compactness; and
- iv. Districts shall be drawn with respect for geographic integrity of any neighborhood and any community of interest, including racial, ethnic, and language minorities, to the extent possible without violating the requirements of any of the preceding provisions.

5. **Process for Developing Electoral District Map.** If the Charter Amendment Measure is adopted by the voters, Placentia shall contract a demographer to design one or more electoral maps in accordance with the provisions in paragraph 4, above. The process for developing the electoral district map will include, at a minimum, two public hearings on a proposal to establish the district boundaries prior to a public hearing at which the City Council votes to approve the electoral district map. Placentia will maintain information on its website for the districting process where notices, agendas, and proposed maps, among other items, will be posted. Official required notices and agendas will be translated into all languages required under the federal Voting Rights Act.

6. **Final Approval and Adoption of District Boundaries.** If the Charter Amendment Measure passes in November 2016, then by May 1, 2018, Placentia shall approve and adopt one of the final district map plans from the draft map plans. If the Charter Amendment Measure passes in November 2018, then by May 1, 2020, Placentia shall approve and adopt of the final district map plans from the draft map plans. The City Council reserves the right to make modifications and adjustments to the map if the reason for doing so is to ensure full compliance with the requirements of either the CVRA or FVRA and related court decisions.

7. **Single-Member By-District Elections.** It is further agreed that in the November 2018 general city council member election or the November 2020 general city council member election, whichever is applicable, Placentia shall select at least two electoral districts to be filled.

Among the districts which will have council member seats filled in the first single-member by-district election, the district with the highest percentage of Latino citizen voting age population shall be designated to elect a council member.

8. **By-District Election Implementation.** Following Placentia's adoption of a final districting plan, as provided above, Placentia shall submit the district plans to the Orange County Elections Department to implement the new by-district election method in time for Placentia's November general election at which the first single-district by-district city council elections is to occur as provided above.

9. **Attorneys' Fees and Costs.** Placentia shall be solely responsible for all costs and expenses related to the creation and implementation of its by-district election plan. Placentia has previously paid to Plaintiffs' counsel the amount of \$20,000 in settlement of all costs, expenses and fees associated with the litigation prepared in this matter and avoided by the Settlement Agreement and the Amended Agreement and any activities associated with the Settlement Agreement and Amended Agreement, except for any costs and/or attorneys' fees incurred in enforcing this Amended Agreement, if any.

10. **Release.** Upon taking the actions described herein, and unless expressly reserved in this Amended Agreement, the Parties hereby release and forever discharge each other and each other's respective directors, officers, employees, attorneys, successors and assigns, from any and all claims, demands, suits, rights, actions, causes of action, expenses, interest, costs, damages, attorneys' fees, liability or obligation of any kind, whenever or however derived, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, in any way relating to or connected with the proposed Litigation.

11. **Amendments to be in Writing.** No supplement, modification, waiver or amendment with respect to this Agreement shall be binding unless executed in writing and signed by the party against whom enforcement of such supplement, modification, waiver or amendment is sought. This Amended Agreement is intended to supersede and replace the Settlement Agreement dated February 23, 2016.

12. **Integrated Agreement.** All agreements, covenants and representations, oral or written, of the Parties concerning the subject matter of this Amended Agreement are contained herein. No other agreements, covenants or representations, oral or written, have been made by any party to any other party concerning the subject matter of this Amended Agreement. All prior and contemporaneous conversations, negotiations, possible and alleged agreements, representations and covenants concerning the subject matter of this Amended Agreement are merged herein. This is a fully integrated document.

13. **Further Actions.** The Parties hereto agree to execute all further and additional documents, and undertake such further acts, as shall be reasonable, convenient, necessary or desirable to carry out the provisions of this Amended Agreement, and the Parties further agree to cooperate with each other to effectuate the intent of this Amended Agreement.

14. **Prior Review by Legal Counsel.** The Parties acknowledge the opportunity that this Amended Agreement be reviewed by their respective attorneys and that it has been approved as to form. They further agree that this Amended Agreement is to be construed and interpreted without regard to the identity of the party drafting this Amended Agreement.

15. **Governing Law.** This Amended Agreement shall in all respects be interpreted, enforced and governed by and under the laws of the State of California applicable to such instruments, persons, transactions and subject matter which have legal contexts and relationship solely within the State of California.

16. **Severability.** If any term or provision of this Amended Agreement, or the application thereof, to any persons or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term or provision of this Amended Agreement shall be valid and be enforced to the fullest extent permitted by law.

17. **Multiple Originals.** This Amended Agreement may be executed in multiple counterparts, each of which so fully executed counterpart shall be deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterpart executed by the other party to this Amended Agreement is in the physical possession of the party seeking enforcement thereof.

18. **Authority to Execute.** Each party hereto expressly warrants and represents that he/she/they has/have the authority to execute this Amended Agreement on behalf of his/her/their corporation, partnership, business entity, or governmental entity and warrants and represents that he/she/they has/have the authority to bind his/her/their entity to the performance of its obligations hereunder.

19. **Enforcement—Attorneys’ Fees.** Should any of the Parties reasonably retain counsel for the purpose of enforcing or preventing the breach of any provision of this Amended Agreement, including but not limited to instituting any action or proceeding to enforce any provision of this Amended Agreement, the prevailing party shall be entitled to be reimbursed by the losing party for all costs and expenses incurred thereby, including but not limited to reasonable attorneys’ fees, costs and expenses.

IN WITNESS WHEREOF this Amended Settlement Agreement has been executed by the authorized representatives of the parties hereto.

Dated: _____

CITY OF PLACENTIA

By: Jeremy B. Yamaguchi
Mayor

APPROVED AS TO FORM:

CHRISTIAN L. BETTENHAUSEN Date
City Attorney

PLAINTIFF

Dated: _____

By: JOSEPH V. AGUIRRE

APPROVED AS TO FORM:

DENISE HULETT Date
MATTHEW J. BARRAGAN
MEXICAN AMERICAN LEGAL DEFENSE
AND EDUCATIONAL FUND
Attorneys for Plaintiff



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: INTERIM CHIEF FINANCIAL OFFICER

DATE: JULY 19, 2016

SUBJECT: **PROFESSIONAL SERVICES AGREEMENT WITH THE PUN GROUP, INC. FOR FINANCIAL AUDITING SERVICES FOR FISCAL YEARS 2015-2016, 2016-2017 AND 2017-2018**

FISCAL
IMPACT: EXPENSE: \$68,000 (FISCAL YEAR 2016-2017 BUDGETED)
\$70,040 (FISCAL YEAR 2017-2018)
\$72,142 (FISCAL YEAR 2018-2019)

SUMMARY:

The City issued a Request For Proposal (RFP) (See Exhibit 1) to obtain auditing services for the City and the Successor Agency. An evaluation committee consisting of the three (3) members of the Financial Audit Oversight Committee (FAOC) evaluated all five (5) proposals that were received and scheduled interviews with what they determined to be the top two (2) firms. The FAOC is unanimously recommending that City Council award a contract to The Pun Group to provide auditing services to the City.

RECOMMENDATION:

It's recommended that the City Council take the following actions:

1. Approve a Professional Services Agreement with The Pun Group, Inc. for auditing services for Fiscal Years 2015-2016, 2016-2017 and 2017-2018 with the option for two additional one-year term extensions at the discretion of the City Council; and
2. Authorize the City Administrator to execute all necessary documents, in a form approved by the City Attorney.

DISCUSSION:

The City Council contracts with certified public accountants to examine the City's records, books, inventories and assets. It has been the practice of the City of Placentia to open the auditing services to competitive bids every three (3) to five (5) years. In 2015, based upon a recommendation from the Financial Audit Oversight Committee, the City Council issued a contract to Lance, Soll & Lunghard, LLP (LSL) for auditing services. In May of 2016 the City

informed LSL that it did not wish to continue the contract. Subsequently, a Request for Proposals (RFP) was prepared. As a result of the recent misappropriation of public funds, the City Administrator had directed that the RFP include additional services above and beyond a traditional municipal audit. These additional services were pulled directly from the cities of Pasadena, Yorba Linda, Mission Viejo, and Laguna Niguel's municipal audit RFPs and are considered comprehensive. Below is a list of additional criteria added to the requested services:

1. Audit sample to be increased beyond those required by professional audit standards and include each of the City's funds.
2. Disclosure of methods for testing each of the City's funds.
3. Review of employee compensation for the City Administrator and all members of the Executive Team (currently five (5) employees).
4. A list of additional agreed-upon procedures from which two (2) will be randomly selected each year:
 - a. Review of Investment Transactions – To determine that the investments made by staff are in compliance with the City's applicable Investment Policy.
 - b. Review of Financial Institution Wire Transfers – To ensure that all transfers out of financial institutions as reported on bank or investment statements are properly authorized and accounted for.
 - c. Review of Journal Entries – To ensure that journal entries (including budget entries) are made with adequate support, proper approval, and are correctly recorded to the general ledger.
 - d. Review of Check Stock Sequence and Cancelled Checks – To verify the sequence of check stock, including unused checks, voided checks and cancelled checks to verify that all checks cleared through the City's financial institutions are presented to Council in the warrant registers and are properly accounted for within the accounting records of the City.
 - e. Review of Cash Receipts – To ensure that the amounts collected from all locations accepting revenues are properly reflected on receipt documentation that agrees with the amount in the revenue tracking software (if applicable), to the general ledger, and the amount reflected on the bank statement.
5. In view of the misappropriation, what cost effective controls can be implemented.

Following the development of the RFP, it was sent to twenty-one (21) accounting firms and placed on the City's Website. The document requested costs for auditing services for three (3) fiscal years (2015-2016, 2016-2017, and 2017-2018). Five (5) proposals were received and are listed below.

<i>FIRM</i>	<i>FY 2015-16</i>	<i>FY 2016-17</i>	<i>FY 2017-18</i>
Patel & Associates, LLP	\$45,464	\$45,464	\$45,464
Badawi & Associates	\$55,845	\$57,530	\$59,260
Moss, Levy & Hartzheim, LLP	\$59,886	\$61,149	\$62,411
The Pun Group	\$68,000	\$70,040	\$72,142
Eadie - Payne, LLP	\$78,690	\$80,933	\$83,242

Each firm that submitted proposals was evaluated based on a competitive selection process, in which the evaluation of proposals was not limited to price alone. Technical merit and firm expertise were also given significant consideration in the selection process.

Following review of all five (5) proposals received, the FAOC decided to interview what they felt were the top two (2) firms. The firms selected for the interview process were: Moss, Levy & Hartzheim, LLP and The Pun Group.

The interviews were held on July 6, 2016 by the FAOC with one (1) staff member in attendance as an observer. Based upon the submitted proposals and interviews conducted, it was the unanimous decision of the FAOC that The Pun Group be selected as the audit firm to be recommended to City Council for award of contract for auditing services. It should be noted that after the interviews had taken place, Moss, Levy & Hartzheim, LLP (MLH) contacted the City to inform staff that following a closer review of their fall schedule, they did not feel they could meet the required deadlines within the RFP. Because of this, MLH withdrew from the process.

The FAOC felt that the staff of The Pun Group has municipal government accounting experience, excellent references and was best suited to take on auditing services for the City. They are located in the region and specialize in municipal auditing. Staff concurs with the FAOC's recommendation. (See Exhibit 2 for The Pun Group technical proposal)

Staff recommends that City Council authorize the City Administrator to negotiate a contract and engagement letter with The Pun Group for financial auditing services, in a form approved by the City Attorney, which incorporates the terms of their RFP proposal to the City. The duration of the contract will be for three (3) years, with the option for two (2) additional one-year extensions at the discretion of the City.

FISCAL IMPACT:

Fiscal Year 2016-2017 \$68,000.00 (Budgeted)
 Fiscal Year 2017-2018 \$70,040.00
 Fiscal Year 2018-2019 \$72,142.00

Prepared by:

Reviewed and approved:

Matthew Reynolds
Management Analyst

Lawrence P. Schroeder
Interim Chief Financial Officer

Reviewed and Approved by:

Damien R. Arrula
City Administrator

Attachments:

1. Request for Proposals for Professional Auditing Services
2. The Pun Group Proposal
3. Professional Services Agreement



City of Placentia Request for Proposals For Professional Auditing Services

EXHIBIT A

City of Placentia
Finance Department
401 E. Chapman Avenue
Placentia, CA 92870
Phone (714) 993-8237
Fax (714) 961-0283

Date of Issuance: May 15, 2016
Proposal Deadline: June 15, 2016

City of Placentia

REQUEST FOR PROPOSALS

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B.	Sample City-Standard Two-Party Agreement

CITY OF PLACENTIA

Request for Proposals For Audit Services

I. INTRODUCTION

A. General Information

The City of Placentia ("Placentia" or "City") hereby requests proposals from qualified certified public accounting firms to perform audits of the City's financial statements for the three (3) fiscal years ending June 30, 2016, June 30, 2017, and June 30, 2018 with the option of auditing the City's financial statements for each of the two (2) subsequent fiscal years. To meet the requirements of this Request for Proposal, the audit shall be performed in accordance with:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants,
2. The standards for financial audits set forth in the U. S. General Accounting Office's *Government Auditing Standards (1994)*,
3. The provisions of the Single Audit Act of 1984 (as amended in 1996),
4. The provisions of the U. S. Office of Management and Budget (OMB) Circular A-133, audits of States, Local Governments, and Non-Profit Organizations, *Audits of State and Local Governments*,

There is no express or implied obligation for Placentia to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Materials submitted by respondents are subject to public inspection under the California Public Records Act (California Government Code § 6250, *et seq.*), unless exempt.

To be considered, an original and five (5) copies of a proposal must be received at the Office of the Interim Chief Financial Officer, 401 E. Chapman Avenue, Placentia, CA 92870 not later than 5:00 p.m., **June 15, 2016**. Proposals submitted will be evaluated by a Selection Committee, consisting of individuals from the Finance Department and the City's Financial Audit Oversight Committee.

During the evaluation process, the Selection Committee and the City of Placentia reserve the right, where it may serve the City's best interests, to request additional information or clarification from proposers, or to allow corrections of errors or omissions. At the discretion of the City or the Selection Committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City reserves the right to retain all proposals submitted and to use any ideas in a proposal, regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the proposing firm of the conditions contained in this Request for Proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected. The City has a standard two-party agreement, a copy of which is attached, and any objections to the form of agreement must be specifically noted in the proposal. Please note the insurance requirement in the form of agreement.

It is anticipated the selection of a firm will be completed by July 19, 2016. Following the notification of the selected firm and City Council approval, it is expected a final contract will be executed between both parties by July 21, 2016. The City reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items.

B. Term of Engagement

A three (3) year contract is contemplated, with an option to extend the contract for two (2) additional one (1) year terms. Each extension of the contract is subject to the review and recommendation of the City Administrator or his or her designee, the satisfactory negotiation of terms (including a price acceptable to the City), and annual availability of an appropriation.

