



AGENDA OF A REGULAR MEETING - NATIONAL CITY CITY COUNCIL/
COMMUNITY DEVELOPMENT COMMISSION – HOUSING AUTHORITY OF
THE CITY OF NATIONAL CITY
ONLINE ONLY MEETING

<https://www.nationalcityca.gov/webcast>

LIVE WEBCAST
COUNCIL CHAMBERS
CIVIC CENTER

1243 NATIONAL CITY BOULEVARD

NATIONAL CITY, CALIFORNIA

TUESDAY, DECEMBER 7, 2021 – 6:00 PM

ALEJANDRA SOTELO-SOLIS
Mayor

JOSE RODRIGUEZ
Vice Mayor

MARCUS BUSH
Councilmember

RON MORRISON
Councilmember

MONA RIOS
Councilmember

NOTICE: The health and well-being of National City residents, visitors, and employees during the COVID-19 outbreak remains our top priority. The City of National City is coordinating with the County of San Diego Health Human Services Agency, and other agencies to take measures to monitor and reduce the spread of the novel coronavirus (COVID-19). **The World Health Organization has declared the outbreak a global pandemic and local and state emergencies have been declared providing reprieve from certain public meeting laws such as the Brown Act.**

As a result, the City Council Meeting will occur only online to ensure the safety of City residents, employees and the communities we serve. A live webcast of the meeting may be viewed on the city's website at www.nationalcityca.gov. For Public Comments see "**PUBLIC COMMENTS**" section below

ORDER OF BUSINESS: Public sessions of all Regular Meetings of the City Council / Community Development Commission - Housing Authority (hereafter referred to as Elected Body) begin at 6:00 p.m. on the first and third Tuesday of each month. Public Hearings begin at 6:00 p.m. unless otherwise noted. Closed Meetings begin in Open Session at 5:00 p.m. or such other time as noted, and after announcing closed session items, convenes into a Closed Meeting. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda. The Mayor and Council members also sit as the Chairperson and Members of the Board of the Community Development Commission (CDC).

REPORTS: All open session agenda items and reports as well as all documents and writings distributed to the Elected Body less than 72 hours prior to the meeting, are available for review on the City's website at www.nationalcityca.gov. Regular Meetings of the Elected Body are webcast and archived on the City's website at www.nationalcityca.gov.

PUBLIC COMMENTS: There are multiple ways you can make sure your opinions are heard and considered by our City Council as outlined below:

Submit your public comment prior to the meeting: To submit a comment in writing, email PublicComment@nationalcityca.gov, provide the agenda item number and title of the item in the subject line of your email. Public comments or testimony is limited to up to three (3) minutes. If the comment is not related to a specific agenda item,

1243 National City Blvd.
National City, CA 91950
619-336-4240

Meeting agendas and
minutes available on the
City's website at
WWW.NATIONALCITYCA.GOV

indicate General Public Comment in the subject line. All email comments received by 4:00 p.m. on the day of the meeting will be emailed to the City Council Members and made a part of the official record.

Register online and participate in live public comment during the meeting: To provide live public comment during the meeting, you must pre-register on the City's website at <https://www.nationalcityca.gov/publiccomment> by 4:00 p.m. on the day of the regular meeting to join the City Council Meeting.

***Please note that you do not need to pre-register to watch the meeting online, but you must pre-register if you wish to speak.

Once registered, you will receive an email with a link from Zoom to join the live meeting. You can participate by phone or by computer. Please allow yourself time to log into Zoom before the start of the meeting to ensure you do not encounter any last-minute technical difficulties.

***Please note that members of the public will not be shown on video; they will be able to watch and listen and speak when called upon. Public microphones will be muted until it is your turn to comment.

Each speaker is allowed up to three (3) minutes to address the City Council. Please be aware that the Mayor may limit the comments' length due to the number of persons wishing to speak or if comments become repetitious or unrelated.

All comments are subject to the same rules as would otherwise govern speaker comments at the meeting. Speakers are asked to be respectful and courteous. Please address your comments to the City Council as a whole and avoid personal attacks against members of the public, City Council, and city staff.

Questions about public comment or City Council protocols? Please contact the City Clerk's Office at (619) 336-4228 or via email at Clerk@nationalcityca.gov.

INTERPRETATION SERVICES: To use the Zoom interpretation feature you must first Pre-Register on Zoom. Once logged into Zoom to use the interpretation feature, please scroll to the bottom of the Zoom screen (where the meeting controls are), click on the interpretation icon (world), and select English as your language. If you are joining using the Zoom mobile app (cell phone, tablet, etc.), please press the ellipsis (...), then Interpretation, and then choose your language.

WRITTEN AGENDA: With limited exceptions, the Elected Body may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

CONSENT CALENDAR: Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion by the City Council. Prior to such approval, any item may be removed from the consent portion of the agenda and separately considered, upon request of a Councilmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please

contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

AVISO: La salud y el bienestar de los residentes, visitantes y empleados de National City durante el brote de COVID-19 sigue siendo nuestra máxima prioridad. El Ayuntamiento de la Ciudad de National City se está coordinando con la Agencia de Salud y Servicios Humanos del Condado de San Diego y otras agencias para tomar medidas con el fin de monitorear y reducir la propagación del nuevo coronavirus (COVID-19). La Organización Mundial de la Salud declaró el brote como una pandemia global y se han manifestado emergencias locales y estatales que resultan en la suspensión de ciertas leyes de reuniones públicas, tal como la Ley Brown.

Como resultado de ello, la junta del Concejo Municipal del Ayuntamiento se llevará a cabo solamente en línea para garantizar la seguridad de los residentes, empleados y comunidades locales que atendemos. Se podrá ver una transmisión en vivo de la junta en el sitio web del Ayuntamiento en www.nationalcityca.gov. Para comentarios públicos, vea la sección “COMENTARIOS PÚBLICOS” más adelante.

ORDEN DEL DÍA: Las sesiones públicas de todas las juntas ordinarias del Concejo Municipal/Comisión de Desarrollo Comunitario - Autoridad de Vivienda (en lo sucesivo denominado Órgano Electo) inician a las 6:00 p.m. el primer y tercer martes de cada mes. Las audiencias públicas inician a las 6:00 p.m., a menos que se indique lo contrario. Las juntas cerradas inician en sesión abierta a las 5:00 p.m. o en cualquier otro momento que se indique, y tras anunciar los temas de la sesión cerrada, la junta se realiza como sesión cerrada. Si se programa una reunión de discusión y análisis, el tema y la hora de la misma aparecerán en la agenda. La Alcaldesa y los Concejales se reúnen por igual que el Presidente y los integrantes del Consejo de la Comisión de Desarrollo Comunitario.

INFORMES: Todos los temas e informes de la agenda de la sesión abierta, así como todos los documentos y escritos entregados al Órgano Electo menos de 72 horas antes de la sesión, aparecerán en el sitio web del Ayuntamiento. Las juntas ordinarias del Órgano Electo se transmiten por Internet y se archivan en el sitio web del Ayuntamiento en www.nationalcityca.gov.

COMENTARIOS PÚBLICOS: Hay varias formas en las que puede asegurarse de que sus opiniones sean escuchadas y consideradas por nuestro Concejo Municipal como se describe a continuación:

Envíe su comentario público antes de la sesión: Para enviar un comentario por escrito, envíe un correo electrónico a PublicComment@nationalcityca.gov, proporcione el número del tema o asunto de la agenda y el título del tema o asunto en la línea de asunto de su correo electrónico. Los comentarios o testimonios públicos se limitan a tres (3) minutos. Si el comentario no se relaciona con un tema o asunto específico de la agenda, indique Comentario Público General en la línea de asunto. Todos los comentarios por correo electrónico recibidos antes de las 4:00 p.m. del día de la sesión se enviarán por correo electrónico a los miembros del Concejo Municipal y formarán parte del acta oficial.

Regístrese en línea y participe en los comentarios públicos en vivo durante la sesión: Para proporcionar comentarios públicos en vivo durante la sesión, debe registrarse previamente en el sitio web del Ayuntamiento en

<https://www.nationalcityca.gov/publiccomment> **antes de las 4:00 p.m.** del día de la junta ordinaria para incorporarse a la sesión del Concejo Municipal.

***Tenga presente que no necesita registrarse previamente para ver la sesión en línea, pero debe registrarse previamente si desea hablar.

Una vez registrado, recibirá un correo electrónico con un enlace de Zoom para integrarse a la sesión en vivo. Puede participar por teléfono o por computadora. Tómese el tiempo necesario para iniciar la reunión en Zoom antes del inicio de la sesión para asegurarse de no encontrar dificultades técnicas de último momento.

***Tenga presente que las personas del público no se mostrarán en vídeo; podrán observar, escuchar y hablar cuando se les solicite. Los micrófonos públicos se silenciarán hasta que sea su turno de comentar.

Cada orador tiene hasta tres (3) minutos para dirigirse al Concejo Municipal. Tenga en cuenta que la Alcaldesa puede limitar la extensión de los comentarios debido a la cantidad de personas que deseen hablar o si los comentarios se vuelven repetitivos o no relacionados.

Todos los comentarios están sujetos a las mismas reglas que de otro modo regirían los comentarios de los oradores en la sesión. Se pide a los oradores que sean respetuosos y corteses. Dirija sus comentarios al Concejo Municipal en su conjunto y evite ataques personales contra personas del público, el Concejo Municipal y el personal del Ayuntamiento.

¿Preguntas sobre comentarios públicos o protocolos del Concejo Municipal?
Comuníquese con la Oficina de la Secretaria del Ayuntamiento al teléfono (619) 336-4228, o por correo electrónico a Clerk@nationalcityca.gov.

SERVICIO DE INTERPRETACIÓN: Para utilizar la función de interpretación zoom primero debe registrarse previamente en el sitio web de Zoom. Una vez que haya iniciado sesión en zoom para utilizar la función de interpretación, favor de desplazarse a la parte inferior de la pantalla de Zoom (donde aparecen los controles). Haga clic en el ícono de interpretación (globo terráqueo), y seleccione "*Spanish*" (español). Si está utilizando la aplicación móvil de Zoom (celular, tableta, etc.), presione los puntos suspensivos (...), luego "*interpretation*" y luego el idioma.

AGENDA ESCRITA: Con contadas excepciones, el Órgano Electo puede tomar medidas únicamente sobre los temas que aparecen en la agenda escrita. Los temas que no aparezcan en la agenda deben aparecer en una agenda subsecuente, a menos que sean de emergencia o urgencia demostrada, y la necesidad de tomar medidas sobre esos temas haya surgido después de haber sido publicada la agenda.

CALENDARIO DE CONSENTIMIENTO: Los temas del calendario de consentimiento implican cuestiones de naturaleza rutinaria o no controvertida. Todos los temas de consentimiento se adoptan mediante la aprobación de una sola moción del Concejo Municipal. Antes de la aprobación, cualquier tema puede eliminarse de la parte de consentimiento de la agenda y considerarse aparte, a petición de un concejal, individuo del personal del Ayuntamiento o persona del público.

Previa solicitud, esta agenda puede estar disponible en formatos alternativos apropiados para personas con discapacidades, en observancia de la Ley de Estadounidenses con Discapacidades. Llame al teléfono (619) 336-4228 de la Oficina del Secretario del Ayuntamiento para solicitar una modificación o adaptación de acceso relativa a la discapacidad. Notificar 24 horas antes de la sesión permitirá al Ayuntamiento hacer arreglos razonables para garantizar la accesibilidad a esta junta.

OPEN TO THE PUBLIC

A. CITY COUNCIL

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE TO THE FLAG

PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)

PROCLAMATIONS AND CERTIFICATES

AWARDS AND RECOGNITIONS

PRESENTATIONS (FIVE-MINUTE TIME LIMIT)

1. [Microenterprise Home Kitchen Operations \(MEHKOs\) Implementation. \(Heather Buonomo and Ryan Johnson, San Diego County Department of Environmental Health and Quality\).](#)
2. [Juvenile Diversion Program and The Cultural App Presentation. \(Summer Stephan, San Diego County Office of the District Attorney\)](#)

INTERVIEWS / APPOINTMENTS

3. [Selection of Vice-Mayor. \(City Clerk\)](#)
4. [Appointments: Appointments to Regional Boards and Committees for Outside Agencies. \(City Clerk\)](#)
5. [Appointment to Regional Board: San Diego Community Power \(SDCP\) Joint Powers Authority \(JPA\) Board. \(City Clerk\)](#)
6. [Appointments: City Boards, Commissions, and Committees - Mayoral Appointments. \(City Clerk\)](#)

REGIONAL BOARDS AND COMMITTEE REPORTS (FIVE-MINUTE TIME LIMIT)

CONSENT CALENDAR

7. [Motion of the City Council of the City of National City, California approving the waiving of the reading of the text of the Ordinances or Resolutions that are having a Public Hearing considered at this meeting and providing that such Ordinances or Resolutions shall be introduced and/or adopted after a reading of the title only. \(City Clerk\)](#)

8. [Approval of Meeting Minutes: CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION - HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY: Virtual Regular Meeting: October 19, 2021; SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY: Virtual Special Closed Session Meeting: October 19, 2021; and SPECIAL MEETING OF THE AMERICAN RESCUE PLAN ACT \(ARPA\) WORKSHOP: Virtual Special Closed Session Meeting: October 19, 2021. \(City Clerk\)](#)
9. [Resolution of the City Council of the City of National City declaring findings to continue teleconference meetings to January 6, 2022, as required by AB 361. \(City Clerk\)](#)
10. [Resolution of the City Council of the City of National City, California authorizing the acceptance of Library Services and Technology Act \(LSTA\) funds from the California State Library in the amount of \\$60,000 to cover the costs associated with the Community Connections Grant Project and authorizing the establishment of a Library Grants Fund appropriation of \\$60,000 and corresponding revenue budget. \(Library and Community Services\)](#)
11. [Resolution of the City Council of the City of National City authorizing the City Manager to execute a Consent to Assignment and Assumption of Lease from American Digital Outdoor, L.P., a California limited partnership, to Clear Channel Outdoor, LLC, a Delaware limited liability company, for the digital billboard located on City property along I-5 at the end of the 30th Street cul-de-sac. \(Housing Authority\)](#)
12. [Resolution of the City Council of the City of National City approving the Second Amendment to the Agreement with Man K9, Inc. \(Police\)](#)
13. [Resolution of the City Council of the City of National City authorizing the City Council to waive the formal bid process pursuant to National City Municipal Code section 2.60.220, subsection C and D, sole source procurement , for the Police Department's purchase of seventy six \(76\) body worn cameras, cloud-based storage of digital evidence, and internet data management through Evidence.com, including support services and assist with the implementation of auto-tagging through CAD from Axon Enterprise, Inc.; authorize the City to award the purchase; authorize the Mayor to execute a five-year contract in the amount of \\$514,839.80 with Axon Enterprise, Inc.; and authorizing an increase of \\$27,967.69 to fiscal year 2022 General Fund appropriations and use of General Fund unassigned fund balance for said increase. \(Police\)](#)
14. [Resolution of the City Council of the City of National City waiving the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorizing the City to piggyback onto Sourcewell \(formerly "National Joint Powers Alliance"\) Contract #091520-DIV](#)

- with Doosan Industrial Vehicle America Corp. for the purchase and build-out of one (1) Doosan G35S-7 Forklift for the Public Works Streets and Wastewater Division in a not-to-exceed amount of \$44,603.07. (Engineering/Public Works)
15. Resolution of the City Council of the City of National City waiving the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorizing the City to piggyback onto Sourcewell (formerly “National Joint Powers Alliance”) Contract #120716-NAF with National Auto Fleet Group for the purchase and build-out of one (1) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis for the Fire Department in a not-to-exceed amount of \$201,129.30. (Engineering/Public Works)
 16. Resolution of the City Council of the City of National City waiving the formal bid process pursuant to Municipal Code section 2.60.260 for the purchase of a Pierce Arrow XT pumper with equipment for the National City Fire Department, and authorizing the City to piggyback on the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck with South Coast Fire Equipment, Inc., for a not to exceed amount of \$885,829.24 using the Vehicle Replacement Fund. (Fire)
 17. Resolution of the City Council of the City of National City: 1) authorizing the filing of a Proposition 68 Per Capita Program application for the El Toyon Park Playground Improvements Project in the amount of \$216,033; 2) authorizing the City Manager or designee to execute the grant agreement if selected for funding; and 3) if selected for funding, approving the establishment of an Engineering Grants Fund Appropriation of \$216,033 and corresponding revenue budget to allow for reimbursement of eligible project expenditures through the Per Capita Program for the El Toyon Park Playground Improvements Project. (Engineering/Public Works)
 18. Resolution of the City Council of the City of National City authorizing the installation of yield control signs for the northbound and southbound traffic at the intersection of “E” Avenue and E. 20th Street in order to enhance safety at the intersection (TSC No. 2021-21). (Engineering/Public Works)
 19. Resolution of the City Council of the City of National City authorizing an increase in the appropriation of American Rescue Plan Act (ARPA) funding to be used for City of National City employee premium pay from \$900,000 to \$1,340,000. (Finance)
 20. Approve the Local Appointments List – Maddy Act Requirement. (City Clerk)
 21. Annual Performance Evaluation for the City Attorney. (City Clerk)
 22. Investment Report for the quarter ended September 30, 2021. (Finance)

23. [Warrant Register #16 for the period of 10/15/21 through 10/21/21 in the amount of \\$1,466,352.62. \(Finance\)](#)
24. [Warrant Register #17 for the period of 10/22/21 through 10/28/21 in the amount of \\$507,904.70. \(Finance\)](#)
25. [Warrant Register #18 for the period of 10/29/21 through 11/05/21 in the amount of \\$2,546,521.45. \(Finance\)](#)

PUBLIC HEARINGS: ORDINANCES AND RESOLUTIONS

26. [Public Hearing and Adoption of a Resolution of the City Council of the City of National City establishing permit fees for recovery of the cost of the commercial cannabis business regulatory program development and for the cost to review and process applications for cannabis businesses. \(Finance\)](#)

NON CONSENT RESOLUTIONS

27. [Resolution of the City Council of the City of National City, California, authorizing the City Manager to enter into a new agreement between the City of National City \("City"\) and ARTS A Reason to Survive \("ARTS"\) for the maintenance and operation of the Arts Center located at 200 East 12th Street in National City for a 36 month period from January 1, 2022 to December 31, 2024. \(Library and Community Services\)](#)
28. [Resolution of the City Council of the City of National City, California adopting City Council Policy 805 entitled "Naming of City Assets and Streets." \(City Manager\)](#)
29. [Resolution of the City Council of the City of National City recommending the San Diego County Board of Supervisors "opt-into" the Microenterprise Home Kitchen Operations \(MEHKO\) Program. \(City Manager\)](#)

NEW BUSINESS

30. [Notice of Decision – Planning Commission approval of a Conditional Use Permit for beer and wine sales at a new restaurant \(KeBURROS\) located at 1539 East Plaza Blvd. \(Applicant: Borderless Kitchens\) \(Case File 2021-16 CUP\) \(Planning\)](#)
31. [Notice of Decision – Planning Commission approval of a Conditional Use Permit modification for the former South Bay Community Church located at 2400 Euclid Avenue to add a transitional housing facility. \(Applicant: San Diego Rescue Mission\) \(Case File 2021-13 CUP\) \(Planning\)](#)

B. COMMUNITY DEVELOPMENT COMMISSION - HOUSING AUTHORITY

CONSENT RESOLUTIONS - HOUSING AUTHORITY

PUBLIC HEARINGS: RESOLUTIONS - HOUSING AUTHORITY

NON CONSENT RESOLUTIONS - HOUSING AUTHORITY

NEW BUSINESS - HOUSING AUTHORITY

C. REPORTS

STAFF REPORTS

32. [Focused General Plan Update and Affordable Housing Notice of Funding Availability \(NOFA\). \(Housing Authority\)](#)
33. [City Manager Report. \(City Manager\)](#)

MAYOR AND CITY COUNCIL

34. [Community Benefits Ad-Hoc Committee Report to City Council - Project Labor Standards and Policies.](#)
35. [Low Rider Ad-Hoc Committee Report to City Council.](#)

CLOSED SESSION

CLOSED SESSION REPORT

ADJOURNMENT

Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City - Tuesday - January 18, 2022 - 6:00 p.m. - Council Chambers - National City, California.

The following page(s) contain the backup material for Agenda Item: [Microenterprise Home Kitchen Operations \(MEHKOs\) Implementation. \(Heather Buonomo and Ryan Johnson, San Diego County Department of Environmental Health and Quality\).](#)
Please scroll down to view the backup material.

Item # ____

12/07/21

**Microenterprise Home Kitchen Operations (MEHKOs)
Implementation**

**Heather Buonomo and Ryan Johnson
San Diego County Department of Environmental Health and Quality**

The following page(s) contain the backup material for Agenda Item: [Juvenile Diversion Program and The Cultural App Presentation. \(Summer Stephan, San Diego County Office of the District Attorney\)](#)

Please scroll down to view the backup material.

Item # ____

12/07/21

**JUVENILE DIVERSION PROGRAM AND THE CULTURAL APP
PRESENTATION**

(Summer Stephan, San Diego County Office of the District Attorney)

The following page(s) contain the backup material for Agenda Item: [Selection of Vice-Mayor. \(City Clerk\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.

ITEM TITLE:

Selection of Vice-Mayor (City Clerk)

PREPARED BY: Shelley Chapel, Deputy City Clerk

DEPARTMENT: City Clerk's Office

PHONE: 619-336-4228

APPROVED BY: *Shelley Chapel*

EXPLANATION:

On November 20, 2018, the City Council adopted City Council Policy No. 120 as the Selection of Vice-Mayor procedure. The express purpose of the policy is to provide every member of the City Council with an opportunity to serve as Vice-Mayor.

Policy No. 120 provides that the selection if made on the basis of the length of time that a member has served on the City Council, and whether or not the member has previously had the opportunity to serve. The Policy provides that the position of the Vice-Mayor shall be rotated among the Councilmembers so that each Councilmember serves one (1) year as Vice-Mayor during their four (4) year term. Councilmember Bush is next in line to be considered for appointment.

Previously served as Vice-Mayors:

2021 – Jose Rodriguez 2020 – Mona Rios 2019 – Ron Morrison

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

This report does not reflect financial any changes to the budget at this time.

ENVIRONMENTAL REVIEW:

This action is not subject to review under the California Environmental Quality Act (CEQA)

ORDINANCE: **INTRODUCTION:** **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Staff recommends the selection of Councilmember Bush as Vice-Mayor may be accomplished by approval of a motion in accordance with the Policy.

BOARD / COMMISSION RECOMMENDATION:

None.

ATTACHMENTS:

Attachment A - City Council Policy No. 120

CITY COUNCIL POLICY

CITY OF NATIONAL CITY

TITLE: Selection of Vice Mayor	POLICY: # 120
ADOPTED: November 20, 2018 AMENDED:	

PURPOSE

In order to provide every member of the City Council with an opportunity to serve as Vice Mayor, it is the policy of the City Council that selection be made on the basis of the length of time that a member has served on the City Council, and whether or not the member has previously had the opportunity to serve.

POLICY

It is the policy of the City Council of the City of National City that the position of Vice Mayor shall be rotated among the Councilmembers so that each Councilmember serves one (1) year as Vice Mayor during his/her four (4) year term. The City Council shall select the Vice Mayor in accordance with the procedure set forth herein.

1. As a general law city, selection of the Vice Mayor is governed by Sections 36801 and 34905 of the California Government Code. Section 36801 provides:

The city council shall meet at the meeting at which the declaration of the election results for a general municipal election is made pursuant to Sections 10262 and 10263 of the Elections Code and, following the declaration of the election results and the installation of elected officials, choose one of its number as mayor, and one of its number as mayor pro tempore. [Referred to as the “vice mayor” in National City.]

Because National City has a directly elected Mayor, pursuant to Title 4, Division 2, Article 3 of the Government Code, the provisions of Section 36801 pertaining to the City Council selecting the Mayor do not apply; the Council selects only the Vice Mayor.

TITLE: Selection of Vice Mayor	POLICY: #120
ADOPTED: November 20, 2018	AMENDED:

2. The Vice Mayor shall have the powers and duties as specified in Government Code Section 36802 which provides that the Mayor shall preside at the meetings of the City Council and that if the Mayor is absent or unable to act, the Vice Mayor has all of the powers and duties of the Mayor.
3. The term of Vice Mayor shall be for one year and, in accordance with Government Code Section 36801, selection of the Vice Mayor shall occur upon certification of the election results. For purposes of this policy, the election assumes the general election held in November and certification of the election results generally occurring in December.
4. The Vice Mayor shall be the Councilmember with the most seniority who has not been Vice Mayor in the last three consecutive years. In the event two or more Councilmembers have equal seniority and have not been Vice Mayor in the last three consecutive years, the Councilmember with the most votes in their last regular general election shall serve as Vice Mayor.
5. In the event of a vacancy on the City Council that is filled by appointment, the appointee shall not be included in the rotation for Vice Mayor during the appointed term of office.

RELATED POLICY REFERENCES

- California Government Code
- California Elections Code

The following page(s) contain the backup material for Agenda Item: [Appointments: Appointments to Regional Boards and Committees for Outside Agencies. \(City Clerk\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Appointments: Appointments to Regional Boards and Committees for Outside Agencies (City Clerk)

PREPARED BY: Shelley Chapel, MMC, Deputy City Clerk **DEPARTMENT:** City Clerk’s Office

PHONE: 619-336-4225

APPROVED BY: *Shelley Chapel*

EXPLANATION:

As per California Government Code Section 40605; In General Law Cities where the Office of Mayor is an elective official, the Mayor, with the approval of the City Council, shall make all appointments to boards, commissions, and committees unless otherwise specifically provided by statute. Appointments for consideration for 2022:

- Bayshore Bikeway Working Group – Primary and Alternate (Annual)
- League of California Cities – Primary, Alternate (Annual)
- Port of San Diego Public Art Committee – Community Representation (Three (3) year term)
- San Diego Association of Governments (SANDAG) - Primary and Alternate (Annual)
- Shoreline Preservation Working Group – Primary and Alternate (Annual)

FINANCIAL STATEMENT:

APPROVED: _____ **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

No Fiscal Impact – there is no fiscal impact associated with the report.

ENVIRONMENTAL REVIEW:

No CEQA Exemption - This action is not subject to review under the California Environmental Quality Act (CEQA).

ORDINANCE: **INTRODUCTION** **FINAL ADOPTION**

STAFF RECOMMENDATION:

Staff recommends that the Mayor appoint with City Council consensus to certain Regional Boards and Committees.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

Attachment A – Regional Boards and Committees – Outside Agencies
Attachment B – Resolutions

REGIONAL BOARDS AND COMMITTEES – OUTSIDE AGENCIES

<p>SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) BOARD The Regional Council of Governments, which fosters cooperation on solving regional issues, such as transportation. Includes Regional Transportation Commission (RTC) Meeting.</p> <p>2021 City Council Appointment: Primary: Alejandra Sotelo-Solis (Term: December 2021) Alternate: Mona Rios (Term: December 2021)</p> <p>Board of Directors, and additional Policy Advisory Committees(PAC):</p> <ol style="list-style-type: none"> 1. Executive Committee 2. Transportation Committee 3. Regional Planning Committee 4. Borders Committee 5. Public Safety Committee <p><small>*Term is annual and must be appointed by December 31.</small></p>	<p>Meetings: Board Business Meeting – 4th Friday of each month at 9:00 a.m. and 2nd Friday at 9:00 a.m.</p> <p>Public Safety Meeting – 3rd Friday of each month at 1:00 p.m.</p> <p>Regional Planning Meeting – 1st Friday of each month at 12:30 p.m.</p> <p>Stipend: \$150 Board Meetings \$100 PAC Meetings \$100 RTC Meetings</p> <p>Staff Assigned: Brad Raulston</p>
<p>LEAGUE OF CALIFORNIA CITIES A Coalition of California Cities meeting on issues of local, regional and statewide concern.</p> <p>2021 City Council Appointment: Primary: Alejandra Sotelo-Solis (Term expires: December 2021) Alternate: Mona Rios (Term expires: December 2021) Clerk Supporting: Luz Molina (Term expires: December 2021)</p> <p><small>*Annual Term</small></p>	<p>Meetings: 2nd Monday of each month 11:30 – 1:00 p.m.</p> <p>Stipend: None. Staff Assigned: Tony Winney</p>
<p>METROPOLITAN TRANSIT SYSTEM BOARD (MTS) Public Transportation Issues.</p> <p>2021 City Council Appointment: Primary: Alejandra Sotelo-Solis (Term expires: December 2022) Alternate: Marcus Bush (Term expires: December 2022)</p> <p><small>*Term is two (2) years or end of elected term</small></p>	<p>Meetings: Executive Committee – Thursdays at 9:00 a.m.</p> <p>Stipend: \$150 Board Meeting Staff Assigned: Tony Winney</p>
<p>REGIONAL SOLID WASTE ASSOCIATION (RSWA) A Joint Powers Authority (JPA) of the Cities of Del Mar, Encinitas, Escondido, National City, Poway, Solana Beach, and Vista. Its purpose is to address solid waste, household hazardous waste, and other environmental issues on a regional level.</p> <p>2021 Mayoral Appointment: Primary: Ron Morrison Alternate: Jose Rodriguez</p> <p><small>*Term is two (2) years or end of elected term</small></p>	<p>Meetings: 4th Thursday of each month at 9:00 a.m.</p> <p>Stipend: \$150 Board Meeting Staff Assigned: Carla Hutchinson</p>

REGIONAL BOARDS AND COMMITTEES – OUTSIDE AGENCIES

<p>PORT OF SAN DIEGO PUBLIC ART COMMITTEE</p> <p>2021 Mayoral Appointment: Community Representative: Charles Reilly (Term expires: December 31, 2021)</p> <p>(Appointed April 5, 2016) Term is for three (3) years. *No member may serve more than six (6) years per BPC Policy No. 609 (7)</p>	<p>Meetings: Monthly basis, as needed.</p> <p>Stipend: None. Staff Assigned: Brad Raulston</p>
<p>METRO WASTEWATER JPA</p> <p>Oversees the sewage system for the San Diego area and makes decisions regarding financial expenditures relating to the sewage system. Appointee from each agency plus an alternate.</p> <p>2021 Mayoral Appointment: Primary: Jose Rodriguez (Term expires: December 2022) Alternate: Marcus Bush (Term expires: December 2022)</p> <p>*Term is two (2) years or until no longer elected official.</p>	<p>Meetings: Metro Commission/JPA – 1st Thursday of each month at 12:00 p.m.</p> <p>MetroTAC Committee – 3rd Wednesday of each month at 11:00 a.m.</p> <p>Stipend: \$150 per Meeting Staff Assigned: Roberto Yano</p>
<p>SAN DIEGO COUNTY WATER AUTHORITY (SDCWA)</p> <p>Providing safe and reliable supply of water.</p> <p>2021 City Council Appointment: Primary: Alejandra Sotelo-Solis (Term expires: December 2022) Alternate: Marcus Bush (Term expires: December 2022)</p> <p>Board of Directors, and additional Standing Committees:</p> <ol style="list-style-type: none"> 1. Administrative and Finance Committee 2. Engineering and Operations Committee 3. Imported Water Committee 4. Legislation and Public Outreach Committee 5. Water Planning and Environmental Committee <p>*Term is two (2) years per SDCWA Article 2.00.040</p>	<p>Meetings: Board Business Meetings - 4th Thursday of each month, except November and December at 9:00 a.m.</p> <p>Stipend: \$150 Board of Directors Meeting \$180 Officers (Chair/Vice-Chair) Staff Assigned: Roberto Yano</p>
<p>SAN DIEGO UNIFIED PORT DISTRICT</p> <p>2021 City Council Appointment: Community Representative: Sandy Naranjo (Term expires: December 2024)</p> <p>*Term is four (4) years per SD Unified Port District Act</p>	<p>Meetings: Board Meetings – 2nd Tuesday of month at 1:00 p.m.</p> <p>Stipend: None. Staff Assigned: Brad Raulston</p>
<p>SWEETWATER AUTHORITY</p> <p>2021 Mayoral Appointment: (Per Sweetwater Policy 506): Alejandra Sotelo-Solis (Term expires: December 31, 2022) Community Representative: Mona Rios (Term expires: December 2025)</p> <p>*Term of four (4) years or end of elected term. Per Sweetwater Policy 506</p>	<p>Meetings: 2nd Wednesday of month at 6:00 p.m. 4th Wednesday of month at 6:00 p.m.</p> <p>Stipend: \$150 Board Meeting Staff Assigned: Brad Raulston</p>

REGIONAL BOARDS AND COMMITTEES – OUTSIDE AGENCIES

<p>OTAY AND SWEETWATER RIVER WATERSHED PANEL</p> <p>2021 City Council Appointment: Primary: Jose Rodriguez (Term expires: December 2022) Alternate: Alejandra Sotelo-Solis (Term expires: December 2022)</p> <p>*Term is two (2) years or end of elected term Per PRC 22.9 Chapter 4.5</p>	<p>Meetings: 2nd Thursday every other month beginning January 2:00 p.m. to 4:00 p.m.</p> <p>Staff Assigned: Martin Reeder</p>
<p>San Diego Community Power (SDCP) Joint Powers Authority (JPA) Board</p> <p>2021 Mayoral Appointment: Primary: TBD Alternate: TBD</p> <p>*Per JPA Agreement Section 4.2</p>	<p>Meetings: 4th Thursday of month at 5:00 p.m.</p> <p>Stipend: None. Staff Assigned: Roberto Yano</p>

SANDAG COMMITTEES AND WORKING GROUPS

<p>BAYSHORE BIKEWAY WORKING GROUP</p> <p>2021 City Council Appointment: Primary: Marcus Bush (Term expires: December 2021) Alternate: Alejandra Sotelo-Solis (Term expires: December 2021)</p> <p>*Per SANDAG Policy Advisory Committee Membership Policy No. 002 *Term is annual</p>	<p>Meetings: As-Needed Basis</p> <p>Stipend: \$100 Committee Meetings Staff Assigned: Luca Zappiello</p>
<p>SHORELINE PRESERVATION WORKING GROUP</p> <p>2021 City Council Appointment: Primary: Marcus Bush (Term expires: December 2021) Alternate: Mona Rios (Term expires: December 2021)</p> <p>*Per SANDAG Policy Advisory Committee Membership Policy No. 002 *Term is annual</p>	<p>Meetings: Quarterly on 1st Thursday of month at 11:30 a.m.</p> <p>Stipend: \$100 Committee Meetings Staff Assigned: Martin Reeder</p>
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<p>REGIONAL ENERGY WORKING GROUP</p>	<p>Staff Assigned: Roberto Yano</p>
<p>TECHNICAL WORKING GROUP</p>	<p>Staff Assigned: Martin Reeder</p>
<p>CITIES TRANSPORTATION ADVISORY COMMITTEE</p>	<p>Staff Assigned: Jose Lopez</p>
<p>SAN DIEGO REGIONAL TRAFFIC ENGINEERS COUNCIL</p>	<p>Staff Assigned: Luca Zappiello</p>
<p>SAN DIEGO REGIONAL MILITARY WORKING GROUP</p>	<p>Staff Assigned: Brad Raulston</p>
<p>GOODS MOVEMENT WORKING GROUP</p>	<p>Staff Assigned: Luca Zappiello</p>
<p>MICRO-MOBILITY WORKING GROUP</p>	<p>Staff Assigned: Luca Zappiello</p>

RESOLUTION NO. 2021-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, APPOINTING MEMBERS OF THE CITY COUNCIL TO THE SAN DIEGO ASSOCIATION OF GOVERNMENTS BOARD OF DIRECTORS

WHEREAS, California Public Utilities Code Sections 132351.1 (d) and (f) require that the City Council appoint a primary representative and alternate to the San Diego Association of Governments (“SANDAG”) Board of Directors; and

WHEREAS, SANDAG requests that the appointments be made by the Legislative Body (“City Council”) and that the appointments be made no later than January 31 of each year.

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

Section 1: The above recitals are true and correct.

Section 2: The following City of National City Councilmembers are appointed to the San Diego Association of Governments Board of Directors, for a term ending in December 2022 or until replacements are appointed:

PRIMARY MEMBER: _____

ALTERNATE: _____

Section 3: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

Section 4: Direction to the City Clerk to provide a certified copy of the resolution in its entirety to SANDAG prior to the January 31 deadline.

PASSED AND ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

RESOLUTION NO. 2021 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, APPOINTING MEMBERS OF THE CITY COUNCIL TO THE SAN DIEGO COUNTY WATER AUTHORITY BOARD OF DIRECTORS

WHEREAS, California Public Utilities Code Sections 132351.1 (d and (f) require that the City Council appoint a primary representative and alternate to the San Diego County Water Authority Board of Directors; and

WHEREAS, San Diego County Water Authority Board of Directors requests that the appointments be made by the Legislative Body ("City Council") and that the appointment be made no later than January 31 of each year.

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

Section 1: The above recitals are true and correct.

Section 2: The following City of National City Councilmembers are appointed to the San Diego County Water Authority Board of Directors, for a term ending in December 2022 or until replacements are appointed:

PRIMARY MEMBER: _____

ALTERNATE: _____

Section 3: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

Section 4: Direction to the City Clerk to provide a certified copy of the resolution in its entirety to San Diego County Water Authority Board of Directors prior to the January 31 deadline.

PASSED AND ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

RESOLUTION NO. 2021 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, CONFIRMING THE MAYORAL APPOINTMENTS OF MEMBERS OF THE CITY COUNCIL TO THE VARIOUS REGIONAL COMMITTEE ASSIGNMENTS

WHEREAS, California Government Code Section 40605 requires that the Mayor appoint, with City Council concurrence, City Councilmembers to various regional committee assignments as listed in Exhibit "A"; and

WHEREAS, the regional agencies request that the appointments be made no later than the first Regular City Council Meeting in 2022; and

WHEREAS, the City Council shall consider each of the Mayoral nominations.

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

Section 1: The above recitals are true and correct.

Section 2: That the Mayoral Appointments to the Regional Committee Assignments as listed in Exhibit "A" are confirmed for terms ending in December 2022, or until end of specified term or until replacement is appointed.

Section 3: That 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 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

REGIONAL BOARDS AND COMMITTEES – OUTSIDE AGENCIES

<p>SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) BOARD The Regional Council of Governments, which fosters cooperation on solving regional issues, such as transportation. Includes Regional Transportation Commission (RTC) Meeting.</p> <p>2021 City Council Appointment: Primary: Alejandra Sotelo-Solis (Term: December 2021) Alternate: Mona Rios (Term: December 2021)</p> <p>Board of Directors, and additional Policy Advisory Committees(PAC):</p> <ol style="list-style-type: none"> 1. Executive Committee 2. Transportation Committee 3. Regional Planning Committee 4. Borders Committee 5. Public Safety Committee <p>*Term is annual and must be appointed by December 31.</p>	<p>Meetings: Board Business Meeting – 4th Friday of each month at 9:00 a.m. and 2nd Friday at 9:00 a.m.</p> <p>Public Safety Meeting – 3rd Friday of each month at 1:00 p.m.</p> <p>Regional Planning Meeting – 1st Friday of each month at 12:30 p.m.</p> <p>Stipend: \$150 Board Meetings \$100 PAC Meetings \$100 RTC Meetings</p> <p>Staff Assigned: Brad Raulston</p>
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REGIONAL BOARDS AND COMMITTEES – OUTSIDE AGENCIES

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SANDAG COMMITTEES AND WORKING GROUPS

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<p>MICRO-MOBILITY WORKING GROUP</p>	<p>Staff Assigned: Luca Zappiello</p>

The following page(s) contain the backup material for Agenda Item: [Appointment to Regional Board: San Diego Community Power \(SDCP\) Joint Powers Authority \(JPA\) Board. \(City Clerk\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.

ITEM TITLE:

Appointment to Regional Board: San Diego Community Power (SDCP) Joint Powers Authority (JPA) Board (City Clerk)

PREPARED BY: Shelley Chapel, Deputy City Clerk

DEPARTMENT: City Clerk

PHONE: (619) 336-4225

APPROVED BY: *Shelley Chapel*

EXPLANATION:

On November 2, 2021, City Council adopted an ordinance establishing Community Choice Aggregation in the City of National City. As a member agency of San Diego Community Power (SDCP), per the Joint Powers Authority (JPA) Agreement Section 4.2, the City of National City is entitled to one primary seat on the Board of Directors and an alternate selected from the Mayor and City Council. SDCP's Board is comprised of elected representatives from each member jurisdiction, which may expand as new communities join SDCP in the future. Consistent with most other regional board appointments, these appointments would be made by the Mayor, subject to confirmation by the City Council.

The Board is publicly accountable to SDCP ratepayers and hosts monthly Board meetings, where they establish policy, set rates, determine power options and maintain fiscal oversight. This appointment must be made before the end of the calendar year 2021.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

None.

ENVIRONMENTAL REVIEW:

This action is not subject to review under the California Environmental Quality Act (CEQA)

ORDINANCE: **INTRODUCTION:** **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Appoint a member and alternate of the City Council to represent the City of National City on the San Diego Community Power Board.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

None.

The following page(s) contain the backup material for Agenda Item: [Appointments: City Boards, Commissions, and Committees - Mayoral Appointments. \(City Clerk\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO. |

ITEM TITLE:

Appointments: City Boards, Commissions and Committees – Mayoral Appointments (City Clerk)

PREPARED BY: Luz Molina, City Clerk
Shelley Chapel, Deputy City Clerk |

DEPARTMENT: City Clerk’s Office

PHONE: (619) 336-4225 |

APPROVED BY: *Shelley Chapel*

EXPLANATION:

Vacancy for Community and Police Relations Committee was noticed in the Star News, posted on the City Hall Bulletin Boards, City Website, and City Social Media sites to advertise openings and the application acceptance period.

The Vacancy Notices posted Tuesday, November 16, 2021, and all applications were due to the City Clerk’s Office by the deadline of Thursday, December 1, 2021, at 5:00 p.m.

This vacancy is due to the resignation of member Christine Stein on August 19, 2021. There is one (1) seat to fulfill the remainder of term to March 3, 2023.

(See Explanation (Attachment A) for more information)

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

None.

ENVIRONMENTAL REVIEW:

This action is not subject to review under the California Environmental Quality Act (CEQA)

ORDINANCE: **INTRODUCTION:** **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Mayoral appointment with City Councilmembers confirmation.

BOARD / COMMISSION RECOMMENDATION:

n/a |

ATTACHMENTS:

- Attachment A – Explanation
- Attachment B – Applications (redacted)
- Attachment C – City Council Policy #107
- Attachment D – Boards Commission Committee Reference Chart |

The City Clerk's Office began advertising and accepting applications for Vacancy on Mayoral appointed Community & Police Relations Committee on November 16, 2021.

Background

In order to obtain qualified candidates, a Notice of Vacancies was advertised on the following: The City website, posted on the City Hall Bulletin Boards, the Star News (twice) and City Social Media sites to advertise openings and the application acceptance period.

Deadline to submit applications to the City Clerk's Office to be considered for vacancy was Thursday, December 1, 2021, at 5:00 p.m. All applications were received before the deadline. One (1) additional application was submitted but was not complete as it was missing the supplemental to application regarding self reporting of convictions. This application was not included with your report. Deputy City Clerk attempted to reach applicant to resolve issue via emails (2) and phone call.

One vacancy to the Community & Police Relations Committee (CPRC) was advertised to fulfill a term due to resignation of Christine Stein on August 19, 2021. The term would end March 31, 2023.

BCC	Number of Open Seats and Term expiration for that seat	Appointing Member(s)	Residency Requirement	Electoral of City Requirement	Compensation
Community & Police Relations Committee	(1) One Seat March 31, 2023	Mayoral	No/Yes	No	None

This seat can be filled by non-resident/resident. If filling a resident requirement, applicant must reside within the City of National City at the time the application is submitted to be considered for the resident position.

One (1) applicant Paul Wapnowski is currently a member of the Civil Service Commission appointed November 20, 2018, to present with a term that expires September 30, 2023. Attendance of meetings is shown below for reference. No meetings were held in 2018 following his appointment.

Attendance: 2019 – Four (4)

Meetings Attended: 4
Meetings Absent: 0
Meetings Cancelled: 0

Attendance: 2020 – Two (2)

Meetings Attended: 2
Meetings Absent: 0
Meetings Cancelled: 0

Attendance: 2021 – Nine (9)

Meetings Attended: 8
Meetings Absent: 0
Meetings Cancelled: 1

Per City Council Policy #107 (D)(14)(3) Mandatory Training and Filing Requirements:

Member Wapnowski has the following required training still left to complete: Brown Act Training, Social Media Training and Anti-Sexual Harassment Training. In addition, submittal of the Self-Attestation of COVID-19 Status and Disclosure Authorization.

As a reminder City Council Policy #107 (D)(5) states:

A member may only serve on one (1) Board, Commission, or Committee at a time. If applying for another position on a different Board, Commission, or Committee that applicant will forfeit the prior seat, and a vacancy will occur per policy.

Applicants to interview and consider:

1. Robert Moreno – Non-Resident (Chula Vista)
2. Janice Luna Reynoso - Resident
3. Javier Vargas – Non-Resident (San Diego)
4. Paul Wapnowski – Resident (Currently Chair and Member of the Civil Service Commission)

Appointment:

Per City Council Policy #107 (D)(7):

The Mayor will make the motion to appoint (naming the appointee) and Councilmembers may second the motion. The City Clerk will then take a roll call vote of the City Council. A majority vote of the City Council will be required for the appointment. If, the majority of the City Council choose to deny the proposed appointment, at which point the Mayor would propose an alternative candidate from the current application pool, or could choose to reopen the application period and return to City Councils with a different applicant for consideration. If Mayor Appointment is not approved by the majority of the City Council by confirmation, that applicant is removed from the pool for that seat. The Mayor will return to a future meeting with a substitute Mayoral appointment.

Per City Council Policy #107 (D)(14)(3): Attendance

A Commissioner or Member of a Board, Committee, or Commission must be present at least one hour, or 50% of the entire meeting, whichever is less, to be counted as present for purposes of attendance.

Per City Council Policy #107 (D)(14)(3): Mandatory Training and Filing Requirements:

Commissioners and Members of Board, Committee, or Commission, as appointed by the legislative body, are entrusted with certain responsibilities and concomitant training and reporting. The following are requirements of Commissioners and Members of Boards, Commissions, and Committees. This training is required to be completed within 30 days of appointment or notification.

1. Oath of Office (Article XX of the California Constitution, and California Government Code Section 36507)
2. Fair Political Practices Commission (FPPC) Statement of Economic Interest Form 700 Filing (California Government Code Section 87100 et seq)
3. AB1234 Ethics Training (California Government Code Section 53235.1(b))
4. Anti-Sexual Harassment Training
5. Brown Act Training
6. Social Media Training
7. Any training required by State Law, Federal Law, or City Policies.

All training is offered in a variety of formats including in person, via Zoom, training website/software, and pre-recorded video. Currently, these are all requirements of the Mayor and City Council, and City staff.

CITY OF NATIONAL CITY
APPLICATION FOR APPOINTMENT
TO CITY BOARDS, COMMISSIONS, AND COMMITTEES

RECEIVED

- Community & Police Relations Commission* (CPRC)
- Library Board of Trustees
- Parks, Recreation & Senior Citizens Advisory Board
- Veterans & Military Families Advisory Committee*
- Port Commission

- Civil Service Committee
- Planning Commission
- Public Art Committee
- Traffic Safety Committee
- Advisory Housing Committee*

MAR 08 2021

Office of the City Clerk
City of National City

- Applicants must be residents of the City of National City except for those marked by an asterisk (*). All applicants must be U.S. Citizens.
- Applicants for the Community and Police Relations Commission must pass a criminal background check prior to appointment.
- Applicants for the Advisory Housing Committee must have subject matter expertise in housing-related issues.

Name: Robert Moreno E-Mail: Moreno-R@hotmail.com

Home Address: [REDACTED] Tel No: [REDACTED]
(Include City/Zip) Chula Vista CA 91911

Business Affiliation: Better Business Bureau Title: Conciliation & Engagement Specialist

Business Address: 4747 Viewridge Ave #200 Tel. No.: 658-427-1129

Length of Residence in National City: 15 yrs San Diego County: 34 yrs California: 34 yrs

Educational Background: San Diego State University, 2011, Bachelor's in Journalism
Southwestern College, 2006, Transfer studies, Sweetwater High School, 2003

Occupational Experience: Better Business Bureau 2019 - Present, Contra
Star-News, 2013 - 2019, City of Chula Vista, 2019

Professional or Technical Organization Memberships: _____

Civic or Community Experience, Membership, or Previous Public Service Appointments: Chula Vista
Redistricting Commission (2021), Copley-Vice YMCA Board of Advisors

Experience or Special Knowledge Pertaining to Area of Interest: _____

Have you ever been convicted of a felony crime? No: Yes: ___ misdemeanor crime? No: Yes: ___
If any convictions were expunged disclosure is not required. Convictions are not necessarily disqualifying. Please feel free to provide an explanation or information if "Yes" was marked for the above two questions.

Date: 03/5/2021 Signature: [REDACTED]

Please feel free to provide additional information or letters of endorsement.

Return completed form to: Office of the City Clerk, 1243 National City Blvd., National City, CA 91950

Thank you for your interest in serving the City of National City.

Supplemental Application:
National City Community and Police Relations Commission (CPRC)

The National City Community and Police Relations Commission serves as an independent, unbiased and impartial office that is readily available to the public. It is an organization for the improvement of police and community relations and the facilitation of disputes whenever possible. It provides a forum for citizens to voice their concerns, comment about police conduct, practices and policies and improves communication between citizens and the National City Police Department

The National City Community and Police Relations Commission is empowered to receive and review complaints regarding National City Police Department Personnel for alleged misconduct, and to recommend appropriate changes of Police Department policies and procedures toward the goals of safeguarding the rights of persons and promoting higher standards of competency, efficiency and justice in the provision of community policing services.

Applicants must be completely forthright and truthful during the application process. Applicants may be disqualified in the background process as a result of dishonesty and/or purposely omitting information regarding one's criminal history. Given the complexity of this Commission and its duties, it is necessary to pass a criminal background check prior to appointment by City Council and/or swearing in as Commissioner. The Human Resources department will contact you to schedule the criminal background process when, and if appropriate. It is important to note that you fill out this application completely and honestly to the best of your abilities. Failure to disclose your criminal history may result in disqualification. If a conviction has been expunged disclosure is not required.

Applicant Name: Robert Moverc

Have you ever been convicted of a felony crime: No: Yes:
Have you been convicted of a misdemeanor: No: Yes:

If any convictions were expunged disclosure is not required.

Please feel free to provide an explanation or information regarding yes answers to the above two questions.

There may be circumstances that could disqualify an applicant from the background process beyond the listed crimes below. Each incident is evaluated in terms of the circumstances and facts surrounding its occurrence and its degree of relevance to the position.

*****Disqualifying criteria for Community and Police Relations Commissioner are listed on the back of this form.***

CITY OF NATIONAL CITY
APPLICATION FOR APPOINTMENT
TO CITY BOARDS, COMMISSIONS, AND COMMITTEES

Received City
Clerk's Office
12/01/21 at 3:12
p.m. SC

- | | |
|-------------------------------------------------------------------------------------|------------------------------------------------------|
| <input checked="" type="checkbox"/> Community & Police Relations Commission* (CPRC) | <input type="checkbox"/> Civil Service Committee |
| <input type="checkbox"/> Library Board of Trustees | <input type="checkbox"/> Planning Commission |
| <input type="checkbox"/> Parks, Recreation & Senior Citizens Advisory Board | <input type="checkbox"/> Public Art Committee* |
| <input type="checkbox"/> Veterans & Military Families Advisory Committee* | <input type="checkbox"/> Traffic Safety Committee |
| <input type="checkbox"/> Port Commission | <input type="checkbox"/> Advisory Housing Committee* |

- Applicants must be residents of the City of National City except for those marked by an asterisk (*). All applicants must be U.S. Citizens.
- Applicants for the Community and Police Relations Commission must pass a criminal background check prior to appointment.
- Applicants for the Advisory Housing Committee must have subject matter expertise in housing-related issues.

Name: Janice Luna Reynoso E-Mail: janice@mundogardens.com

Home Address: [REDACTED] National City 91950 Tel No: [REDACTED]
(Include City/Zip)

Business Affiliation: Mundo Gardens Title: Executive Director

Business Address: 404 Euclid Ave #329, San Diego, CA 92114 Tel. No.: 619-988-4392

Length of Residence in National City: 43 San Diego County: 43 California: 43

Educational Background: Indigenous values, Resident Leadership Academy, RISE San Diego Urban Leader
Trade School

Occupational Experience: Community organizer, Environmental justice advocate and public health educator

Professional or Technical Organization Memberships: Board member on the San Diego Council of Literacy

Civic or Community Experience, Membership, or Previous Public Service Appointments:
District One representative and member of the County of San Diego Behavioural Health Advisory Board

Experience or Special Knowledge Pertaining to Area of Interest: Behavioural health and social justice advocate

Have you ever been convicted of a felony crime? No Yes: misdemeanor crime? No Yes:
If any convictions were expunged disclosure is not required. Convictions are not necessarily disqualifying. Please feel free to provide an explanation or information if "Yes" was marked for the above two questions.

Date: 12/1/2021 Signature: [REDACTED]

Please feel free to provide additional information or letters of endorsement.

Return completed form to: Office of the City Clerk, 1243 National City Blvd., National City, CA 91950

Thank you for your interest in serving the City of National City.

Supplemental Application:
National City Community and Police Relations Commission (CPRC)

The National City Community and Police Relations Commission serves as an independent, unbiased and impartial office that is readily available to the public. It is an organization for the improvement of police and community relations and the facilitation of disputes whenever possible. It provides a forum for citizens to voice their concerns, comment about police conduct, practices and policies and improves communication between citizens and the National City Police Department

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Applicant Name: Janice Luna Reynoso

Have you ever been convicted of a felony crime: No: Yes:
Have you been convicted of a misdemeanor: No: Yes:

If any convictions were expunged disclosure is not required.

Please feel free to provide an explanation or information regarding yes answers to the above two questions.

There may be circumstances that could disqualify an applicant from the background process beyond the listed crimes below. Each incident is evaluated in terms of the circumstances and facts surrounding its occurrence and its degree of relevance to the position.

*****Disqualifying criteria for Community and Police Relations Commissioner are listed on the back of this form.***

CITY OF NATIONAL CITY
APPLICATION FOR APPOINTMENT
TO CITY BOARDS, COMMISSIONS, AND COMMITTEES

Received in the City
Clerk's Office via email
3/4/2021 at 11:26 a.m. SC

- | | |
|-------------------------------------------------------------------------------------|---------------------------------------------------------|
| <input checked="" type="checkbox"/> Community & Police Relations Commission* (CPRC) | <input type="checkbox"/> Civil Service Committee |
| <input type="checkbox"/> Library Board of Trustees | <input checked="" type="checkbox"/> Planning Commission |
| <input type="checkbox"/> Parks, Recreation & Senior Citizens Advisory Board | <input type="checkbox"/> Public Art Committee* |
| <input type="checkbox"/> Veterans & Military Families Advisory Committee* | <input type="checkbox"/> Traffic Safety Committee |
| <input type="checkbox"/> Port Commission | <input type="checkbox"/> Advisory Housing Committee* |

- Applicants must be residents of the City of National City except for those marked by an asterisk (*). All applicants must be U.S. Citizens.
- Applicants for the Community and Police Relations Commission must pass a criminal background check prior to appointment.
- Applicants for the Advisory Housing Committee must have subject matter expertise in housing-related issues.

Name: Savier Vargas E-Mail: SavierVargas5879@gmail.com

Home Address:  Tel No: 
(Include City/Zip)

Business Affiliation: Automotive Repair Labs Title: Owner

Business Address: _____ Tel. No.: _____

Length of Residence in National City: 15 San Diego County: 41 California: 41

Educational Background: Business Management

Occupational Experience: Director of Operations for a large Automotive company

Professional or Technical Organization Memberships: _____

Civic or Community Experience, Membership, or Previous Public Service Appointments:
High School sports coach volunteer

Experience or Special Knowledge Pertaining to Area of Interest: community outreach

Have you ever been convicted of a felony crime? No: Yes: ___ misdemeanor crime? No: Yes: ___
If any convictions were expunged disclosure is not required. Convictions are not necessarily disqualifying. Please feel free to provide an explanation or information if "Yes" was marked for the above two questions.

N/A 

Date: 3/4/2021 Signature: _____

Please feel free to provide additional information or letters of endorsement.

Return completed form to: Office of the City Clerk, 1243 National City Blvd., National City, CA 91950

Thank you for your interest in serving the City of National City.

Pursuant to the California Public Records Act, information on this form may be released to the public upon request.

Rev. February 2020

Supplemental Application:
National City Community and Police Relations Commission (CPRC)

The National City Community and Police Relations Commission serves as an independent, unbiased and impartial office that is readily available to the public. It is an organization for the improvement of police and community relations and the facilitation of disputes whenever possible. It provides a forum for citizens to voice their concerns, comment about police conduct, practices and policies and improves communication between citizens and the National City Police Department

The National City Community and Police Relations Commission is empowered to receive and review complaints regarding National City Police Department Personnel for alleged misconduct, and to recommend appropriate changes of Police Department policies and procedures toward the goals of safeguarding the rights of persons and promoting higher standards of competency, efficiency and justice in the provision of community policing services.

Applicants must be completely forthright and truthful during the application process. Applicants may be disqualified in the background process as a result of dishonesty and/or purposely omitting information regarding one's criminal history. Given the complexity of this Commission and its duties, it is necessary to pass a criminal background check prior to appointment by City Council and/or swearing in as Commissioner. The Human Resources department will contact you to schedule the criminal background process when, and if appropriate. It is important to note that you fill out this application completely and honestly to the best of your abilities. Failure to disclose your criminal history may result in disqualification. If a conviction has been expunged disclosure is not required.

Applicant Name: Savien Vargas

Have you ever been convicted of a felony crime: No: Yes:
Have you been convicted of a misdemeanor: No: Yes:

If any convictions were expunged disclosure is not required.

Please feel free to provide an explanation or information regarding yes answers to the above two questions.

There may be circumstances that could disqualify an applicant from the background process beyond the listed crimes below. Each incident is evaluated in terms of the circumstances and facts surrounding its occurrence and its degree of relevance to the position.

*****Disqualifying criteria for Community and Police Relations Commissioner are listed on the back of this form.***

CITY OF NATIONAL CITY
APPLICATION FOR APPOINTMENT
TO CITY BOARDS, COMMISSIONS, AND COMMITTEES

NOV 30 2021

Office of the City Clerk
National City

- X Community & Police Relations Commission* (CPRC)
Library Board of Trustees
Parks, Recreation & Senior Citizens Advisory Board
Veterans & Military Families Advisory Committee*
Port Commission
Civil Service Commission
Planning Commission
Public Art Committee*
Traffic Safety Committee
Advisory Housing Committee*

Applicants must be residents of the City of National City except for those marked by an asterisk (*). All applicants must be U.S. Citizens.
Applicants for the Community and Police Relations Commission must pass a criminal background check prior to appointment.
Applicants for the Advisory Housing Committee must have subject matter expertise in housing-related issues.

Name: Paul Wapnowski E-Mail: pwapnowski@gmail.com

Home Address: [Redacted] Tel No: [Redacted]
(Include City/Zip)

Business Affiliation: Title:

Business Address: Tel. No.:

Length of Residence in National City: 14 San Diego County: 45 California: 45

Educational Background: MAEd Plymouth State University BA Sociology SDSU

Occupational Experience: Classroom Teacher 2008-Present Hospitality 1996-2005

Professional or Technical Organization Memberships:

Civic or Community Experience, Membership, or Previous Public Service Appointments:
Chair Civil Service Commission - 2019-Present

Experience or Special Knowledge Pertaining to Area of Interest: As a educator and resident of this community (this country), I have a belief that this kind of dialogue is imperative to meaningful change.

Have you ever been convicted of a felony crime? No: X Yes: misdemeanor crime? No: X Yes:
If any convictions were expunged disclosure is not required. Convictions are not necessarily disqualifying. Please feel free to provide an explanation or information if "Yes" was marked for the above two questions.

Date: 11/30/21 Signature: [Redacted]

Please feel free to provide additional information or letters of endorsement.
Return completed form to: Office of the City Clerk, 1243 National City Blvd., National City, CA 91950
Thank you for your interest in serving the City of National City.

Supplemental Application:
National City Community and Police Relations Commission (CPRC)

The National City Community and Police Relations Commission serves as an independent, unbiased and impartial office that is readily available to the public. It is an organization for the improvement of police and community relations and the facilitation of disputes whenever possible. It provides a forum for citizens to voice their concerns, comment about police conduct, practices and policies and improves communication between citizens and the National City Police Department

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Applicants must be completely forthright and truthful during the application process. Applicants may be disqualified in the background process as a result of dishonesty and/or purposely omitting information regarding one's criminal history. Given the complexity of this Commission and its duties, it is necessary to pass a criminal background check prior to appointment by City Council and/or swearing in as Commissioner. The Human Resources department will contact you to schedule the criminal background process when, and if appropriate. It is important to note that you fill out this application completely and honestly to the best of your abilities. Failure to disclose your criminal history may result in disqualification. If a conviction has been expunged disclosure is not required.

Applicant Name: Paul Wapnowski

Have you ever been convicted of a felony crime: No: Yes:

Have you been convicted of a misdemeanor: No: Yes:

If any convictions were expunged disclosure is not required.

Please feel free to provide an explanation or information regarding yes answers to the above two questions.

There may be circumstances that could disqualify an applicant from the background process beyond the listed crimes below. Each incident is evaluated in terms of the circumstances and facts surrounding its occurrence and its degree of relevance to the position.

*****Disqualifying criteria for Community and Police Relations Commissioner are listed on the back of this form.***

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	POLICY # 107
ADOPTED: June 17, 1986	AMENDED: November 16, 2021

PURPOSE

To establish a procedure to serve as a guide in making appointments to various City Boards, Commissions, and Committees. The City currently has the following Boards, Commissions, and Committees to which this Policy applies:

Mayor's Appointments:

1. Board of Library Trustees
2. Community and Police Relations Commission
3. Park, Recreation, and Senior Citizens Advisory Committee
4. Public Art Committee
5. Sweetwater Authority
6. Traffic Safety Committee
7. Veterans and Military Families Advisory Committee

City Council Appointments:

1. Civil Service Commission
2. Planning Commission
3. Housing Advisory Committee including Ex-Officio Members
4. Port Commission

POLICY

Appointment Process

- A. Opportunity to apply. All interested individuals shall be given an opportunity to submit applications for vacancies on City Boards, Commissions, and Committees. Incumbent Appointees are not automatically re-appointed but are required to fill out an abbreviated application provided by the City Clerk, indicating their interest in continuing to serve.
- B. Unexpired terms. If an incumbent Appointee was appointed to fill an unexpired term and the Appointee serves for less than one year in that position, the Council may re-appoint the incumbent without considering other applicants.
- C. Vacancies. When vacancies occur, the following procedure shall be followed:
 1. Schedule vacancy. When a term is expiring or expires, public notice of the vacancy shall be made, inviting interested individuals to submit applications for the vacancy on a form provided by the City Clerk on the City website.

Unscheduled vacancy. An unscheduled vacancy shall be filled according to

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	POLICY # 107
ADOPTED: June 17, 1986	AMENDED: November 16, 2021

Government Code Section 54974, which generally provides as follows: Whenever an unscheduled vacancy occurs, whether due to resignation, death, termination, or other causes, a special vacancy notice shall be posted in the Office of the City Clerk, the City website, outside City Hall on the Bulletin Board, and on City social media platforms not earlier than twenty (20) days before or not later than twenty (20) days after the vacancy occurs. The City Council shall not make a final appointment for at least ten (10) working days after posting the notice in designated locations. The notice's posting and application period shall be thirty (30) calendar days. However, if it finds that an emergency exists, the City Council may, fill the unscheduled vacancy immediately. According to this section, a person appointed to fill the vacancy shall serve only on an interim basis until the final appointment.

The end of term for the members of Boards, Commissions, and Committees generally occurs in an annual rotation during the months of March and September. Appointments will be considered at those times unless a vacancy resulting from a resignation results in the lack of a Quorum on the Board, Commission, or Committee, in which case the appointment could occur at the time of the unscheduled vacancy in accordance with the procedure set out above.

3. Government Code Section 40605, and National City Municipal Code Title 16, grants the Mayor, with the City Council's approvals, the authority to make all appointments unless otherwise explicitly provided by statute. The exceptions are:
 1. Civil Service Commission
 2. Planning Commission
 3. Housing Advisory Committee including Ex-Officio Members
 4. Planning Commission

The City Council fills vacancies on these bodies.

- D. Implementation. Implementation of Council policy for appointment to Boards, Commissions, and Committees requires the following:
 1. Per Government Code Section 54972, on or before December 31 of each year, the City Council shall prepare a list of appointments of all regular and ongoing Boards, Commissions, and Committees appointed by the City Council. The City Clerk will prepare the list of all regular and ongoing Boards, Commissions, and Committees appointed by the Mayor or the City Council. The list shall contain a list of all terms that will expire during the next calendar year, the incumbent appointee's name, the appointment date, the term's expiration date, and the position's necessary qualifications. It shall also include a list of all

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	POLICY # 107
ADOPTED: June 17, 1986	AMENDED: November 16, 2021

Boards, Commissions, and Committees whose members serve at the City Council's pleasure and the qualifications required for each position. This Local Appointments List shall be made available to the public on the City website.

2. Notice. A public notice for vacancies must be placed in the newspaper of general circulation within the City, on the City's website, City Hall Bulletin Boards, and City social media platforms.
3. Expiration of term. All appointees will receive a letter as their terms expire asking if they would like to re-apply for the position.
4. Applications. Applications shall be available on the City website and in the City Clerk's Office. Submissions must be received before the advertised deadline for consideration for the appointment. All applications will be retained in the City Clerk's Office for one year from the date the application was submitted. During the one-year retention period of the application, an applicant shall be considered for other vacancies on Boards, Commissions, and Committees. The City Clerk's Office will notify the applicant being considered for an appointment to confirm that they are still interested in volunteering.
5. A member may only serve on one (1) Board, Commission, or Committee at a time. If an applicant applies for another position on a different Board, Commission, or Committee, that applicant will forfeit the prior seat and a vacancy will occur per policy.
6. Interviews:
 - a. Mayor Appointments: Interviews for Mayoral appointments will be conducted by the Mayor outside of the public meeting and scheduled by the Mayor's Office.
 - b. City Council Appointments: Interviews for the four (4) Civil Service Commission, Planning Commission, Housing Advisory Committee, and Port Commission who serve at the City Council's pleasure and are appointed by the City Council as a body will be interviewed in the public forum at a City Council Meeting as described below.
7. Mayoral Appointments:

The Mayor will make the motion to appoint (naming the appointee) and Councilmembers may second the motion. The City Clerk will then take a roll call

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	POLICY # 107
ADOPTED: June 17, 1986	AMENDED: November 16, 2021

vote of the City Council. A majority vote of the City Council will be required for the appointment. If the majority of the City Council choose to deny the proposed appointment, the Mayor shall either propose an alternative candidate from the current application pool or choose to reopen the application period and return to the City Council at a future City Council Meeting with a different applicant for consideration. If a Mayoral Appointment is not approved by the majority of the City Council by confirmation, that applicant is removed from the pool for that seat. The Mayor will return to a future meeting with a substitute Mayoral appointment.

8. For City Council Appointments, the Interview Process is as follows:
 - a. The City Clerk will provide an overview of the Board, Commission, or Committee(s) with current vacancy (ies). The Mayor will introduce the applicant and two (2) questions will be asked of each applicant on behalf of the City Council.
 - b. Each applicant is given two (2) minutes to make a brief introduction of themselves and their qualifications to the City Council.
 - c. Mayor and City Councilmembers will ask questions of each applicant. All applicants must be asked the same questions.
 - d. Total time per applicant is five (5) timed minutes with time allowed for clarification at the discretion of the City Council, not to exceed ten (10) minutes total per applicant.
 - e. All appointments and interviews before the City Council will be scheduled as needed to fill unexpected vacancies, with every effort to be made before an individual's term expires. Interviews may take place at one meeting, with appointments made at a subsequent meeting.
9. Vacancies for City Council Appointed Positions. If the vacancy is for a City Council appointed position, and there is more than one (1) applicant for a given position, the voting process will proceed as follows: Once the interviews are complete, each Councilmember votes for their choice via a written ballot provided by the City Clerk. Each Councilmember shall print and sign their name on the ballot. All ballots shall be considered a public record and be open to inspection by the public. The ballots are passed to the City Clerk who announces the number of votes for each candidate.

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	POLICY # 107
ADOPTED: June 17, 1986	AMENDED: November 16, 2021

If the appointment process is conducted via a virtual meeting the process is the same except the ballot/vote process. The City Clerk's Office will provide a Vote Sheet (a piece of paper electronically) with the name of each applicant to be considered. The Mayor will count to three (3) and the Council will hold their vote sheet up in front of their face to make sure it is captured on the camera during the live virtual meeting. The City Clerk will tally the votes and will then confirm the votes with a verbal roll call. The applicant with the most votes is appointed.

In the event of a tie, each Councilmember votes again until one (1) candidate has the majority vote and is declared to be the newly-appointed member of the Board, Commission, or Committee.

10. Re-appointment beyond two terms. Anyone wishing to be re-appointed to any Board, Commission, or Committee and has served two or more full terms already must be approved by a four-fifths vote of the City Council. If all five members of the City Council are not present, or if one member abstains or recuses their vote, the four-fifths requirement shall be changed to require only a simple majority.

11. Report to Council:

All applications received for vacancies, whether Mayoral Appointment or City Council Appointment, will be attached to the staff report to Council. All applications will have private personal information redacted (name, street numbers and name of street address, and phone number). This redacted information is in alignment with Government Code Section 6255(a) because the public interest served by not disclosing the applicant's personal, private information and protection of the applicant's right to privacy outweighs the public interest served by disclosing that information.

12. An automatic vacancy upon becoming a Non-Resident. An unscheduled vacancy automatically occurs when a resident holding an appointment position on a City Board, Committee, or Commission becomes a non-resident by moving out of National City limits. When an unscheduled vacancy occurs due to a resident becoming a non-resident, the unscheduled vacancy may be filled as follows:

- a. A special vacancy notice shall be posted in the Office of the City Clerk, and in other places as directed by the City Council, not earlier than 20 days before or not later than 20 days after the vacancy occurs. Final Appointment at a City Council Meeting shall not be made by the Appointing Authority for at least 10 working days after the posting of the notice in the City Clerk's Office.

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	POLICY # 107
ADOPTED: June 17, 1986	AMENDED: November 16, 2021

- b. The Appointing Authority may appoint the former resident to a Non-Residential position if a Non-Residential position is vacant.

However, the Appointing Authority may, if it finds that an emergency exists, fill the unscheduled vacancy immediately. A person appointed to fill the vacancy shall serve only on an acting basis until the final appointment is made pursuant to this section.

- 13. Only City Residents may be elected to Chair and Vice-Chair positions. To be eligible to be elected as the Chairperson of a City Board, Committee, or Commission, the member must be a resident of the City.
- 14. Resignations, Attendance, Training, and Removals

Resignation:

If a Commissioner or Member of a Board, Committee, or Commission is unable to continue serving because of health, business requirements, or personal reasons, a letter of resignation shall be submitted to the City Clerk, who will present to the City Council.

Attendance:

Regular attendance at meetings is critical to be effective operation of City Boards, Commissions, and Committees. The City Council relies on the advice of the City's Boards, Commissions, and Committees, which is the result of discussions among appointed members. The City Council anticipates that members of Boards, Committees, and Commissions shall make every reasonable effort to attend all regular and special meetings of their respective Boards, Commissions, and Committees, and to be prepared to discuss matters on their respective agendas.

A Commissioner or Member of a Board, Committee, or Commission shall be considered removed from any advisory board under the following conditions:

- 1. A Commissioner or Member of a Board, Committee, or Commission with unexcused absences from three consecutive regularly scheduled meetings.
- 2. A Commissioner or Member of a Board, Committee, or Commission misses more than 25% of the advisory body's meetings in a calendar year.

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	POLICY # 107
ADOPTED: June 17, 1986	AMENDED: November 16, 2021

3. A Commissioner or Member of a Board, Committee, or Commission must be present at least one hour, or 50% of the entire meeting, whichever is less, to be counted as present for purposes of attendance.

Excused Absences:

An “excused absence” is only granted when absolutely necessary and pre-approved if at all possible. The City Council encourages Boards, Commissions, and Committees to refrain from scheduling meetings on cultural and religious holidays in order to encourage full participation by all Commissioners, Board Members, and the public. The pre-approval of excused absences will be by the body as a whole and documented in the meeting minutes.

Excused absences are listed as follows:

1. Illness of the Commissioner or Member of the Board, Committee, or Commission, their family member, or their personal friend;
2. Business commitment of the Commissioner or Member of the Board, Committee, or Commission that interferes with the attendance at a meeting;
3. Attendance of the Commissioner or Member of the Board, Committee, or Commission at a funeral, religious service or ceremony, wedding, or other similarly-significant event; or
4. Other reason for which the Commissioner or Member of the Board, Committee, or Commission has given notice to the Chairperson or Secretary of their unavailability fifteen (15) days in advance, as long as the unavailability is not expected to last longer than 30 days.

Removal:

The Secretary or Lead of each Board, Commission, or Committee will report the attendance to the Office of the City Clerk on a monthly basis. If the attendance or absences fall within these guidelines, the Office of the City Clerk will prepare a report to City Council for review and possible removal of the Commissioner, Member, or Alternate sitting on the Board, Committee, or Commission. Any Commissioner, Member, or Alternate sitting on a Board, Committee, or Commission may be removed from office at any time by a simple majority vote of the City Council at a regularly scheduled Council meeting with or without cause.

Mandatory Training and Filing Requirements:

Commissioners and Members of Board, Committee, or Commission, as appointed by the legislative body, are entrusted with certain responsibilities and

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: Appointments to Boards, Commission and Committees	POLICY # 107
ADOPTED: June 17, 1986	AMENDED: November 16, 2021

concomitant training and reporting. The following are requirements of Commissioners and Members of Boards, Commissions, and Committees. This training is required to be completed within 30 days of appointment or notification.

1. Oath of Office (Article XX of the California Constitution, and California Government Code Section 36507)
2. Fair Political Practices Commission (FPPC) Statement of Economic Interest Form 700 Filing (California Government Code Section 87100 et seq)
3. AB1234 Ethics Training (California Government Code Section 53235.1(b))
4. Sexual Harassment Training
5. Brown Act Training
6. Social Media Training
7. Any training required by State Law, Federal Law, or City Policies.

All training is offered in a variety of formats including in person, via Zoom, training website/software, and pre-recorded video. Currently, these are all requirements of the Mayor and City Council, and City staff.

Removal:

Failure to complete any of these requirements within 30 days of the appointment date or date of notification is cause for automatic removal.

Related Policy References

Government Code Section 40605

Government Code Section 54970, et seq.

Article XX of the California Constitution, and California Government Code Section 36507

California Government Code Section 53235(b)

California Government Code Section 87100 et seq

National City Municipal Code Title 16 (pending)

Prior Policy Amendments:

February 2, 2021 (Resolution No. 2021-08)

May 19, 2020 (Resolution No. 2020-95)

November 9, 1993 (Resolution No. 93-173)

June 11, 2013 (Revised – No Resolution – Refer to Meeting Minutes)

October 8, 2013 (Resolution No. 2013-147)

May 19, 2020 (Resolution No. 2020-20)

BOARDS/COMMISSION/COMMITTEES

BOARDS, COMMISSION AND COMMITTEES (11)	BOARD OF LIBRARY TRUSTEE	CIVIL SERVICE COMMISSION	COMMUNITY AND POLICE RELATIONS COMMISSION	PARK, RECREATION AND SENIOR CITIZENS' ADVISORY COMMITTEE	PLANNING COMMISSION and HOUSING ADVISORY COMMITTEE	PORT COMMISSION	PUBLIC ART COMMITTEE	SWEETWATER AUTHORITY	TRAFFIC SAFETY COMMITTEE	VETERAN'S AND MILITARY FAMILIES ADVISORY COMMITTEE
TOTAL MEMBERS (51+)	(5 Members)	(5 Members)	(8 Members)	(7 Members)	(7 Members) 2 Ex Officio	(1 Member)	(5 Members)	(1 Member)	(5 Members)	(7 Members)
TERM	3 Years	5 Years	3 Years	3 Years	4 Years	4 Years	3 Years	4 Years	3 Years	4 Years
RESIDENCY REQUIREMENT	Yes	Yes	5 Resident up to 2 Non-Resident (1) Non-Voting Member	Yes	Yes	Yes	No	n/a	Yes	5 Resident up to 2 Non-Resident
VOTER REQUIREMENT	No	No	No	No	No	No	No	No	No	No
MAYORAL APPOINTMENT SUBJECT TO CONFIRMATION BY THE CITY COUNCIL	X		X	X			X	X	X	X
CITY COUNCIL AS A BODY APPOINTMENT		X			X	X				
COMPENSATION	No	No	No	No	Compensation set by Council Resolution	No	No	No	No	No
FORM 700 FILING REQUIREMENT	Yes	Yes	Yes	No	Yes	n/a	No	n/a	No	No
MEETINGS	1 X per month	1X every other month	1X every 3 months	1X every 2 months	2X per month	n/a	1X per quarter	n/a	1X per month	1X per quarter
REQUIRED TO REPORT TO COUNCIL ANNUALLY	Yes, on or before August 31st and to the State Librarian	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
OTHER		Can not be salaried employee or holds office of the City								

CITY COUNCIL POLICY #107 and NCMC TITLE 16

**Effective February 2, 2020 all Chair and Vice-Chairs are required to be NC Residents

The following page(s) contain the backup material for Agenda Item: [Motion of the City Council of the City of National City, California approving the waiving of the reading of the text of the Ordinances or Resolutions that are having a Public Hearing considered at this meeting and providing that such Ordinances or Resolutions shall be introduced and/or adopted after a reading of the title only. \(City Clerk\)](#)

Please scroll down to view the backup material.

Item # ____
12/07/21

MOTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE WAIVING OF THE READING OF THE TEXT OF THE ORDINANCES OR RESOLUTIONS THAT ARE HAVING A PUBLIC HEARING CONSIDERED AT THIS MEETING AND PROVIDING THAT SUCH ORDINANCES OR RESOLUTIONS SHALL BE INTRODUCED AND/OR ADOPTED AFTER A READING OF THE TITLE ONLY.

(City Clerk)

The following page(s) contain the backup material for Agenda Item: [Approval of Meeting Minutes: CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION - HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY: Virtual Regular Meeting: October 19, 2021; SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY: Virtual Special Closed Session Meeting: October 19, 2021; and SPECIAL MEETING OF THE AMERICAN RESCUE PLAN ACT \(ARPA\) WORKSHOP: Virtual Special Closed Session Meeting: October 19, 2021. \(City Clerk\)](#)

Please scroll down to view the backup material.

Item # _____

12-7-2021

APPROVAL OF MEETING MINUTES

CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION - HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY:

Virtual Regular Meeting: October 19, 2021

SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY:

Virtual Special Closed Session Meeting: October 19, 2021

SPECIAL MEETING OF THE AMERICAN RESCUE PLAN ACT (ARPA) WORKSHOP:

Virtual Special Closed Session Meeting: October 19, 2021

(City Clerk)



**MINUTES OF A SPECIAL MEETING
NATIONAL CITY COUNCIL
AMERICAN RESCUE PLAN ACT (ARPA) WORKSHOP**

October 19, 2021

This meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic, and AB 361 adopted by the City Council every 30 days.

OPEN SESSION

CALL TO ORDER

The meeting was called to order at 5:10 p.m. by Mayor Sotelo-Solis.

ROLL CALL

Councilmembers present: Bush, Morrison, Rios, Rodriguez, and Sotelo-Solis.

Administrative Officials present: Raulston, Winney, Bell Jr., Chapel, Brennan, and Yano.

Other Elected Official present: Molina.

PUBLIC COMMENT

Mayor Sotelo-Solis summarized the process for acceptance of live public comment allowing three (3) minutes per comment and introduced City Clerk Molina.

No comments.

AMERICAN RESCUE PLAN ACT (ARPA) WORKSHOP

1. Adopted Resolution No. 2021-149. Resolution of the City Council of the City of National City adopting a 1st phase spending plan for a portion of the American Rescue Plan Act (ARPA) funding and approving appropriations in accordance with the plan.

Mayor Sotelo-Solis introduced City Manager Raulston who introduced Assistant City Manager Winney, Director of Administrative Services Brennan, and City Engineer Yano.

Mr. Raulston provided the PowerPoint presentation titled "American Rescue Act (ARPA) Workshop".

Public Comments:

Three (3) written comments were received and read into the record: Joan Rincon, Coyote Moon, National City Community Members.

One (1) spoken comment was heard: Crystal Irving.

Councilmembers asked clarification questions and Staff provided responses.

ACTION: Motion by Councilmember Bush, seconded by Councilmember Rios, to direct Staff to allocate ARPA funding in the amount of \$2,250,000 to facility improvements costs (pool deferred maintenance / emergency repairs).

Motion passed by unanimous vote.

ACTION: Motion by Councilmember Morrison, seconded by Mayor Sotelo-Solis, to direct Staff to authorize ARPA funding in the amount of \$200,000 for the design and outreach effort towards the Kimball Park master plan, and to direct Staff to bring back to Council two options for the locker room facility (repair or replace the existing facility).

Motion passed by unanimous vote.

ACTION: Motion by Vice-Mayor Rodriguez, seconded by Councilmember Rios, to direct Staff to allocate ARPA funding in the amount of \$2,000,000 for offset of General Fund expenditures for one year, and to support \$900,000 for premium pay for eligible city employees.

Motion passed by unanimous vote.

ADJOURNMENT

Mayor Sotelo-Solis adjourned to the Special Meeting to the Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City to be held Tuesday, October 19, 2021 at 6:00 p.m. via teleconference.

The meeting adjourned at 6:11 p.m.

Luz Molina, City Clerk

The foregoing minutes were approved at the Regular Meeting of December 7, 2021.

Alejandra Sotelo-Solis, Mayor



MINUTES OF A SPECIAL MEETING NATIONAL CITY COUNCIL

October 19, 2021

This meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic, and AB 361 adopted by the City Council every 30 days.

OPEN SESSION

CALL TO ORDER

The meeting was called to order at 3:02 p.m. by Mayor Sotelo-Solis.

ROLL CALL

Councilmembers present: Bush (arrived at 3:07 p.m.), Morrison, Rios, Rodriguez, and Sotelo-Solis.

Administrative Officials present: Raulston, Winney, Bell Jr., Chapel, Gomez, Brennan, Parra, Tellez, Yano, Meteau, Lt. Aydelotte, Captain Dougherty, Valadez, and Munoz.

Consultants/Advisors: Eddie Kreisberg.

PUBLIC COMMENTS

None.

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2)
One (1) Potential Case
2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Name of Case: *Sophia Bhandari, Garza Wilson, Sierra Wilson and Tony Wilson v. City of National City, et al.*
United States District Court, Southern District of California – Case No. 21-CV-1652-BTM-MDD
3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Name of Case: *Eugene R. Hawkinson v. City of National City, et al.*
San Diego Superior Court – Case No. 37-2020-00018398-CU-PA-CTL

Members retired into Close Session at 3:37 p.m. and returned at 3:48 p.m. with all members present.

Item 5 was heard out of order ahead of Item 4.

5. CONFERENCE WITH LABOR NEGOTIATORS

Government Code Section 54957.6

Employee Organizations: Municipal Employees' Association (SEIU, Local 221), National City Firefighters Association (Local 2744), Police Officers Association (POA)

Unrepresented Groups: Executive, Confidential, and Management

Agency Designated Representatives: Eddie Kreisberg (Labor Negotiator), Doug Johnson (Ralph Andersen & Associates), Brad Raulston (City Manager), Tony Winney (Assistant City Manager), Molly Brennan (Administrative Services Director), Frank Parra (Chief of Emergency Services), Jose Tellez (Chief of Police), Paul Valadez (Budget Manager - Finance), Lilia Munoz (Human Resources Manager)

Members retired into Closed Session at 3:48 p.m. and returned at 4:42 p.m. with all members present.

4. PUBLIC EMPLOYEE EMPLOYMENT

Government Code Section 54957

Performance Evaluation: City Attorney

Members retired into Closed Session at 4:42 p.m., City Attorney Bell left Closed Session and returned to the meeting room at 5:09 p.m.. Item to be continued to November 2, 2021.

Members returned from Closed Session at 5:10 p.m. with all members present.

CLOSED SESSION REPORT PROVIDED AT END OF REGULAR MEETING

ADJOURNMENT

Mayor Sotelo-Solis adjourned to the Special Meeting to the Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City to be held Tuesday, October 19, 2021 at 6:00 p.m. via teleconference.

The meeting adjourned at 5:10 p.m.

Shelley Chapel, Deputy City Clerk

The foregoing minutes were approved at the Regular Meeting of December 7, 2021.

Alejandra Sotelo-Solis, Mayor



**MINUTES OF THE VIRTUAL REGULAR MEETING
OF THE CITY COUNCIL AND COMMUNITY DEVELOPMENT
COMMISSION – HOUSING AUTHORITY
OF THE CITY OF NATIONAL CITY**

October 19, 2021

This meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic, and AB 361 adopted by the City Council every 30 days.

The City Council minutes are prepared and ordered to correspond to the City Council Agenda. Agenda Items can be taken out of order during the meeting. The Agenda Items were considered in the order presented.

A. CITY COUNCIL

CALL TO ORDER

The meeting was called to order at 6:10 p.m. by Mayor Sotelo-Solis.

ROLL CALL

Councilmembers present: Bush, Morrison, Rios, Rodriguez, Sotelo-Solis

Other Elected Officials present: Beauchamp, Molina

Administrative Officials present: Raulston, Bell Jr., Chapel, Gilman, Williams, Parra, Tellez, Meteau, Olson, Reeder, Hernandez, Yano, Barrera, Ryan, and Brennan.

Interpretation in Spanish provided by Carlos Diaz and Luisa Diaz de Leon.

PLEDGE OF ALLEGIANCE TO THE FLAG

Councilmember Bush led the Pledge of Allegiance.

PUBLIC COMMENTS

Mayor Sotelo-Solis summarized the process for acceptance of live public comment allowing two (2) minutes per comment and introduced City Clerk Molina.

Five (5) verbal comments were registered and spoken into the record: Peggy Walker, Judi Strang, Becky Rapp, Kelly McCormick, and Barbara Gordon.

No written comments were received.

Mayor Sotelo-Solis announced that the meeting will be adjourned in memory of Nancy Dalla. Her son, Michael Dalla, accepted the City Councilmembers condolences.

PROCLAMATIONS AND CERTIFICATES

1. Honoring our National City centenarian, Gerarda “Danding” Yambao.

Mayor Sotelo-Solis presented the Proclamation to the Yambao family.

Public Comment: None

Received and filed.

2. National City recognizes Breast Cancer Awareness month by honoring Assembly Woman Lorena Gonzalez.

Mayor Sotelo-Solis presented the Proclamation to Assemblywoman Lorena Gonzalez.

Public Comment: None

Received and filed.

3. National City Celebrates Sister-City Tecate in their 129th Anniversary.

This item was continued to the November 2, 2021.

AWARDS AND RECOGNITIONS - No agenda items.

PRESENTATIONS - No agenda items.

INTERVIEWS / APPOINTMENTS - No agenda items.

REGIONAL BOARDS AND COMMITTEE REPORTS

Councilmember Morrison reported on governmental bodies the meet once a quarter and the need now to meet monthly.

Councilmember Bush provided updates on the business of the Bayshore Bikeway Working Group.

Councilmember Rios reported that the Sweetwater Authority approved changes to the meeting dates for the Citizens Advisory Committee.

Vice-Mayor Rodriguez provided updates on the Metro Wastewater Joint Powers Authority.

Mayor Sotelo-Solis reported on the San Diego Association of Governments (SANDAG) pilot program to provide youth opportunity passes and the directory for public restroom locations.

CONSENT CALENDER

Public Comment: No comment.

ACTION: Motion by Councilmember Rios, seconded by Councilmember Bush, to approve the Consent Calendar Items 4 through 15.

Motion carried by unanimous vote.

4. Motion of the City Council of the City of National City approving the waiving of the reading of the text of the Ordinances or Resolutions that are having a Public Hearing considered at this meeting and providing that such Ordinances or Resolutions shall be introduced and/or adopted after a reading of the title only.
5. Approved Meeting Minutes: City Council and Community Development Commission - Housing Authority of the City of National City Virtual Regular Meeting - September 21, 2021 Special Meeting of the City Council of the City of National City Virtual Special Closed Session Meeting - September 21, 2021.
6. Adopted Resolution 2021-150. Resolution of the City Council of the City of National City approving the settlement between Camilo Gutierrez Jr. and the City of National City.
7. Adopted Resolution 2021-151. Resolution of the City Council of the City of National City to authorize the City Manager to enter into an Agreement with VideoTrack LLC, for audio/video blurring, editing, synchronization, captioning, and transcription services for the National City Police Department and authorizing an increase of \$50,000 to fiscal year 2022 General Fund appropriation and use of General Fund balance for such services.
8. Adopted Resolution 2021-152. Resolution of the City Council of the City of National City authorizing the Mayor to execute the First Amendment to an Agreement with VideoTrack LLC, increasing the Agreement by \$35,621.13.
9. Adopted Resolution 2021-153. Resolution of the City Council of the City of National City ratifying and authorizing the City Manager to execute a one year agreement between the City of National City, Alpha Project, and City of Chula Vista to provide a homeless emergency assistance program; and appropriate PLHA funds to the Alpha Project in the amount of \$60,000.
10. Adopted Resolution 2021-154. Resolution of the City Council of the City of National City authorizing the Mayor to execute Program Supplement Agreement (PSA) No. F011 Rev. 1 with the State of California Department of Transportation (Caltrans) for the El Toyon-Las Palmas Bicycle Corridor Project to allow for reimbursement of up to \$1,544,000 in eligible project expenditures through the Federal Active Transportation Program (ATP).
11. Adopted Resolution 2021-155. Resolution of the City Council of the City of National City authorizing a Fiscal Year 2022 budget adjustment to establish appropriations in the amount of \$60,000 for Capital Improvement Program (CIP) Fleet Vehicle Equipment and Accessories for the Public Works Streets and Wastewater Division, Public Works Parks Division, and the National City Police Department.
12. Adopted Resolution 2021-156. Resolution of the City Council of the City of National City authorizing the installation of 50 feet of parallel “15-minute” parking and 25 feet of parallel “Loading or Unloading” parking on the north side of E. 8th Street, in front of the future “Market on 8th” at 41 E. 8th Street to increase parking turnover for customers (TSC No. 2020-13).

13. Approved Temporary Use Permit – Milk & Honey Outdoor Event hosted by Outpouring Outreach Ministry at 1920 Sweetwater Road on December 4, 2021 from 9 a.m. to 4:30 p.m. with no waiver of fees.
14. Ratified Warrant Register #10 for the period of 9/01/21 through 9/07/21 in the amount of \$3,816,368.09.
15. Ratified Warrant Register #11 for the period of 9/08/21 through 9/14/21 in the amount of \$462,311.81.

PUBLIC HEARINGS: ORDINANCES AND RESOLUTIONS

16. Introduced Ordinance. Public Hearing and Introduction of an Ordinance of the City Council of the City of National City amending Sections 18.20.020, 18.21.040, 18.21.050, 18.45, and 18.50, and addition of Sections 18.30.380 and 18.30.390 of Title 18 (Zoning) of the National City Municipal Code related to Accessory Dwelling Units and Junior Accessory Dwelling Units. (Applicant City-Initiated) (Case File 2021-18 A).

City Clerk Molina read the title of the Ordinance into the record.

Mayor Sotelo-Solis introduced Associate Planner, David Welch, who presented the report and PowerPoint Presentation titled, “Public Hearing Code Amendments of NCMC Sections 18.20.020, 18.21.040, 18.21.050, 18.45, and 18.50, and Addition of Sections 18.30.380 and 18.30.390 Related to Accessory Dwelling Units and Junior Accessory Dwelling Units.”

Mr. Welch, Principal Planner Martin Reeder, and Director of Housing Authority Carlos Aguirre addressed questions from Councilmembers.

Mayor Sotelo-Solis opened the public hearing at 7:43 p.m.

Public Comments:

Two (2) verbal comments were spoken into the record: Angeli Calinog, and Victor Avina.

Three (3) written comments were read into the record by City Clerk Molina: Coyote Moon, Joe Frausto, and YIMBY Democrats SD.

ACTION: Motion by Councilmember Morrison, seconded by Councilmember Bush, to close the Public Hearing at 7:43.

Motion passed by unanimous vote.

ACTION: Motion by Councilmember Morrison, seconded by Councilmember Rios, to introduce the Ordinance with a revision to include language that one unit be owner-occupied by January 1, 2025.

Substitute motion by Vice-Mayor Rodriguez, seconded by Councilmember Bush, to introduce the Ordinance with a revision to remove the parking requirements for ADUs and JADUs. A friendly amendment was offered by Councilmember Bush to eliminate the maximum allowance of square footage from 1,000 to 1,200 feet which is State standard. The maker of the motion accepted the friendly amendment.

Ayes: Bush, Rodriguez, Sotelo-Solis

Nays: Morrison, Rios

Substitute motion carried by 3 to 2 votes.

Mayor Sotelo-Solis called for a recess at 8:10 p.m. and reconvened the meeting at 8:20 p.m. with all members present.

17. Introduced Ordinance No. 2021-2491. Public Hearing and the Introduction of an Ordinance of the City Council of the City of National City establishing Community Choice Aggregation (CCA) in the City of National City.

City Clerk Molina read the title of the Ordinance into the record.

Mayor Sotelo-Solis introduced Director of Engineering and Public Works Yano, who presented the report and PowerPoint presentation titled “CCA Ordinance”. Director Yano received comments from the Councilmembers.

Mayor Sotelo-Solis opened the public hearing at 8:26 p.m.

Public Comments:

Six (6) written comments were read into the record by City Clerk Molina: Carolyn Scofield, Coyote Moon, Laura Minna-Choe, Matthew Vasilakis, Shelah Ott, and Tara Hammond.

One (1) verbal comment was spoken into the record: Karinna Gonzalez.

ACTION: Motion by Councilmember Morrison, seconded by Councilmember Bush, to close the Public Hearing at 8:35 p.m.

Motion passed by unanimous vote.

ACTION: Motion by Councilmember Bush, seconded by Vice-Mayor Rodriguez, to introduce the Ordinance.

Ayes: Bush, Rios, Rodriguez, Sotelo-Solis

Nays: Morrison

Motion carried by 4 to 1 votes.