II. **NATURE OF SERVICES REQUIRED**

A. General

The City of Placentia is soliciting the services of qualified certified public accountant firms to audit its financial statements for the fiscal years ending June 30, 2016, June 30, 2017, and June 30, 2018, with the option to extend the contract for each of the two (2) subsequent fiscal years. The audits are to be performed in accordance with the provisions contained herein.

B. Scope of Work to be Performed

The City desires an annual Comprehensive Annual Financial Report ("CAFR") to be prepared by the independent auditor. The City plans to submit each CAFR to the Government Finance Officers Association ("GFOA") for review in the GFOA Certificate of Achievement for Excellence in Financial Reporting program.

The selected independent auditor will be required to perform the following tasks:

1. The audit firm will perform an audit of all funds of the City. The City desires that the size of audit samples be increased beyond those required by professional standards to include samples from each of the City's individual funds. Your response should include an explanation of how you will increase sample sizes and how you will provide for testing in each of the City's funds. The audit shall be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. **The City's Comprehensive Annual Financial Report will be prepared and printed by the audit firm.** The audit firm will render the auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis ("MD&A") and required supplementary information pertaining to the General Fund and each major fund of the City.

2. The audit firm will perform a single audit on the expenditures of federal grants in accordance with OMB Circular A-133 and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with *Government Auditing Standards* and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required.

3. The audit firm shall perform agreed-upon review procedures pertaining to the City's GANN Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.

Scope of Work to be Performed (Continued)

4. The audit firm shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letters shall be addressed to the City Administrator and the City Council. As necessary, the firm shall issue written communications that include recommendations for improvements in internal control, accounting policies and procedures, and other significant observations that are considered to be deficiencies in internal control, significant deficiencies or material weaknesses. Such communications shall be addressed to City Council.

5. Review of employee Compensation, including both items below:

A. City Manager and Executive Team (currently 5 authorized positions),

B. Five additional City employees to be selected each year.

The firm will perform a review of changes in pay rates during the fiscal year and determine if changes (pay rates, employee status, and benefits) were authorized and supported by appropriate documentation. This would also include reconciling authorized pay with payroll records, and agreeing employee records with any changes. Leave balance reports will be reviewed to verify correctness of vacation, sick leave, compensating time off, personal time off, and administrative leave, including accruals and caps.

6. SAS 99 Fraud Interviews – Each year the audit firm will included as part of their SAS 99 Interviews three Elected Officials (Five City Council Members, One City Treasurer, One City Clerk).

The following is a list of agreed-upon procedures from which **two (2)** will be selected **each year**:

7. Review of Investment Transactions (10) – To determine that the investments made by staff are in compliance with the City's applicable Investment Policy.

8. Review of Financial Institution Wire Transfers (24) – To ensure that all transfers out of financial institutions as reported on bank or investment statements are properly authorized and accounted for.

9. Review of Journal Entries (20) – To ensure that journal entries (including budget entries) are made with adequate support, proper approval, and are correctly recorded to the general ledger.

10. Review of Check Stock Sequence and Cancelled Checks – To verify the sequence of check stock, including unused checks, voided checks and cancelled checks to verify that all checks cleared through the City's financial institutions are presented to Council in the warrant registers and are properly accounted for within the accounting records of the City.

11. Review of Cash Receipts (30) – To ensure that the amounts collected from all locations accepting revenues are properly reflected on receipt documentation that agrees with the amount in the revenue tracking software (if applicable), to the general ledger, and the amount reflected on the bank statement.

12. Preparation of the annual Cities Financial Transactions Report for the State Controller's Office per Government Code section 53891.

13. Preparation of the Annual Street Report for the State Controller's Office per California Streets and Highways Code Section 2151.

14. Any and all reports on compliance and internal controls shall include all instances of noncompliance.

The audit firm may be consulted occasionally throughout the year as an information resource. The auditors may be asked to provide guidance on implementation of GASB

requirements and specifics of Federal and State regulations as they may affect local government accounting.

C. Auditing Standards to be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepting auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards* (2007), the provisions of the Single Audit Act Amendments of 1996 and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*.

D. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A report on the internal control structure based on the auditors' understanding of the control structure and assessment of control risk.
3. A report on compliance with applicable laws and regulations.
4. An "in-relation-to" report on the schedule of federal financial assistance.
5. A report on the internal control structure used in administering federal financial assistance programs (this report may be combined with report number 2).
6. A report on compliance with specific requirements applicable to major federal financial assistance programs.
7. A report on compliance with specific requirements applicable to non-major federal financial assistance programs (this report may be combined with report number 6).
8. A report on compliance with general requirements for both major and non-major federal financial assistance programs.
9. Agreed-upon procedures reports regarding verification of the Gann limit.
10. Statistical tables in accordance with GASB 44.

In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report (s) on internal controls.

The reports on compliance shall include all instances of noncompliance.

E. Irregularities and Illegal Acts

Auditors shall be required to make an **immediate, written report** of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties: City Administrator; City Attorney; Chief Financial Officer and the City's Audit Committee.

F. Special Considerations

1. The City of Placentia has determined that the United States Department of Transportation will function as the cognizant agency in accordance with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*.
2. The schedule of federal financial assistance and related auditor's report, as well as the reports on the internal controls and compliance are not to be included in the Comprehensive Annual Financial Report, but are to be issued separately.
3. The City of Placentia has been the victim of misappropriation of funds. Information regarding this is available on the City's website. Your response to this RFP should include an explanation of specific, cost-effective actions that you would take in light of these circumstances, including audit approaches that can provide added value to the City.

G. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of seven (7) years, unless the firm is notified in writing by the City of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees: The auditor will be required to make working papers available upon request, to the City, any government agencies, or their designees. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

- City of Placentia
- U.S. Department of Transportation
- U.S. General Accounting Office (GAO)

Parties designated by the federal or state government or by the City as part of an audit quality review process.

Auditors of entities of which the City is a sub-recipient of grant funds.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

III. DESCRIPTION OF THE GOVERNMENT

A. City Representative

The auditor’s principal contact with the City will be Larry Schroeder, Interim Chief Financial Office or a designated representative, who will coordinate the assistance to be provided by the City to the auditor.

B. Background Information

The City of Placentia serves an area of 7.2 square miles with a population of approximately 52,000. The City’s fiscal year begins on July 1 and ends on June 30.

The City operates and maintains a full range of municipal services. The City contracts fire services from the Orange County Fire Authority. The City has approximately 105 authorized staff positions, with a total payroll exceeding \$22 Million. The City’s FY2014-15 general fund operating budget was \$29 million.

The City is organized into six (6) departments and agencies. The accounting and financial reporting functions of the City are centralized.

More detailed information on the government and its finances can be found in the 2015-16 Annual Budget and the 2014-15 Comprehensive Annual Financial Report.

C. Financial Operations

The City’s Finance Department is headed by Larry Schroeder, Interim Chief Financial Officer, and consists of 7 employees.

D. Fund Structure

The City of Placentia uses the following fund types and account groups in its financial reporting:

- Fund Type/Account Group
- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Enterprise Funds
- Capital Projects Fund

E. Pension Plan

The City participates in the California Public Employees Retirement System (“PERS”), an agent multiple-employer plan. Actuarial services for the plan are provided by PERS.

F. Computer Systems

COMPUTER HARDWARE

<u>Type of Equipment</u>	<u>Number</u>	<u>Networked</u>
Multiple Dell Servers		Yes
Personal Computers	150 (approx.)	Yes

FINANCIAL COMPUTER SOFTWARE

<u>Vendor</u>	<u>Major Applications</u>
SUNGARD BI-TECH PUBLIC SYSTEMS IFAS Software, Version 7.9	G/L, A/P, Budget Payroll

G. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit reports and management letters should contact Larry Schroeder, Interim Chief Financial Officer, at 401 E. Chapman Avenue, Placentia, CA 92870 (714) 993-8229. The City will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this request for proposals. NOTE: These items can also be found on the City's Website, www.placentia.org

IV. **TIME REQUIREMENTS**

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for Proposal Issued	May 16, 2016
Due Date for Proposals	June 15, 2016

B. Notification and Contract Dates

Staff Recommendation to City Council	July 19, 2016
Contract Date	July 21, 2016

C. Audit Schedule

The planning phase of the audit engagement may commence upon receipt of a Notice to Proceed to be issued after award by City Council and execution of a City standard form of agreement. The audit firm selected shall provide the City with an audit plan and a list of schedules to be prepared by City personnel **prior to the beginning of fieldwork**. Interim fieldwork would be expected to be performed in August with the final phase of fieldwork commencing in September.

The City will attempt to have the books closed and all agreed upon schedules available for the auditors by October 1.

The auditor shall have drafts of the final reports and recommendations to management available for review by the City by the following dates:

City of Placentia CAFR

November 9, 2016

D. Entrance Conferences, Progress Reporting and Exit Conferences

An entrance conference should be scheduled prior to beginning interim fieldwork. Progress reports are expected on at least a monthly basis to the Chief Financial Officer. An exit conference to summarize the results of fieldwork and to review significant findings is expected on the last day of fieldwork or shortly thereafter.

E. Final Reports

The Finance Department will complete its review of the draft report as expeditiously as possible. This process is not expected to exceed two (2) weeks. During that period, the auditor should be available for any meetings that may be necessary to discuss the drafts. The City has a Financial Audit Oversight Committee appointed by the City Council. The auditors will meet with the Committee to discuss the final draft of the audit. Once all issues for discussion are resolved, the auditor shall publish, produce and deliver to City thirty (30) bound copies of the Comprehensive Annual Financial Report as well as providing an electronic copy. It is anticipated that this process will be completed and the final reports delivered by the following dates:

City of Placentia CAFR

November 28, 2016

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department Assistance

The Finance Department staff and responsible personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City, with the assistance of the auditor.

City Staff will assist the auditors in identifying and locating supporting documentation.

B. Information Technology (IT) Assistance

IT Personnel will be available to provide system's documentation and explanations. The auditor will not be provided computer time and the use of the City's computer hardware and software unless mutually agreed upon. However, various computer reports will be provided to the auditor as required.

C. Statements and Schedules to be Prepared by the Staff of the City

The City will prepare statements and schedules for the auditor as requested.

D. Work Area, Telephones, Photocopying and FAX Machines

The City will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to a telephone line, photocopying machine, and FAX machine.

Long distance telephone and/or FAX communications will be charged to the auditor.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries regarding this proposal process and submittals should be directed to:

Larry Schroeder, Interim Chief Financial Officer
City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870
(714) 993-8229

2. Submission of Proposals

B. Technical Proposal

One original and five (5) copies of the Technical Proposal are required to be received by 5:00 P.M. on June 15, 2016 for the proposing firm to be considered.

1. Title Page

Title page showing the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

2. Table of Contents

3. Transmittal Letter

A letter of transmittal signed by an individual authorized to bind the proposer, briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for fiscal years 2015-16, 2016-17, and 2017-18.

4. Appendices or Exhibits

Include as needed.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL SECTION

C. General Requirements

1. The purpose of the proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the City and Agency in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements.

The technical proposal should address all the points outlined in the request for proposals. Cost information should only be included in the Cost Proposal section. The proposal should be prepared simply and economically, providing a straight-forward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects, items No. 2 through 9, must be included. They represent the criteria against which the proposal will be evaluated. The information may be presented in the body of the text or as appendices.

TECHNICAL PROPOSALS ARE NOT TO EXCEED TWENTY-FIVE (25) PAGES

2. Independence

The firm should provide an affirmative statement that it is independent of the City as defined by generally accepted auditing standards/the U.S. General Accounting Office's Government Auditing Standards (2007).

The firm also should provide an affirmative statement that it is independent of all of the component units of the City as defined by those same standards.

The firm should also list and describe the firm's professional relationships involving the City or any of its component units/agencies, for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the City written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in the State of California.

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in the State of California.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is required to include a summarization of the results of its most recent external

quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with State regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partner, manager, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is register or licensed to practice as a certified public accountant in the State of California. The firm should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm should indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City. However, in either case, the City retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the City, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposal.

These engagements should be ranked on the basis of total staff hours. Indicate the scope or work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. Specific Audit Approach

The proposal should set forth a summarized work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal. The work plan should reference such sources of information as the City or Agency budget and related materials, organizational charts, manuals and programs, and financial and other management information systems. Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.

COSTS SHOULD ONLY BE INCLUDED IN THE COST PROPOSAL SECTION

- c. Sample size and the extent to which statistical sampling is to be used in the engagement
 - d. Approach to be taken to gain and document an understanding of the City's internal control structure
 - e. Approach to be taken in determining laws and regulations that will be subject to audit test work
 - f. Approach to be taken in drawing audit sample for purposes of tests of compliance
8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City.

9. Response to City Standard Two-Party Agreement

Note any objections to the City's standard two-party agreement. City's standard form of agreement shall be the basis of the agreement between the City and the firm selected.

E. Cost Proposal

1. Total All-Inclusive Maximum Price

The sealed dollar cost bid shall contain all pricing information relative to performing the audit engagement for each of the three (3) contract years as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The City will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs shall not be included in the proposal.

The first page of the sealed dollar cost bid shall include the following information:

- a. Name of Firm
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the

City of Placentia.

- c. A Total All-Inclusive Maximum Price for the FY 2015-16, FY 2016-17, and FY 2017-18 engagements.

The City will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.

2. Rates for Additional Professional Services

If it should become necessary for the City of Placentia to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between City of Placentia and the firm. Any such additional work agreed to between City of Placentia and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

3. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billing shall cover a period of not less than a calendar month. The final ten percent (10%) of the *Total All-Inclusive Maximum Price* will be paid upon delivery of the firm's final reports.

VII. EVALUATION PROCEDURES

- A. Selection Committee

Proposals submitted will be evaluated by a Selection Committee consisting of individuals from the Finance Department other internal departments and/or external agencies as well as members of the City's Financial Audit Oversight Committee.

- B. Review of Proposals

The Selection Committee will use a point formula during the review process to score proposals. Each member of the Selection Committee will first score each technical proposal by each of the criteria described in Section VII C below. The full Selection Committee will then convene to review and discuss these evaluations and to combine the individual scores to arrive at a composite technical score for each firm. At this point, firms with an unacceptable low technical score will be eliminated from further consideration.

After the composite technical score for each firm has been established, the cost proposals will be reviewed and additional points will be added to the technical score based on the price bid. The maximum score for price will be assigned to the firm offering the lowest *Total All-Inclusive Maximum Price*.

The City reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether the proposal is selected.

C. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated for technical qualification. Only those firms meeting minimum technical qualifications will be evaluated for price. The following represent the principal selection criteria which will be considered during the evaluation process.

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in the State of California.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for the City.
- c. The firm adheres to the instructions to this request for proposal on preparing and submitting the proposal.
- d. The firm has a record of quality audit work.

2. Technical Quality (Maximum Points - 80)

a. Expertise and Experience

- (1) The firm's past experience and performance on comparable government engagements with an emphasis on local experience.
- (2) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
- (3) The firm's past experience auditing Housing and aging Federal Financial Assistance programs.
- (4) The firm's past experience in meeting GFOA requirements to receive CAFR award.
- (5) Experience in providing on-going financial consulting services to municipalities.

b. Audit Approach

- (1) Adequacy of proposed staffing plan for various segments of the engagement.
- (2) Adequacy of sampling techniques
- (3) Adequacy of analytical procedures

3. Price (Maximum Points - 20)

COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN AUDIT FIRM

D. Oral Presentations

During the evaluation process, the Selection Committee may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Selection Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

E. Final Selection

The City Council of the City of Placentia will select a firm after considering the recommendation of the Selection Committee.

F. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected.

The City reserves the right to reject any or all proposals.

APPENDIX A

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDIT OF THE FY 2014-15 THROUGH 2016-17 FINANCIAL STATEMENTS

	<u>Hours</u>	<u>Hourly Rates</u>	<u>Total FY 15-16</u>	<u>Total FY 16-17</u>	<u>Total FY 17-18</u>
Partners					
Managers					
Supervisory Staff					
Staff					
Other (specify):					
Total price for the City of Placentia Audit Report:					
Subtotal					

Appendix A

Page 2

Total for services Described in Section II D of the RFP (Detail on subsequent pages)

Other (specify):

Estimated number of hours required from City to develop permanent file:

From City Clerk's Office

From Finance Department

Total all-inclusive maximum price:

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

SUPPORTING SCHEDULE FOR THE CITY OF PLACENTIA AUDIT REPORT

	<u>Hours</u>	<u>Hourly Rates</u>	<u>Total FY 15-16</u>	<u>Total FY 16-17</u>	<u>Total FY 17-18</u>
Partners					
Managers					
Supervisory Staff					
Staff					
Other (specify):					

Total price for the City of Placentia Audit Report:

Partners

Managers

Supervisory

Staff

Staff

Other (specify):

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
SUPPORTING SCHEDULE FOR THE SINGLE AUDIT REPORT

	<u>Hours</u>	<u>Hourly Rates</u>	<u>Total FY 15-16</u>	<u>Total FY 16-17</u>	<u>Total FY 17-18</u>
Partners					
Managers					
Supervisory Staff					
Staff					
Other (specify):					
Total price for the Single Audit Report:					

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

SUPPORTING SCHEDULE FOR THE CAFR PREPARATION AND EDITING

	<u>Hours</u>	<u>Hourly Rates</u>	<u>Total FY 15-16</u>	<u>Total FY 16-17</u>	<u>Total FY 17-18</u>
Partners					
Managers					
Supervisory Staff					
Staff					
Other (specify):					
Total price for the CAFR Preparation and Editing:					

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

Partners

Managers

**Supervisory
Staff**

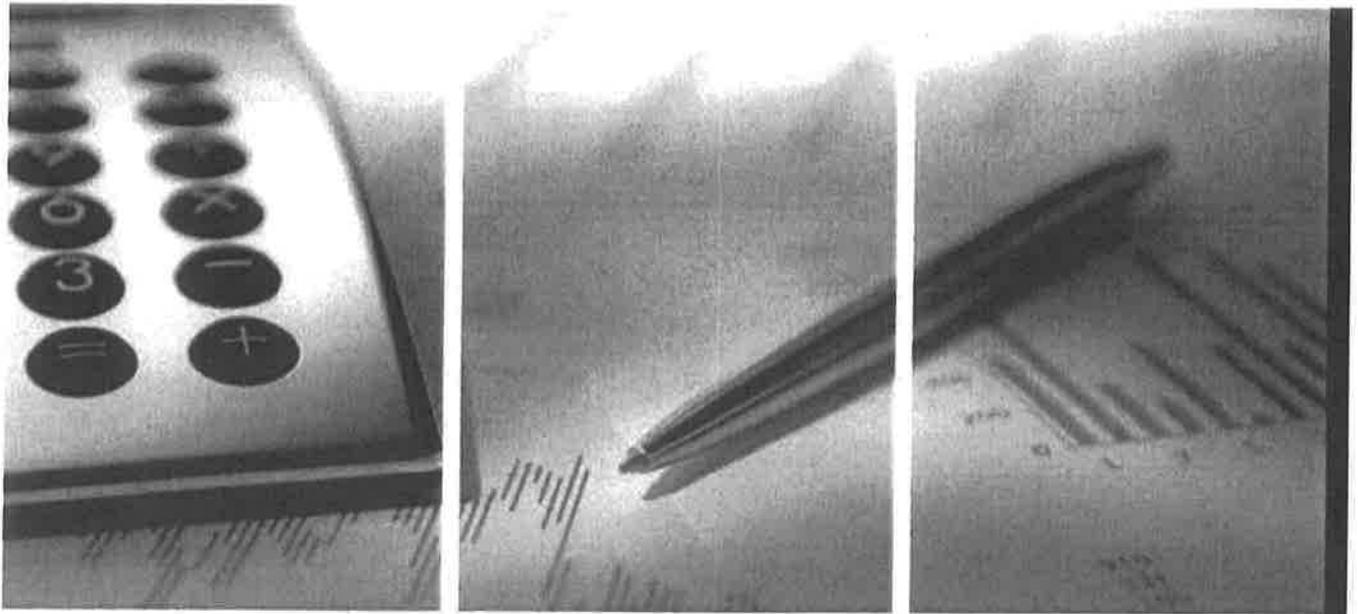
Staff

Other (specify):

APPENDIX B

CITY-STANDARD TWO-PARTY AGREEMENT

(ATTACHED)



TECHNICAL PROPOSAL

CITY OF PLACENTIA
PLACENTIA, CALIFORNIA



ORIGINAL

Proposal to Perform Professional Auditing Services

For Fiscal Years Ending June 30, 2016 through 2018,
with the option to extend for two (2) additional years

JUNE 15, 2016

EXHIBIT B

Kenneth H. Pun, CPA, CGMA
Managing Partner
200 East Sandpointe Avenue, Suite 600, Santa Ana, CA 92707
Phone: (949) 777-8801 | Fax: (949) 777-8850 | Email: ken.pun@pungroup.com
California CPA License Number: PAR 7601
Federal Identification Number: 46-4016990



CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

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June 15, 2016

City of Placentia
Larry Schroeder | Interim Chief Financial Officer
401 E. Chapman Avenue
Placentia, CA 92870

Dear Mr. Larry Schroeder:

Please allow us to introduce our Firm and share our qualifications and proposed audit plan for the City of Placentia (the "City") pursuant to your Request for Proposal for Professional Auditing Services for Fiscal Years Ending June 30, 2016 through 2018, with the option to extend for two (2) additional years. The Pun Group, LLP, formerly known as Pun & McGeady LLP (the "Firm"), due to consolidation, has the knowledge and experience necessary to become the City's next public accounting firm, and the work plan to ensure a smooth audit process.

This letter is an acknowledgement of the Firm's understanding of the work to be performed. **We hereby offer our commitment to perform all of the required work, complete the audit, and issue the necessary auditor's report within the time periods outlined by the City.** We are secure in affirming our commitment because we have:

1. A lengthy legacy of serving California cities
2. Prodigious experience serving governmental entities
3. An efficient, lower-cost approach to auditing that focuses on high-risk areas

I will serve as your primary contact for contract negotiations. I am the managing partner of the Firm and have been authorized to legally bind the Firm. My contact information follows:

Name: Mr. Kenneth H. Pun, CPA, CGMA
Position: Managing Partner
Address: 200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707
Telephone: (949) 777-8801
Email: ken.pun@pungroup.com

You may also contact the following partner, who is authorized to represent the Firm:

Name: Mr. Gary M. Caporicci, CPA, CGFM, CFF
Position: Partner
Address: 200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707
Telephone: (949) 777-8802
Email: gary.caporicci@pungroup.com

The Pun Group is the right choice for the City of Placentia because we are experienced and focused in your industry.

- We have audited and consulted many California cities and performing similar scope of work to the City's request.
- We have assisted many clients in earning the GFOA Certificate of Achievement for Excellence in Financial Reporting.

200 East Sandpointe Avenue, Suite 600, Santa Ana, California 92707
Tel: 949-777-8800 • Toll Free: 855-276-4272 • Fax: 949-777-8850
www.pungroup.com

- Our depth of resources and specific government experience are substantial, and we are committed to deploying these resources and our experience on behalf of the City. Simply put, the City will become one of our most important clients, and will receive the priority service it deserves.
- We have assigned Gary Caporicci, our GASB Implementation Specialist, who is appointed to the State Retirement Advisory Committee by the State Controller, in assisting the City in the implementation of GASB's new standards.

Our goal for this audit is to complete the process in accordance with regulations while minimizing disruption to the City's daily operations. The Firm will:

- Develop a solid familiarity with the City's operations.
- Create a detailed audit plan during initial stages of the audit.
- Maintain an open communication line between the Engagement Team and the City's Management.
- Assign duties to qualified staff members.

This method ensures that the audit process will be performed steadily, communicated clearly, and completed efficiently.

The Firm is an Equal Opportunity Employer and complies with all Federal and State hiring requirements.

This proposal meets the requirements of the City's Request for Proposal. This letter and the accompanying proposal represent a *firm and irrevocable offer valid for a period of 120 days*.

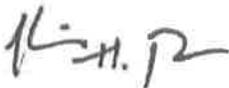
Proof of current General Liability, Business Auto Liability, Professional Liability, and Workers' Compensation insurance can be found at the Appendices section under this proposal. We will provide a copy of our Certificate of Insurance with coverages and amounts specified in the contract with the City within 10 calendar days after the notice of contract award.

Also, upon the notice of contract award the Firm will obtain a valid Business License with the City of Placentia.

If you have any questions about the proposal or the Firm, do not hesitate to contact us. We look forward to speaking with you.

Sincerely,

The Pun Group, LLP
Certified Public Accountants and Business Advisors



Kenneth H. Pun, CPA, CGMA
Managing Partner

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

SECTION I – INDEPENDENCE

The Pun Group, LLP (the "Firm") requires all employees to adhere to strict independence standards in relation to the Firm's clients. These independence standards exceed, in many instances, the standards promulgated by the American Institute of Certified Public Accountants (AICPA).

The Pun Group, LLP certifies that it is independent of the City of Placentia (the "City"). The Firm meets independence requirements defined by the United States Government Accountability Office's (U.S. GAO's) *Government Auditing Standards*, and the American Institute of Certified Public Accountants (AICPA).

The Firm has had no professional relationships involving the City of Placentia for the past five (5) years. The Firm has no business interests which will conflict in any way with maintaining independence in regards to the City of Placentia.

The Firm will give the City of Placentia written notice of any professional relationships entered into during the period of the agreement.

SECTION II – LICENSE TO PRACTICE IN CALIFORNIA

The Firm and all key professional staff are licensed by the State of California to practice as Certified Public Accountants, and meet the Continuing Professional Education requirements under U.S. GAO's *Government Auditing Standards* to perform the proposed audits.



CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

SECTION III – FIRM QUALIFICATIONS AND EXPERIENCE

About The Pun Group, LLP

The Pun Group, LLP, *formerly known as Pun & McGeady LLP*, Certified Public Accountants and Business Advisors, founded in 2012, is a limited liability partnership. We are a full-service accounting firm that is comprised of forty (40) professionals who work on a full-time basis and provide auditing, accounting, and advisory services. **Our Partners Group have served governmental agencies since 1989**, under the umbrella of its predecessor firm, Caporicci & Larson, where all key personnel assigned provided outstanding services to governmental entities throughout California. Out of the forty (40) professionals, thirty (30) of them are focused in the Government Assurance Practice. The Firm has offices in Orange County, San Diego, Palm Desert (California) and Phoenix (Arizona).

The combination of hands-on experience and practical knowledge exercised by our audit professionals makes the Firm unique in our field. Our technical knowledge and thorough understanding of current regulations and issues—along with the Firm's commitment to hard work, integrity, and teamwork on every engagement—enable us to help our clients succeed.

Our Governmental Partners Group—which include Kenneth H. Pun, Gary M. Caporicci, Paul J. Kaymark, Lisa B. Lombard and Jack F. Georger—provide auditing, accounting, and advisory services to numerous governmental entities throughout the United States. With more than one hundred-fifty (150) years of combined experience in the governmental industry we have become a trusted business partner, and well-respected as one of the most socially responsible accounting firms.

In addition to annual financial audits, team members undertake special studies in financial management, accounting, cost-accounting-system analysis, internal audit services, and internal control documentation and testing. By participating in industry associations and activities, we are always up to date on the latest industry changes and the impact they will have on your operations. We will keep you and our colleagues in the Firm, fully informed of these developments. Our team is committed to bringing the full breadth and depth of our expertise to the audit of the City offering an outstanding value.

Our *Orange County* office, located at 200 East Sandpointe Avenue, Suite 600, Santa Ana, California 92707 will perform the requested services for the City. In this location we count on 6 partners, 2 senior managers, 1 manager, 2 supervisors, 4 seniors, 6 professional staff and 4 administrative staff. However, we may assign additional staff from our San Diego or Palm Desert (California) offices to the engagement, at no additional cost to the City. No subcontractors will be used.

While many accounting Firms can perform an audit, not all can build a great working relationship with their clients. The Pun Group, LLP prides itself on developing lasting, personal relationships with our clients. Our hands-on partner involvement and low personnel turnover are crucial tools to our success and highly beneficial to the City.

Our Firm has:

- Extensive experience in audits of local governments as well as experience with preparation of Comprehensive Annual Financial Reports, and comprehensive assistance with the implementation of new GASB Pronouncements.
- Strong work ethic and willingness to respond to the City of Placentia requirements and needs.

Staff Consistency

The Firm is committed to maintaining staff continuity throughout audit engagements. While we cannot guarantee that our staff members will stay with the Firm, we encourage loyalty by paying competitive wages, offering opportunities for promotion, using state-of-the-art equipment, and providing excellent working conditions. We also offer benefits including retirement plans, medical plans, profit-sharing programs, and continuing education. The Firm is an equal-opportunity employer and complies with all federal and state hiring requirements. **The Firm also supports affirmative-action philosophies and works hard to provide opportunities for self-enhancement to members of disadvantaged groups.**

We guarantee that the partners assigned to this audit will be involved throughout the entire engagement term, and that assigned staff members will return to the City in future years if they are still with the firm. One of our primary audit concerns is staff continuity, and our hands-on partner involvement ensures that qualified and experienced professionals will perform audits efficiently and effectively every year of the engagement.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Other Services Offered by the Firm

Auditing and Accounting

The Pun Group, LLP provides all levels of attestation services, including audits, reviews, and special examinations on specific accounts, items, and transactions. Additionally, we provide the following: preparation of financial statements, projections, and forecasts; practical analysis of financial information on ratios, inventory, revenues, and expenses; SEC compliance; IFRS conversions.

Business/Tax Consulting

We provide guidance to closely held, emerging, and family-owned businesses. Our extensive experience with privately held businesses during their entire life cycle allows us to assist our clients to create value, increase profitability, secure financing, and reach goals.