NON CONSENT RESOLUTIONS

18. Adopted Resolution No. 2021-157. Approval of the 2021 Pension Obligation Bonds.

City Clerk Molina read the title of the Resolution into the record.

Mayor Sotelo-Solis introduced City Manager Raulston who provided the report.

Public Comment: None.

ACTION: Motion by Mayor Sotelo-Solis, seconded by Councilmember Bush, to adopt the Resolution.

Motion passed by unanimous vote.

NEW BUSINESS - No agenda items.

B. COMMUNITY DEVELOPMENT COMMISSION – HOUSING AUTHORITY

No agenda items.

C. REPORTS

STAFF REPORTS

19. City Manager Report.

City Manager Raulston reported that public comments concerning the Environmental Impact Report are due to the Port of San Diego by November 17, 2021. The new Market on 8th food hall had a successful opening. He also provided updates on the flu vaccination clinic and MAAC Project's outreach for public services. He announced that a special meeting will be held November 2, 2021 to discuss commercial cannabis. He mentioned the various upcoming city events and invited the community to participate.

MAYOR AND CITY COUNCIL

20. Proposal to name new park Dolores Huerta Park and Community Garden.

Mayor Sotelo-Solis read the title of the item into the record.

Mayor Sotelo-Solis introduced City Manager Raulston who provided the report and received comments from the Councilmembers.

Public Comment: One (1) written comment was received and read into the record: Joan Rincon

Eight (8) verbal comments were registered and spoken into the record: Enrique Morones, Margaret Godshalk, Fabio Rojas, Bridgette Browning, Rocina Lizaraga, Carolina Lizaraga, Francisco Lizaraga, and Christian Ramirez.

Twenty-one (21) written comments were read into the record by City Clerk Molina: Angelica Ramirez, Olivia Mariscal de Calzada, Araceli Baca, Ari Honarvar, Brian Sherwin, Cristina Quiroga, Eva, Jesus Nebot, Karia Nava, Lucca Gomez, Maria Huerta, Mario Acevebo Torero, Martin Eder, Maya Piceno, Natalie Camacho Mendoza, Rocio Cruz, Roger Quesada, Sarah Bella Mondragon, Sarah Ruiz, Silvia Calzada, and Ted Godshalk.

ACTION: Motion by Mayor Sotelo-Solis, seconded by Councilmember Bush, to add an item to the agenda for the next city council meeting a discussion to rename the new park Dolores Huerta Park.

Motion passed by unanimous vote.

Vice-Mayor Rodriguez congratulated Paradise Valley Hospital nurses for their new union contract.

Councilmember Bush reported on the opening of the Parco development and the Market on 8th project..

City Treasurer Beauchamp congratulated the city on the pension obligation debt decision taken by Council.

City Clerk Molina announced the vacancies on the boards, committees, and commission. Applications are accepted through Thursday, October 21, 2021 at 5 p.m..

Councilmember Rios expressed appreciation to Staff for their hard work.

Councilmember Morrison complimented the success of the soft opening of the Market on 8th food hall.

Mayor Sotelo-Solis invited the community to the various events planned throughout National City.

CLOSED SESSION

CLOSED SESSION REPORT

Mayor Sotelo-Solis introduced City Attorney Bell who provided the report.

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Government Code Section 54956.9(d)(2)

One (1) Potential Case

No report

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

Name of Case: *Sophia Bhandari, Garza Wilson, Sierra Wilson and Tony Wilson v. City of National City, et al.*

United States District Court, Southern District of California – Case No. 21-CV-1652-BTM-MDD

City Attorney Bell reported that there was direction given by City Council by unanimous vote.

3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

Name of Case: *Eugene R. Hawkinson v. City of National City, et al.*

San Diego Superior Court – Case No. 37-2020-00018398-CU-PA-CTL

No report.

4. PUBLIC EMPLOYEE EMPLOYMENT

Government Code Section 54957

Performance Evaluation: City Attorney

No report.

5. CONFERENCE WITH LABOR NEGOTIATORS

Government Code Section 54957.6

Employee Organizations: Municipal Employees' Association (SEIU, Local 221), National City Firefighters Association (Local 2744), Police Officers Association (POA)

Unrepresented Groups: Executive, Confidential, and Management

Agency Designated Representatives: Eddie Kreisberg (Labor Negotiator), Doug Johnson (Ralph Andersen & Associates), Brad Raulston (City Manager), Tony Winney (Assistant City Manager), Molly Brennan (Administrative Services Director), Frank Parra (Chief of Emergency Services), Jose Tellez (Chief of Police), Paul Valadez (Budget Manager - Finance), Lilia Munoz (Human Resources Manager)

No report.

ADJOURNMENT

The meeting adjourned in memory of Nancy Dalla.

Mayor Sotelo-Solis adjourned to the Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City to be held Tuesday, November 2, 2021 at 6:00 p.m. via teleconference.

The meeting adjourned at 10:03 p.m.

Luz Molina, City Clerk

The foregoing minutes were approved at the Regular Meeting of December 7, 2021.

Alejandra Sotelo-Solis, Mayor

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City declaring findings to continue teleconference meetings to January 6, 2022, as required by AB 361. \(City Clerk\)](#)
Please scroll down to view the backup material.

RESOLUTION NO. 2021 -

RESOLUTION OF CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, MAKING THE FINDINGS REQUIRED BY AB 361 TO CONTINUE TELECONFERENCE MEETINGS OF THE CITY COUNCIL AND THE CITY BOARDS, COMMISSIONS, AND COMMITTEES AFTER DECEMBER 7, 2021 FOR A PERIOD OF 30 DAYS

WHEREAS, the World Health Organization has declared the COVID-19 outbreak a global pandemic and local and state emergencies have been declared providing relieve from certain public meeting laws such as the Brown Act; and

WHEREAS, beginning March 2020, California Governor Newsom executed Executive Order N-29-20 including additional updates as the pandemic progressed and extending into 2021. The most recent Executive Order N-08-21, issued June 11, 2021 waived all physical presence requirements under the Ralph M. Brown Act as a means of limiting the spread of COVID-19; and

WHEREAS, Executive Order N-08-21 expired on September 30, 2021. The date was predicted as a time when hopes were that agencies could begin to transition back to public meetings held in full compliance with the Ralph M. Brown Act; and

WHEREAS, on September 16, 2021, California Governor Newsom signed into law Assembly Bill (AB) 361, which extends the authority of public agencies to conduct meetings by teleconference, including video conference, while the state of emergency resulting from the COVID-19 pandemic and accompanying recommendations for social distancing remain in place; and

WHEREAS, on October 5, 2021, City Council adopted Resolution No. 21-147 declaring findings to continue to teleconference for an additional 30 days; and

WHEREAS, on November 2, 2021, City Council adopted Resolution No. 21-164 declaring findings to continue to teleconference for an additional 30 days.

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

Section 1: Makes the findings required by AB 361 to continue teleconference meetings of the Legislative Body and its appointed Boards, Commissions, and Committees.

Section 2. Makes the findings that the City of National City meets the requirements to continue holding meeting remotely in order to ensure the health and safety of its staff and the public.

///

Section 3. That the City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City, California authorizing the acceptance of Library Services and Technology Act \(LSTA\) funds from the California State Library in the amount of \\$60,000 to cover the costs associated with the Community Connections Grant Project and authorizing the establishment of a Library Grants Fund appropriation of \\$60,000 and corresponding revenue budget. \(Library and Community Services\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City, California authorizing the acceptance of Library Services and Technology Act (LSTA) funds from the California State Library in the amount of \$60,000 to cover the costs associated with the Community Connections Grant Project and authorizing the establishment of a Library Grants Fund appropriation of \$60,000 and corresponding revenue budget.

PREPARED BY: Joyce Ryan, Library & Community Services
Director

DEPARTMENT: Library & Community Services

PHONE: 619-470-5882

APPROVED BY: 

EXPLANATION:

The National City Public Library staff already refer community members to local agencies for assistance. The Community Connection Grant from the State Library and entitled "National City Connects!" would pay for staff time in order to research more fully and conduct outreach with local organizations providing these services and resources. National City Public Library staff will be able to assist patrons by providing more complete and up-to-date information on local resources in English and Spanish. In addition, staff will compile the information onto a webpage that can be placed on the National City Public Library's website, with a link to it from our new mobile app which will be launched in Spring 2022. Information will also be available in the Library for quick and easy reference in English and Spanish.

FINANCIAL STATEMENT:

APPROVED:  Finance

ACCOUNT NO.

APPROVED: _____ MIS

Revenue:
320-31335-3463 Library Grant
Expenditures:
320-431-335* Library Grant

ENVIRONMENTAL REVIEW:

This action is not subject to review under the California Environmental Quality Act (CEQA).

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Adopt the Resolution.

BOARD / COMMISSION RECOMMENDATION:

Approved by the Library Board of Trustees on December 1, 2021.

ATTACHMENTS:

1. Staff Report
2. State Library's Award Letter with Award Agreement and Certificate of Compliance
3. Resolution



City Council Staff Report

December 7, 2021

ITEM

Resolution of the City Council of the City of National City, California authorizing the acceptance of Library Services and Technology Act (LSTA) funds from the California State Library in the amount of \$60,000 to cover the costs associated with the Community Connections Grant Project and authorizing the establishment of Library Grant Fund appropriations of \$60,000 and corresponding revenue budget.

BACKGROUND

Many residents of National City have been adversely impacted by the COVID-19 pandemic, experiencing health issues, mental health issues, food insecurity, loss of employment, and financial vulnerability. During the pandemic, popup distributions of food, medical and other basic necessities have emerged in National City, including in the National City Public Library's parking lot. As the Library is already a trusted community institution in National City, staff routinely refer patrons to local services and resources. Although there is information available through 211, staff try to give our patrons options that are local and convenient. Many times, the patrons looking for assistance have difficulty getting to locations that are further afield.

EXPLANATION

The National City Public Library staff already refer community members to local agencies for assistance. The Community Connection Grant from the State Library and entitled "National City Connects!" would pay for staff time in order to research more fully and conduct outreach with local organizations providing these services and resources. National City Public Library staff will be able to assist patrons by providing more complete and up-to-date information on local resources in English and Spanish. In addition, staff will compile the information onto a webpage that can be placed on the National City Public Library's website, with a link to it from our new mobile app which will be launched in Spring 2022. Information will also be available in the Library for quick and easy reference in English and Spanish.

The grant funds of \$60,000 will pay for staff training and implementation of the program, in addition to funding promotional materials and supplies for outreach to local agencies. This program will assist patrons who struggle to obtain services and resources by building staff skills and knowledge about social care resources and providing referrals to local agencies, which in turn will help build resilience and improve the health and wellbeing of the National City community.

RECOMMENDATION

Adopt a resolution authorizing the acceptance of Library Services and Technology Act (LSTA) funds from the California State Library in the amount of \$60,000 to cover the costs associated with the Community Connections Grant Project and authorizing the establishment of Library Grant Fund appropriations of \$60,000 and corresponding revenue budget.

FISCAL IMPACT

Adoption of the resolution will approve the acceptance of grant funds in the amount of \$60,000 for the Community Connections Grant Project.



November 5, 2021

Joyce Ryan, Director of Library and Community Services
National City Public Library
1401 National City Boulevard
National City, CA 91950-

Dear Ms. Ryan:

We are pleased to approve the grant application for the National City Connects!: National City Public Library project for a total of \$60,000 in federal Library Services and Technology Act (LSTA) funds.

Hard copies of this correspondence will not follow. Keep the entirety of this correspondence for your files and consider these award materials your original documents. Please refer to the Grant Guide located on the California State Library's [Manage Your Current Grant](https://www.library.ca.gov/grants/manage/) webpage (<https://www.library.ca.gov/grants/manage/>) for more information and review the following:

LSTA Funds

Processing of grant payments may take from eight to ten weeks before delivery. If you have not received payment ten weeks after submitting your claim form to the State Library's Fiscal Department, please contact your Grant Monitor.

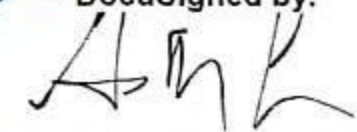
Project Support

There are two people assigned to your project. The first is your Grant Monitor. Contact them regarding compliance and reporting. The Grant Monitor assigned to your project is Lynne Oliva and can be reached via email at lynne.oliva@library.ca.gov. You are also assigned a Jody Thomas for ongoing programmatic support. The Jody Thomas assigned to your project is Jody Thomas and can be reached via email at jody.thomas@library.ca.gov.

Please stay in touch with your Grant Monitor and Jody Thomas throughout the award period. Read the enclosed award packet thoroughly and contact your Grant Monitor if you have any questions.

Best wishes for a successful project.

Respectfully yours,

DocuSigned by:

BDA50981C41C416...

Greg Lucas
California State Librarian

cc: Anne Defazio adefazio@nationalcityca.gov
Jody Thomas jody.thomas@library.ca.gov
Lynne Oliva lynne.oliva@library.ca.gov
Nicole Bravin nicole.bravin@library.ca.gov
Angie Shannon angie.shannon@library.ca.gov
Reed Strege reed.strege@library.ca.gov
Natalie Cole natalie.cole@library.ca.gov



THE BASICS – YOUR LSTA GRANT AWARD

The following provides all of the basic information about your grant and managing your grant.

Award #:	40-9254
File #:	CM-04
IMLS #:	LS-249951-OLS-21
ORGANIZATION:	National City Public Library
Project Title:	National City Connects!: National City Public Library
Award Amount:	\$60,000

2021/2022 LSTA APPROVED BUDGET

Salaries/Wages/Benefits	\$53,360
Consultant Fees	\$
Travel	\$
Supplies/Materials	\$6,640
Equipment (\$5,000 or more per unit)	\$
Services	\$
Project Total	\$60,000
Indirect Cost	\$
Grant Total	\$60,000
Payment Schedule	45%/45%/10%

Start Date:	11/5/2021
End Date:	6/30/2022
<p>This project will be officially closed as of the end date listed above and no new expenditures may be generated, nor may any additional funded project activities occur. Unexpended or unencumbered funds must be returned within 30 days of the end date. However, if funds were encumbered prior to the end date, this project is allowed 45 days to liquidate those encumbrances. Any funds not liquidated are to be returned with the liquidation report within 60 days of the end date.</p>	

REPORTING

Financial and program narrative reports are required. All required reporting materials, as well as the Grant Guide, will be located on the California State Library's [Manage Your Current Grant](https://www.library.ca.gov/grants/manage/) webpage (<https://www.library.ca.gov/grants/manage/>). The Grant Guide for this project will list specific reporting due dates. Failure to provide timely reports is a serious breach of a grant recipient's administrative duty under the grant program, which may result in federal audit exceptions against the state and the loss of LSTA funds.

PAYMENTS

Please note this clarification regarding payments. If your full grant amount is more than \$20,000, ten percent (10%) of the grant award is withheld until the end of the project period. It is payable only if the grant recipient fulfills all project reporting requirements and expends all funds, or returns all unspent grant funds, by the time specified in the grant program.



LIBRARY SERVICES AND TECHNOLOGY ACT (LSTA)
**AWARD AGREEMENT AND
CERTIFICATION OF COMPLIANCE**



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PROJECT SUMMARY

AWARD AGREEMENT BETWEEN THE CALIFORNIA STATE LIBRARY and National City Public Library for the National City Connects! AWARD AGREEMENT NUMBER 40-9254

This Award Agreement ("Agreement") is entered into on November 5, 2021 by and between the California State Library ("State Library") and National City Public Library, ("Subrecipient").

This Award Agreement pertains to National City Public Library's LSTA-funded National City Connects! project.

The Library Development Services Division ("LDS") of the State Library supports programs related to library development and cooperation through the administration of state and federal funds.

The Subrecipient was selected by the State Library to receive LSTA award funds in the amount of \$60,000 through the process adopted by the State Library in administering such grants.

The State Library and the Subrecipient, for the consideration and under the conditions hereinafter set forth in the Grant Agreement, agree as follows:



PROCEDURES and REQUIREMENTS

Term of the Agreement

The Award term begins on the date of execution of the Agreement by both parties, until September 30, 2022. If completion of the project occurs prior to the end of the grant period this will be the end date of the term of this agreement. Award eligible program expenditures may begin no earlier than the start date of the project period. The project period ends on June 30, 2022 and all eligible program costs must be incurred by this date.

Scope of Work

1. Subrecipient agrees to perform all activities specifically identified in the Subrecipient's application and submitted to the State Library in response to Community Connections opportunity.
2. The following activities and deliverables to be performed by the Subrecipient include, but are not limited to the following:
 - Maintain and keep records of expenditures related to the grant that are consistent with the Generally Accepted Accounting Principles (GAAP).
 - Make financial records available to the State Library upon request.
 - Work with the State Library staff to assure that funds are disbursed in compliance with the purpose of the grant.
 - Prepare and submit required narrative and financial reports.
 - Procure equipment, and other supplies as needed for the project.
 - Issue contracts for services, personnel, and consultants.
 - If applicable, make payments for services, including for hours worked and travel reimbursements, to consultants and contractors.
 - Oversee the implementation of project activities.

Spending Funds

1. There are federal restrictions for how LSTA funding can and cannot be spent. Please be sure to review the [Restrictions on the Use of LSTA Grant Funds](#), also detailed in Exhibit B of this agreement, to ensure that LSTA funds are used appropriately. Unallowable costs may not be counted toward a project's match or in-kind contribution.

Narrative and Financial Reports

1. The Subrecipient shall be responsible for submission of interim and final **narrative and financial** reports on the progress and activities of the project, to the California State Library, using the sample report documents provided by the California State Library.
2. All the reports must be current, include all required sections and documents, and must be approved by the Grant Monitor before any payment request can be processed. Failure to comply with the specified reporting requirements may be considered a breach of this Agreement and result in the termination of the Agreement or rejection of the payment request and/or forfeiture by the Subrecipient of claims for costs incurred that might otherwise have been eligible for grant funding. Any problems or delays must be reported immediately to the Grant Monitor. The financial reports shall reflect the expenditures made by the Subrecipient under the Agreement, and may be incorporated into the same reporting structure as the narrative reports.
3. The reports shall be submitted by the following dates:

Reporting Period	Report	Due Date
July - September	1 st Quarter Financial Report Due	N/A
October - December	2 nd Quarter Financial Report Due and Mid Project Program Narrative Report Due	January 15, 2022
January - March	3 rd Quarter Financial Report Due	April 15, 2022
April - Project End Date	Final Financial Report, Expenditure Detail Report and Final Program Narrative Report Due	Upon completion of the project but no later than July 31, 2022
60 Days from Project End Date (if end date is extended see extension letter for new dates)	Liquidation Financial Report Due (Only required if encumbered funds have not been spent by project end date)	8/31/2022

4. Failure to submit timely reports with the appropriate documentation by the due date may result in rejection of the payment request and/or forfeiture by the Subrecipient of claims for costs incurred that might otherwise have been eligible for grant funding.
5. The Subrecipient agrees to maintain records and supporting documentation pertaining to the performance of this grant subject to possible audit for a

minimum of five (5) years after final payment date or grant term end date, whichever is later. Please refer to Exhibit A, Terms and Conditions for more information.

Claim Form and Payment

1. The California State Library shall provide the Subrecipient payment as outlined in the payment schedule, and only for those activities and costs specified in the approved award application.
2. The Subrecipient shall complete, sign, and submit the Certification of Compliance form (Exhibit D) and the Financial Claim form (included in your award packet) to the California State Library within 14 days of receiving the award packet. These forms will be issued, signed and submitted using the online signature and agreement platform, DocuSign.
3. Any of the sums listed as approved and/or amended appearing under the categories in the approved budget may be adjusted with prior authorization from the California State Library Grant Monitor. This would be to increase the allotment with the understanding that there will be corresponding decreases in the other allotments so that the total amount paid by the California State Library to the Subrecipient under this Agreement shall not exceed the awarded amount, which shall be expended/encumbered during the grant period.
4. If the payment amount made by the California State Library exceeds the actual expenses incurred during the term of this Agreement, as reflected in the financial reports to be filed by the Subrecipient, the Subrecipient shall immediately refund the excess payment amount to the California State Library.
5. The Award payments will only be made to the Subrecipient. It is the Subrecipient's responsibility to pay all contractors and subcontractors for purchased goods and services.
6. For awards over \$20,000, the Final Payment of 10% will be withheld and retained by the California State Library until all conditions agreed upon in this Agreement, including submission and Grant Monitor approval of the final narrative and financial reports, have been satisfied.

7. **Prompt Payment Clause**

The California State Library will make payments to the Subrecipient in accordance with the Prompt Payment Clause under Government Code, section 927, *et. seq.* The Subrecipient may typically expect payment to be issued within 45 days from the date a grant payment request is properly submitted and approved by the Fiscal Analyst.

8. **Budget Contingency Clause**

- a. It is mutually agreed that if the Budget Act of the current fiscal year or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall no longer be in full force and effect. In this event, the California State Library

shall have no liability to pay any funds whatsoever to the Subrecipient or to furnish any other considerations under this Agreement and the Subrecipient shall not be obligated to perform any provisions of this Agreement.

- b. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this Program, the California State Library shall have the option to either cancel this Agreement with no liability occurring to itself or offer an Agreement amendment to the Subrecipient to reflect the reduced amount.



EXHIBIT A: TERMS AND CONDITIONS

1. Acknowledgment: The Institute of Museum and Library Services and the California State Library shall be acknowledged in all promotional materials and publications related to the LSTA-funded project.
 - a. LSTA award recipients must ensure that the Library Services and Technology Act receive full credit as the funding program and that the Institute of Museum and Library Services (IMLS) likewise, is acknowledged as the federal source of funds.
 - b. Publications and information releases about the project must credit the Library Services and Technology Act (LSTA). An appropriate statement for a publication or project press release is:

"This [publication/project] was supported in whole or in part by the U.S. Institute of Museum and Library Services under the provisions of the Library Services and Technology Act, administered in California by the State Librarian."

As appropriate, this disclaimer should be added:

"The opinions expressed herein do not necessarily reflect the position or policy of the U.S. Institute of Museum and Library Services or the California State Library, and no official endorsement by the U.S. Institute of Museum and Library Services or the California State Library should be inferred."
 - c. This credit line on products of a project, such as materials and publicity, is important to foster support from the public and by state and federal funding sources.
 - d. For more examples from Institute of Museum and Library Services (IMLS) provided for recipients of national level grants, please see [IMLS Acknowledgement Requirements](#).
 - e. IMLS Logo: Use of the IMLS logo, which can be downloaded [on the IMLS Logos page](#), is required on any publications. Please refer to the [IMLS Brand Standards page](#) for further details and usage requirements. If the award

project results in copyrightable material, the sub Subrecipient or any subcontractor of the sub Subrecipient is free to copyright the work. However, IMLS and the State Library reserve a royalty-free, exclusive and irrevocable license to reproduce, publish, or otherwise use and authorize others to use the work for government purposes.

- f. Photo Documentation: Digital photos are a great way to document the happenings of your project. It is recommended that you use a photo release form when taking photos of the public. You may use your library's photo release form, or use the [IMLS Media Content Authorization and Release form](#).
2. Agency: In the performance of this Agreement the Subrecipient and its agents and employees shall act in an independent capacity and not as officers, employees or agents of the California State Library. The Subrecipient is solely responsible for all activities supported by the grant. Nothing in this Agreement creates a partnership, agency, joint venture, employment, or any other type of relationship between the parties. The Subrecipient shall not represent itself as an agent of the California State Library for any purpose, and has no authority to bind the State Library in any manner whatsoever.
3. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties, and approved as required. No oral understanding or agreement not incorporated into this Agreement is binding on any of the parties. This Agreement may be amended, modified or augmented by mutual consent of the parties, subject to the requirements and restrictions of this paragraph.
4. Applicable law: The laws of the State of California shall govern all proceedings concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties hereunder. The parties hereby waive any right to any other venue. The place where the Agreement is entered into and place where the obligation is incurred is Sacramento County, California.
5. Assignment, Successors, and Assigns: The Subrecipient may not assign this Agreement or delegate its performance to any third-party person or entity, either in whole or in part, without the California State Library's prior written consent. The provisions of this Agreement shall be binding upon and inure to the benefit of the California State Library, the Subrecipient, and their respective successors and assigns.
6. Audit and Records Access: The Subrecipient agrees that the California State Library, the Department of General Services, the State Auditor, or their designated representatives shall have the right to review, audit, inspect and

copy any records and supporting documentation pertaining to the performance of this Agreement. The Subrecipient agrees to maintain such records for possible audit for a minimum of five (5) years after the final payment, or grant term end date, whichever is later, unless a longer period of records retention is stipulated, or until completion of any action and resolution of all issues which may arise as a result of any litigation, dispute, or audit, whichever is later. The Subrecipient agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Subrecipient agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement.

Examples of audit documentation may include, but not limited to, competitive bids, grant amendments, if any, relating to the budget or work plan, copies of any agreements with contractors or subcontractors if utilized, expenditure ledger, payroll register entries, time sheets, personnel expenditure summary form, travel expense log, paid warrants, contracts and change orders, samples of items and materials developed with grant funds, invoices and/or cancelled checks.

7. Authorized Representative: Subrecipient and the California State Library mutually represent that their authorized representatives have the requisite legal authority to sign on their organization's behalf.
8. Communication: All communications from either party, including an interim check-in at any time during the grant term, shall be directed to the respective Grant Monitor or representative of the California State Library or Subrecipient. For this purpose, the following contact information is provided below:

National City Public Library	California State Library
Joyce Ryan	Lynne Oliva
jryan@nationalcityca.gov	lynne.oliva@library.ca.gov

9. Confidentiality: Subrecipient will maintain as confidential any material it receives or produces that is marked **Confidential** or is inherently confidential, or is protected by privilege. Subrecipient agrees to alert the State Library to this status in advance, and State Library agrees to maintain this status in conformity with the Public Records Act.
10. Contractor and Subcontractors: Nothing contained in this Grant Agreement or otherwise shall create any contractual relation between the State and any contractor or subcontractors, and no contract or subcontract shall relieve the Subrecipient of their responsibilities and obligations hereunder. The Subrecipient

agrees to be as fully responsible to the State for the acts and omissions of its contractors, subcontractors, volunteers, student interns and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Subrecipient. The Subrecipient's obligation to pay its contractors and subcontractors is an independent obligation from the State's obligation to make payments to the Subrecipient. As a result, the State shall have no obligation to pay or to enforce the payment of any monies to any contractor or subcontractor.

11. Copyright: Subrecipient owns and retains titles to any copyrights or copyrightable material from any original works that it creates within the scope of this Agreement in accordance with the federal Copyright Act. (17 U.S.C. 101, *et seq.*) Subrecipient is responsible for obtaining any necessary licenses, permissions, releases or authorizations to use text, images, or other materials owned, copyrighted, or trademarked by third parties and for extending such licenses, permissions, releases, or authorizations to the California State Library pursuant to this section. Also, the California State Library may upload, post or transmit copyrighted material produced or purchased with grant funds on a California State Library website for public access and viewing.
12. Discharge of Grant Obligations: The Subrecipient's obligations under this Agreement shall be deemed discharged only upon acceptance of the final report by California State Library. If the Subrecipient is a non-profit entity, the Subrecipient's Board of Directors shall accept and certify as accurate the final report prior to its submission to California State Library.
13. Dispute Resolution: In the event of a dispute, Subrecipient will discuss the problem informally with the Grant Monitor. If unresolved, the Subrecipient shall file a written "Notice of Dispute" with the State Library Grant Monitor within ten (10) days of discovery of the problem. Within ten (10) days of receipt, the Grant Monitor shall meet with the Subrecipient for purposes of resolving the dispute. Any dispute arising under the terms of this Agreement which is not disposed of within a reasonable period of time, the Subrecipient may bring it to the attention of the State Librarian or the designated representative. The decision of the State Librarian or designated representative shall be final. Unless otherwise instructed by the Grant Monitor, the Subrecipient shall continue with its responsibilities under this Agreement during any dispute.
14. Drug-free Workplace: The Subrecipient certifies under penalty of perjury under the laws of California, that the Subrecipient will comply with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 *et seq.*) and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about all of the following:
 - 1) The dangers of drug abuse in the workplace.
 - 2) The Subrecipient's policy of maintaining a drug-free workplace;
 - 3) Any available counseling, rehabilitation and employee assistance programs.
 - 4) Penalties that may be imposed upon employees for drug abuse violations.
- c. Require that every employee who works on the Agreement will:
 - 1) Receive a copy of the Subrecipient's drug-free workplace policy statement.
 - 2) Agrees to abide by the terms of the Subrecipient's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Subrecipient may be ineligible for award of any future state agreements if the California State Library determines that the Subrecipient has made a false certification, or violated the certification by failing to carry out the requirements as noted above.

15. Effectiveness of Agreement: This Agreement is of no force or effect until signed by both parties.
16. Entire Agreement: This Agreement supersedes all prior agreements, oral or written, made with respect to the subject hereof and, together with all attachments hereto, contains the entire agreement of the parties.
17. Exclusive Agreement: This is the entire Agreement between the California State Library and Subrecipient.
18. Extension: The State Librarian or designee may extend the final deadline for good cause. The Subrecipient's request for an extension of the grant period must be made in writing and received by the California State Library at least 30 days prior to the final deadline. Extensions of up to 30 days following the original

project period end date may be granted. Extended project end dates may not exceed the end of the Federal fiscal year (September 30).

19. Failure to Perform: If the Grant Monitor determines the Subrecipient has not complied with this Agreement, or is not implementing the project as approved by the State Library, the Subrecipient may forfeit the right to reimbursement of any grant funds not already by the California State Library, including, but not limited to, the ten percent (10%) withhold.

20. Federal and State Taxes: The State Library shall not:

- a. Withhold Federal Insurance Contributions Act (FICA) payments from Subrecipient's payments or make FICA payments on the Subrecipient's behalf; or
- b. Make Federal or State unemployment insurance contributions on Subrecipient's behalf; or
- c. Withhold Federal or State income taxes from Subrecipient's payments

Subrecipient shall pay all taxes required on payments made under this Agreement including applicable income taxes and FICA.

21. Force Majeure: Neither the California State Library nor the Subrecipient, its contractors, vendors, or subcontractors, if any, shall be responsible hereunder for any delay, default, or nonperformance of this Agreement, to the extent that such delay, default, or nonperformance is caused by an act of God, weather, accident, labor strike, fire, explosion, riot, war, rebellion, sabotage, flood, or other contingencies unforeseen by the California State Library or the Subrecipient, its contractors, vendors, or subcontractors, and beyond the reasonable control of such party.

22. Forfeit of Grant Funds and Repayment of Funds Improperly Expended: If grant funds are not expended, or have not been expended, in accordance with this Agreement, the State Librarian or designee, at their sole discretion, may take appropriate action under this Agreement, at law or in equity, including requiring the Subrecipient to forfeit the unexpended portion of the grant funds, including, but not limited to, the ten percent (10%) withhold, and/or to repay to the California State Library any funds improperly expended.

23. Fringe Benefit Ineligibility: Subrecipient agrees that neither the Subrecipient nor its employees and contract personnel are eligible to participate in any employee pension, health benefit, vacation pay, sick pay or other fringe benefit plan of the State of California or the State Library.

24. Funding Contingency:

- a. This grant award may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays which would occur if the grant award were executed after that determination was made.
- b. This grant award is valid and enforceable only if sufficient funds are made available to the State by the United States government for the Fiscal Year 2021/2022 for the purposes of this program. In addition, this grant award is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this grant award in any manner.
- c. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this grant award shall be amended to reflect any reduction in funds.
- d. The California State Library has the option to amend the grant award to reflect any reduction of funds.
- e. Upon the grant award approval by the State Librarian, one (1) completed set of this Award Agreement will be sent to the Subrecipient. Such copy shall be the officially approved agreement for the conduct of the approved project.

25. Generally Accepted Accounting Principles: The Subrecipient is required to use Generally Accepted Accounting Principles in documenting all grant expenditures.

26. Grant Monitor: The Grant Monitor may monitor Subrecipient performance to ensure Subrecipient expends grant funds appropriately and in a manner consistent with the terms and conditions contained herein. The Grant Monitor does not have the authority to approve any deviation from or revision to the Terms and Conditions (Exhibit A) or the Procedures and Requirements, unless such authority is expressly stated in the Procedures and Requirements.

27. Independent Action: Subrecipient reserves the right to fulfill its obligations under this Agreement in an independent manner, at any location and at any time within the agreed-upon timeline. Subrecipient's employees or contract personnel shall perform all services required by this Agreement, but their time need not be devoted solely to fulfilling obligations under this Agreement. Subrecipient shall furnish all equipment and materials used to meet its obligations, and complete the Project. The State Library shall not provide any personnel or other resources beyond the grant award, and is not required to provide training in connection with this Agreement.

28. Indemnification: Subrecipient agrees to indemnify, defend and save harmless the State of California, the California State Library and its officers, employees, and agents, from any and all claims, losses, and liabilities accruing or resulting to any and all contractors, subcontractors, suppliers, laborers and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Subrecipient in the performance of this Agreement.
29. License to Use: The California State Library and the Institute of Museum and Library Services reserve a fully paid-up, royalty-free, nonexclusive, sub-licensable and irrevocable license to reproduce, publish, prepare derivative works, distribute or otherwise use, and to authorize third parties to use, any material received or maintained by Subrecipient in connection with this Agreement. This includes intellectual property, with or without third-party rights. All such usages will be for public library and State governmental purposes:
- a. The copyright in any work developed under this grant or contract under this award; and
 - b. Any rights of copyright to which a Subrecipient or a contractor purchases ownership with award support.
30. Limitation of Expenditure: Expenditure for all projects must conform to the approved budget, as amended, and with applicable Federal and State laws and regulations.

During the award period, the subrecipient may find that the awarded budget may need to be modified. Budget changes, requests for additional funds, or requests for reductions in award funding must be discussed with the assigned State Library Grant Monitor and a Grant Award Modification may be required to be submitted according to the instructions. Approval is by the State Librarian. Adjustments should be reported on the next financial report. Any adjustments in approved budgets must be documented and documentation retained in project accounts. The total amount paid by the California State Library to the subrecipient under this agreement shall not exceed \$60,000 and shall be expended/encumbered in the designated award period.

31. Lobbying: Subrecipient confirms that the grant funds will not be used for the purposes of lobbying or otherwise attempting to influence legislation, as those purposes are defined by the U.S. Internal Revenue Code of 1986.
32. Non-Discrimination Clause: During this grant period, the Subrecipient and the Subrecipient's contractors, and subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, age, sexual orientation, or military and veteran status. Subrecipient shall insure that the evaluation and treatment of contractors, employees and applicants for employment are free from such discrimination and harassment.

Additionally, Subrecipient, contractors, and subcontractors, if applicable, shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 *et seq.*), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 *et seq.*), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§ 11135-11139.5), and the regulations or standards adopted by the California State Library to implement such article.

Subrecipient shall permit access by representatives of the Department of Fair Employment and Housing and the California State Library upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or the California State Library shall require to ascertain compliance with this clause. Subrecipient, and its contractors, and subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.) Subrecipient shall include the non-discrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under the Agreement.

33. Notices: All notices and other communications in connection with this Agreement shall be in writing, and shall be considered delivered as follows:
- a. **Electronic Mail (E-mail)**: When sent by e-mail to the last e-mail address of the recipient known to the party giving notice. Notice is effective upon receipt.

- b. **DocuSign (e-signature platform):** When sent via DocuSign a notification will be sent to the last e-mail address of the recipient known to the party giving notice. Notice is effective upon receipt.
- c. **Grants Management System:** When sent via / uploaded to the California State Library's Grants Management System a notification will be sent to the last e-mail address of the recipient known to the party giving notice. Notice is effective upon receipt.
- d. **Personally:** When delivered personally to the recipient's physical address as stated in this Agreement.
- e. **U.S. Mail:** Five days after being deposited in the U.S. Mail, postage prepaid, and addressed to recipient's address as stated in this Agreement.

34. Order of Precedence: The performance of this Agreement shall be conducted in accordance with the Terms and Conditions, Procedures and Requirements, Federal Restrictions on the Use of LSTA Funds, LSTA Award Requirements, Certificate of Compliance, and Project Summary of this Agreement, or other combination of exhibits specified on the Grant Agreement Coversheet attached hereto (collectively referred to as "Terms"). Subrecipient's California State Library-approved Application (Subrecipient's Application) is hereby incorporated herein by this reference. In the event of conflict or inconsistency between the articles, exhibits, attachments, specifications or provisions that constitute this Agreement, the following order of precedence shall apply:

- (a) Grant Agreement Coversheet and any Amendments thereto
- (b) Terms and Conditions
- (c) Procedures and Requirements
- (d) Federal Restrictions on the Use of LSTA Funds
- (e) LSTA Award Requirements
- (f) Certificate of Compliance
- (g) Project Summary
- (h) Subrecipient's Application
- (i) All other attachments hereto, including any that are incorporated by reference.

35. Payment:

- a. The approved Budget, if applicable as detailed in the Award Letter, states the maximum amount of allowable costs for each of the tasks identified in the Activity Timeline included in the project application. California State

Library shall provide funding to the Subrecipient for only the work and tasks specified in the Subrecipient's Application at only those costs specified in the Budget and incurred in the term of the Agreement.

- b. The Subrecipient shall carry out the work described in the Subrecipient's Application in accordance with the approved Budget, and shall obtain the Grant Monitor's written approval of any changes or modifications to the approved project as described in the Subrecipient's Application or the approved Budget prior to performing the changed work or incurring the changed cost. If the Subrecipient fails to obtain such prior written approval, the State Librarian or designee, at their sole discretion, may refuse to provide funds to pay for such work or costs.
- c. The Subrecipient shall request funds in accordance with the funding schedule included in this agreement.
- d. For awards with total funding exceeding \$20,000, ten percent (10%) will be withheld from each Payment Request and paid at the end of the grant term, when all reports and conditions stipulated in this Agreement have been satisfactorily completed. Failure by the Subrecipient to satisfactorily complete all reports and conditions stipulated in this Agreement may result in forfeiture of any such funds withheld pursuant to California State Library's 10 percent (10%) retention policy.
- e. Lodgings, Meals and Incidentals: Subrecipient's Per Diem eligible costs are limited to the amounts authorized in the California State Administrative Manual (contact the Grant Monitor for more information).
- f. Payment will be made only to the Subrecipient.
- g. Allowable expenses shall not be incurred unless and until the Subrecipient receives official award notification as described in the Procedures and Requirements.

36. Personal Jurisdiction: The Subrecipient consents to personal jurisdiction in the State of California for all proceedings concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties. Native American Tribal Subrecipient s expressly waive tribal sovereign immunity as a defense to any and all proceedings concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties.

37. Personnel Costs: If there are eligible costs pursuant to Exhibit D, Eligible and Ineligible Costs, any personnel expenditures to be reimbursed with grant funds must be computed based on actual time spent on grant-related activities and on the actual salary or equivalent hourly wage the employee is paid for their

regular job duties, including a proportionate share of any benefits to which the employee is entitled, unless otherwise specified in Exhibit D.

38. Pledge: This Agreement shall not be interpreted to create any pledge or any commitment by the State Library to make any other or further grants or contributions to Subrecipient, or any other person or entity in connection with the Project. It is mutually agreed that Subrecipient is responsible for furnishing funds beyond the award that may be necessary to complete outcomes or deliverables.
39. Privacy Protection: Both parties agree to protect the confidentiality of any non-public, personal information that may be contained in materials received or produced in connection with this Agreement, as required by Civil Code, section 1798, *et. seq.*
40. Prohibited Use: The expenditure under this program shall not be used to supplant Subrecipient efforts in other grant programs provided by the California State Library and shall not be used to supplant subrecipient effort.
41. Provisions: This agreement is entered into under provisions of the Library Services and Technology Act, Public Law 104-208 on September 30, 1996; and Congressional Record – House, H11644-H11728 on September 28, 1996, H12266-H12267 on October 3, 1996; and 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, December 26, 2013. Congress enacted the Museum and Library Services Act of 2010 (Pub. L. 111-340, codified at 20 U.S.C. § 9101 *et seq.*), which also incorporates Library Services and Technology Act (LSTA).
- a. Performance of the provisions of this agreement is subject to the conditions and availability of funds as awarded by the State Librarian under said Act.
42. Public Records Act: Material maintained or used by the California State Library is considered "public record" under the Public Records Act (PRA) at Government Code, sections 6250, *et. seq.* This includes the Interim and Final reports, and any other written communications between the parties. Subrecipient agrees to ensure that all content contained in its written reports are appropriate for publication. Said material, along with all other reports, documentation and data collected during the term of the Agreement, will be subject to disclosure unless it qualifies for exemption under the PRA in whole or in part. Subrecipient agrees to alert the State Library as to a basis for exemption, if any exists.

43. Publicity Obligations: Subrecipient will notify the State Library of any promotional materials or publications resulting from the award no later than five (5) days in advance of distribution, whether they are print, film, electronic, or in any other format or medium. Copies of all promotional materials will be provided to the State Library. Subrecipient will acknowledge the LSTA support as noted above. Subrecipient agrees that the State Library may include information about this grant and its outcomes in its own annual reports, with specific reference to Subrecipient, and may distribute such information to third parties.
44. Records: Communications, grant related documents, data, original receipts and invoices must be maintained by Subrecipient and shall be made available to the State Library upon request. Subrecipient agrees to maintain adequate grant program records and adequate financial records consistent with generally accepted accounting practices, and to retain all records for at least five (5) years after the end-of-term. The State Library may monitor or conduct an onsite evaluation of Subrecipient's operation to ensure compliance with this Agreement, with reasonable advance notice.
45. Reduction of Waste: In the performance of this Agreement, Subrecipient shall take all reasonable steps to ensure that materials purchased or utilized in the course of the project are not wasted. Steps should include, but not be limited to: the use of used, reusable, or recyclable products; discretion in the amount of materials used; alternatives to disposal of materials consumed; and the practice of other waste reduction measures where feasible and appropriate.
46. Reimbursement Limitations: Under no circumstances shall the Subrecipient seek reimbursement pursuant to this Agreement for a cost or activity that has been or will be paid for through another funding source. The Subrecipient shall not seek reimbursement for any costs used to meet cost sharing or matching requirements of any other California State Library funded program.
47. Reports and Claims: It is the responsibility of the recipient of these instructions to see that the proper individual to supply the required reports and claims receives the instructions and makes the required reports and claims to the California State Library.
- a. The subrecipient shall be responsible for the submission of two Narrative Reports, unless otherwise noted in the Grant Guide for the project located on the State Library's website, on the progress and activities of the project

to the State Library within 30 days following the end of the designated quarter.

- b. The subrecipient shall submit quarterly Financial Reports to the State Library, unless otherwise noted in the Grant Guide for the project located on the State Library's website. These reports are to reflect the expenditures made by the subrecipient under the agreement. The financial reports are to be submitted within 30 days following the end of the designated quarter.
- c. To obtain payment hereunder the subrecipient shall submit authorized claims provided by the State Library for that purpose, on each of the following mentioned dates for payment, and the California State Library agrees to reimburse the Library as soon thereafter as State fiscal procedures will permit.
- d. In full payments are typically made for awards totaling \$20,000 or less.
- e. Funding for awards totaling more than \$20,000 are issued in three payments following a 45%/45%/10% payment schedule, unless an exception has been made.
- f. The final 10% of the grant award (if applicable) is payable only if the subrecipient fulfills all project reporting requirements and returns all unspent funds by the time specified in the Grant Guide. Failure to provide timely reports is a serious breach of an award recipient's administrative duty under the award, which may result in federal audit exceptions against the State and the loss of LSTA funds. The State Librarian may extend the final deadline for good cause. Request for extension beyond the final deadline of the award period must be received at least 30 days prior to that deadline.
- g. Payment will be provided to cover the expenditures incurred by the subrecipient for the project in the following manner:
 - o \$27,000 upon execution of the agreement and submission of claim by fiscal agent
 - o If applicable, second payment will be made upon approval of first quarter financial report and receipt of claim form in the amount of \$27,000
 - o If applicable, final payment will be made upon approval of all final reports and receipt of claim form in the amount of \$6,000
- h. If the amount of payment made by the California State Library shall exceed the actual expenses during the term of this agreement, as reflected in the financial reports to be filed by the subrecipient, the subrecipient shall refund to the California State Library the amount of such excess payment.

48. Self-Dealing and Arm's Length Transactions: All expenditures for which reimbursement pursuant to this Agreement is sought shall be the result of arm's-length transactions and not the result of, or motivated by, self-dealing on the part of the Subrecipient or any employee or agent of the Subrecipient. For purposes of this provision, "arm's-length transactions" are those in which both parties are on equal footing and fair market forces are at play, such as when multiple vendors are invited to compete for an entity's business and the entity chooses the lowest of the resulting bids. "Self-dealing" is involved where an individual or entity is obligated to act as a trustee or fiduciary, as when handling public funds, and chooses to act in a manner that will benefit the individual or entity, directly or indirectly, to the detriment of, and in conflict with, the public purpose for which all award monies are to be expended.
49. Severability: If any part of this Agreement is found to be unlawful or unenforceable, such provisions will be voided and severed from this Agreement, but the remainder of the provisions in the Agreement will remain in full force and effect.
50. Site Visits: The Subrecipient shall allow the California State Library to access and conduct site visits, with reasonable notice, at which grant funds are expended and related work being performed at any time during the performance of the work and for up to ninety (90) days after completion of the work, or until all issues related to the grant project have been resolved. A site visit may include, but not be limited to, monitoring the use of grant funds, provide technical assistance when needed, and to visit the State funded project.
51. Subrecipient: The Subrecipient is the government or other legal entity to which a subaward is awarded and which is accountable to the grantee for the use of the funds provided.
- a. The subrecipient will make reports to the State Librarian in such form and containing such information as may be required to enable the California State Library to perform its duties. The subrecipient will keep such records and afford such access as the California State Librarian or Library may find necessary to assure the correctness and verification of such reports.
 - b. The control of funds and title to property derived there from shall be in a subrecipient agency for the uses and purposes provided; a subrecipient agency will administer such property and funds and shall apply funds only for the purposes for which they were granted.
52. Subrecipient Accountability: The Subrecipient is ultimately responsible and accountable for the manner in which the grant funds are utilized and accounted for and the way the grant is administered, even if the Subrecipient

has contracted with another organization, public or private, to administer or operate its grant program. In the event an audit should determine that grant funds are owed to the California State Library, the Subrecipient is responsible for repayment of the funds to the California State Library.

53. Subrecipient Funds: It is mutually agreed that the Subrecipient is responsible for furnishing funds beyond the grant award that may be necessary to complete the project.
54. Termination: The Agreement shall be subject to termination by the State Librarian or designee upon notice to the Subrecipient at least thirty (30) days prior to the effective date of termination. In the event this agreement is terminated, the Subrecipient shall deliver to the State Librarian copies of all reports, accounting, data, and materials prepared up to the date of termination. The State Librarian shall determine, and pay the Subrecipient for necessary and appropriate expenditures and obligations up to the date of termination which have not been covered by prior installments previously paid to the Subrecipient. Upon such termination, the unused portion of the grant award must be returned to the California State Library within 45 days. If funding has been advanced to the Subrecipient, any unobligated balances, as determined by the State Librarian, shall be returned to the State Library within 45 days of the notice of termination.

The State Librarian is empowered to review, audit, and inspect the project for compliance with this agreement.

55. Timeline: Time is of the essence to this Agreement. It is mutually agreed between the parties that the grant application and the timeline included therein are part of the Agreement.
56. Unused Funds: At the end-of-term Subrecipient agrees to return any unexpended or unaccounted for funds to the State Library, or to submit a written request for an extension of the award period. Funds will be considered unexpended or unaccounted if they were: (1) not used for their intended purpose, or (2) used inconsistently with the terms of this Agreement.
- Funds will also be considered unaccounted for, and must be returned, if the proposal outcomes or deliverables are materially incomplete by the end-of-term or earlier termination, as determined by the State Library in its sole discretion.
57. Waiver of Rights: California State Library shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed

by California State Library. No delay or omission on the part of California State Library in exercising any rights shall operate as a waiver of such right or any other right. A waiver by California State Library of a provision of this Agreement shall not prejudice or constitute a waiver of California State Library's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by California State Library, nor any course of dealing between California State Library and Subrecipient, shall constitute a waiver of any of California State Library's rights or of any of Subrecipient's obligations as to any future transactions. Whenever the consent of California State Library is required under this Agreement, the granting of such consent by California State Library in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of California State Library.

58. Work Products: Subrecipient shall provide California State Library with copies of all final products identified in the Work Plan and Application. Subrecipient shall also provide the State Library with copies of all public education and advertising material produced pursuant to this Agreement.
59. Workers' Compensation: The State of California will not provide Workers' Compensation insurance for Subrecipient or Subrecipient's employees or contract personnel. If Subrecipient hires employees to perform services required by this Agreement, Subrecipient shall provide Workers' Compensation insurance for them. The Subrecipient is aware of Labor Code Section 3700, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the Labor Code, and the Subrecipient agrees to comply with such provisions before commencing the performance of the work of this Agreement.



EXHIBIT B: FEDERAL RESTRICTIONS ON THE USE OF LSTA FUNDS

To clarify some of the more commonly-occurring questions regarding how Library Services and Technology Act (LSTA) funds can or cannot be used, please see the list of explanations below. These explanations have been extracted from the Code of Federal Regulations and list important highlights of allowable and unallowable costs.

Administrators and project coordinators of LSTA grant projects are cautioned that they must abide by all regulations in conducting their projects and in allotting charges against grant funds. In cases of ambiguity, uncertainty, or questions in identifying allowable cost items under Federal procedures, contact Lynne Oliva, LSTA Coordinator at lynne.oliva@library.ca.gov. A complete list with descriptions can be found on the [Electronic Code of Federal Regulations webpage](#).

1. **ADVERTISING AND PUBLIC RELATIONS** Advertising costs are allowable only when incurred for the recruitment of personnel, the procurement of goods and services, the disposal of scrap or surplus materials, and other specific purposes necessary to meet the requirements of the Federal award. Public relations costs are allowable when incurred to communicate with the public and press pertaining to specific activities or accomplishments that result from performance of the Federal award. Costs of advertising and public relations at conventions, meetings or other events, including displays, demonstrations, exhibits, meeting rooms, hospitality suites, and special facilities used in conjunction with shows and special events; and salaries of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings are unallowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Advertising and Public Relations](#)
2. **ADVISORY COUNCILS** Costs incurred by advisory councils or committees are unallowable unless authorized by statute, the Federal awarding agency or as an indirect cost where allocable to Federal awards. See § 200.444 General costs of government, applicable to states, local governments and Indian tribes. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Advisory Councils](#)
3. **ALCOHOLIC BEVERAGES** Costs of alcoholic beverages are unallowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit

Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Alcoholic Beverages](#)

4. **BUILDING, CONSTRUCTION, RENOVATION COSTS** Building, construction, or renovation costs are unallowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Equipment and Other Capital Expenditures](#), [Rearrangement and Reconversion Costs](#), and [Maintenance and Repair Costs](#)
5. **CONFERENCES** Costs of meetings and conferences, including meals, transportation, rental of meeting facilities, and other incidental costs, where the primary purpose is the dissemination of technical information, are allowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Conferences](#)
6. **CONTRIBUTIONS, DONATIONS, HONORARIUMS, STIPENDS** Contributions and donations, including cash, property, and services, that use grant funds and are made by grant recipients to others, regardless of the recipient, are unallowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Contributions and Donations](#)

(NOTE: Honorariums and stipends are also unallowable. Wages, salaries, reimbursements, payment for work done, and fees charged by speakers are allowable)
7. **ENTERTAINMENT** Costs of entertainment, including amusement, diversion, and social activities, and any costs directly associated with those, such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities are unallowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Entertainment](#)
8. **FUND-RAISING** Costs of organized fund-raising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or to obtain contributions, are unallowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Fundraising](#)
9. **GENERAL GOVERNMENT EXPENSES** The general costs of government, including services normally provided to the general public, such as fire and police, are unallowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [General Government Expenses](#)

- 10. INCOME FROM PROJECT** Project income, e.g., fees charged for the use of library space in the context of a grant project, or to recover out of pocket project-related costs, or to create products such as manuals, or for other expenditures directly related to and used for the purposes of the grant and accrued under the conditions of the grant award, are allowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Program Income](#)
- 11. LOBBYING** The cost of certain influencing activities associated with obtaining grants, contracts, cooperative agreements or loans, is unallowable. Costs of membership in organizations substantially engaged in lobbying are unallowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Lobbying](#)
- 12. MEMBERSHIPS, SUBSCRIPTIONS, AND PROFESSIONAL ACTIVITIES** Costs of the grant recipient's memberships in business, technical, and professional organizations are allowable. (NOTE: The State Library's policy is that use of LSTA funds for personal memberships in organizations is not permitted.) Subscriptions to business, professional, and technical periodicals are allowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Memberships, Subscriptions, and Professional Activities](#)
- 13. PREMIUMS, PRIZES, INCENTIVES, AND SOUVENIRS** Costs of promotional items and memorabilia, including models, gifts, and souvenirs, are unallowable. See ADVERTISING AND PUBLIC RELATIONS (e)(3).
- 14. REFRESHMENTS** See ENTERTAINMENT (unallowable), and MEMBERSHIPS, SUBSCRIPTIONS, AND PROFESSIONAL ACTIVITIES (allowable).
- 15. TRAINING** The cost of training provided for employee development is allowable. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Training](#)
- 16. TRAVEL EXPENSE** Travel costs are allowable for expenses for transportation, lodging, subsistence, and related items incurred by employees traveling on official business. Charges should be consistent with those normally allowed in like circumstances of the grant recipient organization in its regular operations and policy, in non-federally sponsored activities. An exception to this is that car mileage reimbursement for all awarded LSTA grants cannot exceed the current state rate of 58 cents per mile (CPM). Reimbursement is the preferred method of payment for travel expenses. Source: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. See Electronic Code of Federal Regulations: [Travel](#)

(NOTE: The State Library's policy on out-of-state travel and conferences is that they are generally not allowed. There are exceptions, however, based on the importance of the travel and/or conference to the grant. If your grant will include out-of-state travel or attendance at an out-of-state conference, consult with your grant monitor beforehand to obtain State Library approval before scheduling the trip or registering for the conference.)



EXHIBIT C: LSTA AWARD REQUIREMENTS

CIPA Compliance

The Institute of Museum and Library Services establishes guidelines to ensure that the California State Library's implementation of the Children's Internet Protection Act (CIPA) complies with the 2003 decision of the US Supreme Court. The California State Library is required by 20 U.S.C. Section 9134(b)(7) to provide assurance that we will comply with 20 U.S.C. Section 9134(f), which sets out standards relating to Internet Safety for public libraries and public elementary school and secondary school libraries.

Under CIPA, California State Library must assure the Federal Government that no funds will be made available for public libraries and public elementary and secondary school libraries to purchase computers to access the Internet or pay for the direct costs of accessing the Internet unless the libraries have certified that they have Internet safety policies and technology protection measures, e.g., software filtering technology, in place. California State Library must collect certifications from libraries subject to CIPA that apply to the States for Library Services and Technology Act (LSTA) funding. Public libraries and public elementary and secondary school libraries must be in compliance with CIPA to obtain IMLS State Program funding which will be used to purchase computers used to access the Internet or to pay for direct costs associated with accessing the Internet.

The director or the authorized representative of the Subrecipient organization receiving LSTA funding must certify that the library is one of the following:

An individual applicant that is CIPA compliant.

The applicant library, as a public library, a public elementary school library or a public secondary school library, has complied with the requirements of Section 9134(f)(1) of the Library Services and Technology Act.

Representing a group of applicants. Those applicants that are subject to CIPA requirements have certified they are CIPA compliant.

All public libraries, public elementary school libraries, and public secondary school libraries, participating in the application have complied with the requirements of Section 9134(f)(1) of the Library Services and Technology Act. The library submitting this

application has collected Internet Safety Certifications from all other applicants who are subject to CIPA requirements. The library will keep these certifications on file with other application materials, and if awarded funds, with other project records.

Not Subject to CIPA Requirements.

CIPA requirements do not apply because no LSTA funds made available under this grant program will be used to purchase computers that can access the Internet or to pay for direct costs associated with accessing the Internet.

For more information on CIPA, please visit the [Children's Internet Protection Act \(CIPA\) webpage](#) on the Federal Communications Commission's (FCC) website.

Contracting Guidance

OMB's [Code of Federal Regulations](#) outlines important regulations surrounding contracts that, as a recipient of LSTA funds, the State Library and its subrecipients must follow.

Accessibility

The State of California's website is designed, developed and maintained to be in compliance with California Government Code Sections 7405 and 11135, and the Web Content Accessibility Guidelines 2.0, or a subsequent version, as published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria.

This State of California's website accepts no responsibility for the content or accessibility of the external websites or external documents linked to on this website.

The California State Library reserves the right to post project materials to the California State Library website. **Project materials generated by LSTA funded projects must meet the [California Accessibility Standards](#).**

If for some reason a project material cannot be made accessible, please still submit it to the State Library but **make sure to note that the material is not accessible by including "NOT ACCESSIBLE" in the file name.**

Common, applicable award materials include, but are not limited to:

- Project toolkits
- Digital resources
- Publications
- Survey templates
- Project marketing materials

Additional accessibility resources:

- [State of California's Accessibility webpage](#)

- [Americans with Disabilities Act Notice](#)
- [California Commission on Disability Access](#)
- [California Department of Rehabilitation](#)
- [U.S. Access Board](#)

Language Access Services

To remain compliant with [Title VI of the Civil Rights Act of 1964](#), all LSTA funding recipients must take reasonable steps to make LSTA-funded awards accessible to people with limited English proficiency.

These procedures apply to all of California State Library's federally funded programs and activities and extends to all programs and activities conducted by the State Library's federally funded sub-recipients.



EXHIBIT D: CERTIFICATION OF COMPLIANCE FORM

1. **AUTHORIZED REPRESENTATIVE:** I certify that the authorized representative named below is the legally designated representative of the Subrecipient for this Award Agreement and project, and is authorized to receive and expend funds in order to administer this award program.
2. I certify that all information provided to the California State Library for review in association with this award is correct and complete to the best of my knowledge, and as the authorized representative of the Subrecipient, I commit to the conditions of this award, and I have the legal authority to do so.
3. I certify that any or all other subrecipients participating in the program have agreed to the terms of the application/grant award, and have entered into an agreement(s) concerning the final disposition of equipment, facilities, and materials purchased for this program from the funds awarded for the activities and services described in the attached, as approved and/or as amended in the application.
4. The authorized representative, on behalf of the Subrecipient, certifies that the Subrecipient will comply with all applicable requirements of all State and Federal laws, regulations, and policies governing this program, to include the requirements listed below in this Certification of Compliance Form.
 - a. The organization receiving this LSTA award, as listed in the certification section below, and all program staff, agree to comply with the Uniform Guidance for Grants outlined in the [Code of Federal Regulations](#) established by the [United State Office of Management and Budget](#)
 - b. The organization receiving this LSTA award, as listed in the certification section below, and all program staff, agree to comply with the rules, regulations and guidance provided by the following:
 - [IMLS LSTA Administration Guidance](#)
 - [California Code of Regulations](#) established by the [California Office of Administrative Law](#)

5. The organization receiving this LSTA award, as listed in the certification section below, and all project staff agree, to comply with all state and federal laws, regulations, and policies governing this program, to include the requirements contained in LSTA Award Requirements section of this document.
6. The authorized representative, on behalf of the Subrecipient, hereby certifies to the California State Library, for an award of funds in the amount \$60,000. This award will provide library services as set forth in the LSTA Service Project Application as approved and/or as amended by the California State Librarian.
7. **FUNDING CONTINGENCY:**
 - a. It is mutually understood between the parties that this grant award may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays which would occur if the grant award were executed after that determination was made.
 - b. This grant award is valid and enforceable only if sufficient funds are made available to the State by the United States government for the Fiscal Year 2021/2022 for the purposes of this program. In addition, this grant award is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this grant award in any manner.
 - c. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this grant award shall be amended to reflect any reduction in funds.
 - d. The California State Library has the option to amend the grant award to reflect any reduction of funds.
 - e. Upon the grant award approval by the State Librarian, one (1) completed set of this Award Agreement will be sent to the Subrecipient. Such copy shall be the officially approved agreement for the conduct of the approved project.
8. **STATEMENT OF COMPLIANCE:** Subrecipient has, unless exempted, complied with the non-discrimination program requirements. (Gov. Code § 12990 (a-f) and CCR, Title 2, Section 11102).
9. **DRUG-FREE WORKPLACE REQUIREMENTS:** Subrecipient will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
 - a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is

prohibited and specifying actions to be taken against employees for violations.

- b. Establish a Drug-Free Awareness Program to inform employees about:
 - i. the dangers of drug abuse in the workplace;
 - ii. the person's or organization's policy of maintaining a drug-free workplace;
 - iii. any available counseling, rehabilitation and employee assistance programs; and,
 - iv. penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
 - i. receive a copy of the company's drug-free workplace policy statement; and,
 - ii. agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code § 8350 *et. seq.*)

10. **CONFLICT OF INTEREST:** Subrecipient needs to be aware of the following provisions regarding current or former state employees. If Subrecipient has any questions on the status of any person rendering services or involved with the Agreement, the California State Library must be contacted immediately for clarification

Current State Employees (Pub. Contract Code § 10410):

a). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

b). No officer or employee shall contract on their own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code § 10411):

a). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any

part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

b). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to their leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code § 10420).

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code § 10430 (e)).

11. **LABOR CODE/WORKERS' COMPENSATION:** Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code § 3700).
12. **AMERICANS WITH DISABILITIES ACT:** Subrecipient assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 *et. seq.*)
13. **RESOLUTION:** A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.
14. **PAYEE DATA RECORD FORM STD. 204:** This form must be completed by all Subrecipients.
15. **NONDISCRIMINATION:**
The authorized representative certifies that the Subrecipient or its Fiscal Agent will comply with the following:
 - a. Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000 *et seq.*), which prohibits discrimination on the basis of race, color, or national origin;
 - b. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 701 *et seq.*), which prohibits discrimination on the basis of disability

(note: IMLS applies the regulations in 45 C.F.R part 1170 in determining compliance with § 504 as it applies to recipients of Federal assistance);

- c. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. § 1681–83, 1685-86), which prohibits discrimination on the basis of sex in education programs;
- d. The Age Discrimination in Employment Act of 1975, as amended (42 U.S.C. § 6101 *et seq.*), which prohibits discrimination on the basis of age; and
- e. The requirements of any other nondiscrimination statute(s) which may apply.

16. **DEBARMENT AND SUSPENSION:**

The authorized representative certifies to the best of their knowledge and belief that neither the Subrecipient nor its Fiscal Agent:

- a. Are presently excluded or disqualified;
- b. Have been convicted within the preceding three years of any of the offenses listed in 2 C.F.R. part 180.800(a) or had a civil judgment rendered against it or them for one of those offenses within that time period; fraud, antitrust, embezzlement, forgery, bribery, tax evasion, making false statements, receiving stolen property, or similar offenses so serious as to affect the integrity of the subrecipient or its fiscal agent.
- c. Are presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses listed in 2 C.F.R. part 180.800(a) and enumerated above.
- d. Have had one or more public transactions (Federal, State, or local) terminated within the preceding three years for cause or default.

17. **TRAFFICKING IN PERSONS:**

The authorized representative certifies to the best of their knowledge and belief that neither the Subrecipient nor its Fiscal Agent:

- engages in trafficking in persons, procures a commercial sex act, or uses forced labor
- procures a commercial sex act during the period of time that the award is in effect
- uses forced labor in the performance of the grant

18. **FEDERAL DEBT STATUS:** Representative certifies to the best of their knowledge and belief that the Subrecipient is not delinquent in the repayment of any Federal debt.

19. **CERTIFICATION REGARDING LOBBYING ACTIVITIES (APPLIES TO APPLICANTS REQUESTING FUNDS IN EXCESS OF \$100,000) (31 U.S.C. § 1352):**

- a. No Library Services and Technology Act funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into of a cooperative agreement, or the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
- b. No Library Services and Technology Act funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any State agency, Member of the Legislature, an officer or employee of the Legislature, or an employee of a Member of the Legislature in connection with legislative action through oral or written communication with State legislative officials, or solicitation of others to influence or attempt to influence legislative action.
- c. No Library Services and Technology Act or other federal funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence any officer or employee of any county, district, or city agency, in connection with legislative action through oral or written communication with officials, or solicitation of others to influence or attempt to influence legislative action. LSTA funds will not be used for costs to:
 - draft legislation or resolutions
 - travel to meetings of governmental bodies urge passage of legislation or resolutions
 - survey voters regarding passage and drafting of legislation or resolutions
 - pay governmental fees (use fees, ballot filing fees, permits, etc.)

20. **DRUG-FREE WORKPLACE:**

- a. Continue to provide a drug-free workplace by complying with the requirements in 2 C.F.R. part 3186 (Requirements for Drug-Free Workplace (Financial Assistance)). In particular, the recipient must comply with drug-free workplace requirements in subpart B of 2 C.F.R. part 3186, which

adopts the Government-wide implementation (2 C.F.R. part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (P. L. 100-690, Title V, Subtitle D; 41 U.S.C. §§ 701-707).

- b. This includes, but is not limited to: making a good faith effort, on a continuing basis, to maintain a drug-free workplace; publishing a drug-free workplace statement; establishing a drug-free awareness program for the employees; taking actions concerning employees who are convicted of violating drug statutes in the workplace.

21. **LSTA AWARD REQUIREMENTS:** I have read, understand and agree to comply with the LSTA Award Requirements as outlined in this award packet.
22. **CIPA CERTIFICATION:** The organization receiving this LSTA award, as listed in the certification section below is **(please select one):**
- An individual applicant that is CIPA compliant
 - Representing a group of applicants. Those applicants that are subject to CIPA requirements have certified that they are CIPA compliant
 - Not subject to CIPA requirements
23. **ACCESSIBILITY:** The organization receiving this LSTA award, as listed in the certification section below, and all program staff, will ensure all LSTA-funded project materials will meet California accessibility standards.
24. **LANGUAGE ACCESS SERVICES:** The organization receiving this LSTA award, as listed in the certification section below, and all program staff, agree to comply with the language access services requirement as prescribed by Title VI of the Civil Rights Act of 1964.
25. **ACKNOWLEDGEMENT:** The organization receiving this LSTA award, as listed in the certification section below, and all program staff, agree to comply with IMLS and California State Library acknowledgement requirements.
26. **ADDITIONAL CERTIFICATIONS:** The authorized representative also certifies that the Subrecipient or its Fiscal Agent will comply with the following:
- all requirements by the Federal-sponsoring agency concerning special requirements of law, program requirements, and other administrative requirements.
 - insuring the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of violating facilities and that it will notify the Federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities

indicating that a facility to be used in the project is under consideration for listing by the EPA.

- the flood insurance purchase requirements of Section 102(a) requires, on or after March 2, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.
- assisting the Federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the activity, and notifying the Federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Federal grantor agency to avoid or mitigate adverse effects upon such properties.

Certification

ORGANIZATION	
Name: National City Public Library	Address (official and complete): 1401 National City Blvd. National City CA 91902
PROJECT COORDINATOR	
Name: Anne Defazio	
Email: adefazio@santafesprings.org	Phone: 619-470-5884
SUBRECIPIENT AUTHORIZED REPRESENTATIVE	
Name: Joyce Ryan	Title: Library & Community Services Director
Email: jryan@nationalcityca.gov	Phone: 619-470-5882
Signature: 	Date: 11/22/2021
STATE LIBRARIAN OR DESIGNEE	
Name: Greg Lucas	
Signature:  BDA50981C41C416...	Date: 11/9/2021

CALIFORNIA STATE LIBRARY
Library Services and Technology Act

INVOICE #: 40-9254-001

FINANCIAL CLAIM
1st PAYMENT

PO #:

FY: 21/22
FAIN: LS-249951-OLS-21
ITEM NO: 6120-211-0890, Chapter 21, Statutes of 2021
PURCHASING AUTHORITY NUMBER: CSL-6120
REPORTING STRUCTURE: 61202000
COA: 5432000
PROGRAM #: 5312

DATE: 11/22/2021

Claim of: National City Public Library

Address: 1401 National City Blvd., National City, CA 91902

For: National City Public Library
(Name of System or Agency)

Project Title: National City Connects!: National City Public Library

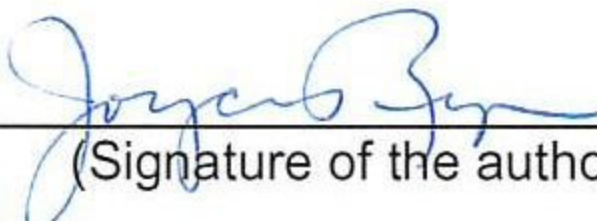
Amount Claimed: \$27,000 Grant Award Number: 40-9254

For Period From: upon execution to end of grant period

Type of Payment **PROGRESS** FINAL IN FULL
Payable Upon Execution of Agreement

CERTIFICATION

I hereby certify under penalty of perjury: that I am the duly authorized representative of the claimant herein; that this claim is in all respects true, correct and in accordance with law and the terms of the agreement; and that payment has not previously been received for the amount claimed herein.

by 
(Signature of the authorized representative)
Library & Community Services Director
(Title)

State of California, State Library Fiscal Office

by _____ date _____
(State Library representative)

MAIL ONE ORIGINAL SIGNATURE TO:

California State Library
Fiscal Office – LSTA
P.O. Box 942837
Sacramento, CA 94237-0001

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA AUTHORIZING THE ACCEPTANCE OF LIBRARY SERVICES AND TECHNOLOGY ACT (LSTA) FUNDS FROM THE CALIFORNIA STATE LIBRARY IN THE AMOUNT OF \$60,000 TO COVER THE COSTS ASSOCIATED WITH THE COMMUNITY CONNECTIONS GRANT PROJECT AND AUTHORIZING THE ESTABLISHMENT OF LIBRARY GRANTS FUND APPROPRIATIONS OF \$60,000 AND CORRESPONDING REVENUE BUDGET

WHEREAS, many residents of National City have been adversely impacted by the COVID-19 pandemic, experiencing health issues, mental health issues, food insecurity, loss of employment, and financial vulnerability; and

WHEREAS, during the COVID-19 pandemic, popup distributions of food, medical and other basic necessities have emerged in National City with many resources being available to community members; and

WHEREAS, the Library is already a trusted community institution in National City whose staff routinely refer patrons to local services and resources; and

WHEREAS, on July 23, 2021, a grant in the amount of \$60,000 was awarded to the City of National City Public Library to cover the costs associated with the Community Connections Grant Project entitled “National City Connects!”; and

WHEREAS, City staff recommends authorizing the acceptance of Library Services and Technology Act (“LSTA”) funds from the California State Library in the amount of \$60,000 to cover the costs associated with the Community Connection Grant Project and authorizing the establishment of Library Grant Fund appropriations of \$60,000 and corresponding revenue budget.

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

Section 1: Authorizes the acceptance of Library Services and Technology Act (“LSTA”) funds from the California State Library in the amount of \$60,000 to cover the costs associated with the Community Connections Grant Project and authorizes the establishment of a Library Grant Fund appropriations of \$60,000 and corresponding revenue budget.

Section 2: That 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 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City authorizing the City Manager to execute a Consent to Assignment and Assumption of Lease from American Digital Outdoor, L.P., a California limited partnership, to Clear Channel Outdoor, LLC, a Delaware limited liability company, for the digital billboard located on City property along I-5 at the end of the 30th Street cul-de-sac. \(Housing Authority\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.

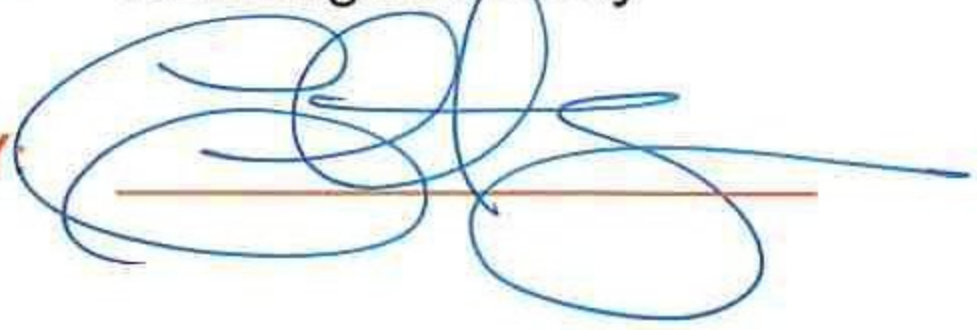
ITEM TITLE: Resolution of the City Council of the City of National City authorizing the City Manager to execute a Consent to Assignment and Assumption of Lease from American Digital Outdoor, L.P., a California limited partnership, to Clear Channel Outdoor, LLC, a Delaware limited liability company, for the digital billboard located on City property along I-5 at the end of the 30th Street cul-de-sac.

PREPARED BY: Gregory Rose
Property Agent

DEPARTMENT: Housing Authority

PHONE: 619 336-4266

APPROVED BY:



EXPLANATION:

The City of National City entered into a lease with American Digital Outdoor on April 3, 2012 to install a digital billboard along the I-5 at the end of the 30th Street cul-de-sac. American Digital Outdoor intends to assign the lease to Clear Channel Outdoor. The original lease allows for the assignment and assumption of the lease with City approval. All terms and conditions of the original lease will remain in effect.

FINANCIAL STATEMENT:

APPROVED: _____ Finance

ACCOUNT NO.

APPROVED: _____ MIS

No Fiscal Impact – This report is informational only, there is no fiscal impact associated with the report.

ENVIRONMENTAL REVIEW:

The Assignment is not considered a project as defined by the California Environmental Quality Act (CEQA), and is therefore not subject to CEQA.

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Adoption of the Resolution.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

- 1: Consent to Assignment and Assumption of Lease
- 2: Lease with American Digital Outdoor
- 3: Resolution

CONSENT TO ASSIGNMENT AND ASSUMPTION OF LEASE

THIS Consent to Assignment of Lease (this “Consent”), dated as of December __, 2021, is made by and among CITY OF NATIONAL CITY, a California municipal corporation (“Landlord”), AMERICAN DIGITAL OUTDOOR, L.P., a California limited partnership (“Seller”), and CLEAR CHANNEL OUTDOOR, LLC, a Delaware limited liability company (“CCO”).

WHEREAS, reference is made to that certain Lease Agreement, dated April 3, 2012, by and among Seller and Landlord, as amended by Amendment to Lease dated June 28, 2012, as further amended by that Second Amendment to the Lease Agreement dated October 30, 2012, as further amended by that Third Amendment to the Lease Agreement dated April 1, 2014 (collectively, the “Lease”). Pursuant to Section 11(b) of the Lease, Seller may not assign its rights and interests under the Lease without the prior written consent of Landlord.

WHEREAS, Seller has notified Landlord that Seller intends to assign the Lease to CCO in connection with the sale of certain assets to CCO (the “Sale”), and that Seller desires to obtain a consent to assignment from Landlord in connection therewith, and Landlord has agreed to provide such consent on the terms and conditions contained herein.

1. Assignment and Assumption. As of the closing date of the Sale (the “Closing Date”), Seller shall transfer and assign to CCO all of Seller’s right, title and interest, as tenant, in and to the Lease. CCO hereby assumes and agrees to perform all of CCO’s obligations, as tenant, arising or to be performed under the Lease; provided, however, that CCO shall not be liable for any obligations of Seller under the Lease arising or accruing prior to the Closing Date.

2. Estoppel. Landlord and Seller each certify that:

(a) the Lease is in full force and effect has not been modified, changed, altered, supplemented or amended in any respect except as indicated above;

(b) neither Landlord nor Seller is currently in default under the Lease beyond any applicable grace or cure periods, nor has any event occurred which with the passage of time would become a default under the Lease;

(c) The current monthly base rent is \$11,833.00 and has been paid through September 30, 2021;

(d) No rent (not including the security deposit, if any) has been paid more than one (1) month in advance of its due date;

(e) The commencement date of the Lease was June 1, 2014 and the expiration date of the Lease is May 31, 2029, subject to Seller’s extension terms, which include Seller’s right to extend the Lease for an additional five (5) years and Seller’s early termination right, as more particularly set forth in the Lease;

(f) The Seller has not paid a security deposit to the Landlord and is not required to under the Lease; and

(g) Nothing in this Consent shall be construed to amend or otherwise modify the terms of the

Lease.

3. Consent. In connection with the foregoing, by acknowledgement below, Landlord hereby consents to the assignment of the Lease by Seller to CCO. Landlord agrees to recognize CCO as the tenant under the Lease and thereby establish direct privity of estate and privity of contract with CCO. Continuation of Lease. Landlord and CCO acknowledge that the Lease shall continue in full force and effect for the remainder of the term of the Lease or the Extended Term as defined in the Lease unless earlier terminated pursuant to the terms thereof.

4. Effectiveness. This Consent shall be effective upon execution thereof by the Seller, CCO and Landlord (the "Effective Date").

5. Notices. All notices and other communications hereunder shall be in writing by registered or certified mail (return receipt requested), and shall be effective on the earlier of (a) the date when delivered and received for by a person at the address specified within this Consent, or (b) the date which is three (3) days after the mailing (postage paid) by certified or registered mail, return receipt requested, to such address; (or at such other address for a party as shall be specified by like notice):

(a) If to Seller, to:

AMERICAN DIGITAL OUTDOOR, L.P.
2801 E. Camelback Rd., # 470
Phoenix, Arizona 85016

(b) If to Landlord, to:

City Manager
CITY OF NATIONAL CITY
1243 National City Boulevard
National City, CA 91950-4301

(c) If to CCO, to:

CLEAR CHANNEL OUTDOOR, LLC
Attn: VP of Real Estate
2325 E. Camelback Rd, Suite 400
Phoenix, Arizona 85016

With a copy to:

CLEAR CHANNEL OUTDOOR, LLC
Attn: Operations Counsel
2325 East Camelback Road, Suite 400
Phoenix, AZ 85016

6. This Consent, its construction, validity and effect, its interpretation, performance and enforcement, and the remedies therefor, shall be governed and construed by and in accordance with the laws of the State of California.

7. This Consent may be executed in counterparts, each of which shall be deemed an original, but which together shall constitute one entire original Consent.

IN WITNESS WHEREOF and intending to be legally bound and to bind their respective successors and assigns, Seller, CCO and Landlord have executed this Assignment as of the date written above.

SELLER:

AMERICAN DIGITAL OUTDOOR, L.P.,
a California limited partnership,

By: _____
Name: _____
Title: _____

LANDLORD:

APPROVED AS TO FORM:
Jennifer K. Gillman, Deputy City Attorney

By: _____

CITY OF NATIONAL CITY,
a California municipal corporation

By: _____
Name: Brad Raulston
Title: City Manager

CCO:

CLEAR CHANNEL OUTDOOR, LLC.,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

**LEASE AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY AND
AMERICAN DIGITAL OUTDOOR, L.P.**

APN 562 220 41 00

This Lease is made and entered into this 3rd day of April, 2012, by and between the City of National City (the "City"), a California municipal corporation, and American Digital Outdoor, L.P. ("AOA"), a California Corporation.

Recitals

- A. The City owns a parcel of land, identified as Assessor's Parcel Number 562 220 41 00 [the "Parcel"], which is located adjacent to Interstate 5, a local freeway, and is further described by legal description in Exhibit "A" to this Lease.
- B. The location of the Parcel makes it suitable for the operation of a digital billboard which could generate additional revenue for municipal purposes.
- C. The City desires to lease the Parcel to an outdoor-advertising company that will install, operate and maintain a digital billboard on it.
- D. The City issued a Request for Qualifications and AOA responded to the City's request for qualifications for a signage program.
- E. AOA was found to be qualified based on extensive experience in successfully installing, operating, and maintaining digital billboards throughout the United States
- F. AOA desires to lease the Parcel from the City for the purpose of installing, operating, and maintaining digital billboards, and it has the requisite resources and expertise to do so successfully.
- G. AOA is also willing and able to comply with the conditions set forth in the National City Municipal Code currently in affect and as may be in effect by future amendment.

AGREEMENT

NOW, THEREFORE, with these recitals in mind, the parties agree as follows:

Definitions. This section defines the terms "Business Day", "Caltrans", "Caltrans Permits", "City Permits", "Commencement Date", "Digital Billboard", "Effective Date", "Hazardous Substances", "include", "Lease Year", "Message Center", "Operational", "Premises", "Sign Structure", and "Term". Other terms are defined elsewhere in this Lease.

- (a) “Business Day” means any day the City’s main offices located at 1243 National City Boulevard, National City, California, are open to the public.
- (b) “Caltrans” means the California Department of Transportation.
- (c) “Caltrans Permits” means all permits and approvals that AOA must obtain from Caltrans to install, operate and maintain the Digital Billboard in accordance with this Lease.
- (d) “City Permits” means all building permits, zoning amendments, and other permits, entitlements and agreements that the City, acting in its governmental capacity, must issue or approve for AOA to install, operate and maintain the Digital Billboard in accordance with this Lease. Neither this definition nor this Lease obligate the City to issue or approve any discretionary permit, or to approve any legislative act. The City retains all discretion in any and all approvals and/or legislative decisions that may be needed for AOA to operate a Digital Billboard.
- (e) “Commencement Date” means the first day of the first month all of the following have occurred: the City has approved the Plans (defined in Section 5(a)), and AOA has received all necessary governmental permits and approvals for the Digital Billboard, including the Caltrans Permits and the City Permits, and the sign structure and message center have been installed, is operational, and ready to accept commercial advertising.
- (f) “Digital Billboard” means the single-sided outdoor-advertising sign that AOA will install and operate on the Premises in accordance with the criteria set forth in **Exhibit “B”** to this Lease. The Digital Billboard consists of a Message Center and a Sign Structure.
- (g) “Effective Date” means the date as of which both the City and AOA have signed this Lease, as indicated by the dates in the signature blocks below.
- (h) “Hazardous Substances” means any material or substance identified in **Exhibit “C”** to this Lease.
- (i) “Include” and its variants are not restrictive. For example, “includes” means “includes, but not limited to,” and “including” means “including, but not limited to.”
- (j) “Lease Year” means one of the consecutive 12-month periods during the Term. The first Lease Year begins when the Initial Term begins.
- (k) “Message Center” means the portion of the Digital Billboard that consists of a single-sided digital (LED) display area used for general commercial advertising, with the display area measuring 14 feet high and 48 feet wide. The Message Center is more particularly described in **Exhibit “B”**.
- (l) “Operational” means the Digital Billboard is capable, legally and functionally, of displaying advertising on the Message Center.

- (m) “Premises” or “Parcel” means the City-owned real property referenced herein as Assessor’s Parcel Number 562 220 41 00, and further described and depicted in **Exhibit “A”**.
 - (n) “Sign Structure” means the portion of the Digital Billboard other than the Message Center, and it includes all ancillary equipment and utilities installed on the Premises. The Sign Structure is more particularly described in **Exhibit “B”**.
 - (o) “Term” means the entire time this Lease is in effect. As specified in Section 2, it consists of the Initial Term, the Extended Term, and any period of holding over.
1. Lease of Premises. The City hereby leases the Premises to AOA, and AOA hereby leases the Premises from the City, on the terms and conditions set forth in this Lease.
 2. Term of Lease.
 - (a) *Initial Term.* The “Initial Term” of this Lease commences on the 1st (first) day of the 1st (first) month when electricity is delivered to the Premises and ends 15 years after the date the Initial Term commences.
 - (b) *Extended Term.* At the end of the Initial Term, AOA will have the right to extend this Lease for an additional five (5) years upon mutually acceptable terms and conditions, which shall be no less than those that applied during the Initial Term. To exercise its right to the Extended Term, AOA must not be in default of this Lease, must give the City a written notice of extension no earlier than 180 days and not later than 90 days before the Initial Term ends, and must have negotiated a mutually acceptable monthly rent with the City. The Extended Term begins when the Initial Term ends, and it ends five years after that date.
 - (c) *Expiration of Lease and Holding Over.* This Lease expires automatically at the end of the Initial Term, unless extended in accordance with Section 2(b). If this Lease is extended, then it expires automatically at the end of the Extended Term. Any holding over after expiration will not constitute a renewal of this Lease, but will be on a month-to-month tenancy on the same terms and conditions that applied at expiration.
 3. Consideration. As consideration for the rights and benefits it enjoys under this Lease, including the use and occupancy of the Premises during the Term, AOA shall do all of the following:
 - (a) *Rent.* Each month during the Initial Term, AOA shall pay the City the “Monthly Rent” set forth in Schedule 1.
 - (1) Monthly Rent is due and payable on the first day of each calendar month at the address set forth for the City in Section 11(a). Any installment of Monthly Rent that is not paid within 20 days after it is due and payable will increase by 5%.
 - (2) AOA shall maintain and make available at its Phoenix office, for the

City's review and audit all contracts, leases, invoices and other records that are relevant to the accurate determination of Monthly Rent in accordance with Schedule 1. After the Monthly Rent for a five-year period has been determined in accordance with Schedule 1, AOA shall retain the related records for at least three (3) years.

- (b) *Business Revenue Share.* In addition to the Monthly Rent payment, AOA shall pay a business revenue share. AOA shall make this payment on the last day of the twelfth month following the Initial Term, on an annual basis in arrears, one-third (1/3) of the Annual Net Revenue that exceeds the annual rent, as set forth in Schedule 1. For example, if July 1, 2012 is the commencement of the Initial Term, then the business revenue share would be payable on July 31, 2013 and would cover the time period of July 1, 2012 through June 30, 2013.
- (c) *Prepayment of Monthly Rent for Months 1 (One) through 60 (Sixty).* AOA shall prepay the first 60 months of rent on the first day following the day the building permit from the City and the CalTrans Permit have been issued, but no later than June 30, 2012. AOA prepayment of rent shall be discounted for present day value, for a total discounted amount due of \$450,000.

4. Use of Premises.

- (a) *Condition of Premises.* The City makes no representations or warranties of any kind, express or implied, written or oral, about any of the following: the physical condition of the Premises; the suitability of the Premises for AOA's anticipated use; any limitations on AOA's use of the Premises, including limitations arising from zoning laws, environmental laws, or other laws, regulations, or governmental requirements; the costs of conducting AOA's business on the Premises; or the condition of the soils or ground waters of the Premises. By taking possession of the Premises, AOA accepts the Premises "as is" and acknowledges that the Premises are satisfactory for AOA's purposes. AOA has ascertained the condition of the Premises through its own independent investigation and has relied solely on that independent investigation when entering into this Lease.
- (b) *Permitted Uses.* Except as otherwise provided in Section 5(k), AOA has the exclusive right to display outdoor advertising on the Premises. The City shall not authorize any other off-site outdoor advertising on the Premises. AOA's exclusive right to conduct outdoor advertising on the Premises includes the following:
 - (1) Installing, operating, maintaining, repairing, improving, repositioning (with the City's consent), and removing the Digital Billboard on or from the Premises when this Lease terminates.
 - (2) All rights of ingress and egress over the Premises that AOA needs to access the Digital Billboard, including the right to extend utility service to the Digital Billboard.

(c) *Prohibited Uses.*

- (1) **Hazardous Substances.** AOA shall not use, handle, store, transport, generate, release, or dispose of any Hazardous Substances on, under or about the Premises, except as follows: AOA may use Hazardous Substances that AOA needs to install, operate, maintain, repair, improve, reposition, or remove the Digital Billboard in accordance with this Lease if the City has consented in writing before the Hazardous Substances are brought on the Premises. Within 10 days after receiving the City's written request, AOA shall disclose in writing all Hazardous Substances then being used on the Premises, the purpose and duration of the use, and the manner of storage and disposal.
- (2) **Unlawful Activities.** AOA shall not use or permit the Premises to be used in any way that violates this Lease or any valid and applicable statute, ordinance, regulation, rule, or order of any federal, state or local governmental entity (including the City). AOA shall not maintain or commit, or permit the maintenance or commission of, any public or private nuisance as defined by any law applicable to the Premises on or after the Effective Date. AOA hereby waives any rights to compensation it may have if a court finds that the Digital Billboard constitutes a public or private nuisance under any valid and applicable federal, state or local law, and for that reason orders AOA to remove or modify the Digital Billboard or to limit the operation of the Message Center.
- (3) **Encumbrances.** AOA shall not encumber the Premises or any part of the Premises or the Digital Billboard or any part of the Digital Billboard for any purpose without the City's prior written consent, which the City may withhold for any reason. AOA shall keep the Premises and the Digital Billboard free of all liens and other encumbrances other than those, if any, to which the City consents.

(d) *Unobstructed Use.*

- (1) The City shall not allow any landscaping or other structure to be planted or developed on the Premises, or on immediately adjoining property owned and controlled by the City, that would impair the visibility of the Digital Billboard from northbound Interstate 5. AOA shall be responsible for addressing any existing vegetation or obstruction currently located on the Premises. City makes no warranties or representations regarding the existing visibility of the potential Digital Billboard from northbound Interstate 5.
- (2) If AOA notifies the City in writing that an obstruction exists, and if the City authorized or actively caused the obstruction, then the City shall remove or remedy the obstruction at its own cost within 15 days after receiving the notice.

- (3) If AOA notifies the City in writing that an obstruction exists, and if the City did not authorize or actively cause the obstruction, then the City may remove or remedy the obstruction at its own cost within 15 days after receiving the notice, at its sole discretion. If the City does not remove or remedy the obstruction within the 15 days, then, at no cost to the City, and after coordinating with the appropriate department(s) of the City, AOA may remove the obstruction described in the notice.
 - (4) AOA's exercise of its rights under this Section 4(d) are in addition to any other remedies it may have under this Lease.
 - (5) There may be easements for ingress and egress by other public agencies or utilities. These easements shall not be considered obstructions. AOA enters into this Lease subject to and in acceptance of those easements.
5. Installation and Operation of Digital Billboard. AOA shall install and operate the Digital Billboard on the Premises in accordance with this Section 5 and consistent with Section 4, all at no cost to the City.
 - (a) *Plans and Specifications.* At no cost to the City, AOA shall prepare complete plans and specifications for the Digital Billboard, working closely with the City to develop plans and specifications that are mutually acceptable (the "Plans"). AOA shall submit the Plans to the City for final approval, which the City shall not withhold unreasonably.
 - (b) *Caltrans Permits.* As soon as practicable after the Effective Date, AOA shall apply to Caltrans for all Caltrans Permits, and the City shall cooperate with AOA in that effort, all at no cost to the City. At its discretion, AOA may designate the City as the permittee under the Caltrans Permits, but that designation will confer no legal rights on City to use, encumber or transfer the Caltrans Permits, except as may be necessary for the parties to benefit from the Digital Billboard during the Term. Upon termination of this Lease, the City shall relinquish any interest it may have in the Caltrans Permits and execute any documents needed to confirm that AOA is the sole owner of the Caltrans Permits. AOA shall perform all obligations under the Caltrans Permits at no cost to the City whether AOA or the City is designated as the permittee.
 - (c) *City Permits.* The City shall diligently process AOA's applications for all City Permits. This Lease does not commit the City in advance to approve the City Permits; and this lease does not constrain the City's discretion, acting as a government, with respect to the City Permits specifically or to the Digital Billboard generally. The City retains all discretion in any and all approvals and/or legislative decisions which may be related to the operation of digital billboards, and nothing in this Lease shall be construed to constrain the City's discretion in this regard in any way.
 - (d) *Installation.* AOA shall begin installing the Digital Billboard as soon as practicable after the Effective Date, and shall diligently pursue installation to

completion without unnecessary interruption so that the Digital Billboard is Operational before the 180th day after the Effective Date. AOA will be excused, however, for any delays in beginning or completing installation that are caused by a Force Majeure Event, as defined in Section 11(e)(1). AOA shall use reasonable diligence to avoid such delays and to resume work as promptly as possible after such a delay.

- (e) *Ownership.* AOA will own the Digital Billboard during the Term.
- (f) *Security Fences.* Before beginning installation of the Digital Billboard, AOA shall enclose, with a temporary security fence, the portion of the Premises AOA needs to install, operate, maintain and repair the Digital Billboard. AOA shall maintain the temporary security fence until AOA replaces it with a permanent security fence that circumscribes an area coextensive with the area the temporary fence circumscribed. AOA shall install the permanent security fence around the Digital Billboard at the beginning of the Operations Phase, and maintain that fence until the end of the Term. AOA shall install and maintain the temporary and permanent fences at no cost to the City, and shall consult with the City on each fence's location and design. Any such fencing shall not impair any existing easements over the Premises for ingress and egress by other public agencies, utilities, or entities.
- (g) *Maintenance.* At no cost to the City, AOA shall maintain the Premises and shall maintain, repair, and improve the Digital Billboard in accordance with the highest standards of the outdoor-advertising industry. AOA's maintenance obligation under this Section 5(g) includes the obligation to remove promptly any graffiti from the Premises and the Digital Billboard. AOA's obligation to improve the Digital Billboard under this Section 5(g) includes the obligation to replace the entire Message Center after ten years if the Message Center falls below prevailing industry standards at that time. The City is not obligated to maintain the Premises or to maintain or repair the Digital Billboard. If, however; AOA does not maintain the Premises, then the City may notify AOA in accordance with Section 11(a) that the City will perform the maintenance described in the notice if AOA does not do so within 10 Business Days. If AOA does not perform the needed maintenance within 10 Business Days after the notice is given, then the City may perform the maintenance described in the notice, and AOA shall reimburse the City's costs.
- (h) *Insured Damage or Destruction.* This Lease will continue in full effect if the Digital Billboard is damaged or destroyed in whole or part by any cause covered by the fire-and-casualty insurance AOA is required to maintain under Section 10(a)(3), subject to the following:
 - (1) AOA shall repair or replace the Digital Billboard at no cost to the City using the insurance proceeds AOA receives or is entitled to receive under the fire-and-casualty policy. AOA shall promptly apply for, and diligently pursue the issuance of, any permits or approvals it needs to repair or replace the Digital Billboard. Within 30 days after obtaining the necessary permits and approvals, AOA shall begin work to repair or replace the

Digital Billboard. AOA shall complete the work within 180 days after the work begins and shall pay any costs that exceed the available insurance proceeds.

- (2) AOA may elect not to repair or replace the Digital Billboard if:
 - (A) the cost to repair or replace it exceeds 50% of its fair-market value immediately before it is damaged or destroyed; and
 - (B) the damage or destruction occurs:
 - (i) during the last two years of the Initial Term (if AOA opts not to extend this Lease under Section 2(b)); or
 - (ii) during the last two years of the Extended Term (if AOA opts to extend this Lease under Section 3(b)).
 - (3) If AOA elects, under Section 5(h)(2), not to repair or replace the Digital Billboard, then AOA shall—
 - (A) notify the City in writing of its election;
 - (B) use the insurance proceeds AOA receives for the damage or destruction to remove the Digital Billboard and restore the Premises in accordance with Section 5(l); and
 - (C) pay to the City half of the insurance proceeds that remain after AOA has performed under Section 5(h)(3)(B), and this Lease will terminate when those proceeds are so paid.
- (i) *Uninsured Damage or Destruction.* This Lease will continue in full effect if the Digital Billboard is damaged or destroyed in whole or part by any cause not covered by the fire-and-casualty insurance AOA is required to maintain under Section 10(a)(3) if the cost to repair the damage is less than or equal to twelve times the Monthly Rent in effect when the damage occurs. AOA shall repair the damage at no cost to the City as soon as is reasonably practicable.
 - (j) *Utilities.* At no cost to the City, AOA shall provide and pay for all utility connections, utility equipment, and utility service required to install, operate, maintain, repair, improve, or reposition the Digital Billboard throughout the Term. AOA shall coordinate with the City and San Diego Gas and Electric (“SDG&E”) for utility tie-ins and electrical power sources that AOA may need to operate the Digital Billboard.
 - (k) *Advertising Rights.* During the Term, AOA will have the exclusive right to enter into agreements for advertising on the Digital Billboard, subject to the following:
 - (1) *Operation of the Message Center.* In operating the Message Center, AOA shall conform to all valid and applicable laws and regulations, including

laws and regulations pertaining to outdoor advertising. AOA shall not display any message that in the judgment of the City Manager or the City Manager's designee:

- (A) is false, misleading, or deceptive;
 - (B) promotes the sale or use of tobacco products, or medical marijuana, whether directly or indirectly;
 - (C) depicts violence or anti-social behavior or relates to illegal activity;
 - (D) contains "obscene matter", as that term is defined in California Penal Code section 311 at the time of the Effective Date, or promotes adult entertainment;
 - (E) promotes or opposes a candidate for public office, or promotes or opposes a ballot measure;
 - (F) holds a person or group of persons up to public ridicule, derision or embarrassment, or defames a person or group of persons; or
 - (G) contains language that is obscene, vulgar, profane, or scatological, or that presents a clear-and-present danger of causing riot, disorder or other imminent threat to public safety, peace or order.
 - (H) advertises automobile dealerships or auto malls located outside the City of National City.
 - (I) advertises shopping malls located outside the City of National City.
 - (J) promotes the sale or use of alcohol for more than 25% of the advertising time on the Digital Billboard or without a specific warning encouraging consumers to drink responsibly.
- (2) *Amber Alerts and Public-Service Messages.* AOA shall make the Message Center available to Caltrans for the purpose of displaying "Amber Alert" messages in accordance with the Amber Alert Guidelines set forth in Exhibit "D" to this Lease. In addition, AOA shall make the Message Center available to Caltrans, to the City, and to other government agencies, on a space-available basis and without cost, for the purpose of displaying public-service messages (e.g., reports of commute times, drunk-driving-awareness messages, reports of serious accidents, emergency-disaster communications). Alternatively, AOA may include such public-service messages in the body of commercial advertising. As used in this Section 5(k)(2) and in Section 5(k)(3), "space-available basis" means any time when AOA has not sold out the display time on the Message Board.

- (3) *City Messages.* At the request of the City Manager or the City Manager's designee, AOA shall make the Message Center available to the City, on a space-available basis, for the purpose of displaying the City's own commercial or noncommercial messages. The City's messages must meet AOA's graphics-arts standards so that the messages are "camera ready", at no cost to AOA. AOA shall duplicate (e.g., digitalize), install and display each City message for at least 20 consecutive days at no cost to the City.
- (4) *City Sign.* On each side of the Sign Structure, AOA shall install, operate, maintain, and repair a City sign that faces the same direction as a display area on the Message Center. The size and design of the City sign shall substantially comply with the criteria set forth in Exhibit "B".
- (l) *Removal of Digital Billboard.* Within 60 days after the Term ends, whether the Term expires as scheduled or is terminated early for any reason, AOA shall remove the Digital Billboard from the Premises and shall restore the Premises to their pre-lease condition, all at no cost to the City.
- (m) *Compliance with Laws; Waiver of Compensation.* During the Term and while removing the Digital Billboard after the Term, in accordance with Section 5(l), AOA shall do the following at no cost to the City: comply with all valid and applicable statutes, ordinances, regulations, rules, and orders that concern the Premises or the Digital Billboard and are enacted or issued by any federal, state or local governmental entity with jurisdiction over the Premises or the Improvements (including the City) whether enacted or issued before, on or after the Effective Date.
- (n) *Other potential sites.* During the first eighteen months after the Effective Date, should the City make available a City-owned property for possible installation of a digital billboard, AOA shall have the first opportunity to enter into negotiations with the City to negotiate a possible agreement for the site. City shall retain all discretion during any such negotiations and is not under obligation to agree on terms.

6. Early Termination.

- (a) *City's Termination Rights.* Without prejudice to its other remedies at law or in equity, the City may terminate this Lease, at any time and in its sole discretion, effective 30 days after the City gives AOA written notice of termination, if any of the following circumstances occurs:
 - (1) AOA breaches its obligation to pay Monthly Rent when due and does not cure the breach within 30 days after the City serves AOA with a written notice of breach.
 - (2) AOA breaches its obligation to perform in accordance with any material provision of this Lease other than the obligation to pay Monthly Rent and (A) does not cure the breach within 30 Business Days after the City serves

it with a written notice of breach; or, (B) if the breach cannot reasonably be cured within 30 Business Days, does not begin work on a cure within 30 Business Days after the City serves it with a written notice of breach and diligently pursue the cure to completion within 90 days after work begins. The express designation in this Lease of a provision as “material” does not imply that other provisions are not material.

(3) The Digital Billboard is not Operational by the 180th day after the Effective Date.

(b) *AOA's Termination Rights.* Without prejudice to its other remedies at law or in equity, including the right to seek just compensation under the laws of eminent domain as described in Section 8, AOA may terminate this Lease, at any time and in its sole discretion, effective 30 days after AOA gives the City written notice of termination, if any of the following circumstances occurs:

(1) The view of the Message Center's display area from the portion of Interstate 5 adjacent to the Premises is materially obstructed, and AOA did not cause the obstruction. This Section 6(b)(1) does not apply to obstructions covered by Section 4(d).

(2) AOA cannot safely use the Premises to install, operate, maintain, repair, or improve the Digital Billboard because of a non-remediable condition, and AOA did not cause the condition.

(3) There is a material diversion of traffic from, or a material reduction or change in the directional flow of traffic on, the portion of Interstate 5 adjacent to the Premises, and the diversion or disruption continues uninterrupted for at least 24 consecutive months.

(4) Through no fault of its own, AOA cannot obtain or maintain the governmental permits required to install, operate, maintain, repair, or improve the Digital Billboard, including the Caltrans Permits and the City Permits.

(5) Use of the Message Center for its intended purpose is prevented or limited by law, or AOA is required by any court or other governmental entity, for reasons other than eminent domain, to remove the Digital Billboard from the Premises.

(6) The Digital Billboard is damaged by a casualty for which AOA is not required under this Lease to carry insurance, and the cost to repair the damage exceeds twelve times the Monthly Rent in effect when the damage occurs.

(c) *AOA's Right to Renegotiation.* If any of the circumstances identified in Section 6(b) occurs, then, at its discretion and in lieu of termination, AOA may request that the City negotiate on reducing the Monthly Rent to an amount that reasonably reflect the diminished value of the Digital Billboard to AOA, and on receiving the

request the City shall negotiate in good faith with AOA. The City is not required, however, to agree on a reduction.

(d) *City's and AOA's Additional Termination Rights.* Without prejudice to their other remedies at law or in equity, either party may terminate this lease if the other party (or, for AOA, its parent company)—

(1) has an order for relief entered with respect to it, commences a voluntary case, or has an involuntary case filed against it under any applicable bankruptcy, insolvency, or other similar law then in effect, and the order or case is not stayed, withdrawn, or settled within 60 days after it is entered, commenced, or filed (11 U.S.C. § 365(e)(2)(A), as amended, or any successor statute); or

(2) files for reorganization, becomes insolvent, or has a receiver or other officer with similar powers appointed for its affairs in any court with jurisdiction, whether or not with its consent (unless dismissed, bonded or discharged within 60 days after appointment).

7. Taxes. AOA is responsible for and shall pay or otherwise discharge, without abatement or deduction, all taxes levied on, or related to, AOA's outdoor-advertising activities on the Premises. AOA recognizes and understands that this Lease may create a possessory interest subject to property taxation and that AOA may be subject to the payment of property taxes levied on such interest. AOA further agrees to pay any and all property taxes, if any, assessed during the term of this Lease pursuant to Sections 107 and 107.1 of the Revenue and Taxation Code against AOA's possessory interest in the lease premises. This obligation includes payment of any—

(a) sales or similar tax on AOA's sale of advertising space on the Digital Billboard;

(b) possessory interest tax related to this Lease or to AOA's possession or use of the Premises; and

(c) real property tax allocated to the Digital Billboard and personal property tax levied on AOA's personal property on the Premises.

8. Eminent Domain.

(a) *Definitions.* The following definitions apply to this Section 8:

(1) "Condemning Entity" means any entity that by law may exercise the power of eminent domain to acquire possession of, and title to, any of the following: the Digital Billboard, the entire Premises, or an Essential Part of the Premises.

(2) "Essential Part of the Premises" means any portion of the Premises that is reasonably necessary for installing, operating, maintaining, repairing, or improving the Digital Billboard in accordance with this Lease.

- (b) *Termination Events.* This lease will terminate if a Condemning Entity acquires the Digital Billboard, the entire Premises, or an Essential Part of the Premises—
 - (1) by using the power of eminent domain; or
 - (2) through negotiations under the threat of using the power of eminent domain.
- (c) *Termination Date; Rent Refund.* Termination under this Section 8 will occur on the date the Condemning Entity obtains possession of, or title to, the Digital Billboard, the entire Premises, or the Essential Part of the Premises, whichever occurs first. Within 15 Business Days after the termination date, the City shall refund to AOA any pre-paid Monthly Rent for the unexpired portion of the Term; and
- (d) *Compensation.* If termination occurs under this Section 8, then AOA and the City may each independently seek to recover from the Condemning Entity all compensation and other remedies provided by law for the interests taken from them. But the City may not seek or recover compensation for AOA's lost interests, and AOA may not seek or recover compensation for the City's lost interests.

9. Indemnification.

- (a) *Definitions.* The following definitions apply to this Section 9:
 - (1) "Person" is to be interpreted broadly and includes AOA and AOA's directors, officers, employees, contractors, and agents; and, includes the City and the City's elected officials, officers, employees, contractors, and agents.
 - (2) "Liabilities" means all liabilities, claims, demands, damages, and costs (including reasonable attorneys' fees and litigation costs through final resolution on appeal) that arise directly or indirectly from AOA's possession or use of the Premises.
 - (3) "Occurrence" means (A) the death of, or injury to, any Person; and (B) damage to, or destruction of, any real property, personal property (including intellectual property), or the environment (broadly interpreted to include the air, soil, soil vapor, surface water, groundwater, flora, and fauna on or about the Premises).
 - (4) "Secured Area" means the portion of the Premises enclosed by the permanent security fence that AOA erects around the Digital Billboard in accordance with Section 5(f).
- (b) *General Indemnity.* AOA shall indemnify, defend (with attorneys reasonably acceptable to the City), protect, and hold the City and the City's property (including the Premises) harmless from and against all Liabilities that arise

directly or indirectly from AOA's possession or use of the Premises. AOA is obligated under this Section 9(b) even if the City or the City's elected officials, officers, employees, contractors, or agents reviewed, accepted, or approved the work, materials, or activities from which the Liabilities arise. But AOA is not obligated under this Section 9(b) to the extent the Liabilities are caused by the sole active negligence or willful misconduct of the City or the City's elected officials, officers, employees, contractors, or agents. AOA's obligation under this Section 9(b) includes Liabilities arising from any of the following:

- (1) Any Occurrence on the Premises or outside the Secured Area, but only to the extent caused by AOA's acts or omissions.
 - (2) Any Occurrence inside the Secured Area.
 - (3) Any Occurrence that is in any way connected with any of AOA's personal property on the Premises.
 - (4) Any Occurrence caused or allegedly caused by (A) any condition of the Premises created by AOA or by any Person on the Premises with AOA's permission; or (B) some act or omission on the Premises by AOA or by any Person on the Premises with AOA's permission.
 - (5) Any Occurrence caused by, or related in any way to, work or activities performed on the Premises or materials furnished to the Premises at the request of AOA or any person or entity acting for AOA, or with AOA's permission.
 - (6) Any Occurrence that is caused by, or related in any way to, a verbal or nonverbal display on the Message Center.
 - (7) AOA's failure to perform any provision of this Lease, to comply with any requirement of law applicable to AOA, or to fulfill any requirement imposed by any governmental entity (including the City when acting as a government) on AOA or on AOA's use of the Premises.
- (c) *Hazardous Substances.* AOA shall indemnify, defend (with attorneys reasonably acceptable to the City), protect, and hold harmless the City, the City's elected officials, officers, employees, and agents, and the City's property (including the Premises) from and against all Liabilities that arise directly or indirectly from either of the following:
- (1) The possession, use, generation, transportation, release, threatened release, handling, storage, or disposal by AOA or AOA's contractors of any Hazardous Substance on or under the Premises during the Term or during AOA's removal of the Digital Billboard in accordance with Section 5(1).
 - (2) The possession, use, generation, transportation, release, threatened release, handling, storage, or disposal by anyone other than the City or the City's

elected officials, officers, employees, contractors, or agents of any Hazardous Substance on or under the Secured Area during the Term or during AOA's removal of the Digital Billboard in accordance with Section 5(1). AOA is not obligated under this Section 9(c)(2) for any Hazardous Substance that existed on or under the Premises on or before the Effective Date unless AOA's intentional, negligent or willful misconduct causes or exacerbates a release of the Hazardous Substance.

- (d) *Legal Challenges.* AOA shall indemnify, defend (with attorneys reasonably acceptable to the City), protect, and hold harmless the City and the City's elected officials, officers, and employees in any litigation brought to challenge the validity of this Lease, the validity of the City Permits or the Caltrans Permits, or the validity of the City ordinances that authorize the installation and operation of the Digital Billboard on the Premises. AOA's obligation to indemnify under this Section 9(d) includes liability for attorneys' fees awarded to a party who successfully challenges the validity of this Lease, of the City Permits or the Caltrans Permits, or of any authorizing ordinance.
- (e) *Survival.* AOA's obligations under this Section 9 will survive this Lease.

10. Insurance.

- (a) *Types of Policies.* During the Term and during AOA's removal of the Digital Billboard in accordance with Section 5(1), at no cost to the City, AOA shall procure and maintain the following insurance policies covering AOA's possession and use of the Premises:
 - (1) A policy of comprehensive general-liability insurance providing coverage at least as broad as that provided by ISO Form CG 0001. This policy must (A) be issued on an occurrence basis; (B) include coverage for premises, operations, products and completed operations, advertising injury, and contractual liability; (C) have a combined single limit of at least \$2,000,000 for each occurrence; and (D) include a fire legal-liability limit of \$50,000 for each occurrence.
 - (2) A policy of automobile liability insurance providing coverage at least as broad as that provided by ISO Form CA 0001. This policy must (A) have a combined single limit of at least \$1,000,000 for each occurrence; and (B) cover owned, non-owned, and hired vehicles.
 - (3) A policy of fire and casualty insurance that insures the Digital Billboard for its full replacement value against damage or destruction by fire or by any of the perils commonly covered under the standard extended coverage endorsement to fire insurance policies issued on real property in San Diego County. In addition, during installation of the Digital Billboard, the policy must include coverage for course of construction, vandalism and malicious mischief, and must insure the Digital Billboard and all materials delivered to the Premises for their full insurable value. All insurance

proceeds that become payable under this policy while this Lease is in effect will be paid to AOA in trust and applied by AOA to the cost of repairing and restoring the Digital Billboard as required by, and except as otherwise provided in, Section 5(h).

- (4) A policy of workers compensation insurance with limits at least equal to those required by California law, and including employer liability insurance with a limit of at least \$1,000,000. This policy must include a waiver of subrogation against the City. As an alternative to this policy, and subject to approval by the City's Risk Management Department, AOA may provide the City with a copy of AOA's Certificate of Consent to Self Insure from the California Department of Industrial Relations and a certificate showing AOA's excess-insurance limits and self-insured retentions.
- (b) *Insurer Qualifications.* Each policy must be issued by an insurer the California Department of Insurance has authorized to transact business in California in the relevant line of insurance, and the insurer must have a rating of at least "A" by A.M. Best Company or a rating the City's Risk Management Department determines to be substantially equivalent.
- (c) *Certificates of Insurance and Endorsements.* Within 10 days after the Effective Date, and afterward upon request, AOA shall provide the City with certificates of insurance, signed by authorized representatives of the insurers, and with original endorsements, confirming that AOA has procured and is maintaining the insurance policies required by this Section 10. AOA shall also provide the City a copy of all endorsements.
- (d) *Notice.* Each of the policies must obligate the insurer to give the City at least 30 days' advance written notice before the policy is cancelled or materially changed.
- (e) *Other Requirements.* The general liability and automobile liability policies must each—
 - (1) name the City and the City's elected officials, officers, employees, and agents as additional insureds;
 - (2) provide that AOA's insurance coverage is primary insurance with respect to the City and the City's elected officials, officers, employees, and agents to the extent they are additional insureds;
 - (3) provide that AOA's insurance applies separately to each insured against whom a claim is made or a suit brought, except with respect to the applicable policy limits; and
 - (4) provide that the City's insurance and self-insurance are in excess of AOA's insurance and will not contribute with it.

- (f) *Quinquennial Review.* The City may revise these insurance requirements every five years if the City reasonably determines that revision is needed to conform the policy terms, conditions and limits with then-current insurance industry standards for structures and real property comparable to the Digital Billboard and the Premises. A revision will take effect 30 days after the City gives AOA notice in accordance with Section 11(a).
- (g) *No Limit on Indemnification.* Nothing in this Section 11 limits AOA's obligations under Section 9.

11. Miscellaneous.

- (a) *Notices.* Any notice or other communication under this Lease must be in writing and will be considered properly given and effective only when mailed or delivered in the manner provided by this Section 11(a) to the persons identified below. A mailed notice or other communication will be effective or will be considered to have been given on the third day after it is deposited in the United States Mail (certified mail and return receipt requested), addressed as set forth below, with postage prepaid. A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered. A party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this Section 11(a).

If to the City:

City Manager
 City of National City
 1243 National City Boulevard
 National City, CA 91950-4301

If to AOA:

 American Outdoor Advertising
 1702 East Highland Avenue, Suite 304
 Phoenix, AZ 58016-4666

- (b) *Assignments and Subleases.* A party may not assign or otherwise transfer this Lease or any interest in it, and this Lease is not assignable by operation of law, without the other party's prior written consent, which the other party shall not withhold, delay or condition unreasonably. An assignment or transfer of this Lease does not occur, for purposes of this Section 11(b), if AOA merges with another company, reorganizes its stock, or undergoes a similar corporate restructuring, or if AOA sells any of its assets or stock. AOA may not sublease the Premises or any part of the Premises, or the Digital Billboard or any part of the Digital Billboard, without the City's prior written consent, which the City may withhold or condition in its sole discretion. An assignment, transfer or sublease made contrary to this Section 11(b) is void.
- (c) *Successors and Assigns.* This Lease binds and inures to the benefit of the successors and assigns of the parties. This Section 11(c) does not constitute the City's consent to any assignment of this Lease or any interest in the Lease, or to

any sublease of the Premises or any part of the Premises, or to any sublease of the Digital Billboard or any part of the Digital Billboard.


- (d) *The City's Right to Enter and Inspect the Premises.* The City and the City's elected officials, officers, employees, and agents may enter upon and inspect the Premises at any time to determine AOA's compliance with this Lease.
- (e) *Force Majeure.*
- (1) "Force Majeure Event" means a cause of delay that is not the fault of the party who is required to perform under this Lease and is beyond that party's reasonable control, including the elements (including floods, earthquakes, windstorms, and unusually severe weather), fire, energy shortages or rationing, riots, acts of terrorism, war or war-defense conditions, acts of any public enemy, epidemics, the actions or inactions of any governmental entity (excluding the City) or that entity's agents, litigation, labor shortages (including shortages caused by strikes or walkouts), and materials shortages.
 - (2) Except as otherwise expressly provided in this Lease, if the performance of any act required by this Lease to be performed by either the City or AOA is prevented or delayed because of a Force Majeure Event, then the time for performance will be extended for a period equivalent to the period of delay, and performance of the act during the period of delay will be excused.
 - (3) This Section 11(e) does not excuse (A) AOA's obligation to pay Monthly Rent when due and payable; or (B) either party's obligation to perform an act when performance is rendered difficult or impossible solely because of that party's financial condition.
- (f) *Waiver of Breach.* A party's failure to insist on strict performance of this Lease or to exercise any right or remedy upon the other party's breach of this Lease will not constitute a waiver of the performance, right or remedy. A party's waiver of the other party's breach of any provision in this Lease will not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision. A waiver is binding only if set forth in writing and signed by the waiving party.
- (g) *Relationship of the Parties.* This Lease does not create any relationship or association between the City and AOA other than that of landlord and tenant. For example, and without limiting the previous sentence, this Lease does not create between the City and AOA the relationship of principal and agent, nor does it create a partnership or joint venture.
- (h) *Attorney's Fees.* The party prevailing in any litigation concerning this Lease, the Premises, or any improvements to the Premises (including the Digital Billboard)

will be entitled to an award by the court of reasonable attorneys' fees and litigation costs through final resolution on appeal in addition to any other relief that may be granted in the litigation, If the City is the prevailing party, then this Section 11(h) will apply whether the City is represented in the litigation by the Office of the City Attorney or by outside counsel.

- (i) *Severability.* If a court with jurisdiction holds any nonmaterial provision of this Lease to be invalid, void or unenforceable, then the remaining provisions will remain in full force.
- (j) *Counterparts.* The parties may execute this Lease in counterparts, each of which will be considered an original, but all of which will constitute the same lease.
- (k) *Memorandum of Lease.* Either the City or AOA may record this Lease or a memorandum thereof with the San Diego County Clerk/Recorder.
- (l) *Further Assurances.* Each party shall execute all additional documents or instruments, and take all necessary action that either party reasonably considers necessary to carry out the proper purposes of this Lease.
- (m) *Time of Essence.* Time is of the essence of this Lease.
- (n) *Interpretation.* This Lease is to be interpreted and applied in accordance with California law without regard to conflict of laws principles, except that the rule of interpretation in California Civil Code section 1654 will not apply. Schedules 1 and 2, and Exhibits A, B, C, D, E, and F are part of this Lease.
- (o) *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.
- (p) *Integration and Modification.* This Lease sets forth the parties' entire understanding regarding the matters addressed. It supersedes all prior or contemporaneous agreements, representations and negotiations (written, oral, express, or implied) and may be modified only by another written agreement signed by both parties.


IN WITNESS WHEREOF, the parties hereto have executed this Lease on the date and year first above written.

CITY OF NATIONAL CITY



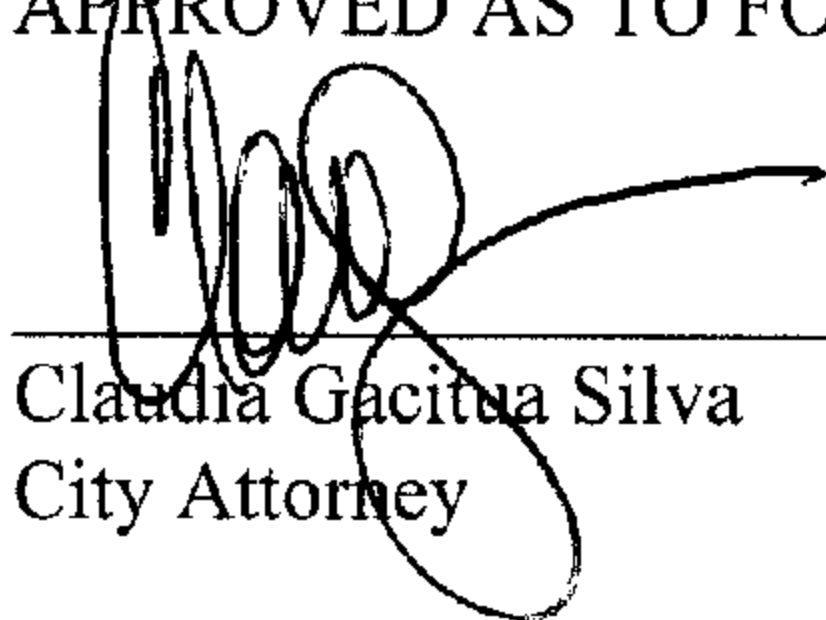
Ron Morrison, Mayor

AMERICAN DIGITAL OUTDOOR, LP

By: 

Tom LeClair
Managing Member

APPROVED AS TO FORM:



Claudia Gacitua Silva
City Attorney

Schedule 1

The following definitions apply in this Schedule 1:

“Gross Revenue” means all revenue AOA actually derives from the Digital Billboard, including revenue from the display of messages and revenue from non-advertising uses of the Digital Billboard, such as any rental AOA receives from a telecommunications company that uses the Digital Billboard as a cell site or cell tower. This reference to a cell site tower does not confer any right to such use, but is stated by way of example only.

“Annual Net Revenue” means the difference between the Gross Revenue that AOA actually receives in a lease year and any commissions or fees that AOA actually pays to a bona fide independent advertising agency (i.e., an agency not owned or co-owned or controlled or otherwise affiliated with AOA) in connection with messages displayed on the Digital Billboard. The amount of such a commission or fee may not exceed 16% of the revenue to which it relates.

AOA shall pay Monthly Rent (as described in Section 3.a.) as follows:

- a. Monthly Rent for months 1 through 60: The Annual Rent total shall be \$102,000 (One Hundred Two Thousand Dollars) per year, paid monthly in the amount of \$8,500 (Eight Thousand Five Hundred Dollars). \$8,500 is the Base Rent.
- b. The first 60 (Sixty) months shall be paid in advance, as set forth in Section 3.

AOA shall pay Business Revenue Sharing (as referenced in Section 3), in addition to Monthly Rent, as follows:

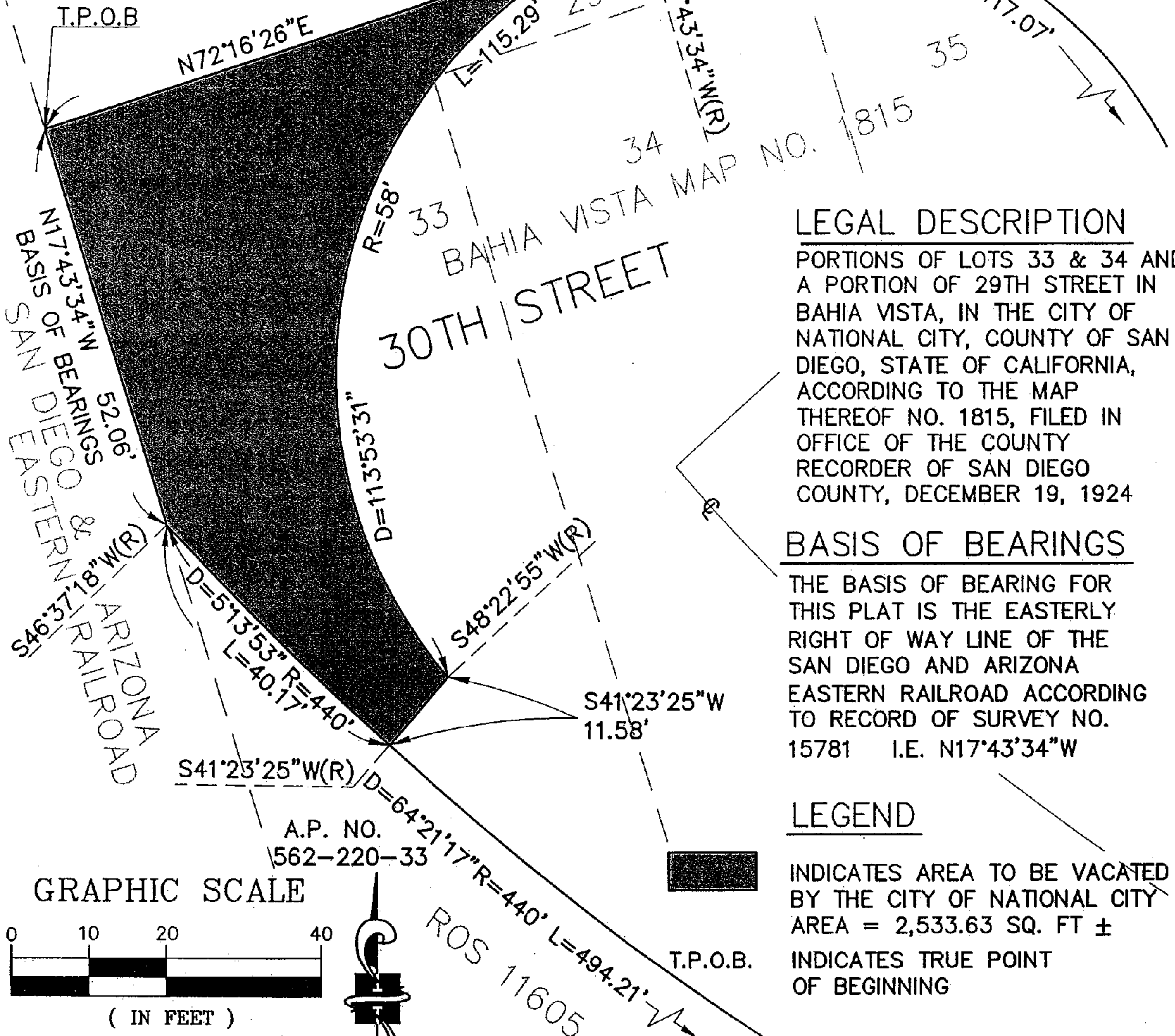
AOA shall pay one-third (1/3) of that portion of the Annual Net Revenue that exceeds \$102,000 per year. This 1/3 shall be calculated on an annual basis in arrears.

By way of example, if Annual Net Revenue is \$120,000 in a year, then the Business Revenue Sharing would be calculated as follows: \$120,000 (Annual Net Revenue “ANR”) - \$102,000 (Annual Rent “AR”) = \$18,000 which is then divided by 3 for a Business Revenue Sharing (“BRS”) payable in the amount of \$6,000. The formula would then be as follows: $(ANR-AR) \div 3 = BRS$

ROS 15781

A.P. NO. 559-200-38

A.P. NO. 559-200-34 ST



LEGAL DESCRIPTION

PORTIONS OF LOTS 33 & 34 AND A PORTION OF 29TH STREET IN BAHIA VISTA, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 1815, FILED IN OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 19, 1924

BASIS OF BEARINGS

THE BASIS OF BEARING FOR THIS PLAT IS THE EASTERLY RIGHT OF WAY LINE OF THE SAN DIEGO AND ARIZONA EASTERN RAILROAD ACCORDING TO RECORD OF SURVEY NO. 15781 I.E. N17°43'34\"W

LEGEND



INDICATES AREA TO BE VACATED BY THE CITY OF NATIONAL CITY AREA = 2,533.63 SQ. FT ±



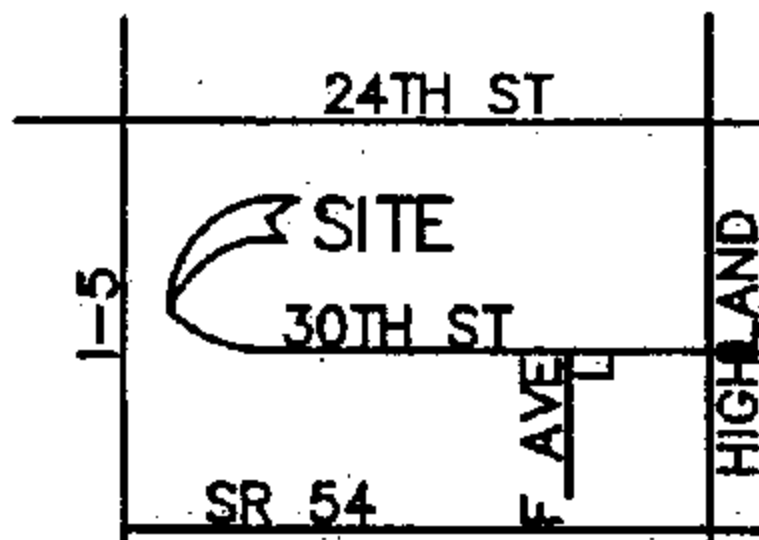
INDICATES TRUE POINT OF BEGINNING

GRAPHIC SCALE



(IN FEET)

1 inch = 20 ft.

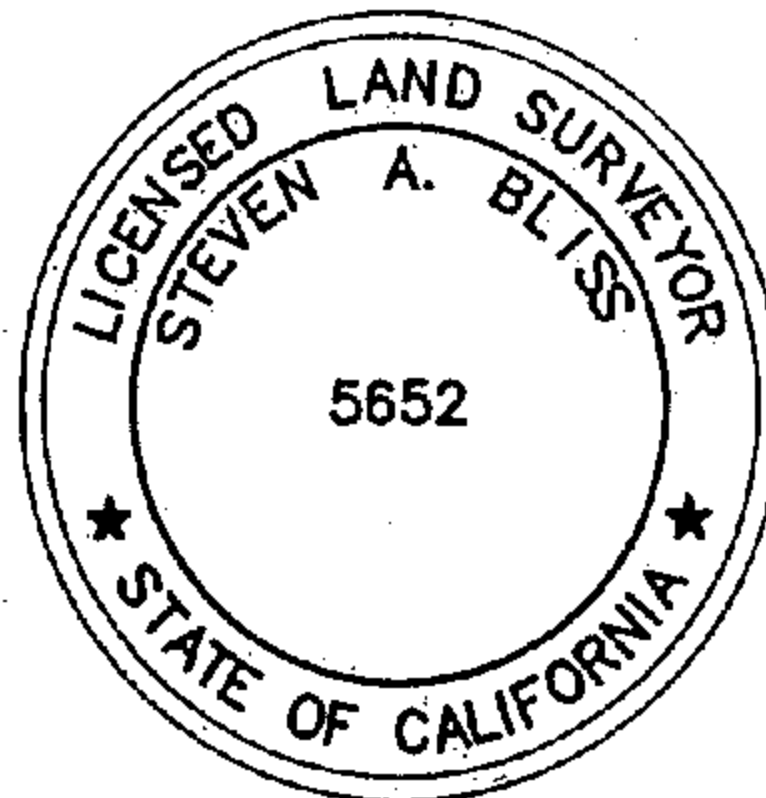


VICINITY MAP

NO SCALE

A.P. NO. 562-220-33

ROS 11605



THIS PLAT WAS PREPARED BY ME OR UNDER MY DIRECTION.

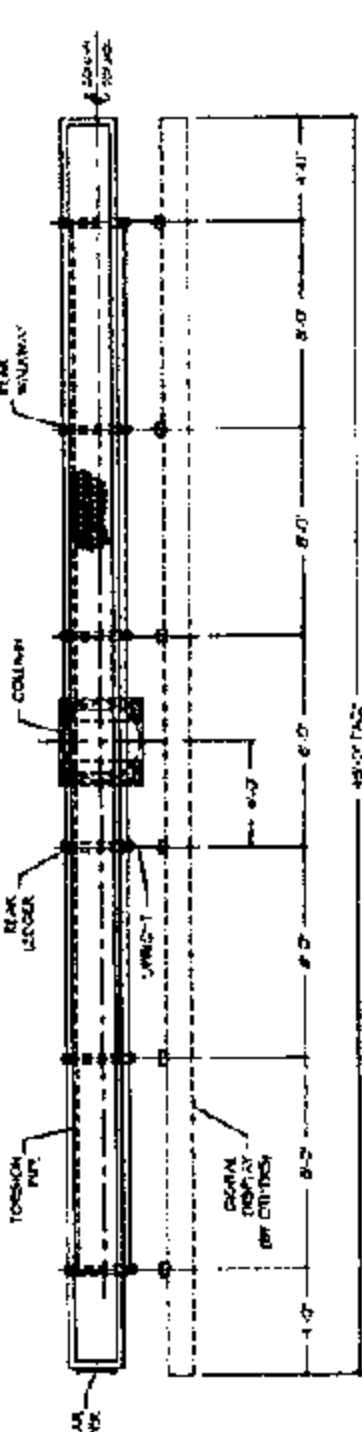
PRELIMINARY

STEVEN A. BLISS PLS 5652 DATE

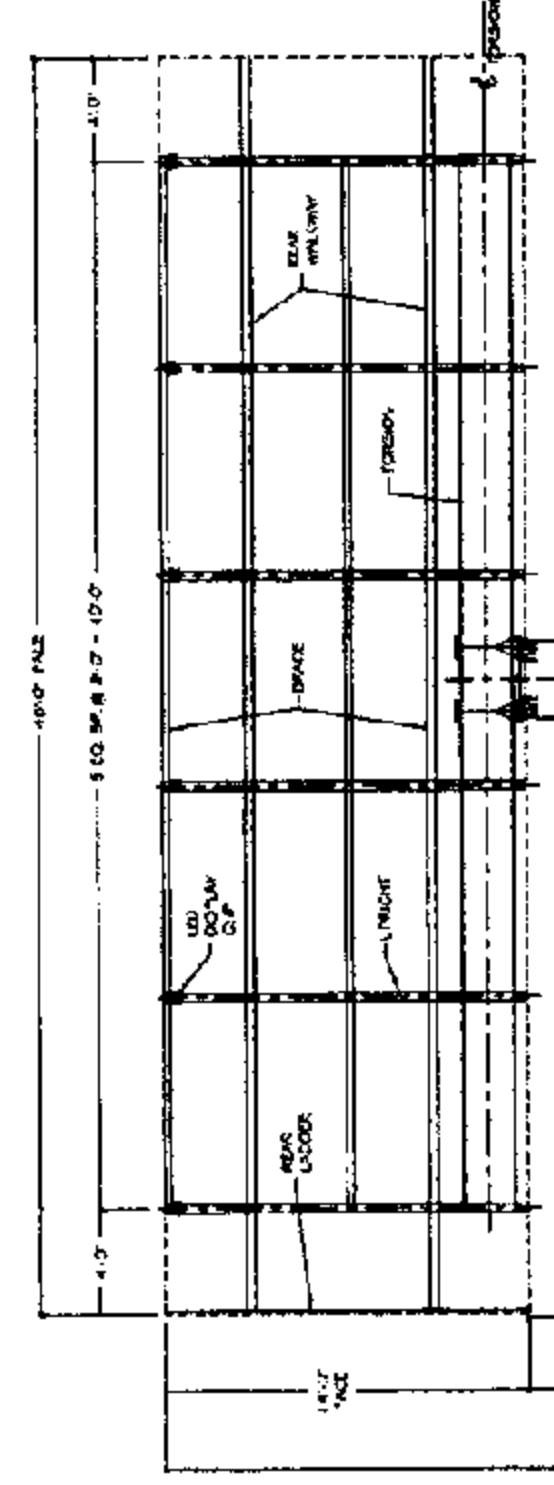
ENGINEERING DEPARTMENT
CITY OF NATIONAL CITY
CALIFORNIA 91960

Exhibit A

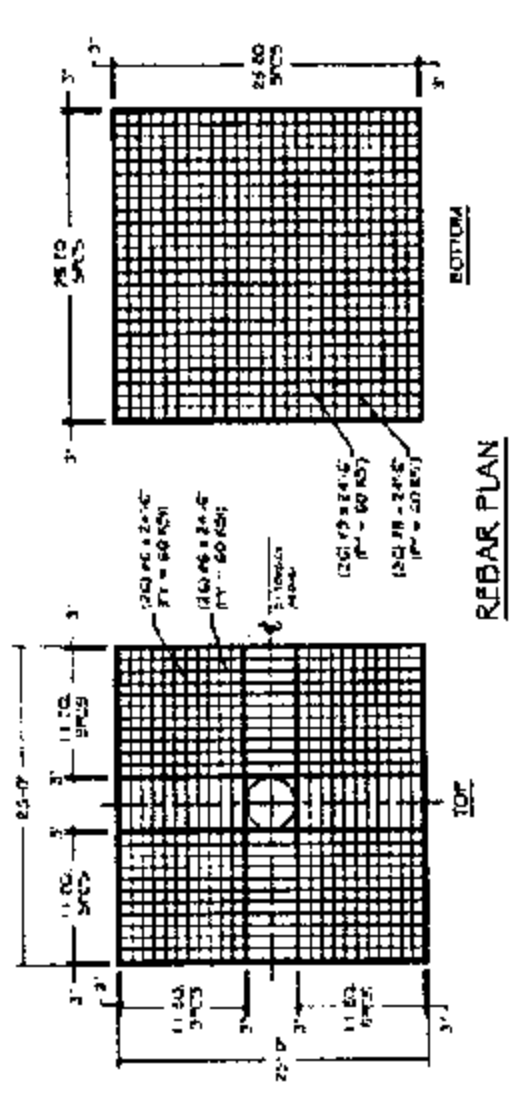
SHEET 1 OF 1



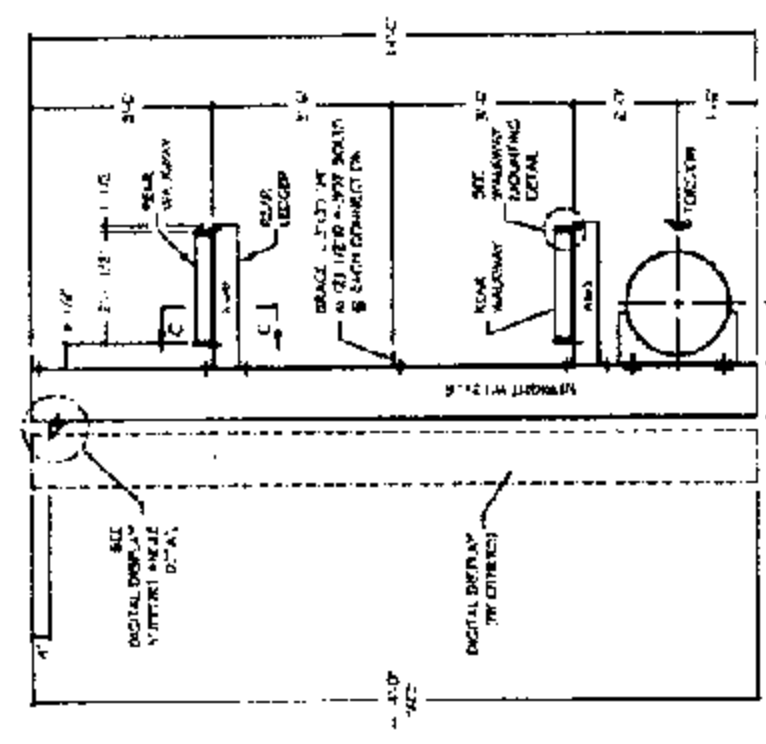
PLAN VIEW



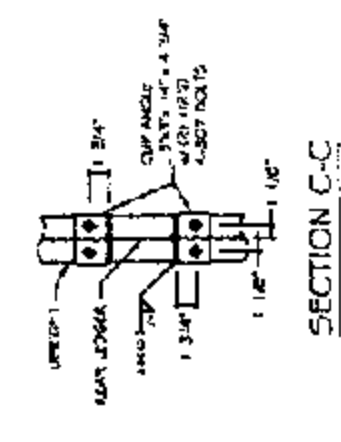
ELEVATION



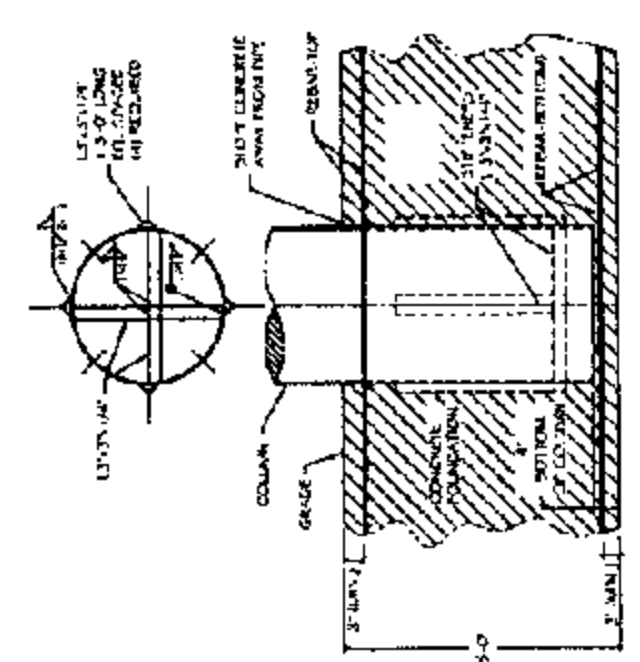
REBAR PLAN



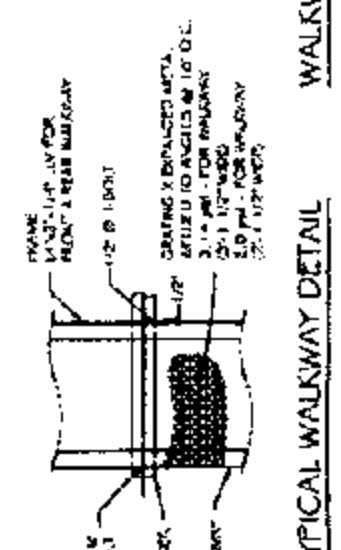
TYPICAL SECTION THRU SIGN



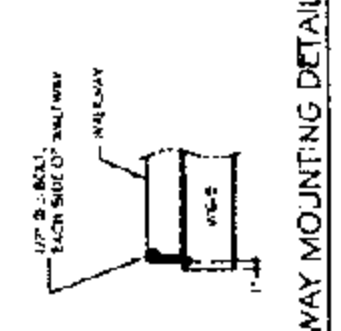
SECTION C-C



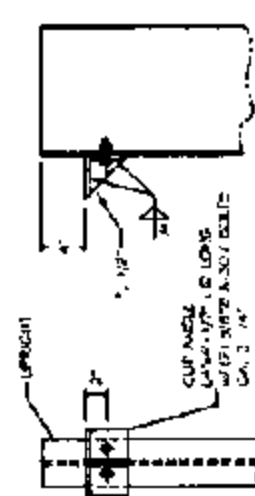
COLUMN IN FOOTING DETAIL



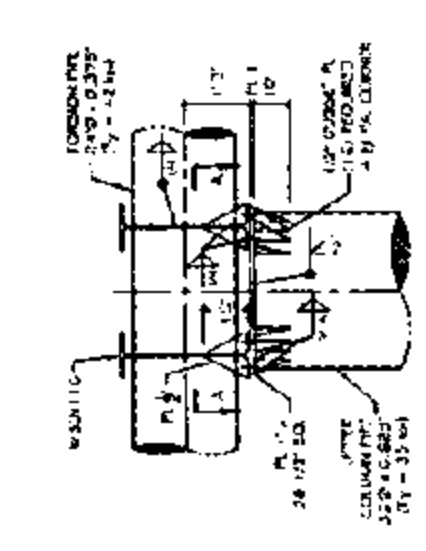
TYPICAL WALKWAY DETAIL



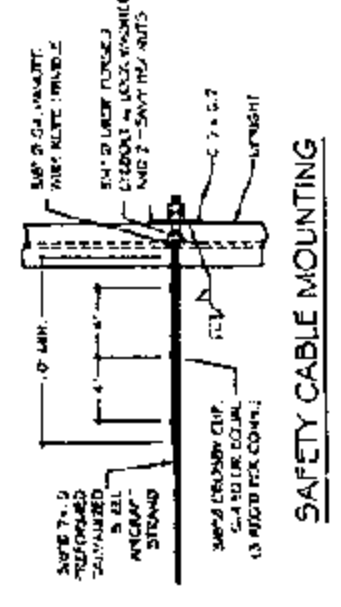
WALKWAY MOUNTING DETAIL



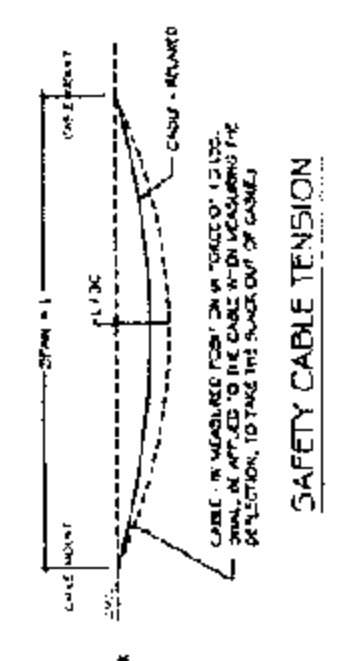
LED SUPPORT ANGLE DETAIL



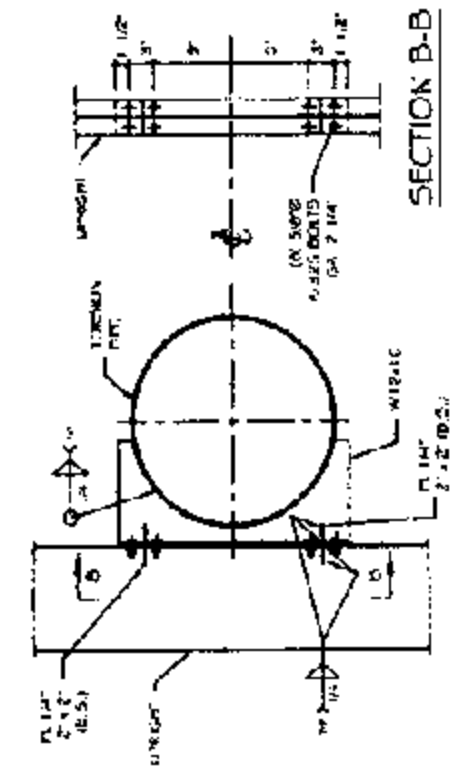
COLUMN-TORSION CONNECTION



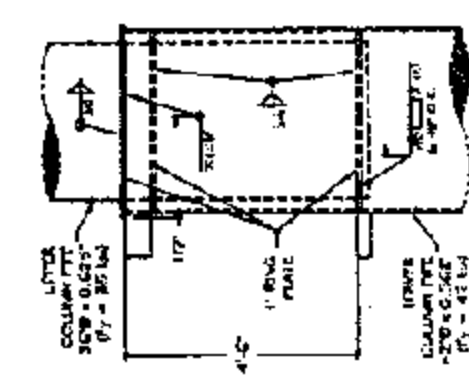
SAFETY CABLE MOUNTING



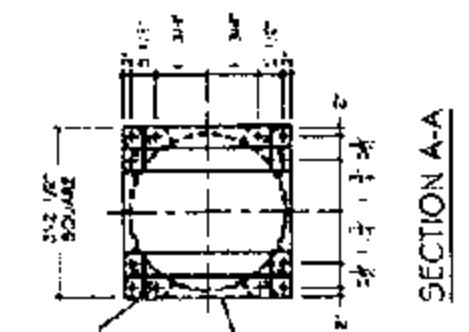
SAFETY CABLE TENSION



UPRIGHT-TORSION CONNECTION



COLUMN SPICE DETAIL



SECTION A-A

NOTES AND SPECIFICATIONS
 (APPLY UNLESS OTHERWISE NOTED ON PERMIT DRAWING)
 CODE: 2008 BC
 WIND DESIGN - WIND STRUCTURE WIND LOADS ARE DETERMINED IN ACCORDANCE WITH ASCE 7-02 SECTION 6.4.1.1.
 WIND SPEED: 90 MPH (3 SECOND GUST)
 IMPORTANCE FACTOR (I): 1.0 (OCCUPANCY CATEGORY I)
 EXPOSURE CATEGORY: B
 ANY SIGN COMPONENTS NOT SPECIFICALLY DETAILED ON THESE DRAWINGS BUT ATTACHED TO THE STRUCTURE SHALL BE DESIGNED IN ACCORDANCE WITH THE INFORMATION ABOVE.
 LIVE LOAD - DEAD LOADS: 40 PSF OR 300 POUNDS AT ANY POINT
 DEAD LOAD -
 WEIGHT OF SIGN PANELS: 3000 POUNDS EACH FACE
 OTHER STRUCTURAL MEMBERS: AS NOTED IN CALCULATIONS
 STEEL - WIDE FLANGES - ASTM A992, OTHER SHAPES & PLATES - ASTM A36
 PIPE SECTIONS - ASTM A53 B OR A53 C Q2, OR API 5L WITH MINIMUM YIELD STRENGTH AS INDICATED ON DRAWINGS
 ALL STRUCTURAL STEEL SHALL BE FABRICATED AND FINISHED ACCORDING TO LATEST AISC SPECIFICATIONS AND STANDARD PRACTICE.
 PAINTING - ALL STRUCTURAL STEEL EXPOSED TO WEATHER SHALL BE SHOP PRIMED AND PAINTED IN ACCORDANCE WITH AISC 335 (SPECIFICATION) AND AISC 303 (STANDARD PRACTICE).
 CONCRETE - CONCRETE SHALL HAVE A MINIMUM COMPRESSIVE STRENGTH OF 3000 PSI AT 28 DAYS AND BE PLACED IN ACCORDANCE WITH ACI 311 WITH A MAXIMUM SLUMP OF 9" AND A MAXIMUM WATER TO CEMENT RATIO OF 0.45.
 WELDING - ALL WELDING MATERIALS AND COMPONENTS SHALL BE IN COMPLIANCE WITH AWS D11.1 WELDED STRUCTURES.
 BOLTS - ALL BOLTS SHALL CONFORM TO ASTM A307. HIGH STRENGTH BOLTS SHALL CONFORM TO ASTM A325. ALL BOLTS SHALL BE INSTALLED TO A SNUG TIGHT CONDITION UNLESS NOTED TO BE PRE-TENSIONED (PT). PT BOLTS SHALL BE FULLY TENSIONED PER AISC TURN OF THE NUT METHOD (1/2 OF A TURN PER A SNUG TIGHT CONDITION) OR OTHER AISC APPROVED TENSIONING METHOD.
 SPREAD COLUMN FOOTING - FOUNDATION DESIGN BASED ON ALLOWABLE SOIL BEARING PRESSURE PER IRC TABLE 1804.3 OF 1500 PSF. SOIL CLASS A - TYPE SAND, SILTY SAND, CLAYEY SAND. VERIFY SOIL TYPE DURING EXCAVATION. NOTIFY ENGINEER OF ANY DISCREPANCY.
 EXTERNAL COLUMN PIPE TO BOTTOM OF FOOTING (IF CONCRETE) COVER (REQUIRED)
 SPECIAL INSPECTIONS - SPECIAL INSPECTIONS ARE REQUIRED PER CHAPTER 17 FOR THE FOLLOWING ITEMS:
 - STEEL CONSTRUCTION: MATERIAL VERIFICATION OF STRUCTURAL STEEL
 - PERIODIC INSPECTION OF JOINT DETAILS
 - STRUCTURAL WELDING: PERIODIC INSPECTION OF SMALL PAINT FILLER WELDS 3/4" CONTINUOUS INSPECTION OF ALL MULTI-PASS FILLER WELDS
 - MATERIAL INSPECTION OF WELD FILLER MATERIAL
 - PERIODIC INSPECTION OF WELD FILLER MATERIAL
 - PERIODIC INSPECTION TO VERIFY FASTENER COMPONENTS AND TIGHTENING
 - PERIODIC INSPECTION TO VERIFY EXCAVATION CONDITIONS
 - PERIODIC INSPECTION TO VERIFY REINFORCING PLACEMENT
 - PERIODIC INSPECTION TO VERIFY REINFORCING PLACEMENT
 - CONTINUOUS INSPECTION DURING SAMPLING AND PLACEMENT
 STRUCTURAL WELDING SPECIAL INSPECTIONS REQUIRED ABOVE SHALL BE COMPLETED DURING FABRICATION OF MATERIALS WHETHER IN SHOP OR FIELD
 STEEL FABRICATOR - ALL STRUCTURAL STEEL SHALL BE SHOP FABRICATED BY THE FOLLOWING FABRICATOR:
 PAGE STEEL FABRICATORS
 PAGE: ARIZONA ROAD
 NO FIELD WELDING IS ALLOWED WITHOUT THE APPROVAL OF THE ENGINEER OF RECORD.
 SPECIAL INSPECTIONS WILL BE REQUIRED FOR ANY FIELD WELDING.
 THE ENGINEER SHALL VERIFY ALL DIMENSIONS AND CONDITIONS IN THE FIELD BEFORE ERECTION AND NOTIFY ENGINEER OF ANY DISCREPANCIES.

THIS DRAWING IS THE PROPERTY OF PAGE STEEL FABRICATORS. IT IS PROVIDED FOR PERMIT PURPOSES ONLY. ANY OTHER USE OR REPRODUCTION IS PROHIBITED WITHOUT WRITTEN AUTHORIZATION FROM PAGE STEEL FABRICATORS, INC.

CUSTOMER: AMERICAN OUTDOOR

SIGN LOCATION: 14' x 48' SINGLE POST CENTER MOUNT SINGLE FACE LED READY

DATE: 03/30/12
 SHEET NO: E1 of 1
 JOB NO. [blank]
 DWG NO. [blank]

AMERICAN OUTDOOR

Outdoor Inc.
 4425 North 24th Street, Suite 200
 Phoenix, Arizona 85018
 PHN: (602) 230-4634 FAX: (602) 230-8071

NOT FOR CONSTRUCTION
 PERMITTING DRAWING

(List of Hazardous Substances)

Exhibit C

RESOLUTION NO. 2012 – 83

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY
AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT
BETWEEN THE CITY AND AMERICAN DIGITAL OUTDOOR, LP, ALSO
KNOWN AS AMERICAN OUTDOOR ADVERTISING, FOR LAND AT
THE END OF THE 30TH STREET CUL-DE-SAC (APN 562 220 41 00)
AS A SITE FOR THE INSTALLATION AND MAINTENANCE
OF DIGITAL OUTDOOR SIGNAGE, AND AUTHORIZING
THE CITY MANAGER TO MAKE CHANGES TO THE LEASE
THAT DO NOT CONFLICT WITH THE TERMS

WHEREAS, as a result of the RFQ process, the City has determined that American Digital Outdoor, LP, also known as American Outdoor Advertising, is qualified by experience and ability to install and operate a digital billboard, and American Digital Outdoor is willing to lease land from the City and install and maintain digital outdoor signage on the site; and

WHEREAS, the City owns a parcel of land that is located between the end of the 30th Street cul-de-sac and Interstate 5, which is a vacant parcel (APN 562 220 41 00); and

WHEREAS, this Lease is not a guarantee that the digital billboard can be installed because there are additional approvals required by various agencies that are not subject to or committed to in this Lease Agreement; and

WHEREAS, to the extent any of the permits or requirements are discretionary, the Lease Agreement specifically recognizes the discretion remains with the approving entity, and is not in any way pre-committed or affected by the Lease Agreement; and

WHEREAS, a summary of the terms and conditions of the Lease are as follows:

- The term is 15 years, with an option for an additional 5 years;
- The base monthly rent is \$8,500 per month for a single-sided digital billboard facing traffic traveling northbound on Interstate 5;
- American Outdoor is responsible for pursuing any and all needed permits with local and state agencies;
- American Outdoor is bearing all costs of installation and operation of the digital billboard. If for whatever reason appropriate permits cannot be obtained which is not the fault of American Outdoor, then the lease will not move forward and would terminate;
- The City receives one-third of the earned revenue in excess of the annual rent;
- 5 year prepayment (discounted for present day value) of monthly rent will be a minimum of \$408,000.
- The following types of advertisement are not allowed:
 - Dealerships or auto malls outside of NC
 - Shopping malls outside of NC
 - Opposing or promoting a candidate for office or a ballot measure

- Obscene/promoting adult entertainment
- Tobacco or medical marijuana
- Alcohol unless there is a specific warning to encourage consumers to drink responsibly
- Depicting violence or anti-social behavior or illegal activity
- Defaming, embarrassing, public ridicule of a person or group
- City announcements on a space-available basis; and

WHEREAS, this lease, if fully realized, will provide a minimum of \$102,000 in annual rent for the use of a parcel of land that would otherwise remain unused. In addition, as American Outdoor's revenue increases, the City receives a part of the revenue.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of National City that the Mayor is hereby authorized to execute a Lease Agreement between the City of National City and American Digital Outdoor, LP, for land at the end of the 30th Street cul-de-sac (APN 562 220 41 00) as a site for the installation and maintenance of digital outdoor signage in substantially the same form and content. Said Lease Agreement is on file in the office of the City Clerk.

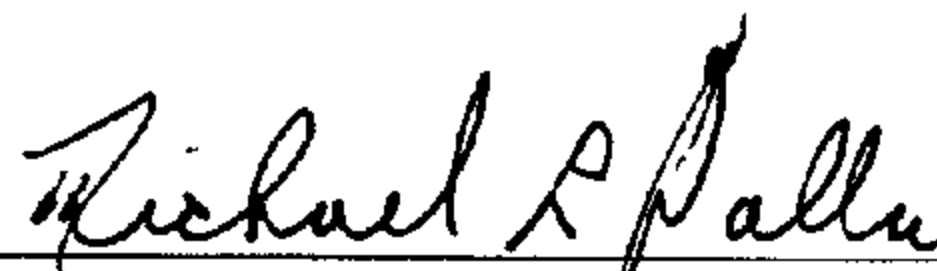
BE IT FURTHER RESOLVED that the City Council hereby authorizes the City Manager to make changes to the Lease prior to execution that do not conflict with the key terms of the Lease, and maintains the Lease in substantially the same form and content.

PASSED and ADOPTED this 3rd day of April, 2012.



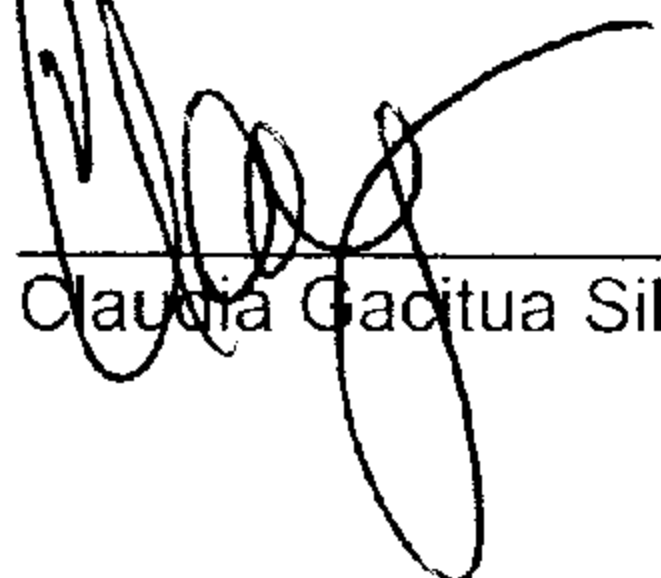
Ron Morrison, Mayor

ATTEST:



Michael R. Dalla, City Clerk

APPROVED AS TO FORM:



Claudia Gacitua Silva, City Attorney

Passed and adopted by the Council of the City of National City, California, on April 3, 2012 by the following vote, to-wit:

Ayes: Councilmembers Morrison, Natividad, Rios, Sotelo-Solis, Zarate.

Nays: None.

Absent: None.

Abstain: None.

AUTHENTICATED BY: RON MORRISON
Mayor of the City of National City, California



Michael D. Balla
City Clerk of the City of National City, California

By: _____
Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 2012-83 the City of National City, California, passed and adopted by the Council of said City on April 3, 2012.

City Clerk of the City of National City, California

By: _____
Deputy

CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT

C 2012-17

MEETING DATE: April 3, 2011

AGENDA ITEM NO. 13

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the Mayor to execute a Lease Agreement between the City and American Outdoor Advertising for a parcel of land at the end of the 30th Street Cul-de-Sac (APN 562 220 41 00) as a site for potential signage

PREPARED BY: Leslie Deese – ext. 4242 

DEPARTMENT: City Manager

PHONE:

Claudia Gacitua Silva – ext. 4222 

City Attorney

APPROVED BY: _____

EXPLANATION:

Please see attached staff report.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

N/A

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Adopt resolution.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

aff report
proposed resolution

RESOLUTION NO. 2012-82

Background

In 2008, a Request for Qualifications was issued for a sign program. The type of signage envisioned would be a modern digital outdoor advertising board. The City initially entered into discussions with one of the responders, but the parties could not arrive at an agreement. Thereafter, the City looked to the next qualified responder to the RFQ, which was American Outdoor Advertising. The City began discussions with American Outdoor Advertising also known as American Digital Outdoor.

As part of the signage program, the City examined various possibilities for marquee gateway signage that would promote the City and its assets, add value to the City's urban landscape, stimulate economic investment, and provide revenue for the City. Staff reviewed many City owned properties in assessing whether the location was viable for a marquee gateway sign. The criteria included whether it was constrained as a CalTrans landscape corridor, as this made it more difficult to install a sign in such a corridor. A site at the end of the 30th Street cul-de-sac which was adjacent to Interstate 5 was identified. This site is close to the Interstate 5 and Highway 54 junction.

The City-owned property at the end of the 30th Street cul-de-sac was not needed for street purposes, as the property was adjacent to Interstate 5, the trolley tracks, and utility overhead transmission lines. The piece of property adjacent to 30th Street was vacated as a street and was assigned an assessor's parcel number in the fall of 2011.

The parties thereafter began negotiating lease terms more amenable to the City, such as a higher monthly rent than those originally proposed by the responders to the RFQ and receiving a portion of the revenues earned by American Outdoor. The lease before you contains these terms for your consideration and approval.

Lease Terms

The Lease is for a 15 year term with a 5 year additional option. The base monthly rent is \$8,500 per month for a single-sided digital billboard facing traffic traveling northbound on Interstate 5. American Outdoor is responsible for pursuing any and all needed permits with local and state agencies. American Outdoor is bearing all costs of installation and operation of the digital billboard. If for whatever reason appropriate permits cannot be obtained which is not the result of American Outdoor, then the lease will not move forward and would terminate.

Summary of lease terms:

- \$8,500 per month
- One-third of the earned revenue in excess of the annual rent
- 15 year lease with 5 year option
- 5 year prepayment (discounted for present day value) of monthly rent (will be a minimum of \$408,000)

- The following types of advertisement are not allowed:
 - Dealerships or auto malls outside of NC
 - Shopping malls outside of NC
 - Opposing or promoting a candidate for office or a ballot measure
 - Obscene/promoting adult entertainment
 - Tobacco or medical marijuana
 - Alcohol unless there is a specific warning to encourage consumers to drink responsibly
 - Depicting violence or anti-social behavior or illegal activity
 - Defaming, embarrassing, public ridicule of a person or group
- City announcements on a space-available basis

Discussion

Overall, this lease if fully realized, will provide a minimum of \$102,000 in annual rent for the use of a parcel of land that would otherwise remain unused. In addition, as American Outdoor's revenue increases, the City receives a part of the revenue.

This lease is not a guarantee that the digital billboard can be installed, because there are additional approvals required by various agencies, such as CalTrans, and including the City, which are not subject to or committed to in this agreement. However, American Outdoor has reviewed those requirements and believes them to be achievable and feasible at this time. To the extent any of the permits or requirements are discretionary, the lease specifically recognizes the discretion remains with the approving entity and is not in any way pre-committed or affected by the lease agreement.

The lease terms specified above are contained in the lease agreement, as well as additional terms addressing such matters as insurance, risk, indemnity, timing, etc. There are some terms that the parties are further refining that would not substantially change any of the key terms noted above. Thus, we are asking Council approve the Lease in substantially the same form and content, and allow the City Manager to make changes which do not conflict with the terms listed above.

Recommendation

Staff recommends approving the lease agreement in substantially the same form and content as attached and allowing the City Manager to make changes which do not conflict with the terms listed above.

**LEASE AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY AND
AMERICAN DIGITAL OUTDOOR, L.P.**

APN 562 220 41 00

This Lease is made and entered into this 3rd day of April, 2012, by and between the City of National City (the "City"), a California municipal corporation, and American Digital Outdoor, L.P. ("AOA"), a California Corporation.

Recitals

- A. The City owns a parcel of land, identified as Assessor's Parcel Number 562 220 41 00 [the "Parcel"], which is located adjacent to Interstate 5, a local freeway, and is further described by legal description in Exhibit "A" to this Lease.
- B. The location of the Parcel makes it suitable for the operation of a digital billboard which could generate additional revenue for municipal purposes.
- C. The City desires to lease the Parcel to an outdoor-advertising company that will install, operate and maintain a digital billboard on it.
- D. The City issued a Request for Qualifications and AOA responded to the City's request for qualifications for a signage program.
- E. AOA was found to be qualified based on extensive experience in successfully installing, operating, and maintaining digital billboards throughout the United States
- F. AOA desires to lease the Parcel from the City for the purpose of installing, operating, and maintaining digital billboards, and it has the requisite resources and expertise to do so successfully.
- G. AOA is also willing and able to comply with the conditions set forth in the National City Municipal Code currently in affect and as may be in effect by future amendment.

AGREEMENT

NOW, THEREFORE, with these recitals in mind, the parties agree as follows:

Definitions. This section defines the terms "Business Day", "Caltrans", "Caltrans Permits", "City Permits", "Commencement Date", "Digital Billboard", "Effective Date", "Hazardous Substances", "include", "Lease Year", "Message Center", "Operational", "Premises", "Sign Structure", and "Term". Other terms are defined elsewhere in this Lease.

- (a) "Business Day" means any day the City's main offices located at 1243 National City Boulevard, National City, California, are open to the public.
- (b) "Caltrans" means the California Department of Transportation.
- (c) "Caltrans Permits" means all permits and approvals that AOA must obtain from Caltrans to install, operate and maintain the Digital Billboard in accordance with this Lease.
- (d) "City Permits" means all building permits, zoning amendments, and other permits, entitlements and agreements that the City, acting in its governmental capacity, must issue or approve for AOA to install, operate and maintain the Digital Billboard in accordance with this Lease. Neither this definition nor this Lease obligate the City to issue or approve any discretionary permit, or to approve any legislative act. The City retains all discretion in any and all approvals and/or legislative decisions that may be needed for AOA to operate a Digital Billboard.
- (e) "Commencement Date" means the first day of the first month all of the following have occurred: the City has approved the Plans (defined in Section 5(a)), and AOA has received all necessary governmental permits and approvals for the Digital Billboard, including the Caltrans Permits and the City Permits, and the sign structure and message center have been installed, is operational, and ready to accept commercial advertising.
- (f) "Digital Billboard" means the single-sided outdoor-advertising sign that AOA will install and operate on the Premises in accordance with the criteria set forth in **Exhibit "B"** to this Lease. The Digital Billboard consists of a Message Center and a Sign Structure.
- (g) "Effective Date" means the date as of which both the City and AOA have signed this Lease, as indicated by the dates in the signature blocks below.
- (h) "Hazardous Substances" means any material or substance identified in **Exhibit "C"** to this Lease.
- (i) "Include" and its variants are not restrictive. For example, "includes" means "includes, but not limited to," and "including" means "including, but not limited to."
- (j) "Lease Year" means one of the consecutive 12-month periods during the Term. The first Lease Year begins when the Initial Term begins.
- (k) "Message Center" means the portion of the Digital Billboard that consists of a single-sided digital (LED) display area used for general commercial advertising, with the display area measuring 14 feet high and 48 feet wide. The Message Center is more particularly described in **Exhibit "B"**.
- (l) "Operational" means the Digital Billboard is capable, legally and functionally, of displaying advertising on the Message Center.

- (m) "Premises" or "Parcel" means the City-owned real property referenced herein as Assessor's Parcel Number 562 220 41 00, and further described and depicted in **Exhibit "A"**.
 - (n) "Sign Structure" means the portion of the Digital Billboard other than the Message Center, and it includes all ancillary equipment and utilities installed on the Premises. The Sign Structure is more particularly described in **Exhibit "B"**.
 - (o) "Term" means the entire time this Lease is in effect. As specified in Section 2, it consists of the Initial Term, the Extended Term, and any period of holding over.
1. Lease of Premises. The City hereby leases the Premises to AOA, and AOA hereby leases the Premises from the City, on the terms and conditions set forth in this Lease.
 2. Term of Lease.
 - (a) *Initial Term.* The "Initial Term" of this Lease commences on the 1st (first) day of the 1st (first) month when electricity is delivered to the Premises, but no later than July 1, 2012, and ends 15 years after the date the Initial Term commences.
 - (b) *Extended Term.* At the end of the Initial Term, AOA will have the right to extend this Lease for an additional five (5) years upon mutually acceptable terms and conditions, which shall be no less than those that applied during the Initial Term. To exercise its right to the Extended Term, AOA must not be in default of this Lease, must give the City a written notice of extension no earlier than 180 days and not later than 90 days before the Initial Term ends, and must have negotiated a mutually acceptable monthly rent with the City. The Extended Term begins when the Initial Term ends, and it ends five years after that date.
 - (c) *Expiration of Lease and Holding Over.* This Lease expires automatically at the end of the Initial Term, unless extended in accordance with Section 2(b). If this Lease is extended, then it expires automatically at the end of the Extended Term. Any holding over after expiration will not constitute a renewal of this Lease, but will be on a month-to-month tenancy on the same terms and conditions that applied at expiration.
 3. Consideration. As consideration for the rights and benefits it enjoys under this Lease, including the use and occupancy of the Premises during the Term, AOA shall do all of the following:
 - (a) *Rent.* Each month during the Initial Term, AOA shall pay the City the "Monthly Rent" set forth in Schedule 1.
 - (1) Monthly Rent is due and payable on the first day of each calendar month at the address set forth for the City in Section 11(a). Any installment of Monthly Rent that is not paid within 20 days after it is due and payable will increase by 5%.
 - (2) AOA shall maintain and make available at its Phoenix office, for the

City's review and audit all contracts, leases, invoices and other records that are relevant to the accurate determination of Monthly Rent in accordance with Schedule 1. After the Monthly Rent for a five-year period has been determined in accordance with Schedule 1, AOA shall retain the related records for at least three (3) years.

- (b) *Business Revenue Share.* In addition to the Monthly Rent payment, AOA shall pay a business revenue share. AOA shall make this payment on the last day of the twelfth month following the Initial Term, on an annual basis in arrears, one-third (1/3) of the Annual Net Revenue that exceeds the annual rent, as set forth in Schedule 1. For example, if July 1, 2012 is the commencement of the Initial Term, then the business revenue share would be payable on July 31, 2013 and would cover the time period of July 1, 2012 through June 30, 2013.
- (c) *Prepayment of Monthly Rent for Months 1 (One) through 60 (Sixty).* AOA shall prepay the first 60 months of rent on the first day following the day the building permit from the City and the CalTrans Permit have been issued, but no later than _____. AOA prepayment of rent shall be discounted by ___% for present day value, for a total amount due of \$_____.

4. Use of Premises.

- (a) *Condition of Premises.* The City makes no representations or warranties of any kind, express or implied, written or oral, about any of the following: the physical condition of the Premises; the suitability of the Premises for AOA's anticipated use; any limitations on AOA's use of the Premises, including limitations arising from zoning laws, environmental laws, or other laws, regulations, or governmental requirements; the costs of conducting AOA's business on the Premises; or the condition of the soils or ground waters of the Premises. By taking possession of the Premises, AOA accepts the Premises "as is" and acknowledges that the Premises are satisfactory for AOA's purposes. AOA has ascertained the condition of the Premises through its own independent investigation and has relied solely on that independent investigation when entering into this Lease.
- (b) *Permitted Uses.* Except as otherwise provided in Section 5(k), AOA has the exclusive right to display outdoor advertising on the Premises. The City shall not authorize any other off-site outdoor advertising on the Premises. AOA's exclusive right to conduct outdoor advertising on the Premises includes the following:
 - (1) Installing, operating, maintaining, repairing, improving, repositioning (with the City's consent), and removing the Digital Billboard on or from the Premises when this Lease terminates.
 - (2) All rights of ingress and egress over the Premises that AOA needs to access the Digital Billboard, including the right to extend utility service to the Digital Billboard.

(c) *Prohibited Uses.*

- (1) **Hazardous Substances.** AOA shall not use, handle, store, transport, generate, release, or dispose of any Hazardous Substances on, under or about the Premises, except as follows: AOA may use Hazardous Substances that AOA needs to install, operate, maintain, repair, improve, reposition, or remove the Digital Billboard in accordance with this Lease if the City has consented in writing before the Hazardous Substances are brought on the Premises. Within 10 days after receiving the City's written request, AOA shall disclose in writing all Hazardous Substances then being used on the Premises, the purpose and duration of the use, and the manner of storage and disposal.
- (2) **Unlawful Activities.** AOA shall not use or permit the Premises to be used in any way that violates this Lease or any valid and applicable statute, ordinance, regulation, rule, or order of any federal, state or local governmental entity (including the City). AOA shall not maintain or commit, or permit the maintenance or commission of, any public or private nuisance as defined by any law applicable to the Premises on or after the Effective Date. AOA hereby waives any rights to compensation it may have if a court finds that the Digital Billboard constitutes a public or private nuisance under any valid and applicable federal, state or local law, and for that reason orders AOA to remove or modify the Digital Billboard or to limit the operation of the Message Center.
- (3) **Encumbrances.** AOA shall not encumber the Premises or any part of the Premises or the Digital Billboard or any part of the Digital Billboard for any purpose without the City's prior written consent, which the City may withhold for any reason. AOA shall keep the Premises and the Digital Billboard free of all liens and other encumbrances other than those, if any, to which the City consents.

(d) *Unobstructed Use.*

- (1) The City shall not allow any landscaping or other structure to be planted or developed on the Premises, or on immediately adjoining property owned and controlled by the City, that would impair the visibility of the Digital Billboard from northbound Interstate 5. AOA shall be responsible for addressing any existing vegetation or obstruction currently located on the Premises. City makes no warranties or representations regarding the existing visibility of the potential Digital Billboard from northbound Interstate 5.
- (2) If AOA notifies the City in writing that an obstruction exists, and if the City authorized or actively caused the obstruction, then the City shall remove or remedy the obstruction at its own cost within 15 days after receiving the notice.

- (3) If AOA notifies the City in writing that an obstruction exists, and if the City did not authorize or actively cause the obstruction, then the City may remove or remedy the obstruction at its own cost within 15 days after receiving the notice, at its sole discretion. If the City does not remove or remedy the obstruction within the 15 days, then, at no cost to the City, and after coordinating with the appropriate department(s) of the City, AOA may remove the obstruction described in the notice.
 - (4) AOA's exercise of its rights under this Section 4(d) are in addition to any other remedies it may have under this Lease.
 - (5) There may be easements for ingress and egress by other public agencies or utilities. These easements shall not be considered obstructions. AOA enters into this Lease subject to and in acceptance of those easements.
5. Installation and Operation of Digital Billboard. AOA shall install and operate the Digital Billboard on the Premises in accordance with this Section 5 and consistent with Section 4, all at no cost to the City.
- (a) *Plans and Specifications.* At no cost to the City, AOA shall prepare complete plans and specifications for the Digital Billboard, working closely with the City to develop plans and specifications that are mutually acceptable (the "Plans"). AOA shall submit the Plans to the City for final approval, which the City shall not withhold unreasonably.
 - (b) *Caltrans Permits.* As soon as practicable after the Effective Date, AOA shall apply to Caltrans for all Caltrans Permits, and the City shall cooperate with AOA in that effort, all at no cost to the City. At its discretion, AOA may designate the City as the permittee under the Caltrans Permits, but that designation will confer no legal rights on City to use, encumber or transfer the Caltrans Permits, except as may be necessary for the parties to benefit from the Digital Billboard during the Term. Upon termination of this Lease, the City shall relinquish any interest it may have in the Caltrans Permits and execute any documents needed to confirm that AOA is the sole owner of the Caltrans Permits. AOA shall perform all obligations under the Caltrans Permits at no cost to the City whether AOA or the City is designated as the permittee.
 - (c) *City Permits.* The City shall diligently process AOA's applications for all City Permits. This Lease does not commit the City in advance to approve the City Permits; and this lease does not constrain the City's discretion, acting as a government, with respect to the City Permits specifically or to the Digital Billboard generally. The City retains all discretion in any and all approvals and/or legislative decisions which may be related to the operation of digital billboards, and nothing in this Lease shall be construed to constrain the City's discretion in this regard in any way.
 - (d) *Installation.* AOA shall begin installing the Digital Billboard as soon as practicable after the Effective Date, and shall diligently pursue installation to

completion without unnecessary interruption so that the Digital Billboard is Operational before the 180th day after the Effective Date. AOA will be excused, however, for any delays in beginning or completing installation that are caused by a Force Majeure Event, as defined in Section 11(e)(1). AOA shall use reasonable diligence to avoid such delays and to resume work as promptly as possible after such a delay.

- (e) *Ownership.* AOA will own the Digital Billboard during the Term.
- (f) *Security Fences.* Before beginning installation of the Digital Billboard, AOA shall enclose, with a temporary security fence, the portion of the Premises AOA needs to install, operate, maintain and repair the Digital Billboard. AOA shall maintain the temporary security fence until AOA replaces it with a permanent security fence that circumscribes an area coextensive with the area the temporary fence circumscribed. AOA shall install the permanent security fence around the Digital Billboard at the beginning of the Operations Phase, and maintain that fence until the end of the Term. AOA shall install and maintain the temporary and permanent fences at no cost to the City, and shall consult with the City on each fence's location and design. Any such fencing shall not impair any existing easements over the Premises for ingress and egress by other public agencies, utilities, or entities.
- (g) *Maintenance.* At no cost to the City, AOA shall maintain the Premises and shall maintain, repair, and improve the Digital Billboard in accordance with the highest standards of the outdoor-advertising industry. AOA's maintenance obligation under this Section 5(g) includes the obligation to remove promptly any graffiti from the Premises and the Digital Billboard. AOA's obligation to improve the Digital Billboard under this Section 5(g) includes the obligation to replace the entire Message Center after ten years if the Message Center falls below prevailing industry standards at that time. The City is not obligated to maintain the Premises or to maintain or repair the Digital Billboard. If, however; AOA does not maintain the Premises, then the City may notify AOA in accordance with Section 11(a) that the City will perform the maintenance described in the notice if AOA does not do so within 10 Business Days. If AOA does not perform the needed maintenance within 10 Business Days after the notice is given, then the City may perform the maintenance described in the notice, and AOA shall reimburse the City's costs.
- (h) *Insured Damage or Destruction.* This Lease will continue in full effect if the Digital Billboard is damaged or destroyed in whole or part by any cause covered by the fire-and-casualty insurance AOA is required to maintain under Section 10(a)(3), subject to the following:
 - (1) AOA shall repair or replace the Digital Billboard at no cost to the City using the insurance proceeds AOA receives or is entitled to receive under the fire-and-casualty policy. AOA shall promptly apply for, and diligently pursue the issuance of, any permits or approvals it needs to repair or replace the Digital Billboard. Within 30 days after obtaining the necessary permits and approvals, AOA shall begin work to repair or replace the

Digital Billboard. AOA shall complete the work within 180 days after the work begins and shall pay any costs that exceed the available insurance proceeds.

- (2) AOA may elect not to repair or replace the Digital Billboard if:
 - (A) the cost to repair or replace it exceeds 50% of its fair-market value immediately before it is damaged or destroyed; and
 - (B) the damage or destruction occurs:
 - (i) during the last two years of the Initial Term (if AOA opts not to extend this Lease under Section 2(b)); or
 - (ii) during the last two years of the Extended Term (if AOA opts to extend this Lease under Section 3(b)).
 - (3) If AOA elects, under Section 5(h)(2), not to repair or replace the Digital Billboard, then AOA shall—
 - (A) notify the City in writing of its election;
 - (B) use the insurance proceeds AOA receives for the damage or destruction to remove the Digital Billboard and restore the Premises in accordance with Section 5(l); and
 - (C) pay to the City half of the insurance proceeds that remain after AOA has performed under Section 5(h)(3)(B), and this Lease will terminate when those proceeds are so paid.
- (i) *Uninsured Damage or Destruction.* This Lease will continue in full effect if the Digital Billboard is damaged or destroyed in whole or part by any cause not covered by the fire-and-casualty insurance AOA is required to maintain under Section 10(a)(3) if the cost to repair the damage is less than or equal to twelve times the Monthly Rent in effect when the damage occurs. AOA shall repair the damage at no cost to the City as soon as is reasonably practicable.
 - (j) *Utilities.* At no cost to the City, AOA shall provide and pay for all utility connections, utility equipment, and utility service required to install, operate, maintain, repair, improve, or reposition the Digital Billboard throughout the Term. AOA shall coordinate with the City and San Diego Gas and Electric (“SDG&E”) for utility tie-ins and electrical power sources that AOA may need to operate the Digital Billboard.
 - (k) *Advertising Rights.* During the Term, AOA will have the exclusive right to enter into agreements for advertising on the Digital Billboard, subject to the following:
 - (1) *Operation of the Message Center.* In operating the Message Center, AOA shall conform to all valid and applicable laws and regulations, including

laws and regulations pertaining to outdoor advertising. AOA shall not display any message that in the judgment of the City Manager or the City Manager's designee:

- (A) is false, misleading, or deceptive;
 - (B) promotes the sale or use of tobacco products, or medical marijuana, whether directly or indirectly;
 - (C) depicts violence or anti-social behavior or relates to illegal activity;
 - (D) contains "obscene matter", as that term is defined in California Penal Code section 311 at the time of the Effective Date, or promotes adult entertainment;
 - (E) promotes or opposes a candidate for public office, or promotes or opposes a ballot measure;
 - (F) holds a person or group of persons up to public ridicule, derision or embarrassment, or defames a person or group of persons; or
 - (G) contains language that is obscene, vulgar, profane, or scatological, or that presents a clear-and-present danger of causing riot, disorder or other imminent threat to public safety, peace or order.
 - (H) advertises automobile dealerships or auto malls located outside the City of National City.
 - (I) advertises shopping malls located outside the City of National City.
 - (J) promotes the sale or use of alcohol for more than 25% of the advertising time on the Digital Billboard or without a specific warning encouraging consumers to drink responsibly.
- (2) *Amber Alerts and Public-Service Messages.* AOA shall make the Message Center available to Caltrans for the purpose of displaying "Amber Alert" messages in accordance with the Amber Alert Guidelines set forth in Exhibit "D" to this Lease. In addition, AOA shall make the Message Center available to Caltrans, to the City, and to other government agencies, on a space-available basis and without cost, for the purpose of displaying public-service messages (e.g., reports of commute times, drunk-driving-awareness messages, reports of serious accidents, emergency-disaster communications). Alternatively, AOA may include such public-service messages in the body of commercial advertising. As used in this Section 5(k)(2) and in Section 5(k)(3), "space-available basis" means any time when AOA has not sold out the display time on the Message Board.

- (3) *City Messages.* At the request of the City Manager or the City Manager's designee, AOA shall make the Message Center available to the City, on a space-available basis, for the purpose of displaying the City's own commercial or noncommercial messages. The City's messages must meet AOA's graphics-arts standards so that the messages are "camera ready", at no cost to AOA. AOA shall duplicate (e.g., digitalize), install and display each City message for at least 20 consecutive days at no cost to the City.
- (4) *City Sign.* On each side of the Sign Structure, AOA shall install, operate, maintain, and repair a City sign that faces the same direction as a display area on the Message Center. The size and design of the City sign shall substantially comply with the criteria set forth in Exhibit "B".
- (l) *Removal of Digital Billboard.* Within 60 days after the Term ends, whether the Term expires as scheduled or is terminated early for any reason, AOA shall remove the Digital Billboard from the Premises and shall restore the Premises to their pre-lease condition, all at no cost to the City.
- (m) *Compliance with Laws; Waiver of Compensation.* During the Term and while removing the Digital Billboard after the Term, in accordance with Section 5(l), AOA shall do the following at no cost to the City: comply with all valid and applicable statutes, ordinances, regulations, rules, and orders that concern the Premises or the Digital Billboard and are enacted or issued by any federal, state or local governmental entity with jurisdiction over the Premises or the Improvements (including the City) whether enacted or issued before, on or after the Effective Date.
- (n) *Other potential sites.* During the first eighteen months after the Effective Date, should the City make available a City-owned property for possible installation of a digital billboard, AOA shall have the first opportunity to enter into negotiations with the City to negotiate a possible agreement for the site. City shall retain all discretion during any such negotiations and is not under obligation to agree on terms.

6. Early Termination.

- (a) *City's Termination Rights.* Without prejudice to its other remedies at law or in equity, the City may terminate this Lease, at any time and in its sole discretion, effective 30 days after the City gives AOA written notice of termination, if any of the following circumstances occurs:
 - (1) AOA breaches its obligation to pay Monthly Rent when due and does not cure the breach within 30 days after the City serves AOA with a written notice of breach.
 - (2) AOA breaches its obligation to perform in accordance with any material provision of this Lease other than the obligation to pay Monthly Rent and (A) does not cure the breach within 30 Business Days after the City serves

it with a written notice of breach; or, (B) if the breach cannot reasonably be cured within 30 Business Days, does not begin work on a cure within 30 Business Days after the City serves it with a written notice of breach and diligently pursue the cure to completion within 90 days after work begins. The express designation in this Lease of a provision as “material” does not imply that other provisions are not material.

(3) The Digital Billboard is not Operational by the 180th day after the Effective Date.

(b) *AOA's Termination Rights.* Without prejudice to its other remedies at law or in equity, including the right to seek just compensation under the laws of eminent domain as described in Section 8, AOA may terminate this Lease, at any time and in its sole discretion, effective 30 days after AOA gives the City written notice of termination, if any of the following circumstances occurs:

(1) The view of the Message Center's display area from the portion of Interstate 5 adjacent to the Premises is materially obstructed, and AOA did not cause the obstruction. This Section 6(b)(1) does not apply to obstructions covered by Section 4(d).

(2) AOA cannot safely use the Premises to install, operate, maintain, repair, or improve the Digital Billboard because of a non-remediable condition, and AOA did not cause the condition.

(3) There is a material diversion of traffic from, or a material reduction or change in the directional flow of traffic on, the portion of Interstate 5 adjacent to the Premises, and the diversion or disruption continues uninterrupted for at least 24 consecutive months.

(4) Through no fault of its own, AOA cannot obtain or maintain the governmental permits required to install, operate, maintain, repair, or improve the Digital Billboard, including the Caltrans Permits and the City Permits.

(5) Use of the Message Center for its intended purpose is prevented or limited by law, or AOA is required by any court or other governmental entity, for reasons other than eminent domain, to remove the Digital Billboard from the Premises.

(6) The Digital Billboard is damaged by a casualty for which AOA is not required under this Lease to carry insurance, and the cost to repair the damage exceeds twelve times the Monthly Rent in effect when the damage occurs.

(c) *AOA's Right to Renegotiation.* If any of the circumstances identified in Section 6(b) occurs, then, at its discretion and in lieu of termination, AOA may request that the City negotiate on reducing the Monthly Rent to an amount that reasonably reflect the diminished value of the Digital Billboard to AOA, and on receiving the

request the City shall negotiate in good faith with AOA. The City is not required, however, to agree on a reduction.

(d) *City's and AOA's Additional Termination Rights.* Without prejudice to their other remedies at law or in equity, either party may terminate this lease if the other party (or, for AOA, its parent company)—

(1) has an order for relief entered with respect to it, commences a voluntary case, or has an involuntary case filed against it under any applicable bankruptcy, insolvency, or other similar law then in effect, and the order or case is not stayed, withdrawn, or settled within 60 days after it is entered, commenced, or filed (11 U.S.C. § 365(e)(2)(A), as amended, or any successor statute); or

(2) files for reorganization, becomes insolvent, or has a receiver or other officer with similar powers appointed for its affairs in any court with jurisdiction, whether or not with its consent (unless dismissed, bonded or discharged within 60 days after appointment).

7. Taxes. AOA is responsible for and shall pay or otherwise discharge, without abatement or deduction, all taxes levied on, or related to, AOA's outdoor-advertising activities on the Premises. AOA recognizes and understands that this Lease may create a possessory interest subject to property taxation and that AOA may be subject to the payment of property taxes levied on such interest. AOA further agrees to pay any and all property taxes, if any, assessed during the term of this Lease pursuant to Sections 107 and 107.1 of the Revenue and Taxation Code against AOA's possessory interest in the lease premises. This obligation includes payment of any—

(a) sales or similar tax on AOA's sale of advertising space on the Digital Billboard;

(b) possessory interest tax related to this Lease or to AOA's possession or use of the Premises; and

(c) real property tax allocated to the Digital Billboard and personal property tax levied on AOA's personal property on the Premises.

8. Eminent Domain.

(a) *Definitions.* The following definitions apply to this Section 8:

(1) "Condemning Entity" means any entity that by law may exercise the power of eminent domain to acquire possession of, and title to, any of the following: the Digital Billboard, the entire Premises, or an Essential Part of the Premises.

(2) "Essential Part of the Premises" means any portion of the Premises that is reasonably necessary for installing, operating, maintaining, repairing, or improving the Digital Billboard in accordance with this Lease.

- (b) *Termination Events.* This lease will terminate if a Condemning Entity acquires the Digital Billboard, the entire Premises, or an Essential Part of the Premises—
 - (1) by using the power of eminent domain; or
 - (2) through negotiations under the threat of using the power of eminent domain.
- (c) *Termination Date; Rent Refund.* Termination under this Section 8 will occur on the date the Condemning Entity obtains possession of, or title to, the Digital Billboard, the entire Premises, or the Essential Part of the Premises, whichever occurs first. Within 15 Business Days after the termination date, the City shall refund to AOA any pre-paid Monthly Rent for the unexpired portion of the Term; and
- (d) *Compensation.* If termination occurs under this Section 8, then AOA and the City may each independently seek to recover from the Condemning Entity all compensation and other remedies provided by law for the interests taken from them. But the City may not seek or recover compensation for AOA's lost interests, and AOA may not seek or recover compensation for the City's lost interests.