Business Valuation

We provide many business valuation services, including, but not limited to, the following: mergers and acquisitions, joint-venture agreements, goodwill impairment, fairness opinions, restructuring from public to private entities, and allocation of purchase price.

Our multi-disciplinary team includes JDs, and MBAs who have expertise in economics, financial modeling, business management, marketing, psychology, law, competitive analysis, consumer behavior, and market research. Professional designations held by our members include CFE, CVA, CGMA, CIA, CGFM, CFF and MFAA.

Financial Recovery/Forensic Services

We provide many forensic accounting services, including, but not limited to the following: fraud and mismanagement, fraudulent transfers, stockbrokerage churning, fraud risk assessment, safeguarding of assets, organizational reviews.

Our forensic accounting and fraud investigation team excels in solving complex economic crimes. We provide guidance on the prevention and detection of fraud. Members of the team speak as leading experts at forensic accounting and fraud investigation conferences around the nation.

Tax Services

Our Firm provides many tax services, including, but not limited to the following: planning/consulting, compliance, IRS and state representation, estate planning and valuation.

We have specialists in international, federal, state and local taxes. Through careful planning, we can assist our clients with tax strategies for all levels of taxation.

Local Office's Information Technology (IT) Audit Capabilities

In order to promote audit efficiency, the Firm uses the following technology in providing auditing services:

- The Firm uses ProSystem fx® Engagement for audit documentation. It allows real time synchronization of the workpapers and real time quality control review.
- Citrix Receiver allows the engagement team to access the Firm's secure network through internet anywhere they are.
- The Firm uses ProSystem fx® Portal for file sharing with the client. Provided by client, items are uploaded to this secured site and are downloaded and reviewed prior to the fieldwork.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Most Recent External Quality Control Review

The Firm participates in the AICPA Peer Review Program, which is designed to identify weaknesses in accounting-service policies, practices, and procedures.

In 2015, an independent reviewer assessed the Firm's quality-control policies, reviewed administrative records, interviewed professional personnel, and inspected the Firm's working papers and reports from a representative sample of accounting and auditing engagements, including governmental audits. The reviewer concluded that the Firm fully complies with the AICPA's stringent standards for quality control.

A quality-control reviewer considers, among other things, a firm's policies regarding hiring, training, supervision, delegation of responsibilities, and access to technical resources.

The reviewer determined that the Firm's accounting and auditing work and internal quality-control system meet the AICPA's guidelines for professional standards.

The Firm's participation in the Peer Review Program demonstrates our commitment to quality. We also affirm our dedication to excellent client service through our voluntary memberships in the AICPA—including the AICPA's Governmental Audit Quality Center—and CalCPA.



JOHN LIBBS, CPA
SHELLEY C. WILLIAMS, CPA
JOANN O. ROWAN, CPA

System Review Report

The Pun Group, LLP
Santa Ana, California;
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of The Pun Group, LLP (the firm) in effect for the year ended December 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included an engagement performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of The Pun Group, LLP in effect for the year ended December 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. The Pun Group, LLP has received a peer review rating of *pass*.

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Gyl DeCaupper LLP
Ontario, California
October 13, 2015

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CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services



California Society of CPAs
1800 Gateway Dr. Ste 200
San Mateo, CA 94404

February 4, 2016

Kenneth Hing-Kwong Pun
The Pun Group LLP
200 E Sandpointe Ave
Suite 600
Santa Ana, CA 92707

Dear Mr. Pun:

It is my pleasure to notify you that on January 27, 2016 the California Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is June 30, 2018. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,


Linda McCrone, CPA
Director, Peer Review Program

cc: John Lerias

Firm Number: 8192426 Review Number 372240



T: (650) 522-3094 | F: (650) 522-3080 | peerreview@calcpa.org

Federal or State Desk Review

No federal or state desk reviews or field reviews have been undertaken of any audits performed by the Firm or any of its partners, managers, or professionals during the past three (3) years.

Disciplinary Action

No disciplinary action has been taken by state regulatory bodies or professional organizations against the Firm or any of its partners, managers, or professionals during the past three (3) years.

The Firm has no conditions such as bankruptcy, pending litigations, planned office closures, mergers or any organizational conflict of interest that may affect the ability of the Firm to perform the required duties requested by the City of Placentia.

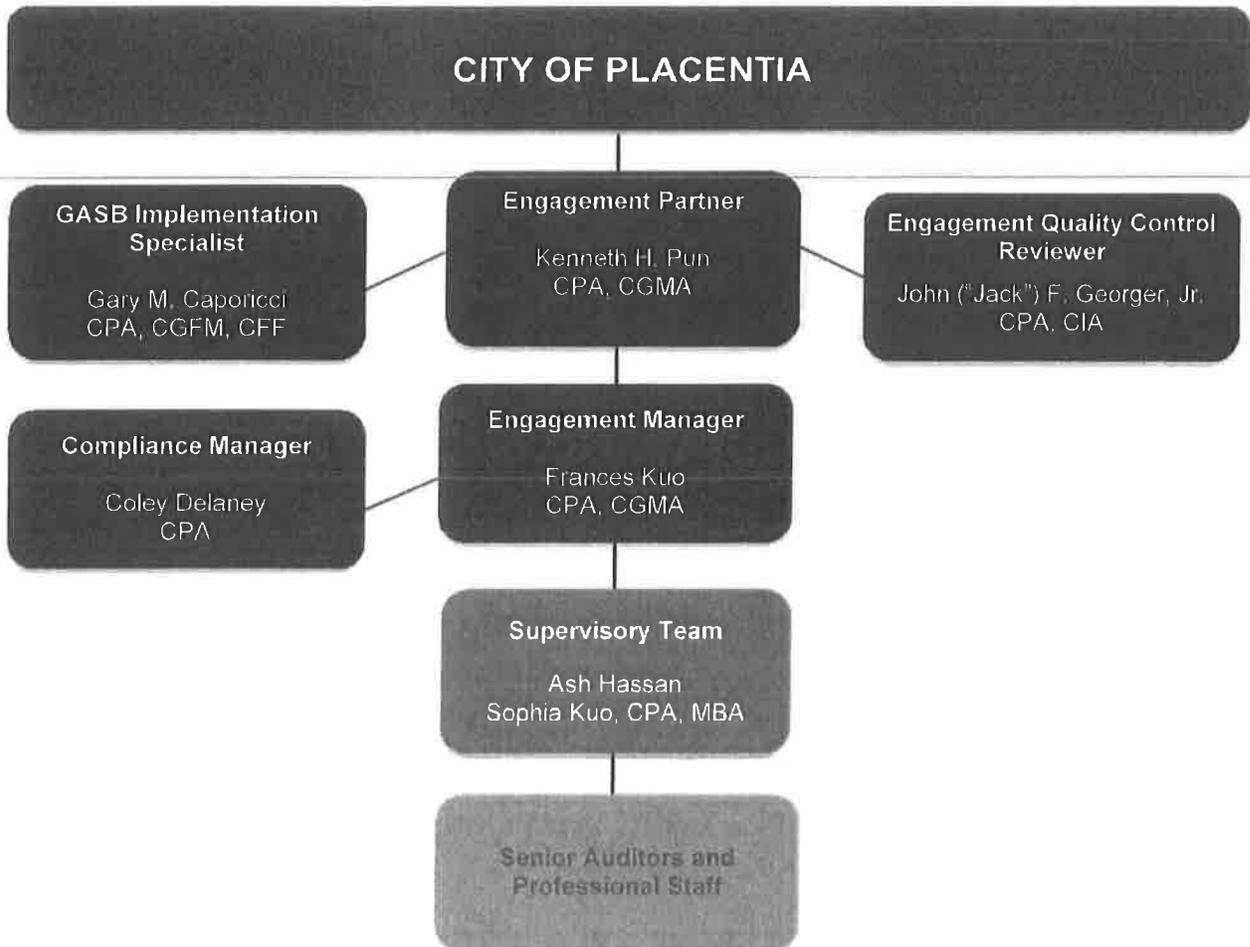
CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

SECTION IV – PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

Proposed Engagement Team

The Engagement Team is carefully chosen to provide the City with all the services needed to successfully complete the audit. The Engagement and Concurring Partners are personally involved in the audit, and the Engagement Team has significant experience in governmental auditing. Our broad experience and technical capabilities allow us to provide technical support, interpret findings, and offer effective solutions to any issues that may arise.



The personnel assigned to this engagement are fully qualified to perform an efficient audit of the City, and their extensive experience will be critical to the audit process. Our professionals are familiar with the complexities of governmental accounting, auditing, and financial reporting, including but not limited to, all GASB pronouncements, the Single Audit Act, Uniform Grant Guidance (formerly known as OMB Circular A-133), and fund operations.

If the Firm changes key personnel we will provide the City with a written notification. Engagement personnel will only be changed with the express prior written permission from the City. Audit personnel may be replaced only by those with similar or better qualifications and experience.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Kenneth H. Pun, CPA, CGMA | *Engagement Partner*

With over fifteen years of public accounting experience, Kenneth Pun is the Assurance Partner and the Partner In-Charge of the Governmental and Not-for-Profit Practice at the Firm. He specializes in audits and management consulting for governmental organizations. Ken will actively act as the Engagement Partner with the assigned task of directly overseeing the Engagement Team. He will be responsible for the speedy delivery of services for the City of Placentia. In addition, he will manage engagement planning and fieldwork, review for quality and approve work papers and reports.

John ("Jack") F. Georger, Jr., CPA, CIA | *Engagement Quality Control Reviewer*

Throughout his forty years of experience, Jack has worked diligently alongside numerous governmental municipalities, including cities, counties, and transportation agencies, as well as not-for-profit entities, providing clients with financial and compliance auditing as well as consultation services. As an Assurance Partner in our Firm, he advises clients with their complex accounting questions, and supports the engagement team with audit issues. Jack is responsible for the review of all reports issued by the Firm to ensure the utmost quality and compliance with professional standards. He is responsible for the final quality-control review within the engagement.

Gary M. Caporicci, CPA, CGFM, CFF | *GASB Implementation Specialist*

Gary Caporicci is an *appointed member of the State Controller's Retirement Advisory Committee*. Mr. Caporicci will utilize his expertise in providing advice and consultation during the implementation of the new GASB standards. As an assurance partner with over forty years of experience, Gary has provided financial and compliance audit and consultation services to governmental clients including cities, counties, transportation agencies, and school districts, as well as various not-for-profit entities. Gary will be responsible in providing advice and consultation for the implementation of these new standards.

Frances Kuo, CPA, CGMA | *Engagement Manager*

Frances Kuo will bring her attention to detail and commitment to delivering a high quality audit to the City of Placentia. Frances will work closely with the Assurance partners directing the audit team in its daily activities and tasks. She is an Assurance Services/Audit Manager who has extensive experience in auditing local governmental entities including cities, counties, transportation agencies, special districts, and not-for-profit entities.

Coley Delaney, CPA | *Compliance Manager*

Working as a Compliance Manager, Coley will direct the audit team in all compliance-related matters. He is an Assurance Services/Audit Manager in the Firm whose extensive auditing experience includes cities, counties, special districts, and not-for-profit entities.

Ash Hassan & Sophia Kuo, CPA, MBA | *Supervisory Team*

Ash Hassan and Sophia Kuo will direct the audit staff and coordinate with the City of Placentia personnel to create a seamless transition during the auditing process, and will secure the effective implementation of the audit approach.

Senior Auditors and Professional Staff

All governmental-audit members are qualified to perform financial and compliance audits of governmental agencies. This ensures that the staff quality will be consistent throughout the engagement term. Because we support both staff development and engagement continuity, we encourage senior and staff accountants to take increased responsibilities on their previous engagements as they advance professionally.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Quality-Control System

Our Firm meticulously monitors the quality and contents of our reports. The Pun Group LLP is 100% committed to providing only the highest grade of work possible for our clients and for those who rely on our audits. The Firm strives to exceed professional industry standards because of the continuing respect for our clients and our emphasis on creating long-lasting relationships. The Pun Group LLP works exclusively with those who share the same moral integrity and values.

Our quality-control system was crafted with excellence in mind. It not only meets AICPA standards, but also matches our own elevated standards, which includes the following professional-development activities.

Professional Development

Each Engagement Team member is up-to-date with continuing professional education requirements. The Firm encourages staff members to participate in the continuing education programs offered by the AICPA and the CalCPA Education Foundation in order to always keep our staff well versed in the changing field and any new regulations. These classes include, among others:

- Basic Concepts of Governmental Accounting, Financial Reporting and Auditing
- Government Auditing Standards
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: Uniform Grant Guidance (formerly known as OMB Circular A-133)
- Governmental and Nonprofit Annual Update
- Governmental Accounting and Auditing: The Annual Update
- Auditing Standards: A Comprehensive Review

In addition, the Firm provides comprehensive in-house training for all levels of staff. The program includes seminars developed by the Firm, educational programs developed by the AICPA and CalCPA, and on-the-job training.

Every year, all professional and administrative staff members receive an annual overview and review of topics such as these:

- Principles of accounting and financial reporting for state and local governments
- Governmental fund types
- Newly issued U.S. generally accepted auditing standards and government auditing standards
- Internal control evaluation approaches, including COSO Internal Control Framework
- Updates on recent governmental accounting and reporting guidelines and pronouncements
- Single Audit requirements and approaches
- Risk based audit approaches
- Working paper techniques
- Current issues facing the governmental community

These ongoing continuing education activities and training programs ensure that the Engagement Team is always receiving the most current and pertinent information; we believe that an educated staff is a necessity when providing the most efficient and effective audit of the City.

Engagement Team Resumes

City of Placentia deserves experienced professionals who work as a team. The Pun Group, LLP will provide qualified employees to perform the audit; no subcontractors will be used. Resumes for key Engagement Team members follow.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Kenneth H. Pun, CPA*, CGMA
Engagement Partner



Kenneth H. Pun is the Managing Partner and the Director of the Governmental and Not-for Profit Practice of the Firm.

Prior to founding his own practice, Ken was employed by Caporicci & Larson, a specialty CPA firm recognized as one of California's foremost experts in governmental and not-for-profit accounting, auditing, and advisory service. He started with the firm in 2001 and was promoted to Partner in 2008. He has performed numerous audits for cities, counties, transportation agencies, community college districts, other special districts, and not-for-profit healthcare entities of various sizes.

By leveraging more than fifteen years of public accounting experience with a high level of expertise, Ken is often engaged by clients as a result of premier level of service he provides, his commitment, and his innovative methods of increasing operational efficiencies and reducing costs. Ken is a trusted advisor and a leader of accounting services to governmental and not-for-profit organizations.

In addition to working with clients, Ken provides the audit teams with direction and technical guidance to ensure adherence to The Pun Group's quality controls, and he assists with the development of the Assurance Services practice. Ken also speaks on topics related to audits and quality control and shares his expertise with clients through annual educational seminars.