9. Indemnification.

- (a) *Definitions.* The following definitions apply to this Section 9:
 - (1) "Person" is to be interpreted broadly and includes AOA and AOA's directors, officers, employees, contractors, and agents; and, includes the City and the City's elected officials, officers, employees, contractors, and agents.
 - (2) "Liabilities" means all liabilities, claims, demands, damages, and costs (including reasonable attorneys' fees and litigation costs through final resolution on appeal) that arise directly or indirectly from AOA's possession or use of the Premises.
 - (3) "Occurrence" means (A) the death of, or injury to, any Person; and (B) damage to, or destruction of, any real property, personal property (including intellectual property), or the environment (broadly interpreted to include the air, soil, soil vapor, surface water, groundwater, flora, and fauna on or about the Premises).
 - (4) "Secured Area" means the portion of the Premises enclosed by the permanent security fence that AOA erects around the Digital Billboard in accordance with Section 5(f).
- (b) *General Indemnity.* AOA shall indemnify, defend (with attorneys reasonably acceptable to the City), protect, and hold the City and the City's property (including the Premises) harmless from and against all Liabilities that arise

directly or indirectly from AOA's possession or use of the Premises. AOA is obligated under this Section 9(b) even if the City or the City's elected officials, officers, employees, contractors, or agents reviewed, accepted, or approved the work, materials, or activities from which the Liabilities arise. But AOA is not obligated under this Section 9(b) to the extent the Liabilities are caused by the sole active negligence or willful misconduct of the City or the City's elected officials, officers, employees, contractors, or agents. AOA's obligation under this Section 9(b) includes Liabilities arising from any of the following:

- (1) Any Occurrence on the Premises or outside the Secured Area, but only to the extent caused by AOA's acts or omissions.
 - (2) Any Occurrence inside the Secured Area.
 - (3) Any Occurrence that is in any way connected with any of AOA's personal property on the Premises.
 - (4) Any Occurrence caused or allegedly caused by (A) any condition of the Premises created by AOA or by any Person on the Premises with AOA's permission; or (B) some act or omission on the Premises by AOA or by any Person on the Premises with AOA's permission.
 - (5) Any Occurrence caused by, or related in any way to, work or activities performed on the Premises or materials furnished to the Premises at the request of AOA or any person or entity acting for AOA, or with AOA's permission.
 - (6) Any Occurrence that is caused by, or related in any way to, a verbal or nonverbal display on the Message Center.
 - (7) AOA's failure to perform any provision of this Lease, to comply with any requirement of law applicable to AOA, or to fulfill any requirement imposed by any governmental entity (including the City when acting as a government) on AOA or on AOA's use of the Premises.
- (c) *Hazardous Substances.* AOA shall indemnify, defend (with attorneys reasonably acceptable to the City), protect, and hold harmless the City, the City's elected officials, officers, employees, and agents, and the City's property (including the Premises) from and against all Liabilities that arise directly or indirectly from either of the following:
- (1) The possession, use, generation, transportation, release, threatened release, handling, storage, or disposal by AOA or AOA's contractors of any Hazardous Substance on or under the Premises during the Term or during AOA's removal of the Digital Billboard in accordance with Section 5(1).
 - (2) The possession, use, generation, transportation, release, threatened release, handling, storage, or disposal by anyone other than the City or the City's

elected officials, officers, employees, contractors, or agents of any Hazardous Substance on or under the Secured Area during the Term or during AOA's removal of the Digital Billboard in accordance with Section 5(l). AOA is not obligated under this Section 9(c)(2) for any Hazardous Substance that existed on or under the Premises on or before the Effective Date unless AOA's intentional, negligent or willful misconduct causes or exacerbates a release of the Hazardous Substance.

- (d) *Legal Challenges.* AOA shall indemnify, defend (with attorneys reasonably acceptable to the City), protect, and hold harmless the City and the City's elected officials, officers, and employees in any litigation brought to challenge the validity of this Lease, the validity of the City Permits or the Caltrans Permits, or the validity of the City ordinances that authorize the installation and operation of the Digital Billboard on the Premises. AOA's obligation to indemnify under this Section 9(d) includes liability for attorneys' fees awarded to a party who successfully challenges the validity of this Lease, of the City Permits or the Caltrans Permits, or of any authorizing ordinance.
- (e) *Survival.* AOA's obligations under this Section 9 will survive this Lease.

10. Insurance.

- (a) *Types of Policies.* During the Term and during AOA's removal of the Digital Billboard in accordance with Section 5(l), at no cost to the City, AOA shall procure and maintain the following insurance policies covering AOA's possession and use of the Premises:
 - (1) A policy of comprehensive general-liability insurance providing coverage at least as broad as that provided by ISO Form CG 0001. This policy must (A) be issued on an occurrence basis; (B) include coverage for premises, operations, products and completed operations, advertising injury, and contractual liability; (C) have a combined single limit of at least \$2,000,000 for each occurrence; and (D) include a fire legal-liability limit of \$50,000 for each occurrence.
 - (2) A policy of automobile liability insurance providing coverage at least as broad as that provided by ISO Form CA 0001. This policy must (A) have a combined single limit of at least \$1,000,000 for each occurrence; and (B) cover owned, non-owned, and hired vehicles.
 - (3) A policy of fire and casualty insurance that insures the Digital Billboard for its full replacement value against damage or destruction by fire or by any of the perils commonly covered under the standard extended coverage endorsement to fire insurance policies issued on real property in San Diego County. In addition, during installation of the Digital Billboard, the policy must include coverage for course of construction, vandalism and malicious mischief, and must insure the Digital Billboard and all materials delivered to the Premises for their full insurable value. All insurance

proceeds that become payable under this policy while this Lease is in effect will be paid to AOA in trust and applied by AOA to the cost of repairing and restoring the Digital Billboard as required by, and except as otherwise provided in, Section 5(h).

- (4) A policy of workers compensation insurance with limits at least equal to those required by California law, and including employer liability insurance with a limit of at least \$1,000,000. This policy must include a waiver of subrogation against the City. As an alternative to this policy, and subject to approval by the City's Risk Management Department, AOA may provide the City with a copy of AOA's Certificate of Consent to Self Insure from the California Department of Industrial Relations and a certificate showing AOA's excess-insurance limits and self-insured retentions.
- (b) *Insurer Qualifications.* Each policy must be issued by an insurer the California Department of Insurance has authorized to transact business in California in the relevant line of insurance, and the insurer must have a rating of at least "A" by A.M. Best Company or a rating the City's Risk Management Department determines to be substantially equivalent.
- (c) *Certificates of Insurance and Endorsements.* Within 10 days after the Effective Date, and afterward upon request, AOA shall provide the City with certificates of insurance, signed by authorized representatives of the insurers, and with original endorsements, confirming that AOA has procured and is maintaining the insurance policies required by this Section 10. AOA shall also provide the City a copy of all endorsements.
- (d) *Notice.* Each of the policies must obligate the insurer to give the City at least 30 days' advance written notice before the policy is cancelled or materially changed.
- (e) *Other Requirements.* The general liability and automobile liability policies must each—
 - (1) name the City and the City's elected officials, officers, employees, and agents as additional insureds;
 - (2) provide that AOA's insurance coverage is primary insurance with respect to the City and the City's elected officials, officers, employees, and agents to the extent they are additional insureds;
 - (3) provide that AOA's insurance applies separately to each insured against whom a claim is made or a suit brought, except with respect to the applicable policy limits; and
 - (4) provide that the City's insurance and self-insurance are in excess of AOA's insurance and will not contribute with it.

- (f) *Quinquennial Review.* The City may revise these insurance requirements every five years if the City reasonably determines that revision is needed to conform the policy terms, conditions and limits with then-current insurance industry standards for structures and real property comparable to the Digital Billboard and the Premises. A revision will take effect 30 days after the City gives AOA notice in accordance with Section 11(a).
- (g) *No Limit on Indemnification.* Nothing in this Section 11 limits AOA's obligations under Section 9.

11. Miscellaneous.

- (a) *Notices.* Any notice or other communication under this Lease must be in writing and will be considered properly given and effective only when mailed or delivered in the manner provided by this Section 11(a) to the persons identified below. A mailed notice or other communication will be effective or will be considered to have been given on the third day after it is deposited in the United States Mail (certified mail and return receipt requested), addressed as set forth below, with postage prepaid. A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered. A party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this Section 11(a).

If to the City:

If to AOA:

City Manager
 City of National City
 1243 National City Boulevard
 National City, CA 91950-4301

American Outdoor Advertising
 1702 East Highland Avenue, Suite 304
 Phoenix, AZ 58016-4666

- (b) *Assignments and Subleases.* A party may not assign or otherwise transfer this Lease or any interest in it, and this Lease is not assignable by operation of law, without the other party's prior written consent, which the other party shall not withhold, delay or condition unreasonably. An assignment or transfer of this Lease does not occur, for purposes of this Section 11(b), if AOA merges with another company, reorganizes its stock, or undergoes a similar corporate restructuring, or if AOA sells any of its assets or stock. AOA may not sublease the Premises or any part of the Premises, or the Digital Billboard or any part of the Digital Billboard, without the City's prior written consent, which the City may withhold or condition in its sole discretion. An assignment, transfer or sublease made contrary to this Section 11(b) is void.
- (c) *Successors and Assigns.* This Lease binds and inures to the benefit of the successors and assigns of the parties. This Section 11(c) does not constitute the City's consent to any assignment of this Lease or any interest in the Lease, or to

any sublease of the Premises or any part of the Premises, or to any sublease of the Digital Billboard or any part of the Digital Billboard.

- (d) *The City's Right to Enter and Inspect the Premises.* The City and the City's elected officials, officers, employees, and agents may enter upon and inspect the Premises at any time to determine AOA's compliance with this Lease.
- (e) *Force Majeure.*
- (1) "Force Majeure Event" means a cause of delay that is not the fault of the party who is required to perform under this Lease and is beyond that party's reasonable control, including the elements (including floods, earthquakes, windstorms, and unusually severe weather), fire, energy shortages or rationing, riots, acts of terrorism, war or war-defense conditions, acts of any public enemy, epidemics, the actions or inactions of any governmental entity (excluding the City) or that entity's agents, litigation, labor shortages (including shortages caused by strikes or walkouts), and materials shortages.
 - (2) Except as otherwise expressly provided in this Lease, if the performance of any act required by this Lease to be performed by either the City or AOA is prevented or delayed because of a Force Majeure Event, then the time for performance will be extended for a period equivalent to the period of delay, and performance of the act during the period of delay will be excused.
 - (3) This Section 11(e) does not excuse (A) AOA's obligation to pay Monthly Rent when due and payable; or (B) either party's obligation to perform an act when performance is rendered difficult or impossible solely because of that party's financial condition.
- (f) *Waiver of Breach.* A party's failure to insist on strict performance of this Lease or to exercise any right or remedy upon the other party's breach of this Lease will not constitute a waiver of the performance, right or remedy. A party's waiver of the other party's breach of any provision in this Lease will not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision. A waiver is binding only if set forth in writing and signed by the waiving party.
- (g) *Relationship of the Parties.* This Lease does not create any relationship or association between the City and AOA other than that of landlord and tenant. For example, and without limiting the previous sentence, this Lease does not create between the City and AOA the relationship of principal and agent, nor does it create a partnership or joint venture.
- (h) *Attorney's Fees.* The party prevailing in any litigation concerning this Lease, the Premises, or any improvements to the Premises (including the Digital Billboard)

will be entitled to an award by the court of reasonable attorneys' fees and litigation costs through final resolution on appeal in addition to any other relief that may be granted in the litigation, If the City is the prevailing party, then this Section 11(h) will apply whether the City is represented in the litigation by the Office of the City Attorney or by outside counsel.

- (i) *Severability.* If a court with jurisdiction holds any nonmaterial provision of this Lease to be invalid, void or unenforceable, then the remaining provisions will remain in full force.
- (j) *Counterparts.* The parties may execute this Lease in counterparts, each of which will be considered an original, but all of which will constitute the same lease.
- (k) *Memorandum of Lease.* Either the City or AOA may record this Lease or a memorandum thereof with the San Diego County Clerk/Recorder.
- (l) *Further Assurances.* Each party shall execute all additional documents or instruments, and take all necessary action that either party reasonably considers necessary to carry out the proper purposes of this Lease.
- (m) *Time of Essence.* Time is of the essence of this Lease.
- (n) *Interpretation.* This Lease is to be interpreted and applied in accordance with California law without regard to conflict of laws principles, except that the rule of interpretation in California Civil Code section 1654 will not apply. Schedules 1 and 2, and Exhibits A, B, C, D, E, and F are part of this Lease.
- (o) *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.
- (p) *Integration and Modification.* This Lease sets forth the parties' entire understanding regarding the matters addressed. It supersedes all prior or contemporaneous agreements, representations and negotiations (written, oral, express, or implied) and may be modified only by another written agreement signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the date and year first above written.

CITY OF NATIONAL CITY

AMERICAN DIGITAL OUTDOOR, LP

Ron Morrison, Mayor

By: _____
Tom LeClair

APPROVED AS TO FORM:

Claudia Gacitua Silva
City Attorney

Schedule 1

The following definitions apply in this Schedule 1:

“Gross Revenue” means all revenue AOA actually derives from the Digital Billboard, including revenue from the display of messages and revenue from non-advertising uses of the Digital Billboard, such as any rental AOA receives from a telecommunications company that uses the Digital Billboard as a cell site or cell tower. This reference to a cell site tower does not confer any right to such use, but is stated by way of example only.

“Annual Net Revenue” means the difference between the Gross Revenue that AOA actually receives in a lease year and any commissions or fees that AOA actually pays to a bona fide independent advertising agency (i.e., an agency not owned or co-owned or controlled or otherwise affiliated with AOA) in connection with messages displayed on the Digital Billboard. The amount of such a commission or fee may not exceed 16% of the revenue to which it relates.

AOA shall pay Monthly Rent (as described in Section 3.a.) as follows:

- a. Monthly Rent for months 1 through 60: The Annual Rent total shall be \$102,000 (One Hundred Two Thousand Dollars) per year, paid monthly in the amount of \$8,500 (Eight Thousand Five Hundred Dollars). \$8,500 is the Base Rent.
- b. The first 60 (Sixty) months shall be paid in advance, as set forth in Section 3.

AOA shall pay Business Revenue Sharing (as referenced in Section 3), in addition to Monthly Rent, as follows:

AOA shall pay one-third (1/3) of that portion of the Annual Net Revenue that exceeds \$102,000 per year. This 1/3 shall be calculated on an annual basis in arrears.

By way of example, if Annual Net Revenue is \$120,000 in a year, then the Business Revenue Sharing would be calculated as follows: \$120,000 (Annual Net Revenue “ANR”) - \$102,000 (Annual Rent “AR”) = \$18,000 which is then divided by 3 for a Business Revenue Sharing (“BRS”) payable in the amount of \$6,000. The formula would then be as follows: $(ANR-AR) \div 3 = BRS$

Exhibit A
(Legal Description)

Exhibit B

(Description of Message Center, Digital Billboard, and Sign Structure)

Exhibit C

(List of Hazardous Substances)

RESOLUTION NO. 2012 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY
AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT
BETWEEN THE CITY AND AMERICAN DIGITAL OUTDOOR, LP, ALSO
KNOWN AS AMERICAN OUTDOOR ADVERTISING, FOR LAND AT
THE END OF THE 30TH STREET CUL-DE-SAC (APN 562 220 41 00)
AS A SITE FOR THE INSTALLATION AND MAINTENANCE
OF DIGITAL OUTDOOR SIGNAGE, AND AUTHORIZING
THE CITY MANAGER TO MAKE CHANGES TO THE LEASE
THAT DO NOT CONFLICT WITH THE TERMS

WHEREAS, as a result of the RFQ process, the City has determined that American Digital Outdoor, LP, also known as American Outdoor Advertising, is qualified by experience and ability to install and operate a digital billboard, and American Digital Outdoor is willing to lease land from the City and install and maintain digital outdoor signage on the site; and

WHEREAS, the City owns a parcel of land that is located between the end of the 30th Street cul-de-sac and Interstate 5, which is a vacant parcel (APN 562 220 41 00); and

WHEREAS, this Lease is not a guarantee that the digital billboard can be installed because there are additional approvals required by various agencies that are not subject to or committed to in this Lease Agreement; and

WHEREAS, to the extent any of the permits or requirements are discretionary, the Lease Agreement specifically recognizes the discretion remains with the approving entity, and is not in any way pre-committed or affected by the Lease Agreement; and

WHEREAS, a summary of the terms and conditions of the Lease are as follows:

- The term is 15 years, with an option for an additional 5 years;
- The base monthly rent is \$8,500 per month for a single-sided digital billboard facing traffic traveling northbound on Interstate 5;
- American Outdoor is responsible for pursuing any and all needed permits with local and state agencies;
- American Outdoor is bearing all costs of installation and operation of the digital billboard. If for whatever reason appropriate permits cannot be obtained which is not the fault of American Outdoor, then the lease will not move forward and would terminate;
- The City receives one-third of the earned revenue in excess of the annual rent;
- 5 year prepayment (discounted for present day value) of monthly rent will be a minimum of \$408,000.
- The following types of advertisement are not allowed:
 - Dealerships or auto malls outside of NC
 - Shopping malls outside of NC
 - Opposing or promoting a candidate for office or a ballot measure

- Obscene/promoting adult entertainment
- Tobacco or medical marijuana
- Alcohol unless there is a specific warning to encourage consumers to drink responsibly
- Depicting violence or anti-social behavior or illegal activity
- Defaming, embarrassing, public ridicule of a person or group
- City announcements on a space-available basis; and

WHEREAS, this lease, if fully realized, will provide a minimum of \$102,000 in annual rent for the use of a parcel of land that would otherwise remain unused. In addition, as American Outdoor's revenue increases, the City receives a part of the revenue.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of National City that the Mayor is hereby authorized to execute a Lease Agreement between the City of National City and American Digital Outdoor, LP, for land at the end of the 30th Street cul-de-sac (APN 562 220 41 00) as a site for the installation and maintenance of digital outdoor signage in substantially the same form and content. Said Lease Agreement is on file in the office of the City Clerk.

BE IT FURTHER RESOLVED that the City Council hereby authorizes the City Manager to make changes to the Lease prior to execution that do not conflict with the key terms of the Lease, and maintains the Lease in substantially the same form and content.

PASSED and ADOPTED this 3rd day of April, 2012.

Ron Morrison, Mayor

ATTEST:

Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

Claudia Gacitua Silva, City Attorney



OFFICE OF THE CITY CLERK

1243 National City Blvd.
National City, California 91950

Michael R. Dalla, CMC - City Clerk
619-336-4228 phone / 619-336-4229 fax

April 9, 2012

Mr. Tom LeClair
American Digital Outdoor
1702 E. Highland #304
Phoenix, AZ 85016

Dear Mr. LeClair,

On April 3rd, 2012, Resolution No. 2012-83 was passed and adopted by the City Council of the City of National City, authorizing execution of a Lease Agreement with American Digital Outdoor.

We are enclosing for your records a certified copy of the above Resolution and a fully executed original Lease Agreement.

Sincerely,

Michael R. Dalla, CMC
City Clerk

Enclosures

cc: Office of the City Manager

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSENT TO ASSIGNMENT AND ASSUMPTION OF LEASE FROM AMERICAN DIGITAL OUTDOOR, L.P., A CALIFORNIA LIMITED PARTNERSHIP, TO CLEAR CHANNEL OUTDOOR, LLC, A DELAWARE LIMITED LIABILITY COMPANY, FOR THE DIGITAL BILLBOARD LOCATED ON CITY PROPERTY ALONG I-5 AT THE END OF THE 30TH STREET CUL-DE-SAC

WHEREAS, the City of National City ("City") entered into a lease with American Digital Outdoor, L.P., on April 3, 2012 to install a digital billboard along the I-5 freeway at the end of the 30th Street cul-de-sac; and

WHEREAS, the original lease allows for the assignment and assumption of the lease with City Council approval; and

WHEREAS, all terms and conditions of the original lease will remain in effect; and

WHEREAS, City staff recommends City Council to authorize the City Manager to execute a Consent to Assignment and Assumption of Lease from American Digital Outdoor, L.P., a California limited partnership, to Clear Channel Outdoor, LLC, a Delaware limited liability company, for the digital billboard located on City property along I-5 freeway at the end of the 30th Street cul-de-sac.

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

Section 1: Authorizes the City Manager to execute a Consent to Assignment and Assumption of Lease from American Digital Outdoor, L.P., a California limited partnership, to Clear Channel Outdoor, LLC, a Delaware limited liability company, for the digital billboard located on City property along I-5 freeway at the end of the 30th Street cul-de-sac.

Section 2: 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 7th day of December, 2021

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City approving the Second Amendment to the Agreement with Man K9, Inc. \(Police\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Resolution of the City Council of the City of National City approving the Second Amendment to the Agreement with Man K9, Inc. (Police)

PREPARED BY: Alejandro Hernandez, Captain

PHONE: (619)336-4519

DEPARTMENT: Police

APPROVED BY: 

EXPLANATION:

Man K9, Inc. has provided the National City Police Department police service P.O.S.T. certified canine training, basic course/academy training and weekly maintenance training in patrol work for police service dogs (K9's) and their handlers for the past 21 years. Staff proposes amendment of the existing agreement with Man K9. Please see attached staff report for additional details.

FINANCIAL STATEMENT:

ACCOUNT NO.
N/A

APPROVED: _____ **FINANCE**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Adopt the resolution.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

- A. Staff Report
- B. Resolution
- C. Proposed Second Amendment
- D. First Amendment
- E. Agreement with Man K-9 Inc.



DATE: December 7, 2021

TO: Brad Raulston, City Manager

FROM: Police Department

SUBJECT: **STAFF REPORT: CITY OF NATIONAL CITY INDEMNIFICATION FOR MAN K9 INC.**

SYNOPSIS

Staff recommends the City Council approve the attached Second Amendment to the Agreement with Man K-9, Inc. The Second Amendment would provide indemnification for the contractor, Man K9, Inc., where the City will release, indemnify, and agree to hold Man-K9, Inc. harmless from any and all manner of damages, claims, loss, liabilities, and cost of expenses, causes of actions or suits, whatsoever in law or equity arising out of or related to the services provided by Man K9, Inc. All other terms of the agreement would remain unchanged.

BACKGROUND

Man K9, Inc. has provided the National City Police Department California Peace Officer Standards and Training (P.O.S.T.) certified canine training, basic course/academy training and weekly maintenance training in patrol work for police service dogs (K9's) and their handlers for the past 21 years.

The City of National City is currently under a contract agreement with Man K9, Inc. for such services. The dates of the current contract agreement are November 11, 2020 – June 30, 2022. Manuel Villanueva, the owner and operator, has requested the Second Amendment to the agreement be signed by all client cities of Man K9 to continue to provide services. Mr. Villanueva will not provide services through Man K9 if the amendment is not approved.

ANALYSIS

Man-K9, Inc. is an industry leader in police service dog training. Mr. Villanueva, the training director, is one of the most sought after dog trainers in the United States. Mr. Villanueva has over 40 years of experience in this field. Most of the police agencies in San Diego County utilize Man K9 Inc. for their weekly K9 Unit maintenance training requirements, with the exception of the City of San Diego Police Department and the San Diego Sheriff's Office which have their own in-house K9 training units due to their size.

The following police departments have already agreed to the amendment waiving indemnification: Chula Vista Police Department, Oceanside Police Department, Carlsbad Police Department, Riverside Police Department, Calexico Police Department, and Huntington Beach Police Department.

The National City Police Department currently has (3) canine teams. The National City Police Department does not have an officer/sergeant qualified to provide any K9 maintenance training. ManK9 is the only viable option for local police department's canine teams to receive POST-certified canine instruction and required weekly training maintenance.

INSURANCE REQUIREMENTS

The City Risk Manager has reviewed the insurance documents and approved as to form.

RECOMMENDATION

Staff recommends approval of the amendment to authorize full indemnification of Man-K9, Inc. as outlined in the exhibit.

Prepared by: Alejandro Hernandez, Captain

National City Police Department
1200 National City Boulevard, National City, CA 91950

**SECOND AMENDMENT TO THE AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
MAN K9, INC.**

THIS SECOND AMENDMENT TO THE AGREEMENT is entered into this 7th day of December, 2021, by and between the CITY OF NATIONAL CITY, a municipal corporation (“CITY”), and MAN K9, INC. (the “CONTRACOR”).

RECITALS

WHEREAS, the CITY and the CONTRACTOR entered into an Agreement on November 11th, 2020, (“the Agreement”), wherein the CONTRACTOR agreed to provide a police service P.O.S.T. certified canine, basic course/academy training and weekly maintenance training in patrol work for police service dogs (K9’s) and their handlers.

WHEREAS, the CITY and the CONTRACTOR entered into a First Amendment to the Agreement on June 30, 2021 (“the First Amendment”), wherein the parties agreed to amend the Agreement by exercising the first of the three allowable one-year options to extend the term of the Agreement to June 30, 2022.

WHEREAS, the parties desire to further amend the Agreement by deleting the language provided in section “15. Indemnification and Hold Harmless” and replacing it with the following language:

Purchaser expressly understands that Seller makes no representations or warranties as to the health, safety, and/or fitness of the dog for the purpose and/or intent for which it is purchased.

Purchaser acknowledges and agrees that owning any animal, including but not limited to the dog, has inherent risks, including but not limited to the risk of dog bites and/or attacks to Purchaser and others.

As part of this contract, and not by way of limitation, Purchaser absolutely and forever waives and relinquishes all of his/hers/its rights under Section 1542 of the Civil Code of the State of California to any party receiving a release from him/her/it. That Section reads:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

In connection with such waiver and relinquishment, Purchaser acknowledges that it is aware that he may later discover facts in addition to or different from those which it now knows or believes to be true with respect to the subject matter of this Agreement, but that it is their intention hereby fully, finally and forever, to settle and release all released matters, known or unknown, suspected or unsuspected, which now exist, may exist or previously existed between them and the party granting the release. In furtherance of such intention, the releases given here shall be in, and shall remain in, effect as full and complete releases, notwithstanding the discovery or existence of any such additional or different facts.

Purchaser acknowledges and understands that there are certain risks involved in pet training, boarding, and care. You release, indemnify, and agree to hold Seller harmless from any and all manner of damages, claims, loss, liabilities, costs of expenses, causes of actions or suits, whatsoever in law or equity (including, without limitation, attorney's fees and related costs) arising out of or related to the services provided by Seller.

Purchaser expressly understands and agrees that Seller and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors shall not be liable to you for any direct, indirect, incidental, special, consequential or exemplary damages, including but not limited to: damages for personal injury to you and/or a third party resulting from (i) any and all actions and omissions during the dog training, whether on Seller's property or otherwise; (ii) any attacks and/or dog bites by the dog named above and subject to this contract OR any dog present at the dog training session; (iii) illness and/or injury to your dog caused by or related to any other animal present at the training. Purchaser further agrees to indemnify and hold Seller and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors (including but not limited to the owners and/or lessors of property where the training takes place) harmless from any and all actions made by any third party related to or arising from this contract, including but not limited to actions brought as a result of any dog bite and/or attack by the dog named above and subject to this contract. Purchaser expressly agrees that as part of this indemnity it will be responsible for any and all court costs, including but not limited to reasonable attorneys' fees for an attorney of Seller's choice, filing fees and additional costs.

Seller shall not be responsible for incidents occurring with regards to the dog(s) while they are in the sole custody of the officer(s). Purchaser agrees to indemnify Seller for any claims for damages that arise while the dog(s) are in the sole custody of the officer(s) and the claim for damages arises out of the sole negligence or willful misconduct of Purchaser

Seller may provide Purchaser with certain equipment, including but not limited to: leather leash, choke chain, leather collar. Seller makes absolutely no representations regarding the condition and merchantability of any such items and Purchaser agrees to release, indemnify, and hold Seller harmless from any and all

manner of damages, claims, loss, liabilities, costs of expenses, causes of actions or suits, whatsoever in law or equity (including, without limitation, attorney's fees and related costs) arising out of or related to the failure and/or defectiveness of any such equipment, including but not limited to any and all actions, including dog bites and/or attacks, by the dog subject to this Contract, and involving the failure and/or defectiveness of any such equipment.

Purchaser expressly agrees that Seller has the right to refuse to train any dog purchased from another vendor, due to inadequate temperament.

Purchaser expressly agrees that Seller will conduct all Basic Handler Courses in Patrol/Narcotic Detection/Tracking and Decoy work for Purchaser.

Purchaser expressly understands there is no express or implied warranty of merchantability related to products or services purchased or provided pursuant to this contract.

If applicable, Purchaser agrees to provide Seller with a complete copy of its written policy on the use of police/security dogs. Seller and Purchaser expressly represent that Seller has no authority or discretion to create or modify Purchaser's policy on the use of police/security dogs. Under no circumstances shall Seller be deemed a policy-maker for Purchaser. Under no circumstances shall Seller be liable for any use of the dog, whether 1) in accordance with or contrary to any purpose stated in Purchaser's written policy; or 2) during the ordinary course of Purchaser's business or otherwise.

Purchaser acknowledges that any of its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors that take part in the training pursuant to this contract shall participate pursuant to the ordinary course of Purchaser's business, if any, and be covered by appropriate employee insurance (Workers' Compensation Insurance).

Purchaser further expressly understands and agrees with the following, which is an integral part of the contract:

- i. MAN-K9 INC. and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva, do not teach you, your officers, employees, agents, or partners, any classes related to the USE OF FORCE and do not dictate policy in the USE OF FORCE exercised by you, your officers, employees, agents, or partners.
- ii. MAN-K9 and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva, only teach dogs to perform according to your policies and/or procedures.

iii. You expressly warrant and represent that MAN-K9 INC. and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva are not policy-makers for you and/or your department or Agency.

iv. MAN-K9 INC. and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva, do not teach, recommend, advise or dictate when you, your officers, employees, agents, or partners should deploy the dog(s) in actual police/security/patrol work.

v. You expressly warrant and represent that any dog trained pursuant to this Contract, by MAN-K9 INC. and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva will be used only in accordance with the training provided and only for the purposes stated in Your department or agency's written policy.

AGREEMENT

NOW, THEREFORE, the parties hereto agree that:

1. The Agreement entered into on November 11, 2020, is amended by deleting the language provided in section "15. Indemnification and Hold Harmless" and replacing it with the following language:

Purchaser expressly understands that Seller makes no representations or warranties as to the health, safety, and/or fitness of the dog for the purpose and/or intent for which it is purchased.

Purchaser acknowledges and agrees that owning any animal, including but not limited to the dog, has inherent risks, including but not limited to the risk of dog bites and/or attacks to Purchaser and others.

As part of this contract, and not by way of limitation, Purchaser absolutely and forever waives and relinquishes all of his/hers/its rights under Section 1542 of the Civil Code of the State of California to any party receiving a release from him/her/it. That Section reads:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

In connection with such waiver and relinquishment, Purchaser acknowledges that it is aware that he may later discover facts in addition to or different from those which it now knows or believes to be true with respect to the subject matter of this Agreement, but that it is their intention hereby fully, finally and forever, to settle and release all released matters, known or unknown, suspected or unsuspected, which now exist, may exist or previously existed between them and the party granting the release. In furtherance of such intention, the releases given here shall be in, and shall remain in, effect as full and complete releases, notwithstanding the discovery or existence of any such additional or different facts.

Purchaser acknowledges and understands that there are certain risks involved in pet training, boarding, and care. You release, indemnify, and agree to hold Seller harmless from any and all manner of damages, claims, loss, liabilities, costs of expenses, causes of actions or suits, whatsoever in law or equity (including, without limitation, attorney's fees and related costs) arising out of or related to the services provided by Seller.

Purchaser expressly understands and agrees that Seller and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors shall not be liable to you for any direct, indirect, incidental, special, consequential or exemplary damages, including but not limited to: damages for personal injury to you and/or a third party resulting from (i) any and all actions and omissions during the dog training, whether on Seller's property or otherwise; (ii) any attacks and/or dog bites by the dog named above and subject to this contract OR any dog present at the dog training session; (iii) illness and/or injury to your dog caused by or related to any other animal present at the training. Purchaser further agrees to indemnify and hold Seller and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors (including but not limited to the owners and/or lessors of property where the training takes place) harmless from any and all actions made by any third party related to or arising from this contract, including but not limited to actions brought as a result of any dog bite and/or attack by the dog named above and subject to this contract. Purchaser expressly agrees that as part of this indemnity it will be responsible for any and all court costs, including but not limited to reasonable attorneys' fees for an attorney of Seller's choice, filing fees and additional costs.

Seller shall not be responsible for incidents occurring with regards to the dog(s) while they are in the sole custody of the officer(s). Purchaser agrees to indemnify Seller for any claims for damages that arise while the dog(s) are in the sole custody of the officer(s) and the claim for damages arises out of the sole negligence or willful misconduct of Purchaser

Seller may provide Purchaser with certain equipment, including but not limited to: leather leash, choke chain, leather collar. Seller makes absolutely no representations regarding the condition and merchantability of any such items and Purchaser agrees to release, indemnify, and hold Seller harmless from any and all

manner of damages, claims, loss, liabilities, costs of expenses, causes of actions or suits, whatsoever in law or equity (including, without limitation, attorney's fees and related costs) arising out of or related to the failure and/or defectiveness of any such equipment, including but not limited to any and all actions, including dog bites and/or attacks, by the dog subject to this Contract, and involving the failure and/or defectiveness of any such equipment.

Purchaser expressly agrees that Seller has the right to refuse to train any dog purchased from another vendor, due to inadequate temperament.

Purchaser expressly agrees that Seller will conduct all Basic Handler Courses in Patrol/Narcotic Detection/Tracking and Decoy work for Purchaser.

Purchaser expressly understands there is no express or implied warranty of merchantability related to products or services purchased or provided pursuant to this contract.

If applicable, Purchaser agrees to provide Seller with a complete copy of its written policy on the use of police/security dogs. Seller and Purchaser expressly represent that Seller has no authority or discretion to create or modify Purchaser's policy on the use of police/security dogs. Under no circumstances shall Seller be deemed a policy-maker for Purchaser. Under no circumstances shall Seller be liable for any use of the dog, whether 1) in accordance with or contrary to any purpose stated in Purchaser's written policy; or 2) during the ordinary course of Purchaser's business or otherwise.

Purchaser acknowledges that any of its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors that take part in the training pursuant to this contract shall participate pursuant to the ordinary course of Purchaser's business, if any, and be covered by appropriate employee insurance (Workers' Compensation Insurance).

Purchaser further expressly understands and agrees with the following, which is an integral part of the contract:

- i. MAN-K9 INC. and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva, do not teach you, your officers, employees, agents, or partners, any classes related to the USE OF FORCE and do not dictate policy in the USE OF FORCE exercised by you, your officers, employees, agents, or partners.
- ii. MAN-K9 and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva, only teach dogs to perform according to your policies and/or procedures.

iii. You expressly warrant and represent that MAN-K9 INC. and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva are not policy-makers for you and/or your department or Agency.

iv. MAN-K9 INC. and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva, do not teach, recommend, advise or dictate when you, your officers, employees, agents, or partners should deploy the dog(s) in actual police/security/patrol work.

v. You expressly warrant and represent that any dog trained pursuant to this Contract, by MAN-K9 INC. and its subsidiaries, affiliates, officers, employees, agents, partners and/or licensors, including but not limited to Manuel Villanueva will be used only in accordance with the training provided and only for the purposes stated in Your department or agency's written policy.

2. The parties further agree that, with the foregoing exceptions, each and every other term and provision of the November 11, 2020 Agreement shall remain in full force and effect.

[END OF AGREEMENT – SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Agreement on the date and year first above written.

CITY OF NATIONAL CITY

MAN K9, INC.

(Corporation - signatures of two corporate officers required)

By: _____
Alejandra Sotelo Solis, Mayor

By: Manuel Villanueva
(Name)

Manuel Villanueva
(Print)

APPROVED AS TO FORM:

President
(Title)

By: _____
Charles E. Bell Jr., City Attorney

By: Melva Villanueva
(Name)

Melva Villanueva
(Print)

Secretary
(Title)

**FIRST AMENDMENT TO THE AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
MAN K9, INC.**

THIS FIRST AMENDMENT TO THE AGREEMENT is entered into this 30th day of June, 2021, by and between the CITY OF NATIONAL CITY, a municipal corporation ("CITY"), and MAN K9, INC. (the "CONTRACOR").

RECITALS

WHEREAS, the CITY and the CONTRACTOR entered into an Agreement on November 11th, 2020, ("the Agreement"), wherein the CONTRACTOR agreed to provide a police service P.O.S.T. certified canine, basic course/academy training and weekly maintenance training in patrol work for police service dogs (K9's) and their handlers.

WHEREAS, the parties desire to amend the Agreement by exercising the first of the three allowable one-year options to extend the term of the Agreement to June 30, 2022.

AGREEMENT

NOW, THEREFORE, the parties hereto agree that:

1. The Agreement entered into on November 11, 2020, in exercise of the option provision is hereby amended to extend the term of the Agreement by one-year to June 30, 2022.
2. The parties further agree that, with the foregoing exceptions, each and every other term and provision of the November 11, 2020 Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Agreement on the date and year first above written.

[END OF AGREEMENT – SIGNATURES APPEAR ON NEXT PAGE]

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RECEIVED

SEP 09 2021

Office of the City Clerk
City of National City

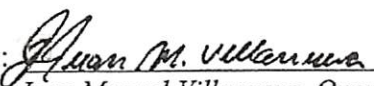
CITY OF NATIONAL CITY


By: 
Brad Raulston, City Manager

APPROVED AS TO FORM:


By: Charles Bell Jr.
City Attorney

MAN K9, INC.

By: 
Juan Manuel Villanueva, Owner

By 
Melva Villanueva

**AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
MAN K9, INC.**

THIS AGREEMENT is entered into on this 11th day of November, 2020, by and between the CITY OF NATIONAL CITY, a municipal corporation (the "CITY"), and MAN K9, INC., a California corporation (the "CONSULTANT").

R E C I T A L S

WHEREAS, the CITY desires to employ a CONSULTANT to provide a police service P.O.S.T. certified canine, basic course/academy training and weekly maintenance training in patrol work for police service dogs (K9's) and their handlers.

WHEREAS, the CITY has determined that the CONSULTANT is a qualified California Police Officer's Standards and Training (P.O.S.T.) certified police service dog training company, is the only company of Police K9s in San Diego County, is the only company in San Diego County that holds a Drug Enforcement Agency license, -and is qualified by experience and ability to perform the services desired by the CITY, and the CONSULTANT is willing to perform such services.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. **ENGAGEMENT OF CONSULTANT.** The CITY agrees to engage the CONSULTANT to provide basic course/academy training, and weekly training for police service dogs (K9's) and their handlers to meet P.O.S.T certified training, and for the purchase of a P.O.S.T. certified police service canine, and the CONSULTANT agrees to perform the services set forth here in accordance with all terms and conditions contained herein.

The CONSULTANT represents that all services shall be performed directly by the CONSULTANT or under direct supervision of the CONSULTANT.

2. **EFFECTIVE DATE AND LENGTH OF AGREEMENT.** This Agreement will become effective on November 11, 2020. The duration of this Agreement is for the period of November 11, 2020 through June 30, 2021. Completion dates or time durations for specific portions of the project are set forth in Exhibit "A". This Agreement may be extended by mutual agreement upon the same terms and conditions for an additional one (1) year term. The Parties may exercise up to three one-year extensions. Any extension of this Agreement must be approved in writing by the City Manager.

3. **SCOPE OF SERVICES.** The CONSULTANT will provide maintenance training in patrol work for all National City Police Department K9s and their handlers. Maintenance training in patrol work shall occur on a weekly basis for at least four hours per week. CONSULTANT will also provide for the purchase of a P.O.S.T. certified police service

canine, and the basic training/academy for the new police service canine and its handler. See services as set forth in the attached Exhibit "A".

The CONSULTANT shall be responsible for all research and reviews related to the work and shall not rely on personnel of the CITY for such services, except as authorized in advance by the CITY. The CONSULTANT shall appear at meetings specified in Exhibit "A" to keep staff and City Council advised of the progress on the project.

The CITY may unilaterally, or upon request from the CONSULTANT, from time to time reduce or increase the Scope of Services to be performed by the CONSULTANT under this Agreement. Upon doing so, the CITY and the CONSULTANT agree to meet in good faith and confer for the purpose of negotiating a corresponding reduction or increase in the compensation associated with said change in services.

4. **PROJECT COORDINATION AND SUPERVISION.** Team II Commander Lieutenant is hereby designated as the Project Coordinator for the CITY and will monitor the progress and execution of this Agreement. The CONSULTANT shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this Agreement for the CONSULTANT. Manuel Villanueva thereby is designated as the Project Director for the CONSULTANT.

5. **COMPENSATION AND PAYMENT.** The compensation for the CONSULTANT shall be based on monthly billings covering actual work performed. Billings shall include labor classifications, respective rates, hours worked and also materials, if any. The total cost for all work described in Exhibit "A" and for the duration of this Agreement shall not exceed \$ 3484125. The compensation for the CONSULTANT'S work shall not exceed the rates set forth in Exhibit "A". Monthly invoices will be processed for payment and remitted within thirty (30) days from receipt of invoice, provided that work is accomplished consistent with Exhibit "A", as determined by the CITY.

The CONSULTANT shall maintain all books, documents, papers, employee time sheets, accounting records, and other evidence pertaining to costs incurred, and shall make such materials available at its office at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement, for inspection by the CITY, and for furnishing of copies to the CITY, if requested.

6. **ACCEPTABILITY OF WORK.** The CITY shall decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the acceptable completion of this Agreement, and the amount of compensation due. In the event the CONSULTANT and the CITY cannot agree to the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONSULTANT in this Agreement, the CITY or the CONSULTANT shall give to the other written notice. Within ten (10) business days, the CONSULTANT and the CITY shall each prepare a report which supports their position and file the same with the other party. The CITY shall, with reasonable diligence, determine the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONSULTANT.

7. **DISPOSITION AND OWNERSHIP OF DOCUMENTS.** The Memoranda, Reports, Maps, Drawings, Plans, Specifications, and other documents prepared by the CONSULTANT for this project, whether paper or electronic, shall become the property of the

CITY for use with respect to this project, and shall be turned over to the CITY upon completion, of the project, or any phase thereof, as contemplated by this Agreement.

Contemporaneously with the transfer of documents, the CONSULTANT hereby assigns to the CITY, and CONSULTANT thereby expressly waives and disclaims any copyright in, and the right to reproduce, all written material, drawings, plans, specifications, or other work prepared under this Agreement, except upon the CITY'S prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONSULTANT shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

The CONSULTANT agrees that the CITY may use, reuse, alter, reproduce, modify, assign, transfer, or in any other way, medium, or method utilize the CONSULTANT'S written work product for the CITY'S purposes, and the CONSULTANT expressly waives and disclaims any residual rights granted to it by Civil Code Sections 980 through 989 relating to intellectual property and artistic works.

Any modification or reuse by the CITY of documents, drawings, or specifications prepared by the CONSULTANT shall relieve the CONSULTANT from liability under Section 14, but only with respect to the effect of the modification or reuse by the CITY, or for any liability to the CITY should the documents be used by the CITY for some project other than what was expressly agreed upon within the Scope of Services of this project, unless otherwise mutually agreed.

8. **INDEPENDENT CONTRACTOR.** Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint ventures with one another. Neither the CONSULTANT nor the CONSULTANT'S employees are employees of the CITY, and are not entitled to any of the rights, benefits, or privileges of the CITY'S employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

This Agreement contemplates the personal services of the CONSULTANT and the CONSULTANT'S employees, and it is recognized by the parties that a substantial inducement to the CITY for entering into this Agreement was, and is, the professional reputation and competence of the CONSULTANT and its employees. Neither this Agreement nor any interest herein may be assigned by the CONSULTANT without the prior written consent of the CITY. Nothing herein contained is intended to prevent the CONSULTANT from employing or hiring as many employees, or SUBCONSULTANTS, as the CONSULTANT may deem necessary for the proper and efficient performance of this Agreement. All agreements by CONSULTANT with its SUBCONSULTANT(S) shall require the SUBCONSULTANT(S) to adhere to the applicable terms of this Agreement.

9. **CONTROL.** Neither the CITY nor its officers, agents, or employees shall have any control over the conduct of the CONSULTANT or any of the CONSULTANT'S employees, except as herein set forth, and the CONSULTANT or the CONSULTANT'S agents, servants, or employees are not in any manner agents, servants, or employees of the CITY, it being understood that the CONSULTANT its agents, servants, and employees are as to the CITY wholly independent CONSULTANT, and that the CONSULTANT'S obligations to the CITY are solely such as are prescribed by this Agreement.

10. **COMPLIANCE WITH APPLICABLE LAW.** The CONSULTANT, in the performance of the services to be provided herein, shall comply with all applicable state and federal statutes and regulations, and all applicable ordinances, rules, and regulations of the City of National City, whether now in force or subsequently enacted. The CONSULTANT and each of its SUBCONSULTANT(S), shall obtain and maintain a current City of National City business license prior to and during performance of any work pursuant to this Agreement.

11. **LICENSES, PERMITS, ETC.** The CONSULTANT represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. The CONSULTANT represents and covenants that the CONSULTANT shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the CONSULTANT to practice its profession.

12. **STANDARD OF CARE.**

A. The CONSULTANT, in performing any services under this Agreement, shall perform in a manner consistent with that level of care and skill ordinarily exercised by members of the CONSULTANT'S trade or profession currently practicing under similar conditions and in similar locations. The CONSULTANT shall take all special precautions necessary to protect the CONSULTANT'S employees and members of the public from risk of harm arising out of the nature of the work and/or the conditions of the work site.

B. Unless disclosed in writing prior to the date of this Agreement, the CONSULTANT warrants to the CITY that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the CONSULTANT'S professional performance or the furnishing of materials or services relating thereto.

C. The CONSULTANT is responsible for identifying any unique products, treatments, processes or materials whose availability is critical to the success of the project the CONSULTANT has been retained to perform, within the time requirements of the CITY, or, when no time is specified, then within a commercially reasonable time. Accordingly, unless the CONSULTANT has notified the CITY otherwise, the CONSULTANT warrants that all products, materials, processes or treatments identified in the project documents prepared for the CITY are reasonably commercially available. Any failure by the CONSULTANT to use due diligence under this sub-paragraph will render the CONSULTANT liable to the CITY for any increased costs that result from the CITY'S later inability to obtain the specified items or any reasonable substitute within a price range that allows for project completion in the time frame specified or, when not specified, then within a commercially reasonable time.

13. **NON DISCRIMINATION PROVISIONS.** The CONSULTANT shall not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The CONSULTANT will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONSULTANT agrees to post in

conspicuous places available to employees and applicants for employment any notices provided by the CITY setting forth the provisions of this non-discrimination clause.

14. **CONFIDENTIAL INFORMATION.** The CITY may from time to time communicate to the CONSULTANT certain confidential information to enable the CONSULTANT to effectively perform the services to be provided herein. The CONSULTANT shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of the CITY. The CONSULTANT shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this Section 14, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of the CONSULTANT, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of the CONSULTANT without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to the CONSULTANT by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

The CONSULTANT shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of the CITY. In its performance hereunder, the CONSULTANT shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

CONSULTANT shall be liable to CITY for any damages caused by breach of this condition, pursuant to the provisions of Section 14.

15. **INDEMNIFICATION AND HOLD HARMLESS.** The CONSULTANT agrees to defend, indemnify and hold harmless the City of National City, its officers, officials, agents, employees, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the CONSULTANT'S performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the CITY, its agents, officers, employees or volunteers. CITY will cooperate reasonably in the defense of any action, and CONSULTANT shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

16. **WORKERS' COMPENSATION.** The CONSULTANT shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Government Code and all amendments thereto; and all similar State or federal acts or laws applicable; and shall indemnify, and hold harmless the CITY and its officers, employees, and volunteers from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the CITY or its officers, employees, or volunteers, for or on account of any

liability under any of said acts which may be incurred by reason of any work to be performed by the CONSULTANT under this Agreement.

17. **INSURANCE.** The CONSULTANT, at its sole cost and expense, shall purchase and maintain, and shall require its SUBCONSULTANT(S), when applicable, to purchase and maintain throughout the term of this Agreement, the following checked insurance policies:

A. If checked, **Professional Liability Insurance** (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location". The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of CONSULTANT'S employees and employers' liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed

E. With a waiver of subrogation in favor of the CITY. Said endorsement shall be provided prior to commencement of work under this Agreement.

If CONSULTANT has no employees subject to the California Workers' Compensation and Labor laws, CONSULTANT shall execute a Declaration to that effect. Said Declaration shall be provided to CONSULTANT by CITY.

F. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, officials, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY of cancellation or material change.

G. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the CONSULTANT shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.

H. Insurance shall be written with only California admitted companies that hold a current policy holder's alphabetic and financial size category rating of not less than A:VII according to the current Best's Key Rating Guide, or a company equal financial stability that is approved by the CITY'S Risk Manager. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

I. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the CITY'S Risk Manager. If the CONSULTANT does not keep all of such insurance policies

in full force and effect at all times during the terms of this Agreement, the CITY may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

J. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the CITY.

18. **LEGAL FEES.** If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney's fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award. Attorney's fees to the prevailing party if other than the CITY shall, in addition, be limited to the amount of attorney's fees incurred by the CITY in its prosecution or defense of the action, irrespective of the actual amount of attorney's fees incurred by the prevailing party.

19. **TERMINATION**

A. This Agreement may be terminated with or without cause by the CITY. Termination without cause shall be effective only upon 60-day's written notice to the CONSULTANT. During said 60-day period the CONSULTANT shall perform all services in accordance with this Agreement.

B. This Agreement may also be terminated immediately by the CITY for cause in the event of a material breach of this Agreement, misrepresentation by the CONSULTANT in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the CITY.

C. Termination with or without cause shall be effected by delivery of written Notice of Termination to the CONSULTANT as provided for herein.

D. In the event of termination, all finished or unfinished Memoranda Reports, Maps, Drawings, Plans, Specifications and other documents prepared by the CONSULTANT, whether paper or electronic, shall immediately become the property of and be delivered to the CITY, and the CONSULTANT shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the CITY by the CONSULTANT'S breach, if any. Thereafter, ownership of said written material shall vest in the CITY all rights set forth in Section 7.

E. The CITY further reserves the right to immediately terminate this Agreement upon: (1) the filing of a petition in bankruptcy affecting the CONSULTANT (2) a reorganization of the CONSULTANT for the benefit of creditors; or (3) a business reorganization, change in business name or change in business status of the CONSULTANT.

20. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex,

telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given by telex, telecopy, facsimile or fax, when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

To CITY: Jose Tellez
 Chief of Police
 National City Police Department
 City of National City
 1243 National City Boulevard
 National City, CA 91950-4397

To CONSULTANT:
 Manuel Villanueva
 President
 Man K9 Incorporated
 3784 Mission Ave, Ste, 148, Oceanside CA 92058

Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Any notice, request, demand, direction or other communication sent by cable, telex, telecopy, facsimile or fax must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Section.

21. CONFLICT OF INTEREST AND POLITICAL REFORM ACT

OBLIGATIONS. During the term of this Agreement, the CONSULTANT shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the City of National City. The CONSULTANT also agrees not to specify any product, treatment, process or material for the project in which the CONSULTANT has a material financial interest, either direct or indirect, without first notifying the CITY of that fact. The CONSULTANT shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. The CONSULTANT shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONSULTANT has a financial interest as defined in Government Code Section 87103. The CONSULTANT represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the CITY.

If checked, the CONSULTANT shall comply with all of the reporting Requirements of the Political Reform Act and the National City Conflict of Interest Code. Specifically, the CONSULTANT shall file a Statement of Economic Interests with the City

Clerk of the City of National City in a timely manner on forms which the CONSULTANT shall obtain from the City Clerk.

The CONSULTANT shall be strictly liable to the CITY for all damages, costs or expenses the CITY may suffer by virtue of any violation of this Paragraph 22 by the CONSULTANT.

22. **PREVAILING WAGES.** State prevailing wage rates may apply to work performed under this Agreement. State prevailing wages rates apply to all public works contracts as set forth in California Labor Code, including but not limited to, Sections 1720, 1720.2, 1720.3, 1720.4, and 1771. Consultant is solely responsible to determine if State prevailing wage rates apply and, if applicable, pay such rates in accordance with all laws, ordinances, rules, and regulations.

23. **MISCELLANEOUS PROVISIONS.**

A. *Computation of Time Periods.* If any date or time period provided for in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, then such date shall automatically be extended until 5:00 p.m. Pacific Time of the next day which is not a Saturday, Sunday or federal, state, or legal holiday.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

C. *Captions.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

E. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any exhibits, schedules, or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

F. *Amendment to this Agreement.* The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

G. *Waiver.* The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

H. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

I. *Audit.* If this Agreement exceeds ten-thousand dollars (\$10,000), the parties shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under the Agreement, per Government Code Section 8546.7.

J. *Entire Agreement.* This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

K. *Successors and Assigns.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

L. *Subcontractors or Subconsultants.* The CITY is engaging the services of the CONSULTANT identified in this Agreement. The CONSULTANT shall not subcontract any portion of the work, unless such subcontracting was part of the original proposal or is allowed by the CITY in writing. In the event any portion of the work under this Agreement is subcontracted, the subconsultant(s) shall be required to comply with and agree to, for the benefit of and in favor of the CITY, both the insurance provisions in Section 17 and the indemnification and hold harmless provision of Section 15 of this Agreement.


M. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF NATIONAL CITY

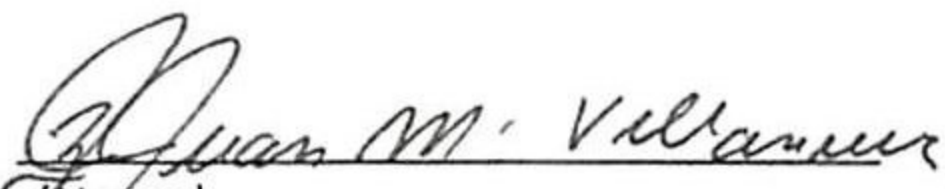
By: 
Red Raulston, City Manager

APPROVED AS TO FORM:
Angil P. Morris-Jones
City Attorney

By: 
Nicole Pedone
Senior Assistant City Attorney

MAN K9 INC.,

2909 San Luis Rey Road
Oceanside CA, 92058
(Corporation – signatures of two corporate officers)
(Partnership – one signature)
(Sole proprietorship – one signature)

By: 
(Name)

Juan Manuel Villanueva
(Print)

President
(Title)

By: _____
(Name)

(Print)

(Title)



“EXHIBIT A”

MAN – K9
June 2020 – July 2021

Price List

A. HANDLER SELECTION

Interview and evaluation of one candidate -----\$250.00
\$75.00 extra for every additional candidate tested (Total of 5 tested) **(\$750.00)**

B. POLICE SERVICE DOG

Cost of one canine for patrol work-----**\$11,500.00**
Cost of one canine for Detection -----\$9,000.00
(Plus tax) (\$891.25)

C. BASIC HANDLER COURSE

Patrol work = 5 weeks -----\$6000.00**
Narcotic Detection = 5 weeks -----\$6000.00
Tracking/Trailing 5 weeks -----\$6700.00

***The dog is trained in : California P.O.S.T. minimum standards for Police canines (Obedience, Handler protection, Apprehension, Call off, Area search and Building search).*

D. HANDLER COURSE PRIVATE LESSONS (PROBLEM SOLVING, EVALUATION)

Patrol Work -----\$350.00 per hour **(\$1,400.00) – Four sessions**
Narcotic Det. -----\$250.00 per hour
Tracking -----\$250.00 per hour

Note: The courses and prices are for dogs that have had some training in bite work, searching etc. The number of sessions depends on the dogs previous training and behavior problem.

E. WEEKLY MAINTENANCE TRAINING FOR K-9 UNIT (Group training)

Patrol work: 16 hours a month
National City Three Dog k9 Unit: \$70.00 per hour- July 2020 to June 2021 **(\$13,440.00)**

Narcotic detection: (up to two dogs) \$66.00 per hour. (\$2.00 extra per hour for every additional dog)

F. ANNUAL EVALUATION AND RE-CERTIFICATION (P.O.S.T.)

Per canine team (No Charge—when conducted on a training day, only for agencies who are enrolled in a maintenance training program with Man-k9)
Outside of training day: 150.00 per hour. **(\$600.00)**

- Man-k9 Inc. is the ONLY company/vendor of Police k9s in San Diego County. **TOTAL - \$34,841.25**
- We are the ONLY company in San Diego County that holds a DEA (Drug Enforcement Agency) License.

If you have any questions please call me at 760-576-9097.
Manual Villanueva
President

“EXHIBIT A”



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/05/2020

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 NUTMEG INS AGENCY INC/PHS 76210775 The Hartford Business Service Center 3600 Wiseman Blvd San Antonio, TX 78251	CONTACT NAME:	
	PHONE (A/C, No, Ext): (888) 925-3137	FAX (A/C, No): (888) 443-6112
E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE		NAIC#
INSURED Man K9 Inc 5050 SANTA FE ST SAN DIEGO CA 92109-1609	INSURER A: Hartford Accident and Indemnity Company	22357
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

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

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GENL. AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COM/OP AGG	
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	
	UMBRELLA LIAB EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE AGGREGATE	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A	76 WEG AH6RBB	09/22/2020	09/22/2021	<input checked="" type="checkbox"/> PER STATUTE <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

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

Those usual to the Insured's Operations.

CERTIFICATE HOLDER

City of National City
1200 NATIONAL CITY BLVD
NATIONAL CITY CA 91950

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

Susan S. Castaneda

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CERTIFICATE OF INSURANCE

PRODUCER: LESTER KALMANSON AGENCY, INC. &/OR MITCHEL KALMANSON P.O. BOX 940008 MAITLAND, FL 32794-0008 PH: (407) 645-5000 / FAX: (407) 645-2810 WWW.LKALMANSON.COM / MITCHELK25@HOTMAIL.COM	DATE ISSUED: 06/25/2020 COMPANY: 100% CERTAIN UNDERWRITERS AT LLOYD'S / LONDON (CNP6)		
NAMED INSURED: MAN-K9 INC. C/O JUAN MANUEL VILLANUEVA 4422 FALLSBRAE RD. FALLBROOK, CA 92028	POLICY NUMBER: CNP2037 <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"> EFFECTIVE DATE: 06/18/2020 (BOTH DAYS AT 12:01 A.M. </td> <td style="width: 50%; border: none;"> EXPIRATION DATE: 06/18/2021 LOCAL STANDARD TIME) </td> </tr> </table>	EFFECTIVE DATE: 06/18/2020 (BOTH DAYS AT 12:01 A.M.	EXPIRATION DATE: 06/18/2021 LOCAL STANDARD TIME)
EFFECTIVE DATE: 06/18/2020 (BOTH DAYS AT 12:01 A.M.	EXPIRATION DATE: 06/18/2021 LOCAL STANDARD TIME)		

COVERAGE INFORMATION

THIS IS TO CERTIFY THAT THE POLICY(S) OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOT WITHSTANDING ANY REQUIREMENT, TERM(S) OR CONDITION(S) OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE(S) MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND/OR CONDITIONS OF SUCH POLICIES. LIMITS OF LIABILITY SHOWN MAY HAVE BEEN REDUCED BY ANY PAID CLAIMS.

TYPE OF INSURANCE:	LIMITS:
<input checked="" type="checkbox"/> GENERAL LIABILITY	GENERAL (ANNUAL) AGGREGATE: \$ 2,000,000.00
<input checked="" type="checkbox"/> CLAIMS MADE	LIMITED PRODUCTS AGGREGATE: \$ -0-
<input checked="" type="checkbox"/> MANUSCRIPT POLICY FORM	PERSONAL & ADV. INJURY: \$ -0-
	EACH OCCURRENCE: \$ 1,000,000.00
	FIRE DAMAGE (ANY ONE FIRE): \$ -0-

RETRO DATE: 06/18/2019
 (AT 12:01 A.M. LOCAL STANDARD TIME)

*****PROOF OF INSURANCE*****

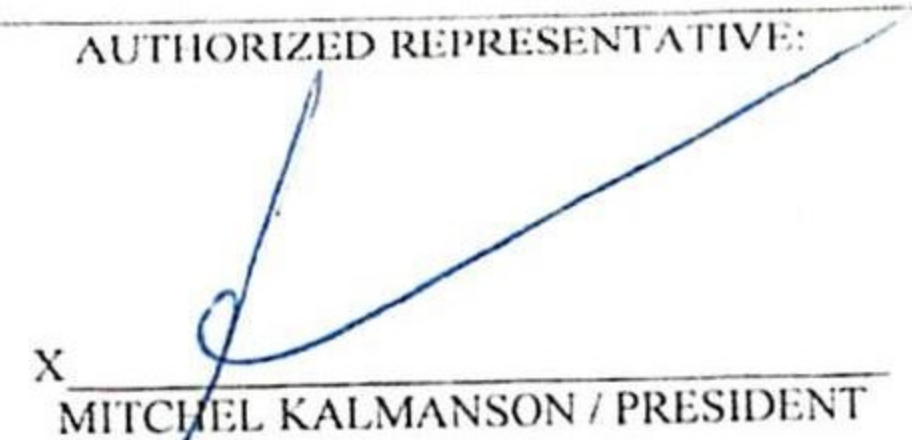
CERTIFICATE ONLY VALID WITH ATTACHED ADDENDUM "A" WITH DESCRIPTION OF LIABILITY COVERAGE(S) AFFORDED

EVENT DATE(S): VARIOUS THROUGHOUT POLICY PERIOD

EVENT LOCATION(S): VARIOUS CALIFORNIA LOCATIONS

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE(S) AFFORDED BY THE POLICY(S) LISTED. **"LIMITS SHOWN ARE THOSE IN EFFECT AS OF POLICY INCEPTION"**

SHOULD ANY OF THE ABOVE DESCRIBED POLICY(S) BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 0 DAYS' WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED BELOW, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION(S) &/OR LIABILITY(S) OF ANY KIND UPON THE COMPANY, ITS AGENTS &/OR REPRESENTATIVES &/OR KALMANSON ET AL

CERTIFICATE HOLDER/ PROOF OF INSURANCE: NATIONAL CITY POLICE DEPARTMENT 1200 NATIONAL CITY BLVD NATIONAL CITY, CA 91950	AUTHORIZED REPRESENTATIVE:  X MITCHEL KALMANSON / PRESIDENT
---------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------

A D D E N D U M " A " F O R :

ASSURED: MAN-K9 INC C/O JUAN MANUEL VILLANUEVA

AGENCY: LESTER KALMANSON AGENCY INC. &/OR MITCHEL KALMANSON
235 S. MAITLAND AVE. SUITE 201, MAITLAND, FL 32751
P.O. BOX 940008, MAITLAND, FLORIDA 32794 - U.S.A.
PH: 407-645-5000 FAX: 407-645-2810 EMAIL: MITCHELK25@HOTMAIL.COM

POLICY PERIOD / TERM: 06/18/2020 TO 06/18/2021 TERM: ANNUAL
(BOTH DAYS @ 12:01 AM LOCAL STANDARD TIME)

POLICY NUMBER ASSIGNED: CNP2037 (OFF PREMISES)

DESCRIPTION OF THE MANUSCRIPT CLAIMS MADE LIABILITY INSURANCE COVERAGE AFFORDED:

COMMERCIAL CANINE ANIMAL LIABILITY IS AFFORDED FOR THE TRAINING OF VARIOUS NON-OWNED CANINES (IE LAW ENFORCEMENT DOGS) FOR CONSIDERATION, WHILE AT VARIOUS CALIFORNIA LOCATIONS WHILE OFF THE NAMED INSURED'S DESIGNATED PREMISES, WHILE UNDER THE DIRECT CONTROL / SUPERVISION OF THE NAMED INSURED &/OR THEIR EMPLOYEE(S) ONLY, WHILE OFF THE NAMED INSUREDS DESIGNATED PREMISES LOCATED AT 5050 SANTA FE ST - SAN DIEGO, CA 92109.

WARRANTED:

- 1) COMMERCIAL CANINE LIABILITY COVERAGE AFFORDED IS LIMITED TO DIRECT (THIRD PARTY) BODILY INJURY &/OR PROPERTY DAMAGE CAUSED BY VARIOUS NON-OWNED CANINES ONLY.
- 2) LEGAL LIABILITY COVERAGE IS SPECIFICALLY EXCLUDED FOR ANY NON-OWNED CANINE(S) IN THE CARE, CUSTODY, &/OR CONTROL OF THE NAMED INSURED &/OR THEIR EMPLOYEE(S) &/OR (CONTRACTED) INDEPENDENT CONTRACTOR(S).
- 3) WORKER'S COMPENSATION / EMPLOYER'S LIABILITY COVERAGE IS SPECIFICALLY EXCLUDED FROM THIS POLICY FOR ANY INJURY TO ANY EMPLOYEES(S) &/OR INDEPENDENT CONTRACTOR(S) &/OR VOLUNTEER(S).
- 4) ANIMAL MORTALITY COVERAGE IS SPECIFICALLY EXCLUDED.
- 5) PHYSICAL DAMAGE COVERAGE IS SPECIFICALLY EXCLUDED UNLESS SPECIFICALLY SCHEDULED HERETO AND AN ADDITIONAL PREMIUM IS CHARGED
- 6) NAMED INSURED MUST MEET &/OR EXCEED ANY MINIMUM STANDARDS SET FORTH BY LOCAL, COUNTY, STATE &/OR FEDERAL (REGULATORY) ANIMAL AGENCY(S).
- 7) LIABILITY COVERAGE FOR ANY OTHER COMMERCIAL ACTIVITY(S) &/OR OPERATION(S) ARE SPECIFICALLY EXCLUDED FROM THIS POLICY, UNLESS OTHERWISE STATED &/OR ENDORSED HERETO AND AN ADDITIONAL PREMIUM IS CHARGED.
- 8) PREMISES LIABILITY IS SPECIFICALLY EXCLUDED FOR THE NAMED INSURED'S DESIGNATED PREMISES, LOCATED AT 4422 FALLSBRAE RD. FALLBROOK, CA 92028 UNLESS OTHERWISE ENDORSED HERETO AND ADDITIONAL PREMIUM CHARGED.
- 9) PREMISES LIABILITY IS SPECIFICALLY EXCLUDED FOR THE NAMED INSURED'S DESIGNATED PREMISES, LOCATED AT 5050 SANTA FE ST. SAN DIEGO, CA 92109 UNLESS OTHERWISE ENDORSED HERETO AND ADDITIONAL PREMIUM CHARGED
- 10) LIABILITY COVERAGE AS STATED HEREIN &/OR HERETO IS EXCESS OVER ANY OTHER VALID &/OR COLLECTIBLE POLICY(S) IN RESPECTS OF THE SCHEDULED INSURED'S OPERATION(S) / EXPOSURE(S) AS STATED HEREIN &/OR HERETO.
- 11) UP TO 7 NON-OWNED DOGS TRAINED AT ANY ONE TIME.

ALL OTHER TERMS & CONDITIONS OF THE POLICY REMAIN UNCHANGED

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, APPROVING A SECOND AMENDMENT TO THE AGREEMENT WITH MAN K9, INC.

WHEREAS, the City of National City (“City”) and Man K9, Inc. entered into an agreement on November 11, 2020, to provide California Peace Officer Standards and Training (“P.O.S.T.”) certified canine training, basic course/academy training, and weekly maintenance training in patrol work for police service dogs (“K9’s”) and their handlers; and

WHEREAS, on June 30, 2021, the City and Man K9, Inc. amended the Agreement by exercising the first of three (3) one-year options to extend the term of the Agreement to June 30, 2022, with the terms and conditions of the original Agreement to remain in effect; and

WHEREAS, the City requests the City Council to approve a further amendment to the Agreement by deleting the language provided in section “15. Indemnification and Hold Harmless” and replacing it with language providing indemnification for the contractor, Man K9, Inc.; and

WHEREAS, City staff recommends City Council approve a Second Amendment to the Agreement with Man K9, Inc. so that services continue uninterrupted.

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

Section 1: Approves a Second Amendment to the Agreement by providing indemnification for the contractor, Man K9, Inc., where the City of National City will release, indemnify, and agree to hold Man-K9, Inc.

Section 2: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City authorizing the City Council to waive the formal bid process pursuant to National City Municipal Code section 2.60.220, subsection C and D, sole source procurement , for the Police Department's purchase of seventy six \(76\) body worn cameras, cloud-based storage of digital evidence, and internet data management through Evidence.com, including support services and assist with the implementation of auto-tagging through CAD from Axon Enterprise, Inc.; authorize the City to award the purchase; authorize the Mayor to execute a five-year contract in the amount of \\$514,839.80 with Axon Enterprise, Inc.; and authorizing an increase of \\$27,967.69 to fiscal year 2022 General Fund appropriations and use of General Fund unassigned fund balance for said increase. \(Police\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

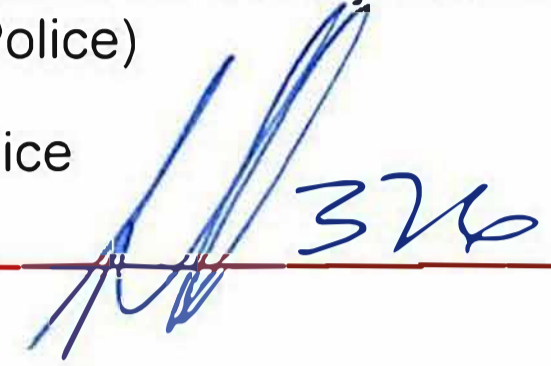
Resolution of the City Council of the City of National City authorizing the City Council to waive the formal bid process pursuant to National City Municipal Code section 2.60.220, subsection C and D, sole source procurement , for the Police Department's purchase of seventy six (76) body worn cameras, cloud-based storage of digital evidence , and internet data management through Evidence.com, including support services and assist with the implementation of auto-tagging through CAD from Axon Enterprise, Inc.; authorize the City to award the purchase; authorize the Mayor to execute a five-year contract in the amount of \$514,839.80 with Axon Enterprise, Inc.; and authorizing an increase of \$27,967.69 to fiscal year 2022 General Fund appropriations and use of General Fund unassigned fund balance for said increase. (Police)

PREPARED BY: Alejandro Hernandez, Captain

PHONE: (619) 336-4519

DEPARTMENT: Police

APPROVED BY: _____



EXPLANATION:

Please see Police Staff report, Attachment "C."

FINANCIAL STATEMENT:

APPROVED: _____



FINANCE

ACCOUNT NO.

APPROVED: _____

MIS

This appropriation requires the use of General Fund unassigned fund balance of \$27,967.69 in fiscal year 2022.

ENVIRONMENTAL REVIEW:

No CEQA Exemption – This action is not subject to review under the California Environmental Quality Act, (CEQA)

ORDINANCE: **INTRODUCTION** **FINAL ADOPTION**

STAFF RECOMMENDATION:

Adopt the resolution.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

Axon Standard Service Agreement

Attachment "A" Price quote Axon Enterprise, Inc., invoice # Q-332320-44518.888KP

Attachment "B" Agreement with Axon Enterprise, Inc., service purchasing agreement, scope of services and terms of contract

Attachment "C" Police Staff Report

Attachment "D" Axon Sole Source letter



Axon Enterprise, Inc.
 17800 N 85th St.
 Scottsdale, Arizona 85255
 United States
 VAT: 86-0741227
 Domestic: (800) 978-2737
 International: +1.800.978.2737

Q-332320-44518.888KP

Issued: 11/18/2021

Quote Expiration: 12/10/2021

EST Contract Start Date: 12/15/2021

Account Number: 106266

Payment Terms: N30

Delivery Method: Fedex - Ground

SHIP TO	BILL TO
Business;Delivery;Invoice-1200 National City Blvd 1200 National City Blvd National City, CA 91950-4302 USA	National City Police Dept. - CA 1200 National City Blvd National City, CA 91950-4302 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Kyle Panasewicz Phone: +1 4803294734 Email: kylep@axon.com Fax: (480) 905-2071	Phone: 619-336-4487 Email: aybarra@nationalcityca.gov Fax: (619) 336-4525

Program Length	60 Months
TOTAL COST	\$498,274.85
ESTIMATED TOTAL W/ TAX	\$514,839.80

Bundle Savings	\$122,889.60
Additional Savings	\$130,840.95
TOTAL SAVINGS	\$253,730.55

PAYMENT PLAN			
PLAN NAME	INVOICE DATE	TAX AMOUNT	AMOUNT DUE
Year 1	Nov, 2021	\$3,312.99	\$102,967.96
Year 2	Nov, 2022	\$3,312.99	\$102,967.96
Year 3	Nov, 2023	\$3,312.99	\$102,967.96
Year 4	Nov, 2024	\$3,312.99	\$102,967.96
Year 5	Nov, 2025	\$3,312.99	\$102,967.96

Attachment "A"

Quote Details

Bundle Summary		
Item	Description	QTY
BWCUwTAP	BWC Unlimited with TAP	81
ProLicense	Pro License Bundle	27
BasicLicense	Basic License Bundle	12
AB3C	AB3 Camera Bundle	76
AB3MBD	AB3 Multi Bay Dock Bundle	12
AB3C	AB3 Camera Bundle	5
BWCamMBDTAP	Body Worn Camera Multi-Bay Dock TAP Bundle	1

Bundle: BWC Unlimited with TAP Quantity: 81 Start: 12/15/2021 End: 12/14/2026 Total: 422123.67 USD			
Category	Item	Description	QTY
Camera Warranty	80464	EXT WARRANTY, CAMERA (TAP)	81
E.com License	73746	PROFESSIONAL EVIDENCE.COM LICENSE (Formerly SKU 73746)	81
Warranty	80465	EXT WARRANTY, MULTI-BAY DOCK (TAP)	11
Multi-bay Dock Refresh 1	73689	MULTI-BAY BWC DOCK 1ST REFRESH	11
Camera Refresh 1 with Spares	73309	AXON CAMERA REFRESH ONE	83
Multi-bay Dock Refresh 2	73688	MULTI-BAY BWC DOCK 2ND REFRESH	11
Device Storage	73686	EVIDENCE.COM UNLIMITED AXON DEVICE STORAGE	81
Camera Refresh 2 with Spares	73310	AXON CAMERA REFRESH TWO	83
A La Carte Storage	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE	324
Spare Camera Warranty	80464	EXT WARRANTY, CAMERA (TAP)	2

Bundle: Pro License Bundle Quantity: 27 Start: 12/15/2021 End: 12/14/2026 Total: 50921.19 USD			
Category	Item	Description	QTY
E.com License	73746	PROFESSIONAL EVIDENCE.COM LICENSE (Formerly SKU 73746)	27
A La Carte Storage	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE	81

Bundle: Basic License Bundle Quantity: 12 Start: 12/15/2021 End: 12/14/2026 Total: 10800 USD			
Category	Item	Description	QTY
E.com License	73840	EVIDENCE.COM BASIC LICENSE	12

A La Carte Storage	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE	12
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Bundle: AB3 Camera Bundle Quantity: 76 Start: 12/15/2021 End: 12/14/2026 Total: 0 USD			
Category	Item	Description	QTY
Camera	73202	AXON BODY 3 - NA10 - US - BLK - RAPIDLOCK	76
Spare Camera	73202	AXON BODY 3 - NA10 - US - BLK - RAPIDLOCK	2
Camera Mount	74028	WING CLIP MOUNT, AXON RAPIDLOCK	76
USB	11534	USB-C to USB-A CABLE FOR AB3 OR FLEX 2	76

Bundle: AB3 Multi Bay Dock Bundle Quantity: 12 Start: 12/15/2021 End: 12/14/2026 Total: 0 USD			
Category	Item	Description	QTY
Dock	74210	AXON BODY 3 - 8 BAY DOCK	12
Power Cord	71019	NORTH AMER POWER CORD FOR AB3 8-BAY, AB2 1-BAY / 6-BAY DOCK	12
Wall Mount	70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK	12

Bundle: AB3 Camera Bundle Quantity: 5 Start: 12/15/2021 End: 12/14/2026 Total: 3495 USD			
Category	Item	Description	QTY
Camera	73202	AXON BODY 3 - NA10 - US - BLK - RAPIDLOCK	5
Camera Mount	74028	WING CLIP MOUNT, AXON RAPIDLOCK	5
USB	11534	USB-C to USB-A CABLE FOR AB3 OR FLEX 2	5

Bundle: Body Worn Camera Multi-Bay Dock TAP Bundle Quantity: 1 Start: 12/15/2021 End: 12/14/2026 Total: 0 USD			
Category	Item	Description	QTY
Dock Warranty	80465	EXT WARRANTY, MULTI-BAY DOCK (TAP)	1
Multi-Bay Dock Refresh 1	73689	MULTI-BAY BWC DOCK 1ST REFRESH	1
Multi-Bay Dock Refresh 2	73688	MULTI-BAY BWC DOCK 2ND REFRESH	1

INDIVIDUAL ITEMS			
Category	Item	Description	QTY
Other	73682	AUTO TAGGING LICENSE	81
Other	79999	AUTO TAGGING / PERFORMANCE IMPLEMENTATION SERVICE	1

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Exceptions to Standard Terms and Conditions

Agency has existing contract #00009161 (originated via Q-89082) and is terminating that contract upon the new license start date (12/15/2021) of this quote.

The parties agree that Axon is granting a refund of \$5,668.72 to refund paid, but undelivered services. This discount is based on a ship date range of 11/15/2021-11/30/2021, resulting in a 12/15/2021 license date. Any change in this date and resulting license start date will result in modification of this discount value which may result in additional fees due to or from Axon.



Master Services and Purchasing Agreement between Axon and Agency

This Master Services and Purchasing Agreement (“**Agreement**”) is between Axon Enterprise, Inc., a Delaware corporation (“**Axon**”), and the agency on the Quote (“**Agency**”). This Agreement is effective as of the later of the (a) last signature date on this Agreement or (b) signature date on the Quote (“**Effective Date**”). Axon and Agency are each a “**Party**” and collectively “**Parties**”. This Agreement governs Agency’s purchase and use of the Axon Devices and Services detailed in the Quote Appendix (“**Quote**”). It is the intent of the Parties that this Agreement act as a master agreement governing all subsequent purchases by Agency for the same Axon products and services in the Quote, and all such subsequent quotes accepted by Agency shall be also incorporated into this Agreement by reference as a Quote. The Parties therefore agree as follows:

1 **Definitions.**

“**Axon Cloud Services**” means Axon’s web services for Axon Evidence, Axon Records, Axon Dispatch, and interactions between Evidence.com and Axon Devices or Axon client software. Axon Cloud Service excludes third-party applications, hardware warranties, and my.evidence.com.

“**Axon Device**” means all hardware provided by Axon under this Agreement.

“**Quote**” means an offer to sell and is only valid for devices and services on the quote at the specified prices. Any terms within Agency’s purchase order in response to a Quote will be void. Orders are subject to prior credit approval. Changes in the deployment estimated ship date may change charges in the Quote. Shipping dates are estimates only. Axon is not responsible for typographical errors in any offer by Axon, and Axon reserves the right to cancel any orders resulting from such errors.

“**Services**” means all services provided by Axon under this Agreement, including software, Axon Cloud Services, and professional services.

2 **Term.** This Agreement begins on the Effective Date and continues for 3 years or until terminated (“**Term**”).

All subscriptions including Axon Evidence, Axon Fleet, Officer Safety Plans, and Technology Assurance Plans, plans begin after shipment of the applicable Axon Device. If Axon ships the Axon Device in the first half of the month, the start date is the 1st of the following month. If Axon ships the Axon Device in the second half of the month, the start date is the 15th of the following month. For purchases solely of Axon Evidence subscriptions, the start date is the Effective Date. Each subscription term ends upon completion of the subscription stated in the Quote (“**Subscription Term**”).

Upon completion of the Subscription Term, the Subscription Term will automatically renew for an additional 2 years (“**Renewal Term**”), unless Agency provides notice of intent to terminate at least 30 days before the Renewal Term begins.. If Agency purchases Axon Devices for less than the manufacturer’s suggested retail price (“**MSRP**”) and this Agreement terminates before the end of the before the end of the Renewal Term, Axon will invoice Agency the difference between the MSRP for Axon Devices received, including any Spare Axon Devices, and amounts paid towards those Axon Devices. New devices and services may require additional terms. Axon will not authorize services until Axon receives a signed Quote or accepts a purchase order, whichever is first.

3 **Payment.** Axon invoices upon shipment. Payment is due net 30 days from the invoice date. Payment obligations are non-cancelable. Agency will pay invoices without setoff, deduction, or withholding. If Axon sends a past due account to collections, Agency is responsible for collection and attorneys’ fees.

4 **Taxes.** Agency is responsible for sales and other taxes associated with the order unless Agency provides Axon a valid tax exemption certificate.

5 **Shipping.** Axon may make partial shipments and ship Axon Devices from multiple locations. All shipments are FOB shipping point via common carrier. Title and risk of loss pass to Agency upon Axon’s delivery to the common carrier. Agency is responsible for any shipping charges in the Quote.



Master Services and Purchasing Agreement between Axon and Agency

6 **Returns.** All sales are final. Axon does not allow refunds or exchanges, except warranty returns or as provided by state or federal law.

7 **Warranty.**

7.1 Hardware Limited Warranty. Axon warrants that Axon-manufactured Devices are free from defects in workmanship and materials for 1 year from the date of Agency's receipt, except Signal Sidearm, which Axon warrants for 30 months from the date of Agency's receipt. Axon warrants its Axon-manufactured accessories for 90-days from the date of Agency's receipt. Used conducted energy weapon ("CEW") cartridges are deemed to have operated properly. Extended warranties run from the expiration of the 1-year hardware warranty through the extended warranty term. Non-Axon manufactured Devices are not covered by Axon's warranty. Agency should contact the manufacturer for support of non-Axon manufactured Devices.

7.2 Claims. If Axon receives a valid warranty claim for an Axon manufactured Device during the warranty term, Axon's sole responsibility is to repair or replace the Device with the same or like Device, at Axon's option. A replacement Axon Device will be new or like new. Axon will warrant the replacement Axon Device for the longer of (a) the remaining warranty of the original Axon Device or (b) 90-days from the date of repair or replacement.

If Agency exchanges a device or part, the replacement item becomes Agency's property, and the replaced item becomes Axon's property. Before delivering a Axon Device for service, Agency must upload Axon Device data to Axon Evidence or download it and retain a copy. Axon is not responsible for any loss of software, data, or other information contained in storage media or any part of the Axon Device sent to Axon for service.

7.3 Spare Axon Devices. For qualified purchases, Axon may provide Agency a predetermined number of spare Axon Devices as detailed in the Quote ("**Spare Axon Devices**"). Spare Axon Devices are intended to replace broken or non-functioning units while Agency submits the broken or non-functioning units, through Axon's warranty return process. Axon will repair or replace the unit with a replacement Axon Device. Title and risk of loss for all Spare Axon Devices shall pass to Agency in accordance with shipping terms under Section 5. Axon assumes no liability or obligation in the event Agency does not utilize Spare Axon Devices for the intended purpose.

7.4 Limitations. Axon's warranty excludes damage related to: (a) failure to follow Axon Device use instructions; (b) Axon Devices used with equipment not manufactured or recommended by Axon; (c) abuse, misuse, or intentional damage to Axon Device; (d) force majeure; (e) Axon Devices repaired or modified by persons other than Axon without Axon's written permission; or (f) Axon Devices with a defaced or removed serial number.

7.4.1 To the extent permitted by law, the above warranties and remedies are exclusive. Axon disclaims all other warranties, remedies, and conditions, whether oral, written, statutory, or implied. If statutory or implied warranties cannot be lawfully disclaimed, then such warranties are limited to the duration of the warranty described above and by the provisions in this Agreement.

7.4.2 Axon's cumulative liability to any Party for any loss or damage resulting from any claim, demand, or action arising out of or relating to any Axon Device or Service will not exceed the purchase price paid to Axon for the Axon Device, or if for Services, the amount paid for such Services over the 12 months preceding the claim. Neither Party will be liable for direct, special, indirect, incidental, punitive or consequential damages, however caused, whether for breach of warranty or contract, negligence, strict liability, tort or any other legal theory.

8 **Statement of Work.** Certain Axon Devices and Services, including Axon Interview Room, Axon Channel Services, and Axon Fleet, may require a Statement of Work that details Axon's Service deliverables ("**SOW**"). In the event Axon provides an SOW to Agency, Axon is only responsible to perform Services

Title: Master Services and Purchasing Agreement between Axon and Agency

Department: Legal

Version: 13.0

Release Date: 3/31/2021

Page 2 of 16

ATTACHMENT "B"



Master Services and Purchasing Agreement between Axon and Agency

- described in the SOW. Additional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule. The SOW is incorporated into this Agreement by reference.
- 9 **Axon Device Warnings.** See www.axon.com/legal for the most current Axon Device warnings.
- 10 **Design Changes.** Axon may make design changes to any Axon Device or Service without notifying Agency or making the same change to Axon Devices and Services previously purchased by Agency.
- 11 **Bundled Offerings.** Some offerings in bundled offerings may not be generally available at the time of Agency's purchase. Axon will not provide a refund, credit, or additional discount beyond what is in the Quote due to a delay of availability or Agency's election not to utilize any portion of an Axon bundle.
- 12 **Insurance.** Axon will maintain General Liability, Workers' Compensation, and Automobile Liability insurance. Upon request, Axon will supply certificates of insurance.
- 13 **Indemnification.** Axon will indemnify Agency's officers, directors, and employees ("**Agency Indemnitees**") against all claims, demands, losses, and reasonable expenses arising out of a third-party claim against an Agency Indemnitee resulting from any negligent act, error or omission, or willful misconduct by Axon under this Agreement, except to the extent of Agency's negligence or willful misconduct, or claims under workers compensation.
- 14 **IP Rights.** Axon owns and reserves all right, title, and interest in Axon devices and services and suggestions to Axon, including all related intellectual property rights. Agency will not cause any Axon proprietary rights to be violated.
- 15 **IP Indemnification.** Axon will indemnify Agency Indemnitees against all claims, losses, and reasonable expenses from any third-party claim alleging that the use of Axon Devices or Services infringes or misappropriates the third-party's intellectual property rights. Agency must promptly provide Axon with written notice of such claim, tender to Axon the defense or settlement of such claim at Axon's expense and cooperate fully with Axon in the defense or settlement of such claim. Axon's IP indemnification obligations do not apply to claims based on (a) modification of Axon Devices or Services by Agency or a third-party not approved by Axon; (b) use of Axon Devices and Services in combination with hardware or services not approved by Axon; (c) use of Axon Devices and Services other than as permitted in this Agreement; or (d) use of Axon software that is not the most current release provided by Axon.
- 16 **Agency Responsibilities.** Agency is responsible for (a) Agency's use of Axon Devices; (b) breach of this Agreement or violation of applicable law by Agency or an Agency end user; and (c) a dispute between Agency and a third-party over Agency's use of Axon Devices.
- 17 **Termination.**
- 17.1 **For Breach.** A Party may terminate this Agreement for cause if it provides 30 days written notice of the breach to the other Party, and the breach remains uncured at the end of 30 days. If Agency terminates this Agreement due to Axon's uncured breach, Axon will refund prepaid amounts on a prorated basis based on the effective date of termination.
- 17.2 **By Agency.** If sufficient funds are not appropriated or otherwise legally available to pay the fees, Agency may terminate this Agreement. Agency will deliver notice of termination under this section as soon as reasonably practicable.
- 17.3 **Effect of Termination.** Upon termination of this Agreement, Agency rights immediately terminate. Agency remains responsible for all fees incurred before the effective date of termination. If Agency purchases Axon Devices for less than the **MSRP** and this Agreement terminates before the end of the Term, Axon will invoice Agency the difference between the MSRP for Axon Devices received, including any Spare Axon Devices, and amounts paid towards those Axon Devices. Only if



Master Services and Purchasing Agreement between Axon and Agency

terminating for non-appropriation, Agency may return Axon Devices to Axon within 30 days of termination. MSRP is the standalone price of the individual Axon Device at the time of sale. For bundled Axon Devices, MSRP is the standalone price of all individual components.

- 18** **Confidentiality.** "Confidential Information" means nonpublic information designated as confidential or, given the nature of the information or circumstances surrounding disclosure, should reasonably be understood to be confidential. Each Party will take reasonable measures to avoid disclosure, dissemination, or unauthorized use of the other Party's Confidential Information. Unless required by law, neither Party will disclose the other Party's Confidential Information during the Term and for 5-years thereafter. Axon pricing is Confidential Information and competition sensitive. If Agency is required by law to disclose Axon pricing, to the extent allowed by law, Agency will provide notice to Axon before disclosure. Axon may publicly announce information related to this Agreement.
- 19** **General.**
- 19.1 Force Majeure.** Neither Party will be liable for any delay or failure to perform due to a cause beyond a Party's reasonable control.
- 19.2 Independent Contractors.** The Parties are independent contractors. Neither Party has the authority to bind the other. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary, or employment relationship between the Parties.
- 19.3 Third-Party Beneficiaries.** There are no third-party beneficiaries under this Agreement.
- 19.4 Non-Discrimination.** Neither Party nor its employees will discriminate against any person based on race; religion; creed; color; sex; gender identity and expression; pregnancy; childbirth; breastfeeding; medical conditions related to pregnancy, childbirth, or breastfeeding; sexual orientation; marital status; age; national origin; ancestry; genetic information; disability; veteran status; or any class protected by local, state, or federal law.
- 19.5 Export Compliance.** Each Party will comply with all import and export control laws and regulations.
- 19.6 Assignment.** Neither Party may assign this Agreement without the other Party's prior written consent. Axon may assign this Agreement, its rights, or obligations without consent: (a) to an affiliate or subsidiary; or (b) for purposes of financing, merger, acquisition, corporate reorganization, or sale of all or substantially all its assets. This Agreement is binding upon the Parties respective successors and assigns.
- 19.7 Waiver.** No waiver or delay by either Party in exercising any right under this Agreement constitutes a waiver of that right.
- 19.8 Severability.** If a court of competent jurisdiction holds any portion of this Agreement invalid or unenforceable, the remaining portions of this Agreement will remain in effect.
- 19.9 Survival.** The following sections will survive termination: Payment, Warranty, Axon Device Warnings, Indemnification, IP Rights, and Agency Responsibilities.
- 19.10 Governing Law.** The laws of the state where Agency is physically located, without reference to conflict of law rules, govern this Agreement and any dispute arising from it. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.
- 19.11 Notices.** All notices must be in English. Notices posted on Agency's Axon Evidence site are effective upon posting. Notices by email are effective on the sent date of the email. Notices by personal delivery are effective immediately. Contact information for notices:



Master Services and Purchasing Agreement between Axon and Agency

Axon: Axon Enterprise, Inc.
Attn: Legal
17800 N. 85th Street
Scottsdale, Arizona 85255
legal@axon.com

Agency: National City Police Department
Attn: Jose Tellez, Chief of Police
1200 National City Boulevard
National City, CA 91950-4302
jtellez@nationalcityca.gov

19.12 Entire Agreement. This Agreement, including the Appendices and any SOW(s), represents the entire agreement between the Parties. This Agreement supersedes all prior agreements or understandings, whether written or verbal, regarding the subject matter of this Agreement. This Agreement may only be modified or amended in a writing signed by the Parties.

Each representative identified below declares they have been expressly authorized to execute this Agreement as of the date of signature.

Axon Enterprise, Inc.

Agency

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



Master Services and Purchasing Agreement

Axon Cloud Services Terms of Use Appendix

1 Definitions.

“**Agency Content**” is data uploaded into, ingested by, or created in Axon Cloud Services within Agency’s tenant, including media or multimedia uploaded into Axon Cloud Services by Agency. Agency Content includes Evidence but excludes Non-Content Data.

“**Evidence**” is media or multimedia uploaded into Axon Evidence as 'evidence' by an Agency. Evidence is a subset of Agency Content.

“**Non-Content Data**” is data, configuration, and usage information about Agency’s Axon Cloud Services tenant, Axon Devices and client software, and users that is transmitted or generated when using Axon Devices. Non-Content Data includes data about users captured during account management and customer support activities. Non-Content Data does not include Agency Content.

“**Personal Data**” means any information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

2 Access. Upon Axon granting Agency a subscription to Axon Cloud Services, Agency may access and use Axon Cloud Services to store and manage Agency Content. Agency may not exceed more end users than the Quote specifies..

3 Agency Owns Agency Content. Agency controls and owns all right, title, and interest in Agency Content. Except as outlined herein, Axon obtains no interest in Agency Content, and Agency Content is not Axon’s business records. Agency is solely responsible for uploading, sharing, managing, and deleting Agency Content. Axon will only have access to Agency Content for the limited purposes set forth herein. Agency agrees to allow Axon access to Agency Content to (a) perform troubleshooting, maintenance, or diagnostic screenings; and (b) enforce this Agreement or policies governing use of the Axon products.

4 Security. Axon will implement commercially reasonable and appropriate measures to secure Agency Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive information security program to protect Axon Cloud Services and Agency Content including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of uploaded digital evidence; security education; and data protection. Axon agrees to the Federal Bureau of Investigation Criminal Justice Information Services Security Addendum.

5 Agency Responsibilities. Agency is responsible for (a) ensuring Agency owns Agency Content; (b) ensuring no Agency Content or Agency end user’s use of Agency Content or Axon Cloud Services violates this Agreement or applicable laws; and (c) maintaining necessary computer equipment and Internet connections for use of Axon Cloud Services. If Agency becomes aware of any violation of this Agreement by an end user, Agency will immediately terminate that end user’s access to Axon Cloud Services.

Agency will also maintain the security of end user names and passwords and security and access by end users to Agency Content. Agency is responsible for ensuring the configuration and utilization of Axon Cloud Services meet applicable Agency regulation and standards. Agency may not sell, transfer, or sublicense access to any other entity or person. Agency shall contact Axon immediately if an unauthorized party may be using Agency’s account or Agency Content, or if account



Master Services and Purchasing Agreement

information is lost or stolen.

To the extent Agency uses the Axon Cloud Services to interact with YouTube®, such use may be governed by the YouTube Terms of Service, available at <https://www.youtube.com/static?template=terms>.

- 6 **Privacy.** Agency's use of Axon Cloud Services is subject to the Axon Cloud Services Privacy Policy, a current version of which is available at <https://www.axon.com/legal/cloud-services-privacy-policy>. Agency agrees to allow Axon access to Non-Content Data from Agency to (a) perform troubleshooting, maintenance, or diagnostic screenings; (b) provide, develop, improve, and support current and future Axon products and related services; and (c) enforce this Agreement or policies governing the use of Axon products.
- 7 **Axon Body 3 Wi-Fi Positioning.** Axon Body 3 cameras offer a feature to enhance location services where GPS/GNSS signals may not be available, for instance, within buildings or underground. Agency administrators can manage their choice to use this service within the administrative features of Axon Cloud Services. If Agency chooses to use this service, Axon must also enable the usage of the feature for Agency's Axon Cloud Services tenant. Agency will not see this option with Axon Cloud Services unless Axon has enabled Wi-Fi Positioning for Agency's Axon Cloud Services tenant. When Wi-Fi Positioning is enabled by both Axon and Agency, Non-Content and Personal Data will be sent to Skyhook Holdings, Inc. ("**Skyhook**") to facilitate the Wi-Fi Positioning functionality. Data controlled by Skyhook is outside the scope of the Axon Cloud Services Privacy Policy and is subject to the Skyhook Services Privacy Policy.
- 8 **Storage.** For Axon Unlimited Device Storage subscriptions, Agency may store unlimited data in Agency's Axon Evidence account only if data originates from Axon Capture or the applicable Axon Device. Axon may charge Agency additional fees for exceeding purchased storage amounts. Axon may place Agency Content that Agency has not viewed or accessed for 6 months into archival storage. Agency Content in archival storage will not have immediate availability and may take up to 24 hours to access.
- 9 **Location of Storage.** Axon may transfer Agency Content to third-party subcontractors for storage. Axon will determine the locations of data centers for storage of Agency Content. For United States agencies, Axon will ensure all Agency Content stored in Axon Cloud Services remains within the United States. Ownership of Agency Content remains with Agency.
- 10 **Suspension.** Axon may temporarily suspend Agency's or any end user's right to access or use any portion or all of Axon Cloud Services immediately upon notice, if Agency or end user's use of or registration for Axon Cloud Services may (a) pose a security risk to Axon Cloud Services or any third-party; (b) adversely impact Axon Cloud Services, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent.
- Agency remains responsible for all fees incurred through suspension. Axon will not delete Agency Content because of suspension, except as specified in this Agreement.
- 11 **Axon Cloud Services Warranty.** Axon disclaims any warranties or responsibility for data corruption or errors before Agency uploads data to Axon Cloud Services.
- 12 **Axon Records.** Axon Records is the software-as-a-service product that is generally available at the time Agency purchases an OSP 7 bundle. During Agency's Axon Records Subscription Term, Agency will be entitled to receive Axon's Update and Upgrade releases on an if-and-when available basis.



Master Services and Purchasing Agreement

The Axon Records Subscription Term will end upon the competition of the Axon Records Subscription as documented in the Quote, or if purchased as part of an OSP 7 bundle, upon competition of the OSP 7 Term (“Axon Records Subscription”)

An “Update” is a generally available release of Axon Records that Axon makes available from time to time. An “Upgrade” includes (i) new versions of Axon Records that enhance features and functionality, as solely determined by Axon; and/or (ii) new versions of Axon Records that provide additional features or perform additional functions. Upgrades exclude new products that Axon introduces and markets as distinct products or applications.

New or additional Axon products and applications, as well as any Axon professional services needed to configure Axon Records, are not included. If Agency purchases Axon Records as part of a bundled offering, the Axon Record subscription begins on the later of the (1) start date of that bundled offering, or (2) date Axon provisions Axon Records to Agency.

- 13** **Axon Cloud Services Restrictions.** Agency and Agency end users (including employees, contractors, agents, officers, volunteers, and directors), may not, or may not attempt to:
- 13.1** copy, modify, tamper with, repair, or create derivative works of any part of Axon Cloud Services;
 - 13.2** reverse engineer, disassemble, or decompile Axon Cloud Services or apply any process to derive any source code included in Axon Cloud Services, or allow others to do the same;
 - 13.3** access or use Axon Cloud Services with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;
 - 13.4** use trade secret information contained in Axon Cloud Services, except as expressly permitted in this Agreement;
 - 13.5** access Axon Cloud Services to build a competitive device or service or copy any features, functions, or graphics of Axon Cloud Services;
 - 13.6** remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon’s or Axon’s licensors on or within Axon Cloud Services; or
 - 13.7** use Axon Cloud Services to store or transmit infringing, libelous, or other unlawful or tortious material; to store or transmit material in violation of third-party privacy rights; or to store or transmit malicious code.
- 14** **After Termination.** Axon will not delete Agency Content for 90-days following termination. There will be no functionality of Axon Cloud Services during these 90-days other than the ability to retrieve Agency Content. Agency will not incur additional fees if Agency downloads Agency Content from Axon Cloud Services during this time. Axon has no obligation to maintain or provide Agency Content after these 90-days and will thereafter, unless legally prohibited, delete all Agency Content. Upon request, Axon will provide written proof that Axon successfully deleted and fully removed all Agency Content from Axon Cloud Services.
- 15** **Post-Termination Assistance.** Axon will provide Agency with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Requests for Axon to provide additional assistance in downloading or transferring Agency Content, including requests for Axon’s data egress service, will result in additional fees and Axon will not warrant or guarantee data integrity or readability in the external system.
- 16** **U.S. Government Rights.** If Agency is a U.S. Federal department or using Axon Cloud Services on behalf of a U.S. Federal department, Axon Cloud Services is provided as a “commercial item,” “commercial computer software,” “commercial computer software documentation,” and “technical data”, as defined in the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement. If Agency is using Axon Cloud Services on behalf of the U.S. Government and these

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terms fail to meet the U.S. Government's needs or are inconsistent in any respect with federal law, Agency will immediately discontinue use of Axon Cloud Services.

- 17 **Survival.** Upon any termination of this Agreement, the following sections in this Appendix will survive: Agency Owns Agency Content, Storage, Axon Cloud Services Warranty, and Axon Cloud Services Restrictions.



Master Services and Purchasing Agreement

Axon Customer Experience Improvement Program Appendix

- 1 **Axon Customer Experience Improvement Program (ACEIP).** The ACEIP is designed to accelerate Axon's development of technology, such as building and supporting automated features, to ultimately increase safety within communities and drive efficiency in public safety. To this end, subject to the limitations on Axon as described below, Axon, where allowed by law, may make limited use of Agency Content from all of its customers, to provide, develop, improve, and support current and future Axon products (collectively, "ACEIP Purposes"). However, at all times, Axon will comply with its obligations pursuant to the Axon Cloud Services Terms of Use Appendix to maintain a comprehensive data security program (including compliance with the CJIS Security Policy for Criminal Justice Information), privacy program, and data governance policy, including high industry standards of de-identifying Personal Data, to enforce its security and privacy obligations for the ACEIP. ACEIP has 2 tiers of participation, Tier 1 and Tier 2. By default, Agency will be a participant in ACEIP Tier 1. If Agency does not want to participate in ACEIP Tier 1, Agency can revoke its consent at any time. If Agency wants to participate in Tier 2, as detailed below, Agency can check the ACEIP Tier 2 box below. If Agency does not want to participate in ACEIP Tier 2, Agency should leave box unchecked. At any time, Agency may revoke its consent to ACEIP Tier 1, Tier 2, or both Tiers.

1.1 ACEIP Tier 1.

- 1.1.1. When Axon uses Agency Content for the ACEIP Purposes, Axon will extract from Agency Content and may store separately copies of certain segments or elements of the Agency Content (collectively, "ACEIP Content"). When extracting ACEIP Content, Axon will use commercially reasonable efforts to aggregate, transform or de-identify Agency Content so that the extracted ACEIP Content is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to a particular individual ("Privacy Preserving Technique(s)"). For illustrative purposes, some examples are described in footnote 1¹. For clarity, ACEIP Content will still be linked indirectly, with an attribution, to the Agency from which it was extracted. This attribution will be stored separately from the data itself, but is necessary for and will be solely used to enable Axon to identify and delete all ACEIP Content upon Agency request. Once de-identified, ACEIP Content may then be further modified, analyzed, and used to create derivative works. At any time, Agency may revoke the consent granted herein to Axon to access and use Agency Content for ACEIP Purposes. Within 30 days of receiving the Agency's request, Axon will no longer access or use Agency Content for ACEIP Purposes and will delete any and all ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to Agency. In addition, if Axon uses Agency Content for the ACEIP Purposes, upon request, Axon will make available to Agency a list of the specific type of Agency Content being used to

¹ For example; (a) when extracting specific text to improve automated transcription capabilities, text that could be used to directly identify a particular individual would not be extracted, and extracted text would be disassociated from identifying metadata of any speakers, and the extracted text would be split into individual words and aggregated with other data sources (including publicly available data) to remove any reasonable ability to link any specific text directly or indirectly back to a particular individual; (b) when extracting license plate data to improve Automated License Plate Recognition (ALPR) capabilities, individual license plate characters would be extracted and disassociated from each other so a complete plate could not be reconstituted, and all association to other elements of the source video, such as the vehicle, location, time, and the surrounding environment would also be removed; (c) when extracting audio of potential acoustic events (such as glass breaking or gun shots), very short segments (<1 second) of audio that only contains the likely acoustic events would be extracted and all human utterances would be removed.

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generate ACEIP Content, the purpose of such use, and the retention, privacy preserving extraction technique, and relevant data protection practices applicable to the Agency Content or ACEIP Content ("Use Case"). From time to time, Axon may develop and deploy new Use Cases. At least 30 days prior to authorizing the deployment of any new Use Case, Axon will provide Agency notice (by updating the list of Use Case at <https://www.axon.com/aceip> and providing Agency with a mechanism to obtain notice of that update or another commercially reasonable method to Agency designated contact) ("**New Use Case**").

1.1.2. Expiration of ACEIP Tier 1. Agency consent granted herein, will expire upon termination of the Agreement. In accordance with section 1.1.1, within 30 days of receiving the Agency's request, Axon will no longer access or use Agency Content for ACEIP Purposes and will delete ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to Agency.

1.2 ACEIP Tier 2. In addition to ACEIP Tier 1, if Agency wants to help further improve Axon's services, Agency may choose to participate in Tier 2 of the ACEIP. ACEIP Tier 2, grants Axon certain additional rights to use Agency Content, in addition to those set forth in Tier 1 above, without the guaranteed deployment of a Privacy Preserving Technique to enable product development, improvement, and support that cannot be accomplished with aggregated, transformed or de-identified data.

Check this box if Agency wants to help further improve Axon's services by participating in ACEIP Tier 2 in addition to Tier 1. By checking this box, Agency hereby agrees to the Axon Customer Experience Improvement Program Tier 2 Terms of Service, available at <https://www.axon.com/sales-terms-and-conditions> and incorporated herein by reference.



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Professional Services Appendix

- 1 **Utilization of Services.** Agency must use professional services as outlined in the Quote and this Appendix within 6 months of the Effective Date.
- 2 **Body-Worn Camera Full Service (BWC Full Service).** BWC Full Service includes advance remote project planning and configuration support and up to 4 consecutive days of on-site service and a professional services manager to work with Agency to assess Agency's deployment and determine which on-site services are appropriate. If Agency requires more than 4 consecutive on-site days, Agency must purchase additional days. BWC Full Service options include:

System set up and configuration <ul style="list-style-type: none"> • Instructor-led setup of Axon View on smartphones (if applicable) • Configure categories and custom roles based on Agency need • Register cameras to Agency domain • Troubleshoot IT issues with Axon Evidence and Axon Dock ("Dock") access • One on-site session included
Dock configuration <ul style="list-style-type: none"> • Work with Agency to decide the ideal location of Docks and set configurations on Dock • Authenticate Dock with Axon Evidence using admin credentials from Agency • On-site assistance, not to include physical mounting of docks
Best practice implementation planning session <ul style="list-style-type: none"> • Provide considerations for the establishment of video policy and system operations best practices based on Axon's observations with other agencies • Discuss the importance of entering metadata in the field for organization purposes and other best practice for digital data management • Provide referrals of other agencies using the Axon camera devices and Axon Evidence • Recommend rollout plan based on review of shift schedules
System Admin and troubleshooting training sessions Step-by-step explanation and assistance for Agency's configuration of security, roles & permissions, categories & retention, and other specific settings for Axon Evidence
Axon instructor training (Train the Trainer) Training for Agency's in-house instructors who can support Agency's Axon camera and Axon Evidence training needs after Axon has fulfilled its contractual on-site obligations
Evidence sharing training Tailored workflow instruction for Investigative Units on sharing Cases and Evidence with local prosecuting agencies
End user go-live training and support sessions <ul style="list-style-type: none"> • Assistance with device set up and configuration • Training on device use, Axon Evidence, and Evidence Sync
Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide
Post go-live review

- 3 **Body-Worn Camera Starter Service (BWC Starter).** BWC Starter includes advance remote project planning and configuration support and one day of on-site Services and a professional services manager to work closely with Agency to assess Agency's deployment and determine which Services are appropriate. If Agency requires more than 1 day of on-site Services, Agency must purchase additional on-site Services. The BWC Starter options include:



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<p>System set up and configuration (Remote Support)</p> <ul style="list-style-type: none"> • Instructor-led setup of Axon View on smartphones (if applicable) • Configure categories & custom roles based on Agency need • Troubleshoot IT issues with Axon Evidence and Axon Dock (“Dock”) access
<p>Dock configuration</p> <ul style="list-style-type: none"> • Work with Agency to decide the ideal location of Dock setup and set configurations on Dock • Authenticate Dock with Axon Evidence using “Administrator” credentials from Agency • Does not include physical mounting of docks
<p>Axon instructor training (Train the Trainer) Training for Agency’s in-house instructors who can support Agency’s Axon camera and Axon Evidence training needs after Axon’s has fulfilled its contracted on-site obligations</p>
<p>End user go-live training and support sessions</p> <ul style="list-style-type: none"> • Assistance with device set up and configuration • Training on device use, Axon Evidence, and Evidence Sync
<p>Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide</p>

4 **Body-Worn Camera Virtual 1-Day Service (BWC Virtual).** BWC Virtual includes all items in the BWC Starter Service Package, except one day of on-site services.

5 **Signal Sidearm Installation Service.** If Agency purchases Signal Sidearm Installation Service, Axon will provide one day of on-site Services and one professional services manager and will cover the installation of up to 100 Signal Sidearm devices per package purchased. Agency is responsible for providing an appropriate work area and ensuring all holsters that will have Signal Sidearm installed onto them are available on the agreed-upon installation date(s). Installation includes:

Removal of existing connection screws that affix a holster to a holster mount
Proper placement of the Signal Sidearm Mounting Plate between the holster and the mount
Reattachment of the holster to the mount using appropriate screws
Functional testing of Signal Sidearm device

6 **Out of Scope Services.** Axon is only responsible to perform the professional services described in the Quote and this Appendix. Any additional professional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.

7 **Delivery of Services.** Axon personnel will work Monday through Friday, 8:30 a.m. to 5:30 p.m., except holidays. Axon will perform all on-site tasks over a consecutive timeframe. Axon will not charge Agency travel time by Axon personnel to Agency premises as work hours.

8 **Access Computer Systems to Perform Services.** Agency authorizes Axon to access relevant Agency computers and networks, solely for performing the Services. Axon will work to identify as soon as reasonably practicable resources and information Axon expects to use and will provide an initial itemized list to Agency. Agency is responsible for and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and



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consistency of all data, materials, and information supplied by Agency.

- 9** **Site Preparation.** Axon will provide a hardcopy or digital copy of current user documentation for the Axon Devices (“**User Documentation**”). User Documentation will include all required environmental specifications for the professional Services and Axon Devices to operate per the Axon Device User Documentation. Before installation of Axon Devices (whether performed by Agency or Axon), Agency must prepare the location(s) where Axon Devices are to be installed (“**Installation Site**”) per the environmental specifications in the Axon Device User Documentation. Following installation, Agency must maintain the Installation Site per the environmental specifications. If Axon modifies Axon Device User Documentation for any Axon Devices under this Agreement, Axon will provide the update to Agency when Axon generally releases it
- 10** **Acceptance.** When Axon completes professional Services, Axon will present an acceptance form (“**Acceptance Form**”) to Agency. Agency will sign the Acceptance Form acknowledging completion. If Agency reasonably believes Axon did not complete the professional Services in substantial conformance with this Agreement, Agency must notify Axon in writing of the specific reasons for rejection within 7 calendar days from delivery of the Acceptance Form. Axon will address the issues and re-present the Acceptance Form for signature. If Axon does not receive the signed Acceptance Form or written notification of reasons for rejection within 7 calendar days of delivery of the Acceptance Form, Axon will deem Agency to have accepted the professional Services.
- 11** **Agency Network.** For work performed by Axon transiting or making use of Agency’s network, Agency is solely responsible for maintenance and functionality of the network. In no event will Axon be liable for loss, damage, or corruption of Agency’s network from any cause.



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Technology Assurance Plan Appendix

If Technology Assurance Plan ("TAP") or a bundle including TAP is on the Quote, this appendix applies.

- 1 **TAP Warranty.** The TAP warranty is an extended warranty that starts at the end of the 1-year Hardware Limited Warranty.
- 2 .
- 3 **TAP BWC Upgrade.** If Agency has no outstanding payment obligations and purchased TAP, Axon will provide Agency a new Axon body-worn camera ("**BWC Upgrade**") as scheduled in the Quote. If Agency purchased TAP Axon will provide a BWC Upgrade that is the same or like Axon Device, at Axon's option. Axon makes no guarantee the BWC Upgrade will utilize the same accessories or Axon Dock.
- 4 **TAP Dock Upgrade.** If Agency has no outstanding payment obligations and purchased TAP, Axon will provide Agency a new Axon Dock as scheduled in the Quote ("**Dock Upgrade**"). Accessories associated with any Dock Upgrades are subject to change at Axon discretion. Dock Upgrades will only include a new Axon Dock bay configuration unless a new Axon Dock core is required for BWC compatibility. If Agency originally purchased a single-bay Axon Dock, the Dock Upgrade will be a single-bay Axon Dock model that is the same or like Axon Device, at Axon's option. If Agency originally purchased a multi-bay Axon Dock, the Dock Upgrade will be a multi-bay Axon Dock that is the same or like Axon Device, at Axon's option.
- 5 **Upgrade Delay.** Axon may ship the BWC and Dock Upgrades as scheduled in the Quote without prior confirmation from Agency unless the Parties agree in writing otherwise at least 90 days in advance. Axon may ship the final BWC and Dock Upgrade as scheduled in the Quote 60 days before the end of the Subscription Term without prior confirmation from Agency.
- 6 **Upgrade Change.** If Agency wants to change Axon Device models for the offered BWC or Dock Upgrade, Agency must pay the price difference between the MSRP for the offered BWC or Dock Upgrade and the MSRP for the model desired. If the model Agency desires has an MSRP less than the MSRP of the offered BWC Upgrade or Dock Upgrade, Axon will not provide a refund. The MSRP is the MSRP in effect at the time of the upgrade.
- 7 **Return of Original Axon Device.** Within 30 days of receiving a BWC or Dock Upgrade, Agency must return the original Axon Devices to Axon or destroy the Axon Devices and provide a certificate of destruction to Axon including serial numbers for the destroyed Axon Devices. If Agency does not return or destroy the Axon Devices, Axon will deactivate the serial numbers for the Axon Devices received by Agency.
- 8 **Termination.** If Agency's payment for TAP, OSP, or Axon Evidence is more than 30 days past due, Axon may terminate TAP or OSP. Once TAP or OSP terminates for any reason:
 - 8.1 TAP and OSP coverage terminate as of the date of termination and no refunds will be given.
 - 8.2 Axon will not and has no obligation to provide the Upgrade Models.
 - 8.3 Agency must make any missed payments due to the termination before Agency may purchase any future TAP or OSP.

Axon Auto-Tagging Appendix

- 1 **Scope.** Axon Auto-Tagging consists of the development of a module to allow Axon Evidence to interact with Agency's Computer-Aided Dispatch ("**CAD**") or Records Management Systems ("**RMS**").



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-
- This allows end users to auto-populate Axon video meta-data with a case ID, category, and location-based on data maintained in Agency's CAD or RMS.
- 2 **Support.** For thirty days after completing Auto-Tagging Services, Axon will provide up to 5 hours of remote support at no additional charge. Axon will provide free support due to a change in Axon Evidence, so long as long as Agency maintains an Axon Evidence and Auto-Tagging subscription. Axon will not provide support if a change is required because Agency changes its CAD or RMS.
 - 3 **Changes.** Axon is only responsible to perform the Services in this Appendix. Any additional Services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule.
 - 4 **Agency Responsibilities.** Axon's performance of Auto-Tagging Services requires Agency to:
 - 4.1 Make available relevant systems, including Agency's current CAD or RMS, for assessment by Axon (including remote access if possible);
 - 4.2 Make required modifications, upgrades or alterations to Agency's hardware, facilities, systems and networks related to Axon's performance of Auto-Tagging Services;
 - 4.3 Provide access to the premises where Axon is performing Auto-Tagging Services, subject to Agency safety and security restrictions, and allow Axon to enter and exit the premises with laptops and materials needed to perform Auto-Tagging Services;
 - 4.4 Provide all infrastructure and software information (TCP/IP addresses, node names, network configuration) necessary for Axon to provide Auto-Tagging Services;
 - 4.5 Promptly install and implement any software updates provided by Axon;
 - 4.6 Ensure that all appropriate data backups are performed;
 - 4.7 Provide assistance, participation, and approvals in testing Auto-Tagging Services;
 - 4.8 Provide Axon with remote access to Agency's Axon Evidence account when required;
 - 4.9 Notify Axon of any network or machine maintenance that may impact the performance of the module at Agency; and
 - 4.10 Ensure reasonable availability of knowledgeable staff and personnel to provide timely, accurate, complete, and up-to-date documentation and information to Axon.
 - 5 **Access to Systems.** Agency authorizes Axon to access Agency's relevant computers, network systems, and CAD or RMS solely for performing Auto-Tagging Services. Axon will work diligently to identify as soon as reasonably practicable resources and information Axon expects to use and will provide an initial list to Agency. Agency is responsible for and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by Agency.

ATTACHMENT C



DATE: November 3, 2021

TO: Mayor and City Councilmembers

FROM: Jose Tellez, Chief of Police

SUBJECT: **STAFF REPORT: RENEW AXON CONTRACT AND PURCHASE 76 BODY-WORN CAMERAS WITH UNLIMITED DATA STORAGE FOR THE POLICE DEPARTMENT**

SUMMARY

Staff recommends the Mayor and City Councilmembers approve the proposed a new 5-year agreement in an amount not to exceed \$514,839.80, or five annual payments of \$102,967.96, with Axon Enterprise, Inc. This will be for the purchase of (76) 3rd generation body-worn cameras (BWCs) as well as unlimited data storage for video capture by those devices.

BACKGROUND

In 2016, the Police Department entered into a 5-year contract agreement with Axon Enterprise, Inc., formerly known as "Taser International, Inc.," for the amount of \$350,890.58. The contract expires on December 14, 2021. During the life of this contract, we renegotiated the agreement with Axon Enterprise Inc. for exceeding our allotted data storage limit of 11.06 Terabytes. Currently, the Police Department is storing an average of 21 Terabytes and incurred an additional \$29,000.00 in fees in extra storage.

The new agreement would include an unlimited data storage plan, 76 new cameras will have a battery life of 14 hours of recording time, the new BWCs automatically adjust to changing light conditions, which improves the quality of video.

ANALYSIS

Axon Enterprise, Inc. is an industry leader in BWCs, secure cloud-based data storage and video evidence management. They produce a reliable BWC system and offer continuous support. The majority of police agencies in San Diego County utilize BWCs from Axon Enterprise, Inc.

ATTACHMENT C

Axon incorporates a cloud-based data storage solution, which has never been compromised, through Evidence.com. This storage solution allows for streamlined access by the San Diego County District Attorney's Office, San Diego County Public Defender's Office, and other law enforcement agencies for prosecutorial purposes.

The use of BWCs have been useful for documenting evidence; officer training; performance and accountability; preventing and resolving complaints brought by members of the public, and strengthening police and community relations.

FISCAL IMPACT

The total cost of this program with tax is \$514,839.80, to be paid in yearly installments over a five year period. The annual cost will be \$102,967.96 per year. The current outstanding fees of \$29,000.00 for us going over our allotted data storage limit will be waived if this contract is signed. This pricing and agreement is contingent of this contract being executed before December 15, 2021.

INSURANCE REQUIREMENTS

The City Risk Manager has reviewed the insurance documents and approved as to form.

EXCEPTION TO BIDDING REQUIREMENTS

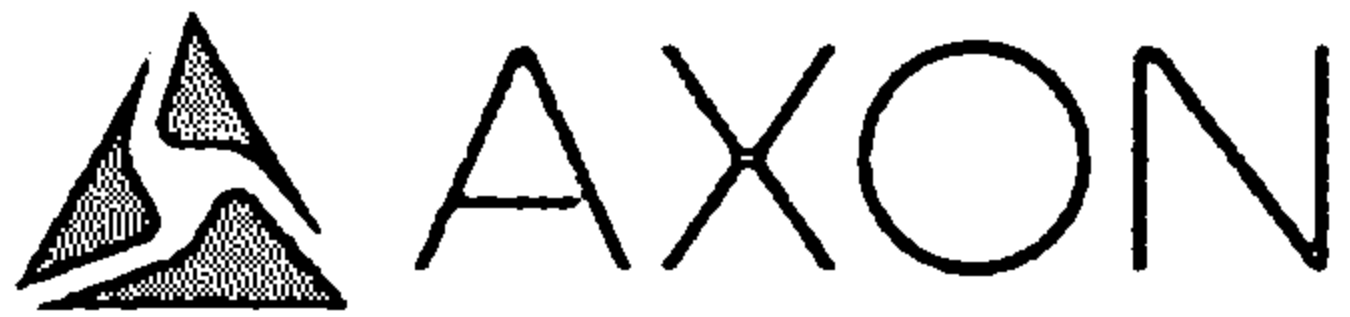
We also looked at one other vendor, Motorola Solutions, who has similar capabilities to Axon Enterprise, Inc. However, this company is still at its infancy stage, when it in comes to body-worn cameras, and it is advertising for some services they had not tested or are ready to launch. This poses a grave concern to us of entering into an agreement for a product that has not yet been vetted by the vendor. There is no adequate substitute for the commodity being purchased at this time, making Axon Enterprise Inc. the only vendor available to deliver all services required now. Additionally, there are no agencies in San Diego County currently using Motorola Solutions for their body-worn camera needs. We recommend that the formal bidding process requirement is waived for this contract and the purchase be made through sole source procurement.

RECOMMENDATION

Staff Recommends the resolution of City Council of the City of National City authorizing the City Council to waive the formal bid process pursuant to National City Municipal Code section 2.60.220, subsection C and D, sole source procurement, for the Police Department's purchase of seventy (76) body worn cameras, unlimited cloud-based storage of digital evidence, and internet data management through Evidence.com, including support services and assist with the implementation of auto-tagging through CAD from Axon Enterprise, Inc. and

ATTACHMENT C

authorize the City to award the purchase and authorize the Mayor to execute a five-year contract in the amount of \$514,839.80 with Axon Enterprise, Inc.



17800 NORTH STREET
SCOTTSDALE, ARIZONA 85255

AXON.COM

December 17, 2020

To: United States state, local and municipal law enforcement agencies

Re: Sole Source Letter for Axon Enterprise, Inc.'s Axon brand products and Axon Evidence (Evidence.com) Data Management Solutions¹

A sole source justification exists because the following goods and services required to satisfy the agency's needs are only manufactured and available for purchase from Axon Enterprise.

Axon Digital Evidence Solution Description

Axon Body 3 Video Camera (DVR)

- Improved video quality with reduced motion blur and better low-light performance
- Multi-mic audio—four built-in microphones
- Wireless upload option
- Gunshot detection and alerts
- Streaming audio and video capability
- "Find my camera" feature
- Verbal transcription with Axon Records (coming soon)
- End-to-end encryption
- Twelve-hour battery
- Up to 120-second buffering period to record footage before pressing record button

Axon Flex 2 Video Camera

- Video playback on mobile devices in the field via Bluetooth pairing
- Retina Low Light capability sensitive to less than 0.1 lux
- Audio tones to alert user of usage
- Low SD, high SD, low HD, and high HD resolution (customizable by the agency)
- Up to 120-second buffering period to record footage before pressing record button
- Multiple mounting options using magnetic attachment: head, collar, shoulder, helmet, ball cap, car dash, and Oakley sunglass mounts available
- 120-degree diagonal field of view camera lens, 102-degree horizontal field of view, and 55-degree vertical field of view

Axon Flex 2 Controller

- 12+ hours of battery operation per shift (even in recording mode)
- LED lights to show current battery level and operating mode
- Haptic notification available
- Tactical beveled button design for use in pocket
- Compatible with Axon Signal technology

Axon Air System

- Purpose-built solution for law enforcement UAV programs
- Supported applications on iOS and Android

¹ Axon is also the sole developer and offeror of the Evidence.com data management services. Evidence.com is both a division of Axon and a data management product solution offered by Axon. Evidence.com is not a separate corporate entity.



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- Automated tracking of pilot, aircraft, and flight logs
- Unlimited Storage of UAV data in Axon Evidence (Evidence.com)
- In application ingestion of data in Axon Evidence (Evidence.com)
- Axon Aware integration for live streaming and situational awareness

Axon Body 2 Video Camera

- Video playback on mobile devices in the field via Bluetooth pairing
- Retina Low Light capability sensitive to less than 1 lux
- Audio tones and haptic (vibration) notification to alert user of usage
- Audio mute during event option
- Wi-Fi capability
- High, medium, and low quality recording available (customizable by the agency)
- Up to 2-minute buffering period to record footage before pressing record button
- Multiple mounting options using holster attachment: shirt, vest, belt, and dash mounts available
- 12+ hours of battery operation per shift (even in recording mode)
- LED lights to show current battery level and operating mode
- 143-degree lens
- Includes Axon Signal technology

Axon Fleet 3 Camera

- High-definition Dual-View Camera with panoramic field of view, 12x zoom, and AI processing for automatic license plate reader (ALPR)
- High-definition Interior Camera with infrared illumination for back seat view in complete darkness
- Wireless Mic and Charging Base for capturing audio when outside of vehicle
- Fleet Hub with connectivity, global navigation satellite system (GNSS), secure solid-state storage, and Signal inputs
- Automatic transition from Buffering to Event mode with configurable Signals
- Video Recall records last 24 hours of each camera in case camera not activated for an event
- Intuitive mobile data terminal app, Axon Dashboard, for controlling system, reviewing video, quick tagging, and more
- Ability to efficiently categorize, play back and share all video and audio alongside other digital files on Evidence.com
- Multi-cam playback, for reviewing up to four videos, including body-worn and in-car footage, at the same time
- Fully integrated with Evidence.com services and Axon devices
- Automatic time synchronization with all Axon Fleet and other Axon on-officer cameras allows for multi-camera playback on Evidence.com.
- Prioritized upload to Evidence.com of critical event videos via 4G/LTE
- Wireless alerts from the TASER CEW Signal Performance Power Magazine (SPPM) and Signal Side Arm (SSA).
- Best-in-class install times, wireless updates and quick remote troubleshooting
- Optional Axon Aware live stream, alerts, and location updates for situational awareness
- Optional Axon ALPR hotlist alerts, plate read retention, and investigative search



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Axon Fleet 2 Camera

- Fully integrated with Axon Evidence services and Axon devices
- Automatic time synchronization with other Axon Fleet and Axon on-officer cameras allows for multi-camera playback on Axon Evidence.
- Immediate upload to Axon Evidence of critical event videos via 4G/LTE
- Wireless alerts from the TASER CEW Signal Performance Power Magazine (SPPM).
- Automatic transition from BUFFERING to EVENT mode in an emergency vehicle equipped with the Axon Signal Unit
- Decentralized system architecture without a central digital video recorder (DVR).
- Cameras that function independently and communicate wirelessly with the computer in the vehicle (MDT, MDC, MDU) for reviewing, tagging and uploading video.
- Wireless record alert based on Bluetooth communication from Axon Signal Vehicle when a configured input is enabled (e.g. emergency light, siren, weapon rack, etc.).
- Receives alerts from Axon Signal Sidearm.
- Plug-And-Play design allowing for cameras to be easily replaced and upgraded.
- Ability for an unlimited number of agency vehicles recording in the same vicinity with an Axon Fleet system to be automatically associated with one another when reviewing video in the video management platform. This feature is also supported across body cameras.

Axon Signal Unit (ASU)

- Communications device that can be installed in emergency vehicles.
- With emergency vehicle light bar activation, or other activation triggers, the Axon Signal Unit sends a signal. Upon processing the signal, an Axon system equipped with Axon Signal technology transitions from the BUFFERING to EVENT mode.

Axon Signal Performance Power Magazine (SPPM)

- Battery pack for the TASER X2 and X26P conducted electrical weapons
- Shifting the safety switch from the down (SAFE) to the up (ARMED) positions sends a signal from the SPPM. Upon processing the signal, an Axon system equipped with Axon Signal technology transitions from the BUFFERING to EVENT mode. Axon Signal technology only works with Axon cameras.

Axon Signal Sidearm Sensor

- Can be installed on common duty holsters
- Drawing a service handgun from the holster sends a signal from the Axon Signal Sidearm sensor. Upon processing the signal, an Axon system equipped with Axon Signal technology transitions from the BUFFERING to EVENT mode.

Axon Interview Solution

- High-definition cameras and microphones for interview rooms
- Covert or overt camera installations
- Touch-screen user interface
- Motion-based activation
- Up to 7-minute pre- and post-event buffering period
- Full hardware and software integration
- Upload to Axon Evidence services
- Interview room files can be managed under the same case umbrella as files from Axon on-officer cameras and Axon Fleet cameras; i.e., Axon video of an arrest and



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- interview room video are managed as part of the same case in Axon Evidence
- Dual integration of on-officer camera and interview room camera with Axon Evidence digital evidence solution

Axon Signal Technology

- Sends a broadcast of status that compatible devices recognize when certain status changes are detected
- Only compatible with TASER and Axon products

Axon Dock

- Automated docking station uploads to Axon Evidence services through Internet connection
- No computer necessary for secure upload to Axon Evidence
- Charges and uploads simultaneously
- The Axon Dock is tested and certified by TUV Rheinland to be in compliance with UL 60950-1: 2007 R10.14 and CAN/ CSA-C22.2 NO.60950-I-07+AI:2011+A2:2014 Information Technology Equipment safety standards.

Axon Evidence Data Management System

- Software as a Service (SaaS) delivery model that allows agencies to manage and share digital evidence without local storage infrastructure or software needed
- SaaS model reduces security and administration by local IT staff: no local installation required
- Automatic, timely security upgrades and enhancements deployed to application without the need for any local IT staff involvement
- Securely share digital evidence with other agencies or prosecutors without creating copies or requiring the data to leave your agency's domain of control
- Controlled access to evidence based on pre-defined roles and permissions and pre-defined individuals
- Password authentication includes customizable security parameters: customizable password complexity, IP-based access restrictions, and multi-factor authentication support
- Automated category-based evidence retention policies assists with efficient database management
- Ability to recover deleted evidence within seven days of deletion
- Stores and supports all major digital file types: .mpeg, .doc, .pdf, .jpeg, etc.
- Requires NO proprietary file formats
- Ability to upload files directly from the computer to Axon Evidence via an Internet browser
- Data Security: Robust Transport Layer Security (TLS) implementation for data in transit and 256-bit AES encryption for data in storage
- Security Testing: Independent security firms perform in-depth security and penetration testing
- Reliability: Fault- and disaster-tolerant infrastructure in at least 4 redundant data centers in both the East and West regions of the United States
- Chain-of-Custody: Audit logs automatically track all system and user activity. These logs cannot be edited or deleted, even by account administrators and IT staff
- Protection: With no on-site application, critical evidence stored in Axon Evidence is protected from local malware that may penetrate agency infrastructure



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- **Stability:** Axon Enterprise is a publicly traded company with stable finances and funding, reducing concerns of loss of application support or commercial viability
- Application and data protected by a CJIS and ISO 27001 compliant information security program
- Dedicated information security department that protects Axon Evidence and data with security monitoring, centralized event log analysis and correlation, advanced threat and intrusion protection, and incident response capabilities
- Redact videos easily within the system, create tags, markers and clips, search 7 fields in addition to 5 category-based fields, create cases for multiple evidence files

Axon Evidence for Prosecutors

- All the benefits of the standard Axon Evidence services
- Ability to share information during the discovery process
- Standard licenses available for free to prosecutors working with agencies already using Axon Evidence services
- Unlimited storage for data collected by Axon cameras and Axon Capture

Axon Capture Application

- Free app for iOS and Android mobile devices
- Allows users to capture videos, audio recordings, and photos and upload these files to their Axon Evidence account from the field
- Allows adding metadata to these files, such as: Category, Title, Case ID, and GPS data

Axon Commander Services

- On-premises data management platform
- Chain of custody reports with extensive audit trail
- Automated workflows, access control, storage, and retention
- Compatible with multiple file formats

Axon View Application

- Free app for iOS and Android mobile devices
- Allows user to view the camera feed from a paired Axon Body, Axon Body 2, Axon Flex, or Axon Flex 2 camera in real-time
- Allows for playback of videos stored on a paired Axon Body, Axon Body 2, Axon Flex, or Axon Flex 2 system
- Allows adding meta-data to videos, such as: Category, Title, Case ID, and GPS data

Axon Records

- Continuously improving automated report writing by leveraging AI and ML on officer recorded video, photo, and audio from BWC, In-Car, Mobile App (Axon Capture), or other digital media
- Collaborative report writing through instantly synced workspaces allowing officers to delegate information gathering on scene
- Instant access to records allowing detectives to begin their investigation and records clerks to update information exchanges on things like missing people or stolen property as soon as possible
- Complete leveraging of Axon Evidence sharing to allow fast, efficient, digital, and secure sharing of records and cases to DAs and Prosecutors



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- Robust API and SDK allows data to be easily ingested and pushed out to other systems—preventing data silos
- Deep integration with Axon Evidence putting video at the heart of the record and automating the process of tagging and categorizing digital evidence stored in Axon Evidence
- Automatic association of digital evidence to the record and incident through Axon Evidence integration
- In context search of master indexes (people, vehicles, locations, charges)—promoting efficient report writing through prefilling of existing data which promotes clean and deduped data in the system
- Quick views for users to track calls for service and reports in draft, ready for review, kicked back for further information, or submitted to Records for archiving.
- Federal and State IBRS fields are captured and validated—ensuring the officer knows what fields to fill and what information needs to be captured
- Intuitive validation ensures officers know what information to submit without being burdened by understanding the mapping of NIBRS to state or local crime codes
- Ability to create custom forms and add custom fields to incident reports—allowing your agency to gather the information you find valuable
- Software as a Service (SaaS) delivery model that allows agencies to write, manage, and share digital incident reports without local storage infrastructure or software needed
- SaaS model reduces security and administration by local IT staff: no local installation required
- Automatic, timely security upgrades and enhancements deployed to application without the need for any local IT staff involvement
- Securely share records and cases with other agencies or prosecutors without creating copies or requiring the data to leave your agency’s domain of control
- Controlled access based on pre-defined users, groups, and permissions
- Password authentication includes customizable security parameters: customizable password complexity, IP-based access restrictions, and multi-factor authentication support
- Security Testing: Independent security firms perform in-depth security and penetration testing
- Reliability: Fault- and disaster-tolerant infrastructure in at least 4 redundant data centers in both the East and West regions of the United States
- Chain-of-Custody: Audit logs automatically track all system and user activity. These logs cannot be edited or deleted, even by account administrators and IT staff

Axon Standards

- Internal affairs and professional standards reporting
- Customizable information display, including custom forms
- Customizable workflows and user groups
- Automated alerts
- Compatible with digital documents, photos, and videos
- Connection with Transcription (beta)
- Shared Index with evidence.com and Records
- Data Warehouse allowing custom summary reports and integration into 3rd party analytic tools.



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- Workflow analytics to provide SLA on throughputs
- Integration with the TASER 7 CEW for automatically pulling firing logs (alpha)
- Available as an option for Axon Records
- Automatically bundled with Officer Safety Plan 7+

Axon Professional Services

- Dedicated implementation team
- Project management and deployment best practices aid
- Training and train-the-trainer sessions
- Integration services with other systems

Axon Auto-Transcribe

- Transcribes audio to text, producing a time-synchronized transcript of incidents
- Allows searches for keywords (e.g., names, and addresses)
- Embedded time stamps when critical details were said and events occurred
- Produce transcripts in substantially less time than with manual methods
- Pull direct quotes and witness statements directly into reports

Axon Support Engineer:

- Dedicated Axon Regional/Resident Support Engineer Services
- Quarterly onsite visits
- Solution and Process Guidance custom to your agency
- White-Glove RMA and TAP (if applicable) Service for devices
- Monthly Product Usage Analysis
- Resident Support Engineer also includes onsite product maintenance, troubleshooting, and beta testing assistance

Axon Respond for Dispatch (CAD)

- Integration with Axon Respond for Devices (Axon Body 3) for location and/or live streaming in CAD.
- Integration with TASER 7 CEW devices for enhanced situational awareness.
- Native ESRI based mapping with ability to connect to ESRI online communities and your agency's local ArcGIS data.
- SaaS model reduces security and administration by local IT staff: no local installation
- Robust API and SDK allows data to be easily ingested and pushed out to other systems -- preventing data silos.
- Complete leveraging of Axon Evidence (evidence.com) sharing to allow fast, efficient, digital and secure sharing of data to DAs and Prosecutors.
- Future versions/enhancements included with minimal down time and no need to purchase an upgrade to the latest version.
- Native integration with Axon Records.
- Reliability: Fault – and disaster – tolerant infrastructure in at least four redundant data centers in both the East and West regions of the United States.
- Security Testing: Independent security firms perform in depth security and penetration testing.
- Automatic, timely security upgrades and enhancements deployed to application without the need for any local IT staff involvement.



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Axon Customer Support

- Online and email-based support available 24/7
- Human phone-based support available Monday–Friday 7:00 AM–5:00 PM MST; support is located in Scottsdale, AZ, USA
- Library of webinars available 24/7
- Remote-location troubleshooting



Axon Brand Model Numbers

1. Axon Body 3 Camera Model: 73202
2. Axon Flex 2 Cameras:
 - Axon Flex 2 Camera (online) Model: 11528
 - Axon Flex 2 Camera (offline) Model: 11529
3. Axon Flex 2 Controller Model: 11532
4. Axon Flex 2 USB Sync Cable Model: 11534
5. Axon Flex 2 Coiled Cable, Straight to Right Angle, 48" (1.2 m)
6. Axon Flex 2 Camera Mounts:
 - Oakley Flak Jacket Kit Model: 11544
 - Collar Mount Model: 11545
 - Oakley Clip Model: 11554
 - Epaulette Mount Model: 11546
 - Ballcap Mount Model: 11547
 - Ballistic Vest Mount Model: 11555
7. Universal Helmet Mount Model: 11548
8. Axon Air System with Axon Evidence (Evidence.com) 5-Year License Model: 12332
9. Axon Body 2 Camera Model: 74001
10. Axon Body 2 Camera Mounts:
 - Axon RapidLock Velcro Mount Model: 74054
11. Axon Flex 2 Controller and Axon Body 2 Camera Mounts:
 - Z-Bracket, Men's, Axon RapidLock Model: 74018
 - Z-Bracket, Women's Axon RapidLock Model: 74019
 - Magnet, Flexible, Axon RapidLock Model: 74020
 - Magnet, Outerwear, Axon RapidLock Model: 74021
 - Small Pocket, 4" (10.1 cm), Axon RapidLock Model: 74022
 - Large Pocket, 6" (15.2 cm), Axon RapidLock Model: 74023



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- MOLLE Mount, Single, Axon RapidLock Model: 11507
- MOLLE Mount, Double, Axon RapidLock Model: 11508
- Belt Clip Mount, Axon RapidLock Model: 11509

12. Axon Fleet Camera

- Axon Fleet 2 Front Camera: 71079
- Axon Fleet 2 Front Camera Mount: 71080
- Axon Fleet 2 Rear Camera: 71081
- Axon Fleet 2 Rear Camera Controller: 71082
- Axon Fleet 2 Rear Camera Controller Mount: 71083
- Axon Fleet Battery System: 74024
- Axon Fleet Bluetooth Dongle: 74027

13. Axon Signal Unit Model: 70112

14. Axon Dock Models:

- Axon Dock – Individual Bay and Core for Axon Flex 2
- Axon Dock – 6-Bay and Core for Axon Flex 2
- Individual Bay for Axon Flex 2 Model: 11538
- Core (compatible with all Individual Bays and 6-Bays) Model: 70027
- Wall Mount Bracket Assembly for Axon Dock: 70033
- Axon Dock – Individual Bay and Core for Axon Body 2 and Axon Fleet Model 74009
- Axon Dock – 6-Bay and Core for Axon Body 2 and Axon Fleet Model 74008
- Individual Bay for Axon Body 2 and Axon Fleet Model: 74011

15. Axon Signal Performance Power Magazine (SPPM) Model: 70116

Axon Product Packages

1. Officer Safety Plan: includes a CEW, Axon camera and Dock upgrade, and Axon Evidence license and storage. See your Sales Representative for further details and Model numbers.
2. TASER Assurance Plan (TAP): Hardware extended coverage, Spare Products (for Axon cameras), and Upgrade Models, for the Axon Flex camera and controller, Axon Body camera, and Axon Dock. (The TAP is available only through Axon Enterprise, Inc.)

SOLE AUTHORIZED DISTRIBUTOR FOR AXON BRAND PRODUCTS	SOLE AUTHORIZED REPAIR FACILITY FOR AXON BRAND PRODUCTS
<p style="text-align: center;">Axon Enterprise, Inc. 17800 N. 85th Street, Scottsdale, AZ 85255 Phone: 480-905-2000 or 800-978-2737 Fax: 480-991-0791</p>	<p style="text-align: center;">Axon Enterprise, Inc. 17800 N. 85th Street, Scottsdale, AZ 85255 Phone: 480-905-2000 or 800-978-2737 Fax: 480-991-0791</p>

Please contact your local Axon sales representative or call us at 1-800-978-2737 with any questions.

Sincerely,



17800 N 5TH STREET
SCOTTSDALE, ARIZONA 85255

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A handwritten signature in black ink, appearing to read 'Josh Isner'.

Josh Isner
Chief Revenue Officer
Axon Enterprise, Inc.

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ENDORSEMENT # 004

This endorsement, effective 12:01 AM 02/01/2021

Forms a part of policy no.: 034064091

Issued to: AXON ENTERPRISE, INC

By: LEXINGTON INSURANCE COMPANY

ADDITIONAL INSURED REQUIRED BY WRITTEN CONTRACT ENDORSEMENT

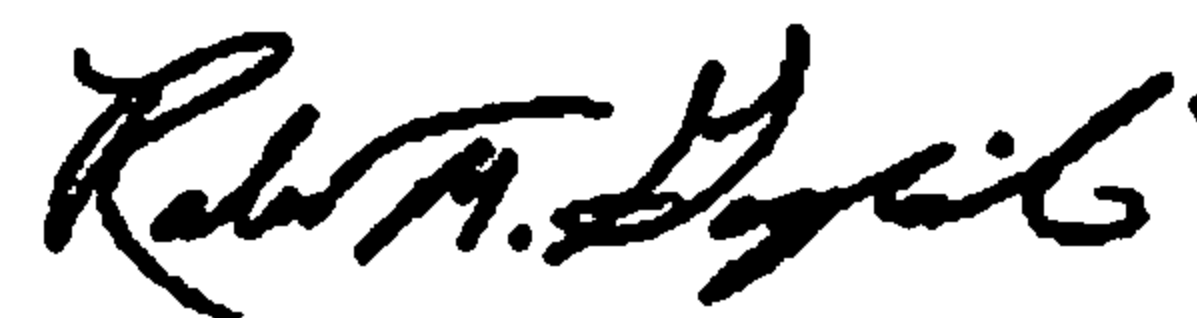
This endorsement modifies insurance provided by the policy:

RETAINED AMOUNT LIABILITY POLICY

- A. Paragraph J., Insured of SECTION V - DEFINITIONS is amended to include any person or organization you are required to include as an additional insured on this policy by a written contract or written agreement in effect during this policy period and executed prior to the occurrence of the bodily injury or property damage.**
- B. The insurance provided to the above described additional insured under this endorsement is limited as follows:**
- 1. This endorsement shall only apply to SECTION I - INSURING AGREEMENT - RETAINED AMOUNT LIABILITY, bodily injury or property damage.**
 - 2. The person or organization is only an additional insured with respect to liability arising out of your work or your product for that additional insured.**
 - 3. In the event that the Limits of Insurance provided by this policy exceed the Limits of Insurance required by the written contract or written agreement, the insurance provided by this endorsement shall be limited to the Limits of Insurance required by the written contract or written agreement. This endorsement shall not increase the Limits of Insurance stated in the Declarations under Item 3. Limits of Insurance pertaining to the coverage provided herein.**
 - 4. The insurance provided to such an additional insured does not apply to bodily injury or property damage arising out of the rendering of or failure to render any professional services by any architect, engineer or surveyor including:**
 - i The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and**
 - i Supervisory, inspection, architectural or engineering activities.**
 - 5. This insurance does not apply to bodily injury or property damage arising out of your work or your product included in the products-completed operations hazard unless you are required to provide such coverage by written contract or written agreement and then only for the period of time required by the written contract or written agreement and in no event beyond the expiration date of the policy.**
 - 6. Any coverage provided by this endorsement to an additional insured shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement specifically requires that this insurance apply on a primary and non-contributory basis. In such case, coverage provided by this endorsement shall be primary and non-contributory.**

- C. Subparagraph 1.a.(1) of Paragraph F. **Pollution of SECTION III - EXCLUSIONS** does not apply to you if the **bodily injury or property damage** arises out of **your work or your product** performed on premises which are owned or rented by the additional insured at the time **your work or your product** is performed.
- D. In accordance with the terms and conditions of the policy and as more fully explained in the policy, as soon as practicable, each additional insured must give us prompt notice of any **occurrence** which may result in a claim or **suit**, forward all legal papers to us, cooperate in the defense of any actions, and otherwise comply with all of the terms and conditions of the policy.

All other terms and conditions of the policy remain the same.



Authorized Representative

ENDORSEMENT # 006

This endorsement, effective 12:01 AM 02/01/2021

Forms a part of policy no.: 034064091

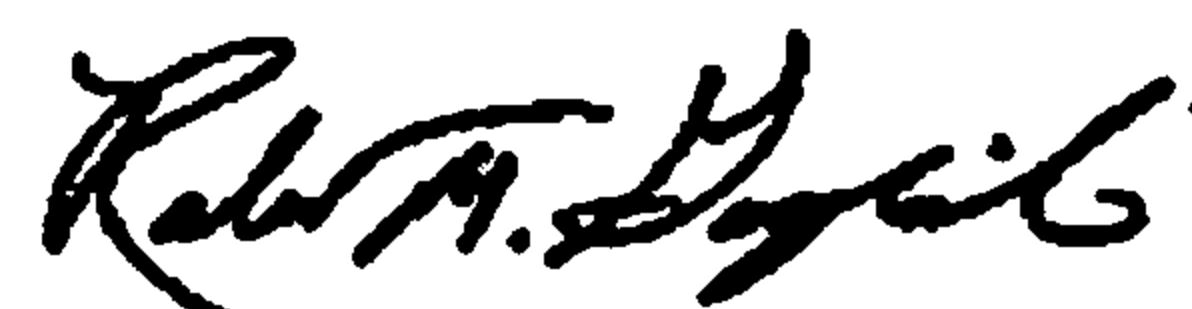
Issued to: AXON ENTERPRISE, INC

By: LEXINGTON INSURANCE COMPANY

**WAIVER OF SUBROGATION
(BLANKET)**

It is agreed that we, in the event of a payment under this policy, waive our right of subrogation against any person or organization where the insured has waived liability of such person or organization as part of a written contractual agreement between the insured and such person or organization entered into prior to the "occurrence" or offense.

All other terms and conditions remain unchanged.



**Authorized Representative OR
Countersignature (In states where applicable)**

ENDORSEMENT # 004

This endorsement, effective 12:01 AM 02/01/2021

Forms a part of policy no.: 034064092

Issued to: AXON ENTERPRISE, INC

By: LEXINGTON INSURANCE COMPANY

ADDITIONAL INSURED REQUIRED BY WRITTEN CONTRACT ENDORSEMENT

This endorsement modifies insurance provided by the policy:

RETAINED AMOUNT LIABILITY POLICY

A Paragraph J., Insured of SECTION V - DEFINITIONS is amended to include any person or organization you are required to include as an additional insured on this policy by a written contract or written agreement in effect during this policy period and executed prior to the occurrence of the bodily injury or property damage.

B The insurance provided to the above described additional insured under this endorsement is limited as follows:

1. This endorsement shall only apply to SECTION I - INSURING AGREEMENT - RETAINED AMOUNT LIABILITY, bodily injury or property damage.

2 The person or organization is only an additional insured with respect to liability arising out of your work or your product for that additional insured.

3 In the event that the Limits of Insurance provided by this policy exceed the Limits of Insurance required by the written contract or written agreement, the insurance provided by this endorsement shall be limited to the Limits of Insurance required by the written contract or written agreement. This endorsement shall not increase the Limits of Insurance stated in the Declarations under Item 3. Limits of Insurance pertaining to the coverage provided herein.

4 The insurance provided to such an additional insured does not apply to bodily injury or property damage arising out of the rendering of or failure to render any professional services by any architect, engineer or surveyor including:

i The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and

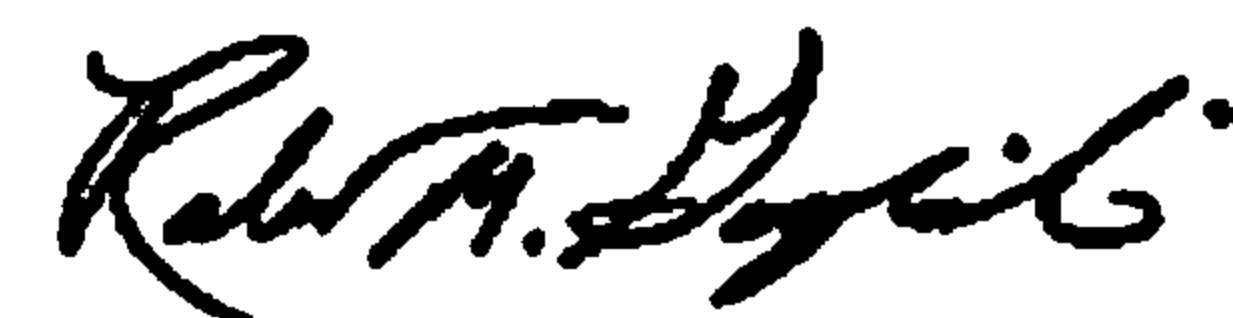
i Supervisory, inspection, architectural or engineering activities.

5 This insurance does not apply to bodily injury or property damage arising out of your work or your product included in the products-completed operations hazard unless you are required to provide such coverage by written contract or written agreement and then only for the period of time required by the written contract or written agreement and in no event beyond the expiration date of the policy.

6 Any coverage provided by this endorsement to an additional insured shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement specifically requires that this insurance apply on a primary and non-contributory basis. In such case, coverage provided by this endorsement shall be primary and non-contributory.

- C. Subparagraph 1.a.(1) of Paragraph F. Pollution of **SECTION III - EXCLUSIONS** does not apply to you if the **bodily injury** or **property damage** arises out of **your work** or **your product** performed on premises which are owned or rented by the additional insured at the time **your work** or **your product** is performed.
- D. In accordance with the terms and conditions of the policy and as more fully explained in the policy, as soon as practicable, each additional insured must give us prompt notice of any **occurrence** which may result in a claim or **suit**, forward all legal papers to us, cooperate in the defense of any actions, and otherwise comply with all of the terms and conditions of the policy.

All other terms and conditions of the policy remain the same.



Authorized Representative

ENDORSEMENT # 016

This endorsement, effective 12:01 AM 02/01/2021

Forms a part of policy no.: 034064092

Issued to: AXON ENTERPRISE, INC

By: LEXINGTON INSURANCE COMPANY

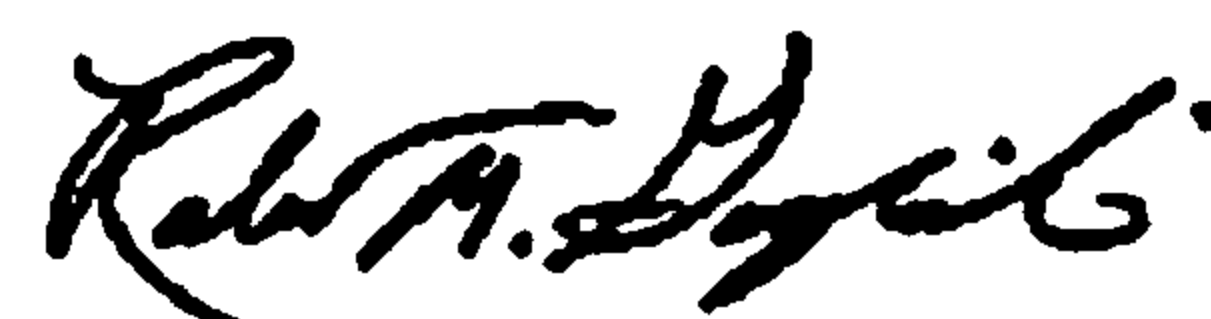
**WAIVER OF SUBROGATION (BLANKET)
ENDORSEMENT**

This endorsement modifies insurance provided under the following:

RETAINED AMOUNT LIABILITY

It is agreed that we, in the event of a payment under this policy, waive our right of subrogation against any person or organization where the **Insured** has waived liability of such person or organization as part of a written contractual agreement between the **Insured** and such person or organization entered into prior to the **occurrence** or offense.

All other terms and conditions of the policy remain the same.



**Authorized Representative OR
Countersignature (In states where applicable)**



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF OUR RIGHT TO RECOVER
FROM OTHERS ENDORSEMENT**

Policy Number: 59 WE AC0S6D

Endorsement Number:

Effective Date: 09/27/21

Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: AXON ENTERPRISE, INC.

17800 N 85TH ST
SCOTTSDALE AZ 85255

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 shall not operate directly or indirectly to benefit anyone not named in the Schedule.

SCHEDULE

Any person or organization for whom you are required by contract or agreement to obtain this waiver from us. Endorsement is not applicable in KY, NH, NJ or for any MO construction risk

Countersigned by _____
Authorized Representative



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED AND RIGHTS OF RECOVERY AGAINST OTHERS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

- A. Any person or organization whom you are required by contract to name as additional insured is an "insured" for LIABILITY COVERAGE but only to the extent that person or organization qualifies as an "insured" under the WHO IS AN INSURED provision of Section II - LIABILITY COVERAGE.
- B. For any person or organization for whom you are required by contract to provide a waiver of subrogation, the Loss Condition - TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US is applicable.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED AND RIGHTS OF RECOVERY AGAINST OTHERS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

- A. Any person or organization whom you are required by contract to name as additional insured is an "insured" for LIABILITY COVERAGE but only to the extent that person or organization qualifies as an "insured" under the WHO IS AN INSURED provision of Section II - LIABILITY COVERAGE.
- B. For any person or organization for whom you are required by contract to provide a waiver of subrogation, the Loss Condition - TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US is applicable.

Scottsdale Indemnity Company

ENDORSEMENT

NO. _____

Attached to and forming a part of
Policy No. GNI0000018
Named Insured AXON ENTERPRISE INC

Endorsement Effective Date 03-01-21
12:01 A.M., Standard Time
Agent No. 29602

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

With respect to this endorsement, **SECTION II—WHO IS AN INSURED** is amended to include as an additional insured any person or organization whom you are required to add as an additional insured on this policy under a written contract, written agreement or written permit which must be:

- a. Currently in effect or becoming effective during the term of the policy; and
- b. Executed prior to the "bodily injury," "property damage," or "personal and advertising injury."

The insurance provided to these additional insureds is limited as follows:

1. That person or organization is an additional insured only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by:
 - a. Your acts or omissions; or
 - b. The acts or omissions of those acting on your behalf.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

2. With respect to the insurance afforded to these additional insureds, the following exclusions are added to item 2. **Exclusions of SECTION I—COVERAGES:**

This insurance does not apply to "bodily injury," "property damage" or "personal and advertising injury" occurring after:

- a. 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
- b. 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.

3. The limits of insurance applicable to the additional insured are those specified in the written contract, written agreement or written permit or in the Declarations for this policy, whichever is less. These limits of insurance are inclusive of, and not in addition to, the Limits of Insurance shown in the Declarations for this policy.
4. Coverage is not provided for "bodily injury," "property damage," or "personal and advertising injury" arising out of the sole negligence of the additional insured.
5. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of an architect's, engineer's or surveyor's rendering of or failure to render any professional services including:

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- a. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
 - b. Supervisory, inspection, architectural or engineering activities.
6. Any coverage provided hereunder will be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a written contract specifically requires that this insurance be primary.

When this insurance is excess, we will have no duty under **SECTION I—COVERAGES** to defend the additional insured against any "suit" if any other insurer has a duty to defend the additional insured against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to the additional insured's rights against all those other insurers.

AUTHORIZED REPRESENTATIVE

DATE

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART DESIGNATED SITES
POLLUTION LIABILITY LIMITED COVERAGE PART DESIGNATED SITES
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY DESIGNATED TANKS

SCHEDULE

Name Of Person(s) Or Organization(s):

ANY PERSON OR ORGANIZATION WHOM YOU ARE REQUIRED TO ADD AS AN ADDITIONAL INSURED UNDER WRITTEN CONTRACT, WRITTEN AGREEMENT OR WRITTEN PERMIT CURRENTLY IN EFFECT OR BECOMING EFFECTIVE DURING THE TERM OF THE POLICY AND EXECUTED PRIOR TO THE "BODILY INJURY" OR "PROPERTY DAMAGE."

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

The following is added to Paragraph 8. Transfer Of Rights Of Recovery Against Others To Us of Section IV – Conditions:

We waive any right of recovery against the person(s) or organization(s) shown in the Schedule above because of payments we make under this Coverage Part. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person(s) or organization(s) prior to loss. This endorsement applies only to the person(s) or organization(s) shown in the Schedule above.

**COMMERCIAL GENERAL LIABILITY
CG 20 01 12 19**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PRIMARY AND NONCONTRIBUTORY –
OTHER INSURANCE CONDITION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to the **Other Insurance Condition** and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and

- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, 1) WAIVING THE FORMAL BID PROCESS PURSUANT TO NATIONAL CITY MUNICIPAL CODE SECTION 2.60.220, SUBSECTION C AND D, SOLE-SOURCE PROCUREMENT, AND AUTHORIZE THE PURCHASE OF SEVENTY - SIX (76) BODY-WORN CAMERAS, CLOUD-BASED STORAGE OF DIGITAL EVIDENCE, AND INTERNET DATA MANAGEMENT THROUGH EVIDENCE.COM, INCLUDING SUPPORT SERVICES AND ASSIST WITH THE IMPLEMENTATION OF AUTO-TAGGING THROUGH CAD FROM AXON ENTERPRISE, INC.; 2) AUTHORIZING THE MAYOR TO EXECUTE A FIVE (5) YEAR CONTRACT FOR \$ 514,839.80 WITH AXON ENTERPRISE, INC.; AND 3) AUTHORIZING AN INCREASE OF \$27,967.69 TO FISCAL YEAR 2022 GENERAL FUND APPROPRIATIONS AND USE OF GENERAL FUND UNASSIGNED FUND BALANCE FOR SAID INCREASE

WHEREAS, in 2016, the City of National City ("City") entered into a five (5) year Agreement with Axon Enterprise, Inc., formerly known as "Taser International, Inc.," for the amount of \$350,890.58; and

WHEREAS. Axon Enterprise, Inc. is an industry leader in Body Worn Cameras ("BWCs"), secure cloud-based data storage and video evidence management; and

WHEREAS, the City's and Axon Enterprise, Inc.'s Agreement expires on December 14, 2021; and

WHEREAS, National City Municipal Code section 2.60.220, subsection C and D, provides that the City of National City may dispense with the requirements of bidding when (1) the commodity or service to be procured, regardless of value, is required to integrate with or be compatible with existing furnishings, materials, systems, programs or equipment, and the procurement can be timely made from a manufacturer or supplier who previously satisfactorily supplied the particular commodity or service; and (2) the city council by resolution, determines by best business judgment that due to special circumstances, it is to the city's best interest to purchase a commodity directly or enter into a contract without compliance with the bidding procedure

WHEREAS, City staff recommends adopting a resolution waiving the formal bid process pursuant to National City Municipal Code section 2.60.220, subsection C and D, sole-source procurement, for the City's purchase of seventy - six (76) body-worn cameras, cloud-based storage of digital evidence, and internet data management through Evidence.com, including support services and assist with the implementation of auto-tagging through CAD from Axon Enterprise, Inc.

///

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

Section 1: Waive the formal bid process pursuant to National City Municipal Code section 2.60.220, subsection C and D, sole-source procurement, for the City's purchase of seventy - six (76) body-worn cameras, cloud-based storage of digital evidence, and internet data management through Evidence.com, including support services and assist with the implementation of auto-tagging through CAD from Axon Enterprise, Inc.

Section 2: Authorize the City of National City to award the purchase.

Section 3: Authorize the Mayor to execute a five (5) year agreement for \$514,839.80 with Axon Enterprise, Inc.

Section 4: Authorize an increase of \$27,967.69 to the Fiscal Year 2022 General Fund appropriations and use of General Fund unassigned fund balance for said increase.

Section 5: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City waiving the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorizing the City to piggyback onto Sourcewell \(formerly “National Joint Powers Alliance”\) Contract #091520-DIV with Doosan Industrial Vehicle America Corp. for the purchase and build-out of one \(1\) Doosan G35S-7 Forklift for the Public Works Streets and Wastewater Division in a not-to-exceed amount of \\$44,603.07. \(Engineering/Public Works\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:


Resolution of the City Council of the City of National City, waiving the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorizing the City to piggyback onto Sourcewell (formerly "National Joint Powers Alliance") Contract #091520-DIV with Doosan Industrial Vehicle America Corp. for the purchase and build-out of one (1) Doosan G35S-7 Forklift for the Public Works Streets and Wastewater Division in a not-to-exceed amount of \$44,603.07.

PREPARED BY: Tirza Gonzales, Management Analyst II
PHONE: 619-336-4318

DEPARTMENT: Engineering/Public Works
APPROVED BY: 

EXPLANATION:
See Staff Report.

FINANCIAL STATEMENT:

APPROVED:  **FINANCE**
APPROVED: _____ **MIS**

ACCOUNT NO.

644-416-221-511-0000 (Vehicle Replacement Reserve – Streets) \$22,301.53
644-416-222-511-0000 (Vehicle Replacement Reserve – Wastewater) \$22,301.54

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Adopt Resolution award the purchase and build-out of one (1) Doosan G35S-7 Forklift for the Public Works Streets and Wastewater Division.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Explanation
2. Quote
3. Sourcewell Contract # 091520-DIV
4. Resolution

Explanation:

A National City Public Works Streets and Wastewater Division 1990 Clack Forklift has been in service for over thirty years and has exceeded its useful and optimum life cycle of 20 years and is scheduled to be replaced. Staff requests approval for the purchase of one (1) Doosan G35S-7 Forklift. Consistent with Section 2.60.260 of the National City Municipal Code (NCMC) regarding cooperative purchasing, there is an opportunity to piggyback onto the Sourcewell Contract #091520-DIV with Sourcewell to allow for the purchase of one (1) Doosan G35S-7 Forklift.

NCMC Section 2.60.260 provides authority to the purchasing agent to join with other public jurisdictions to take advantage of cooperative purchasing opportunities, including but not limited to any federal, state or local agency pricing program or structure that is determined by the purchasing agent to allow a procurement that is in the best interests of the City. The purchasing agent may buy directly from a vendor at a price established through competitive bidding by another public agency whose procedures have been determined by the purchasing agent to be in substantial compliance with the City's procurement procedures, irrespective of the contracting limits of that jurisdiction or agency, even if the City had not initially joined with that public agency in the cooperative purchase.

National City's Purchasing staff has confirmed that the Sourcewell Contract #091520-DIV with Doosan Industrial Vehicle America Corp. (Doosan) was competitively bid through a Request for Proposals (RFP) process, and that the State of California Department of General Services procurement procedures are in substantial compliance with those of National City.

Therefore, staff requests that City Council authorize the purchase one (1) Doosan G35S-7 Forklift to Doosan in an amount not to exceed \$44,603.07, consistent with Section 2.60.260 of the National City Municipal Code regarding cooperative purchasing, by piggybacking onto the Sourcewell Contract #091520-DIV.

The funding to purchase this vehicle was approved by City Council through adoption of the FY22 annual budget.



TO : City of National City
2100 Hoover Ave
National City , CA 91950
CONTRACT # 091520-DIV

Telephone :
Attention :

Date : 11/16/2021
Quotation : CC 01451
Prepared By : Conner Cameron



We are pleased to submit the following quotation for your consideration

(1) Doosan G35S-7 LPG with Disc Brakes 8,000 lb. Capacity, I. C. Pneumatic Tire Forklift

Configured Options

UL Rating	UL Rated Type LP
Brakes	Oil-Cooled Disc Brakes
Tires	Single Pneumatic 8.25-15 14PR Drive / 7.00-12 12PR Steer
Mast	3-Stage Full Free Triple Wide View MFH 238" OAL 110" FFH 79"
Tilt Cylinders	8° Forward / 3° Back (Recommended for Max Capacity)
Sideshifter	Hang-On 49" Wide - Class III
Carriage	Hook Type 49" Wide - Class III
Forks	Hook Type - Pallet - 2.0" x 6" x 47"
Load Backrest	51" Wide x 47" High
Overhead Guard	88" High
Hydraulic Lines	3-Way For Sideshifter
Hydraulic Control Valve	3 Section with 3 Levers
Mirrors	Large Rear View Mirrors
Seat	Vinyl Suspension Seat with Hip Restraint
Direction Control	Standard - Lever Direction Control
Grab Bar	Rear Grab Bar with Horn Button
LP Tank Cradle	Standard Mounting
Warning Device	Back-Up Alarm
Front Work Lights	(2) Front Flood Lights - LED
Rear Work Lights	(2) Rear Flood Lights - LED
Warranty	Doosan Assurance - Standard 2 Year / 3,000 Hour, Powertrain 3 Year / 6,000 Hour, OCDB 5 Year / 10,000 Hour

Heavy Duty Cooling
Rear Grab Bar with Horn Button
Steering Wheel Knob
Speed Control with Auto Shift Controller

Other Equipment & Accessories
PROPANE TANK

Standard Equipment

- Kubota 3.8L Engine
- Power Shift Transmission
- Power Brakes
- Power Steering
- Electrical Fuel Shut-off
- Engine Shutdown
- Anti-Restart Ignition Key
- Park Brake
- Maintenance Free Battery
- Tilt Steering Column
- Dual Element Air Cleaner
- Counterweight

Price :	\$ 39,619.32
Freight:	\$ 1,395.00
TAX:	\$ 3, 588.75

TOTAL: \$44,603.07

Proposal Authorization:

Signed and accepted on behalf of:
City of National City

Signed and accepted on behalf of:

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date

**Solicitation Number: 091520****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Doosan Industrial Vehicle America Corp., 2475 Mill Center Parkway, Suite 400, Buford, GA 30518 (Vendor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada.

Vendor desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires October 26, 2024, unless it is cancelled sooner pursuant to Article 24. This Contract may be extended up to one additional one-year period upon request of Sourcewell and with written agreement by Vendor.
- C. **SURVIVAL OF TERMS.** Articles 11 through 16 survive the expiration or cancellation of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Vendor will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Vendor's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new/current model. Vendor may offer close-out or refurbished Equipment or Products if they are clearly indicated in

Vendor's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Vendor warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Vendor warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Vendor's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that is effective past the expiration of the Vendor's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution, Vendor will make available to Sourcewell a means to validate or authenticate Vendor's authorized dealers, distributors, and/or resellers relative to the Equipment, Products, and Services related to this Contract. This list may be updated from time-to-time and is incorporated into this Contract by reference. It is the Vendor's responsibility to ensure Sourcewell receives the most current version of this list.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced as stated in Vendor's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Vendor must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery.

Vendor must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcwell may declare the Vendor in breach of this Contract if the Vendor intentionally delivers substandard or inferior Equipment or Products. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Vendor as soon as possible and the Vendor will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

B. SALES TAX. Each Participating Entity is responsible for supplying the Vendor with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Vendor may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Vendor determines it will offer Hot List Pricing, it must be submitted electronically to Sourcwell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcwell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Vendor may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcwell Price and Product Change Request Form to the assigned Sourcwell Contract Administrator. This form is available from the assigned Sourcwell Contract Administrator. At a minimum, the request must:

- Identify the applicable Sourcwell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will be become an amendment to this Contract and be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. **PARTICIPATION.** Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Vendor understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Vendor is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential members to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. **PUBLIC FACILITIES.** Vendor's employees may be required to perform work at government-owned facilities, including schools. Vendor's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. **ORDERS AND PAYMENT.** To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Vendor that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Vendor. Typically, a Participating Entity will issue an order directly to Vendor. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration of this Contract; however, Vendor performance, Participating Entity payment, and any applicable warranty periods or other Vendor or Participating Entity obligations may extend beyond the term of this Contract.

Vendor's acceptable forms of payment are included in Attachment A. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order may be negotiated between a Participating Entity and Vendor, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be worked out directly between the Participating Entity and the Vendor. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. PERFORMANCE BOND. If requested by a Participating Entity, Vendor will provide a performance bond that meets the requirements set forth in the Participating Entity's order.

D. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements) not addressed in this Contract, the Participating Entity and the Vendor may enter into a separate, standalone agreement, apart from this Contract. Sourcwell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

E. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Vendor in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the goods to be purchased;
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements; or
3. Vendor commits any material breach of this Contract or the additional terms agreed to between the Vendor and a Participating Entity.

F. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Vendor will assign an Account Representative to Sourcwell for this Contract and must provide prompt notice to Sourcwell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. **BUSINESS REVIEWS.** Vendor must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. **CONTRACT SALES ACTIVITY REPORT.** Each calendar quarter, Vendor must provide a contract sales activity report (Report) to the Sourcwell Contract Administrator assigned to this Contract. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Vendor must submit a report indicating no sales were made).

The Report must contain the following fields:

- Customer Name (e.g., City of Staples Highway Department);
- Customer Physical Street Address;
- Customer City;
- Customer State/Province;
- Customer Zip Code;
- Customer Contact Name;
- Customer Contact Email Address;
- Customer Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Vendor.

B. **ADMINISTRATIVE FEE.** In consideration for the support and services provided by Sourcwell, the Vendor will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Vendor may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Vendor will submit a check payable to Sourcwell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Sourcwell-assigned contract number in the memo and must be mailed to the address above "Attn: Accounts Receivable." Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Vendor agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Vendor is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Vendor in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Vendor's Authorized Representative is the person named in the Vendor's Proposal. If Vendor's Authorized Representative changes at any time during this Contract, Vendor must promptly notify Sourcewell in writing.

10. ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **ASSIGNMENT.** Neither the Vendor nor Sourcewell may assign or transfer any rights or obligations under this Contract without the prior consent of the parties and a fully executed assignment agreement. Such consent will not be unreasonably withheld.

B. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been fully executed by the parties.

C. **WAIVER.** If either party fails to enforce any provision of this Contract, that failure does not waive the provision or the right to enforce it.

D. **CONTRACT COMPLETE.** This Contract contains all negotiations and agreements between Sourcewell and Vendor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

E. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. LIABILITY

Vendor must indemnify, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees, arising out of the performance of this Contract by the Vendor or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused

by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications.

12. AUDITS

Sourcwell reserves the right to review the books, records, documents, and accounting procedures and practices of the Vendor relevant to this Contract for a minimum of 6 years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

13. GOVERNMENT DATA PRACTICES

Vendor and Sourcwell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcwell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Vendor under this Contract.

If the Vendor receives a request to release the data referred to in this article, the Vendor must immediately notify Sourcwell and Sourcwell will assist with how the Vendor should respond to the request.

14. INDEMNIFICATION

As applicable, Vendor agrees to indemnify and hold harmless Sourcwell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcwell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcwell or its Participating Entities supplied by Vendor in violation of applicable patent or copyright laws.

15. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcwell grants to Vendor a royalty-free, worldwide, non-exclusive right and license to use the Trademark(s) provided to Vendor by Sourcwell in advertising and promotional materials for the purpose of marketing Sourcwell's relationship with Vendor.
 - b. Vendor grants to Sourcwell a royalty-free, worldwide, non-exclusive right and license to use Vendor's Trademarks in advertising and promotional materials for the purpose of marketing Vendor's relationship with Sourcwell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to its and their respective distributors, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and

promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. Use; Quality Control.

- a. Sourcewell must not alter Vendor's Trademarks from the form provided by Vendor and must comply with Vendor's removal requests as to specific uses of its trademarks or logos.
- b. Vendor must not alter Sourcewell's Trademarks from the form provided by Sourcewell and must comply with Sourcewell's removal requests as to specific uses of its trademarks or logos.
- c. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's Trademarks only in good faith and in a dignified manner consistent with such party's use of the Trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. Termination. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of vendors which may be used until the next printing). Vendor must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Vendor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Materials should be sent to the Sourcewell Contract Administrator assigned to this Contract.

D. ENDORSEMENT. The Vendor must not claim that Sourcewell endorses its Equipment, Products, or Services.

16. GOVERNING LAW, JURISDICTION, AND VENUE

Minnesota law governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state court in Todd County or federal court in Fergus Falls, Minnesota.

17. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

18. SEVERABILITY

If any provision of this Contract is found to be illegal, unenforceable, or void then both Sourcewell and Vendor will be relieved of all obligations arising under such provisions. If the remainder of this Contract is capable of performance, it will not be affected by such declaration or finding and must be fully performed.

19. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Vendor will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Vendor may escalate the resolution of the issue to a higher level of management. The Vendor will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Vendor must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Vendor fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed will be borne by the Vendor.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

Written notice of default and a reasonable opportunity to cure must be issued by the party claiming default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

20. INSURANCE

A. REQUIREMENTS. At its own expense, Vendor must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Vendor will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Vendor will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Vendor will maintain umbrella coverage over Workers' Compensation, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
\$2,000,000

5. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Vendor will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Vendor's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:
\$2,000,000 per occurrence
\$2,000,000 annual aggregate

Failure of Vendor to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Vendor must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Contract Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. All policies must include there will be no cancellation, suspension, non-renewal, or reduction of coverage without 30 days' prior written notice to the Vendor.

Upon request, Vendor must provide to Sourcewell copies of applicable policies and endorsements, within 10 days of a request. Failure to request certificates of insurance by Sourcewell, or failure of Vendor to provide certificates of insurance, in no way limits or relieves Vendor of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Vendor agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Vendor's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Vendor, and products and completed operations of Vendor. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Vendor waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Vendor or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Vendor or its subcontractors. Where permitted by law, Vendor must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies).

F. **SELF-INSURED RETENTIONS.** Any self-insured retention in excess of \$10,000 is subject to Sourcewell's approval.

21. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Vendor must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Vendor conducts with Sourcewell and Participating Entities.

22. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Vendor certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Vendor declares bankruptcy, Vendor must immediately notify Sourcewell in writing.

Vendor certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Vendor further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

23. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may also require additional requirements based on specific funding specifications. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Vendor’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Vendor must be in compliance with all applicable Davis-Bacon Act provisions.

C. **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

D. **RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.** If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

E. **CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387).** Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Vendor certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. **DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689).** A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names

of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Vendor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. **BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352).** Vendors must file any required certifications. Vendors must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Vendors must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Vendors must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. **RECORD RETENTION REQUIREMENTS.** To the extent applicable, Vendor must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Vendor further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. **ENERGY POLICY AND CONSERVATION ACT COMPLIANCE.** To the extent applicable, Vendor must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. **BUY AMERICAN PROVISIONS COMPLIANCE.** To the extent applicable, Vendor must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. **ACCESS TO RECORDS (2 C.F.R. § 200.336).** Vendor agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Vendor that are directly pertinent to Vendor's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents.

L. **PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322).** A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

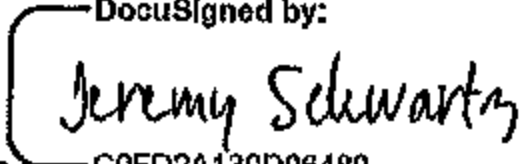
and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

24. CANCELLATION

Sourcewell or Vendor may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Vendor's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

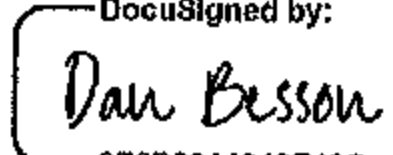
Sourcewell

Doosan Industrial Vehicle America Corp.

By:  _____
DocuSigned by:
C0FD2A139D06489...

Jeremy Schwartz
Title: Director of Operations &
Procurement/CPO


Date: 10/21/2020 | 10:22 AM CDT

By:  _____
DocuSigned by:
9F6B0844840F46C...

Dan Besson
Title: National Accounts Sales

Date: 10/23/2020 | 2:48 PM CDT

Approved:

By:  _____
DocuSigned by:
7E42B8F817A64CC...

Chad Coauette
Title: Executive Director/CEO

Date: 10/23/2020 | 3:35 PM CDT

RFP 091520 - Fork Lifts and Lift Trucks with Related Services

Vendor Details

Company Name: Doosan Industrial Vehicle America Corp.
Address: 2475 Mill Center Parkway Suite 400
Buford, GA 30518
Contact: Dan Besson
Email: dan.besson@doosan.com
Phone: 561-236-8966
Fax: 678-745-2250
HST#: 45-2469580

Submission Details

Created On: Friday July 31, 2020 10:16:43
Submitted On: Tuesday September 15, 2020 14:08:43
Submitted By: Dan Besson
Email: dan.besson@doosan.com
Transaction #: f9a7674e-6fdf-4d8e-81d1-e672207401be
Submitter's IP Address: 73.0.151.164

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Please do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; mark "NA" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (and applicable d/b/a, if any):	Doosan Industrial Vehicle America Corp. (DIVAC) Parent : Doosan Industrial Vehicles (DIV)
2	Proposer Address:	2475 Mill Center Parkway Suite 400 Buford, GA. 30518
3	Proposer website address:	www.doosanlift.com, - www.doosan-iv.com/en
4	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Dan Besson National Accounts Sales, 2475 Mill Center Parkway Suite 400 Buford, GA. 30518 dan.besson@doosan.com 561-236-8966
5	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Conner Cameron National Accounts Sales Support 2475 Mill Center Parkway Suite 400 Buford, GA. 30518 conner.cameron@doosan.com 678-745-2249
6	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Dan Besson, National Accounts Sales, 2475 Mill Center Parkway Suite 400 Buford, GA. 30518 dan.besson@doosan.com 561-236-8966

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
7	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>DIV (Doosan Industrial Vehicles) is a division of the Doosan Group. The same group that owns Bobcat. (see annual report) DIVAC (Doosan Industrial Vehicles America Corp) is a wholly owned subsidiary of DIV (Doosan Industrial Vehicles) Korea. We have won the Doosan Credo award 2 years running 2018 and 2019 for our overall sales & Community support activity. Additionally, DIVAC won the Doosan Presidents Award in 2018, for Excellence in performance.</p> <p>1) The Doosan Way is a set of principles and values that represent our philosophies and unique way of doing business. These principles have been the foundation of Doosan's success for the past century. (see attached) The Credo consists of Doosan's Aspirations and core values.</p> <p>2) These are the values and philosophy that drives our growth. 3) Our Vision</p> <p>a) We aspire to be a Respected Global Leader- a major innovator of products and services that improve the quality of life for people, and our communities around the world. b) Our Credo will be our guide to drive our second century of growth. c) Our people are our greatest asset d) integrity and transparency are fundamental Doosan strengths e) Inhwa is defined as teamwork f) our customers are the reason we exist g) our goal is to always deliver superior value to our customers h) long term success is built by respecting the right of our suppliers, distributors and partners to earn fair profits</p>

	<p>4) Doosan is heavily involved CSR (Corporate Social Responsibility) supporting local communities, performing volunteer work for the communities we live in, Donations to our local food banks, Toys for Tots annually and other charity organizations. (see attached doc)</p> <p>5) DIVAC (Doosan Industrial Vehicles America Corp) was recognized for its contribution to our local community by the Gwinnett Chamber of Commerce as the International Company of the Year in 2018.</p> <p>6) DIVAC (Doosan Industrial Vehicles America Corp) has doubled its sales revenue from 2016 to 2019. We have accomplished this through:</p> <ul style="list-style-type: none"> a) Dealer distribution development - 62 dealers to now 93 dealers b) By 2021 we will be at 105 dealers nationally. c) National Account growth has a 22% (CAGR) compound average growth rate over the same 3-year term. d) DIVAC has double sales with our 3rd Party partners in GSA, DLA, DPA & Open Market Gov sector business through collaboration and focused growth activity. e) Product development – DOOSAN will continue to develop new products that bring technology and value. f) Strong Doosan / Bobcat Financial Programs - g) Strong market promotions h) Dealer Partnering <p>7) We believe in doing the right thing and supporting our dealers thru a partner type relationship.</p> <p>8) DIV (Doosan Industrial Vehicle) began manufacturing forklifts in 1968. We manufactured forklifts for Caterpillar Lift Trucks beginning in 1983. 2000 - we launched the new Doosan 5 series forklifts. 2005- Doosan Corp Acquires Daewoo. 2012 - class 3 walkie/rider trucks, walkie stackers were introduced. 2016 - Sit-down electrics counter balanced were introduced in both 3W and 4W models. 2017 – the updated 7 series CL5 IC engine pneumatics was introduced with 5 new models. The DV180, DV250 large capacity Pneumatic IC engine products were introduced in 2 new products. 2018 – the updated 7series mid-weight CL5 IC engine pneumatics was rolled out in 10 new models. 2019 – the updated 7series CL1 pneumatic electrics were brought to market in 7 new models. The new CL4 cushion tire IC engine 9 series were introduced in 13 new models. The new SUR electric Stand up CL1 was rolled out with 6 new models. The new OP electric Narrow Aisle Order Picker was rolled out. The new BER electric walkie rider CL3 products were introduced in 4 new models. The BR CL2 electric Reach truck was updated to the + plus version.</p> <p>9) Doosan currently has a full product offering in all 5 classes of forklifts with capacities from 3,000 lbs. to 55,000 lbs. at a 48" load center. Doosan Industrial Corp. Video – copy and pastes into your browser https://www.youtube.com/watch?v=M349SomAI9U Doosan Industrial America Corp https://www.youtube.com/watch?v=rvGNe3YIw90</p>
<p>8</p> <p>What are your company's expectations in the event of an award?</p>	<p>Our past performance would not be an indicator of our future performance potential given the current understanding of the Sourcwell business model, given the recent training and knowledge we have gained from Bobcat. We have hired a dedicated Gov resource to grow this sector of business.</p> <p>We fully expect to achieve over 250% growth in year 1, 100% year 2, 65% year 3 based on our market plan and committed resources for growth. By end of contract term, we would be disappointed if we were not at 400-500 units and in excess of \$10,000,000 volume annually. Our vision is this group will have 2-3 additional resources dedicated to it in the next 3 years. We have a lot to prove if we have that opportunity afforded us. We are keenly committed to Sourcwell for strong growth, bringing value to our relationship. We believe our products and value proposition bring opportunity and TOC value to the relationship of the Sourcwell brand and its customers. Sourcwell will be our single focus in this government sector.</p> <p>We will work strategically and diligently to become the fastest growing forklift provider. Implementing our marketing plan and utilization of the Doosan Sales, customer service, strong dealer resources, routine training & communication with support of corporate marketing resources to gain immediate traction with the opportunity. Strong use of digital marketing & dealer feet on the street contacting the customers face to face as best we are allowed in this current environment.</p>

9	<p>Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.</p>	<p>See the attached Financial information pdf for further details. 2018 Financial report is also attached. DIVAC Doosan Industrial Vehicle America Corp. Financials roll up under Doosan Corporation consolidated. (see summary below)</p> <p>Doosan Corporation Audited Financials [Income Statement] (USD)</p> <table border="1"> <thead> <tr> <th>Account</th> <th>2019Year</th> <th>2018Year</th> </tr> </thead> <tbody> <tr> <td>I. Operating Income</td> <td>1,736,061,786</td> <td>1,766,337,770</td> </tr> <tr> <td> 1. Commodity and manufactured goods</td> <td>1,538,692,030</td> <td>1,527,973,576</td> </tr> <tr> <td> 2. Other sales</td> <td>178,660,152</td> <td>166,842,003</td> </tr> <tr> <td> 3. Dividend Revenue</td> <td>18,709,605</td> <td>71,522,191</td> </tr> <tr> <td>II. Operating Cost</td> <td>1,599,649,097</td> <td>1,585,317,514</td> </tr> <tr> <td> 1. COGS of commodity and manufactured good</td> <td>1,247,336,438</td> <td></td> </tr> <tr> <td> 2. Other COGS</td> <td></td> <td>128,946,607</td> </tr> <tr> <td> 3. Sales, General and Administrative cost</td> <td></td> <td>223,366,052</td> </tr> <tr> <td>1,245,275,194</td> <td></td> <td></td> </tr> <tr> <td>107,474,484</td> <td></td> <td></td> </tr> <tr> <td>232,567,837</td> <td></td> <td></td> </tr> <tr> <td>III. EBIT</td> <td></td> <td>136,412,689</td> </tr> <tr> <td>181,020,256</td> <td></td> <td></td> </tr> <tr> <td> Financial revenue</td> <td></td> <td>30,128,601</td> </tr> <tr> <td> Financial cost</td> <td></td> <td>74,258,596</td> </tr> <tr> <td> Other non operation profit</td> <td></td> <td>13,516,564</td> </tr> <tr> <td> Other non operation cost</td> <td></td> <td>24,850,228</td> </tr> <tr> <td>IV. Earnings before tax</td> <td></td> <td>80,949,031</td> </tr> <tr> <td>136,200,282</td> <td></td> <td></td> </tr> <tr> <td> Corporat Tax</td> <td></td> <td>14,482,294</td> </tr> <tr> <td>15,995,408</td> <td></td> <td></td> </tr> <tr> <td>V. Net Income</td> <td></td> <td>66,466,737</td> </tr> <tr> <td>120,204,874</td> <td></td> <td></td> </tr> </tbody> </table>	Account	2019Year	2018Year	I. Operating Income	1,736,061,786	1,766,337,770	1. Commodity and manufactured goods	1,538,692,030	1,527,973,576	2. Other sales	178,660,152	166,842,003	3. Dividend Revenue	18,709,605	71,522,191	II. Operating Cost	1,599,649,097	1,585,317,514	1. COGS of commodity and manufactured good	1,247,336,438		2. Other COGS		128,946,607	3. Sales, General and Administrative cost		223,366,052	1,245,275,194			107,474,484			232,567,837			III. EBIT		136,412,689	181,020,256			Financial revenue		30,128,601	Financial cost		74,258,596	Other non operation profit		13,516,564	Other non operation cost		24,850,228	IV. Earnings before tax		80,949,031	136,200,282			Corporat Tax		14,482,294	15,995,408			V. Net Income		66,466,737	120,204,874		
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12	<p>Has your business ever petitioned for bankruptcy protection? If so, explain in detail.</p>	<p>No.</p>																																																																								
13	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>-We would be b) Manufacturer DIVAC (Doosan Industrial Vehicle America Corp) is a wholly owned distribution arm for DIV (Doosan Industrial Vehicle). -DIV is a division of DOOSAN Corp, who owns BOBCAT, among many other Companies and is one of the oldest businesses in South Korea (+100 years). -DIVAC supports a dealer network of 90+ dealers and nearly 200 locations throughout North America. -We provide both Whole goods and spare parts support. We typically have inventories of around 1000 units at any given time in both Buford, GA\, Buena Park, CA and in transit. -Additionally, we support the market with all retail and wholesale finance programs, service & sales training, spare parts distribution and technical support to the dealers and end customers. -DIVAC has both Company owned and Independent dealerships throughout NA. -All dealers operate on legal dealer contracts for specific local market APR's and are monitored to provide specific performance levels in their markets.</p>																																																																								
14	<p>If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.</p>	<p>DOOSAN products are: 1) UL classified (not a requirement) 2) Conform to ANSI B56.1 /ITSDF design standards 3) Follow ITA (Industrial Truck Association) Engineering Standards 4) Follow ISO standards 5) Follow CE Standards 6) Manufacturing plants are both ISO 9001 and 14001 certified.</p>																																																																								
15	<p>Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.</p>	<p>None, no cases.</p>																																																																								

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
16	Describe any relevant industry awards or recognition that your company has received in the past five years	DIVAC has won the Gwinnett County, Chamber of Commerce (GA) International Company of the Year Award. DIV has won numerous Red Dot Design Awards for engineering designs. <ul style="list-style-type: none"> • 2017 Won the Company Innovation Award • 2017 Awarded Best Design Award, Doosan Finger-tip • 2018 Awarded Pin Up Design Award, BRS-9 Series • 2019 Awarded iF Design Award, GC25S-9, BR18S-9
17	What percentage of your sales are to the governmental sector in the past three years	approximately 7-8%
18	What percentage of your sales are to the education sector in the past three years	Approximately 2-3%
19	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Frankly, although we have had limited sales to any purchasing cooperative at the factory level. Some of our dealers are participating in these arena's, however we have not. We have some limited sales to the State of New York Thruway, it is not substantial. Some other of these verticals are listed below. City of Lynden Lynden School District CITY OF CHICOPEE, CMG COUNTY OF ERIE LAS CRUCES PUBLIC SCHOOLS MIDDLE COUNTRY CENTRAL SCHOOL DISTRICT NY STATE THRUWAY AUTHORITY Alabany County General Services Turlock Irrigation district County of Monterey City of Chhicopee, CMG County of Erie Jefferson-Lewis BOCES Office of General Services MIDDLE COUNTRY CENTRAL SCHOOL DISTRICT COUNTY OF ARAPAHOE WATER AUTHORITY OF WESTERN NASSAU COUNTY CATTARAUGUS-ALLEGANY BOCES SHOREHAM-WADING RIVER CSD
20	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	We have a longtime business partner(s) for GSA, DLA, DPA and OPEN MARKET verticals. We have doubled this business revenue since 2017. 2019 revenue was in excess of \$11MIL.

Table 4: References/Testimonials

Line Item 21. Supply reference information from three customers who are eligible to be Sourcwell participating entities.