EDUCATION

- ✓ BS Degree in Business Administration, emphasis in Accounting from the University of California, Riverside

**Licensed by the State of California*

PROFESSIONAL & CIVIC AFFILIATIONS

- ✓ Member, American Institute of Certified Public Accountants (AICPA)
- ✓ Member, California Society of Certified Public Accountants (CalCPA)
- ✓ Member, CalCPA Governmental Accounting and Auditing Committee
- ✓ Member, CalCPA Governmental Accounting and Auditing Conference Planning Committee
- ✓ Member, Government Finance Officers Association (GFOA)
- ✓ Member, California Society of Municipal Finance Officers (CSMFO)
- ✓ Speaker, CSMFO Conference (2014)
- ✓ Instructor, CalCPA Fall Series (2014) – Long Beach and Orange County Chapter

PROFESSIONAL EXPERIENCE

• City of Arvin	• City of Arcadia
• City of Bradbury	• City of Calexico
• City of Carpinteria	• City of Cerritos
• City of Chula Vista	• City of Clearlake
• City of Clovis	• Town of Danville
• City of Desert Hot Springs	• City of Encinitas
• City of Fairfield	• City of Gardena
• City of Hemet	• City of Hermosa Beach
• City of Huntington Park	• City of Industry
• City of Lakewood	• City of Monterey Park
• City of Morro Bay	• City of National City
• City of Placerville	• City of Poway
• City of Ridgecrest	• City of San Bernardino
• City of Solana Beach	• City of Shafter
• City of Stockton	• Alliance Medical Center
• Anderson Valley Health Clinic	• Centro Medico Community Clinic
• Desert Hot Springs Health and Wellness Foundation	• Family Health Centers of San Diego
• Industry Convalescent Hospital	• Marin City Health and Wellness Center
• McCloud Healthcare Clinic	• Mountain Valleys Health Centers
• Redwood Coast Medical Services	• Shingletown Medical Center

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CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

• Tulare Community Health Clinic	• United Health Centers of San Joaquin Valley
• Gold Coast Transit	• North County Transit District
• San Diego Metropolitan Transit System	• Shasta Regional Transportation Agency
• SunLine Transit Agency	• Las Virgenes Municipal Water District
• Las Virgenes-Triunfo Joint Powers Authority	• Encinitas Ranch Golf Authority
• Fallbrook Healthcare District	• Marina Coast Water District
• Menlo Park Fire Protection District	• Newport Coast Elementary School District
• Riverside County Flood Control and Water Conservation District	• Southwestern Community College District

OTHER RELEVANT EXPERIENCE

City of Stockton

The City of Stockton filed a petition for Chapter 9 bankruptcy protection with the United States Bankruptcy Court on June 28, 2012, the largest municipality bankruptcy at the time. The Firm was engaged as audit liaison and advisor in 2012 for the City's 2011 audit. The City also engaged the Firm to help drafting the Comprehensive Annual Financial Report in accordance with U.S. GAAP and in compliance with GFOA guidelines for the certificate of achievement for excellence in financial reporting program.

With the superb services provided, the City of Stockton also engaged the Firm to provide audit service for the years ending June 30, 2012 through 2015 due to the early termination of the contract from its predecessor firm. Mr. Kenneth H. Pun has been assigned as the engagement partner who facilitated the audit process since then. The engagement team completed the audit and issued the audit reports for the year ended June 30, 2012 and 2013 within the one year timeframe.

City of Desert Hot Springs

The City of Desert Hot Springs engaged the Firm to provide professional auditing services since June 30, 2013. During the audit, certain deficiencies were noted that the City cited as the cause of their financial hardship. The City reduced its overall workforce resulting in many positions unfilled. However, our Firm was still able to complete the engagement in a timely manner and provide valuable recommendations to the City Council in addressing their deficiencies.

In addition, during the year ended June 30, 2013, the City entered into a very complicated financial arrangement, New Market Tax Credit financing, for the construction of the Desert Hot Springs Health and Wellness Center. Our Firm has provided guidance to the City in addressing complex accounting issues and helped drafting the stand-alone financial statements to fulfill the addition reporting requirements under the New Market Tax Credit financing.

San Diego Metropolitan Transit System ("MTS")

On January 1, 2003, California Senate Bill 1703 (SB 1703) became effective. SB 1703 required the consolidation of the planning and programming functions of MTS and the North County Transit District (NCTD) into the San Diego Association of Governments (SANDAG) in an initial transfer to take place prior to July 1, 2003. SB 1703 also required the consolidation of certain project development and construction functions of MTS and NCTD into SANDAG in a subsequent transfer to take place prior to January 30, 2004. The initial transfer occurred on July 1, 2003, and the subsequent transfer occurred on October 13, 2003. With these actions, employees were transferred from MTS and NCTD to SANDAG, and certain planning, development, and construction functions were also transferred.

After the enactment of SB 1703, Mr. Kenneth H. Pun was able to convert MTS financial model from general-purpose government to stand-alone business-type activities government under GASB Statement No. 34 in 2007. By doing so, MTS has significantly improved their financial reporting.

CONTINUING PROFESSIONAL EDUCATION

- ✓ Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: Uniform Grant Guidance (formerly OMB Circular A-133)
 - Financial Accounting Standards Board Annual Updates
 - Statement on Standards for Accounting and Review Services Updates
- ✓ Has met the current CPE educational requirements to perform audits of governmental agencies.

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CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

John F. Georger, Jr., CPA*, CIA
Engagement Quality Control Reviewer



Jack Georger is the Partner of the Governmental Division by leveraging more than forty years of public accounting and auditing experience in the government, agribusiness, financial services, manufacturing and non-profit sectors. Mr. Georger brings an in-depth knowledge and practical expertise to each client engagement. Mr. Georger coordinates, plans, and manages financial audit activities, consulting activities, federal and state compliance audit activities, performance audits and numerous quality control and internal control reviews for a broad mix of governmental agencies and programs throughout the United States.

Jack is a continuing professional education course instructor for the AICPA. Annually, he instructs over 300 hours on accounting and auditing subjects. He has coauthored training material in governmental accounting and auditing for the AICPA and is the technical reviewer of the CCH Knowledge-Based Audits™ of State and Local Governments with Single Audits.

Mr. Georger is licensed to practice as a certified public accountant in the states of California, New York, Virginia, Maryland, District of Columbia, Georgia, South Carolina, Missouri, Connecticut (inactive), and Wyoming (inactive), and is a Certified Internal Auditor (CIA).

EDUCATION

- ✓ Bachelor of Science, George Mason University Fairfax, Virginia

**Licensed by the State of California, New York, Virginia, Maryland, District of Columbia, Georgia, South Carolina, Missouri and Connecticut (inactive) and Wyoming (inactive)*

PROFESSIONAL & CIVIC AFFILIATIONS

- ✓ Member and Instructor, American Institute of Certified Public Accountants (AICPA)
- ✓ Member, Institute of Internal Auditors
- ✓ Member, California Society of Certified Public Accountants (CalCPA)
- ✓ Member, CalCPA Government Accounting and Auditing Committee
- ✓ Member, New York Society of Certified Public Accountants (NYSSCPA)
- ✓ Chairman, NYSSCPA Government Accounting and Auditing Committee
- ✓ Member, NYSSCPA Auditing Standards Committee
- ✓ Member, NYSSCPA Financial Accounting Standards Committee
- ✓ Member, NYSSCPA Not-for-Profit Committee
- ✓ Member, Missouri Society of Certified Public Accountants (MSCPA)
- ✓ South Carolina Association of Certified Public Accountants (SCACPA)
- ✓ Member, Government Finance Officers Association (GFOA) – CAFR Reviewer

KEY CLIENTS

- Local Governments:
 - Town of Andrews, South Carolina
 - County of Isle of Wight, Virginia
 - City of Richmond, Virginia

CONTINUING PROFESSIONAL EDUCATION

- ✓ Instructor of over 300 hours of municipal accounting courses offered by the AICPA
- ✓ Has met the current CPE educational requirements to perform audits of governmental agencies.

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CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Gary M. Caporicci, CPA*, CGFM, CFF
GASB Implementation Specialist



Gary M. Caporicci has more than forty years of diversified business experience, including a specialization in audit and management consulting for government organizations. Gary's clients include public and private universities and colleges, city and county governments, state agencies, joint power authorities, healthcare agencies, transportation agencies, and special districts. Known for his expertise in the areas of construction and government, Gary wrote the AICPA audit guides on these topics, and he has authored many audit and accounting courses for professional groups, as well as academic institutions. He frequently speaks and lectures at many professional organizations, governmental seminars, and conferences held by industry associations, other accounting firms, and universities. In addition, he authors white papers for the California Committee on Municipal Accounting.

Prior to working with the Firm, Gary founded his own accounting practice. He also spent eleven years with a "Big Eight" professional services firm, where he was an Audit Manager and gained broad experience in a wide range of industries such as government, construction, manufacturing, mutual funds, and insurance. Prior to that, Gary held a consultant position with a "Big Four" practice and was Vice President of a national insurance and financial services company.

In 2015 Gary Caporicci was appointed to the State Retirement Advisory Committee by the State Controller.

EDUCATION

- ✓ BS Degree in Accounting and Finance from the Armstrong University
- *Licensed by the State of California*

PROFESSIONAL & CIVIC AFFILIATIONS

- ✓ Member and Instructor, American Institute of Certified Public Accountants (AICPA)
- ✓ Member, Author and Instructor, California Society of Certified Public Accountants (CalCPA)
- ✓ Past Chair, CalCPA Governmental Accounting and Auditing Committee
- ✓ Chair and Speaker, CalCPA Governmental Accounting and Auditing State Conferences
- ✓ Member, CalCPA Council
- ✓ Chair, California Committee on Municipal Accounting (CCMA)
- ✓ Member, Government Finance Officers Association (GFOA)
- ✓ Member, California Society of Municipal Finance Officers (CSMFO)
- ✓ Member, Governmental Accounting Standards Board (GASB),
- ✓ Member, Deposit and Investment Risks Disclosure Task Force (GASB No. 40)
- ✓ National Reviewer and Speaker, Government Finance Officers Association
- ✓ Adjunct Professor, National University
- ✓ Past Member, Texas Governmental Accounting and Auditing Committee
- ✓ GFOA Certificate for Excellence in Financial Reporting – Reviewer

CONTINUING PROFESSIONAL EDUCATION

- ✓ Author and instructor of various municipal accounting courses offered by CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: Uniform Grant Guidance (formerly OMB Circular A-133)
- ✓ Has met the current CPE educational requirements to perform audits of governmental agencies.

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CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Frances Kuo, CPA*, CGMA
Engagement Manager



Frances Kuo is a Senior Manager in The Pun Group, LLP's Assurance division. Frances has over ten years of accounting and auditing experience working with governmental agencies, not-for-profit entities, and employee benefit plans. Frances also has particular expertise in conducting financial audits under GAO Yellow Book standards and compliance audits in accordance with Uniform Grant Guidance (formerly OMB Circular A-133).

Frances has performed audits and other attestation services for several municipalities throughout California including cities, counties, redevelopment agencies, public financing authorities, housing authorities, transportation agencies, and special Districts. She has assisted these clients with publishing their Comprehensive Annual Financial Reports in compliance with GASB Statement No. 34.

Ms. Kuo is the in-house instructor who provides training, both theoretical and on-the-job training, to lower level staff. She has developed training materials on the risk based audit approach, GASB Statement No. 34 reporting, Single Audits, and employee benefit plan audits.

EDUCATION

- ✓ BS Degree in Business Administration, Emphasis in Accounting, from the University of California, Riverside
- ✓ BA Degree in Economics from the University of California, Riverside

*Licensed by the State of California, Arizona and Virginia.

PROFESSIONAL & CIVIC AFFILIATIONS

- ✓ Member, American Institute of Certified Public Accountants (AICPA)
- ✓ Member, California Society of Certified Public Accountants (CalCPA)
- ✓ Member, California Society of Municipal Finance Officers (CSMFO)

RELEVANT PROJECT EXPERIENCE

• City of Arcadia	• City of Bradbury
• City of Camitos	• City of Carpinteria
• City of Desert Hot Springs	• City of Gardena
• City of Huntington Park	• City of Huntington Beach
• City of Hermosa Beach	• City of Hemet
• City of Industry	• City of Monterey Park
• City of Ridgecrest	• Conejo Recreation and Park District
• Las Virgenes Municipal Water District	• Marina Coast Water District
• Mountains Recreation and Conservation Authority	• San Diego Transit Corporation Retirement Plan
• Tulare Community Health Clinic	• San Diego Metropolitan Transit System
• San Diego Association of Governments	• Southwestern Community College District
• Valley Sanitary District	• Shanghai Jiao Tong University Foundation of America

CONTINUING PROFESSIONAL EDUCATION

- ✓ Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: Uniform Grant Guidance (formerly OMB Circular A-133)
 - Financial Accounting Standards Board Annual Updates
 - Statement on Standards for Accounting and Review Services Updates
- ✓ Has met the current CPE educational requirements to perform audits of governmental agencies.

200 East Sandpointe Avenue, Suite 600, Santa Ana, California 92707
 Email: Frances.Kuo@pungroup.com | Phone: (949) 777-8805 | Fax: (949) 777-8850

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Coley Delaney, CPA*
Compliance Manager



Coley Delaney is a Senior Manager within The Pun Group, LLP's Assurance division. In his nine years of accounting and auditing experience, Coley has worked with governmental agencies, not-for-profit entities and private for-profit entities. Coley specializes in conducting financial audits under GAO Yellow Book standards and compliance audits in accordance with Uniform Grant Guidance (formerly known as OMB Circular A-133).

Coley has performed audits and other attestation services for several governmental agencies throughout California including cities, counties, redevelopment agencies, public financing authorities, housing authorities, transportation agencies, and special districts, and he has helped them publish their Comprehensive Annual Financial Reports in compliance with GASB Statement No. 34.

Mr. Delaney develops training materials and shares his expertise internally with other Firm professionals. Coley is a frequent speaker at in-house seminars on topics related to government auditing standards and Single Audits.

EDUCATION

- ✓ BA Degree in Business Economics Emphasis in Accounting from the University of California, Santa Barbara.
**Licensed by the State of California*

PROFESSIONAL & CIVIC AFFILIATIONS

- ✓ Member, American Institute of Certified Public Accountants (AICPA)
- ✓ Member, California Society of Certified Public Accountants (CalCPA)

RELEVANT PROJECT EXPERIENCE

• City of Arvin	• City of Arcadia
• City of Chula Vista	• City of Clearlake
• City of Clovis	• Town of Danville
• City of Fairfield	• City of Encinitas
• City of Gardena	• City of Hemosa Beach
• City of Industry	• City of Monterey Park
• City of Poway	• City of National City
• City of Solana Beach	• City of San Bernardino
• City of Stockton	• City of Shafter
• Redwood Coast Medical Services	• Family Health Centers of San Diego
• San Diego Metropolitan Transit System	• United Health Centers of San Joaquin Valley
• SunLine Transit Agency	• North County Transit District
• Fallbrook Healthcare District	• Southwestern Community College District

CONTINUING PROFESSIONAL EDUCATION

- ✓ Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: Uniform Grant Guidance (formerly OMB Circular A-133)
 - Financial Accounting Standards Board Annual Updates
 - Statement on Standards for Accounting and Review Services Updates
- ✓ Has met the current CPE educational requirements to perform audits of governmental agencies.