Entity Name *	Contact Name *	Phone Number *
County of Arapahoe	Teresa Peepgrass	303-795-4620
Las Cruces Public Schools	Aldo Magana	575-527-6025
Florida Power &Light	Ross Andersen	561-964-6200
St. Johns River Water Management District	Dave Dickens	352-317-5006

Table 5: Top Five Government or Education Customers

Line Item 22. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
Turlock Irrigation District Employees Association	Government	California - CA	Sold 4 forklift to them in the past couple of year. Contact Daniel Gonser 209-883-8632	\$20,000	Less than \$100,000.00
Johnson County	Government	Kansas - KS	Sold 3 Forklift to them in the past couple years. Contact Dan Conteese 913-708-1750	\$21,000 per to \$24,000	Less than \$100,000.00
PUD#1 of Chelan Co.	Government	Washington - WA	Sold a 36,000 lb. Diesel lift	\$117,000	\$117,000 sold another D120 in 2016
City Of Savannah	Government	Georgia - GA	Sold them a Dual Fuel G45S-7 10,000 lb. forklift	\$44,024.00	Less than \$1,000,000
City of Naperville	Government	Illinois - IL	Sold them a Diesel D35S-7 8,000 lb. Forklift	\$32,405.00	Less than \$1,000,000

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
23	Sales force.	<p>1) Doosan's dealer support has grown 50% since 2016, 62 to 93 dealers plus branches.</p> <p>2) DIVAC sales force consists of 20 Corporate Sales/marketing resources,</p> <p>a. 90+ dealers, nearly 200 locations.</p> <p>b. Dealers are out multiplier of forces to accomplish our sales objectives. We can reach more.</p> <p>c. Digital sales force is a must in this environment. It will be fully utilized.</p> <p>d. 600+ sales professionals promoting the Doosan forklift offering to the US and Canadian markets.</p> <p>e. Our vision is adding another 12 dealers by end of 2021, continuing to expand and grow the footprint.</p> <p>3) We will serve all Sourcewell members and market segments throughout North America to include Alaska, Hawaii and all US Territories. Additional freight when using a freight forwarder will be added to account for the additional shipping charges either door to door and/or door to port depending on the customer's needs.</p> <p>4) We also have (4) National Account Managers to facilitate large national accounts, we have 8 regional field managers supporting the dealer organization activities.</p>
24	Dealer network or other distribution methods.	<p>1) Dealers - Doosan has 90+ dealers with nearly 200 different site locations throughout NA</p> <p>2) This will continue to grow and expand; 2016 = 62 dealers, 2020 = 93 dealers, 2021 will be 105 dealers.</p> <p>3) Doosan (DIVAC) owned retail operations in ATL and LOS ANGELES markets</p> <p>4) National Sales channel</p> <p>5) Prologis / Real estate</p> <p>6) Government Sales channel</p> <p>7) 3rd party Sales Partners</p> <p>a. Gov - Bravo, AMH, Technology Intl. GSA, DLA, DPA, Open Market</p> <p>b. United Rentals, Sunstate Rentals, ARA</p>

25	Service force.	<ol style="list-style-type: none"> 1) Doosan has over 900 factories trained, (75% or more) service tech's thru-out US and Canada. 2) Techs are supported by a Service staff of 4 field support people and an internal staff of 8 resources supporting the dealer and customer field support activities. 3) They are equipped with service tools and laptops with connective dongles for diagnostics and troubleshooting. 4) Field issue resolution is handling by an on-line system with office monitors, email notifications, Escalation emails with time fences to insure timely resolutions. 	*
26	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<ol style="list-style-type: none"> 1) The customer support group is managed by an on-line field system SCC (Service Call Center), tracking issues, this system is visible via a wall mounted screen in the corporate service office area. 2) This system has email notification hierarchy to keep a focus on the resolution of the issues. The issues are color coded Green, Yellow and Red based on the time since opening the ticket. This keeps focus on the issues with timely resolutions. 3) Typical dealer response time goals are within 4 hours average. 4) Dealers have incentive for the opportunity to qualify for annual awards by meeting designated performance level criteria. This is really a big deal for dealers to receive these awards. 	*
27	Identify your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	<ol style="list-style-type: none"> 1) Although DIVAC (Doosan Industrial Vehicle Corp. America) has had the Sourcewell contract for the past 4 years. Honestly, we did not fully understand it and therefore did not properly focus on it. 2) We have had several meetings with our Bobcat group counter parts recently, on the how the Sourcewell business operates. We now understand it and grow it with a strong focus. 3) DIVAC has hired a new resource (Conner Cameron) to manage the Sourcewell account opportunity. He will be dedicated and accountable for driving the growth activities related to contract growth through a focus on marketing, training, communication, and supporting our dealers to grow the opportunity through the Sourcewell system. 4) Additionally, DIVAC will prepare dedicated marketing materials, enhance websites, establish a dedicated resource portal for dealers and distribution of information to existing and potential Sourcewell customers. 5) DIVAC is currently involved with the NAVY, AF and other Government military contracts through a dedicated selling agent/partner. 6) WE are very excited to have an opportunity to show Sourcewell our capability to manage and grow this contract volume. DIVAC sales had CAGR of +30% over the past years 2017~2019. 7) We are very confident we can grow this business sharply over the next 3 years through execution of Market plan, Systems integrations, Strong routine communication and KPI driven resources. 	*
28	Identify your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Canada is no different than the US. all the same from Q27 applies. We have dealers throughout Canada and support personnel to support their sales and service activities. The major difference is in landed freight costs which we try to mitigate through direct container shipments through nearest port where possible.	*
29	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	We have not identified any area's that cannot be supported. We have supporting dealers as far up into the Yukon, Nova Scotia and Newfoundland areas of NA. Currently North Dakota does not have representation. Additionally, we can partner with sister companies if required for sales & service support.	*
30	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	<ol style="list-style-type: none"> 1) DIVAC can support all area sectors of the contract. Our presence is national with 2 distribution points east and west. 2) There are no limitations with other government partners in either direct or indirect relational contracts. 3) We have other supporting family business groups as well, that can provide support as needed. 	*
31	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	<p>Both Hawaii and Alaska regions are supported by our dealer organization and coverage. Mainly freight cost impact would be main difference to these area's door to door or port to port. Our dealers are afforded the same dealer programs and support from DIVAC.</p> <p>We will serve all Sourcewell members and market segments throughout North America to include Alaska, Hawaii and all US Territories. Additional freight when using a freight forwarder will be added to account for the additional shipping charges either door to door and/or door to port depending on the customer's needs.</p>	*

Table 7: Marketing Plan

Line Item	Question	Response *
32	Describe your marketing strategy for promoting this contract opportunity.	There are many elements of activity that will be leveraged to grow the Sourcewell community opportunity.

Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.

1. Target Industry segmentation focus – leverage current databases and 3rd party databases.
2. Company resource training and awareness
 - a. Dedicated resource (newly hired; Conner Cameron)
 - b. DIVAC Corp. - marketing group, customer service, accounting, sales support
 - c. DIVAC Field staff – Regional business managers, Service managers, Parts mgrs.
 - d. Dealer Group webinars and training - 2 times monthly through 2021
 - e. DIVAC corp. and field resource site visits
 - f. KPIs for DIVAC RBM's and Sourcewell.gov rep
3. Dealer Training – 2types: a) Monthly Webinars – open and general knowledge; b) Focused and strategic with specific dealers in targeted markets and industry segments.
4. Leverage our Sales Force CRM to manage the targeted segment approach (dealer related) adding Sourcewell business.
5. Create effective and dedicated collateral market pieces targeting Sourcewell members, and other industry segment opportunity leveraging the Sourcewell Logos and contract.
6. Post Sourcewell logos on Doosan's retail operations - Doosan Material Handling Systems (DMHS) websites.
7. Created a Sourcewell Government (DOOSANLIFT/GOVERNMENT) landing page on websites for DIVAC (corp.) and DMHS (Retail). Additionally, we will strongly encourage all dealers to create a landing page for Sourcewell as well leveraging the brands. (see attached)
8. Pre-determined calendar schedule, maintaining a dedicated and defined monthly training and activity routine.
9. Leverage paid Google ads spend, electronic newsletters, email campaigns, boosted social media posts on Facebook, Twitter, LinkedIn, Instagram which is typical of what we use today to promote brand awareness and generate leads.
10. DIVAC will extend the use of the awarded Sourcewell contract to all members and non-members (to drive additional membership) to all sectors of the SLED (State, Local, and Education) market throughout North America.
11. Generate quarterly market promotion materials specific to Sourcewell member opportunity. These are revised quarterly for our dealer network and market retail programs.
12. Promote the Doosan Value proposition for TOC (total ownership cost) and Safety. This could include special product value propositions such as extended warranty options, Safety options, Finance options, promotion rebates, and product specific promotions we present to market from time to time.
13. Marketing materials will be created within the scope and guidelines provided by Sourcewell.
14. Refer below to Doosan You tube video URL's: Copy and paste URL into your browser

Doosan Industrial America Corp

<https://www.youtube.com/watch?v=rvGNe3YIW90>

Doosan Credo Award 2019 Doosan America Corp.

<https://www.doosanlift.com/blog/category/news/>

MLB Commercial

<https://www.youtube.com/watch?v=oFjWv5CApuc>

Black Dog Salvage Partner

https://www.youtube.com/watch?v=q7UZ6-2O_Zw

Doosan Industrial Corp.

<https://www.youtube.com/watch?v=M349SomAI9U>

Doosan Intelligent Forklift - Concept

<https://www.youtube.com/watch?v=sMrb0oozJWg>

(DIVAC website)

<https://www.doosanlift.com/?>

[gclid=EAlalQobChMIq9Wzo5Hp6wIVerbICh0x8QwhEAMYASAAEgl6CfD_BwE](https://www.doosanlift.com/?gclid=EAlalQobChMIq9Wzo5Hp6wIVerbICh0x8QwhEAMYASAAEgl6CfD_BwE)

DIVAC Dealer Partnership

<https://www.youtube.com/watch?v=b6c1DdrF0d4>

Doosan 9 series electrics

https://www.youtube.com/watch?v=zgoSWTR_sDQ

Narrow Aisle Reach Truck

<https://www.youtube.com/watch?v=OGB4fdTYMM8>

New Order Picker

<https://www.youtube.com/watch?v=tjt4iKtwMLA>

B20T Three-wheel Electric

<https://www.youtube.com/watch?v=XO9eWXbpabA>

		<p>Doosan Industrial America Corp Video https://www.youtube.com/watch?v=M349SomAI9U</p> <p>Doosan Large Forklifts https://www.youtube.com/watch?v=1raSqU8q98Q</p> <p>Doosan Industrial Vehicle America 2 https://www.youtube.com/watch?v=oN3fCSZVF-o</p> <p>Zoom https://www.zoominfo.com/c/doosan-industrial-vehicle-america-corporation/38324456</p>
33	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<ol style="list-style-type: none"> 1. DIVAC will continue to leverage all aspects of paid Google ads, electronic newsletters and email campaigns, and boosted social media posts (see examples) on platforms such as Facebook, Twitter, LinkedIn, Instagram which we use today to promote brand awareness and generate leads. 2. Our Social Media resources will be focused on leveraging all platforms. 3. Additionally, DIVAC will add a "SOURCEWELL RESOURCE" BUTTON to our DEALER INTRANET site providing a 24/7 resource platform for information related to this contract. <ol style="list-style-type: none"> a. Sourcewell University b. Sourcewell get to know you. c. Other available informational & training documents as developed. 4. Again, recently establish a Sourcewell Government (DOOSANLIFT/GOVERNMENT) landing page on websites for DIVAC (Doosan Industrial Vehicles America Corp.) and DMHS (Doosan Material Handling - Retail). 5. DIVAC RBM's (regional business managers) and RSM's (regional service managers) will be fully trained and provided all resource documentation with training and handouts with review at dealer sites. 6. Resources and documentation as well as Training content will be prepared for our LMS (learning management system 2021) 7. Additionally, RBMs will be tasked with bringing awareness and focus within the DIVAC dealer group. 8. DIVAC will leverage our customer database as well as 3rd party partners to define industry segmented opportunities to grow Sourcewell volumes. 9. DIVAC will leverage its dealer base websites and social media activities to promote and grow within the Sourcewell community of opportunity. 10. Lastly, DIVAC will host monthly online TRAINING WEBINARS for our dealer sales teams promoting the Sourcewell Opportunity. 11. TELEMATICS- Available option on products <ol style="list-style-type: none"> a. This option brings multiple positive attributes. <ol style="list-style-type: none"> i. Truck impact sensing ii. Operating hours iii. GPS positioning iv. Dedicated operator cards v. OSHA mandated operator daily check list. Electronically stored for OSHA records. <ol style="list-style-type: none"> 1. Eliminates daily checks paper collection daily. 2. Truck will not operate until completed by operator one time in the day.
34	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	<ol style="list-style-type: none"> 1. Our expectations would be for Sourcewell to provide on-going training and support as needed and required for accessing the business opportunity. 2. We would expect Sourcewell to continue to provide the pathway to the members, best practices, and a well-defined easy, procurement process for its members. 3. To provide the direction and platforms that reduce or eliminate impediments to foster growth of relationships between Sourcewell Suppliers and its members. 4. We are very confident with the current understanding Sourcewell business platform, Dedicated resource & management support we can turn the opportunity into substantial future growth by strong communication with our dealer body bringing awareness and benefit to the platform. 5. We have structured a simple quote system and pricing scheme that will make the process easy for the dealer sales teams. Our order processing system will have an identifier code for all Sourcewell orders that will make it easy for customer source identification and quarterly payment routines to Sourcewell. 6. This activity will be a daily focus of our SW resource focusing on execution of the Market plan stated above. 7. On-going Training sales support, business development, 8. Leverage Sourcewell website and resource tools.

35	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	<p>1. DIVAC has an on-line ordering procurement system for its dealers use. Additionally, our dealer quoting/proposal system can build an order specification, create dedicated customer specific proposals documents that can be direct emailed.</p> <p>2. Additionally, once a proposal is approved, the dealer can turn that into an on-line e-order directly from the SRA quoting system.</p> <p>3. We have another government based selling agency that can leverage this platform directly for spec building, quoting and ordering as they grow in the program. They recently implemented the SRA quoting system. They however have not utilized the on-line ordering yet due to the complexity of the specification & option detail from the military branches (NAVY, AIR FORCE etc.)</p> <p>4. As DIVAC builds the business opportunity with SW based members, we would strongly consider incorporating a newly developed order access portal for direct site entry from a Sourcewell member. This system integration can be expanded to other platforms for direct order processing.</p>
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Table 8: Value-Added Attributes

Line Item	Question	Response *
36	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>Doosan Products have some strong value-added features /components that others do not offer.</p> <p>Such as:</p> <p>1) 5 year /10,000 hr Brake Warranty at no added cost. no brake costs over the term! Typical life is 15,000 hours.</p> <p>2) DOOSAN Assurance Warranty with up to 3-year coverage at no additional cost. Power Plus Extended warranty coverage on the Powertrain is available for a cost.</p> <p>3) DOOSAN Total Care- maintenance programs that can fix the total operational costs of repair maintenance. The costs are based on product type, term and hours of use.</p> <p>4) Telematics system - for OSHA mandated Daily Operator Checklist compliance. Simplify and document the process. Additionally, monitor truck operation and impact monitoring.</p> <p>TECHNICAL SERVICE TRAINING - No Cost</p> <p>a) Doosan offers Technical Service training at its Buford GA site. – No charge</p> <p>b) Monthly scheduled sessions</p> <p>c) LMS (learning management system) system with varying training curriculum's</p> <p>d) These are open to customers with internal Maintenance resources</p> <p>e) OPTIONAL – Site Training with costs associated. Daily charge rate.</p> <p>OPERATOR TRAINING - Optional / cost\$</p> <p>a) This service is provided by our dealer network of trainers.</p> <p>b) This can be included/negotiated as a condition of the sale.</p> <p>c) Dealers set charge rates, typically \$150-250 per person.</p> <p>SALES TRAINING - Boot camps - No cost</p> <p>a) DIVAC offers Boot sales boot camps at it is Buford, GA HQ location. – No charge</p> <p>b) Webinars are held monthly for dealer training on products, Market programs,</p> <p>SOURCEWELL RELATED TRAINING</p> <p>a) DIVAC will establish dealer training curriculum leveraging the Sourcewell University and an</p> <p>TRAIN the TRAINER PROGRAM to be Developed in 2021</p> <p>a) We will establish the curriculum and the platform for roll out of this program to multiply the impact of the training at the dealer sales level.</p>

37	Describe any technological advances that your proposed products or services offer.	<ol style="list-style-type: none"> 1) OSS - Operator Safety Systems - Standard feature - Operator safety system. Mast Interlock System- when the operator gets off the seat or turns off the machine the hydraulic tilt lift and lowering system will deactivated automatically for safety. 2) GSS - Guardian Stability System - Standard feature - Electrics; Active safety stability system. Next gen IC products are being developed with GSS currently. 3) ECO – Eco mode setting for engine controls -reducing fuel consumption, carbon footprint by up to 15% 4) AFM - Air Filter Monitoring system - standard feature - most all IC (Internal Combustion engine power) products. Reduces filter servicing. 5) TELEMATICS- Available on products - option <ol style="list-style-type: none"> 1. This option brings multiple positive attributes. <ol style="list-style-type: none"> a) Truck impact sensing b) Operating hours c) GPS positioning d) Dedicated operator cards e) Maintenance notifications f) OSHA mandated operator daily check list. Electronically gathered & stored for OSHA records. <ol style="list-style-type: none"> i. Eliminates daily checks paper collection daily. ii. Truck will not operate until completed by operator one time in the day. 6) Coming in future – AI – algorithm engine controls – reducing fuel consumption and carbon footprint emissions.
38	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<ol style="list-style-type: none"> 1) We are in Tier 4 EPA compliance with our product offerings. 2) We have grown our (green) Electric products line-up by 75% in the past 3 years. Including new CL1 Stand up, walkie riders, High lift Order pickers, Reach Trucks, other utility line equipment powered by Li battery. 3) Additionally, we have expanded power battery options such as Li, Fuel Cell and conventional lead acid batteries 4) Increased service intervals on all new IC products, reducing waste oils and needless services that impact environments. 5) Our offices are green with no foam or paper cups, all employees issued personal items. 6) Our building was built under LEED compliance with LED lights, auto shut off warehouse and office lights without movement etc.
39	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<ol style="list-style-type: none"> 1) Doosan offers many electric products at/or near ZERO emission levels. Offering Li, fuel Cell and conventional battery power. 2) UL – E, ES, EE, LP, LPS, D, DS; 3) CE; 4) ISO; 5) ANSI.B56.1 / ITSDF 6) Some IC type products have ECO switch to conserve fuel consumption and reduce Carbon footprint by up to 15%.
40	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	<ol style="list-style-type: none"> 1) We have minority and women owned independent dealer businesses in our dealer network. 2) DIVAC does not hold any such certs.

41	<p>What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?</p>	<p>We have factory and dealer stock in excess of 1,000 units for quick and on time delivery. We offer extended warranties that are unmatched in the marketplace at competitive pricing. Our Oil Cooled Disk Brakes are a standard feature on all counterbalance forklifts that offer a 5-year 10,000 warranty.</p> <p>Doosan Products have strong value-added features /components that bring tangible TOC reductions, others do not offer. Such as:</p> <ol style="list-style-type: none"> 1) 5 year /10,000 hr Brake Warranty at no added cost. no brake costs over the term! Typical life is 15,000 hours. NO BRAKE REPAIR COST of the ownership term! This is TOC tangible savings 2) DOOSAN Assurance Warranty with up to 3-year coverage at no additional cost to Sourcewell members. 3) Power Plus Extended warranty coverage on the Powertrain is available for a cost. 4) DOOSAN Total Care- maintenance programs that can fix the total operational costs of repair maintenance. The costs are based on product type, term and hours of use. 5) Carriage to Counterweight warranty 5 year / 10,000 hours 6) Extended Service Intervals – Extends term between PM services. 7) Taper roller bearing Steer axles. 6) Telematics system - for OSHA mandated Daily Operator Checklist compliance. Simplify and document the process electronically. Additionally, monitor truck location and impact monitoring included. 8) Ergonomic pedals – 9) LED lighting standard 10) HD Cast iron Steer axle with massive Taper roller bearings 11) Safety grab Handle with horn button for reverse driving 12) Uptime – easy access to maintenance & in some later models extended service Intervals which reduce maintenance requirements. 13 Large visible Instrument panel 14) Advanced 2 segment cooling system for high heat balance cooling 15) Zeus Cabin, with ergonomic operator area. 16) Ergonomic Fingertip controls - option 17) Blue operator Safety lights available. option 18) Auto-shift Transmission, reversal capable
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Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
42	Do your warranties cover all products, parts, and labor?	Machines are covered for parts, labor and travel costs. Spare Parts are covered for part cost, (no labor)
43	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	We have conditions related to abuse, misuse and environmental conditions. Lack of Maintenance related issues. We are very liberal comparing to many other OEMs. DIVAC wants to do the right thing most every time.
44	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	We cover a flat 1.5 hours of travel per warranty occurrence as a standard. In special circumstances we will consider beyond the normal scope.
45	Are there any geographic regions of the United States (and Canada, if applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	We have 90 dealers covering most every servicing locations. Additionally, in case we may not, we will leverage our Bobcat sister company dealers if needed.
46	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Typically they are passed on to, for example: an attachment manufacturers product. We have supported scenarios in the past though if we feel it is needed.
47	What are your proposed exchange and return programs and policies?	We are will consider it case by case. Our return rate is less than 0.00083%. It is rare.
48	Describe any service contract options for the items included in your proposal.	Maintenance Plans & Service DIVAC offers extensive Maintenance Plans performed by our Dealer Network of 90+ dealerships across the U.S. and Canada, with service 200 locations, which shall be employed to provide consistent and high quality of service and Maintenance across all your end users and customers, at competitive rates and materials cost. DOOSAN CARE 1) DOOSAN T&M CARE - Time & material only - excludes all warranty coverage 2) DOOSAN SELECT CARE - PM (Planned Maintenance) only a. Recommended scheduled maintenance b. Fixed Cost structure + parts 3) DOOSAN DEDICATED CARE- FM (Full Maintenance) Complete Maintenance a. Perform all Scheduled Maintenance b. Perform Breakdown & Overhaul Repairs c. Typical Exceptions – Tires, forks, torn seats, transport charges, rental charges (unless otherwise agreed), abuse incurred, Safety lights and equipment, Bulbs, Fuses, Abuse, lack of daily maintenance and other non-covered items per FM agreement document.

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
49	What are your payment terms (e.g., net 10, net 30)?	Net 45 Days.
50	Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?	We offer both (FPO) full payout leases and (FMV) fair market value leases form 36 months to 84 months. We can use DFS (Doosan Financial Service - PNC), NCL Government Capital or other financial partners.
51	Briefly describe your proposed order process. Include enough detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell participating entities' purchase orders.	Both dealer sales and corporate sales will be registered in corporate office as Sourcewell Contract with a SAP system code. Dealer stock and new orders will follow the same process. All are labeled at order entry and are coded and logged each time. All units are warranty registered in our machine history system. We have established a customer code and a monthly reporting process. This is checked against the Order log kept by Customer service/order entry for comparison and accuracy. We double check the system against manual log monthly as a confirmation. Then the Quarterly report is reviewed in the same manner within 3 working days post Quarter end. The Sourcewell quarterly administrative fee report is submitted to Accounting for Payment. And payment is processed.
52	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	The cost for using the P-card will be added to the invoice. The Sourcewell pricing is extremely aggressive and costs with this payment method will be added if used.

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
53	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Standard pricing is based on a most common specification for each forklift model. These prices have the Standard discount plus an additional Sourcewell discount. Options are based on a discount of -53% or a -30% discount dependent of the specific model.
54	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Most Models are at a 53% discount and then an additional Sourcewell discount. Pallet jacks and Stackers have a 30% discount plus additional discount. All options are based on a -53% or a -30% discount.
55	Describe any quantity or volume discounts or rebate programs that you offer.	1% discount will be subtracted off costs of the Standard pricing of quantities of (5) units or more ordered on the PO & same date.
56	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Batteries and Chargers are quoted at net landed cost without discount. Fixed Freight rates on the quotes are for capacities for 3,000 lbs. to 12,000 lbs. and are on units delivered to the continental USA. Alaska, Hawaii and Canada requires the customer to contact DIVAC for rates to these locations. Forklift capacities above 12,000 lbs. require a call to DIVAC and are based on specifications and final destination.
57	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Electric Forklift that have a separate charger will require an electrician to hard wire the charger for power. this cost is the responsibility of the purchaser.
58	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Freight costs are on the first page of our pricing model up to 12,000 lbs. Capacities above 12,000 lbs. will have costs on a case by case dependent of ship to location and specifications. All forklifts with final destinations to Alaska, Canada and Hawaii need to have a rate determined at time of order.
59	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	All freight rates shipping to Alaska, Hawaii, Canada or any offshore locations are based on a case by case costs. this is determined by capacity specs and location. Please contact Doosan at time of quote for a accurate freight rate. Most times these would become factory orders with direct shipment to save freight costs. Or they would be brought into our west cost facility for turn around shipment to Hawaii for example.Or drop them into SEA-TAC for Alaska shipments. Again to save cost freight costs.
60	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Doosan has (2) distribution centers in the US. The locations are in Los Angles CA. and Buford GA. With some capacities above 12,000 lbs. we may have freight rates the are thru the closest port of entry to reduce the freight exposure to the end user. We also offer port to final destination delivered.

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
61	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Due to potential volumes pricing is more aggressive with extended terms.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
62	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.	DIVAC IT will implement an SAP Monthly batch process that utilizes a specific sales code (SOURCEWELL) that will easily identify all SOURCEWELL related orders that were processed in the the month. Additionally, DIVAC IT group will create a report that tracks all orders via month end/quarter end report. Additionally, our new dedicated SW resource (Conner Cameron) will be keep a daily log as a double check since each order will pass through him. From the automated quarterly end report, The first working day of each new quarter term, the report will be auto emailed to the NA resource to double check vs the log. once verification is completed. Then a payment request will be submitted to the DIVAC accounting department within 5 working days from quarter end term. DIVAC accounting department will issue payment via wire transfer.
63	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	DIVAC will pay a 2.0% admin fee on net invoice before Freight and/or any related handling fees.

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
64	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Doosan offers a full line of IC and Electric product offerings to our customers. From CL1 electrics through CL5 IC pneumatic products with capacities ranging from 3,000 lb through 55,000 lb at 48" load centers. Other products and services available are: 1. Telematics Systems 2. Battery / charger tracking systems 3. Fleet management services 4. Fuel Cell powered electrics 5. Lithium ion powered electrics 6. Site Surveys 7. New future products AGV, AGF products 8. Future features- AI based interactive inputs and algorithms. Other Available Options - Service PM, FM, Telematics, battery monitoring systems, Doosan PROCare FLEX Plans – Standardized, regionally structured programs to provide dedicated & specific Doosan support services. You determine your need and comfort zone, From T&M to Worry free fixed cost maintenance 1) Doosan Planned Care – Planned Maintenance 2) Doosan Dedicated Care – Full Maintenance coverage 3) Doosan FLEET Care – Fleet Management – available 2021 4) Doosan CONNECT- Site Telematics Solutions 5) Battery CONNECT- Smart Battery Solutions for Electric Lift Trucks
65	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	CL1 - Both cushion tire and pneumatic tire models. Including 3 wheel, 4 wheel sit-down riders. Additionally, we offer Stand-up type counter balanced units for warehouse type applications as well. DIVAC covers 95% of the market need. CL2 - We offer both panagraph reach trucks and high level order pickers in lift heights exceeding 300". CL3 - Doosan offers Walkie, walkie riders up to 8,000lb, including double pallet handlers. Additionally we offer stackers, reach stackers, center control units, etc. CL4 - We offer a full line of cushion warehouse type products from 3,000 lb to 12,000 lb, including compact Box Car types. CL5- Doosan offers a comprehensive line of CL5 products to fit most every need. 3,000 lb up through 55,000 lb 48" load center trucks.

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below what Classes of equipment are offered in this proposal.

Line Item	Category or Type	Offered *	Comments	
66	Class I: Electric Motor Rider Trucks	<input checked="" type="radio"/> Yes <input type="radio"/> No	Both stand up and sit down 3 and 4 wheel configuration. Electric Pneumatics	*
67	Class II: Electric Motor Narrow Aisle Trucks	<input checked="" type="radio"/> Yes <input type="radio"/> No	Reach Trucks and Order Pickers	*
68	Class III: Electric Motor Hand Trucks or Hand Rider Trucks	<input checked="" type="radio"/> Yes <input type="radio"/> No	Walkie Rider Pallet Jacks, Walkie Pallet Jacks, and stackers	*
69	Class IV: Internal Combustion Engine Trucks (Solid/Cushion Tires)	<input checked="" type="radio"/> Yes <input type="radio"/> No	LPG- 3,000 lbs. to 12,000 lbs.	*
70	Class V: Internal Combustion Engine Trucks (Pneumatic Tires)	<input checked="" type="radio"/> Yes <input type="radio"/> No	Pneumatic LPG, Dual Fuel and Diesel Forklifts are available	*
71	Class VI: Electric and Internal; Combustion Engine Tractors	<input type="radio"/> Yes <input checked="" type="radio"/> No	not available	*
72	Class VII: Rough Terrain Forklift Trucks	<input type="radio"/> Yes <input checked="" type="radio"/> No	not available	*

Table 15: Industry Specific Questions

Line Item	Question	Response *
73	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Admittedly, DIVAC did not managing this opportunity properly in past. We currently understand the business need and added a new dedicated resource to it. Conner Cameron will be fully focused on communication and growth of the opportunity. We have had several meeting with our BOBCAT group about the success and growth metrics of the program. We will set growth goals for: 1. Dealer engagement (resource KPI) # new dealers 2. Region unit sales (RBM KPI) unit sales growth 300% year 1, 50% year 2 and 30% year 3. 3. Sales \$ revenue growth (resource KPI) 4. Marketing routine adoption (marketing mgr KPI)
74	Describe the average operating cost per hour of an electric truck operating inside a warehouse.	Average operating costs on an electric forklift due to application capacity and hours run per year. As the forklift gets older the cost will go up . We have experienced costs as low as \$0.48 cents per hour run on forklifts 1-2 years old. We have also performed full maintenance on fleets at \$1.00 per run hour based on 1,500 hours annually, with a 5 year contract. Battery care is very critical to keep the total cost of ownership low on electrics.
75	Describe the average operating cost per hour of a combustion engine truck operating in an outdoor yard setting.	-A typical 5,000 lb outdoor truck will run about \$1.18 - \$1.38 per hour in normal operations. There are many factors that impact this cost. -DOOSAN offers Wet Disc Brakes as a standard, even on small chassis units, uncommon in the industry. -This allows DOOSAN the confidence to provide a FULL 5 year/ 10,000 hour warranty with full parts and labor coverage! -This reduces TOC (total ownership costs) by nearly \$1850 (\$0.21 per hour) over a 5 year ownership term for typical brake shoe replacement & repairs. -DOOSAN HD Taper roller bearing steer-axles are some of the best in the industry. Most utilize thin needle bearings that just do not hold up as well. The savings for damaged steer axle frames due to failure can be as much as \$2100 to repair the axle frame if the bearings fail. -Additionally, DOOSAN focuses on term maintenance. Such as extending oil change interval there by reducing expenses for Preventive Maintenance.
76	Describe any manufacturing processes or materials utilized that contribute to overall durability, driver safety, etc. that differentiate your offerings.	1. Manufacturing - Doosan incorporates a SMART Manufacturing system. It is a real-time production line process related, check points and current line status based on scanner input along the process. 2. Our product safety is enhanced by following stringent Doosan design standards. An example would be Tilt over angle for stability. The Standard ANSI standard is 3.5%. The Doosan min. standard is 6.1%. 3. Doosan Products are equipped with: a) OSS - Operator Safety System - This locks out use of travel or hydraulics if the operator is not in the operator seat. b) GSS - Guardian Stability System - This is an ACTIVE stability system that reduces truck speed during turns and/or higher level mast positions that may impact stability. This is controlled by sensors that monitor truck speed, turning angles and mast heights and a computer works with the motor controller to take corrective action. 4 Additional features - on the heart of line 5,000 lb products we use a full 8.15" x 15.0" tire that provides a more stable platform and reduced tire wear.
77	Describe any differentiating serviceability attributes (remote diagnostics, parts fill rate, etc.) your proposal offers.	DOOSAN focuses on the service ability of products to reduce the repair times, reduce labor costs and maximize term maintenance periods. -We focus on oil change intervals at 500 hours instead of the normal 250 hours. This reduces routine maintenance costs and down time for servicing. -Doosan uses air filter restriction monitors as std on it's IC products. This eliminate premature filter cleaning or replacement cost. Additionally all our trucks are fitted with dual element air filter housings provided an added layer of protection. -Engine monitoring system for engine shut down in the event of over temp. -All Doosan products utilize easy connect dongles with laptop for diagnostics. -DOOSAN Spare Parts fill rates are some of the highest in the industry at nearly 98% first pass line item fill.

Table 16: Exceptions to Terms, Conditions, or Specifications Form

Line Item 78. NOTICE: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Financial Strength and Stability](#) - DOOSAN ANNUAL REPORT 2018.zip - Tuesday September 15, 2020 10:49:05
- [Marketing Plan/Samples](#) - TABLE 7 MARKETING.zip - Tuesday September 15, 2020 11:01:54
- WMBE/MBE/SBE or Related Certificates (optional)
- [Warranty Information](#) - Warranty Information.zip - Thursday September 10, 2020 15:09:38
- [Pricing](#) - Pricing.xlsx - Friday September 11, 2020 15:38:53
- [Additional Document](#) - Brochures and Spec Sheets.zip - Thursday September 10, 2020 14:59:09

Proposer's Affidavit

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 - a. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 - b. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://www.sam.gov/portal/3>; or
 - c. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Dan Besson, National Account Sales, Doosan Industrial Vehicle America Corp.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_4_RFP_091520_Fork_Lifts_and_Lift_Trucks_with_Related_Services Tue September 8 2020 04:06 PM	<input checked="" type="checkbox"/>	-
Addendum_3_RFP_091520_Fork_Lifts_and_Lift_Trucks_with_Related_Services Tue August 25 2020 01:29 PM	<input checked="" type="checkbox"/>	1
Addendum_2_RFP_091520_Fork_Lifts_and_Lift_Trucks_with_Related_Services Mon August 10 2020 03:11 PM	<input checked="" type="checkbox"/>	-
Addendum_1_RFP_091520_Fork_Lifts_and_Lift_Trucks_with_Related_Services Thu August 6 2020 08:15 AM	<input checked="" type="checkbox"/>	-

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, WAIVING THE FORMAL BID PROCESS PURSUANT TO NATIONAL CITY MUNICIPAL CODE SECTION 2.60.260 REGARDING COOPERATIVE PURCHASING AND AUTHORIZING THE CITY TO PIGGYBACK ONTO SOURCEWELL (FORMERLY “NATIONAL JOINT POWERS ALLIANCE”) CONTRACT #091520-DIV WITH DOOSAN INDUSTRIAL VEHICLE AMERICA CORP. FOR THE PURCHASE AND BUILD-OUT OF ONE (1) DOOSAN G35S-7 FORKLIFT FOR THE PUBLIC WORKS STREETS AND WASTEWATER DIVISION IN A NOT-TO-EXCEED AMOUNT OF \$44,603.07

WHEREAS, a City of National City (“City”) Public Works Streets and Wastewater Division 1990 Clack Forklift has been in service for over thirty (30) years and has exceeded its useful and optimum life cycle of twenty (20) years and is scheduled to be replaced; and

WHEREAS, the City Engineering and Public Works Department desires to purchase one (1) Doosan G35S-7 Forklift; and

WHEREAS, Section 2.60.260 of the City’s Municipal Code provides that the City may buy directly from a vendor at a price established through competitive bidding by another public agency whose procedures have been determined to be in substantial compliance with the City’s procurement procedures; and

WHEREAS, Section 2.60.260 of the City’s Municipal Code regarding cooperative purchasing, there is an opportunity to piggyback onto the Sourcewell Contract #091520-DIV with Sourcewell to allow for the purchase of one (1) Doosan G35S-7 Forklift; and

WHEREAS, the City’s Finance Department confirmed that the Sourcewell Contract #091520-DIV with Doosan Industrial Vehicle America Corp. (“Doosan”) was competitively bid and that the State of California Department of General Services procurement procedures are in substantial compliance with those of the City; and

WHEREAS, City staff recommends adopting a resolution waiving the formal bid process pursuant to City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorizes the purchasing of one (1) Doosan G35S-7 Forklift for the Public Works Streets and Wastewater Division in a not-to-exceed amount of \$44,603.07, consistent with Section 2.60.260 of the City Municipal Code regarding cooperative purchasing, by piggybacking onto the Sourcewell Contract #091520-DIV.

///

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

Section 1: Affirms the City’s Finance Department’s determination that the Sourcewell Contract #091520-DIV with Doosan Industrial Vehicle America Corp. (“Doosan”) was competitively bid and that the State of California Department of General Services procurement procedures is in substantial compliance with those of National City.

Section 2: Waives the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorize purchasing one (1) Doosan G35S-7 Forklift for the Public Works Streets and Wastewater Division in a not-to-exceed amount of \$44,603.07.

Section 3: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City waiving the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorizing the City to piggyback onto Sourcewell \(formerly “National Joint Powers Alliance”\) Contract #120716-NAF with National Auto Fleet Group for the purchase and build-out of one \(1\) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis for the Fire Department in a not-to-exceed amount of \\$201,129.30. \(Engineering/Public Works\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Resolution of the City Council of the City of National City, waiving the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorizing the City to piggyback onto Sourcewell (formerly "National Joint Powers Alliance") Contract #120716-NAF with National Auto Fleet Group for the purchase and build-out of one (1) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis for the Fire Department in a not-to-exceed amount of \$201,129.30.

PREPARED BY: Tirza Gonzales, Management Analyst II

DEPARTMENT: Engineering/Public Works

PHONE: 619-336-4318

APPROVED BY: 

EXPLANATION:

See Staff Report.

FINANCIAL STATEMENT:

APPROVED: 

FINANCE

ACCOUNT NO.

APPROVED: _____

MIS

644-412-125-519-0000 (Vehicle Replacement Reserve – Fire) \$201,129.30

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE:

INTRODUCTION

FINAL ADOPTION

STAFF RECOMMENDATION:

Adopt Resolution award the purchase and build-out of one (1) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis for the Fire Department.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Explanation
2. Quote
3. Sourcewell Contract # 120716-NAF
4. Resolution

Explanation:

A National City Fire Department Battalion Chief 2006 Chevy Suburban Specialty Sports Utility Vehicle has been in service for 15 years has exceeded its useful and optimum life cycle of 10 years and is scheduled to be replaced. Staff requests approval for the purchase of one (1) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis. Consistent with Section 2.60.260 of the National City Municipal Code (NCMC) regarding cooperative purchasing, there is an opportunity to piggyback onto the Sourcewell Contract #120716-NAF with Sourcewell to allow for the purchase of one (1) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis.

NCMC Section 2.60.260 provides authority to the purchasing agent to join with other public jurisdictions to take advantage of cooperative purchasing opportunities, including but not limited to any federal, state or local agency pricing program or structure that is determined by the purchasing agent to allow a procurement that is in the best interests of the City. The purchasing agent may buy directly from a vendor at a price established through competitive bidding by another public agency whose procedures have been determined by the purchasing agent to be in substantial compliance with the City's procurement procedures, irrespective of the contracting limits of that jurisdiction or agency, even if the City had not initially joined with that public agency in the cooperative purchase.

National City's Purchasing staff has confirmed that the Sourcewell Contract #120716-NAF with National Auto Fleet Group was competitively bid through a Request for Proposals (RFP) process, and that the State of California Department of General Services procurement procedures are in substantial compliance with those of National City.

Therefore, staff requests that City Council authorize the purchase of one (1) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis to National Auto Fleet Group in an amount not to exceed \$201,129.30, consistent with Section 2.60.260 of the National City Municipal Code regarding cooperative purchasing, by piggybacking onto the Sourcewell Contract #120716-NAF.

The funding to purchase this vehicle was approved by City Council through adoption of the FY22 annual budget.



National Auto Fleet Group

A Division of Chevrolet of Watsonville

400 Auto Center Drive, Watsonville, CA 95076
(855) 289-6572 • (831) 480-8497 Fax
Fleet@NationalAutoFleetGroup.com

8/11/2021
10/5/2021 Re-Configured

Quote ID: 17682 R2

Order Cut Off Date: 11/12/2021

Mr Brian Smith
National City Fire Department
Station 34 - A Division
1243 National City Blvd
National City, California, 91950-4301

Dear Brian Smith,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.

One (1) New/Unused (2022 Ford Super Duty F-350 SRW (W3B) LARIAT 4WD Crew Cab 6.75' Box 160" WB, 911 Vehicle Equipment Proposal + \$3000 Chassis Handling) and delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	\$60,880.00	\$52,462.44	13.826 %	\$8,417.56
911 Vehicle Equipment Proposal	\$131,876.00	\$131,876.00		
+ \$3000 Chassis Handling				
2 additional key(s)		\$600.00		
Tax (8.7500 %)		\$16,182.11		
Tire fee		\$8.75		
One (1) Total		\$201,129.30		

- per the attached specifications.

This vehicle(s) is available under the **Sourcewell (Formerly Known as NJPA) Contract 120716-NAF**. Please reference this Contract number on all purchase orders to National Auto Fleet Group. Payment terms are Net 20 days after receipt of vehicle.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Jessie Cooper
Account Manager
Email: Fleet@NationalAutoFleetGroup.com
Office: (855) 289-6572
Fax: (831) 480-8497

Quoting Department
Account Manager
Fleet@NationalAutoFleetGroup.com
(855) 289-6572



Purchase Order Instructions & Resources

In order to finalize your purchase please submit this purchase packet to your governing body for a purchase order approval and submit your purchase order in the following way:

Email: Fleet@NationalAutoFleetGroup.com

Fax: (831) 480-8497

Mail: National Auto Fleet Group

490 Auto Center Drive

Watsonville, CA 95076

We will send a courtesy confirmation for your order and a W-9 if needed.

Additional Resources

Learn how to track your vehicle: www.NAFGETA.com

Use the upfitter of your choice: www.NAFGpartner.com

Vehicle Status: ETA@NationalAutoFleetGroup.com

General Inquiries: Fleet@NationalAutoFleetGroup.com

For general questions or assistance please contact our main office at:

1-855-289-6572



5604 E. La Palma Ave. Anaheim, CA 92807
 P: 714-808-0911 F: 714-808-0916 www.911vehicle.com

Your Single Source Provider for Emergency Vehicle Solutions

Quote#82721-1

To: Neil Carroll / BC Sergio Mora From: Dan Walters
 Company: National Auto Fleet Group / National City Fire Date: September 27, 2021
 Fax # _____ Phone # _____

Regarding: Command Truck Conversion Package

1 Number of Pages sent including cover sheet

QTY	Breakdown with labor:	EXTENSION TOTAL
BASE ELECTRICAL SYSTEM		
1	Engineering and Design Layout	1,200.00
1	Cole Herco M2B4 Radio Master Disconnect Switch	605.00
2	Dual Battery system w/ (2) 65-PC1750 batteries	970.00
2	Dual Battery system w/ (2) 65-PC1750 batteries in rear communications area	1,090.00
1	Custom Wall Mount Bracket for Dual Batteries in the Truck Bed	593.00
1	Dual Battery Isolation System	475.00
1	Main DC Power / Ground Electrical Bus System	1,775.00
1	911V-Mux Vehicle Load Manager	4,395.00
1	Key Ignition Control System	165.00
1	Park Neutral Control System	215.00
1	Command Center Control System	285.00
EMERGENCY LIGHTING AND SIREN WARNING		
1	Whelen Concom Core Siren and Lighting Controller Over Head	2,315.00
1	Whelen Liberty 54" Dual Mode Lightbar with Opticon	5,915.00
1	Headlight Flasher	240.00
2	Whelen IONSVR V Series Red LED on Grill	990.00
2	Whelen IONSVR V Series Red LED on Front Fenders	1,110.00
2	Whelen IONSVR V Series Red LED on Rear Fenders	1,110.00
2	Whelen IONSVR V Series Red LED on Tail Gate	870.00
4	Whelen M6V2R Lights mounted on Shell (2) each side	3,260.00
1	Siren speaker mounted behind grill	595.00
1	Traffic Advisor mounted on rear of roof	1,435.00
1	Backup Alarm with Override Switch	318.00
1	Air Horn with Compressor and Tank	1,315.00
1	Unimaster Footswitch installed on Drivers Side for Air Horn	405.00
Command and Center Console Modules		
1	Metal Center Console for Radios and Lighting Controller	1,475.00
2	Arm rests mounted on each side of the console	298.00
2	LED Lighting in Side Compartments and Rear of Shell	910.00
1	911 Custom Rear Command Module	11,255.00
5	In Drawer Radio Speaker Modification for APX Radios	975.00
1	100LB Aluminum Bed Slide with 70% & 100% Extension	2,275.00
1	90° Angle Lip Added to top storage area to prevent items falling	215.00
1	Communications Cabinet under Rear Seats	1,495.00
1	Window Protector behind EZ Up Storage box	515.00
1	EZ Up Storage Box and 10 x 10 EZ Up with San Diego Fire Logo	1,755.00
1	Interior Command center Lighting Red/White LED Bars at Command Desk	805.00
1	Dimmer Switch on Command Desk LED Light	145.00
1	Metal Dry Erase Surface on Tail Gates and Sides of Command Desk	610.00
1	Plex-Glass on Tail Gate Dry Erase Surface	715.00
2	Drawer organizers in rear command desk	230.00
1	Aluminum Angle Lip for Gear Storage on Platform	175.00
2	Plex-Glass Panels on side desk Dry Erase Surface	330.00
RADIOS AND COMPUTERS		
2	Motorola APX6500 Dual Head 700/800MHZ Radios Per Spac	14,870.00
1	Motorola APX6500 Single Head 700/800MHZ at the Rear Command	6,095.00
2	Kenwood NX-5700 Dual Head VHF Radios w/ Programming Cables & Software	9,274.00
2	Emergency LED's with Acknowledgment Buttons 1-Cab/1-Rear Command	1,670.00
4	Overhead radio speakers in cab	980.00
1	GETAC Toughbook Laptop (CS)	245.00
1	Docking Station for new GETAC K120 Tablet	1,559.00
2	TruView 21.5" Remote Touch Screens in Rear	5,540.00
1	HDMI 4 x 2 Matrix for Rear Monitors	655.00
1	Additional CAT5e Cable routed from MDC to Matrix	295.00
1	HDMI & USB Input to Rear TruView Monitors	325.00
1	Custom TV Mount to Tru-Vu Monitors Above Rear Command Desk	1,245.00
2	Mounting Brackets Computer Screens	1,390.00
1	Mobile Keyboard at Rear Command	465.00
1	Heavy Duty Side Mount for MDC at Console	805.00
2	Motorola Drop-in Radio Chargers in Console	1,130.00
2	Motorola Drop-in Radio Chargers at Rear Command	1,130.00
8	Roof Mounted Antennas on Cab	1,720.00
1	Ground Plane Installed on Shell for Radio Antennas	970.00
5	Motorola Accessory Connectors for Radio Mics	1,225.00
6	Motorola Hand Mic Modification for Rear of Head Output	1,025.00
10	Magnetic Mic Modifications All Radios and Siren	1,150.00
1	Cradle Point COR FBR1700 Modem	2,867.00
1	Multi-Band Antenna for Cradle Point Modem	1,025.00
1	Additional Multi-Band Antenna for Cradle Point Modem	535.00
1	RAM iPad Mount at Center Console	275.00
1	Extra CAT6 Cable from Console to Rear Command HDMI Hub	175.00
OTHER EQUIPMENT		
1	Misc. Parts and Materials (Loom, Connectors, Etc.)	480.00
2	LED Lights with 3 way switch mounted under rear bumper	510.00
1	Interior Overhead LED Dome Light (Red/White) in Cab	309.00
1	Bluetooth Color Printer	375.00
2	Car Coat Hangers	58.00
1	Zico UH-6-30-35F SCBA Mounting Brackets Installed	490.00
1	20 Amp Auto Eject Inlet for Battery Charger	875.00
2	Pelican LED Back rechargeable flashlights	910.00
1	Shore Power Relay Bypass System	565.00
1	Sametx 100amp Battery Charger and 2200watt Pure Sine Inverter	2,585.00
2	Hospital Grade A/C Receptacles for Inverted Power Use	830.00
6	Dual USB Sockets with Rubber Cover	834.00
1	Apple TV to HDMI Matrix	495.00
1	Off Air HD TV Antenna and Cabling	1,005.00
1	Cordura Seat Covers	515.00
1	AMP Side Step on Drivers Side of Shell	725.00
1	AMP Side Step on the Passengers Side of Shell	725.00
1	Additional Graphics Installed (Chevrons under shell door) Clear Bra	745.00
1	Hitch Safe	60.00
1	Exhaust Hose and Tail Pipe Adapter	395.00
1	6" Full Down Strap installed on Shell Door	215.00
1	Soft Open Shock for Tail Gate	165.00
1	AC Cooler for Drink Storage	479.00
1	Rear Seat Organizer	47.00

(CS) = Customer Supplied

SUBTOTALS	\$ 128,876.00
SALES TAX	Rebate \$ -
TOTAL	\$ 128,876.00

All Line Items include Parts and Labor Unless Identified with (CS) All Quotes are Per Vehicle and Good for 90 Days

Vehicle Configuration Options

ENGINE	
Code	Description
99N	ENGINE: 7.3L 2V DEVCT NA PFI V8 GAS, -inc: Heavy-Duty Alternator (240 Amp), Electronic-Locking w/3.73 Axle Ratio
TRANSMISSION	
Code	Description
44G	TRANSMISSION: TORQSHIFT 10-SPEED AUTOMATIC, -inc: SelectShift and selectable drive modes: normal, tow/haul, eco, deep sand/snow and slippery (STD)
WHEELS	
Code	Description
64C	WHEELS: 18" BRIGHT MACHINED CAST ALUMINUM, -inc: magnetic painted pockets and bright hub covers/center ornaments (STD)
TIRES	
Code	Description
TCH	TIRES: LT275/65RX18E BSW A/S, -inc: Spare may not be the same as road tire (STD)
PRIMARY PAINT	
Code	Description
PQ	RACE RED
PAINT SCHEME	
Code	Description
---	MONOTONE PAINT APPLICATION
SEAT TYPE	
Code	Description
5B	BLACK ONYX, FRONT LEATHER SEATING SURFACES 40/CONSOLE/40, -inc: 10-way power driver and 8-way power front passenger seating (includes power lumbar) and 2-way adjustable driver/passenger headrests
AXLE RATIO	
Code	Description
X4M	ELECTRONIC-LOCKING W/4.30 AXLE RATIO
ADDITIONAL EQUIPMENT	
Code	Description

67B	397 AMP ALTERNATOR
86M	DUAL 78 AH BATTERY
67E	240 AMP ALTERNATOR
60W	RAIN-SENSING WINDSHIELD WIPERS, -inc: Heated Steering Wheel
66L	LED BOX LIGHTING, -inc: LED Center High-Mounted Stop Lamp (CHMSL)
85S	TOUGH BED SPRAY-IN BEDLINER, -inc: tailgate-guard, black box bed tie-down hooks and black bed attachment bolts
16T	ALL-WEATHER FLOOR MATS, -inc: Doesn't include carpet floor mats
66S	UPFITTER SWITCHES (6), -inc: Located in overhead console
18A	UPFITTER INTERFACE MODULE
OPTION PACKAGE	
Code	Description
618A	ORDER CODE 618A

2022 Fleet/Non-Retail Ford Super Duty F-350 SRW LARIAT 4WD Crew Cab 6.75' Box 160" WB

WINDOW STICKER

2022 Ford Super Duty F-350 SRW LARIAT 4WD Crew Cab 6.75' Box 160" WB		
WB		
CODE	MODEL	MSRP
W3B	2022 Ford Super Duty F-350 SRW LARIAT 4WD Crew Cab 6.75' Box 160" WB	\$55,355.00
OPTIONS		
99N	ENGINE: 7.3L 2V DEVCT NA PFI V8 GAS, -inc: Heavy-Duty Alternator (240 Amp), Electronic-Locking w/3.73 Axle Ratio	\$1,705.00
44G	TRANSMISSION: TORQSHIFT 10-SPEED AUTOMATIC, -inc: SelectShift and selectable drive modes: normal, tow/haul, eco, deep sand/snow and slippery (STD)	\$0.00
64C	WHEELS: 18" BRIGHT MACHINED CAST ALUMINUM, -inc: magnetic painted pockets and bright hub covers/center ornaments (STD)	\$0.00
TCH	TIRES: LT275/65RX18E BSW A/S, -inc: Spare may not be the same as road tire (STD)	\$0.00
PQ	RACE RED	\$0.00
---	MONOTONE PAINT APPLICATION	\$0.00
5B	BLACK ONYX, FRONT LEATHER SEATING SURFACES 40/CONSOLE/40, -inc: 10-way power driver and 8-way power front passenger seating (includes power lumbar) and 2-way adjustable driver/passenger headrests	\$0.00
X4M	ELECTRONIC-LOCKING W/4.30 AXLE RATIO	\$390.00
67B	397 AMP ALTERNATOR	\$115.00
86M	DUAL 78 AH BATTERY	\$210.00
67E	240 AMP ALTERNATOR	INC
60W	RAIN-SENSING WINDSHIELD WIPERS, -inc: Heated Steering Wheel	\$165.00
66L	LED BOX LIGHTING, -inc: LED Center High-Mounted Stop Lamp (CHMSL)	\$80.00
85S	TOUGH BED SPRAY-IN BEDLINER, -inc: tailgate-guard, black box bed tie-down hooks and black bed attachment bolts	\$595.00
16T	ALL-WEATHER FLOOR MATS, -inc: Doesn't include carpet floor mats	\$130.00
66S	UPFITTER SWITCHES (6), -inc: Located in overhead console	\$165.00
18A	UPFITTER INTERFACE MODULE	\$295.00
618A	ORDER CODE 618A	\$0.00
Please note selected options override standard equipment		

SUBTOTAL	\$59,185.00
Advert/ Adjustments	\$0.00
Manufacturer Destination Charge	\$1,695.00
TOTAL PRICE	\$60,880.00

Est City: N/A MPG
Est Highway: N/A MPG
Est Highway Cruising Range: N/A mi

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Standard Equipment

MECHANICAL

Engine: 6.2L 2-Valve SOHC EFI NA V8 Flex-Fuel
Transmission: TorqShift 10-Speed Automatic -inc: SelectShift and selectable drive modes: normal, tow/haul, eco, deep sand/snow and slippery
3.73 Axle Ratio
GVWR: 11,100 lb Payload Package
50-State Emissions System
Transmission w/Oil Cooler
Electronic Transfer Case
Part-Time Four-Wheel Drive
78-Amp/Hr 750CCA Maintenance-Free Battery w/Run Down Protection
HD 200 Amp Alternator
Trailer Wiring Harness
Class V Towing Equipment -inc: Hitch, Brake Controller and Trailer Sway Control
4260# Maximum Payload
HD Shock Absorbers
Front Anti-Roll Bar
Firm Suspension
Hydraulic Power-Assist Steering
34 Gal. Fuel Tank
Single Stainless Steel Exhaust
Auto Locking Hubs
Front Suspension w/Coil Springs
Leaf Rear Suspension w/Leaf Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist and Hill Hold Control

EXTERIOR

Wheels: 18" Bright Machined Cast Aluminum -inc: magnetic painted pockets and bright hub covers/center ornaments
Tires: LT275/65Rx18E BSW A/S -inc: Spare may not be the same as road tire
Regular Box Style
Steel Spare Wheel
Spare Tire Stored Underbody w/Crankdown
Clearcoat Paint
Chrome Front Bumper w/Body-Colored Rub Strip/Fascia Accent and 2 Tow Hooks
Chrome Rear Step Bumper
Black Side Windows Trim and Black Front Windshield Trim

Body-Colored Door Handles
Body-Colored Side Mirrors
PowerScope Trailer Tow Mirrors w/Heat -inc: power-folding w/Autofold, telescoping, power glass, turn signal, high intensity LED security approach lamps and utility lighting system (LED side-mirror spotlights)
Power Rear Window w/Defroster
Variable Intermittent Wipers
Deep Tinted Glass
Aluminum Panels
Chrome Grille
Tailgate Rear Cargo Access
Tailgate/Rear Door Lock Included w/Power Door Locks
Cargo Lamp w/High Mount Stop Light
Autolamp Auto On/Off Aero-Composite Halogen Auto High-Beam Daytime Running Lights Preference Setting Headlamps w/Delay-Off
Perimeter/Approach Lights
Headlights-Automatic Highbeams
Front Fog Lamps

ENTERTAINMENT

Radio: B&O Sound System by Bang & Olufsen -inc: premium AM/FM MP3 player and 10 speakers including subwoofer
Radio w/Seek-Scan, Clock, Speed Compensated Volume Control and Radio Data System
Fixed Antenna
SiriusXM Radio w/360L -inc: 3-month prepaid subscription, Service is not available in Alaska and Hawaii, SiriusXM audio and data services each require a subscription sold separately, or as a package, by SiriusXM Radio Inc, If you decide to continue service after your trial, the subscription plan you choose will automatically renew thereafter and you will be charged according to your chosen payment method at then-current rates, Fees and taxes apply, To cancel you must call SiriusXM at 1-866-635-2349, See SiriusXM customer agreement for complete terms at www.siriusxm.com , All fees and programming subject to change, SiriusXM and all related marks and logos are trademarks of SiriusXM Radio Inc
SYNC 4 w/Enhanced Voice Recognition -inc: 12" LCD capacitive touchscreen w/swipe capability, information on demand panel, wireless phone connection, cloud connected, AppLink w/app catalog, 911 assist, Apple CarPlay and Android Auto compatibility, digital owner's manual, conversational voice command recognition and connected navigation w/complimentary 90-day trial when an eligible vehicle is added to a member's FordPass account, Trial begins on the new vehicle warranty start date, At the end of the complimentary period, navigation services will terminate, Navigation services require SYNC 4 and FordPass Connect (optional on select vehicles), complimentary connect service and the FordPass app (see FordPass terms for details), Connected service and features depend on compatible AT&T network availability, Evolving technology/cellular networks/vehicle capability may limit functionality and prevent operation of connected features, FordPass app, compatible w/select smartphone platforms, is available via a download, Message and data rates may apply, Ford Telematics and Ford Data Services, subscriptions services available only for fleet customers, provide access to manufacturer-grade data including but not limited to vehicle location, speed, idle time, fuel, vehicle diagnostics, and maintenance alerts, Ford Telematics Drive mobile app for drivers is also

available for Ford Telematics subscribers, FordPass Connect 4G Wi-Fi modem enables Ford Telematics service directly from Ford or Ford Data Services through authorized providers, Learn more at commercialsolutions.ford.com or activate by calling 833-FCS-FORD (833-327-3673)

2 LCD Monitors In The Front

Siriusxm Traffic Real-Time Traffic Display

INTERIOR

Driver Seat
Passenger Seat
60-40 Folding Split-Bench Front Facing Fold-Up Cushion Rear Seat
Manual Tilt/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Oil Pressure, Engine Coolant Temp, Tachometer, Transmission Fluid Temp, Engine Hour Meter, Trip Odometer and Trip Computer
Power Rear Windows
FordPass Connect 4G Mobile Hotspot Internet Access
Leather Steering Wheel
Front Cupholder
Rear Cupholder
Remote Keyless Entry w/Integrated Key Transmitter, Illuminated Entry and Panic Button
Keypad
Cruise Control w/Steering Wheel Controls
HVAC -inc: Underseat Ducts
Voice Activated Dual Zone Front Automatic Air Conditioning
Illuminated Locking Glove Box
Full Cloth Headliner
Urethane Gear Shifter Material
Interior Trim -inc: Metal-Look Instrument Panel Insert, Simulated Wood/Metal-Look Door Panel Insert and Chrome/Metal-Look Interior Accents
Front Leather Seating Surfaces 40/Console/40 -inc: 10-way power driver and 8-way power front passenger seating (includes power lumbar) and 2-way adjustable driver/passenger headrests
Day-Night Auto-Dimming Rearview Mirror
Driver And Passenger Visor Vanity Mirrors w/Driver And Passenger Illumination
Full Overhead Console w/Storage
Fade-To-Off Interior Lighting
Front And Rear Map Lights
Full Carpet Floor Covering -inc: Carpet Front And Rear Floor Mats
Pickup Cargo Box Lights
Smart Device Remote Engine Start
SYNC 4 Connected Navigation Integrated Navigation System w/Voice Activation
Flow-Through Console -inc: 110V/400W outlet in rear
Instrument Panel Covered Bin, Dashboard Storage, Driver / Passenger And Rear Door Bins and

Locking 2nd Row Underseat Storage
Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down
Delayed Accessory Power
Power Adjustable Pedals
Power Door Locks w/Autolock Feature
Systems Monitor
Trip Computer
Outside Temp Gauge
Digital/Analog Appearance
Manual Adjustable Rear Head Restraints
2 Seatback Storage Pockets
Seats w/Leatherette Back Material
Rear Center Armrest
Securilock Anti-Theft Ignition (pats) Engine Immobilizer
Perimeter Alarm
Air Filtration

SAFETY

AdvanceTrac w/Roll Stability Control Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control
Side Impact Beams
Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Blind Spot
Ford Co-Pilot360 - Pre-Collision Assist with Automatic Emergency Braking (AEB) and Ford Co-Pilot360 - Cross-Traffic Alert
Collision Mitigation-Front
Rear Parking Sensors
Tire Specific Low Tire Pressure Warning
Mykey System -inc: Top Speed Limiter, Audio Volume Limiter, Early Low Fuel Warning, Programmable Sound Chimes and Beltminder w/Audio Mute
Safety Canopy System Curtain 1st And 2nd Row Airbags
Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point and Height Adjusters
Dual Stage Driver And Passenger Front Airbags
Back-Up Camera

FORM E
CONTRACT ACCEPTANCE AND AWARD



(Top portion of this form will be completed by NJPA if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

NJPA Contract #: 120716-NAF

Proposer's full legal name: 72 Hour LLC, dba National Auto Fleet Group

Based on NJPA's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by NJPA.

The effective date of the Contract will be January 17, 2017 and will expire on January 17, 2021 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the NJPA Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at NJPA's discretion.

NJPA Authorized Signatures:

Jeremy Schwartz
NJPA DIRECTOR OF COOPERATIVE CONTRACTS
AND PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz
(NAME PRINTED OR TYPED)

Chad Coquette
NJPA EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coquette
(NAME PRINTED OR TYPED)

Awarded on January 16, 2017

NJPA Contract # 120716-NAF

Vendor Authorized Signatures:

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name 72 Hour LLC, National Auto Fleet Group

Authorized Signatory's Title Fleet Manager

Jesse Cooper
VENDOR AUTHORIZED SIGNATURE

Jesse Cooper
(NAME PRINTED OR TYPED)

Executed on 1-16, 2017

NJPA Contract # 120716-NAF

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, WAIVING THE FORMAL BID PROCESS PURSUANT TO NATIONAL CITY MUNICIPAL CODE SECTION 2.60.260 REGARDING COOPERATIVE PURCHASING AND AUTHORIZING THE CITY TO PIGGYBACK ONTO SOURCEWELL (FORMERLY “NATIONAL JOINT POWERS ALLIANCE”) CONTRACT #120716-NAF WITH NATIONAL AUTO FLEET GROUP FOR THE PURCHASE AND BUILD-OUT OF ONE (1) 2022 FORD SUPER DUTY F-350 SRW LARIAT 4WD CREW CAB TRUCK AND CHASSIS FOR THE FIRE DEPARTMENT IN A NOT-TO-EXCEED AMOUNT OF \$201,129.30

WHEREAS, the City of National City (“City”) Fire Department Battalion Chief 2006 Chevy Suburban Specialty Sports Utility Vehicle has been in service for fifteen (15) years, has exceeded its useful and optimum life cycle of ten (10) years, and is scheduled to be replaced; and

WHEREAS, Section 2.60.260 of the National City Municipal Code provides that the City may buy directly from a vendor at a price established through competitive bidding by another public agency whose procedures have been determined to be in substantial compliance with the City’s procurement procedures; and

WHEREAS, Section 2.60.260 of the National City Municipal Code regarding cooperative purchasing, there is an opportunity to piggyback onto the Sourcewell Contract #120716-NAF with Sourcewell to allow for the purchase of one (1) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis; and

WHEREAS, the City’s Finance Department confirmed that the Sourcewell Contract #120716-NAF with National Auto Fleet Group was competitively bid and that the State of California Department of General Services procurement procedures are in substantial compliance with those of National City; and

WHEREAS, City staff recommends adopting a resolution waiving the formal bid process pursuant to National City Municipal Code Section 2.60.260, regarding cooperative purchasing and authorizing the purchase of one (1) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis to National Auto Fleet Group in an amount not to exceed \$201,129.30, consistent with Section 2.60.260 of the National City Municipal Code regarding cooperative purchasing, by piggybacking onto the Sourcewell Contract #120716-NAF.

///

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

Section 1: Affirm the City's Finance Department's determination that the Sourcewell Contract #120716-NAF with National Auto Fleet Group was competitively bid and that the State of California Department of General Services procurement procedures is in substantial compliance with those of the City.

Section 2: Waive the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and the purchase and build-out of one (1) 2022 Ford Super Duty F-350 SRW Lariat 4WD Crew Cab Truck and Chassis for the Fire Department in a not-to-exceed amount of \$201,129.30

Section 3: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City waiving the formal bid process pursuant to Municipal Code section 2.60.260 for the purchase of a Pierce Arrow XT pumper with equipment for the National City Fire Department, and authorizing the City to piggyback on the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck with South Coast Fire Equipment, Inc., for a not to exceed amount of \\$885,829.24 using the Vehicle Replacement Fund. \(Fire\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: |December 7, 2021|

AGENDA ITEM NO. |

ITEM TITLE:

Resolution of the City Council of the City of National City waiving the formal bid process pursuant to Municipal Code section 2.60.260 for the purchase of a Pierce Arrow XT pumper with equipment for the National City Fire Department, and authorizing the City to piggyback on the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck with South Coast Fire Equipment, Inc., for a not to exceed amount of \$885,829.24 using the Vehicle Replacement Fund. (Fire)

PREPARED BY: Frank Parra

DEPARTMENT: Fire

PHONE: |619-336-4551|

APPROVED BY: 

EXPLANATION:

See attached Staff Report.

FINANCIAL STATEMENT:

APPROVED:  Finance

ACCOUNT NO.

APPROVED: _____ MIS

644-412-125-519-0000 (Vehicle Replacement Fund) – \$885,829.24

ENVIRONMENTAL REVIEW:

No CEQA Exemption - This action is not subject to review under the California Environmental Quality Act (CEQA)

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Adopt the Resolution.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Staff Report
2. City of Los Angeles Supply Contract 59710
3. City of Los Angeles Supply Contract 59710 – Amendment 1
4. City of Los Angeles Supply Contract 190000000182 – Amendment 2
5. Proposal for Furnishing Fire Apparatus
6. 911 Vehicle Equipment Company Quote - Apparatus Equipment
7. Resolution



City Council Staff Report

ITEM TITLE

Resolution of the City Council of the City of National City waiving the formal bid process pursuant to Municipal Code section 2.60.260 for the purchase of a Pierce Arrow XT pumper with equipment for the National City Fire Department, and authorizing the City to piggyback on the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck with South Coast Fire Equipment, Inc., for a not to exceed amount of \$885,829.24 using the Vehicle Replacement Fund. (Fire)

BACKGROUND

This agenda item will replace a 2005 Pierce Arrow XT Fire Engine #470, which is 16 years old and has 156,420 miles.

DISCUSSION

As allowed by Municipal Code section 2.60.260, the City would like to piggyback on the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck that establishes a per unit cost of \$792,059.16 to South Coast Fire Equipment, Inc., who was determined to be the lowest responsive, responsible bidder, and was awarded their bid for a Pierce Arrow XT Fire Engine.

South Coast Fire Equipment, Inc. is pleased to offer the City of National City the opportunity to take advantage of this competitive bid price. The City of National City's per unit cost of \$792,059.16 was reduced by \$39,958.16 due to optional specifications being removed. The City's final price for the pumper including tax and other fees is \$821,762.99. In addition, equipment for the pumper total \$64,066.25.

The total cost for the fully outfitted pumper is \$885,829.24. Given that the cost of steel and metal products its anticipated to increase by 7% in 2022, it is in the City's best interest to place a purchase order for the pumper in FY2021/22, but pay with the approved vehicle replacement schedule upon receipt of the engine in FY2022/23. This process will save the City approximately \$62,008.05. The City's Vehicle Replacement Fund will be used as the funding source.

City staff has confirmed that the City of Los Angeles bid process fully complies with Municipal Code section 2.60.260. It is in the City's best interest to take advantage of this opportunity.

FISCAL IMPACT

644-412-125-519-0000 (Vehicle Replacement Fund) – \$885,829.24

The purchase of the fire engine is already budgeted in FY2022/23, but by ordering now, the City will save approximately \$62,008.05. No costs will be paid until FY2022/23.

RECOMMENDATION(S)

Adopt the resolution.

**City of Los Angeles, California
Contract**

City of Los Angeles Purchasing Agent
111 E 1ST STREET
ROOM 110
LOS ANGELES CA 90012

Vendor ID: 0000034760
PIERCE MANUFACTURING INC
PO BOX 2017
APPLETON WI 54912

Contract ID 59710	Page 1
Contract Dates 06/01/2016 to 05/31/2019	Rate Date PO Date
Description: Fire Truck	Contract Maximum 40,000,000.00
Allow Multicurrency PO	

City of Los Angeles' vendors are required to have on file an approved Affirmative Action Plan and Certification. Contact Buyer at the City Purchasing Office at (213-485-3677) for information on this requirement.

In order to receive payments from the City of Los Angeles, vendors must have a valid Business Tax Registration Certificate (BTRC) number. Contact the City Clerk's Tax and Permits Division (213-485-3916) for information on this requirement.

All shipments, shipping papers, invoices and correspondence must be identified with the City of Los Angeles' Contract Purchase Order Number.

Overshipments will not be accepted unless authorized by requestor prior to shipment.
Terms and conditions of parent contract are binding on its Contract Purchase Orders.

Procurement Analyst: Kevin Thornton Phone Number: 213/928-9548
E-mail address: kevin.thornton@lacity.org

Requirements Contract for: Triple Combination Apparatus Fire Truck Award No. 59710

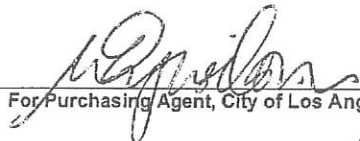
Payment Terms: Net 30 Days Delivery: 330-360 Days ARO RFQ No.:4828 Previous Contract: 59078

Renewal Options: 7 Option Date: 1__2__3__4__5__6__7__ Options Granted: 0

You are hereby notified of the award of this contract with the City of Los Angeles in accordance with RFQ Number 4828, to furnish the City's annual requirements for the items and/or services identified in this document. The entire RFQ (including Attachment A and specifications) or any items thereof, addendums, and general conditions comprise the contract. The Quotation document signed by the appropriate contractor and by duly authorized City officials is on file in the Purchasing Agent's office.

NOTE: SALES TAX WILL BE ADDED AT TIME OF ORDER.

The following listed item(s) cover the only product(s) or service(s) approved for purchase under this contract. Products or services requested by the City and not listed in the contract require a separate City Purchase Order in order for the supplier to receive payment.



For Purchasing Agent, City of Los Angeles, California
BBJ TAC

ATTACHMENT 2

City of Los Angeles, California Contract

City of Los Angeles Purchasing Agent
 111 E 1ST STREET
 ROOM 110
 LOS ANGELES CA 90012

Vendor ID: 0000034760
 PIERCE MANUFACTURING INC
 PO BOX 2017
 APPLETON WI 54912

Contract ID 59710		Page 2
Contract Dates 06/01/2016 to 05/31/2019		Rate Date PO Date
Description: Fire Truck		Contract Maximum 40,000,000.00
Allow Multicurrency PO		

Line #	Item ID	Item Desc	Item Minimum Order Qty	Item Minimum Order Amt	Item Contract Maximum Qty	Item Contract Maximum Amt
1	0.00	Triple Combination Apparatus Fire Truck	0	0.00	0	

Price Agreement: Price Date: PO Date
 Price Quantity:- Line Quantity
 Quantity Type: Current Order Quantity
 Contract Base Price \$677,179.00000 EA

Triple Combination Apparatus Fire Truck, as per RFQ No. 4828 and Specification No. FD180R-21

CPO DELIVERY AND PAYMENT TERMS:
 Payment Terms: Net 30 Days Delivery: 330-360 Days A R O

***** INFORMATION PURPOSES ONLY *****

Warranty Option A, in accordance with RFQ No. 4828 and spec. FD 180R-21-11/15: - (\$8,000.00)
 Warranty Option B, in accordance with RFQ 4828 and spec. FD 180R-21-11/15: - (\$23,000.00)
 Warranty Option C, in accordance with RFQ 4828 and spec. FD 180R-21-11/15: 0/Zero

City of Los Angeles, California

Contract

City of Los Angeles Purchasing Agent
 111 E 1ST STREET
 ROOM 110
 LOS ANGELES CA 90012

Vendor ID: 0000034760
 PIERCE MANUFACTURING INC
 PO BOX 2017
 APPLETON WI 54912

Contract ID 59710		Page 3
Contract Dates 06/01/2016 to 05/31/2019		Rate Date PO Date
Description: Fire Truck		Contract Maximum 40,000,000.00
Allow Multicurrency PO		

Line #	Item ID	Item Desc	Item Minimum Order Qty	Item Contract Maximum Amt
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SUPPLIER CONTACT: Kevin Newell, Kevin@southcoastfire.net 909/673-9900

CONTRACT PURCHASE ORDERS:

Contract Purchase Orders will be issued during the contract period for materials or services as required. Supplier shall deliver no goods or services until a City department issues a Contract Purchase Order.

APPROVED CONTRACT ITEM PURCHASES:

The listed items cover the only products approved for purchase under this contract.

The City of Los Angeles will not pay any invoice covering the delivery of any merchandise that is not explicitly authorized by this contract. Any products requested by the City not listed in the contract require a separate City Purchase Order in order for the supplier to receive payment.

RENEWAL OPTION:

The City reserves the right to renew this contract for 7/seven additional one(1) year period(s). All renewals shall be on an annual basis and under the same terms and conditions of the original contract.

ANNUAL PRICE ADJUSTMENT FOR LONG TERM FIXED PRICE CONTRACTS:

Unit Prices for each line item shall be fixed for one year from the contract start date. On contract anniversaries and renewals, unit prices may be adjusted for the next year in accordance with manufacturer's published price adjustments. Any price adjustments shall be mutually agreed upon by the City Purchasing Agent and the supplier. Price increases will not exceed a reasonable amount, supported by written documentation as indicated in the paragraph below and as determined by the City Purchasing Agent, for any price adjustment. Price reductions may be issued at any time.

The City reserves the right to terminate contract without further obligation by either party in event price increases are not acceptable. Escalating factors will not be automatically granted. Requests for price increases shall be in writing and accompanied by each manufacturer(s) price list(s) with appropriate supporting documents acceptable to the City. Such documents shall include, but not be limited to manufacturer/distributor/dealer invoices, insurance bills, utility bills, freight bills, payroll records, etc. The request shall state the percentage increase and the revised price for each affected contract item.

No increases will be granted without prior approval of the City Purchasing Agent.

ESTIMATED EXPENDITURES AND THRESHOLD ADJUSTMENT:

Total expenditures for the life of this contract, including the initial term and all renewals or extensions, are estimated to be \$ 40,000,000.00. No guarantee can be given that this total will be reached or that it will not be exceeded. Supplier agrees to furnish more or less in accordance with actual contract requirements.

Based on the City's estimate, the supplier will provide an additional volume percentage adjustment if the City exceeds the following threshold amount levels:

Threshold Amount Level:	Volume Percent Adjustment:
\$ 40,000,000.00	.25 %
\$ 45,000,000.00	.25 %
\$ 50,000,000.00	.25 %

In no case shall the supplier's warranty period be less than, but may be longer than any express warranty or implied warranty of merchantability or fitness for use.

OTHER GOVERNMENT AGENCY PURCHASES:

City of Los Angeles, California

Contract

City of Los Angeles Purchasing Agent
 111 E 1ST STREET
 ROOM 110
 LOS ANGELES CA 90012

Vendor ID: 0000034760
 PIERCE MANUFACTURING INC
 PO BOX 2017
 APPLETON WI 54912

Contract ID 59710	Page 4
Contract Dates 06/01/2016 to 05/31/2019	Rate Date PO Date
Description: Fire Truck	Contract Maximum 40,000,000.00
Allow Multicurrency PO	

Line #	Item ID	Item Desc	Item Qty	Minimum Order Amt	Contract Qty	Maximum Amt
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Other government agencies may make purchases using the prices, terms and conditions of this contract.

AUTHORIZED DISTRIBUTOR/DEALER:

The supplier indicates it is an authorized factory distributor/dealer for the manufacturer quoted, or has provided a formal Letter of Certification from the manufacturer, stating that the manufacturer will honor any warranty claims by the City for equipment, parts, and/or materials provided by the supplier.

The manufacturer will be responsible for any default of the supplier that is not corrected by the supplier in a timely and efficient manner. This responsibility includes replacing incorrect or defective parts, trouble shooting, and correcting problems that are traceable to the manufacturer.

QUARTERLY REPORTS:

The supplier shall provide the City Purchasing Agent with quarterly reports, to include the following:

- 1) Expenditure Report that indicates Manufacturer name, description, product/part number, quantity, unit price and extended price of all items sold to the City (contract inception to report date).
- 2) Environmentally Preferable Product (EPP) Report that indicates the quantity and description of products sold to the City that are considered EPP. This information may be included in the Expenditure Report.
- 3) Business Inclusion Program Report that indicates the quantity and description of products sold to the City that were manufactured by or obtained from MBE, WBE, SBE, EBE, DVBE and OBE sub-suppliers. This information may be included in the Expenditure Report.

Reports shall be created in a MS/Excel spreadsheet format as provided by the Purchasing Agent, and delivered by the 10th of the following month to City of Los Angeles Purchasing Agent, 111 E. First St., Attn: Procurement Analyst, Room 110, City Hall South, Los Angeles, California, 90012-4111. The supplier shall reference the City's contract number on all reports.

CONTRACT PERFORMANCE REVIEWS:

The supplier agrees to attend periodic Contract performance reviews, facilitated by the City's Contract Manager. Reviews may be held a minimum of once per calendar quarter, focusing on the supplier's and the City's meeting product and service quality levels stated in the Contract, adherence to the Contract terms and conditions, and providing a forum to informally discuss opportunities for improving products, services, Contract terms and conditions, and other related issues in an effort to create economies and cost reductions for the supplier and the City.

LIQUIDATED DAMAGES FOR LATE DELIVERY:

Delivery delays beyond the Contract/Purchase Order delivery date will result in added expense to the City. The City of Los Angeles shall be paid damages for such delay. Inasmuch as the amount of damage is extremely difficult to ascertain, the supplier agrees to compensate the City in the amount of \$100.00 per calendar day beyond the delivery date specified. This amount shall be fixed as liquidated damages that the City will suffer by reason of such delay, and not as a penalty. The City shall have the right to deduct and retain the amount of such liquidated damages from any monies due the supplier.

The supplier shall be entitled to a reasonable extension of time for unavoidable delay in delivery due to causes not reasonably foreseeable by the parties at the time of the Contract/Purchase Order execution, and that are entirely beyond the control and without the fault or negligence of the supplier, including, but not limited to, acts of God or the public enemy, war or other national emergency making delivery temporarily impossible or illegal, acts or omissions of other suppliers, strikes and labor disputes not brought on by any act or omission of the supplier, fire, flood, epidemics, quarantines, or freight embargoes.

SUBCONTRACTORS:

All subcontractors shall be approved by the City Purchasing Agent prior to working on City projects. A subcontractor is defined as a person, partnership, corporation or other entity, which enters into a contract with a contractor for performance of some or all of the City contracted work.

The Contractor shall identify subcontracted work by subcontractor name and dollar amount subcontracted on all

City of Los Angeles, California Contract

City of Los Angeles Purchasing Agent
 111 E 1ST STREET
 ROOM 110
 LOS ANGELES CA 90012

Vendor ID: 0000034760
 PIERCE MANUFACTURING INC
 PO BOX 2017
 APPLETON WI 54912

Contract ID 59710	Page 5
Contract Dates 06/01/2016 to 05/31/2019	Rate Date PO Date
Description: Fire Truck	Contract Maximum 40,000,000.00
Allow Multicurrency PO	

Line #	Item ID	Item Desc	Item Minimum Order Qty	Order Amt	Item Contract Maximum Qty	Contract Maximum Amt
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monthly/quarterly reports. Wholly owned subsidiaries of the contractor shall not be considered as subcontractors, but the City shall be notified in advance of their usage. The Contractor shall not change any of the approved subcontractors or reduce their level of work without the City Purchasing Agent's written approval. City approval shall not be unreasonably withheld.

All procurement agreements with a value in excess of \$25,000 and having a term in excess of three (3) months are subject to the Sweat-Free Procurement Ordinance. Subcontractor information for these agreements shall be provided in both hardcopy and electronic versions. Information for these contractors/subcontractors will be posted on the City Purchasing Agent's Internet website.

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

March 13, 2018

Pierce Manufacturing, Inc.
2600 American Dr.
Appleton, WI 54912

SUBJECT: CITY OF LOS ANGELES SUPPLY CONTRACT 59710 – AMENDMENT 01
Triple Combination Apparatus Fire Truck

The following price changes are effective March 1, 2018:

Item #	Old Price	New Price
1	\$677,179.00	\$ 717,809.00

Triple Combination Apparatus Fire Truck

Item #	Old Price	New Price
2	\$669,179.00	\$709,809.00

Triple Combination Apparatus Fire Truck with Option A

Item #	Old Price	New Price
3	\$654,179.00	\$694,809.00

Triple Combination Apparatus Fire Truck with Option B

Item #	Old Price	New Price
4	\$677,179.00	\$717,809.00

Triple Combination Apparatus Fire Truck with Option C



AN EQUAL EMPLOYMENT OPPORTUNITY – AFFIRMATIVE ACTION EMPLOYER



ATTACHMENT 3

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

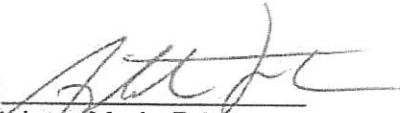
DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX NO. (213) 928-9515

All other contract terms and conditions remain unchanged and in force. Questions regarding this contract modification should be addressed to Kevin Thornton, Procurement Analyst, at 213/928-9548 or via e-mail: kevin.thornton@lacity.org.

Tony M. Royster
General Manager and
City Purchasing Agent

By: 
Supply Services Manager

Approved as to Form
Michael N. Feuer
City Attorney

By: 
Arletta Maria Brimsey
Deputy City Attorney



CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX NO. (213) 928-9515

May 20, 2021

Southcoast Fire Equipment
2020 S. Baker Ave
Ontario, CA 91761

SUBJECT: CITY OF LOS ANGELES SUPPLY CONTRACT 190000000182 - AMENDMENT 2
TRIPLE COMBINATION APPARATUS FIRE TRUCK

The City of Los Angeles hereby exercises Contract Renewal Option Number 2 of 7 in accordance with the Contract terms. The Contract will now expire on May 31, 2022.

The following contract price updates are effective June 1, 2021:

Line	Item Description	Current Price	New Price	% Increase
1	Triple Combination Apparatus Fire Truck	\$761,595.35	\$792,059.16	4%
2	Triple Combination Apparatus Fire Truck w/ Option A	\$753,107.35	\$783,231.64	4%
3	Triple Combination Apparatus Fire Truck w/ Option B	\$737,192.35	\$766,680.04	4%
4	Triple Combination Apparatus Fire Truck w/ Option C	\$761,595.35	\$792,059.16	4%
5	"Airport Package" for Triple Combination Apparatus	\$150,250.79	\$156,260.82	4%

REMINDER:

GTC-15. Contract Purchase Orders:

Contract Purchase Orders will be issued during the contract period for materials or services as required. Supplier shall deliver no goods or services until a City department issues a Contract Purchase Order.

ATTACHMENT 4



AN EQUAL EMPLOYMENT OPPORTUNITY - AFFIRMATIVE ACTION EMPLOYER



Contract No. 190000000182
Amendment 2
Page 2 of 2

All other contract terms and conditions remain unchanged and in force. Questions regarding this contract modification should be addressed to Camille Carapetian, Procurement Analyst at 213-928-9509, or via e-mail to Camille.Carapetian@lacity.org.

Tony M. Royster
General Manager and *cc*
City Purchasing Agent

Approved as to Form
Michael N. Feuer
City Attorney

Jr.
By: *Connie Espinoza* *J/mgyr.*
Supply Services Manager

By: *Kimberly Miera*
Kimberly D. Miera
Deputy City Attorney

PROPOSAL FOR FURNISHING FIRE APPARATUS

November 17, 2021

NATIONAL CITY FIRE DEPARTMENT
 333 E. 16th Street
 National City, CA. 91950



The undersigned is prepared to provide for you, our customer, upon an order being placed by you, for final acceptance by South Coast Fire Equipment, Inc., at its corporate office in Ontario, California, the apparatus and equipment herein named and for the following prices:

	Each	Extension
One (1) Pierce Arrow XT Pierce's Ultimate Configuration (PUC) Pumper per enclosed as per the enclosed purchase contract from City of Los Angeles #19000000000182	\$ 792,059.16	\$ 792,059.16
Changes to Customer Specifications	\$ (39,958.16)	\$ (39,958.16)
Customers price after changes per specification	\$ 752,101.00	\$ 752,101.00
Sales Tax @ 8.750%	\$ 65,808.84	\$ 65,808.84
Performance Bond	\$ 1,842.65	\$ 1,842.65
Consortium Fee HGAC Fee	\$ 2,000.00	\$ 2,000.00
California Tire Fee	\$ 10.50	\$ 10.50
TOTAL PURCHASE PRICE	\$ 821,762.99	\$ 821,762.99

PLEASE NOTE THE FOLLOWING ABOUT THIS QUOTATION:

Payment options are available and are included under separate cover. One of these options may save your department a significant amount of money!

Said apparatus and equipment are to be built by the manufacturer and shipped in accordance with the specifications hereto attached, delays due to strikes, war or international conflict, failures to obtain chassis, materials, or other causes beyond our control not preventing, within about **480-510** calendar days after receipt of this order and the acceptance thereof at our office in Ontario, California, and to be delivered to you at **National City, CA.**

The specifications herein contained shall form a part of the final contract and are subject to changes desired by the purchaser, provided such alterations are interlined prior to the acceptance by the company of the order to purchase, and provided such alterations do not materially affect the cost of the construction of the apparatus.

The proposal for fire apparatus conforms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of bid, and with all National Fire Protection Association (NFPA) guidelines for Automotive Fire Apparatus as published at time of bid, except as modified by customer specifications. Any increased costs incurred by the first party because of future changes in or additions to said DOT or NFPA standards will be passed along to the customer as an addition to the price set forth above. Unless accepted within 30 days from the specified date, the right is reserved to withdraw this proposition.

Respectfully Submitted,

South Coast Fire Equipment, Inc.

Tim Olley
 Sales Representative

ATTACHMENT 5



5604 E. La Palma Ave. Anaheim, CA 92807 P:714-808-0911 F:714-808-0916 www.911vehicle.com

Your Single Source Provider for Emergency Vehicle Solutions

Quote#111721-1

To: BC Sergio Mora From: Dan Walters
 Company: National City Fire Date: November 17, 2021
 Fax # _____ Phone # _____
 Regarding: Communications Installation in New Pierce Engine
1 Number of Pages sent including cover sheet

Qty	Breakdown with labor:	EXTENSION TOTAL
Radio and Computer Equipment		
1	Motorola APX Radio 1 Front head, cable, speaker, mic and clip	1,675.00
1	Hand Mic Ext from Over Head to Dash	165.00
1	Motorola APX rear radio head, cable, speaker, mic and clip	1,970.00
1	Motorola APX Radio Transeiver and cables	5,565.00
5	Motorola Hand Held Radio Chargers	2,825.00
5	Motorola APX Portable Radios (National City Fire Spec)	27,575.00
1	Kenwood NX-5700 VHF Radio Head, Speaker, Mic	1,575.00
1	Kenwood NX-5700 VHF rear radio head, speaker, mic and clip	1,825.00
1	Kenwood NX-5700 VHF Dual Head Radio Transeiver and cables	1,439.00
5	VHF Hand Held Radio Charger installations (CS)	550.00
4	Troy Face Plates for DEK Bar, VHF and 800 Radio Heads	196.00
4	Magnetic Mic Clips for Front Heads and Rear	346.00
1	MDC Installation (Mount Docking Station and Connect Cables)CS	550.00
1	Cradle Point IBR1700 Wireless Modem with 1yr of Net Cloud	2,337.00
1	Panorama 9-1 Antenna 5G for Cradle Point Modem	855.00
2	Motorola DEK Bars for Radio Heads	790.00
Intercom System		
5	911OTH-Carbon Fiber Headsets	1,625.00
1	911Vehicle Dual Radio Intercom System	1,995.00
5	In Cab Roof Jack Stations	1,135.00
4	Dash Mounted PTT switches	480.00
1	Engineer's Station with PTT & Intercom Jack	895.00
1	Tailboard Intercom Jack Stations	425.00
375	Beldon 8723 4-Conductor Shielded Cable per ft.	1,046.25
2	Mobile Radio Interfaces front head	730.00
5	911Vehicle Heavy Duty Headset Hooks	385.00
Power Distribution & Additional Equipment		
1	Misc Parts and Materials	300.00
1	Run New Isolated Battery Cable for Radios and Computer	1,145.00
1	Power Distribution Blocks	645.00
1	Ground Distribution Block and 15' Black 4 Ga. Cable	417.00
4	Antenna Kits / Configuring / Connections / Metering	1,040.00
1	Commuications Equipment Box Behind Engineers Seat	615.00
4	Dual USB Outlet Installation (2-Front, 2-Rear)	400.00
4	Flashlight Charger installations(CS)	550.00
SUBTOTALS		\$ 64,066.25
SALES TAX		Resale \$ -
TOTAL		\$ 64,066.25

(CS)= customer supplied

PRICES ARE PER VEHICLE / ALL QUOTES ARE GOOD FOR 180 DAYS

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, WAIVING THE FORMAL BID PROCESS PURSUANT TO MUNICIPAL CODE SECTION 2.60.260 FOR THE PURCHASE OF A PIERCE ARROW XT PUMPER WITH EQUIPMENT FOR THE NATIONAL CITY FIRE DEPARTMENT, AND AUTHORIZING THE CITY OF NATIONAL CITY TO PIGGYBACK ON THE CITY OF LOS ANGELES SUPPLY CONTRACT 190000000182 – AMENDMENT 2 TRIPLE COMBINATION APPARATUS FIRE TRUCK WITH SOUTH COAST FIRE EQUIPMENT, INC., FOR A NOT TO EXCEED AMOUNT OF \$885,829.24 USING THE VEHICLE REPLACEMENT FUND

WHEREAS, the City of National City’s (“City”) Fire Department desires to replace a 2005 Pierce Arrow XT Fire Engine #470, which is sixteen (16) years old and has 156,420 miles; and

WHEREAS, Section 2.60.260 of the National City Municipal Code provides that the City may buy directly from a vendor at a price established through competitive bidding by another public agency whose procedures have been determined to be in substantial compliance with the City’s procurement procedures; and

WHEREAS, the City’s Finance Department staff has confirmed that the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck with South Coast Fire Equipment, Inc., was competitively bid and that the State of California Department of General Services procurement procedures are in substantial compliance with those of the City; and

WHEREAS, as allowed by Municipal Code Section 2.60.260, there is an opportunity to piggyback onto the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck that establishes a per-unit cost of \$792,059.16 to South Coast Fire Equipment, Inc., who was determined to be the lowest responsive, responsible bidder, and was awarded the City of Los Angeles’ bid as an authorized dealer of Pierce Manufacturing Inc. for a Pierce Arrow XT Fire Engine; and

WHEREAS, City staff recommends adopting a resolution waiving the formal bid process pursuant to Municipal Code section 2.60.260 for the purchase of a Pierce Arrow XT pumper with equipment for the National City Fire Department and authorizing the City to piggyback onto the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck with South Coast Fire Equipment, Inc., for a not to exceed the amount of \$885,829.24 using the Vehicle Replacement Fund.

///

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

Section 1: Affirms the City’s Finance Department’s determination that the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck with South Coast Fire Equipment, Inc., was competitively bid and that the State of California Department of General Services procurement procedures is in substantial compliance with those of the City.

Section 2: Waives the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorize the purchase of a Pierce Arrow XT pumper with equipment for the National City Fire Department and authorizes the City to piggyback on the City of Los Angeles Supply Contract 190000000182 – Amendment 2 Triple Combination Apparatus Fire Truck with South Coast Fire Equipment, Inc., for a not to exceed the amount of \$885,829.24 using the Vehicle Replacement Fund.

Section 3: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City: 1\) authorizing the filing of a Proposition 68 Per Capita Program application for the El Toyon Park Playground Improvements Project in the amount of \\$216,033; 2\) authorizing the City Manager or designee to execute the grant agreement if selected for funding; and 3\) if selected for funding, approving the establishment of an Engineering Grants Fund Appropriation of \\$216,033 and corresponding revenue budget to allow for reimbursement of eligible project expenditures through the Per Capita Program for the El Toyon Park Playground Improvements Project. \(Engineering/Public Works\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City, 1) authorizing the filing of a Proposition 68 Per Capita Program application for the El Toyon Park Playground Improvements Project in the amount of \$216,033; 2) authorizing the City Manager or designee to execute the grant agreement if selected for funding; and 3) if selected for funding, approving the establishment of an Engineering Grants Fund Appropriation of \$216,033 and corresponding revenue budget to allow for reimbursement of eligible project expenditures through the Per Capita Program for the El Toyon Park Playground Improvements Project.

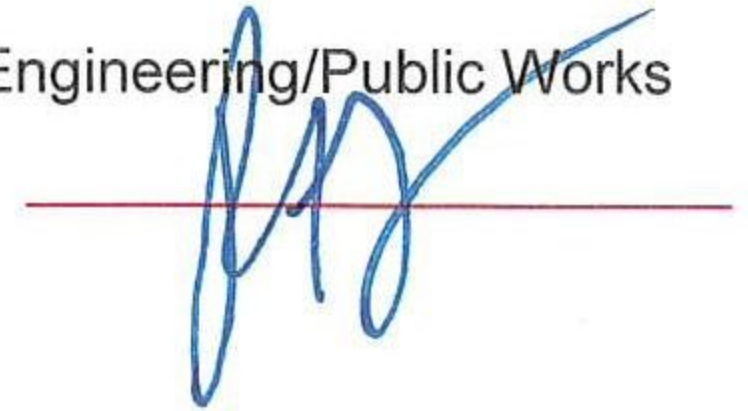
PREPARED BY: Jose Lopez, Deputy City Engineer



PHONE: 619-336-4312

DEPARTMENT: Engineering/Public Works

APPROVED BY: _____



EXPLANATION:

See attached.

FINANCIAL STATEMENT:

ACCOUNT NO.

Rev. 296-*

Exp. 296-409-500-598-*

APPROVED: _____



Finance

APPROVED: _____

MIS

ENVIRONMENTAL REVIEW:

CEQA Notice of Exemption will be recorded with the County Clerk.

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Adopt the Resolution.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Explanation w/ exhibits
2. Resolution

Explanation

Staff is requesting authorization to file a Proposition 68 Per Capita Program application for the El Toyon Park Playground Improvements Project in the amount of \$216,033 (\$177,952 in Per Capita funds plus \$38,081 in Urban Counties Per Capita funds). There is no local match required.