6265 Greenwich Drive, Suite 220, San Diego, California 92122
 Email: Coley.Delaney@pungroup.com | Phone: (858) 242-5101 | Fax: (858) 242-5150

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Ash Hassan
Supervisory Team



Ash Hassan is a Supervisor of The Pun Group, LLP. He has more than eight (8) years of governmental experience that ranges from GASB audit/reporting, Internal Controls/, Single Audit, not-for-profit organizations, employee benefit plans, Corporate Financial Reporting, and Data Analysis.

In various engagements, Ash has been involved in providing significant services to various governmental entities and actively contributed and participated in the planning process, implementation of the audit work plan, supervision of staff, compliance testing for the Single Audit Concept and preparation of the Comprehensive Annual Financial Reports. Ash has experience in both private and public sectors.

EDUCATION

- ✓ BS Degree in Accounting from Cairo University.

PROFESSIONAL & CIVIC AFFILIATIONS

- ✓ Member, California Society of Certified Public Accountants (CalCPA)

RELEVANT PROJECT EXPERIENCE

• City of Covina	• City of Rancho Mirage
• City of Lawndale	• City of Woodland Hills
• City of Compton	• City of Hughson
• City of Seal Beach	• City of Fullerton
• City of Simi Valley	• City of Santa Fe Springs
• Orange County Transportation Authority (OCTA)	• City of Oxnard
• Santa Barbara County Association of Governments	• Midway City Sanitary District
• Southeast Area Social Services Funding Authority (SASSFA)	• West San Gabriel Valley Consortium
• Friends of Oasis Senior Center	• California Community Economic Development Association
• Costa Mesa Senior Center	• Spring Board Nonprofit Consumer Credit Management
• Newport Beach Public Library Foundation	• Tony Hawk Foundation
• Neighborhood Housing of Orange County	• Realty World, Inc.
• Haralambos Beverage Company, Inc.	• Suzuki Motor Corporation 401K
• View tech Financial Services	• Alta Marketing 401k
• Aluratek, Inc.	• Fisher & Paykel 401K

CONTINUING PROFESSIONAL EDUCATION

- ✓ Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: Uniform Grant Guidance (formerly OMB Circular A-133)
 - Financial Accounting Standards Board Annual Updates
 - Statement on Standards for Accounting and Review Services Updates
- ✓ Has met the current CPE educational requirements to perform audits of governmental agencies.

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CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Sophia Kuo, CPA*, MBA
Supervisory Team



Sophia Kuo is a Senior Auditor of The Pun Group, LLP. She has over four years of public accounting experience including governmental experience that ranges from GASB audit/reporting, Internal Controls/COSO Framework, Single Audit, Corporate Financial Reporting, Data Analysis and Taxation.

In various engagements, Sophia has been involved in providing significant services to various governmental entities and actively contributed and participated in the planning process, implementation of the audit work plan, supervision of staff, compliance testing for the Single Audit Concept and preparation of the Comprehensive Annual Financial Reports.

EDUCATION

- ✓ MAcc from Idaho State University
- ✓ MBA from Idaho State University
- ✓ BA Degree in International Trade and Finance, emphasis in Finance from Fu Jen Catholic University

**Licensed by the State of California*

PROFESSIONAL & CIVIC AFFILIATIONS

- ✓ Member, American Institute of Certified Public Accountants (AICPA)
- ✓ Member, California Society of Certified Public Accountants (CalCPA)

RELEVANT PROJECT EXPERIENCE

• City of Arvin	• City of Arcadia
• City of Carrizo	• City of Desert Hot Springs
• City of Gardena	• City of Hermosa Beach
• City of Huntington Park	• City of Monterey Park
• City of Lakewood	• City of Stockton
• Las Virgenes Municipal Water District	• Ventura County Transportation Commission
• SunLine Transit Agency	• United Health Centers of the San Joaquin Valley (401K Plan)
• Easter Seals of Southern California (401K Plan)	• Tulare Community Health Clinic (401K Plan)

CONTINUING PROFESSIONAL EDUCATION

- ✓ Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation and local universities including:
 - o Governmental and Nonprofit Annual Update
 - o Government Auditing Standards
 - o GASB Basic Financial Statements for State and Local Governments
 - o Single Audits: Uniform Grant Guidance (formerly OMB Circular A-133)
 - o Financial Accounting Standards Board Annual Updates
 - o Statement on Standards for Accounting and Review Services Updates
- ✓ Has met the current CPE educational requirements to perform audits of governmental agencies.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

SECTION V – REFERENCES

The following five clients are examples of some of the engagements that are similar to the requirements in the City's proposal. Additional references are available upon request. Please feel free to contact these governmental agencies to learn more about their experiences working with us.

Reference 1:

Name of Client: City of Stockton
Service Period: June 30, 2012 to Present
Scope of Work: The Firm has provided professional auditing services to the City of Stockton which includes the audit of the City's CAFR, Single Audit, and Measure W. In addition, the Firm has performed agreed-upon procedures of the Appropriation Limit.

GFOA Award: Yes
Engagement Partner: Kenneth H. Pun | Concurring Partner: Gary M. Caporicci
Engagement Manager: Coley Delaney | Compliance Manager: Frances Kuo
Total Hours: Average 2,500 hours per year
Principle Client Contact: Mr. Edwin Gato
edwin.gato@stockton.ca.gov
Accounting Manager
425 N. El Dorado Street
Stockton, CA 95202
(209) 937-8499

Reference 2:

Name of Client: San Diego Metropolitan Transit System
Service Period: June 30, 2005 to Present
Scope of Work: The Firm has provided professional auditing services to the San Diego Metropolitan Transit System, since 2005, which includes the audit of the CAFR and Single Audit. In addition, the Firm has performed agreed-upon procedures on the Indirect Cost Rates, compliance with California Transportation Development Act for MTS, San Diego Transportation Corporation and San Diego Trolley Incorporated, compliance on National Transit Database and compliance audit on Public Transportation Modernization Improvement and Service Enhancement Account.

GFOA Award: Yes
Engagement Partner: Kenneth H. Pun | Concurring Partner: Gary M. Caporicci
Engagement Manager: Coley Delaney | Compliance Manager: Frances Kuo
Total Hours: Average 1,850 hours per year
Client Contact: Ms. Erin Dunn
Controller
erin.dunn@sdmts.com
1255 Imperial Avenue, Suite 1000,
San Diego, CA 92101
(619) 557-4536

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Reference 3:

Name of Client: City of Desert Hot Springs
Service Period: June 30, 2013 to Present
Scope of Work: The Firm has provided professional auditing services to the City of Desert Hot Springs which includes the audit of the City's Basic Financial Statements, and Single Audit. In addition, the Firm has performed agreed-upon procedures of the Appropriation Limit and Transient Occupancy Tax (TOT).

GFOA Award: N/A
Engagement Partner: Kenneth H. Pun | Concurring Partner: Gary M. Caporicci
Engagement Manager: Frances Kuo | Compliance Manager: Coley Delaney
Total Hours: Average 500 hours per year
Principle Client Contact: Ms. Linda Kelly
lkelly@cityofdhs.org
Financial Specialist
65-950 Pierson Blvd.
Desert Hot Springs, CA 92240
(760) 329-6411 ext. 289

Reference 4:

Name of Client: City of Clovis
Service Period: June 30, 2006 to Present
Scope of Work: The Firm has provided professional auditing services to the City of Clovis which includes the audit of the City's CAFR, Successor Agency and Single Audit. In addition, the Firm has performed agreed-upon procedures of the Appropriation Limit.

GFOA Award: Yes
Engagement Partner: Kenneth H. Pun | Concurring Partner: Gary M. Caporicci
Engagement Manager: Coley Delaney | Compliance Manager: Frances Kuo
Total Hours: Average 400 hours per year
Principle Client Contact: Ms. Jamie Hughson
JamieH@ci.clovis.ca.us
Finance Director
1033 Fifth Street
Clovis, CA 93612
(559) 324-2106

Reference 5:

Name of Client: Town of Danville
Service Period: June 30, 1999 to Present
Scope of Work: The Firm has provided professional auditing services to the Town of Danville which includes the audit of the City's CAFR, Financing Authority, the Lighting and Landscaping Assessment District's Basic Financial Statements, and Single Audit. In addition, the Firm has performed agreed-upon procedures of the Appropriation Limit.

GFOA Award: Yes
Engagement Partner: Kenneth H. Pun | Concurring Partner: Gary M. Caporicci
Engagement Manager: Coley Delaney | Compliance Manager: Frances Kuo
Total Hours: Average 300 hours per year
Principle Client Contact: Ms. Lani Ha
LHa@danville.ca.gov
Accounting Manager
510 La Gonda Way
Danville, CA 94526
(925) 314-3358

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Firm's Municipal Clients

The Pun Group, LLP has performed numerous audits of governmental organizations subject to financial and compliance audits. These audits were performed in accordance with auditing standards generally accepted in the United States, Government Auditing Standards, Uniform Grant Guidance (formerly known as OMB Circular A-133) and its Compliance Supplement (when applicable), Office of the State Controller's Minimum Audit Requirements and Reporting Guidelines for California Special Districts. **A list of current engagements is as follows:**

Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Engagement Partner	Total Hours
City of Arvin	2013 – Present	Yes	Yes	N/A	Kenneth H. Pun	400
City of Bradbury	2012 – Present	Yes	N/A	N/A	Kenneth H. Pun	150
City of Calexico	2007 – Present	Yes	Yes	N/A	Kenneth H. Pun	750
City of Cerritos	2009 – Present	Yes	Yes	Yes	Kenneth H. Pun	400
City of Clovis	2006 – Present	Yes	Yes	Yes	Kenneth H. Pun	400
Town of Danville	1999 – Present	Yes	Yes	Yes	Gary Caporicci	300
City of Desert Hot Springs	2013 – Present	Yes	N/A	N/A	Kenneth H. Pun	500
City of Encinitas	2014 – Present	Yes	Yes	Yes	Kenneth H. Pun	350
City of Gardena	2007 – Present	Yes	Yes	Yes	Gary Caporicci	700
City of Hemet	2015 – Present	Yes	Yes	N/A	Kenneth H. Pun	380
City of Hermosa Beach	2004 – Present	Yes	N/A	Yes	Kenneth H. Pun	200
City of Huntington Park	2015 – Present	Yes	Yes	N/A	Kenneth H. Pun	650
City of Industry	2015 – Present	Yes	Yes	Yes	Kenneth H. Pun	710
City of Laguna Niguel	2016 – 2020	Yes	Yes	Yes	Kenneth H. Pun	400
City of Lakewood	2013 – Present	Yes	Yes	Yes	Kenneth H. Pun	380
City of Morro Bay	2015 – Present	Yes	Yes	N/A	Kenneth H. Pun	400
City of National City	2013 – Present	Yes	Yes	Yes	Kenneth H. Pun	600
City of Placerville	2008 – Present	Yes	Yes	N/A	Kenneth H. Pun	350
City of Ridgecrest	2009 – Present	Yes	Yes	Yes	Kenneth H. Pun	300
City of San Bernardino	2015 – Present	Yes	Yes	N/A	Kenneth H. Pun	3,000
City of Stockton	2012 – Present	Yes	Yes	N/A	Kenneth H. Pun	2,500
Gold Coast Transit System	2015 – Present	Yes	Yes	Yes	Paul J. Kaymark	150
San Diego Metropolitan Transit System	2005 – Present	Yes	Yes	Yes	Kenneth H. Pun	1,850
Shasta Regional Transportation Agency	2015 – Present	Yes	N/A	N/A	Kenneth H. Pun	200
Ventura County Railroad Company, LLC	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	60
Ventura County Transportation Commission	2015 – Present	Yes	Yes	Yes	Kenneth H. Pun	400

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Engagement Partner	Total Hours
Altadena Library District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	90
Antelope Valley State Water Contractors Association	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	40
Barstow Heights Community Services District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	40
Big Bear City Airport District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	120
Big Bear City Community Services District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	200
Bodega Bay Fire Protection District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	140
Casitas Municipal Water District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	230
Desert Recreation District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	150
Desert Recreation Foundation	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	40
Diablo Water District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	350
East Orange County Water District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	130
El Toro Water District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	270
Encinitas Ranch Golf Authority	2015 – Present	Yes	N/A	N/A	Kenneth H. Pun	100
Fallbrook Healthcare District	2008 – Present	Yes	N/A	N/A	Kenneth H. Pun	75
Golden Hills Community Services District	2016 – 2018	Yes	N/A	N/A	Paul J. Kaymark	180
Las Virgenes Municipal Water District	2014 – Present	Yes	N/A	N/A	Kenneth H. Pun	300
Marina Coast Water District	2012 – Present	Yes	N/A	Yes	Kenneth H. Pun	240
Menlo Park Fire Protection District	2015 – Present	Yes	Yes	Yes	Kenneth H. Pun	240
Newport Coast Elementary School Foundation	2010 – Present	Yes	N/A	N/A	Kenneth H. Pun	20
North Coast Fire Protection District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	120
North County Dispatch JPA	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	60
North of the River Municipal Water District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	150
Orange County Coastkeeper	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	60
Palmdale Water District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	180
Palos Verdes Library District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	110
Port of Hueneme - Oxnard Harbor District	2015 – Present	Yes	N/A	Yes	Kenneth H. Pun	250
Rancho Santa Fe Fire Protection District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	120
Riverside County Flood Control and Water	2015 – Present	Yes	N/A	Yes	Kenneth H. Pun	250
San Diego Coastkeeper	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	75