The Per Capita Program funds are available for local park rehabilitation, creation, and improvement grants to local governments on a per capita basis. Grant recipients are encouraged to utilize awards to rehabilitate existing infrastructure and to address deficiencies in neighborhoods lacking access to the outdoors (Public Resource Code (PRC) §80061(a)). Additional funds are available for Per Capita grants to cities and districts in urbanized counties (a county with a population of 500,000 or more) providing park and recreation services within jurisdictions of 200,000 or less in population. An entity eligible to receive funds under this subdivision shall also be eligible to receive funds available under the General Per Capita Program (PRC §80061(b)). National City is eligible to receive funds from both programs.

The El Toyon Park playground equipment has surpassed its useful life of ten years and is in need of replacement as City Public Works staff continues to remove components that are no longer serviceable. Staff recommends proceeding with the replacement of the approximately twenty year old playground equipment at El Toyon Park as it is an excellent example of the type of project the Per Capita Program is aimed at addressing. Additionally, staff has identified the El Toyon Park playground replacement as a priority through our ongoing needs assessments.

The proposed project will remove and dispose of the existing playground equipment and wood mulch at El Toyon Park and install a new playstructure, a teeter tunnel, a unity dome, swings, and new surfacing.

Council Resolution authorizing filing of the grant application is required. Additionally, City Council delegates the authority to the City Manager or designee to conduct all negotiations, sign and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the Grant Scope. If selected for funding, City Council approves the establishment of an Engineering Grants Fund Appropriation of \$216,033 and corresponding revenue budget to allow for reimbursement of eligible project expenditures through the Per Capita Program for the El Toyon Park Playground Improvements Project.

Resolution Form

Resolution Number: ()

RESOLUTION OF THE CITY OF NATIONAL CITY APPROVING APPLICATION(S) FOR PER CAPITA GRANT FUNDS

WHEREAS, the State Department of Parks and Recreation has been delegated the responsibility by the Legislature of the State of California for the administration of the Per Capita Grant Program, setting up necessary procedures governing application(s); and

WHEREAS, said procedures established by the State Department of Parks and Recreation require the grantee's Governing Body to certify by resolution the approval of project application(s) before submission of said applications to the State; and

WHEREAS, the grantee will enter into a contract(s) with the State of California to complete project(s);

NOW, THEREFORE, BE IT RESOLVED that the City of National City hereby:

1. Approves the filing of project application(s) for Per Capita program grant project(s); and
2. Certifies that said grantee has or will have available, prior to commencement of project work utilizing Per Capita funding, sufficient funds to complete the project(s); and
3. Certifies that the grantee has or will have sufficient funds to operate and maintain the project(s), and
4. Certifies that all projects proposed will be consistent with the park and recreation element of the General Plan (PRC §80063(a)), and
5. Certifies that these funds will be used to supplement, not supplant, local revenues in existence as of June 5, 2018 (PRC §80062(d)), and
6. Certifies that it will comply with the provisions of §1771.5 of the State Labor Code, and
7. (PRC §80001(b)(8)(A-G)) To the extent practicable, as identified in the "Presidential Memorandum--Promoting Diversity and Inclusion in Our National Parks, National Forests, and Other Public Lands and Waters," dated January 12, 2017, the City of National City] will consider a range of actions that include, but are not limited to, the following:
 - (A) Conducting active outreach to diverse populations, particularly minority, low-income, and disabled populations and tribal communities, to increase awareness within those communities and the public generally about specific programs and opportunities.
 - (B) Mentoring new environmental, outdoor recreation, and conservation leaders to increase diverse representation across these areas.
 - (C) Creating new partnerships with state, local, tribal, private, and nonprofit organizations to expand access for diverse populations.

(D) Identifying and implementing improvements to existing programs to increase visitation and access by diverse populations, particularly minority, low-income, and disabled populations and tribal communities.

(E) Expanding the use of multilingual and culturally appropriate materials in public communications and educational strategies, including through social media strategies, as appropriate, that target diverse populations.

(F) Developing or expanding coordinated efforts to promote youth engagement and empowerment, including fostering new partnerships with diversity-serving and youth-serving organizations, urban areas, and programs.

(G) Identifying possible staff liaisons to diverse populations.

8. Agrees that to the extent practicable, the project(s) will provide workforce education and training, contractor and job opportunities for disadvantaged communities (PRC §80001(b)(5)).
9. Certifies that the grantee shall not reduce the amount of funding otherwise available to be spent on parks or other projects eligible for funds under this division in its jurisdiction. A one-time allocation of other funding that has been expended for parks or other projects, but which is not available on an ongoing basis, shall not be considered when calculating a recipient's annual expenditures. (PRC §80062(d)).
10. Certifies that the grantee has reviewed, understands, and agrees to the General Provisions contained in the contract shown in the Procedural Guide; and
11. Delegates the authority to the City manager, or designee to conduct all negotiations, sign and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the grant scope(s); and
12. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

Approved and adopted the _____ day of _____, 20_____.

I, the undersigned, hereby certify that the foregoing Resolution Number _____ was duly adopted by the (_____) following a roll call vote:

Ayes:
Noes:
Absent:

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, 1) AUTHORIZING FILING OF A PROPOSITION 68 PER CAPITA PROGRAM APPLICATION FOR THE EL TOYON PARK PLAYGROUND IMPROVEMENTS PROJECT FOR \$216,033; 2) AUTHORIZING THE CITY MANAGER OR DESIGNEE TO EXECUTE THE GRANT AGREEMENT IF SELECTED FOR FUNDING; AND 3) IF SELECTED FOR FUNDING, APPROVING THE ESTABLISHMENT OF AN ENGINEERING GRANTS FUND APPROPRIATION OF \$216,033 AND CORRESPONDING REVENUE BUDGET TO ALLOW FOR REIMBURSEMENT OF ELIGIBLE PROJECT EXPENDITURES THROUGH THE PER CAPITA PROGRAM

WHEREAS, the Proposition 68 Per Capita Program funds are available for local park rehabilitation, creation, and improvement grants to local governments on a per capita basis; and

WHEREAS, Grant recipients are encouraged to utilize awards to rehabilitate existing infrastructure and to address deficiencies in neighborhoods lacking access to the outdoors (Public Resource Code (PRC) §80061(a)); and

WHEREAS, Additional funds are available for Per Capita grants to cities and districts in urbanized counties (a county with a population of 500,000 or more) providing park and recreation services within jurisdictions of 200,000 or less in population; and

WHEREAS, the City of National City ("City") is eligible to receive funds from both programs; and

WHEREAS, the City's El Toyon Park playground equipment has surpassed its useful life of ten years and needs replacement as City Public Works staff continues to remove components that are no longer serviceable; and

WHEREAS, City staff recommends proceeding with replacing the approximately twenty (20) year old playground equipment at El Toyon Park as it is an excellent example of the type of project the Per Capita Program is aimed at addressing; and

WHEREAS, the proposed project will remove and dispose of the existing playground equipment and wood mulch at El Toyon Park and install a new play structure, a teeter tunnel, a unity dome, swings, and new surfacing; and

WHEREAS, City staff is requesting authorization to file a Proposition 68 Per Capita Program application for the El Toyon Park Playground Improvements Project for \$216,033 (\$177,952 in Per Capita funds plus \$38,081 in Urban Counties Per Capita funds) with no local match required; and

WHEREAS, City staff recommends that if the City is selected for funding, City Council further authorize the City Manager or designee to execute the grant agreement; and

///

WHEREAS, City staff recommends that if the City is selected for funding, City Council approve establishing an Engineering Grants Fund appropriation of \$216,033 and corresponding revenue budget to allow for reimbursement of eligible project expenditures through the per capita program

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

Section 1: Authorize the filing of a Proposition 68 Per Capita Program application for the El Toyon Park Playground Improvements Project for \$216,033.

Section 2: Authorize the City Manager or designee to execute the grant agreement if selected for funding.

Section 3: Approved establishing an Engineering Grants Fund Appropriation of \$216,033 and corresponding revenue budget to allow for reimbursement of eligible project expenditures through the Per Capita Program for the El Toyon Park Playground Improvements Project if selected.

Section 4: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City authorizing the installation of yield control signs for the northbound and southbound traffic at the intersection of “E” Avenue and E. 20th Street in order to enhance safety at the intersection \(TSC No. 2021-21\). \(Engineering/Public Works\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the installation of yield control signs for the northbound and southbound traffic at the intersection of "E" Avenue and E. 20th Street in order to enhance safety at the intersection (TSC No. 2021-21).

PREPARED BY: Carla Hutchinson, Assistant Engineer - Civil *C.H.* **DEPARTMENT:** Engineering/Public Works
PHONE: 619-336-4388 **APPROVED BY:** 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

ACCOUNT NO.

[N/A]

APPROVED: _____ **Finance**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

This action is not subject to review under the California Environmental Quality Act (CEQA).

ORDINANCE: **INTRODUCTION:** **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Adopt Resolution authorizing installation of yield control signs for northbound and southbound traffic at the intersection of "E" Avenue and E. 20th Street.

BOARD / COMMISSION RECOMMENDATION:

At their meeting on November 10, 2021, the Traffic Safety Committee approved staff's recommendation to install yield control signs for northbound and southbound traffic at the intersection of "E" Avenue and E. 20th Street.

ATTACHMENTS:

1. Explanation w/ Exhibit
2. Staff Report to the Traffic Safety Committee on November 10, 2021 (TSC No. 2021-21)
3. Resolution

EXPLANATION

At a recent Traffic Safety meeting, an area resident requested traffic control at the intersection of "E" Avenue and E. 20th Street. The Traffic Safety Committee directed city staff to complete an evaluation for the intersection.

Staff performed a site evaluation at the intersection. "E" Avenue and E. 20th Street are currently 2-lane roadways with parallel parking on both sides of the streets. Staff confirmed that the intersection of "E" Avenue and E. 20th Street is not traffic controlled. The posted speed limit on E. 20th Street is 25 mph.

Engineering staff authorized City consultant Kimley-Horn & Associates to perform a traffic analysis of the intersection to determine if warrant is met for installation of traffic control, consistent with the guidelines provided in the California Manual on Uniform Traffic Control Devices (see attached traffic study dated October 22, 2021). The analysis includes review of 48-hour Average Daily Traffic (ADT) data collected during the third week of September, 2021

Staff reviewed the traffic collision history for this location, which confirmed there were no "reported" traffic collisions within the past five years. The traffic collision history can be found in the traffic study.

The results of the traffic study indicate that installation of Yield control signage is warranted at the intersection between "E" Avenue and E. 20th Street.

In order to better facilitate traffic control at the intersection of "E" Avenue and E. 20th Street, staff recommends installation of Yield signs and pavement markings. Section 2B-09 Yield Applications of the California Manual on Uniform Traffic Control Devices (CA-MUTCD) states that yield signs may be considered on the approaches to a through street or highway where conditions are such that a full stop is not always required. Field observations suggest this condition is met for the northbound and southbound "E" Avenue approaches (minor street) to the intersection with E. 20th Street (through street).

The traffic study also states that the intersection does not currently meet the intersection sight distance for vehicles entering the intersection from "E" Avenue. Staff observed that there is 12 feet of existing red curb "No Parking" on the north side of E. 20th Street, east of "E" Avenue and 10 feet of existing red curb "No Parking" on the north side of E. 20th Street, west of "E" Avenue. Staff also observed that there is 14 feet of existing red curb "No Parking" on the south side of E. 20th Street, east of "E" Avenue. To improve visibility at the intersection, staff is recommending to install additional red curb "No Parking" to improve visibility at the intersection.

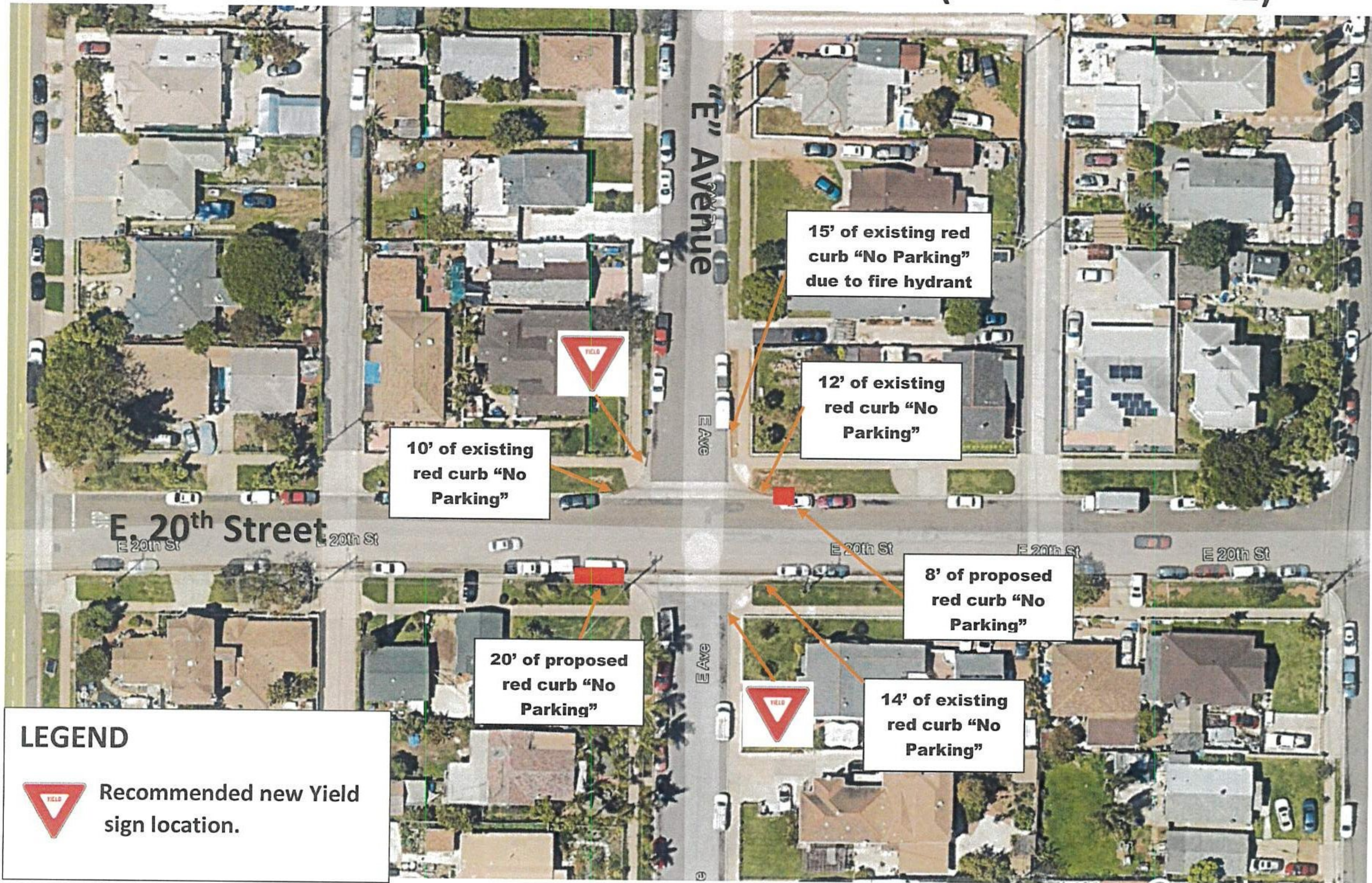
This item was presented to the Traffic Safety Committee via Zoom platform on November 10, 2021. Staff sent notices to area residents inviting them to Zoom-in or call-in to the Traffic Safety Committee Meeting and/or contact staff with any questions.

Staff presented the results of the site evaluation to the Traffic Safety Committee and after discussion, the Traffic Safety Committee voted to approve staff's recommendation for the following enhancements for the intersection of "E" Avenue and E. 20th Street:

- 1) Install Yield control signs and pavement markings for the northbound and southbound traffic of the intersection of "E" Avenue and E. 20th Street;
- 2) Install 8 feet of red curb "No Parking" on the north side of E. 20th Street, east of "E" Avenue. This will not result in the loss of on-street parking space;
- 3) Install 20 feet of red curb "No Parking" on the south side of E. 20th Street, west of "E" Avenue. This will result in the loss of one (1) on-street parking space.

If approved by City Council, all work will be performed by City Public Works.

Location Map with Recommended Enhancements (TSC Item: 2021-21)



**NATIONAL CITY TRAFFIC SAFETY COMMITTEE
AGENDA REPORT FOR NOVEMBER 10, 2021**

ITEM NO. 2021-21

ITEM TITLE: REQUEST TO INSTALL YIELD CONTROL SIGNS FOR THE NORTHBOUND AND SOUTHBOUND TRAFFIC AT THE INTERSECTION OF "E" AVENUE AND E. 20TH STREET IN ORDER TO ENHANCE SAFETY AT THE INTERSECTION.

PREPARED BY: Carla Hutchinson, Assistant Engineer - Civil
Engineering & Public Works Department

DISCUSSION:

An area resident that attended a previous traffic safety meeting had requested traffic control at the intersection of "E" Avenue and E. 20th Street. The traffic safety committee directed city staff to complete an evaluation for the intersection.

Staff performed a site evaluation at the intersection. E. 20th Street and "E" Avenue are currently 2-lane roadways with parallel parking on both sides of the streets. Staff confirmed that the intersection of E. 20th Street and "E" Avenue is not traffic controlled. The posted speed limit on E. 20th Street is 25 mph.

Engineering staff authorized Kimley-Horn & Associates to perform a traffic analysis of the intersection to determine if warrant is met for installation of traffic control, consistent with the guidelines provided in the California Manual on Uniform Traffic Control Devices (see attached traffic study dated October 22, 2021). The analysis includes review of 48-hour Average Daily Traffic (ADT) data collected during the third week of September, 2021

Staff reviewed the traffic collision history for this location, which confirmed there were no "reported" traffic collisions within the past five years. The traffic collision history can be found in the traffic study.

The results of the traffic study indicate that installation of Yield control signage is warranted at the intersection between E. 20th Street and "E" Avenue.

In order to better facilitate traffic control at the intersection of "E" Avenue and E. 20th Street, staff recommends installation of Yield signs and pavement markings. Section 2B-09 Yield Applications of the California Manual on Uniform Traffic Control Devices (CA-MUTCD) states that yield signs may be considered on the approaches to a through street or highway where conditions are such that a full stop is not always required. Field observations suggest this condition is met for the northbound and southbound "E" Avenue approaches (minor street) to the intersection with E. 20th Street (through street).

The traffic study also states that the intersection does not currently meet the intersection sight distance for vehicles entering the intersection from "E" Avenue. Staff observed that there is 12 feet of existing red curb "No Parking" on the north side of E. 20th Street, east of "E" Avenue and 10 feet of existing red curb "No Parking" on the north side of E. 20th Street,

west of "E" Avenue. Staff also observed that there is 14 feet of existing red curb "No Parking" on the south side of E. 20th Street, east of "E" Avenue. To improve visibility at the intersection, staff is recommending to install additional red curb "No Parking" to improve visibility at the intersection.

STAFF RECOMMENDATION:

Staff recommends the following enhancements for the intersection of "E" Avenue and E. 20th Street in order to enhance safety and visibility at the intersection:

- 1) Install Yield control signs and pavement markings for the northbound and southbound traffic of the intersection of "E" Avenue and E. 20th Street;
- 2) Install 8 feet of red curb "No Parking" on the north side of E. 20th Street, east of "E" Avenue. This will not result in the loss of on-street parking space;
- 3) Install 20 feet of red curb "No Parking" on the south side of E. 20th Street, west of "E" Avenue. This will result in the loss of one (1) on-street parking space.

EXHIBITS:

1. Public Notice
2. Location Map
3. Photos
4. Traffic study

2021-21



November 3, 2021

Resident/Property Owner

Subject: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2021-21

REQUEST TO INSTALL YIELD CONTROL SIGNS FOR THE NORTHBOUND AND SOUTHBOUND TRAFFIC AT THE INTERSECTION OF "E" AVENUE AND E. 20TH STREET IN ORDER TO ENHANCE SAFETY AT THE INTERSECTION.

Dear Sir/Madame:

The City of National City would like to invite you to our next public Traffic Safety Committee Conference Call scheduled for **Wednesday, November 10, 2021, at 1:00 P.M.** via Zoom. Please use the following information to call-in to the meeting during the scheduled time:

Join Zoom Meeting from computer

<https://us06web.zoom.us/j/85386154768?pwd=VDBqSVJJd3FtV2J5UkowV3htdzIrdz09>

Join Zoom Meeting by phone

+1 720-707-2699

Meeting ID: 853 8615 4768

Passcode: 208098

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2021-21.

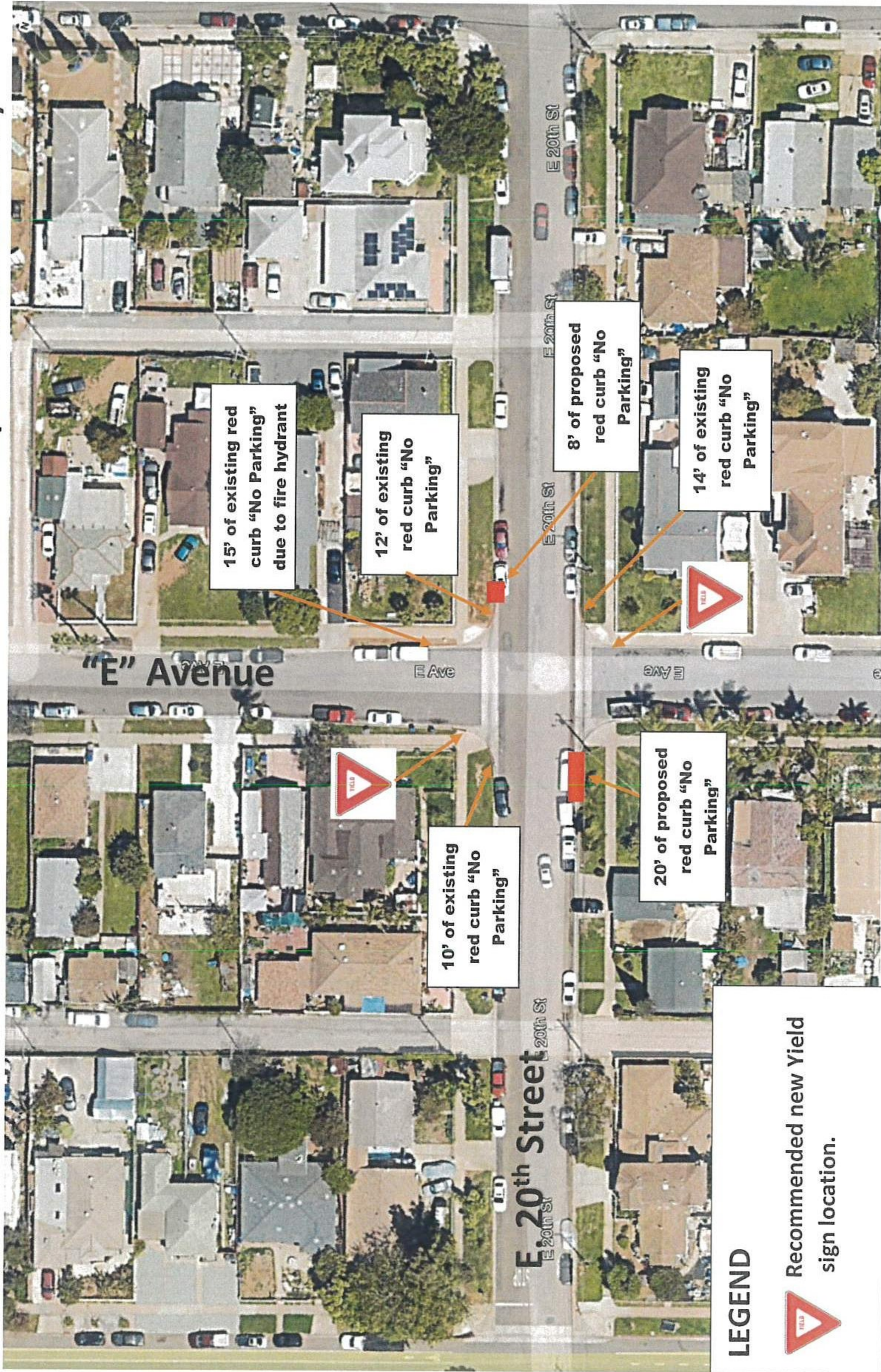
Sincerely,

Roberto Yano, P.E.
City Engineer/Director of Public Works

RY:ch

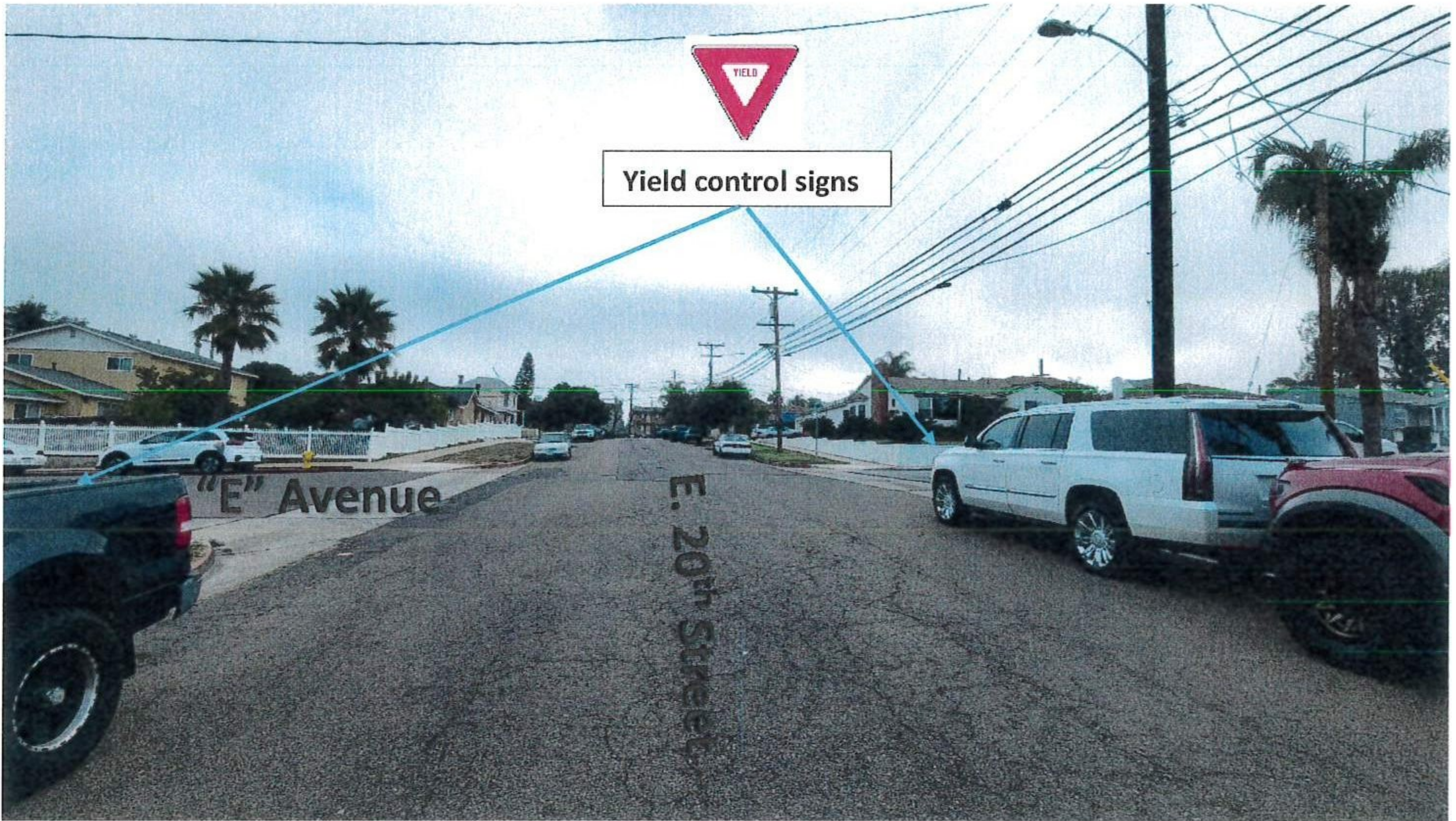
Enclosure: Location Map
2021-21

Location Map with Recommended Enhancements (TSC Item: 2021-21)





Location of proposed Yield control signs at the intersection between "E" Avenue and E. 20th Street (looking south)



Location of proposed Yield control signs at the intersection between "E" Avenue and E. 20th Street (looking east)

MEMORANDUM

To: Carla Hutchinson
City of National City

From: Leo Espelet, P.E., T.E.
Kimley-Horn and Associates, Inc.

Date: October 22, 2021

Subject: East 20th Street at E Avenue Stop Control Evaluation

This memorandum was prepared to evaluate the use of all-way stop control at the intersection of East 20th Street and E Avenue in the City of National City.

East 20th Street is a 2-lane local roadway, running southwest-northeast, with parking permitted on both sides providing access to residential areas. E Avenue is classified as a 2-lane local roadway and runs northwest-southeast, with on-street parking providing access to adjacent residential uses. The intersection of E Avenue/East 20th Street currently operates as an uncontrolled intersection with both East 20th Street and E Avenue operating as free movements. **Figure 1** illustrates the existing intersection conditions.

Figure 1: Intersection of E Avenue & East 20th Street



The guiding document for the evaluation of intersection traffic control is the 2014 Edition of the California Manual on Uniform Traffic Control Devices, Revision 6 (CA-MUTCD). The applicable CA-MUTCD excerpt is provided in **Attachment A** and summarized below.

Section 2B-06 Stop Sign Applications

The use of stop control on the minor-street approach should be considered if engineering judgement indicates that a stop is always required because of one or more of the following conditions:

- The vehicular traffic volumes on the through street or highway exceed 6,000 vehicles per day;
- A restricted view exists that requires road users to stop in order to adequately observe conflicting traffic on the through street or highway; and/or
- Crash records indicate that three or more crashes are susceptible to correction by the installation of a stop sign have been reported within a 2-year period. Such crashes include right-angle collisions involving road users on the minor-street approach failing to yield the right-of-way to traffic on the through street.

Section 2B-07 Multi-way Stop Applications

The use of all-way stop control should be considered if engineering judgment indicates that a stop is always required because of one or more of the following conditions:

Minimum Volumes:

- The vehicular volume entering the intersection from the major street approaches (total of both approaches) averages at least 300 vehicles per hour for any 8 hours of an average day, and
- The combined vehicular, pedestrian, and bicycle volume entering the intersection from the minor street approaches (total of both approaches) averages at least 200 units per hour for the same 8 hours, with an average delay to minor-street vehicular traffic of at least 30 seconds per vehicle during the highest hour, but
- If the 85th-percentile approach speed of the major-street traffic exceeds 40 mph, the minimum vehicular volume warrants are 70 percent of the values provided in the prior two bulleted items.

Crashes:

- Five or more reported crashes in a 12-month period that are susceptible to correction by a multi-way stop installation. Such crashes include right-turn and left-turn collisions as well as right-angle collisions.

Other Criteria:

- The need to control left-turn conflicts;
- The need to control vehicle/pedestrian conflicts near locations that generate high pedestrian volumes;
- Locations where a road user, after stopping, cannot see conflicting traffic and is not able to negotiate the intersection unless conflicting cross traffic is also required to stop; and
- An intersection of two residential neighborhood collectors (through) streets of similar design and operating characteristics where multi-way stop control would improve traffic operational characteristics of the intersection.

Section 2B-09 Yield Sign Applications

The use of yield control on the minor-street approach may be at an intersection where a special problem exists and where engineering judgment indicates that the problem is susceptible to correction by the use of the yield sign. Yield signs can be used at intersections where a full stop is not necessary at all times.

Evaluation

As a part of the analysis, 48-hour ADT counts were collected on Wednesday September 15th, 2021 and Thursday September 16th, 2021 at the following locations:

- East 20th Street between D Avenue and E Avenue
- E Avenue between East 18th Avenue and East 20th Street.

These counts are provided in **Attachment B**.

Crash data was collected through the Transportation Injury Mapping System (TIMS) databases. At the time of this memorandum, crash data through the end of 2018 was available. Based on the latest 5 years of available data (2014 through 2018), zero collisions occurred at the intersection of East 20th Street and E Avenue.

Side-street Stop Control Evaluation

Minimum Volumes:

Based on collected traffic volumes, the intersection of East 20th Street and E Avenue were not found to meet the minimum daily volume threshold. The average daily traffic counts on East 20th Street was found to be 920 vehicles per day. A summary of traffic volume is presented in **Table 1**.

Intersection Visibility:

Because of the limited red curb, power poles and trees near the intersection, intersection sight distance is generally limited and required vehicles on the minor street to come to a complete stop in order to adequately observe vehicles travelling along East 20th Street.

Crashes:

Crash history from 2017 to 2018 was reviewed for this analysis. Reviewing crash history at the subject intersection revealed zero crashes within the 2-year window.

All-way Stop Control Evaluation

Minimum Volumes:

Based on traffic volumes collected, the intersection of East 20th Street and E Avenue was not found to meet the minimum volume thresholds for eight hours of a day. The major street (East 20th Street) had less than 300 vehicles per hour for all hours of the day, and the minor street (E Avenue) had less than 100 vehicles per hour for all hours of the day. The average traffic volumes for the peak eight hours

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were found to be 68 vehicles along East 20th Street and 20 vehicles along E Avenue. Directional traffic volumes and hourly breakdowns are presented in **Table 1**.

Crashes:

As stated above, the intersection of East 20th Street and E Avenue had no reported crashes within the most recent 5-year period (2014 through 2018).

Other Criteria:

A review of corner sight distance was completed on the minor legs of E Avenue and the following sight distances were observed:

- Southbound traveling vehicles looking left (east) – approximately 120' of clear sight distance; limited by parked vehicles at the corner of the intersection
- Southbound traveling vehicles looking right (west) – approximately 160' of clear sight distance; limited by parked vehicles at the corner of the intersection
- Northbound traveling vehicles looking left (west) – approximately 100' of clear sight distance limited by power poles and parked vehicles, and
- Northbound traveling vehicles looking right (east) – approximately 210' of clear sight distance limited by parked vehicles.

For 25 mph speeds along East 20th Street, the California Highway Design Manual (HDM) recommends a minimum of 275' visibility for vehicles entering the intersection and turning left to East 20th Street, from the stop location on E Avenue, and 240' visibility for vehicles entering the intersection and turning right. Based on the sight distances observed in the field, visual obstructions were found to restrict the view of vehicles entering the intersection from the stop-controlled northbound approach. Left-turn conflict, or vehicle/pedestrian conflicts were not observed in the field.

Intersection sight distance photos are contained in **Attachment C** and the sight distance exhibit is contained in **Attachment D**.

Yield Sign Control Evaluation

Based on engineering judgement, a yield control could be implemented on the southbound and northbound approaches based on the limited sight distance available in both directions.



Conclusion/Recommendations:

The intersection of East 20th Street and E Avenue was not found to meet the warrants for an all-way stop control or two-way stop control based on vehicular volumes and accident history. However, it is recommended to implement a yield control on the southbound and northbound approach based on the restricted view on the minor leg approaches that require a road user to slow down in order to adequately observe oncoming traffic from East 20th Street.

The intersection does not currently meet the recommended 275' and 240' intersection sight distance for vehicles entering the intersection from E Avenue. To improve visibility at the intersection the following features are recommended:

- Install approximately 50' of red curb on both the north and south sides of East 20th Street immediately east and west of E Avenue.

Attachments:

- Table 1 – Intersection Approach Volumes
- Attachment A – Applicable CA-MUTCD Excerpts
- Attachment B – Existing Traffic Count Data Sheets
- Attachment C - Intersection Sight Distance Photos
- Attachment D – Sight Distance Exhibit

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Table 1 - Intersection Approach Volumes

TABLE 1
SUMMARY OF INTERSECTION APPROACH VOLUMES

Time of Day	APPROACH VOLUMES	
	E 20th St	E Ave
	EB + WB ^(a)	NB + SB ^(a)
0:00 a.m. to 1:00 a.m.	8	7
1:00 a.m. to 2:00 a.m.	5	4
2:00 a.m. to 3:00 a.m.	6	3
3:00 a.m. to 4:00 a.m.	4	2
4:00 a.m. to 5:00 a.m.	7	3
5:00 a.m. to 6:00 a.m.	19	5
6:00 a.m. to 7:00 a.m.	32	6
7:00 a.m. to 8:00 a.m.	78	17
8:00 a.m. to 9:00 a.m.	61	18
9:00 a.m. to 10:00 a.m.	37	11
10:00 a.m. to 11:00 a.m.	34	10
11:00 a.m. to 12:00 p.m.	38	8
12:00 p.m. to 1:00 p.m.	48	25
1:00 p.m. to 2:00 p.m.	64	22
2:00 p.m. to 3:00 p.m.	65	17
3:00 p.m. to 4:00 p.m.	73	21
4:00 p.m. to 5:00 p.m.	74	23
5:00 p.m. to 6:00 p.m.	61	21
6:00 p.m. to 7:00 p.m.	65	13
7:00 p.m. to 8:00 p.m.	42	10
8:00 p.m. to 9:00 p.m.	42	5
9:00 p.m. to 10:00 p.m.	23	12
10:00 p.m. to 11:00 p.m.	30	6
11:00 p.m. to 12:00 a.m.	10	10

Daily Total **920** **276**

Average of Highest 8 Hours **68** **20**

Notes:

(a) This data represents the average of one day count collected at East 20th Street and E Avenue. The data was collected in September 2021.

(b) **Bold** = Highest Eight Hour of Traffic

Attachment A – CA MUTCD AWSC Warrant Excerpts

Support:

¹⁷ Caltrans will grant such permission only when an investigation indicates that the STOP (R1-1) sign will benefit traffic.

Section 2B.06 STOP Sign Applications

Guidance:

⁰¹ At intersections where a full stop is not necessary at all times, consideration should first be given to using less restrictive measures such as YIELD signs (see Sections 2B.08 and 2B.09).

⁰² The use of STOP signs on the minor-street approaches should be considered if engineering judgment indicates that a stop is always required because of one or more of the following conditions:

- A. The vehicular traffic volumes on the through street or highway exceed 6,000 vehicles per day;
- B. A restricted view exists that requires road users to stop in order to adequately observe conflicting traffic on the through street or highway; and/or
- C. Crash records indicate that three or more crashes that are susceptible to correction by the installation of a STOP sign have been reported within a 12-month period, or that five or more such crashes have been reported within a 2-year period. Such crashes include right-angle collisions involving road users on the minor-street approach failing to yield the right-of-way to traffic on the through street or highway.

Support:

⁰³ The use of STOP signs at grade crossings is described in Sections 8B.04 and 8B.05.

Section 2B.07 Multi-Way Stop Applications

Support:

⁰¹ Multi-way stop control can be useful as a safety measure at intersections if certain traffic conditions exist. Safety concerns associated with multi-way stops include pedestrians, bicyclists, and all road users expecting other road users to stop. Multi-way stop control is used where the volume of traffic on the intersecting roads is approximately equal.

⁰² The restrictions on the use of STOP signs described in Section 2B.04 also apply to multi-way stop applications.

Guidance:

⁰³ The decision to install multi-way stop control should be based on an engineering study.

⁰⁴ The following criteria should be considered in the engineering study for a multi-way STOP sign installation:

- A. Where traffic control signals are justified, the multi-way stop is an interim measure that can be installed quickly to control traffic while arrangements are being made for the installation of the traffic control signal.
- B. Five or more reported crashes in a 12-month period that are susceptible to correction by a multi-way stop installation. Such crashes include right-turn and left-turn collisions as well as right-angle collisions.
- C. Minimum volumes:
 - 1. The vehicular volume entering the intersection from the major street approaches (total of both approaches) averages at least 300 vehicles per hour for any 8 hours of an average day; and
 - 2. The combined vehicular, pedestrian, and bicycle volume entering the intersection from the minor street approaches (total of both approaches) averages at least 200 units per hour for the same 8 hours, with an average delay to minor-street vehicular traffic of at least 30 seconds per vehicle during the highest hour; but
 - 3. If the 85th-percentile approach speed of the major-street traffic exceeds 40 mph, the minimum vehicular volume warrants are 70 percent of the values provided in Items 1 and 2.
- D. Where no single criterion is satisfied, but where Criteria B, C.1, and C.2 are all satisfied to 80 percent of the minimum values. Criterion C.3 is excluded from this condition.

Option:

⁰⁵ Other criteria that may be considered in an engineering study include:

- A. The need to control left-turn conflicts;
- B. The need to control vehicle/pedestrian conflicts near locations that generate high pedestrian volumes;
- C. Locations where a road user, after stopping, cannot see conflicting traffic and is not able to negotiate the intersection unless conflicting cross traffic is also required to stop; and

- D. An intersection of two residential neighborhood collector (through) streets of similar design and operating characteristics where multi-way stop control would improve traffic operational characteristics of the intersection.

Section 2B.08 YIELD Sign (R1-2)

Standard:

01 The YIELD (R1-2) sign (see Figure 2B-1) shall be a downward-pointing equilateral triangle with a wide red border and the legend YIELD in red on a white background.

Support:

02 The YIELD sign assigns right-of-way to traffic on certain approaches to an intersection. Vehicles controlled by a YIELD sign need to slow down to a speed that is reasonable for the existing conditions or stop when necessary to avoid interfering with conflicting traffic.

Section 2B.09 YIELD Sign Applications

Option:

01 YIELD signs may be installed:

- A. On the approaches to a through street or highway where conditions are such that a full stop is not always required.
- B. At the second crossroad of a divided highway, where the median width at the intersection is 30 feet or greater. In this case, a STOP or YIELD sign may be installed at the entrance to the first roadway of a divided highway, and a YIELD sign may be installed at the entrance to the second roadway.
- C. For a channelized turn lane that is separated from the adjacent travel lanes by an island, even if the adjacent lanes at the intersection are controlled by a highway traffic control signal or by a STOP sign.
- D. At an intersection where a special problem exists and where engineering judgment indicates the problem to be susceptible to correction by the use of the YIELD sign.
- E. Facing the entering roadway for a merge-type movement if engineering judgment indicates that control is needed because acceleration geometry and/or sight distance is not adequate for merging traffic operation.

Standard:

02 A YIELD (R1-2) sign shall be used to assign right-of-way at the entrance to a roundabout. YIELD signs at roundabouts shall be used to control the approach roadways and shall not be used to control the circulatory roadway.

03 Other than for all of the approaches to a roundabout, YIELD signs shall not be placed on all of the approaches to an intersection.

Section 2B.10 STOP Sign or YIELD Sign Placement

Standard:

01 The STOP or YIELD sign shall be installed on the near side of the intersection on the right-hand side of the approach to which it applies. When the STOP or YIELD sign is installed at this required location and the sign visibility is restricted, a Stop Ahead sign (see Section 2C.36) shall be installed in advance of the STOP sign or a Yield Ahead sign (see Section 2C.36) shall be installed in advance of the YIELD sign.

02 The STOP or YIELD sign shall be located as close as practical to the intersection it regulates, while optimizing its visibility to the road user it is intended to regulate.

02a YIELD signs shall not be erected upon the approaches to more than one of the intersecting streets. Refer to CVC 21356.

03 STOP signs and YIELD signs shall not be mounted on the same post.

04 No items other than inventory stickers, sign installation dates, and bar codes shall be affixed to the fronts of STOP or YIELD signs, and the placement of these items shall be in the border of the sign.

05 No items other than official traffic control signs, inventory stickers, sign installation dates, anti-vandalism stickers, and bar codes shall be mounted on the backs of STOP or YIELD signs.

06 No items other than retroreflective strips (see Section 2A.21) or official traffic control signs shall be mounted on the fronts or backs of STOP or YIELD signs supports.

Attachment B – Existing Traffic Count Data Sheets

Prepared by: Field Data Services of Arizona/Veracity Traffic Group (520) 316-6745

Volumes for: Wednesday, September 15, 2021

City: National City

Project# 21-1558-010

Location : 20th St btwn D Ave & E Ave

DAY 1

AM Period	NB	SB	EB	WB	PM Period	NB	SB	EB	WB			
00:00			0	0	12:00			6	5			
00:15			0	1	12:15			14	7			
00:30			0	1	12:30			8	3			
00:45			2	2	0	2	4	7	35	4	19	54
01:00			1	0	13:00			8	7			
01:15			2	1	13:15			7	14			
01:30			0	0	13:30			8	7			
01:45			2	5	0	1	6	7	30	8	36	66
02:00			0	0	14:00			4	5			
02:15			0	1	14:15			8	9			
02:30			0	1	14:30			5	6			
02:45			2	2	2	4	6	9	26	9	29	55
03:00			0	0	15:00			6	9			
03:15			0	1	15:15			16	10			
03:30			0	0	15:30			9	6			
03:45			0	0	1	2	2	13	44	5	30	74
04:00			0	1	16:00			15	4			
04:15			1	1	16:15			13	9			
04:30			3	1	16:30			11	5			
04:45			1	5	2	5	10	15	54	6	24	78
05:00			0	1	17:00			12	3			
05:15			2	3	17:15			6	5			
05:30			1	2	17:30			12	9			
05:45			2	5	4	10	15	13	43	2	19	62
06:00			2	3	18:00			9	7			
06:15			0	2	18:15			15	7			
06:30			8	6	18:30			9	6			
06:45			3	13	6	17	30	10	43	6	26	69
07:00			6	6	19:00			1	5			
07:15			7	6	19:15			4	1			
07:30			10	8	19:30			13	4			
07:45			11	34	14	34	68	0	18	5	15	33
08:00			11	13	20:00			14	3			
08:15			4	9	20:15			8	3			
08:30			6	3	20:30			7	3			
08:45			5	26	5	30	56	8	37	5	14	51
09:00			6	4	21:00			5	2			
09:15			2	3	21:15			6	3			
09:30			2	8	21:30			2	1			
09:45			3	13	4	19	32	4	17	1	7	24
10:00			5	3	22:00			5	5			
10:15			3	0	22:15			3	4			
10:30			5	1	22:30			0	5			
10:45			12	25	4	8	33	8	16	2	16	32
11:00			5	1	23:00			0	1			
11:15			6	5	23:15			1	1			
11:30			9	3	23:30			2	0			
11:45			8	28	7	16	44	0	3	2	4	7

Total Vol. 158 148 **306** 366 239 **605**

GPS Coordinates: 32.666797, -117.098264

		Daily Totals		
NB	SB	EB	WB	Combined
		524	387	911

Split %	AM			PM		
	51.6%	48.4%	33.6%	60.5%	39.5%	66.4%
Peak Hour	07:15	07:30	07:15	16:00	13:00	15:15
Volume	39	44	80	54	36	78
P.H.F.	0.89	0.79	0.80	0.90	0.64	0.75

Prepared by: Field Data Services of Arizona/Veracity Traffic Group (520) 316-6745

Volumes for: Thursday, September 16, 2021

City: National City

Project# 21-1558-010

Location : 20th St btwn D Ave & E Ave

DAY 2

AM Period	NB	SB	EB	WB	PM Period	NB	SB	EB	WB
00:00			3	4	12:00			6	3
00:15			2	1	12:15			7	6
00:30			0	0	12:30			4	3
00:45			0	5	12:45			5	22
01:00			0	1	13:00			10	18
01:15			0	0	13:15			5	6
01:30			2	0	13:30			10	4
01:45			1	3	13:45			5	30
02:00			2	0	14:00			5	7
02:15			0	0	14:15			10	3
02:30			1	0	14:30			17	5
02:45			2	5	14:45			16	48
03:00			0	1	15:00			11	5
03:15			1	3	15:15			15	7
03:30			0	0	15:30			11	6
03:45			1	2	15:45			8	45
04:00			0	0	16:00			10	5
04:15			0	0	16:15			10	6
04:30			1	1	16:30			10	2
04:45			0	1	16:45			16	46
05:00			2	3	17:00			8	4
05:15			5	1	17:15			9	6
05:30			3	5	17:30			6	7
05:45			3	13	17:45			13	36
06:00			10	1	18:00			8	6
06:15			5	1	18:15			14	6
06:30			9	3	18:30			9	10
06:45			2	26	18:45			3	34
07:00			9	4	19:00			8	3
07:15			10	10	19:15			15	6
07:30			7	18	19:30			6	4
07:45			14	40	19:45			5	34
08:00			9	15	20:00			5	2
08:15			6	9	20:15			8	0
08:30			4	10	20:30			8	2
08:45			5	24	20:45			3	24
09:00			6	5	21:00			5	4
09:15			6	4	21:15			1	2
09:30			3	6	21:30			6	2
09:45			7	22	21:45			1	13
10:00			6	5	22:00			4	1
10:15			7	6	22:15			5	1
10:30			3	1	22:30			7	2
10:45			5	21	22:45			4	20
11:00			5	5	23:00			2	2
11:15			5	2	23:15			2	1
11:30			5	1	23:30			3	1
11:45			4	19	23:45			0	7

Total Vol.			181	164	345			359	225	584
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GPS Coordinates: 32.666797, -117.098264

	AM			PM		
	NB	SB	Combined	NB	SB	Combined
Split %	52.5%	47.5%	37.1%	61.5%	38.5%	62.9%
Peak Hour	07:00	07:15	07:15	14:30	12:45	14:30
Volume	40	59	99	59	36	87
P.H.F.	0.71	0.82	0.83	0.87	0.50	0.81

Prepared by: Field Data Services of Arizona/Veracity Traffic Group (520) 316-6745

Volumes for: Wednesday, September 15, 2021

City: National City

Project# 21-1558-011

Location : E Ave btwn 18th St & 20th St

DAY 1

AM Period	NB	SB	EB	WB	PM Period	NB	SB	EB	WB
00:00	0	1			12:00	3	2		
00:15	1	0			12:15	4	2		
00:30	1	1			12:30	3	0		
00:45	1	3	0	2	12:45	5	15	1	5
01:00	1	1			13:00	1	3		
01:15	2	1			13:15	10	2		
01:30	0	1			13:30	1	3		
01:45	2	5	0	3	13:45	2	14	1	9
02:00	0	0			14:00	1	2		
02:15	2	1			14:15	3	1		
02:30	1	0			14:30	2	3		
02:45	0	3	1	2	14:45	1	7	1	7
03:00	0	0			15:00	1	2		
03:15	0	0			15:15	4	4		
03:30	0	0			15:30	0	2		
03:45	0	0	0	0	15:45	4	9	2	10
04:00	1	1			16:00	4	2		
04:15	1	0			16:15	4	3		
04:30	1	0			16:30	2	2		
04:45	0	3	0	1	16:45	6	16	1	8
05:00	0	1			17:00	4	1		
05:15	0	0			17:15	8	2		
05:30	1	1			17:30	4	4		
05:45	2	3	1	3	17:45	0	16	2	9
06:00	2	1			18:00	3	1		
06:15	1	2			18:15	2	1		
06:30	1	0			18:30	1	1		
06:45	0	4	1	4	18:45	0	6	1	4
07:00	0	0			19:00	1	1		
07:15	0	0			19:15	0	1		
07:30	1	0			19:30	1	3		
07:45	3	4	1	1	19:45	0	2	1	6
08:00	4	3			20:00	1	0		
08:15	0	0			20:15	0	0		
08:30	4	1			20:30	0	0		
08:45	3	11	0	4	20:45	0	1	1	1
09:00	0	0			21:00	1	2		
09:15	0	1			21:15	0	2		
09:30	4	3			21:30	1	1		
09:45	1	5	2	6	21:45	1	3	3	8
10:00	0	1			22:00	0	3		
10:15	0	2			22:15	0	1		
10:30	1	1			22:30	0	1		
10:45	1	2	3	7	22:45	0	0	1	6
11:00	0	2			23:00	0	2		
11:15	0	1			23:15	0	2		
11:30	1	1			23:30	0	1		
11:45	1	2	2	6	23:45	0	0	2	7
Total Vol.	45	39		84		89	80		169

GPS Coordinates: 32.667795, -117.098090

Daily Totals				
NB	SB	EB	WB	Combined
134	119			253

Split %	AM			PM		
	53.6%	46.4%	33.2%	52.7%	47.3%	66.8%
Peak Hour	07:45	09:30	11:45	16:45	14:30	16:45
Volume	11	8	17	22	10	30
P.H.F.	0.69	0.67	0.71	0.69	0.63	0.75

Prepared by: Field Data Services of Arizona/Veracity Traffic Group (520) 316-6745

Volumes for: Thursday, September 16, 2021

City: National City

Project# 21-1558-011

Location : E Ave btwn 18th St & 20th St

DAY 2

AM Period	NB	SB	EB	WB	PM Period	NB	SB	EB	WB
00:00	0	3			12:00	3	2		
00:15	0	4			12:15	4	1		
00:30	0	0			12:30	2	4		
00:45	0	0	2	9	12:45	5	14	9	16
01:00	0	0			13:00	2	7		30
01:15	0	0			13:15	2	1		
01:30	0	0			13:30	1	2		
01:45	0	0	0	0	13:45	3	8	3	13
02:00	0	0			14:00	1	2		21
02:15	0	0			14:15	0	5		
02:30	0	0			14:30	2	2		
02:45	0	0	0	0	14:45	4	7	4	13
03:00	0	0			15:00	5	2		20
03:15	0	0			15:15	2	4		
03:30	0	2			15:30	5	3		
03:45	0	0	2	4	15:45	1	13	1	10
04:00	0	0			16:00	4	1		23
04:15	0	0			16:15	5	3		
04:30	0	2			16:30	2	2		
04:45	0	0	0	2	16:45	3	14	2	8
05:00	0	2			17:00	5	2		22
05:15	0	1			17:15	1	1		
05:30	0	1			17:30	4	0		
05:45	0	0	0	4	17:45	4	14	0	3
06:00	0	1			18:00	3	2		17
06:15	0	1			18:15	2	0		
06:30	0	1			18:30	3	3		
06:45	0	0	1	4	18:45	1	9	2	7
07:00	0	4			19:00	2	1		16
07:15	3	3			19:15	3	2		
07:30	3	2			19:30	0	0		
07:45	9	15	4	13	19:45	0	5	3	6
08:00	2	3			20:00	0	2		11
08:15	5	2			20:15	1	2		
08:30	2	1			20:30	1	1		
08:45	4	13	2	8	20:45	0	2	1	6
09:00	1	2			21:00	1	1		8
09:15	2	0			21:15	3	1		
09:30	2	0			21:30	2	0		
09:45	2	7	1	3	21:45	1	7	3	5
10:00	1	2			22:00	0	0		12
10:15	3	0			22:15	1	1		
10:30	0	0			22:30	1	0		
10:45	4	8	1	3	22:45	2	4	1	2
11:00	3	2			23:00	2	2		6
11:15	1	0			23:15	1	1		
11:30	0	0			23:30	1	3		
11:45	2	6	0	2	23:45	1	5	1	7

Total Vol. 49 52 101 102 96 198

GPS Coordinates: 32.667795, -117.098090

Daily Totals				
NB	SB	EB	WB	Combined
151	148			299

Split %	AM			PM		
	48.5%	51.5%	33.8%	51.5%	48.5%	66.2%
Peak Hour	07:30	07:00	07:30	14:45	12:15	12:15
Volume	19	13	30	16	21	34
P.H.F.	0.53	0.81	0.58	0.80	0.58	0.61

Attachment C – Intersection Sight Distance Photos

East 20th Street and E Avenue
Sight Distance Field Verification
2021.10.01



From E Avenue –Northbound looking left (west)



From E Avenue – Northbound looking right (east)

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE (1) INSTALLATION OF YIELD CONTROL SIGNS, FOR THE NORTHBOUND AND SOUTHBOUND TRAFFIC AT THE INTERSECTION OF “E” AVENUE AND EAST 20TH STREET, (2) INSTALLATION OF EIGHT (8) FEET OF RED CURB “NO-PARKING ON THE NORTH SIDE OF E. 20TH STREET, EAST OF “E” AVENUE, AND (3) INSTALLATION OF TWENTY (20) FEET RED CURB “NO PARKING” ON THE SOUTH SIDE OF E. 20TH STREET, WEST OF “E” AVENUE IN ORDER TO ENHANCE SAFETY AT THE INTERSECTION

WHEREAS, City of National City (“City”) resident requested traffic control at the intersection of “E” Avenue and East 20th Street to enhance safety and visibility for drivers; and

WHEREAS, City staff visited the site and verified that “E” Avenue and East 20th Street are currently 2-lane roadways with parallel parking on both sides of the streets with a speed limit of twenty-five (25) mph; and

WHEREAS, City staff confirmed that the intersection of “E” Avenue and East 20th Street is not traffic controlled; and

WHEREAS, City staff authorized City consultant Kimley-Horn & Associates to perform a traffic analysis of the intersection to determine if it warrants installation of traffic control, consistent with the guidelines provided in the California Manual on Uniform Traffic Control Devices; and

WHEREAS, the traffic study’s results indicate that installation of a Yield Control Signage is warranted at the intersection between “E” Avenue and East 20th Street; and

WHEREAS, City staff reviewed the traffic collision history for this location, which reported no traffic collisions within the past four years; and

WHEREAS, on November 10, 2021, the City’s Traffic Safety Committee voted to approve staff’s recommendation for the enhancements for the intersection of “E” Avenue and East 20th Street; and

WHEREAS, City staff recommends City Council to authorize:

- 1) Installing Yield Control Signs and pavement markings for the northbound and southbound traffic of the intersection of “E” Avenue and E. 20th Street;
- 2) Installing eight (8) feet of red curb “No Parking” on the north side of E. 20th Street, east of “E” Avenue. This will not result in the loss of on-street parking space;
- 3) Installing twenty (20) feet of red curb “No Parking” on the south side of E. 20th Street, west of “E” Avenue. This will result in the loss of one (1) on-street parking space.

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

Section 1: Authorizing the following:

- 1) Installing Yield Control Signs and pavement markings for the northbound and southbound traffic of the intersection of “E” Avenue and E. 20th Street;
- 2) Installing eight (8) feet of red curb “No Parking” on the north side of E. 20th Street, east of “E” Avenue. This will not result in the loss of on-street parking space;
- 3) Installing twenty (20) feet of red curb “No Parking” on the south side of E. 20th Street, west of “E” Avenue. This will result in the loss of one (1) on-street parking space.

Section 2: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City authorizing an increase in the appropriation of American Rescue Plan Act \(ARPA\) funding to be used for City of National City employee premium pay from \\$900,000 to \\$1,340,000. \(Finance\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing an increase in the appropriation of American Rescue Plan Act funding to be used for City of National City employee premium pay from \$900,000 to \$1,340,000.

PREPARED BY: Molly Brennan, Administrative Services Director **DEPARTMENT:** Finance

PHONE: 619-336-4265

APPROVED BY: _____

Molly Brennan

EXPLANATION:

On October 19, 2021 City Council authorized an appropriation of \$900,000 from the City's \$18M American Rescue Plan Act (ARPA) funding allocation for employee premium pay. Through labor negotiations with the City's collective bargaining groups, City Council has increased the total amount of premium pay per eligible employee (as defined by the U.S. Treasury interim final rule), to a maximum of \$10,000. Therefore, it is necessary to increase the appropriation authorized for this purpose from the previous \$900,000 to \$1,340,000 to cover the expenditure of ARPA funds during the current fiscal year.

FINANCIAL STATEMENT:

APPROVED: _____ **FINANCE**

APPROVED: _____ **MIS**

Funding for premium pay will come from the City's \$18M American Rescue Plan Act Allocation, with no impact on the City's General Fund.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Adopt the resolution increasing the ARPA appropriation for employee premium pay.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Resolution

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING AN INCREASE IN THE APPROPRIATION OF AMERICAN RESCUE PLAN ACT FUNDING TO BE USED FOR CITY OF NATIONAL CITY EMPLOYEE PREMIUM PAY FROM \$900,000 TO \$1,340,000

WHEREAS, in March 2021, a \$1.9 trillion economic stimulus bill titled the American Rescue Plan Act of 2021 (“ARPA”) was enacted by the federal government; and

WHEREAS, of the \$1.9 trillion, \$350 billion was allocated for state, local, territorial, and Tribal governments to respond to the COVID-19 emergency and promote economic growth; and

WHEREAS, of the \$350 billion, the City of National City (“City”) is receiving \$18,010,907; and

WHEREAS, the City has received half of the funding, \$9,005,453.50, and will receive the other half around June 2022; and

WHEREAS, on October 19, 2021, City Council authorized an appropriation of \$900,000 from the City’s \$18 million ARPA funding allocation for employee premium pay; and

WHEREAS, through labor negotiations with the City’s collective bargaining groups, City Council has increased the total amount of premium pay per eligible employee (as defined by the U.S. Treasury interim final rule), to a maximum of \$10,000; and

WHEREAS, City staff is recommending City Council to increase the appropriation authorized for this purpose from the previous \$900,000 to \$1,340,000 to cover the expenditure of ARPA funds during the current fiscal year.

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

Section 1: Authorize an increase in the appropriation of the American Rescue Plan Act (“ARPA”) funding to be used for City of National City employee premium pay from \$900,000 to \$1,340,000.

Section 2: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolution.

///

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Approve the Local Appointments List – Maddy Act Requirement. \(City Clerk\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.

ITEM TITLE:

Approve the Local Appointments List – Maddy Act Requirement (City Clerk)

PREPARED BY: Shelley Chapel, MMC, Deputy City Clerk

DEPARTMENT: City Clerk’s Office

PHONE: 619-336-4225

APPROVED BY: *Shelley Chapel*

EXPLANATION:

See attached memo.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

This action is not subject to review under the California Environmental Quality Act (CEQA).

ORDINANCE: INTRODUCTION: **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Approve the Local Appointments List for 2022 and Authorize the City Clerk to post the list at City Hall and on the City website, in compliance with Government Code 54972.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENT:

Attachment A – Mayoral and City Council Appointments – Report
Attachment B – Local Appointments List 2022

LOCAL APPOINTMENTS LIST FOR 2022 - MADDY ACT

Staff Report

California Government Code 54970-54974 requires on or before December 31 of each year, each legislative body shall prepare an appointments list of all regular and ongoing boards, commissions, and committees which are appointed by the legislative body of the local agency. This list shall be known as the Local Appointments List.

The Appointments List serves to provide awareness of the opportunities to serve on local regulatory and advisory boards, commissions and committees.

Any unscheduled vacancy that may occur during 2022 will be determined a special vacancy and notice shall be posted at City Hall and the City Website pursuant to Section 54973-54974 of the Government Code not earlier than twenty (20) days before and not later than twenty (20) days after the vacancy occurs. Final appointment to the Board/Commission/Committee shall not be made by the legislative body for at least ten (10) working days after the posting of the notice in the Clerk's Office.

Discussion:

In compliance with the requirements of Government Code Section 54970, the following Local Appointments List is posted on an annual basis. The List presents all current members of the City Boards/Commissions/Committees and the dates of the terms.

Civil Service Commission consists of up to five (5) members who are appointed by the City Council and are required to be a resident of National City. The City Council appoints the members for a term of five (5) years. The Civil Service Commission recommends to the City Council, after a public hearing, the adoption, amendment or repeal of Civil Service Rules and Regulations not in conflict with the Government Code; hears appeals of any person in the classified service relative to any suspension, demotion or dismissal; and makes any investigation concerning the administration of personnel in the municipal service and reports its findings to the City Council and the City Manager.

Community and Police Relations Commission consists of eight (8) individuals appointed by the Mayor with the approval of the City Council. Of the eight (8) members, seven (7) shall be voting members, and one (1) shall be non-voting members. Of the seven (7) voting members, five (5) shall be residents of the City of National City, and up to two (2) non-residents.

The non-voting member shall be a member of the National City Police Officers' Association. The term of the members shall be for three (3) years.

Board of Library Trustees consists of five (5) members plus and alternate, appointed by the Mayor with the approval of the City Council for a three (3) year term. The Board of Library Trustees coordinates the activities of the City Library; advises the City Librarian on operational policies; approves warrants; and recommends to the City Council the adoption of rules and regulations, as it may deem necessary for the administration and protection of the City Library. The Library Board of Trustees is regulated by [Education Code Section 18910](#) et seq., Ordinance 1062 and Resolution 8210.

Parks, Recreation and Senior Citizens Advisory Committee consists of seven (7) members to be appointed by the Mayor with the approval of the City Council, each for a term of three (3) years. The Parks, Recreation and Senior Citizens Advisory Committee acts in an advisory capacity to the City Council in matters of policy and administration of city owned parks and the recreation programs operated within the parks and recreation centers; investigates and reports on related matters as referred by the Council; and submits recommendations to Council on relative subjects which the Committee deems important.

Planning Commission consists of seven (7) members appointed by the City Council for a term of four (4) years. The Planning Commissioners are required to be residents of the City. The Planning Commission is appointed to consider land use planning matters. The Commission renders determinations and makes recommendations to the City Council on a variety of land use matters, including changes to the City's General Plan, Specific Plans and Land Use Code. They also provide discretionary review for land use matters such as Conditional Use Permits, Variances, and Subdivisions.

The Planning Commission also serves on the Housing Advisory Committee and adds two (2) additional members, one (1) of which may be a non-resident. This additional committee provides input on housing related matters such as the Housing Element and the Focus General Plan Update and plays a role in moving forward housing programs and projects.

Port Commission consists of one (1) member appointed by the City Council for a four (4) year term to represent the interest of the City of National City.

Public Art Committee consists of five (5) members plus an alternate, of the Public Art Committee are appointed by the Mayor with the approval of the City Council, to serve three (3) year terms. The Public Art Committee acts in an advisory capacity to the City Council in matters of policy and selection of public art installed anywhere in the City.

Sweetwater Authority consists of two (2) members appointed by the Mayor with the approval of the City Council for a four (4) year term to represent the interest of the City of National City.

Traffic Safety Committee consists five (5) members of the Traffic Safety Committee are appointed by the Mayor with the approval of the City Council, for three (3) year terms. The Traffic Safety Committee reviews and makes recommendations on matters related to vehicular and pedestrian safety within the City of National City. As directed by the City Council, the Traffic Safety Committee conducts investigations and reports on safety issues requested by appropriate public agencies and responsible private citizens / private organizations.

Veterans and Military Families Advisory Committee consists seven (7) members of the Veterans and Military Families Advisory Committee are appointed by the Mayor with the approval of the City Council, to serve four (4) year terms. Of the seven (7) members, five (5) shall be residents and up to two (2) may be non-residents. The National City Veterans and Military Families Advisory Committee serves in an advisory capacity to the City Council of the City of National City on matters related to the support of our veterans and military community. The committee makes recommendations to the City Council with respect to veterans and military service member-related issues, ceremonies, and other activities that occur within National City. Committee meetings provide a forum for discussion of issues relating to veterans and military families. The committee provides advice and assistance to National City residents regarding resources available for veterans, military personnel, and their families. The committee acts as a conduit of communication and coordination between the local veteran and military community, and the City of National City.

The committee's responsibilities may include providing recommendations to the City Council on issues of interest to veterans, military personnel, and their families; providing a forum to discuss and help resolve issues, encouraging and promoting awareness, planning and assisting the City with planning of events honoring the heritage of our veterans and military community to establish and promote positive relations within the city; and serving as a liaison between the city of National City and community partners.

Public Notification:

Approve the Local Appointments List for 2022 and authorize the City Clerk to post the list at City Hall and on the City website, in compliance with Government Code 54972.

Recommended Action: Approve the Local Appointments List for 2022 and authorize the City Clerk to post the list at City Hall and on the City website, in compliance with Government Code 54972.

**CITY OF NATIONAL CITY
LOCAL APPOINTMENTS LIST**

In compliance with the requirements of Government Code Section 54970, the following Local Appointments List is posted on an annual basis. The List presents all current members of the City Boards/Commissions/Committees and the dates of the terms.

CIVIL SERVICE COMMISSION*

Position	Member	Term	Appointed	Term Expires
Chair	Paul Wapnowski	5-years	11/20/2018	09/30/2023
Vice-Chair	Rafael Courtney	5-years	09/30/2020	09/30/2025
Commissioner	Leslie Coyote	5-years	09/30/2019	09/30/2024
Commissioner	Thomas Luna	5-years	08/03/2021	09/30/2024
Commissioner	Vacant	5-years		09/30/2022

COMMUNITY AND POLICE RELATIONS COMMITTEE*

Position	Member	Term	Appointed	Term Expires
Chair	Michael Lesley	3-years	03/31/2020	03/31/2023
Vice-Chair	Marianne Delatorre	3-years	04/06/2021	03/31/2024
Member	Zachary Francisco-Gomez	3-years	07/03/2018	03/31/2022
Member	Emiliano Nunez	3-years	04/06/2021	03/31/2024
Member	Daniel Orth	3-years	05/07/2019	03/31/2022
Member	Andy Y. Sanchez	3-years	04/06/2021	03/31/2024
Member	Vacant	3-years		03/31/2023

BOARD OF LIBRARY TRUSTEES*

Position	Member	Term	Appointed	Term Expires
President	Sherry Gogue	3-years	12/4/2018	9/30/2022
Vice-President	H. Bradley Bang	3-years	09/21/2021	09/30/2024
Member-Trustee	Margaret Godshalk	3-years	06/19/2018	09/30/2023
Member-Trustee	Coyote Moon	3-years	09/21/2021	09/30/2024
Member-Trustee	Anzueth G. Zambrano	3-years	09/21/2021	09/30/2024
Member-Trustee	Vacant (Alternate)	3-years		09/30/2023

PARK, RECREATION & SENIOR CITIZENS ADVISORY COMMITTEE

Position	Member	Term	Appointed	Term Expires
Chair	Nora McMains	3-years	09/30/2019	09/30/2022
Member	Florfin Arce	3-years	09/21/2021	09/30/2024
Member	Liliana Armenta	3-years	02/16/2021	01/1/2023
Member	Yvonne Cordoba	3-years	09/21/2019	09/30/2023
Member	Joseph Crawford	3-years	12/17/2019	09/30/2022
Member	Rueben Felizardo	3-years	09/21/2021	09/30/2024
Member	Ignacio Navarro Jr.	3-years	02/16/2021	01/01/2023

PLANNING COMMISSION*

Position	Member	Term	Appointed	Term Expires
Chair	Maria DeLa Paz	4-years	03/31/2018	03/31/2022
Vice-Chair	Ricardo Sanchez	4-years	07/05/2020	09/30/2024
Commissioner	Luis Natividad	4-years	05/07/2019	03/31/2023
Commissioner	Damian Alexander Roman	4-years	01/19/2021	03/31/2022
Commissioner	William J. Sendt	4-years	04/05/2016	03/31/2024
Commissioner	Claudia E. Valenzuela	4-years	04/20/2021	03/31/2025
Commissioner	Ditas Yamane	4-years	03/03/2015	03/31/2023

PORT COMMISSION

Position	Member	Term	Appointed	Term Expires
Commissioner	Sandy Naranjo	4-years	12/02/2020	12/02/2024

PUBLIC ART COMMITTEE

Position	Member	Term	Appointed	Term Expires
Chair	William A. Virchis	3-year	09/30/2019	09/30/2022
Member	Jose A. Lopez	3-year	02/16/2021	09/30/2022
Member	Nadia Nunez	3-year	02/20/2018	09/30/2023
Member	Jacqueline Schliapnik	3-year	10/20/2020	09/30/2022
Member	Vacant	3-year		09/30/2024
Member	Natalia Valerdi-Rogers (Alternate)	3-year	09/21/2021	09/30/2024

SWEETWATER AUTHORITY

Position	Member	Term	Appointed	Term Expires
Commissioner	Mona Rios	4-years	01/19/2021	12/31/2022

TRAFFIC SAFETY COMMITTEE

Position	Member	Term	Appointed	Term Expires
Chair	Ryan Whipple	3-years	05/06/2014	09/30/2023
Member	Javier Alvarado	3-years	09/21/2021	09/30/2024
Member	Christopher Coyote	3-years	09/30/2019	09/30/2022
Member	Marisa Rosales	3-years	09/21/2021	09/30/2024
Member	Vacant	3-years		09/30/2022

VETERANS AND MILITARY FAMILIES ADVISORY COMMITTEE

Position	Member	Term	Appointed	Term Expires
Chair	Jesse Aguilar-Perez	4-years	10/06/2020	09/30/2024
Vice-Chair	Jhoana Alvarado	4-years	09/21/2021	09/30/2025
Member	Shirley Ferrill	4-years	10/06/2020	09/30/2023
Member	Maria Elena Hernandez	4-years	10/20/2020	09/30/2024
Member	Armando Telles	4-years	10/06/2020	09/30/2023
Member	Vacant	4-years		09/30/2022
Member	Vacant	4-years		09/30/2022

HOUSING ADVISORY COMMITTEE*

Position	Member	Term	Appointed	Term Expires
Chair	Maria DeLa Paz	4-years	03/31/2018	03/31/2022
Vice-Chair	Ricardo Sanchez	4-years	07/05/2020	09/30/2024
Member	Luis Natividad	4-years	05/07/2019	03/31/2023
Member	Damian Alexander Roman	4-years	01/19/2021	03/31/2022
Member	William J. Sendt	4-years	04/05/2016	03/31/2024
Member	Claudia E. Valenzuela	4-years	04/20/2021	03/31/2025
Member	Ditas Yamane	4-years	03/03/2015	03/31/2023
Member	Lorna A. Delos Santos	4-years	12/15/2020	03/31/2022
Member	Vacant	4-years		03/31/2023

*Individual appointed to this Board/Commission/Committee is subject to the Fair Political Practices Commission regulations and must file a Statement of Economic Interest within 30 days of appointment.

The following page(s) contain the backup material for Agenda Item: [Annual Performance Evaluation for the City Attorney. \(City Clerk\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.

ITEM TITLE:

Annual Performance Evaluation for the City Attorney (City Clerk)

PREPARED BY: Shelley Chapel, Deputy City Clerk

DEPARTMENT: City Clerk's Office

PHONE: 619-336-4228

APPROVED BY: Shelley Chapel

EXPLANATION:

City Attorney Charles E. Bell Jr.'s Employment Agreement holds a three-year term of October 21, 2020 through October 21, 2023. Per Agreement, Section 12 Performance Evaluation, provides the City Council the option to annually review the performance of the employee, subject to a process mutually agreed upon between both parties.

The City Council met with City Attorney Bell Jr. to discuss performance during five Special Closed Session Meetings held on September 7, 2021, September 21, 2021, October 5, 2021, October 19, 2021 and November 2, 2021. The City Council determined that the employee's performance has been above satisfactory during the period of October 21, 2020 to October 20, 2021.

As per Resolution No. 2020-190 and the Employment Agreement, based upon satisfactory annual evaluation the employee's salary will increase 3% bringing annual salary to \$195,700.

FINANCIAL STATEMENT:

APPROVED: Molly Brown Finance

ACCOUNT NO.

APPROVED: _____ MIS

Expenditure Account No. 001-405-000-101 General Fund City Attorney Full-Time Salaries

ENVIRONMENTAL REVIEW:

This action is not subject to review under the California Environmental Quality Act (CEQA)

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Receive and File report.

BOARD / COMMISSION RECOMMENDATION:

None.

ATTACHMENTS:

Attachment A - Resolution No. 2020-190 adopted October 20, 2020

Attachment B - Employment Agreement effective October 21, 2020

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY,
 APPOINTING CHARLES E. BELL JR. AS CITY ATTORNEY AND AUTHORIZING THE
 MAYOR TO EXECUTE A 3 YEAR EMPLOYMENT AGREEMENT BETWEEN THE CITY
 OF NATIONAL CITY AND CHARLES E. BELL JR. WITH THE EFFECTIVE DATE OF
 OCTOBER 21, 2020**

WHEREAS, after a Nation-wide City Attorney recruitment conducted by The Hawkins Company, Charles E. Bell Jr. was selected as City Attorney.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of National City as follows:

SECTION 1. Charles E. Bell Jr. is hereby appointed to the position of City Attorney for the City of National City effective October 21, 2020.

SECTION 2. In consideration of Mr. Bell's acceptance of the appointments made hereinabove, the City Council hereby approves the following employment terms and conditions:

- A. Commencement of Employment
 October 21, 2020 is hereby designated as the date of commencement of Mr. Bell's duties to serve as City Attorney.
- B. Salary / Compensation
 The base salary to be paid to Mr. Bell for his services as City Attorney, shall be \$190,000 annually with a 3% annual increase after year 1 and 2 upon satisfactory annual evaluations, annual payment of \$7,500 for Deferred Compensation, \$750.00 per month for vehicle allowance payable in accordance with the City's customary payroll practices.
- C. Benefits
 In addition to base salary, Mr. Bell shall receive such other benefits as are provided to City Council-appointed officers of the City, including holidays, vacation leave, executive leave, sick leave, and insurance and retirement benefits.

SECTION 3. The Mayor is hereby authorized to execute an Employment Agreement between the City and Charles E. Bell Jr. with an initial term of three (3) years. Said Agreement is on file in the office of the City Clerk.

PASSED and ADOPTED this 20th day of October, 2020



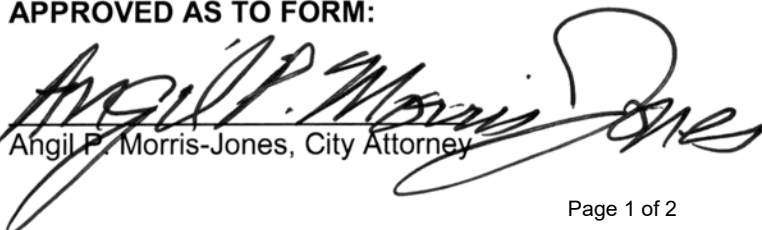
 Alejandra Sotelo-Solis, Mayor

ATTEST:



 Michael R. Dalla, City Clerk

APPROVED AS TO FORM:



 Angil P. Morris-Jones, City Attorney

Passed and adopted by the Council of the City of National City, California, on October 20, 2020 by the following vote, to-wit:

Ayes: Councilmembers Cano, Morrison, Quintero, Rios, Sotelo-Solis.

Nays: None.

Absent: None.

Abstain: None.

AUTHENTICATED BY: ALEJANDRA SOTELO-SOLIS
Mayor of the City of National City, California



Richard P. Palla
City Clerk of the City of National City, California

By: _____
Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 2020-190 of the City of National City, California, passed and adopted by the Council of said City on October 20, 2020.

City Clerk of the City of National City, California

By: _____
Deputy

EMPLOYMENT AGREEMENT

City Attorney



City of National City California

2020

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EMPLOYMENT AGREEMENT

THIS AGREEMENT made and entered into this 21st day of October, 2020, by and between the City of National City, a municipal corporation, (hereinafter called "Employer") and Charles E. Bell Jr. (hereinafter called "Employee") an individual who has education, training and experience in legal issues involving local government, and who is a member in good standing of the State Bar of California, both of whom agree as follows:

Section 1 Term.

This Agreement shall remain in full force in effect for a period of three (3) years from October 21, 2020, through October 21, 2023, unless sooner terminated by the Employer or Employee as provided in Section 9, 10 or 11 of this Agreement.

Section 2 Duties and Authority.

Employer agrees to employ Charles E. Bell Jr. as City Attorney, on an at-will basis, to perform the functions and duties specified in the National City Municipal Code and the California Government Code, and to perform other legally permissible and proper duties and functions, commencing on October 21, 2020.

Section 3 Compensation.

A. Base Salary: Employer agrees to pay Employee an annual base salary of one hundred ninety thousand (\$190,000), payable in installments at the same time that the other executive employees of the Employer are paid. Employer agrees to pay Employee a 3% annual increase after year 1 and 2 upon satisfactory annual reviews.

B. This Agreement shall be re-opened to discuss compensation and benefits if, and at the time, managers or executives receive any increase in compensation or benefits.

C. Beginning October 21, 2023, consideration shall be given on an annual basis to increase salary, based upon increases in the Consumer Price Index ("CPI"), as that term is defined at Government Code section 3511.1(b). Any increase in salary shall be dependent upon the results of the performance evaluation conducted under the provisions of Section 12 of this Agreement.

D. Deferred Compensation: Employer shall provide seven-thousand five-hundred (\$7500) annually to Employee's selected deferred compensation plan. This payment shall be made each October in years 2021, 2022, and 2023.

Section 4 Health, Disability and Life Insurance Benefits.

A. The Employer agrees to provide Employee a cafeteria health benefit of \$1200.00 per month.

B. The Employer agrees to put into force and to make required premium payments for short term and long term disability coverage for the Employee.

C. The Employer shall pay the amount of premium due for term life insurance in the amount of \$150,000. The Employee shall name the beneficiary of the life insurance policy.

Section 5 Vacation, Sick and Military Leave.

A. The Employee shall accrue sick and vacation leave and other paid leave on an annual basis at the rate provided to Executive employees.

B. The Employee is entitled to accrue all unused vacation and sick leave, without limit, and in the event the Employee's employment is terminated, either voluntarily or involuntarily, the Employee shall be compensated for all unused vacation and sick leave in accordance with the Employer's customary practice for Executive Employees.

C. The Employee shall be entitled to military reserve leave time pursuant to state law and City policy.

Section 6 Monthly Vehicle Allowance.

The Employer agrees to pay to the Employee, during term of this Agreement and in addition to other salary and benefits herein provided, the sum of \$9000.00 per year, payable at \$750.00 per month, as a vehicle allowance to be used to purchase, lease, or own, operate and maintain a vehicle. The Employee shall be responsible for paying for liability, property damage, and comprehensive insurance coverage upon such vehicle and shall further be responsible for all expenses attendant to the purchase, operation, maintenance, repair, and regular replacement of said vehicle. The Employer shall reimburse the Employee at the IRS standard mileage rate for any business use of the vehicle beyond the greater National City area. For purposes of this Section, use of the car within the greater National City area is defined as travel to locations within a 50 mile radius of the National City Civic Center.

Section 7 Retirement.

The Employer agrees to enroll the Employee into the Public Employees' Retirement System and to make all the appropriate contributions on the Employee's behalf, for the required Employer share. Employee shall pay the entire employee share, as determined by CalPERS.

Section 8 General Business Expenses.

1. Employer agrees to budget for and to pay for professional dues and subscriptions of the Employee necessary for continuation and full participation in national, regional, state and local associations, and organizations necessary and desirable for the Employee's continued professional participation, growth, and advancement, and for the good of the Employer.

2. Employer agrees to budget for and to pay for travel and subsistence expenses of Employee for professional and official travel, meetings, and occasions to adequately continue the professional development of Employee and to pursue necessary official functions for Employer, including but not limited to the League of California Cities, and such other national, regional, state and local governmental groups and committees in which Employee services as a member.

3. Employer also agrees to budget for and to pay for travel and subsistence expenses of Employee for short courses, institutes and seminars that are necessary for the Employee's professional development and for the good of the Employer.

4. Employer recognizes that certain expenses of a non-personal but job-related nature are incurred by Employee, and agrees to reimburse or to pay said general expenses. The Finance Director is authorized to disburse such moneys upon receipt of duly executed expense or petty cash vouchers, receipts, statements or personal affidavits.

5. The Employer acknowledges the value of having Employee participate and be directly involved in local civic clubs or organizations. Accordingly, Employer shall pay for the

reasonable membership fees and/or dues to enable the Employee to become an active member in local civic clubs or organizations.

6. The Employer shall provide Employee with a computer, software, fax/modem, and cell phone required for the Employee to perform the job and to maintain communication.

Section 9 Termination.

For the purpose of this Agreement, termination shall occur when:

1. The majority of the Employer's City Council votes to terminate the Employee at a duly authorized public meeting.

2. If the Employer, citizens or legislature acts to amend any provisions of the state or local law pertaining to the role, powers, duties, authority, and responsibilities of the Employee's position that substantially changes the form of government, the Employee shall have the right to declare that such amendments constitute termination.

3. If the Employer reduces the base salary, compensation or any other financial benefits of the Employee, unless it is applied in no greater percentage than the average reduction of all department heads, such action shall constitute a breach of this Agreement and will be regarded as a termination.

4. If the Employee resigns following an offer to accept resignation, whether formal or informal, by the Employer as representative of the majority of the governing body that the Employee resign, then the Employee may declare a termination as of the date of suggestion.

5. Breach of contract declared by either party with a 30 day cure period for either Employee or Employer. Written notice of a breach of contract shall be provided in accordance with the provisions of Section 20.

Section 10 Severance.

The Employee is an at-will employee, serving at the pleasure of the Employer's City Council. This Agreement, and the Employee's employment with the Employer, may be terminated with or without cause by the Employer's City Council. In the event the Employee is terminated for cause, or voluntarily resigns his position with the Employer, then the Employee shall not be entitled to the payment of Severance by the Employer.

In the event the Employee is terminated by the Employer other than for cause, and during such time that Employee is willing and able to perform his duties under this Agreement, then Employer agrees to pay Severance equal to one-half year's base salary at the current rate of pay. This Severance shall be paid in one lump sum unless otherwise agreed to by the Employer and the Employee. This severance shall include the Employee's continued participation in the Employer's health care plan for a period of six months after his separation from City Employment. The value of the City's contribution to the cost of health care shall not exceed the established contribution for Executive employees as of the date of the Employee's separation.

In the event of Severance, the Employee shall also be compensated for all accrued sick and vacation leave.

If the Employee is terminated because of a conviction of a felony, then the Employer is not obligated to pay Severance under this section. If the Employee is convicted of a crime involving an abuse of office or position, then regardless of the term of the contract, if the Employee is terminated, any cash settlement, including severance, related to the termination received by Employee from Employer shall be fully reimbursed to the Employer.

Section 11 Resignation.

In the event that the Employee voluntarily resigns his position with the Employer, the Employee shall provide a minimum of thirty (30) days' notice unless the parties agree otherwise.

Section 12 Performance Evaluation.

Employer may annually review the performance of the Employee in the Employee's anniversary month subject to a process, form, criteria, and format for the evaluation which shall be mutually agreed upon by the Employer and Employee. The process at a minimum may include the opportunity for both parties to: (1) prepare a written evaluation, (2) meet and discuss the evaluation, and (3) present a written summary of the evaluation results. The final written evaluation should be completed and delivered to the Employee within thirty (30) days of the evaluation meeting.

Section 13 Hours of Work.

It is recognized that the Employee must devote a great deal of time outside the normal office hours on business for the Employer, and to that end Employee shall be allowed to establish an appropriate work schedule, compatible with the normal business hours of the City of National City.

Section 14 Outside Activities.

A. Disclosure and Acknowledgement: Employee has disclosed and acknowledged one (1) outside activity (Treasurer for the Cal Poly Black Alumni Chapter). Should this present a conflict of interest or inability for the City Attorney to provide full service to the City, he will withdraw from such activities.

B. Notice and Consent: Employee shall give written notice to Council for Council's approval of any new outside activities of Employee.

Section 15 Indemnification.

In accordance with federal, state or local law, Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the course and scope of the performance of Employee's duties as City Attorney, or resulting from the exercise of judgment or discretion in connection with the course and scope of performance of program duties or responsibilities, unless the act or omission involved willful or wanton conduct. In such cases, the Employee may request and the Employer shall not unreasonably refuse to provide independent legal representation at the Employer's expense and the Employer may not unreasonably withhold approval. Legal representation provided by Employer for Employee shall extend until a final determination of the legal action, including any appeals brought by either party. The Employer shall indemnify Employee against any and all losses, damages, judgments, interest, settlements, fines, court costs, and other reasonable costs and expenses of legal proceedings, including attorney's fees and any other liabilities incurred by, imposed upon, or suffered by such Employee in connection with or resulting from any claim, action, suit or proceeding, actual or threatened, arising out of or in connection with the performance of the Employee in the course and scope of her duties. Any settlement of any claim

must be made with prior approval of the Employer in order for indemnification, as provided in this Section, to be available.

Employee recognizes the Employer shall have the right to compromise and settle any claim or suit. Further, Employer agrees to pay all reasonable litigation expenses of Employee throughout the pendency of any litigation to which the Employee is a party, witness or advisor to the Employer. Such expense payments shall continue beyond Employee's service to the Employer as long as litigation is pending. Further, Employer agrees to pay Employee reasonable consulting fees and travel expenses when Employee serves as a witness, advisor or consultant to Employer regarding pending litigation.

If Employee is convicted of a crime involving an abuse of his office or position, as defined in Government Code section 53243.4, then Employee shall fully reimburse Employer for any funds provided for Employee's criminal defense, if any such funds were provided pursuant to or consistent with this Section. This paragraph shall not be construed as creating or implying an obligation by Employer to provide a criminal defense to Employee.

Section 16 Bonding.

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

Section 17 Other Terms and Conditions of Employment.

A. The Employer shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the National City Municipal Code, or any other law.

B. Except as otherwise provide in this Agreement, the Employee shall be entitled to the highest level of benefits that are enjoyed by other appointed employees of the Employer as provided in the Municipal Code or by practice.

Section 18 Notices.

Notice pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows:

EMPLOYER: Mayor
City of National City
1243 National City Boulevard
National City, CA 91950-4301

EMPLOYEE: Charles E. Bell Jr.
[At the address of the
Employee's principal
residence]

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 19 General Provisions.

A. Integration. This Agreement sets forth and establishes the entire understanding between the Employer and the Employee relating to the employment of the Employee by the Employer. Any prior discussions or representations by or between the parties are merged into

and rendered null and void by this Agreement. The parties by mutual written agreement may amend any provision of this Agreement during the life of the Agreement. Such amendments shall be incorporated and made a part of this Agreement.

B. Binding Effect. This Agreement shall be binding on the Employer and the Employee as well as their heirs, assigns, executors, personal representatives and successors in interest.

C. Effective Date. This Agreement shall become effective on October 21, 2020.

D. Severability. The invalidity or partial invalidity of any portion of this Agreement will not effect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

E. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

F. Construction. The parties acknowledge and agree that (1) each party is of equal bargaining strength, (2) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (3) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (4) each party and such party’s counsel and advisors have reviewed this Agreement, (5) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (6) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

Section 20 City Attorney’s Residency.

The City Attorney acknowledges and agrees that he will establish and maintain residency within the City of National City.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF NATIONAL CITY

EMPLOYEE

By: _____
Alejandra Sotelo-Solis, Mayor



Charles E. Bell Jr.

APPROVED AS TO FORM:

Angil P. Morris-Jones, City Attorney

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY,
APPOINTING CHARLES E. BELL JR. AS CITY ATTORNEY AND AUTHORIZING THE
MAYOR TO EXECUTE A 3 YEAR EMPLOYMENT AGREEMENT BETWEEN THE CITY
OF NATIONAL CITY AND CHARLES E. BELL JR. WITH THE EFFECTIVE DATE OF
OCTOBER 21, 2020**

WHEREAS, after a Nation-wide City Attorney recruitment conducted by The Hawkins Company, Charles E. Bell Jr. was selected as City Attorney.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of National City as follows:

SECTION 1. Charles E. Bell Jr. is hereby appointed to the position of City Attorney for the City of National City effective October 21, 2020.

SECTION 2. In consideration of Mr. Bell’s acceptance of the appointments made hereinabove, the City Council hereby approves the following employment terms and conditions:

- A. Commencement of Employment
October 21, 2020 is hereby designated as the date of commencement of Mr. Bell’s duties to serve as City Attorney.
- B. Salary / Compensation
The base salary to be paid to Mr. Bell for his services as City Attorney, shall be \$190,000 annually with a 3% annual increase after year 1 and 2 upon satisfactory annual evaluations, annual payment of \$7,500 for Deferred Compensation, \$750.00 per month for vehicle allowance payable in accordance with the City’s customary payroll practices.
- C. Benefits
In addition to base salary, Mr. Bell shall receive such other benefits as are provided to City Council-appointed officers of the City, including holidays, vacation leave, executive leave, sick leave, and insurance and retirement benefits.

SECTION 3. The Mayor is hereby authorized to execute an Employment Agreement between the City and Charles E. Bell Jr. with an initial term of three (3) years. Said Agreement is on file in the office of the City Clerk.

PASSED and ADOPTED this 20th day of October, 2020

Alejandra Sotelo-Solis, Mayor

ATTEST:

Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

Angil P. Morris-Jones, City Attorney

The following page(s) contain the backup material for Agenda Item: [Investment Report for the quarter ended September 30, 2021. \(Finance\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Investment Report for the quarter ended September 30, 2021.

PREPARED BY: *Ronald Gutlay*

PHONE: 619-336-4346

DEPARTMENT: Finance

APPROVED BY: *Molly Brown*

EXPLANATION:

See attached staff report.

FINANCIAL STATEMENT:

ACCOUNT NO.

See attached staff report.

APPROVED: *Pamela Spillman* **FINANCE**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Accept and File the Investment Report for the Quarter ended September 30, 2021.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Staff Report
2. Investment Listings



City Council Staff Report

December 7, 2021

ITEM

Staff Report: Investment Report for the quarter ended September 30, 2021.

BACKGROUND

The California Government Code (§53646(b)) requires that, when the treasurer or the chief fiscal officer of a local agency renders to the legislative body of the agency a quarterly report on the agency’s investment portfolio, such report shall include the following information regarding all securities, investments, and moneys held by the local agency:

- type of investment;
- issuer (bank or institution);
- date of maturity;
- dollar amount invested; and
- current market valuation as of the date of the report.

In addition, the Government Code (§53646(b)(2)) requires that the report state the City’s compliance with its investment policy and include a statement regarding the ability of the local agency to meet its pool’s ability to meet its expenditure requirements Code (§53646(b)(3)).

OVERVIEW OF CITY INVESTMENTS

The City’s pooled investment portfolio balance as of September 30, 2021 is summarized below and compared to the balance as of September 30, 2020.

Table 1

	9/30/2021	9/30/2020
Book Value ¹	\$ 87,964,366	\$ 73,808,800
Market Value ²	\$ 88,121,562	\$ 75,247,302

¹ actual cost of investments

² amount at which the investments could be sold

The assets of the City of National City’s investment portfolio are managed by Chandler Asset Management, the California Treasurer’s Local Agency Investment Fund (LAIF), and the San Diego County Treasurer's Pooled Money Fund (“San Diego County Pool”) with the largest portion of the assets, 41.15%. The San Diego County Pool and LAIF are liquid investment pools

that allow participants to earn market rate returns, while retaining access to funds within 24 to 48 hours of a withdrawal request with no penalty. The City’s assets managed by Chandler Asset Management may be liquidated and withdrawn at any time. However, these investments likely do not provide the short liquidity (i.e., quick access to funds) of the pooled money funds, and liquidation of these investments is at the risk of loss and/or penalty to the City.

Summaries of the City’s investment portfolio are illustrated below.