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Engagement Partner	Total Hours
San Dieguito Water District Audit	2014 – Present	Yes	N/A	N/A	Kenneth H. Pun	75
San Mateo Mosquito and Vector Control District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	130
San Elijo Joint Powers Authority	2016 – 2020	Yes	N/A	N/A	Kenneth H. Pun	146
South Bay Regional Public Communications Authority	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	100
Southwestern Community College District	2009 – Present	Yes	Yes	N/A	Kenneth H. Pun	720
Stallion Springs Community Services District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	220
San Bernardino County Fire Protection District	2016 – 2020	Yes	N/A	N/A	Paul J. Kaymark	200
The Farm Mutual Water Company	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	170
Trabuco Canyon Water District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	200
TwentyNine Palms Water District	2016 – 2020	Yes	N/A	N/A	Paul J. Kaymark	160
Valley Sanitary District	2015 – Present	Yes	N/A	Yes	Kenneth H. Pun	140
West County Agency	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	55
West County Wastewater District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	240
West Valley Water District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	320
West Valley Mosquito and Vector Control District	2016 – 2020	Yes	N/A	N/A	Paul J. Kaymark	100
Wilmington Cemetery District	2015 – Present	Yes	N/A	N/A	Paul J. Kaymark	65
Alliance Medical Center	2013 – Present	Yes	N/A	N/A	Kenneth H. Pun	300
Anderson Valley Health Clinic	2012 – Present	Yes	N/A	N/A	Kenneth H. Pun	200
Centro Medico Community Clinic	2015 – Present	Yes	N/A	N/A	Kenneth H. Pun	80
Desert Hot Springs Health and Wellness Foundation	2013 – Present	Yes	N/A	N/A	Kenneth H. Pun	100
Family Health Centers of San Diego	2009 – Present	Yes	Yes	Yes	Kenneth H. Pun	600
Industry Convalescent Hospital	2015 – Present	Yes	N/A	N/A	Kenneth H. Pun	230
Marin City Health and Wellness Center	2010 – Present	Yes	Yes	N/A	Kenneth H. Pun	110
McCloud Healthcare Clinic	2013 – Present	Yes	Yes	N/A	Kenneth H. Pun	200
Mountain Valleys Health Centers	2015 – Present	Yes	Yes	N/A	Kenneth H. Pun	200
Redwood Coast Medical Services	2008 – Present	Yes	Yes	N/A	Kenneth H. Pun	200
Shingletown Medical Center	2013 – Present	Yes	Yes	N/A	Kenneth H. Pun	190
Tulare Community Health Clinic	2008 – Present	Yes	Yes	N/A	Kenneth H. Pun	200
United Health Centers of San Joaquin Valley	2010 – 2016	Yes	Yes	N/A	Kenneth H. Pun	300

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

SECTION VI – SPECIFIC AUDIT APPROACH

Scope of Work

The City of Placentia is requesting an opinion as to the fair presentation of its basic financial statements in accordance with generally accepted accounting principles (GAAP) and applicable laws and regulations. These audits are to be performed in accordance with all applicable and generally accepted auditing standards, including, but not limited to, the following:

- Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants.
- The standards applicable to financial audits contained in the most current version of the Generally Accepted Government Auditing Standards (Yellow Book), issued by the Comptroller General of the United States.
- The provisions of the Single Audit Act as amended in 1996.
- The provisions of U.S. Office of Management and Budget (OMB) Uniform Grant Guidance (formerly known as Circular A-133), Audits of State and Local Governments and Non-Profit Organizations and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

To accomplish this task, the Firm will:

- ✓ Perform an audit of all funds of the City. The audit will be conducted in accordance with Generally Accepted Government Auditing Standards. The CAFR will be in full compliance with all current GASB pronouncements.
- ✓ Provide assistance in meeting the requirements for the Government Finance Officers Association (GFOA) "Certificate of Achievement for Excellence in Financial Reporting".
- ✓ Prepare a Single Audit Report which will include the following:
 - Report on compliance and on internal control over financial reporting based on audit of financial statements performed in accordance with Government Auditing Standards.
 - Report on compliance with requirements applicable to each major program, internal control over compliance, and on the schedule of expenditures of federal awards in accordance with Uniform Grant Guidance, OMB Circular A-133, "Audits of State and Local Governments", and the Single Audit Act of 1984 (Public Law 98-502).
 - Schedule of Expenditures of Federal Awards.
 - Notes to Schedule of Expenditures of Federal Awards.
 - Schedule of Findings and Questioned Costs.
 - Any other required schedules or reports.
 - Prepare the Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations.
- ✓ Perform agreed-upon auditing procedures pertaining to the City's GANN Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.
- ✓ Prepare and submit the annual Cities Financial Transactions Report for the State Controller's Office per Government Code section 53891.
- ✓ Prepare and submit the Annual Street Report for the State Controller's Office per California Streets and Highways Code Section 2151.
- ✓ Issue a separate "management letter" that includes recommendations for improvements on internal control, accounting procedures and other significant observations that are considered to be no reportable conditions. Management letters should be addressed to the City Administrator and the City Council.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

- ✓ Review of employee Compensation, including both items below:
 - City Manager and Executive Team (currently 5 authorized positions),
 - Five additional City employees to be selected each year.

The Firm will perform a review of changes in pay rates during the fiscal year and determine if changes (pay rates, employee status, and benefits) were authorized and supported by appropriate documentation. This would also include reconciling authorized pay with payroll records, and agreeing employee records with any changes. Leave balance reports will be reviewed to verify correctness of vacation, sick leave, compensating time off, personal time off, and administrative leave, including accruals and caps.

- ✓ Perform two (2) of the following agreed-upon procedures, which will be selected each year:
 - Review of Investment Transactions (10) - To determine that the investments made by staff are in compliance with the City's applicable Investment Policy.
 - Review of Financial Institution Wire Transfers (24) - To ensure that all transfers out of financial institutions as reported on bank or investment statements are properly authorized and accounted for.
 - Review of Journal Entries (20) - To ensure that journal entries (including budget entries) are made with adequate support, proper approval, and are correctly recorded to the general ledger.
 - Review of Check Stock Sequence and Cancelled Checks - To verify the sequence of check stock, including unused checks, voided checks and cancelled checks to verify that all checks cleared through the City's financial institutions are presented to Council in the warrant registers and are properly accounted for within the accounting records of the City.
 - Review of Cash Receipts (30) - To ensure that the amounts collected from all locations accepting revenues are properly reflected on receipt documentation that agrees with the amount in the revenue tracking software (if applicable), to the general ledger, and the amount reflected on the bank statement.
- ✓ SAS 99 Fraud Interviews: Each year the audit Firm will include as part of their SAS 99 Interviews of the following Elected Officials: (Five City Council Members, One City Treasurer, One City Clerk).
- ✓ Provide assistance in the implementation of applicable GASB pronouncements not yet in effect.

The Firm will be available for consultation by phone on accounting and financial issues during the year at no extra cost. The Firm will also serve as auditor for certain addition projects and studies as may be deemed necessary by the City.

The Firm will make an immediate written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the City Administrator; City Attorney; Chief Financial Officer and the City's Audit Committee.

Supplemental reports, audits, or agreed-upon procedures must be added in a written agreement prior to commencing audit work. The Firm and the City will discuss and approved the scope and associated costs of these tasks.

Working Paper Retention and Access to Working Papers

The Firm will retain, at its own expense, all working papers and reports for a minimum of (7) seven years, unless the City notifies the Firm in writing of the need to extend the retention period. Upon request, the Firm will make working papers available to:

- City of Placentia;
- U.S. Department of Transportation;
- U.S. General Accounting Office (GAO);
- Parties designated by the federal or state government or by the City as part of an audit quality review process; and
- Auditors of entities of which the City is a sub-recipient of grant funds.

The Firm will comply with reasonable requests from successor auditors and allow them to review working papers that relate to matters of continuing accounting significance.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Objectives of Our Services

Our primary objective for the proposed audit is to examine the City's financial statements and express our opinion on their fairness of presentation, in accordance with generally accepted accounting principles. Other objectives that will benefit the City include the following:

- To offer beneficial observations and recommendations about policies and procedures for accounting and operating controls
- To identify opportunities to make City operations more efficient and reduce costs
- To perform the audit efficiently and effectively, so disruption to office operations is minimized
- To provide continuing advisory services to help the City implement recommendations
- To meet these objectives at no additional cost to the City

The Engagement Team will perform the audit in accordance with the Firm's quality-control procedures, which include following standard audit programs, careful planning, using industry-standardized software for auditing and internal control documentation, and welcoming an objective review of audit work.

The Firm will supply portable computers to the onsite staff members.

Our audit approach emphasizes careful planning, open communication, and proper assignment of responsibilities. This method ensures that audit requirements will be met with minimal disruption of the City's daily operations, and that the audit will proceed efficiently with full understanding between the Engagement Team and the City.

Proposed Segmentation of the Engagement and Timeline

The audit will be performed in four phases:

Initial Planning Meeting | During a mutually acceptable time frame, normally June through July of each year.

The Engagement Partner and Manager will meet with City's Management to get up to speed with City policies and procedures, establish any specific requirements Management may have, identification of unique transactions, implementation of new GASB pronouncements, and develop the audit work plan for the engagement.

Interim | May commence August of each year.

The Engagement Team—including the Engagement Partner—will assess accounting policies adopted by the City, obtain an understanding of the City and its operating environment, review internal controls on all significant transaction classes, perform walkthroughs and/or tests of internal control, perform preliminary analytical procedures, evaluate Single Audit compliance (if needed), identify any audit issues, and prepare confirmation correspondence. The Engagement Team and City Management will establish expectations including responsibilities and assignments for the year-end audit, and will hold a progress status meeting at the end of the Interim phase.

Year-End | May commence during the first week of October of each year.

The Engagement Team—including the Engagement Partner—will conduct audit procedures on account balances in the general ledger, finish confirmation procedures, perform preliminary analytical procedures, search for unrecorded liabilities, perform substantive analytical review procedures, complete work on compliance with Federal Assistance, and conclude fieldwork. The Engagement Team and City Management will hold an exit conference at the end of the Year-End phase.

Reporting | Draft copies of reports will be provided in by Mid-October or first week of November of each year; Final reports and management letter will be provided no later end November of each year.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

The Firm will review and prepare audit reports and perform quality control procedures in accordance with the Quality Control Standards issued by the AICPA. We will also review reports for compliance with GFOA reporting guidelines at no additional cost. Any comments will be issued in a letter to Management. At the City's request, the Engagement Partner and Manager will present the audit to the City's governing body.

The Firm will complete the audit fieldwork and issue all reports within the established timeframe, assuming no internal City circumstances delay the audit.

Level of staff and number of hours to be assigned to each proposed segment of the engagement

The Pun Group, LLP understands that the City is not only looking to employ our auditing services, but is also seeking to receive value within that professional relationship. We believe that our value is derived from our in-depth knowledge, experience, and commitment that our auditing Firm employs. We stress and emphasize "employ", because all of the knowledge and expertise listed on paper will not benefit you unless it is applied. That is why we have developed a plan that we feel will accomplish the objectives of the City and your particular needs. Our Firm will utilize the information that you have shared with us and our experience from our previous audits of this nature, from various government entities and cities to develop an effective plan for all major areas.

Example of Major Areas (not limited to):

- Audit of the City's financial statements and the related notes to financial statements
- Single Audit procedures and required reporting (if applicable)
- Agreed-upon procedures on Appropriations Limit calculation
- Communication with those charged with governance
- Internal Control and Management Letters (if applicable)

Total Hours:

Staff Classification Performing Work	Estimated Hours Annually
Partners	60
Managers	120
Supervisory	140
Senior Accountants	120
Staff Accountants	160
Clerical	20
Total Annual Hours:	620

Hours by Audit Phase	Hours
Phase I - Planning	62
Phase II - Interim	186
Phase III - Year End	217
Phase IV - Reporting	155
Total Annual Hours:	620

Sample size and the extent to which statistical sampling is to be used in this engagement

In our audit approach, statistical sampling is used in conjunction with our skilled judgment and knowledge of each situation. The population size and assurance level needed from any given test will determine the sample size used in our testing.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Extent of use of EDP software in the engagement

We use EDP Software in our engagement to increase our efficiency and quality of our work and meet the new professional requirements regarding fraud and internal control. Our engagement team will import data from the City's financial software and extract useful data for the purpose of testing and analytical procedures particular in the following areas:

- Successful Fraud Test
- Questionable Invoices
- Phantom Vendor Schemes
- Kickback or Conflict-of-Interest Schemes
- Dormant Account Schemes
- Money Laundering Schemes

Type and extent of analytical procedures to be used in the engagement

We use analytical procedures during the interim phase to set up expectations for the year-to-date results and balances and compare them with budgeted and prior-year amounts. This allows us to forecast year-end amounts, reducing the workload during the year-end phase and allowing us to focus on areas of concern.

We also use trend and ratio analysis to identify any uncertain or unusual events. In order to perform these analysis, our firm performs a survey of cities and counties and develops benchmarks on certain key financial indicators, such as cost of services to tax revenues ratios, average general fund balance, capital assets, debt per capital, general fund unassigned fund balance to total general fund expenditures, etc. Our staff members have previous experience in successfully implanting analytical procedures to the City's benefit.

Approach to be taken to gain and document an understanding of the City's internal control structure

Audit risk assessment will be established by an internal control review, combined with the Engagement Team's understanding of the City's operations and accounting software. Using the Committee of Sponsoring Organizations (COSO) Framework, staff members will evaluate the City's processes and identify any control deficiencies. These diagnostic review procedures allow the Engagement Team to evaluate the City's systems and controls and to provide constructive feedback to City Management.

The Engagement Team will perform a walkthrough of the City's accounting systems, including processes for financial reporting, revenue recognition and cash receipts, purchasing/contract management and cash disbursements, and payroll and related liabilities, etc. Auditors will document the process with a flowchart or narrative summary.

Approach to be taken in determining laws and regulations that will be subject to audit test work

The Firm stays continually up to date with audit requirements—including new regulations, compliance supplements, state guidelines, and pertinent contracts—to ensure that we conduct audits in accordance with applicable laws and regulations. We test transactions for compliance with the Single Audit Act, California Government Code, GANN Appropriations Limit, provisions of applicable grant guidelines, requirements of local measures, etc.

For example, the Single Audit Act requires that we determine which grants to include in our audit and select transactions from those grants for detailed testing. While most transactions are tested as part of the Interim phase, we cannot determine which grants to test for the Single Audit until the Year-End phase of audit.

Our compliance audits of cash, investments, debt covenants, and other areas are performed in accordance with the California Government code, which has many provisions and regulations covering investments.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Approach to be taken in drawing audit samples for purposes of tests of compliance

To test compliance, we follow the AICPA's *Audit Sampling Considerations of Circular A-133 Compliance Audits*. We will select an appropriate sample size based on our professional judgment and knowledge. Any deviations from control and compliance requirements will be documented.

GASB Implementation Specialist

Gary M. Caporicci, the Firm's *GASB Implementation Specialist*, is an **appointed member to the State Retirement Advisory Committee by the State Controller** and has tremendous expertise in assisting clients with the implementation of GASB pronouncements.

For more than 40 years, Mr. Caporicci has successfully provided professional auditing, accounting, financial reporting and management advisory/consulting services to a broad spectrum of governmental entities.

Caporicci is a leader in the new GASB standards going into effect in the coming years. He will actively assist the City during the process of implementation and compliance related to new accounting standards.

Client Training Seminar

Every year, the Firm hosts a conference to update governmental clients on new technical accounting and financial issues. The day-long session—held in Orange County, Clovis and Danville—qualifies for **eight hours of CPE** with the California Board of Accountancy.

Participants of this year's training seminar will receive a high-level examination of numerous technical issues, including the following:

- ⇒ Fiscal Policies
- ⇒ The Latest & Greatest on Pension, OPEB, Local Initiatives and the Future of the Defined Benefit Plan
- ⇒ GASB 74 & 75 - Implementation of the New OPEB Standards
- ⇒ A Look Back on the Implementation of GASB 68 and 71
- ⇒ Uniform Grant Guidance
- ⇒ Survey of Cities and Counties

Importantly, all of our clients are invited to attend the Pun Group, LLP client training seminar **FREE OF CHARGE**.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

SECTION VII – IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

While we do not expect any problems with the audit, we will carefully investigate and monitor the following relevant accounting issues:

- **Investments:**
 - Compliance with GASB 31 and GASB 34
 - Authorization and approval process for City investments
 - Controls to assure City's compliance with investment limitations and types of specific investments
 - Monitoring by the City of its investments

- **Financial Reporting:**
 - CAFR compliance with current reporting and disclosure requirements issued by GASB
 - CAFR eligibility for financial reporting conformance awards issued by GFOA
 - Compliance with the various GASBs in effect, especially the implementation of GASB 68 and 71 related to pension accounting
 - Compliance with infrastructure obligations and regulatory provisions

- **Internal Control Structure:**
 - City's internal control functions and compliance with proper internal control philosophies
 - Computer-system processes and controls, and adequacy of the control environment

Over the period of the engagement, several new GASB pronouncements will become effective. The Engagement Team will pay specific attention to the following new and upcoming pronouncements, and any others that become effective during the proposal period, in order to determine proper implementation procedures:

- *GASB 72 – Fair Value Measurement and Application*
- *GASB 73 – Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*
- *GASB 74 – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*
- *GASB 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
- *GASB 76 – The Hierarchy of Generally Accepted Account Principles for State and Local Governments*
- *GASB 77 – Tax Abatement Disclosures*
- *GASB 78 – Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*
- *GASB 79 – Certain External Investment Pools and Pool Participants*
- *GASB 80 – Blending Requirements for Certain Component Units—an amendment of GASB Statement 14*

Discussion of Relevant Accounting Issues

Over the period of the engagement, several new GASB pronouncements will become effective. The Engagement Team will pay specific attention to the following new and upcoming pronouncements, and any others that become effective during the proposal period, in order to determine proper implementation procedures. Based on our understanding through our study of the City's financials, we have determined the following GASB pronouncements may have some impact to the City's financial statements:

- GASB 72 – Fair Value Measurement and Application*
- GASB 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
- GASB 77 – Tax Abatement Disclosures*
- GASB 79 – Certain External Investment Pools and Pool Participants*

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

GASB Statement No. 72, *Fair Value Measurement and Application*, addresses accounting and financial reporting issues related to fair value measurements. To determine a fair value measurement, a government should consider the unit of account of the asset or liability. The unit of account refers to the level at which an asset or a liability is aggregated or disaggregated for measurement, recognition, or disclosure purposes as provided by the accounting standards. This Statement requires a government to use valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. The techniques should be consistent with one or more of the following approaches: the market approach, the cost approach, or the income approach. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities. The cost approach reflects the amount that would be required to replace the present service capacity of an asset. The income approach converts future amounts (such as cash flows or income and expenses) to a single current (discounted) amount. Valuation techniques should be applied consistently, though a change may be appropriate in certain circumstances. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. This Statement establishes a hierarchy of inputs to valuation techniques used to measure fair value. That hierarchy has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs—other than quoted prices—included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replace the requirements of GASB Statements No. 45 and 57. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a nonemployer entity provides financial support for OPEB of employees of another entity.

GASB Statement No. 77, *Tax Abatement Disclosures*, requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
- The gross dollar amount of taxes abated during the period
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals.

The Firm believes the following pronouncement has minimal impact to the City's financial statements:

- GASB 73 – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*
- GASB 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*
- GASB 76 – *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*
- GASB 78 – *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*
- GASB 80 – *Blending Requirements for Certain Component Units—an amendment of GASB Statement 14*

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

SECTION VIII – RESPONSE TO CITY STANDARD TWO-PARTY AGREEMENT

The Firm does not have any objections to the City's standard two-party agreement. The Firm understands that the City's standard form of agreement is the basis of the agreement between the City and the Firm.

CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services

Benefits of Choosing The Pun Group, LLP

The Pun Group, LLP is recognized for its professionalism, integrity, and providing clients with effective resolutions for their unique circumstances and issues. Our Firm prides itself on being able to provide personalized client services, and with that sentiment in mind, we have carefully chosen our engagement teams. The Pun Group's main objective is always to provide the City with solutions and directions, led by highly experienced and capable partners who can successfully implement the work and produce the results you expect. This philosophy and mindset allows us to provide a superior level of service.

We trust that this proposal has given you the information you need about the Firm, the Engagement Team members, overall audit approach, cost-saving measures, and audit fees. We are committed to exceeding your expectations, and we look forward to bringing our experience and expertise to the City of Placentia and providing you with the excellent level of service that you expect and deserve.

Thank You

Thank you for giving us the opportunity to introduce the Firm and submit our qualifications to provide you with audit services. Please direct inquiries to:

Mr. Kenneth H. Pun, CPA, CGMA
Managing Partner
200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707
ken.pun@pungroup.com
(949) 777-8801

Sincerely,



The Pun Group, LLP
Certified Public Accountants and Business Advisors

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APPENDIX

✓ *Proof of Insurance*

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CITY OF PLACENTIA

Proposal to Perform Professional Auditing Services



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/8/2016

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

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

PRODUCER Wood Gutmann & Bogart 15901 Red Hill Ave., Suite 100 Tustin CA 92780	CONTACT NAME: Connie Jones		PHONE (A/C, No, Ext): 714-505-7000	PAX (A/C, No): 714-573-1770
	E-MAIL ADDRESS: connie@wgbib.com			
INSURED PUN&M-1 The Pun Group, LLP 200 East Sandpointe Avenue, Suite 600 Santa Ana CA 92707	INSURER(S) AFFORDING COVERAGE			NAIC #
	INSURER A: TRAVELERS CAS INS CO OF AMER			19046
	INSURER b: Travelers Property Casualty Co of A			25674
	INSURER c: Argonaut Insurance Company			
	INSURER d: TRAVELERS CAS INS CO OF AMER			19046
	INSURER e: INSURER f:			

COVERAGES **CERTIFICATE NUMBER:** 351569536 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL GUBR INSD WVD	POLICY NUMBER	POLICY EFF (MMDDYYYY)	POLICY EXP (MMDDYYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO. <input type="checkbox"/> LOC <input type="checkbox"/> OTHER		6807G592120-16	3/1/2016	3/1/2017	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMPIOP AGG \$4,000,000 \$
D	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$		BA-8G976703	3/1/2016	3/1/2017	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	UB4548T41-2-16	3/1/2016	3/1/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
C	E&O Retro 12/29/11		Pending	3/1/2016	3/1/2017	3,000,000 agg 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Proof Of Insurance Only

CERTIFICATE HOLDER Proof Of Insurance Only	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

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**CITY OF PLACENTIA
PROFESSIONAL SERVICES AGREEMENT
WITH THE PUN GROUP, INC.**

THIS AGREEMENT is made and entered into this 19th day of July, 2016 (“Effective Date”), by and between the CITY OF PLACENTIA, a municipal corporation (“City”), and The Pun Group, Inc. (“Consultant”) a California corporation.

W I T N E S S E T H :

A. WHEREAS, City proposes to utilize the services of Consultant as an independent contractor to audit financial records, as more fully described herein; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit “A” (the “Project”) and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of City has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in Consultant’s Proposal (“Proposal”), attached hereto as Exhibit “A” and incorporated herein by this reference. In addition to the services provided annually by Consultant, Consultant shall annually provide two (2) of the following five (5) additional services as determined by Consultant in its discretion:

1. Review of Investment Transactions (10) – To determine that the investments made by staff are in compliance with the City’s applicable Investment Policy.
2. Review of Financial Institution Wire Transfers (24) – To ensure that all transfers out of financial institutions as reported on bank or investment statements are properly authorized and accounted for.
3. Review of Journal Entries (20) – To ensure that journal entries (including budget entries) are made with adequate support, proper approval, and are correctly recorded to the general ledger.
4. Review of Check Stock Sequence and Cancelled Checks – To verify the sequence of check stock, including unused checks, voided checks and cancelled checks to verify that all checks cleared through the City’s financial institutions are presented to Council in the warrant registers and are properly accounted for within the accounting records of the City.

5. Review of Cash Receipts (30) – To ensure that the amounts collected from all locations accepting revenues are properly reflected on receipt documentation that agrees with the amount in the revenue tracking software (if applicable) to the general ledger, and the amount reflected on the bank statement.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant's performance of this Agreement. 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. Officers and employees shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this section.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work will be done by the City Administrator or his or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, a notice setting forth provisions of this non-discrimination clause.

Consultant shall, in all solicitations and advertisements for employees placed by, or on behalf of Consultant shall state that all qualified applicants will receive consideration for employment without regard to age, race, color, religion, sex, marital status, national origin, or mental or physical disability. Consultant shall cause the paragraphs contained in this Section to be inserted in all subcontracts for any work covered by the Agreement, provided that the foregoing provisions shall not apply to subcontracts for standard commercial supplies or raw materials.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

2.0. COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "A." Consultant's total compensation shall not exceed Two Hundred Ten Thousand One Hundred Eighty Two Dollars (\$210,182.00).

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal or which is inconsistent with or in violation of the provisions of this Agreement unless the City or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable. Should the City request in writing additional services that increase the hereinabove described "SCOPE OF SERVICES", an additional fee based upon the Consultant's standard hourly rates shall be paid to the Consultant for such additional services. Such increase in additional fees shall be limited to 25% of the total contract sum or \$25,000 whichever is more. The City Administrator is authorized to approve a Change Order for such additional services.

2.3. Method of Billing. Consultant may submit invoices to the City for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within forty-five (45) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the

associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement. Said services shall be performed in strict compliance with the Project Schedule approved by City as set forth in Exhibit "A." The Project Schedule may be amended by mutual agreement of the parties. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party. If a delay beyond the control of the Consultant is encountered, a time extension may be mutually agreed upon in writing by the City and the Consultant. The Consultant shall present documentation satisfactory to the City to substantiate any request for a time extension.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of 36 months, ending on July 19, 2019, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing at least fifteen (15) days prior written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City. If the City suspends, terminates or abandons a portion of this Agreement such suspension, termination or abandonment shall not make void or invalidate the remainder of this Agreement.

If the Consultant defaults in the performance of any of the terms or conditions of this Agreement, it shall have ten (10) days after service upon it of written notice of such default 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.

The City shall have the right, notwithstanding any other provisions of this Agreement, to terminate this Agreement, at its option and without prejudice to any other remedy to which it

may be entitled at law, in equity or under this Agreement, immediately upon service of written notice of termination on the Consultant, if the latter should:

- a. Be adjudged a bankrupt;
- b. Become insolvent or have a receiver of its assets or property appointed because of insolvency;
- c. Make a general assignment for the benefit of creditors;
- d. Default in the performance of any obligation or payment of any indebtedness under this Agreement;
- e. Suffer any judgment against it to remain unsatisfied or unbonded of record for thirty (30) days or longer; or
- f. Institute or suffer to be instituted any procedures for reorganization or rearrangement of its affairs.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination within thirty-five (35) days after service of the notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the City or in the possession of the Consultant. City shall not be liable for any claim of lost profits.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City. Any use of uncompleted documents without specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Broad-form commercial general liability, in a form at least as broad as ISO form #CG 00 01 11 88, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to

this Agreement or shall be twice the required occurrence limit.

- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California and Employers Liability Insurance with a minimum limit of \$1,000,000 per accident. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers for losses arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

Before execution of this Agreement by the City, the Consultant shall file with the Public Works Director/City Engineer the following signed certification:

I am aware of, and will comply with, Section 3700 of the Labor Code, requiring every employer to be insured against liability of Workers' Compensation or to undertake self-insurance before commencing any of the work.

The Consultant shall also comply with Section 3800 of the Labor Code by securing, paying for and maintaining in full force and effect for the duration of this Agreement, complete Workers' Compensation Insurance, and shall furnish a Certificate of Insurance to the Public Works Director/City Engineer before execution of this Agreement by the City. The City, its officers and employees shall not be responsible for any claims in law or equity occasioned by failure of the consultant to comply with this section.

- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

Neither the CITY nor any of its elected or appointed officials, officers, agents, employees, or volunteers makes any representation that the types of insurance and the limits specified to be carried by Consultant under this Agreement are adequate to protect Consultant. If Consultant believes that any such insurance coverage is insufficient, Consultant shall provide, at its own expense, such additional insurance as Consultant deems adequate.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Placentia and its elected and appointed

boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."

- (b) Notice: "Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Consultant shall forthwith obtain and submit proof of substitute insurance. Should Consultant fail to immediately procure other insurance, as specified, to substitute for any canceled policy, the City may procure such insurance at Consultant's sole cost and expense."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Placentia, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Placentia shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Placentia, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

5.5. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by

the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The City Administrator or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement. It shall be the Consultant's responsibility to assure that the Project Manager is kept informed of the progress of the performance of the services and the Consultant shall refer any decision, which must be made by City, to the Project Manager. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Project Manager.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement and who shall not be changed by Consultant without the express written approval by the City. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or if mailed, shall be addressed as set forth below and placed in a sealed envelope, postage prepaid, and deposited in the United States Postal Service. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 72 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

The Pun Group, Inc.
200 E. Sandpointe Ave, Suite 600
Santa Ana, CA 92707
Tel: (949) 777-8801
Fax: (949) 777-8850
Attn: Kenneth Pun

IF TO CITY:

City of Placentia
401 E. Chapman
Placentia, CA 92870
Tel: (714) 993-8171
Fax: (714) 691-0283
Attn: Damien R. Arrula

6.5. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.6. Governing Law. This Agreement shall be governed by and construed under the

laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California. Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

6.7. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.8. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the City, its elected and appointed officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, demands, actions, suits or other legal proceedings brought against the City, its elected and appointed officials, officers, agents and employees arising out of the performance of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected and appointed officials, officers, agents and employees based upon the work performed by the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.9. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its or employees are in any manner agents or employees of City. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under

this paragraph.

6.10. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.11. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.12. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, preliminary notes, working documents, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City, but shall be made available to the City within ten (10) days of request or within ten (10) days of termination. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, preliminary notes and working documents, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City. Consultant or Consultant's agents shall execute such documents as may be necessary from time to time to confirm City's ownership of the copyright in such documents.

6.13. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Consultant informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those

records so marked if disclosure is deemed to be required by law or by order of the Court.

6.14. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.15. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

6.16. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.17. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.18. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.19. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.20. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.21. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.22. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.23. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.24. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.26. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF PLACENTIA,
A municipal corporation

Jeremy B. Yamaguchi, Mayor

Date: _____

ATTEST:

Patrick J. Melia
City Clerk and ex-officio Clerk
of the City of Placentia

CONSULTANT

Signature

Date: _____

Name and Title

Social Security or Taxpayer ID Number

APPROVED AS TO FORM:

City Attorney

Date: _____

APPROVED AS TO INSURANCE:

Risk Management

Date: _____

APPROVED AS TO CONTENT:

Project Manager

Date: _____

DEPARTMENTAL APPROVAL:

Name, Title

Date: _____

EXHIBIT A

CONSULTANT'S PROPOSAL