INVESTMENT PORTFOLIO SUMMARY BY ISSUER/MANAGER
As of September 30, 2021

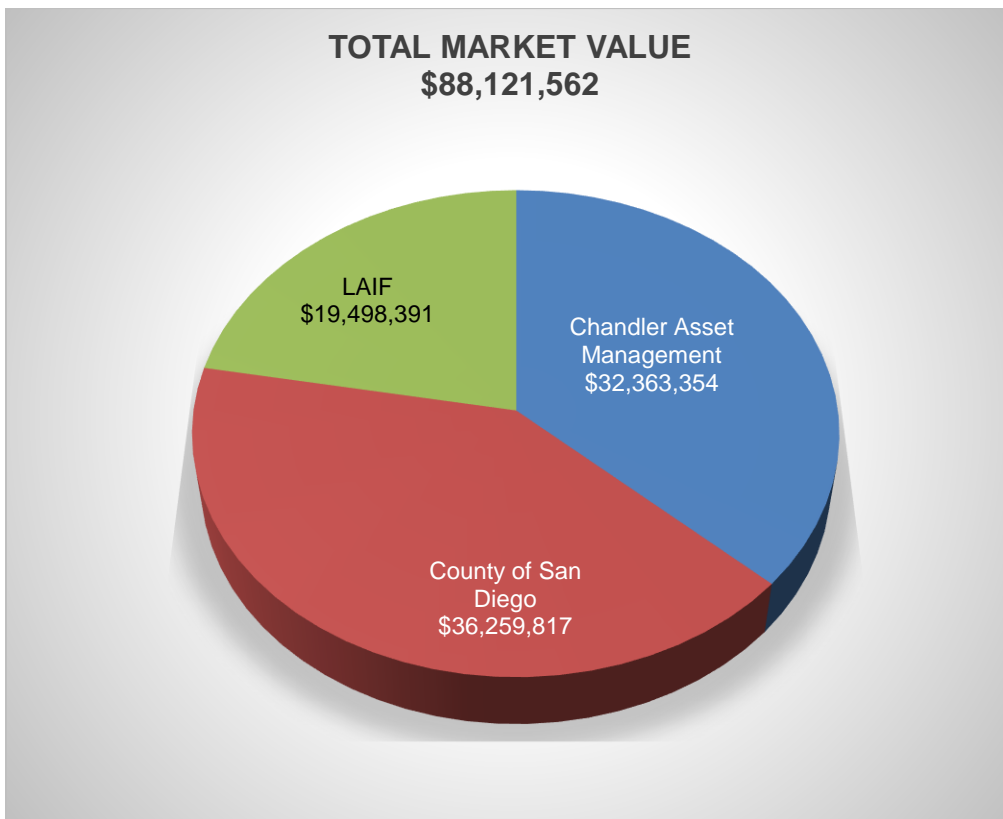
Table 2

Issuer/Manager	Book Value	Total Market Value ¹	Market YTM	% of Portfolio
Chandler Asset Management	32,005,255	32,363,354	0.35%	36.73%
County of San Diego	36,471,046	36,259,817	0.73%	41.15%
Local Agency Investment Fund	19,488,065	19,498,391 ²	0.21% ³³	22.13%
Totals for September 30, 2021	\$87,964,366	\$88,121,562		100.00%

¹ includes accrued interest

² includes LAIF participation factor of 0.999873661

³ calculated on 30/360 basis



INVESTMENT PERFORMANCE BY ISSUER/MANAGER**For the Quarter Ended September 30, 2021****Table 3** **Total Market Value¹**

Issuer/Manager	9/30/21	6/30/21	Change	Period Return	Yield (Net) ³
Chandler Asset Management	\$32,363,354	\$32,351,591	\$11,763	0.06%	NA
County of San Diego	\$36,259,817	\$36,451,070	(191,253)	0.17%	0.69%
Local Agency Investment Fund	\$19,498,391	\$21,489,847	(\$1,991,457)	0.11%	0.44%
Totals for September 30, 2021	\$88,121,562	\$90,292,508	(\$2,170,947) ²	0.15% ⁴	

¹ includes accrued interest² total include deposits and withdrawal(s) of: 8/31/21 \$2,000,000, 7/16/21 \$6,000,000; 9/14/21 \$1,000,000, 8/17/21 \$2,000,000, 7/27/21 \$7,000,000³ annualized⁴ weighted**Economic Update:**

“The ongoing health crisis and related supply chain bottlenecks continue to have a meaningful impact on economic data, but we believe the underlying momentum of the economy remains strong. Economic growth is expected to continue at an above-trend pace, fueled in part by ongoing tailwinds from fiscal support, accommodative monetary policy, and continued progress on vaccinations. Covid infection rates in the US and on a global basis have recently eased, but supply chains remain dislocated and inflation readings continue to run hot. We expect supply chain bottlenecks will continue to put upward pressure on prices over the near-term but should improve next year.

The Federal Open Market Committee (FOMC) kept the fed funds target unchanged in November but announced plans to start reducing the magnitude of their asset purchases. The Fed has been purchasing \$120 billion in bonds each month (\$80 billion of Treasuries and \$40 billion of agency mortgage-backed securities) but will reduce their total purchases by \$15 billion in November and December (\$10 billion of Treasuries and \$5 billion of agency mortgage-backed securities per month). The Fed is widely expected to pare back its asset purchases at this pace until the taper process is complete in mid-2022. Fed Chair Powell has indicated that policymakers would not consider a rate hike until sometime after the tapering process is complete. According to fed funds futures prices, the implied probability of at least one rate hike by July 2022 is high, but the Fed is not signaling any specific timeline future rate hikes. For now, monetary policy remains highly accommodative. The Fed is inching toward a path of policy normalization, but we believe the Fed’s slow and steady withdrawal of monetary policy accommodation will remain supportive of an improving labor market and growing economy.

Treasury yields in the belly of the curve rose meaningfully in October. The 2-year and 5-year Treasury yields rose roughly 22 basis points in October to 0.50% and 1.18%, respectively, while

the 10-year Treasury yield rose nearly seven basis points to 1.55%. Market participants have started to price in expectations for future rate hikes, amid growing concerns about inflation. The Fed has signaled that they will not consider raising rates until the taper is complete next year. In our view, should they accelerate the timeline for tapering their asset purchases, expectations for a rate hike would be pulled forward. However, we expect that the Fed will remain cautious and take a gradual approach to normalizing monetary policy.”¹

COMPLIANCE STATEMENT

All of the City’s investments are in compliance with the City’s investment policy (City Council Policy No. 203) and the California Government Code (§53601 et seq).

FINANCIAL STATEMENT

Realized and unrealized gains for the period, reflected below, were \$114,166. These changes include changes in security market values, gain or loss from the sale of assets, accrued interest, and reinvested interest/earnings.

Table 4

Issuer/Manager	Gain/(Loss)
Chandler Asset Management	\$ 38,390
County of San Diego LAIF	62,989 12,787
Totals for September 30, 2021	\$ 114,166

The difference between the changes reflected in the previous two tables is attributable to the purchase and sale of securities for which the first of the tables accounts but the second table typically does not (unless an investment is sold before maturity).

STAFF CERTIFICATION

Staff certifies that there are sufficient funds to meet the pool’s expenditure requirements.

RECOMMENDATIONS

Accept and file the Investment Report for the quarter ended September 30, 2021.

¹ September 30, 2021 Chandler Asset Management Investment Report



City of National City

MONTHLY ACCOUNT STATEMENT

SEPTEMBER 1, 2021 THROUGH SEPTEMBER 30, 2021

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	1.88
Average Coupon	1.44%
Average Purchase YTM	1.22%
Average Market YTM	0.35%
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	2.08 yrs
Average Life	1.92 yrs

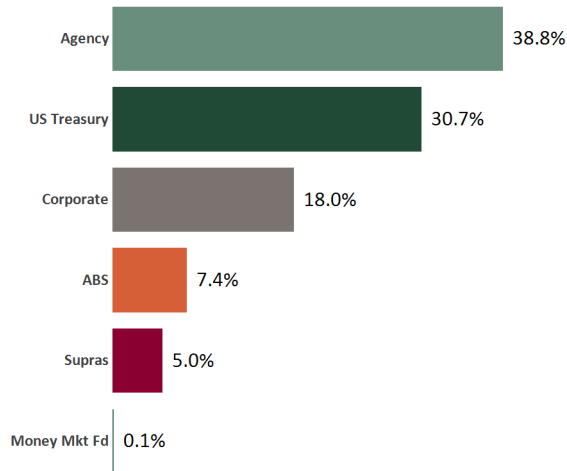
ACCOUNT SUMMARY

	Beg. Values as of 8/31/21	End Values as of 9/30/21
Market Value	32,294,430	32,269,486
Accrued Interest	111,941	93,868
Total Market Value	32,406,371	32,363,354
Income Earned	39,377	38,390
Cont/WD		-2,327
Par	31,706,803	31,747,545
Book Value	31,918,994	32,005,255
Cost Value	31,918,994	32,005,255

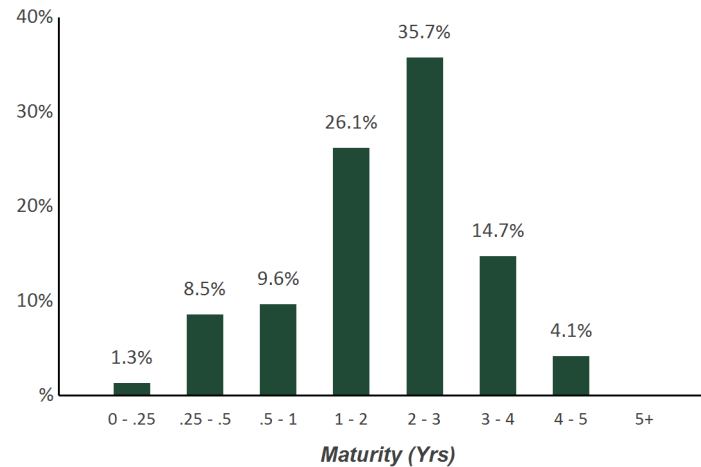
TOP ISSUERS

Government of United States	30.7%
Federal Home Loan Mortgage Corp	15.7%
Federal National Mortgage Assoc	11.1%
Federal Home Loan Bank	10.3%
Intl Bank Recon and Development	2.4%
Toyota ABS	2.4%
Apple Inc	2.3%
Deere & Company	2.2%
Total	77.1%

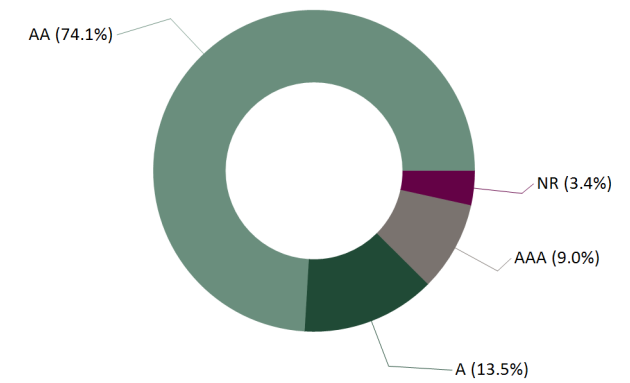
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	2/29/2012
City of National City	-0.13%	0.06%	-0.03%	0.12%	1.84%	2.73%	1.82%	N/A	1.33%
ICE BofA 1-3 Yr US Treasury & Agency Index	-0.10%	0.06%	-0.02%	0.04%	1.78%	2.63%	1.63%	N/A	1.20%
ICE BofA 1-3 Yr AAA-A US Corp & Govt Index	-0.09%	0.07%	0.04%	0.17%	1.91%	2.77%	1.79%	N/A	1.38%

Statement of Compliance

As of September 30, 2021



City of National City

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
Municipal Securities	"A" rated or better by two NRSROs; 30% maximum; 5% max per issuer; Include bonds of the City, the State of California, any other state, and any local agency within the State of California; Bonds will be registered in the name of the City or held under a custodial agreement at a bank.	Complies
Treasury Issues	No Limitation	Complies
Agency Issues	No Limitation	Complies
Supranationals	"AA" rated category or higher by a NRSRO; 30% maximum; 10% max per issuer; U.S. dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IBRD, IFC, IADB	Complies
Banker's Acceptances	"A-1" short-term debt rated or higher by at least two NRSROs; and "A" long term debt rated by two NRSROs; 40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" rated or higher by at least two NRSROs; and "A" rated long term debt by two NRSROs; 25% maximum; 5% max per issuer; 270 days max maturity; Issuer is a corporation organized and operating in the U.S. with assets > \$500 million.	Complies
FDIC insured Time Deposits/ Certificates of Deposit	Amount per institution limited to the max covered under FDIC; 30% maximum combined certificates of deposit including CDARS	Complies
Negotiable Certificates of Deposit	"A" long-term debt rated or higher by at least two NRSROs; and/or "A1" short-term debt rated or higher by at least two NRSROs; 30% maximum; 5% max per issuer	Complies
Corporate Medium Term Notes	"A" rated category or better by at least two NRSROs; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by U.S. or any state and operating within the U.S.	Complies
Money Market Mutual Funds	Highest rating or AAA rated or equivalent by at least two NRSROs; 20% maximum; SEC registered with assets under management in excess of \$500 million	Complies
Mortgage Pass-throughs and Asset Backed Securities	"AA" rating category or better by a NRSRO; 20% maximum	Complies
Local Agency Investment Fund (LAIF)	Maximum permitted amount in LAIF; Currently not used by investment adviser	Complies
Local Government Investment Pools	San Diego County Investment Pool	Complies
Prohibited Securities	Inverse floaters; Ranges notes; Interest-only strips from mortgaged backed securities; Zero interest accrual securities; Reverse Repurchase Agreements; Foreign currency denominated sec	Complies
Callable Securities	20% maximum (does not include "make whole call" securities)	Complies
Maximum Issuer	5% max per issuer, except as noted in Section VIII of the investment policy	Complies
Maximum maturity	5 years	Complies

Reconciliation Summary

As of September 30, 2021



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$31,918,993.85
Acquisition		
+ Security Purchases	\$1,507,027.28	
+ Money Market Fund Purchases	\$891,098.25	
+ Money Market Contributions	\$56,420.66	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$2,454,546.19
Dispositions		
- Security Sales	\$1,398,633.75	
- Money Market Fund Sales	\$897,219.18	
- MMF Withdrawals	\$58,747.89	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$45,810.03	
Total Dispositions		\$2,400,410.85
Amortization/Accretion		
+/- Net Accretion	\$0.00	
		\$0.00
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$32,125.89	
		\$32,125.89
ENDING BOOK VALUE		\$32,005,255.08

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$42,368.90
Acquisition		
Contributions	\$56,420.66	
Security Sale Proceeds	\$1,398,633.75	
Accrued Interest Received	\$9,794.42	
Interest Received	\$47,969.63	
Dividend Received	\$2.87	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$45,810.03	
Total Acquisitions	\$1,558,631.36	
Dispositions		
Withdrawals	\$58,747.89	
Security Purchase	\$1,507,027.28	
Accrued Interest Paid	\$1,304.35	
Total Dispositions	\$1,567,079.52	
ENDING BOOK VALUE		\$33,920.74

Income Earned
As of September 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
FIXED INCOME						
023135BW5	Amazon.com Inc Note 0.45% Due 05/12/2024	05/10/2021 05/12/2021 255,000.00	254,627.70 0.00 0.00 254,627.70	347.44 0.00 443.06 95.62	0.00 0.00 0.00 95.62	95.62
037833AK6	Apple Inc Note 2.4% Due 05/03/2023	Various Various 700,000.00	700,739.00 0.00 0.00 700,739.00	5,506.67 0.00 6,906.67 1,400.00	0.00 0.00 0.00 1,400.00	1,400.00
06051GEU9	Bank of America Corp Note 3.3% Due 01/11/2023	12/27/2018 12/31/2018 400,000.00	393,500.00 0.00 0.00 393,500.00	1,833.33 0.00 2,933.33 1,100.00	0.00 0.00 0.00 1,100.00	1,100.00
06406RAA5	Bank of NY Mellon Corp Callable Note Cont 1/7/2022 2.6% Due 02/07/2022	08/14/2018 08/16/2018 400,000.00	392,152.00 0.00 0.00 392,152.00	693.33 0.00 1,560.00 866.67	0.00 0.00 0.00 866.67	866.67
084670BR8	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 03/15/2023	08/26/2019 08/28/2019 400,000.00	412,068.00 0.00 0.00 412,068.00	5,072.22 5,500.00 488.89 916.67	0.00 0.00 0.00 916.67	916.67
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	09/08/2021 09/15/2021 100,000.00	0.00 99,989.68 0.00 99,989.68	0.00 0.00 14.67 14.67	0.00 0.00 0.00 14.67	14.67
14913R2L0	Caterpillar Financial Service Note 0.45% Due 05/17/2024	05/10/2021 05/17/2021 405,000.00	404,457.30 0.00 0.00 404,457.30	526.50 0.00 678.38 151.88	0.00 0.00 0.00 151.88	151.88
24422EUR8	John Deere Capital Corp Note 3.45% Due 01/10/2024	03/14/2019 03/18/2019 400,000.00	408,860.00 0.00 0.00 408,860.00	1,955.00 0.00 3,105.00 1,150.00	0.00 0.00 0.00 1,150.00	1,150.00
24422EVN6	John Deere Capital Corp Note 0.45% Due 01/17/2024	03/01/2021 03/04/2021 275,000.00	274,804.75 0.00 0.00 274,804.75	151.25 0.00 254.38 103.13	0.00 0.00 0.00 103.13	103.13



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3130A0F70	FHLB Note 3.375% Due 12/08/2023	01/30/2019 01/31/2019 525,000.00	540,734.25 0.00 0.00 540,734.25	4,085.16 0.00 5,561.72 1,476.56	0.00 0.00 0.00 1,476.56	1,476.56
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	Various Various 580,000.00	605,009.60 0.00 0.00 605,009.60	3,566.60 0.00 4,956.18 1,389.58	0.00 0.00 0.00 1,389.58	1,389.58
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	10/29/2019 10/30/2019 300,000.00	315,474.00 0.00 0.00 315,474.00	4,025.00 4,312.50 431.25 718.75	0.00 0.00 0.00 718.75	718.75
3130A3KM5	FHLB Note 2.5% Due 12/09/2022	09/10/2019 09/13/2019 575,000.00	591,174.75 0.00 0.00 591,174.75	3,274.31 0.00 4,472.22 1,197.91	0.00 0.00 0.00 1,197.91	1,197.91
3130AABG2	FHLB Note Due 11/29/2021	03/08/2017 03/09/2017 0.00	559,044.90 0.00 559,044.90 0.00	2,707.29 3,178.13 0.00 470.84	0.00 0.00 0.00 470.84	470.84
313378WG2	FHLB Note 2.5% Due 03/11/2022	03/13/2018 03/14/2018 600,000.00	596,646.00 0.00 0.00 596,646.00	7,083.33 7,500.00 833.33 1,250.00	0.00 0.00 0.00 1,250.00	1,250.00
313379Q69	FHLB Note 2.125% Due 06/10/2022	06/20/2017 06/21/2017 600,000.00	607,110.00 0.00 0.00 607,110.00	2,868.75 0.00 3,931.25 1,062.50	0.00 0.00 0.00 1,062.50	1,062.50
3133ELWD2	FFCB Note 0.375% Due 04/08/2022	04/03/2020 04/08/2020 565,000.00	564,163.80 0.00 0.00 564,163.80	841.61 0.00 1,018.18 176.57	0.00 0.00 0.00 176.57	176.57
3135G04Q3	FNMA Note 0.25% Due 05/22/2023	05/20/2020 05/22/2020 645,000.00	643,058.55 0.00 0.00 643,058.55	443.44 0.00 577.81 134.37	0.00 0.00 0.00 134.37	134.37

Income Earned

As of September 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3135G05G4	FNMA Note 0.25% Due 07/10/2023	07/08/2020 07/10/2020 560,000.00	558,796.00 0.00 0.00 558,796.00	198.33 0.00 315.00 116.67	0.00 0.00 0.00 116.67	116.67
3135G06H1	FNMA Note 0.25% Due 11/27/2023	11/23/2020 11/25/2020 580,000.00	579,338.80 0.00 0.00 579,338.80	378.61 0.00 499.44 120.83	0.00 0.00 0.00 120.83	120.83
3135G0T78	FNMA Note 2% Due 10/05/2022	12/12/2017 12/13/2017 500,000.00	494,215.00 0.00 0.00 494,215.00	4,055.56 0.00 4,888.89 833.33	0.00 0.00 0.00 833.33	833.33
3135G0W33	FNMA Note 1.375% Due 09/06/2022	09/05/2019 09/06/2019 625,000.00	622,825.00 0.00 0.00 622,825.00	4,177.52 4,296.88 596.79 716.15	0.00 0.00 0.00 716.15	716.15
3135G0X24	FNMA Note 1.625% Due 01/07/2025	01/16/2020 01/17/2020 625,000.00	623,050.00 0.00 0.00 623,050.00	1,523.44 0.00 2,369.79 846.35	0.00 0.00 0.00 846.35	846.35
3137EADB2	FHLMC Note 2.375% Due 01/13/2022	Various Various 575,000.00	585,310.00 0.00 0.00 585,310.00	1,820.83 0.00 2,958.86 1,138.03	0.00 0.00 0.00 1,138.03	1,138.03
3137EAEN5	FHLMC Note 2.75% Due 06/19/2023	11/26/2018 11/27/2018 600,000.00	593,214.00 0.00 0.00 593,214.00	3,300.00 0.00 4,675.00 1,375.00	0.00 0.00 0.00 1,375.00	1,375.00
3137EAEP0	FHLMC Note 1.5% Due 02/12/2025	06/04/2020 06/05/2020 625,000.00	652,443.75 0.00 0.00 652,443.75	494.79 0.00 1,276.04 781.25	0.00 0.00 0.00 781.25	781.25
3137EAER6	FHLMC Note 0.375% Due 05/05/2023	05/05/2020 05/07/2020 600,000.00	599,748.00 0.00 0.00 599,748.00	725.00 0.00 912.50 187.50	0.00 0.00 0.00 187.50	187.50

Income Earned

As of September 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3137EAEV7	FHLMC Note 0.25% Due 08/24/2023	08/27/2020 08/31/2020 900,000.00	899,037.00 0.00 0.00 899,037.00	43.75 0.00 231.25 187.50	0.00 0.00 0.00 187.50	187.50
3137EAEX3	FHLMC Note 0.375% Due 09/23/2025	09/24/2020 09/25/2020 450,000.00	448,857.00 0.00 0.00 448,857.00	740.63 843.75 37.50 140.62	0.00 0.00 0.00 140.62	140.62
3137EAEY1	FHLMC Note 0.125% Due 10/16/2023	10/14/2020 10/16/2020 630,000.00	627,650.10 0.00 0.00 627,650.10	295.31 0.00 360.94 65.63	0.00 0.00 0.00 65.63	65.63
3137EAEZ8	FHLMC Note 0.25% Due 11/06/2023	11/17/2020 11/18/2020 650,000.00	649,467.00 0.00 0.00 649,467.00	519.10 0.00 654.51 135.41	0.00 0.00 0.00 135.41	135.41
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 04/21/2025	02/17/2021 02/24/2021 80,000.00	79,998.54 0.00 0.00 79,998.54	6.00 18.00 6.00 18.00	0.00 0.00 0.00 18.00	18.00
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024	09/22/2020 09/29/2020 250,000.00	249,963.28 0.00 0.00 249,963.28	33.40 77.08 33.40 77.08	0.00 0.00 0.00 77.08	77.08
43813RAC1	Honda Auto Receivables 2020-1 A3 1.61% Due 04/22/2024	02/19/2020 02/26/2020 70,000.00	69,986.28 0.00 0.00 69,986.28	31.31 93.92 31.31 93.92	0.00 0.00 0.00 93.92	93.92
43815HAC1	Honda Auto Receivables Trust 2018-3 A3 2.95% Due 08/22/2022	08/21/2018 08/28/2018 12,757.03	22,110.28 0.00 9,355.00 12,755.28	18.12 54.36 10.45 46.69	0.00 0.00 0.00 46.69	46.69
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.78% Due 08/15/2023	08/20/2019 08/27/2019 71,294.75	78,315.68 0.00 7,021.52 71,294.16	61.96 116.17 56.40 110.61	0.00 0.00 0.00 110.61	110.61

Income Earned
As of September 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
4581X0DZ8	Inter-American Dev Bank Note 0.5% Due 09/23/2024	09/15/2021 09/23/2021 505,000.00	0.00 504,626.30 0.00 504,626.30	0.00 0.00 56.11 56.11	0.00 0.00 0.00 56.11	56.11
459058GQ0	Intl. Bank Recon & Development Note 2.5% Due 03/19/2024	01/26/2021 01/28/2021 450,000.00	481,473.00 0.00 0.00 481,473.00	5,062.50 5,625.00 375.00 937.50	0.00 0.00 0.00 937.50	937.50
459058JM6	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	11/17/2020 11/24/2020 320,000.00	319,312.00 0.00 0.00 319,312.00	215.56 0.00 282.22 66.66	0.00 0.00 0.00 66.66	66.66
45950KCR9	International Finance Corp Note 1.375% Due 10/16/2024	07/12/2021 07/14/2021 300,000.00	308,070.00 0.00 0.00 308,070.00	1,546.88 0.00 1,890.63 343.75	0.00 0.00 0.00 343.75	343.75
46625HJE1	JP Morgan Chase Note 3.25% Due 09/23/2022	12/19/2019 12/24/2019 400,000.00	413,076.00 0.00 0.00 413,076.00	5,705.56 6,500.00 288.89 1,083.33	0.00 0.00 0.00 1,083.33	1,083.33
477870AC3	John Deere Owner Trust 2019-B A3 2.21% Due 12/15/2023	07/16/2019 07/24/2019 65,652.62	70,213.31 0.00 4,574.63 65,638.68	68.98 129.34 64.49 124.85	0.00 0.00 0.00 124.85	124.85
47787NAC3	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	07/14/2020 07/22/2020 75,000.00	74,988.57 0.00 0.00 74,988.57	17.00 31.88 17.00 31.88	0.00 0.00 0.00 31.88	31.88
47788UAC6	John Deere Owner Trust 2021-A A3 0.36% Due 09/15/2025	03/02/2021 03/10/2021 115,000.00	114,977.90 0.00 0.00 114,977.90	18.40 34.50 18.40 34.50	0.00 0.00 0.00 34.50	34.50
47789KAC7	John Deere Owner Trust 2020-A A3 1.1% Due 08/15/2024	03/04/2020 03/11/2020 170,000.00	169,989.61 0.00 0.00 169,989.61	83.11 155.83 83.11 155.83	0.00 0.00 0.00 155.83	155.83

Income Earned
As of September 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 03/16/2026	07/13/2021 07/21/2021 135,000.00	134,987.96 0.00 0.00 134,987.96	78.00 105.30 31.20 58.50	0.00 0.00 0.00 58.50	58.50
58769KAD6	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	06/22/2021 06/29/2021 155,000.00	154,988.30 0.00 0.00 154,988.30	27.56 51.67 27.56 51.67	0.00 0.00 0.00 51.67	51.67
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.93% Due 07/15/2024	10/16/2019 10/23/2019 298,919.63	323,759.11 0.00 24,855.26 298,903.85	277.73 520.74 256.41 499.42	0.00 0.00 0.00 499.42	499.42
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.45% Due 07/28/2022	04/24/2018 04/26/2018 400,000.00	385,792.00 0.00 0.00 385,792.00	898.33 0.00 1,715.00 816.67	0.00 0.00 0.00 816.67	816.67
69371RR40	Paccar Financial Corp Note 0.5% Due 08/09/2024	08/03/2021 08/09/2021 155,000.00	154,916.30 0.00 0.00 154,916.30	47.36 0.00 111.94 64.58	0.00 0.00 0.00 64.58	64.58
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 07/15/2024	06/29/2021 07/12/2021 65,000.00	64,966.85 0.00 0.00 64,966.85	55.30 0.00 89.15 33.85	0.00 0.00 0.00 33.85	33.85
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 03/18/2024	Various Various 485,000.00	487,196.50 0.00 0.00 487,196.50	1,646.98 1,818.75 131.35 303.12	0.00 0.00 0.00 303.12	303.12
89232HAC9	Toyota Auto Receivable Own 2020-A A3 1.66% Due 05/15/2024	06/17/2020 06/19/2020 240,000.00	245,531.25 0.00 0.00 245,531.25	177.07 332.00 177.07 332.00	0.00 0.00 0.00 332.00	332.00
89236TFS9	Toyota Motor Credit Corp Note 3.35% Due 01/08/2024	05/20/2019 05/22/2019 400,000.00	411,444.00 0.00 0.00 411,444.00	1,972.78 0.00 3,089.44 1,116.66	0.00 0.00 0.00 1,116.66	1,116.66

Income Earned

As of September 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
89236XAC0	Toyota Auto Receivables 2020-D A3 0.35% Due 01/15/2025	10/06/2020 10/13/2020 100,000.00	99,981.37 0.00 0.00 99,981.37	15.56 29.17 15.56 29.17	0.00 0.00 0.00 29.17	29.17
89237VAB5	Toyota Auto Receivables Trust 2020-C A3 0.44% Due 10/15/2024	07/21/2020 07/27/2020 155,000.00	154,988.07 0.00 0.00 154,988.07	30.31 56.83 30.31 56.83	0.00 0.00 0.00 56.83	56.83
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 05/15/2025	02/02/2021 02/08/2021 290,000.00	289,946.18 0.00 0.00 289,946.18	33.51 62.83 33.51 62.83	0.00 0.00 0.00 62.83	62.83
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 07/30/2024	03/25/2021 03/29/2021 450,000.00	475,276.50 0.00 0.00 475,276.50	930.00 0.00 1,830.00 900.00	0.00 0.00 0.00 900.00	900.00
9128282A7	US Treasury Note 1.5% Due 08/15/2026	09/23/2021 09/24/2021 800,000.00	0.00 822,562.50 0.00 822,562.50	0.00 (1,304.35) 1,532.61 228.26	0.00 0.00 0.00 228.26	228.26
9128284D9	US Treasury Note 2.5% Due 03/31/2023	12/27/2018 12/28/2018 450,000.00	448,505.86 0.00 0.00 448,505.86	4,733.61 5,625.00 30.91 922.30	0.00 0.00 0.00 922.30	922.30
9128284Z0	US Treasury Note 2.75% Due 08/31/2025	06/17/2021 06/18/2021 675,000.00	732,111.33 0.00 0.00 732,111.33	51.28 0.00 1,589.61 1,538.33	0.00 0.00 0.00 1,538.33	1,538.33
912828G53	US Treasury Note 1.875% Due 11/30/2021	08/28/2017 08/29/2017 375,000.00	604,994.20 0.00 226,872.83 378,121.37	2,858.61 1,175.72 2,362.96 680.07	0.00 0.00 0.00 680.07	680.07
912828L24	US Treasury Note 1.875% Due 08/31/2022	09/06/2018 09/07/2018 450,000.00	435,445.31 0.00 0.00 435,445.31	23.31 0.00 722.55 699.24	0.00 0.00 0.00 699.24	699.24

As of September 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912828M80	US Treasury Note 2% Due 11/30/2022	04/11/2019 04/15/2019 600,000.00	593,554.69 0.00 0.00 593,554.69	3,049.18 0.00 4,032.79 983.61	0.00 0.00 0.00 983.61	983.61
912828TY6	US Treasury Note 1.625% Due 11/15/2022	03/03/2020 03/04/2020 600,000.00	614,484.38 0.00 0.00 614,484.38	2,887.91 0.00 3,682.74 794.83	0.00 0.00 0.00 794.83	794.83
912828V72	US Treasury Note 1.875% Due 01/31/2022	09/17/2018 09/18/2018 450,000.00	435,744.14 0.00 0.00 435,744.14	733.70 0.00 1,421.54 687.84	0.00 0.00 0.00 687.84	687.84
912828W71	US Treasury Note 2.125% Due 03/31/2024	12/05/2019 12/06/2019 225,000.00	229,640.63 0.00 0.00 229,640.63	2,011.78 2,390.63 13.14 391.99	0.00 0.00 0.00 391.99	391.99
912828W89	US Treasury Note Due 03/31/2022	04/26/2018 04/30/2018 0.00	580,593.75 0.00 580,593.75 0.00	4,733.61 5,440.57 0.00 706.96	0.00 0.00 0.00 706.96	706.96
912828WE6	US Treasury Note 2.75% Due 11/15/2023	07/22/2019 07/23/2019 600,000.00	624,000.00 0.00 0.00 624,000.00	4,887.23 0.00 6,232.34 1,345.11	0.00 0.00 0.00 1,345.11	1,345.11
912828ZA1	US Treasury Note 1.125% Due 02/28/2022	03/24/2020 03/25/2020 700,000.00	709,925.78 0.00 0.00 709,925.78	21.75 0.00 674.38 652.63	0.00 0.00 0.00 652.63	652.63
912828ZD5	US Treasury Note 0.5% Due 03/15/2023	03/24/2020 03/25/2020 675,000.00	676,476.56 0.00 0.00 676,476.56	1,559.10 1,687.50 149.17 277.57	0.00 0.00 0.00 277.57	277.57
912828ZT0	US Treasury Note 0.25% Due 05/31/2025	02/25/2021 02/26/2021 675,000.00	665,112.30 0.00 0.00 665,112.30	428.79 0.00 567.11 138.32	0.00 0.00 0.00 138.32	138.32

Income Earned
As of September 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	08/25/2021 08/26/2021 300,000.00	295,652.34 0.00 0.00 295,652.34	285.86 0.00 378.07 92.21	0.00 0.00 0.00 92.21	92.21
91282CBA8	US Treasury Note 0.125% Due 12/15/2023	12/28/2020 12/29/2020 700,000.00	698,824.22 0.00 0.00 698,824.22	186.48 0.00 258.20 71.72	0.00 0.00 0.00 71.72	71.72
91282CBE0	US Treasury Note 0.125% Due 01/15/2024	01/28/2021 01/29/2021 550,000.00	548,990.23 0.00 0.00 548,990.23	89.67 0.00 145.72 56.05	0.00 0.00 0.00 56.05	56.05
91282CBV2	US Treasury Note 0.375% Due 04/15/2024	04/29/2021 04/30/2021 650,000.00	650,583.98 0.00 0.00 650,583.98	925.72 0.00 1,125.51 199.79	0.00 0.00 0.00 199.79	199.79
91282CCG4	US Treasury Note 0.25% Due 06/15/2024	06/24/2021 06/25/2021 300,000.00	298,160.16 0.00 0.00 298,160.16	159.84 0.00 221.31 61.47	0.00 0.00 0.00 61.47	61.47
931142ERO	Wal-Mart Stores Callable Note Cont 08/17/2026 1.05% Due 09/17/2026	09/08/2021 09/17/2021 80,000.00	0.00 79,848.80 0.00 79,848.80	0.00 0.00 32.67 32.67	0.00 0.00 0.00 32.67	32.67
			31,876,624.95	111,940.80	0.00	
			1,507,027.28	56,459.70	0.00	
			1,412,317.89	93,868.07	0.00	
Total Fixed Income		31,713,624.03	31,971,334.34	38,386.97	38,386.97	38,386.97

Income Earned
As of September 30, 2021



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
CASH & EQUIVALENT						
60934N807	Federated Investors Govt Oblig Fund Inst.	Various Various 33,920.74	42,368.90 263,054.13 271,502.29 33,920.74	0.00 2.87 0.00 2.87	0.00 0.00 0.00 2.87	2.87
			42,368.90	0.00	0.00	
			263,054.13	2.87	0.00	
			271,502.29	0.00	0.00	
			33,920.74	2.87	2.87	
Total Cash & Equivalent		33,920.74	33,920.74	2.87	2.87	2.87
			31,918,993.85	111,940.80	0.00	
			1,770,081.41	56,462.57	0.00	
			1,683,820.18	93,868.07	0.00	
TOTAL PORTFOLIO		31,747,544.77	32,005,255.08	38,389.84	38,389.84	38,389.84



COUNTY OF SAN DIEGO INVESTMENT POOL
TREASURY INVESTMENT RESULTS

SEP
2021

PARTICIPANT CASH BALANCES

County of San Diego Pooled Money Fund

As of September 30, 2021

(\$000)

PARTICIPANT	FMV 07/31/21	FMV 08/31/21	FMV 09/30/21	% of Total	PARTICIPANT	FMV 07/31/21	FMV 08/31/21	FMV 09/30/21	% of Total
COUNTY	1,295,240	1,339,955	1,390,669	13.12%	Leucadia Wastewater District	6,022	4,531	4,491	0.04%
COUNTY - SPECIAL TRUST FUNDS	1,985,695	1,766,341	1,701,344	16.05%	Lower Sweetwater FPD	585	471	469	0.00%
NON-COUNTY INVESTMENT FUNDS	137,560	117,815	124,746	1.18%	Metropolitan Transit System	23,961	26,495	43,691	0.41%
SCHOOLS - (K THRU 12)	5,074,989	5,171,676	4,989,248	47.08%	Mission Resource Conservation District	105	105	104	0.00%
COMMUNITY COLLEGES					North County Transit District	43,291	43,386	43,000	0.41%
San Diego	186,823	118,877	160,937	1.53%	North County Cemetery District	8,209	8,036	8,055	0.08%
Grossmont-Cuyamaca	257,588	239,176	240,787	2.27%	North County Dispatch	5,148	4,608	6,269	0.06%
MiraCosta	344,814	314,887	299,566	2.83%	North County FPD	3,827	2,786	3,757	0.04%
Palomar	247,318	229,386	228,548	2.16%	Otay Water District	56,494	56,619	56,114	0.53%
Southwestern	182,794	164,634	163,891	1.55%	Palomar Health Care District*	0	0	0	0.00%
Total Community Colleges	1,219,337	1,066,960	1,093,729	10.32%	Pomerado Cemetery District	2,135	2,049	1,996	0.02%
FIRST 5 COMMISSION	46,457	41,602	39,645	0.37%	Public Agencies Self-Insurance System	3,513	3,521	3,490	0.03%
SANCAL	0	0	0	0.00%	Ramona Cemetery District	969	1,161	1,139	0.01%
SDCERA	2,157	2,292	2,141	0.02%	Rancho Santa Fe FPD	10,106	8,732	7,418	0.07%
CITIES					Resource Conservation District of Greater SD*	0	0	0	0.00%
Chula Vista	201,931	202,376	200,574	1.89%	Rincon del Diablo Municipal Water District	6,858	6,874	6,812	0.06%
Coronado	74,514	74,681	74,016	0.70%	SANDAG	229,264	228,879	219,198	2.07%
Del Mar	2,783	2,789	2,764	0.03%	SD County Regional Airport Authority	256,590	258,896	338,046	3.19%
El Cajon	0	0	0	0.00%	San Diego Housing Commission	22,237	22,287	22,088	0.21%
Encinitas	4,220	4,229	4,191	0.04%	San Diego Geographic Information Source	660	618	521	0.00%
National City	36,504	36,586	36,260	0.34%	San Diego Law Library	4,279	5,735	5,635	0.05%
Oceanside*	0	0	0	0.00%	San Diego Local Agency Formation Comm	2,129	2,673	2,612	0.02%
Solana Beach*	0	0	0	0.00%	San Diego Regional Training Center	553	991	683	0.01%
INDEPENDENT AGENCIES					San Dieguito River Park	618	1,118	1,117	0.01%
Air Pollution Control District	81,003	80,010	79,681	0.75%	San Marcos FPD	1	1	1	0.00%
Alpine FPD	2,373	1,651	1,268	0.01%	San Miguel Consolidated FPD	14,776	13,063	15,980	0.15%
Bonita-Sunnyside FPD	5,513	5,158	4,638	0.04%	Santa Fe Irrigation District	4,527	4,537	4,497	0.04%
Borrego Springs FPD	1,264	1,181	999	0.01%	Serra Cooperative Library System	0	0	0	0.00%
Canebrake County Water District	55	55	54	0.00%	Upper San Luis Rey Resource Conserv Dist	80	80	80	0.00%
Deer Springs FPD	13,052	13,034	12,922	0.12%	Vallecitos Water District	5,561	5,573	5,524	0.05%
Fallbrook Public Utility District	0	0	0	0.00%	Valley Center FPD	1,557	1,363	1,109	0.01%
Grossmont Healthcare District	2	2	2	0.00%	Valley Center Cemetery District	431	432	428	0.00%
Julian-Cuyamaca FPD	521	522	517	0.00%	Valley Center Water District	22,541	22,612	22,368	0.21%
Lake Cuyamaca Rec & Park District	386	321	313	0.00%	Vista FPD	4,988	4,999	4,955	0.05%
Lakeside FPD	7,790	7,344	6,097	0.06%	Whispering Palms Community Services District*	0	0	0	0.00%
					Total Voluntary Participants	1,222,538	1,217,065	1,297,730	12.25%
					Pooled Money Fund Total	\$10,935,360	\$10,679,811	\$10,597,467	100.00%

* Footnote: The Oracle ending balances for these pool participants are under \$500. Due to rounding, the FMV will show as zero even though there is an Oracle balance.

Below is the market price for September 2021.

National City		Pool YTM: 0.73			
Conversion of Oracle Cash Balance to COSD Pool Market Price					
Month Ended September 30th, 2021					
		Current Month	Prior Month	Prior Quarter	Prior Year
		9/30/2021	8/31/2021	6/30/2021	9/30/2020
COSD Pool Market Price		99.421%	100.314%	100.118%	101.065%
COSD Pool Market Value		10,597,466,800	10,679,810,981	12,236,036,277	10,338,345,638
National City percentage of MV share in COSD Pool		0.3422%	0.3426%	0.2979%	0.3531%
Fund Description	Oracle Cash Balance	Market Value	Market Value	Market Value	Market Value
NATIONAL CITY INVESTMENT FUND	36,471,046	36,259,817	36,585,620	36,451,070	36,508,945
Total for National City	36,471,046	36,259,817	36,585,620	36,451,070	36,508,945

Thank you,



Erin Lahti
 Investment Analyst
 San Diego County Treasurer-Tax Collector's Office
 Phone: 619.531.5308 | www.sdttc.com

Below is the market price for August 2021.

National City		Pool YTM: 0.74			
Conversion of Oracle Cash Balance to COSD Pool Market Price					
Month Ended August 31st, 2021					
		Current Month	Prior Month	Prior Quarter	Prior Year
		8/31/2021	7/31/2021	5/31/2021	8/31/2020
COSD Pool Market Price		100.314%	100.104%	99.905%	101.113%
COSD Pool Market Value		10,679,810,981	10,935,359,363	12,507,351,288	9,796,617,573
National City percentage of MV share in COSD Pool		0.3426%	0.3338%	0.2908%	0.3728%
Fund Description	Oracle Cash Balance	Market Value	Market Value	Market Value	Market Value
NATIONAL CITY INVESTMENT FUND	36,471,046	36,585,620	36,504,285	36,373,524	36,526,109
Total for National City	36,471,046	36,585,620	36,504,285	36,373,524	36,526,109

Thank you,



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Below is the market price for July 2021.

National City		Pool YTM: 0.74			
Conversion of Oracle Cash Balance to COSD Pool Market Price					
Month Ended July 31st, 2021					
		Current Month 7/31/2021	Prior Month 6/30/2021	Prior Quarter 4/30/2021	Prior Year 7/31/2020
COSD Pool Market Price		100.104%	100.118%	100.271%	101.436%
COSD Pool Market Value		10,935,359,363	12,236,036,277	12,935,393,457	8,980,643,964
National City percentage of MV share in COSD Pool		0.3338%	0.2979%	0.2822%	0.4071%
Fund Description	Oracle Cash Balance	Market Value	Market Value	Market Value	Market Value
NATIONAL CITY INVESTMENT FUND	36,466,386	36,504,285	36,451,070	36,506,864	36,561,858
Total for National City	36,466,386	36,504,285	36,451,070	36,506,864	36,561,858

Thank you,



Erin Lahti
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California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

October 07, 2021

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CITY OF NATIONAL CITY

FINANCE DIRECTOR
 1243 NATIONAL CITY BLVD
 NATIONAL CITY, CA 91950-4397

[Tran Type Definitions](#)

September 2021 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
9/14/2021	9/14/2021	RW	1684684	N/A	RACHELLE BARRERA	-1,000,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	20,488,065.41
Total Withdrawal:	-1,000,000.00	Ending Balance:	19,488,065.41

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

September 20, 2021

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CITY OF NATIONAL CITY

FINANCE DIRECTOR
 1243 NATIONAL CITY BLVD
 NATIONAL CITY, CA 91950-4397

Tran Type Definitions

August 2021 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
8/17/2021	8/17/2021	RW	1683241	N/A	RACHELLE BARRERA	-2,000,000.00
8/31/2021	8/30/2021	RD	1683993	N/A	RACHELLE BARRERA	2,000,000.00

Account Summary

Total Deposit:	2,000,000.00	Beginning Balance:	20,488,065.41
Total Withdrawal:	-2,000,000.00	Ending Balance:	20,488,065.41

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

August 25, 2021

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CITY OF NATIONAL CITY

FINANCE DIRECTOR
 1243 NATIONAL CITY BLVD
 NATIONAL CITY, CA 91950-4397

[Tran Type Definitions](#)

July 2021 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
7/15/2021	7/14/2021	QRD	1680852	N/A	SYSTEM	12,089.44
7/16/2021	7/15/2021	RD	1681234	N/A	RACHELLE BARRERA	6,000,000.00
7/27/2021	7/27/2021	RW	1682014	N/A	RACHELLE BARRERA	-7,000,000.00

Account Summary

Total Deposit:	6,012,089.44	Beginning Balance:	21,475,975.97
Total Withdrawal:	-7,000,000.00	Ending Balance:	20,488,065.41



BETTY T. YEE
California State Controller

**LOCAL AGENCY INVESTMENT FUND
 REMITTANCE ADVICE**

Agency Name NATIONAL CITY

Account Number 98-37-576

As of 10/15/2021, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 09/30/2021.

Earnings Ratio		.00000661958813242
Interest Rate		0.24%
Dollar Day Total	\$	1,931,732,765.56
Quarter End Principal Balance	\$	19,488,065.41
Quarterly Interest Earned	\$	12,787.28



State of California Pooled Money Investment Account Market Valuation 9/30/2021

Description	Carrying Cost Plus Accrued Interest Purch.	Amortized Cost	Fair Value	Accrued Interest
United States Treasury:				
Bills	\$ 56,178,200,257.59	\$ 56,190,154,704.02	\$ 56,190,711,000.00	NA
Notes	\$ 64,903,468,222.78	\$ 64,898,238,504.73	\$ 64,882,239,000.00	\$ 96,896,205.00
Federal Agency:				
SBA	\$ 389,722,901.42	\$ 389,722,901.42	\$ 390,563,174.44	\$ 165,306.70
MBS-REMICs	\$ 8,242,650.31	\$ 8,242,650.31	\$ 8,623,428.04	\$ 37,961.86
Debentures	\$ 9,877,200,898.64	\$ 9,876,875,537.54	\$ 9,876,830,100.00	\$ 9,519,348.90
Debentures FR	\$ -	\$ -	\$ -	\$ -
Debentures CL	\$ 1,100,000,000.00	\$ 1,100,000,000.00	\$ 1,097,313,000.00	\$ 923,444.00
Discount Notes	\$ 15,471,384,294.40	\$ 15,473,204,097.13	\$ 15,472,922,250.00	NA
Supranational Debentures				
Supranational Debentures FR	\$ 1,820,961,152.12	\$ 1,819,806,638.22	\$ 1,816,063,500.00	\$ 5,542,182.50
	\$ 150,005,722.97	\$ 150,005,722.97	\$ 150,017,723.77	\$ 15,371.87
CDs and YCDs FR				
Bank Notes	\$ 100,000,000.00	\$ 100,000,000.00	\$ 100,000,000.00	\$ 7,166.67
CDs and YCDs	\$ 50,000,000.00	\$ 50,000,000.00	\$ 49,983,680.43	\$ 16,527.78
Commercial Paper	\$ 14,100,000,000.00	\$ 14,100,000,000.00	\$ 14,099,163,132.48	\$ 5,531,263.95
	\$ 10,063,885,800.03	\$ 10,066,693,445.87	\$ 10,066,706,706.27	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ 164,758,989.17	\$ 164,612,550.28	\$ 163,795,910.00	\$ 803,887.31
Repurchase Agreements				
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 3,911,500,000.00	\$ 3,911,500,000.00	\$ 3,911,500,000.00	NA
PMIA & GF Loans	\$ 775,298,000.00	\$ 775,298,000.00	\$ 775,298,000.00	NA
TOTAL	\$ 179,064,628,889.43	\$ 179,074,354,752.49	\$ 179,051,730,605.43	\$ 119,458,666.54

Fair Value Including Accrued Interest

\$ 179,171,189,271.97

Repurchase Agreements, Time Deposits, PMIA & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (0.999873661).
As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$19,997,473.21 or \$20,000,000.00 x 0.999873661.



California State Treasurer
Fiona Ma, CPA



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POOLED MONEY INVESTMENT ACCOUNT

PMIA Average Monthly Effective Yields

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020	1.967	1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	0.458	0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203		

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The following page(s) contain the backup material for Agenda Item: [Warrant Register #16 for the period of 10/15/21 through 10/21/21 in the amount of \\$1,466,352.62. \(Finance\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:


ITEM TITLE:

Warrant Register #16 for the period of 10/15/21 through 10/21/21 in the amount of \$1,466,352.62.
(Finance)

PREPARED BY: Karla Apalategui, Senior Accounting Assistant

DEPARTMENT: Finance

PHONE: 619-336-4572

APPROVED BY: 

EXPLANATION:

Per Government Section Code 37208, below are the payments issued for period 10/15/21 - 10/21/21. Consistent with Department of Finance's practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
SDG&E	355194	191,936.90	Gas and Electric for Facilities for FY22

FINANCIAL STATEMENT:

APPROVED:  **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

Warrant total \$1,466,352.62.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Ratify Warrants Totaling \$1,466,352.62

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

Warrant Register # 16



**WARRANT REGISTER # 16
10/21/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
ADMINSURE INC	WORKER'S COMP MONTHLY SERVICES	355164	10/21/21	8,109.00
ALL FRESH PRODUCTS	FOOD / NUTRITION CENTER	355165	10/21/21	814.78
ALLSTAR FIRE EQUIPMENT INC	LION VICTORY STRUTURAL FIRE GLOVES	355166	10/21/21	992.09
AT&T	AT&T SBC ANNUAL PHONE SERVICE FOR FY22	355167	10/21/21	14,499.59
AT&T	AT&T SBC ANNUAL PHONE SERVICE FOR FY22	355168	10/21/21	17.47
BARAJAS	TRAINING REIM EVOC / PD	355169	10/21/21	449.40
CERVANTES, JR.	LICENSE REIMBURSEMENT	355170	10/21/21	82.00
COX COMMUNICATIONS	COX DATA VIDEO SERVICES FOR FY22	355171	10/21/21	4,239.69
CURVATURE LLC	NETWORKING EQUIPMENT / MIS	355172	10/21/21	7,307.28
DE LAGE LANDEN	LEASE 20 SHARP COPIERS FOR FY21	355173	10/21/21	2,939.63
DEPT OF INDUSTRIAL RELATIONS	ELEVATOR PERMIT FOR FIRE STATION #34	355174	10/21/21	225.00
ESGIL CORPORATION	ESGIL PLAN REVIEW SERVICES, FY 22/ FIRE	355175	10/21/21	1,209.00
EXOS COMMUNITY SERVICES LLC	POOL MANAGEMENT FEES / OCT	355176	10/21/21	26,997.14
FIRE ETC	J5 FIRELID WILDLAND HELMET BROW PAD/ FIRE	355177	10/21/21	343.72
GONZALEZ	EDUCATION REIMBURSEMENT	355178	10/21/21	163.00
GOVCONNECTION INC	ITEM #41043577, OUTDOOR WIRELESS	355179	10/21/21	10,462.67
GRAINGER	MOP 65179, BATTERIES / FIRE	355180	10/21/21	139.12
HAAKER EQUIPMENT COMPANY	6 QCD HUB ADAPTER	355181	10/21/21	4,923.62
HAPPY SOFTWARE INC	FUNCTIONAL CONSULTING FOR SECTION 8	355182	10/21/21	1,000.00
INNOVATIVE CONSTRUCTION	CIP 19-19 ROOSEVELT SMART GROWTH - ENG/PW	355183	10/21/21	25,296.25
L N CURTIS & SONS	CFC0122-L CREWBOSS, LARGE YELLOW CAL	355184	10/21/21	1,625.57
LASER SAVER INC	MOP 45725 /PRINTER CONSUMABLES/RECYCLE	355185	10/21/21	130.45
LIEBERT CASSIDY WHITMORE	LCW WEBINAR - 2022 LEGISLATIVE UPDATE	355186	10/21/21	125.00
MORRISON	TRAINING ADV SUB RPT WRTNG / PD	355187	10/21/21	107.54
OFFICE SOLUTIONS BUSINESS	MOP 83778 OFFICE SUPPLIES / FINANCE	355188	10/21/21	49.62
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES-PW	355189	10/21/21	75.72
PROFESSIONAL SEARCH GROUP LLC	TEMP SVCS/ AP/ WK ENDING 09/26/2021	355190	10/21/21	9,151.04
PRUDENTIAL OVERALL SUPPLY	MOP 45742 LAUNDRY SERVICES-PW	355191	10/21/21	330.70
RAMIREZ	LICENSE REIMBURSEMENT	355192	10/21/21	85.00
SAN DIEGO MIRAMAR COLLEGE	TRAINING ROT TUITION	355193	10/21/21	92.00
SDG&E	GAS AND ELECTRIC FOR FACILITIES FOR FY22	355194	10/21/21	191,936.90
SEAPORT MEAT COMPANY	FOOD / NUTRITION CENTER	355195	10/21/21	1,180.94
SITEONE LANDSCAPE SUPPLY LLC	MOP LANDSCAPE SUPPLIES-PW	355196	10/21/21	11.12
SOLANA CENTER	SB 1383 COMPLIANCE SUPPORT SVCS- SEPT 1-2021	355197	10/21/21	13,902.50
SOUTHWEST BOULDER & STONE INC	AMENDED TOP SOIL	355198	10/21/21	497.65
SPOK INC	SPOK METROCALL PAGING FY22	355199	10/21/21	672.98
STAPLES BUSINESS ADVANTAGE	COMMUNITY SERVICES AND NUTRITION CENTER	355200	10/21/21	125.90
SYSCO SAN DIEGO INC	FOOD / NUTRITION CENTER	355201	10/21/21	1,822.31
T MAN TRAFFIC SUPPLY	MOP 76666 TRAFFIC SUPPLIES-PW	355202	10/21/21	438.48
TINOSA INC	MATERIALS & LABOR, PERFORM AIR SAMPLE/ FIRE	355203	10/21/21	1,179.28
U S BANK	TRAINING CREDIT CARD	355204	10/21/21	8,188.73
VERIZON WIRELESS	VERIZON CELLULAR SERVICES FOR FY22	355205	10/21/21	140.25
VULCAN MATERIALS COMPANY	ASPHALT, TACK, 3/8 SHEET FY 22	355206	10/21/21	234.49
WATSON	CACEO REIMBURSEMENT WATSON / NSD	355207	10/21/21	244.64
WAXIE SANITARY SUPPLY	WAXIE 6800 CLEAN & SOFT WHITE	355208	10/21/21	1,060.01
WEST COAST ARBORISTS	ONGOING TREE TRIMMING SERVICE	355209	10/21/21	1,050.00
WOODRUFF, SPRADLIN & SMART APC	LEGAL SVCS 2ND QTR - 10/1/21 THRU 12/31/21	355210	10/21/21	5,000.00



WARRANT REGISTER # 16
10/21/2021

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
WOODRUFF, SPRADLIN & SMART APC	GENERAL MGR MONTHLY INVOICE OCT-2021	355211	10/21/21	2,750.00
			A/P Total	352,419.27
WIRED PAYMENTS				
ESCRIBE SOFTWARE LTD.	ESCRIBE SOFTWARE, LTD	687474	10/20/21	38,420.00
SECTION 8 HAPS	Start Date	End Date		
	10/13/2021	10/19/2021		13,833.00
PAYROLL				
Pay period	Start Date	End Date	Check Date	
20	9/21/2021	10/4/2021	10/13/2021	1,061,680.35
		GRAND TOTAL		\$ 1,466,352.62

The following page(s) contain the backup material for Agenda Item: [Warrant Register #17 for the period of 10/22/21 through 10/28/21 in the amount of \\$507,904.70. \(Finance\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Warrant Register #17 for the period of 10/22/21 through 10/28/21 in the amount of \$507,904.70.
(Finance)

PREPARED BY: Karla Apalategui, Senior Accounting Assistant

DEPARTMENT: Finance

PHONE: 619-336-4572

APPROVED BY: 

EXPLANATION:

Per Government Section Code 37208, below are the payments issued for period 10/22/21 - 10/28/21. Consistent with Department of Finance's practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
Health Net Inc	355240	80,350.38	Grp #R1192A – November 2021
Public Emp Ret System	102921	259,354.61	Svc Period 10/5/21 – 10/18/21

FINANCIAL STATEMENT:

APPROVED:  **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

Warrant total \$507,904.70.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Ratify Warrants Totaling \$507,904.70

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

Warrant Register # 17



**WARRANT REGISTER # 17
10/28/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
CALIFORNIA DEPARTMENT	PAY SALES TAX LIABILITY / PERIOD JULY	355212	10/28/21	1,272.00
ACE UNIFORMS & ACCESSORIES INC	FP62MN CORRECT MN NAVY PANTS FY22 / FIRE	355213	10/28/21	157.32
ALDEMCO	FOOD / NUTRITION CENTER	355214	10/28/21	5,135.72
ALL FRESH PRODUCTS	CONSUMABLES /NUTRITION	355215	10/28/21	2,761.58
AT&T	AT&T SBC ANNUAL PHONE SERVICE FOR FY22	355216	10/28/21	390.14
AT&T	AT&T SBC ANNUAL PHONE SERVICE FOR FY22	355217	10/28/21	390.14
BAUTISTA IBARRA	REIMB: UNIFORM BAUTISTA	355218	10/28/21	118.50
BROADWAY AUTO GLASS	OFF-SITE WINDOW TINT & REPAIRS	355219	10/28/21	287.79
CENTRICITY GIS, LLC	CITYWORKS PLL/AMS IMPLEMENTATION	355220	10/28/21	27,500.00
COMMERCIAL AQUATIC SERVICE INC	MUNICIPAL POOL SUPPLIES & PARTS	355221	10/28/21	1,380.69
CONCENTRA MEDICAL CENTERS	PRE-EMPLOYMENT PHYSICAL & DOT EXAM	355222	10/28/21	744.00
CORDOVA	REIMBURSEMENT CACEO CORDOVA / NSD	355223	10/28/21	127.34
COUNTY OF SAN DIEGO	NATIONAL CITY DUCK POND, DEH2020-CAMD-00	355224	10/28/21	382.50
COX COMMUNICATIONS	COX DATA VIDEO SERVICES FOR FY22	355225	10/28/21	86.65
CPL CABLE PIPE & LEAK DETECT	SERVICE	355226	10/28/21	412.50
CUMMINS	TRAINING ADV LDG GRACIE	355227	10/28/21	673.70
DELL MARKETING L P	DRIVES FOR LIBRARY DESKTOPS / MIS	355228	10/28/21	6,524.57
DEPT OF INDUSTRIAL RELATIONS	TYPE OF INSPECTION FOR 1800 E.22ND	355229	10/28/21	706.25
DIAMOND ENVIRONMENTAL SVCS	EVENT ADA RESTROOM / CSD	355230	10/28/21	635.70
D-MAX ENGINEERING INC	T&A 90479 - 3120 E. 2ND ST - ENG/PW	355231	10/28/21	6,894.14
FIRE ETC	FIRE SAFETY STATION BOOTS/FOOTWEAR	355232	10/28/21	309.94
FLEET SERVICES INC	MOP 67804 AUTO SUPPLIES-PW	355233	10/28/21	15.00
GUERRERO	RFW CONTRACT INSTRUCTOR FOLKLORICO / CSD	355234	10/28/21	3,460.80
HEADSETS DIRECT, INC.	DISPATCH HEADSET CORDLESS JACKS	355235	10/28/21	2,393.10
HEALTH NET	GRP #N7176A - NOVEMBER 2021	355236	10/28/21	1,829.36
HEALTH NET	GRP #N7176F - NOVEMBER 2021	355237	10/28/21	1,598.46
HEALTH NET	GRP #N7177A - NOVEMBER 2021	355238	10/28/21	1,240.24
HEALTH NET	GRP #R1192R - NOVEMBER 2021	355239	10/28/21	832.36
HEALTH NET INC	GRP #R1192A - NOVEMBER 2021	355240	10/28/21	80,350.38
HEALTH NET INC	GRP #57135A - NOVEMBER 2021	355241	10/28/21	5,008.61
HEALTH NET INC	GRP #LB439A - NOVEMBER 2021	355242	10/28/21	2,469.88
HEALTH NET INC	GRP #LB439F - NOVEMBER 2021	355243	10/28/21	714.18
HIRSH	TRAINING REIM FOR FIELD TRAINING OFFICER	355244	10/28/21	209.77
HOME DEPOT CREDIT SERVICES	GENERAL SUPPLIES AS NEEDED FOR BUILDING	355245	10/28/21	1,781.03
ICMA MEMBERSHIP RENEWALS	ICMA MEMBERSHIP DUES TONY WINNEY JAN 2022	355246	10/28/21	1,344.00
INTENT DIGITAL LLC	VOTELYNX PLATINUM SUPPORT INVOICE	355247	10/28/21	3,000.00
JANI-KING OF CALIFORNIA INC	CLEANING SERVICES BILLING AMOUNT	355248	10/28/21	14,358.93
JJJ ENTERPRISES	FIRE AND SECURITY ALARM MONITORING	355249	10/28/21	390.00
KEYSER MARSTON ASSOCIATES INC	KMA TO PROVIDE THE NATIONAL CITY	355250	10/28/21	398.75
L N CURTIS & SONS	9845-04-L-4 BLAUER: LARGE/REG DARK/ FIRE	355251	10/28/21	5,374.97
LASHBROOK	TRAINING REIM FOR TYLER NEW WORLD CA / PD	355252	10/28/21	571.19
MASON'S SAW	MOP 45729 EQUIPMENT SUPPLIES AND REPAIR	355253	10/28/21	853.99
NATIONAL CITY ELECTRIC	CITYWIDE ON-SITE ELECTRICAL	355254	10/28/21	4,565.00
OFFICE SOLUTIONS BUSINESS	MOP 83778, OFFICE SUPPLIES / FIRE	355255	10/28/21	106.76
OPENGOV INC	OPENGOV REPORTING RENEWAL	355256	10/28/21	10,925.00
PACIFIC STATES PETROLEUM INC	HYDRAULIC OIL, ENGINE OIL, AND VEHICLE	355257	10/28/21	586.07
PADRE JANITORIAL SUPPLIES	CONSUMABLES / NUTRITION	355258	10/28/21	127.42



**WARRANT REGISTER # 17
10/28/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
PALOMAR HEALTH	SART EXAM FOLLOW UP	355259	10/28/21	550.00
PARTS AUTHORITY METRO LLC	MOP 75943 AUTO SUPPLIES-PW	355260	10/28/21	274.68
POWERSTRIDE BATTERY CO INC	AUTO BATTERIES TO REPLENISH STOCK	355261	10/28/21	578.38
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES-PW	355262	10/28/21	930.35
PROFESSIONAL SEARCH GROUP LLC	TEAM STAFF FOR ARLENE RAMIREZ	355263	10/28/21	2,530.00
PRUDENTIAL OVERALL SUPPLY	MOP FOR UNIFORM CLEANING SERVICE	355264	10/28/21	273.79
SAN DIEGO POLICE EQUIPMENT	VEST CUESTA / PD	355265	10/28/21	1,053.79
SAN DIEGO UNION TRIBUNE	PARADISE CREEK - CIP 19-35 - NOTICE INV	355266	10/28/21	760.80
SEAPORT MEAT COMPANY	FOOD / NUTRITION CENTER	355267	10/28/21	636.83
SHANAHAN	TRAINING REIM FOR CALIFORNIA HOMICIDE	355268	10/28/21	451.68
SHER EDLING LLP	LIABILITY CLAIM COST	355269	10/28/21	11,462.00
SHRED IT USA	SHRED SERVICE	355270	10/28/21	119.16
SHRED-IT	MAY-2021 MONTHLY SERVICE FOR SECTION 8	355271	10/28/21	311.19
SHRED-IT	MARCH MONTHLY SERVICE FOR SECTION 8	355272	10/28/21	103.50
SORIANO	REIMBURSEMENT CACEO SORIANO / NSD	355273	10/28/21	137.45
SOSA	TRAINING REIM FOR WOMEN LEADERS IN LAW / PD	355274	10/28/21	211.93
SOSA	TRAINING REIM FOR BACKGROUND INVESTIGATION	355275	10/28/21	164.52
SOUTHERN CALIF TRUCK STOP	MOP 45758 AUTO SUPPLIES-PW	355276	10/28/21	91.07
STAPLES BUSINESS ADVANTAGE	MOP 45704 OFFICE SUPPLIES-PW	355277	10/28/21	1,295.95
SULLIVAN	TRAINING LAPD ADV SUB	355278	10/28/21	949.62
SWEETWATER AUTHORITY	WATER BILL – WASTEWATER FY 2022	355279	10/28/21	817.37
SYSCO SAN DIEGO INC	FOOD / NUTRITION CENTER	355280	10/28/21	4,092.41
TECHNOLOGY INTEGRATION GROUP	MIS PD	355281	10/28/21	343.07
TERMINIX INTERNATIONAL	ON-SITE PEST CONTROL SERVICES	355282	10/28/21	384.00
THE BANK OF NEW YORK MELLON	CUSTODIAN FEE / FINANCE	355283	10/28/21	1,350.00
THE COUNSELING TEAM	EMPLOYEE SUPPORT SERVICES	355284	10/28/21	800.00
THE LINCOLN NATIONAL LIFE INS	GRP #415491 - NOVEMBER 2021	355285	10/28/21	9,509.94
THE SUPPLY CACHE	RED HEAD HIGH IMPACT WEDGES/FIRE	355286	10/28/21	379.59
U S BANK	CREDIT CARD EXPENSES / PD	355287	10/28/21	4,710.39
VORTEX INDUSTRIES INC	CITYWIDE ON-SITE SERVICE & REPAIRS	355288	10/28/21	1,070.00
WEST PAYMENT CENTER	INVESTIGATIONS MONTHLY USAGE	355289	10/28/21	633.22
WILLY'S ELECTRONIC SUPPLY	MOP 00351 SUPPLIES PD	355290	10/28/21	176.99

A/P Total 248,550.09

WIRED PAYMENTS

PUBLIC EMP RETIREMENT SYSTEM	SVC PERIOD 10/05/21-10/18/21	102921	10/29/21	259,354.61
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GRAND TOTAL \$ 507,904.70

The following page(s) contain the backup material for Agenda Item: [Warrant Register #18 for the period of 10/29/21 through 11/05/21 in the amount of \\$2,546,521.45. \(Finance\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Warrant Register #18 for the period of 10/29/21 through 11/05/21 in the amount of \$2,546,521.45.
(Finance)

PREPARED BY: Karla Apalategui, Senior Accounting Assistant

DEPARTMENT: Finance

PHONE: 619-336-4572

APPROVED BY: 

EXPLANATION:

Per Government Section Code 37208, below are the payments issued for period 10/29/21 - 11/05/21. Consistent with Department of Finance's practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
County of San Diego	355382	50,072.24	Maintenance of Sweetwater channel
Select Electric Inc	355417	111,155.12	CIP 19-08 Fiber Optic Traffic Signal
Sweetwater Authority	355426	50,058.86	Water Bill for Facilities FY 2022
Tri-Group Const & Dev	355431	646,574.86	CIP 19-19 Roosevelt Smart Growth
Admisure Inc	600135	194,468.20	Worker's Compensation Account

FINANCIAL STATEMENT:

APPROVED:  **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

Warrant total \$2,546,521.45.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Ratify Warrants Totaling \$2,546,521.45

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

Warrant Register # 18



**WARRANT REGISTER # 18
11/5/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
ANDERSON	RETIREE HEALTH BENEFITS - NOV 2021	355291	11/2/21	110.00
BEARD	RETIREE HEALTH BENEFITS - NOV 2021	355292	11/2/21	70.00
BECK	RETIREE HEALTH BENEFITS - NOV 2021	355293	11/2/21	140.00
BISHOP	RETIREE HEALTH BENEFITS - NOV 2021	355294	11/2/21	110.00
BOEGLER	RETIREE HEALTH BENEFITS - NOV 2021	355295	11/2/21	260.00
BULL	RETIREE HEALTH BENEFITS - NOV 2021	355296	11/2/21	580.00
CAMEON	RETIREE HEALTH BENEFITS - NOV 2021	355297	11/2/21	400.00
CARRILLO	RETIREE HEALTH BENEFITS - NOV 2021	355298	11/2/21	290.00
COLE	RETIREE HEALTH BENEFITS - NOV 2021	355299	11/2/21	165.00
COLLINSON	RETIREE HEALTH BENEFITS - NOV 2021	355300	11/2/21	420.00
CONDON	RETIREE HEALTH BENEFITS - NOV 2021	355301	11/2/21	280.00
CORDERO	RETIREE HEALTH BENEFITS - NOV 2021	355302	11/2/21	520.00
DALLA	RETIREE HEALTH BENEFITS - NOV 2021	355303	11/2/21	900.00
DANESHFAR	RETIREE HEALTH BENEFITS - NOV 2021	355304	11/2/21	250.00
DEESE	RETIREE HEALTH BENEFITS - NOV 2021	355305	11/2/21	660.00
DESROCHERS	RETIREE HEALTH BENEFITS - NOV 2021	355306	11/2/21	110.00
DIAZ	RETIREE HEALTH BENEFITS - NOV 2021	355307	11/2/21	680.00
DILLARD	RETIREE HEALTH BENEFITS - NOV 2021	355308	11/2/21	480.00
DREDGE	RETIREE HEALTH BENEFITS - NOV 2021	355309	11/2/21	250.00
DUONG	RETIREE HEALTH BENEFITS - NOV 2021	355310	11/2/21	280.00
EISER III	RETIREE HEALTH BENEFITS - NOV 2021	355311	11/2/21	250.00
ESPIRITU	RETIREE HEALTH BENEFITS - NOV 2021	355312	11/2/21	620.00
ETZLER	RETIREE HEALTH BENEFITS - NOV 2021	355313	11/2/21	460.00
FABINSKI	RETIREE HEALTH BENEFITS - NOV 2021	355314	11/2/21	220.00
FERNANDEZ	RETIREE HEALTH BENEFITS - NOV 2021	355315	11/2/21	270.00
FIFIELD	RETIREE HEALTH BENEFITS - NOV 2021	355316	11/2/21	540.00
GAUT	RETIREE HEALTH BENEFITS - NOV 2021	355317	11/2/21	700.00
GELSKEY	RETIREE HEALTH BENEFITS - NOV 2021	355318	11/2/21	115.00
GIBBS JR	RETIREE HEALTH BENEFITS - NOV 2021	355319	11/2/21	120.00
GONZALES	RETIREE HEALTH BENEFITS - NOV 2021	355320	11/2/21	480.00
HANSON	RETIREE HEALTH BENEFITS - NOV 2021	355321	11/2/21	135.00
HARLAN	RETIREE HEALTH BENEFITS - NOV 2021	355322	11/2/21	500.00
HERNANDEZ	RETIREE HEALTH BENEFITS - NOV 2021	355323	11/2/21	500.00
HERNANDEZ	RETIREE HEALTH BENEFITS - NOV 2021	355324	11/2/21	600.00
HERNANDEZ	RETIREE HEALTH BENEFITS - NOV 2021	355325	11/2/21	400.00
HODGES	RETIREE HEALTH BENEFITS - NOV 2021	355326	11/2/21	200.00
IBARRA	RETIREE HEALTH BENEFITS - NOV 2021	355327	11/2/21	780.00
JONES	RETIREE HEALTH BENEFITS - NOV 2021	355328	11/2/21	60.00
JONES	RETIREE HEALTH BENEFITS - NOV 2021	355329	11/2/21	480.00
JUNIEL	RETIREE HEALTH BENEFITS - NOV 2021	355330	11/2/21	50.00
KIMBLE	RETIREE HEALTH BENEFITS - NOV 2021	355331	11/2/21	300.00
KLOS	RETIREE HEALTH BENEFITS - NOV 2021	355332	11/2/21	480.00
LAFRENIERE	RETIREE HEALTH BENEFITS - NOV 2021	355333	11/2/21	660.00
LEACH	RETIREE HEALTH BENEFITS - NOV 2021	355334	11/2/21	600.00
LIMFUECO	RETIREE HEALTH BENEFITS - NOV 2021	355335	11/2/21	160.00
MATIENZO	RETIREE HEALTH BENEFITS - NOV 2021	355336	11/2/21	100.00
MCCABE	RETIREE HEALTH BENEFITS - NOV 2021	355337	11/2/21	280.00



**WARRANT REGISTER # 18
11/5/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
MCDANIEL	RETIREE HEALTH BENEFITS - NOV 2021	355338	11/2/21	290.00
MEDINA	RETIREE HEALTH BENEFITS - NOV 2021	355339	11/2/21	105.00
MEEKS	RETIREE HEALTH BENEFITS - NOV 2021	355340	11/2/21	460.00
MENDOZA	RETIREE HEALTH BENEFITS - NOV 2021	355341	11/2/21	290.00
MINER	RETIREE HEALTH BENEFITS - NOV 2021	355342	11/2/21	580.00
MORRISON	RETIREE HEALTH BENEFITS - NOV 2021	355343	11/2/21	520.00
NAGLE	RETIREE HEALTH BENEFITS - NOV 2021	355344	11/2/21	460.00
NOTEWARE	RETIREE HEALTH BENEFITS - NOV 2021	355345	11/2/21	120.00
OLIVARES	RETIREE HEALTH BENEFITS - NOV 2021	355346	11/2/21	280.00
OLIVERIA	RETIREE HEALTH BENEFITS - NOV 2021	355347	11/2/21	360.00
PAUU JR	RETIREE HEALTH BENEFITS - NOV 2021	355348	11/2/21	340.00
PE	RETIREE HEALTH BENEFITS - NOV 2021	355349	11/2/21	300.00
PEASE JR	RETIREE HEALTH BENEFITS - NOV 2021	355350	11/2/21	140.00
PETERS	RETIREE HEALTH BENEFITS - NOV 2021	355351	11/2/21	290.00
POST	RETIREE HEALTH BENEFITS - NOV 2021	355352	11/2/21	280.00
RAY	RETIREE HEALTH BENEFITS - NOV 2021	355353	11/2/21	190.00
ROARK	RETIREE HEALTH BENEFITS - NOV 2021	355354	11/2/21	135.00
RODRIGUEZ	RETIREE HEALTH BENEFITS - NOV 2021	355355	11/2/21	260.00
RUIZ	RETIREE HEALTH BENEFITS - NOV 2021	355356	11/2/21	310.00
SAINZ	RETIREE HEALTH BENEFITS - NOV 2021	355357	11/2/21	300.00
SANCHEZ	RETIREE HEALTH BENEFITS - NOV 2021	355358	11/2/21	330.00
SERVATIUS	RETIREE HEALTH BENEFITS - NOV 2021	355359	11/2/21	340.00
SHOEMAKER	RETIREE HEALTH BENEFITS - NOV 2021	355360	11/2/21	480.00
SILVA	RETIREE HEALTH BENEFITS - NOV 2021	355361	11/2/21	580.00
SMITH	RETIREE HEALTH BENEFITS - NOV 2021	355362	11/2/21	320.00
SMITH	RETIREE HEALTH BENEFITS - NOV 2021	355363	11/2/21	560.00
STEWART	RETIREE HEALTH BENEFITS - NOV 2021	355364	11/2/21	200.00
TIPTON	RETIREE HEALTH BENEFITS - NOV 2021	355365	11/2/21	250.00
VERRY	RETIREE HEALTH BENEFITS - NOV 2021	355366	11/2/21	280.00
VILLAGOMEZ	RETIREE HEALTH BENEFITS - NOV 2021	355367	11/2/21	480.00
VILLARIASA	RETIREE HEALTH BENEFITS - NOV 2021	355368	11/2/21	480.00
WHITE	RETIREE HEALTH BENEFITS - NOV 2021	355369	11/2/21	230.00
WILKINS	RETIREE HEALTH BENEFITS - NOV 2021	355370	11/2/21	520.00
YBARRA	RETIREE HEALTH BENEFITS - NOV 2021	355371	11/2/21	220.00
	RETIREE HEALTH BENEFITS:			28,295.00
ACE UNIFORMS & ACCESSORIES INC	FP62MN CORRECT MN NAVY PANTS FY22 / FIRE	355372	11/4/21	1,020.32
ALL FRESH PRODUCTS	FOR FOOD AS NEEDED FOR NUTRITION CENTER	355373	11/4/21	1,190.26
CAL INTERPRETING	LIABILITY CLAIM COST	355374	11/4/21	595.00
CAMACHO	TRAINING REIM FOR TYLER NEW WORLD CA	355375	11/4/21	616.46
CHEN RYAN ASSOCIATES INC	BAYSHORE BIKEWAY SEGMENT 5 - ENG/PW	355376	11/4/21	34,394.47
CITY OF IMPERIAL BEACH	SAN DIEGO BAY WATERSHED FY 2021-2022	355377	11/4/21	14,736.00
CLAIMS MANAGEMENT ASSOCIATES	PROFESSIONAL SERVICES	355378	11/4/21	5,600.00
CLF WAREHOUSE INC	MOP 80331 AUTO SUPPLIES-PW	355379	11/4/21	323.98
CODDINGTON LOCK AND SECURITY	CITYWIDE ON-SITE ELECTRONIC DOOR, LOCK	355380	11/4/21	3,802.37
COMMERCIAL AQUATIC SERVICE INC	MUNICIPAL POOL SUPPLIES & PARTS	355381	11/4/21	357.40
COUNTY OF SAN DIEGO	MAINTENANCE OF SWEETWATER RIVER CHANNEL	355382	11/4/21	50,072.24
COUNTY OF SAN DIEGO	CO OF SD PARKING CITATION REVENUE / AUG	355383	11/4/21	8,062.50



**WARRANT REGISTER # 18
11/5/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
CV VENTURES LLC	FAIR SHARE CONTRIBUTION FOR DUCK POND	355384	11/4/21	16,214.52
DEAN GAZZO ROISTACHER LLP	LIABILITY CLAIM COST	355385	11/4/21	1,385.50
DEAN GAZZO ROISTACHER LLP	LIABILITY CLAIM COST	355386	11/4/21	940.00
DELGADO	EMPLOYEE REIMBURSEMENT CDBG DISNEY+	355387	11/4/21	79.99
DEPARTMENT OF JUSTICE	NEW EMPLOYEE FINGERPRINT TEST RESULTS	355388	11/4/21	288.00
ESGIL CORPORATION	PLAN CHECKS FOR FIRE DEPARTMENT FOR FY22	355389	11/4/21	1,318.50
GEOSYNTEC CONSULTANTS INC	HAZARDOUS MATERIAL MGMT AS NEEDED SVCS	355390	11/4/21	6,646.19
GRAINGER	BUILDING SUPPLIES AND EQUIPMENT FY 22	355391	11/4/21	664.37
HDR ENGINEERING, INC.	CIP 19-35 PARADISE CREEK KIMBALL - ENG/P	355392	11/4/21	2,270.50
IDEMIA IDENTITY & SECURITY USA	NEW EMPLOYEE FINGERPRINT TEST SUBMISSION	355393	11/4/21	18.00
KIMLEY HORN AND ASSOCIATES	8TH AND ROOSEVELT ATP - ENG/PW	355394	11/4/21	11,267.95
KIMLEY HORN AND ASSOCIATES	NTP FOR THE EVALUATION OF AFFORDABLE	355395	11/4/21	4,260.00
LEXIPOL LLC	LEGAL AND TRAINING UPDATES	355396	11/4/21	20,373.20
LONG	TRAINING ADV LODG CNOA CNFRNCE	355397	11/4/21	959.20
MCALISTER INSTITUTE	HOMELESS CASE MANAGEMENT SERVICES	355398	11/4/21	34,543.19
NAN MCKAY AND ASSOCIATES INC	HCV MB DIGITAL REVISION SERVICE FOR SEC8	355399	11/4/21	239.00
NAPA AUTO PARTS	MOP 45735 GENERAL SUPPLIES-PW	355400	11/4/21	19.68
NV5 INC	PARADISE CREEK LOMR- ENG/PW	355401	11/4/21	3,450.50
O'REILLY AUTO PARTS	MOP 75877 AUTO SUPPLIES-PW	355402	11/4/21	86.68
O'REILLY AUTO PARTS	MOP 75877 AUTO SUPPLIES-PW	355403	11/4/21	13.62
PARTS AUTHORITY METRO LLC	MOP 75943 AUTO SUPPLIES-PW	355404	11/4/21	419.94
PENSKE FORD	R&M CITY VEHICLES FY 2022	355405	11/4/21	1,221.07
POWERSTRIDE BATTERY CO INC	AUTO BATTERIES TO REPLENISH STOCK	355406	11/4/21	92.28
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES-PW	355407	11/4/21	2,457.71
PROFESSIONAL SEARCH GROUP LLC	OFFICE TEMPORARY SERVICE	355408	11/4/21	2,320.40
PRUDENTIAL OVERALL SUPPLY	UNIFORM CLEANING SERVICE	355409	11/4/21	459.46
RADY CHILDREN'S HOSPITAL	CHILD ABUSE EXAM / PD	355410	11/4/21	9,780.00
RANDALL LAMB ASSOCIATES INC	CIP 21-23 CAMACHO REC CENTER HVAC REPLACE	355411	11/4/21	250.00
RANDALL LAMB ASSOCIATES INC	CIP 20-20 CIVIC CENTER SERVER ROOM	355412	11/4/21	100.00
SAN DIEGO COUNTY ASSESSOR	COUNTY RECORDS / NSD	355413	11/4/21	2.05
SAN DIEGO MIRAMAR COLLEGE	TRAINING TUITION ROT	355414	11/4/21	46.00
SBCS CORPORATION	HOME AGREEMENT: SOUTH BAY COMMUNITY	355415	11/4/21	38,426.00
SEAPORT MEAT COMPANY	FOR FOOD AS NEEDED FOR NUTRITION CENTER	355416	11/4/21	1,043.78
SELECT ELECTRIC INC	CIP 19-08 FIBER OPTIC TRAFFIC SIGNAL INT	355417	11/4/21	111,155.12
SITEONE LANDSCAPE SUPPLY LLC	MOP 69277 LANDSCAPE SUPPLIES-PW	355419	11/4/21	237.43
SMART & FINAL	CDBG TEEN CASA DE SALUD SNACKS	355420	11/4/21	222.58
SMART SOURCE OF CALIFORNIA LLC	MOP 63845, LETTERHEAD / FIRE	355421	11/4/21	161.82
SPRINGER	TRAINING ADV SUB SLI 6	355422	11/4/21	416.00
STANICH	TRAINING ADV LDG SUB	355423	11/4/21	586.32
STAPLES BUSINESS ADVANTAGE	MOP 45704 OFFICE SUPPLIES-PW	355424	11/4/21	493.38
SULLIVAN	TRAINING LAPD ADV SUB4	355425	11/4/21	847.81
SWEETWATER AUTHORITY	WATER BILL FOR FACILITIES FY 2022	355426	11/4/21	50,058.86
SYSCO SAN DIEGO INC	FOOD / NUTRITION CENTER	355427	11/4/21	2,394.94
T MAN TRAFFIC SUPPLY	MOP 76666 TRAFFIC SUPPLIES-PW	355428	11/4/21	492.62
TECHNOLOGY INTEGRATION GROUP	MISC MIS EQUIP	355429	11/4/21	2,645.43
THE COUNSELING TEAM INTERNATIONAL	EMPLOYEE SUPPORT SERVICES	355430	11/4/21	525.00
TRI-GROUP CONSTRUCTION AND DEV	CIP 19-19 ROOSEVELT SMART GROWTH - ENG/PW	355431	11/4/21	646,574.86



**WARRANT REGISTER # 18
11/5/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
UNITED ROTARY BRUSH CORP	STREET SWEEPER REPAIRS AND MAINTENANCE	355432	11/4/21	1,455.86
VELOCITY TRUCK CENTERS	ENGINE AND TRANSMISSION PARTS / PW	355433	11/4/21	85.27
VISTA PAINT	MOP 68834 PAINT SUPPLIES / NSD	355434	11/4/21	73.58
WALTERS	TRAINING SLI 2	355435	11/4/21	396.68
WALTERS	TRAINING SLI 3	355436	11/4/21	396.68
WAXIE SANITARY SUPPLY	MISCELLANEOUS JANITORIAL SUPPLIES	355437	11/4/21	2,175.26
WEST COAST ARBORISTS INC	CIP 21-24 CALFIRE GRANT PLANTING - ENG/PW	355438	11/4/21	9,100.00
WESTFLEX INDUSTRIAL	MOP 63850 GENERAL SUPPLIES-PW	355439	11/4/21	96.81
WETMORES	MOP 80333 AUTO SUPPLIES-PW	355440	11/4/21	479.46
WHILLOCK CONTRACTING	CIP 18-07 PARADISE CREEK PARK SITE REMED	355441	11/4/21	19,660.02
WINNEY	TRAVEL EXPENSE REIMBURSEMENT	355442	11/4/21	48.40
			A/P Total	1,161,503.47
WIRED PAYMENTS				
ARCO BUSINESS SOLUTIONS	FUEL FOR CITY FLEET FY 22	524756	11/4/21	39,067.71
ADMINSURE INC	WORKER'S COMPENSATION ACCOUNT	600135	11/4/21	194,468.20
SECTION 8 HAPS				
	Start Date	End Date		
	10/13/2021	10/19/2021		13,833.00
PAYROLL				
Pay period	Start Date	End Date	Check Date	
21	10/5/2021	10/18/2021	10/27/2021	1,137,649.07
			GRAND TOTAL	\$ 2,546,521.45

The following page(s) contain the backup material for Agenda Item: [Public Hearing and Adoption of a Resolution of the City Council of the City of National City establishing permit fees for recovery of the cost of the commercial cannabis business regulatory program development and for the cost to review and process applications for cannabis businesses.](#)
[\(Finance\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Public Hearing and Adoption of a Resolution of the City Council of the City of National City establishing permit fees for recovery of the cost of the commercial cannabis business regulatory program development and for the cost to review and process applications for cannabis businesses.

PREPARED BY: Molly Brennan, Administrative Services Director **DEPARTMENT:** Finance

PHONE: 619-336-4265

APPROVED BY: _____

Molly Brennan

EXPLANATION:

On May 4, 2021 the City Council adopted Ordinance 2021-2487, adding Chapter 9.60, Commercial Cannabis Activity, to the National City municipal code. During City Council meetings in November 2021, City Council finalized the application process and set the number of authorized commercial cannabis licenses to six. The final application procedures and guidelines for a commercial cannabis business permit and local ownership acknowledgement form are attached for informational purposes.

Adoption of five new commercial cannabis business permit fees are necessary to recover the costs associated with creating and administering the application process for cannabis licenses. The permit fees may not exceed the estimated reasonable cost to the City in providing the service or regulatory program. Upon adoption on December 7th, 2021, the permit fees will become effective on Monday February 7th, 2022. A summary and detailed cost recovery analysis are attached as Exhibit A to the Resolution. Permit fees do not include a community benefit fee or any potential local/social equity fee which would be negotiated through a Development Agreement in Phase III of the cannabis application process.

FINANCIAL STATEMENT:

APPROVED: _____ **FINANCE**

APPROVED: _____ **MIS**

Adoption of the new fees will allow the City to recover the cost incurred to provide the services.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Adopt the Resolution creating five new Commercial Cannabis Business Fees.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Resolution with Exhibit "A", the Commercial Cannabis Business Fee Schedule
2. Application Procedure & Guidelines for a Commercial Cannabis Business Permit
3. Local Ownership Acknowledgement Form



Commercial Cannabis Business Fee Schedule

❖ Summary of Commercial Cannabis Fees:

Fee Description	Type	Fee ¹	Unit
Application Review - Phase 1	Fee	\$1,859	per application
Application Review - Phase 2	Fee	\$3,765	per application
Application Review - Phase 3	Deposit ²	\$5,000	per application
Background Check	Fee	\$350	per owner
Appeal Process Fee	Fee	\$3,586	per appeal

Notes:

¹ Proposed fees are rounded to the nearest dollar.

² The Deposit paid at the time of application are estimates based on the typical amount of staff time and other costs required to negotiate development agreements. In the event the deposit is not sufficient to reimburse the City for completing the Phase III review, the applicant shall provide additional deposits to the City sufficient to complete the processing of the application. If, at any time, the remaining Deposit retained by the City is below \$1,000 after deductions for the fees incurred to date, then, within 15 days after receipt of written notice from the City of that fact, the applicant shall deposit an additional \$2,500 with the City. The City shall not perform any further review of the application until the applicant submits the Deposit or the required increase to the Deposit. No interest shall accrue on amounts deposited. Any unused portion of the Deposit will be returned to the applicant within 60 days following the approval/denial of the commercial cannabis business permit.

❖ Fully Burdened Hourly Rates:

Fully Burdened Rates		
Dept	Title	FBHR ¹
CMO	City Manager	\$225.81
	Community Development Spec III	\$106.19
	Executive Assistant	\$78.86
FI	SR Accounting Assistant	\$61.18
CA	City Attorney	\$193.73
Other:		
	Consultant	\$280.00

¹ Fully Burdened Rates are subject to change annually.

City of National City
Commercial Cannabis Cost Recovery
Analysis

Application Review - Phase I: Determination of Eligibility

General Tasks/Activities	City Administration					Outside Service	Total Labor			
	City Manager's Office CDS			Finance	City Attorney	Cannabis	Hours	Cost	Other Costs	Total Cost
	CM	III	EA	SAA	CA	Consultant				
<i>Fully Burdened Hourly Rate</i>	\$226	\$106	\$79	\$61	\$194	\$280				
Application Intake	0.50	0.50	0.50	0.50	1.00	0.00	3.00	\$430	\$0	\$430
Application Completeness Check	0.00	0.50	0.00	0.50	0.00	0.50	1.50	\$224	\$0	\$224
Determination of Eligibility	0.50	1.00	0.00	0.00	0.50	0.50	2.50	\$456	\$0	\$456
Development & Implementation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0	\$750	\$750
Total	1.00	2.00	0.50	1.00	1.50	1.00	7.00	\$1,109	\$750	\$1,859

City of National City
Commercial Cannabis Cost Recovery
Analysis

Application Review - Phase II: Application Evaluation and Review

General Tasks/Activities	City Administration					Outside Service	Total Labor			
	City Manager's Office CDS			Finance	City Attorney	Cannabis	Hours	Cost	Other Costs	Total Cost
	CM	III	EA	SAA	CA	Consultant				
<i>Fully Burdened Hourly Rate</i>	\$226	\$106	\$79	\$61	\$194	\$280				
Review and Evaluation	1.00	2.00	0.00	0.50	1.00	10.00	14.50	\$3,463	\$0	\$3,463
Applicant Notification	0.50	0.50	0.50	0.00	0.50	0.00	2.00	\$302	\$0	\$302
Total	1.50	2.50	0.50	0.50	1.50	10.00	16.50	\$3,765	\$0	\$3,765

**City of National City
Commercial Cannabis Cost Recovery
Analysis**

Background Checks

General Tasks/Activities	City Administration					Outside Service	Total Labor			
	City Manager's Office CDS			Finance	City Attorney	Cannabis	Hours	Cost	Other Costs	Total Cost
	CM	III	EA	SAA	CA	Consultant				
<i>Fully Burdened Hourly Rate</i>	\$226	\$106	\$79	\$61	\$194	\$280				
Background Check	0.00	0.00	0.00	0.00	0.00	1.25	1.25	\$350	\$0	\$350
Total	0.00	0.00	0.00	0.00	0.00	1.25	1.25	\$350	\$0	\$350

**City of National City
Commercial Cannabis Cost Recovery
Analysis**

Appeal Process Fee

General Tasks/Activities	City Administration					Outside Service	Total Labor			
	City Manager's Office CDS			Finance	City Attorney	Cannabis	Hours	Cost	Other Costs	Total Cost
	CM	III	EA	SAA	CA	Consultant				
<i>Fully Burdened Hourly Rate</i>	\$226	\$106	\$79	\$61	\$194	\$280				
Review Appeal & Prepare Response	3.00	3.00	0.00	0.50	2.00	2.00	10.50	\$1,974	\$0	\$1,974
Conduct Hearing	2.00	2.00	0.00	0.00	2.00	2.00	8.00	\$1,611	\$0	\$1,611
Total	2.00	2.00	0.00	0.00	2.00	2.00	8.00	\$3,586	\$0	\$3,586

Background

Consistent with the direction given by the City Council at the November Cannabis Workshop, staff is returning with a final Cannabis Application.

City Council Direction:

- Raise threshold to 90% in Phase II of the application process.
- Develop a merit based application process with the use of a lottery should there be a tie.
- Open the application period for 60 days.
- Develop a point system for Phase II of the application process.
- Establish a Local Preference Program by adding an additional 5% to applications who meet the local ownership requirements; dedicate two applications for businesses that meet the local ownership requirement.
- Define local ownership as any resident who has lived in National City for at least three years prior to November 9, 2021.
- Set the number of commercial cannabis licenses authorized to operate in National City to six with one license for consumption lounge applicants who meet the 90% threshold.
- Amend Section B, Subsection 1 of the application process Phase II to include ten (10) or more employees.
- Update the Local Ownership form to reflect the owner's names, signatures, and ownership percentages.
- For local ownership preference, allow fifty-one (51%) interest to be collective ownership with each individual holding at least a ten-percent (10%) interest.
- Include language in the application that an applicant with ten-percent (10%) ownership or more is not allowed to submit a second application and address any loopholes.
- Amend Section B, Subsection 9 to state, "Describe plans to encourage local hiring goal at minimum 50% of National City Residents" in Phase II of the application.

Application Process

PHASE I: DETERMINATION OF ELIGIBILITY: Applications that meet the minimum eligibility requirements will be forwarded to the consultant for Phase II (Application Evaluation and Review). If the City Manager (or their designee) determines in the initial screening that an application does not meet minimum eligibility requirements, the applicant shall be notified in writing that the application has been denied.

PHASE II: APPLICATION EVALUATION AND REVIEW (3000 points): During Phase II, Applications will be evaluated, scored, and ranked based using a merit-based system on a pass/fail basis. Phase II scores will be tabulated to establish an overall order and ranking of the applicants. The top six (6) ranked applicants which score a minimum of 90% (2,700) points) will advance to Phase III of the selection process.

PHASE III: FINAL REVIEW BY CITY MANAGER AND RECOMMENDATION TO CITY COUNCIL: Upon the completion of Phase II, the City Manager will award the permit(s) in accordance with NCMC Section 9.60.100 and 9.60.160. Prior to operating in the City the operator of each cannabis facility shall enter into a Development Agreement with the City setting forth the terms and conditions under which the cannabis facility will operate that are in addition to the requirements of Chapter 9.60, including, but not limited to payment of fees and other charges as mutually agreed. Upon successful negotiations in this phase of the process the Applicant will then be presented to the City Council for final approval. Upon the approval of the City Council the issuance of a permit shall allow the applicant to proceed to apply for both a land use permit and a business license and related approvals.



National City

City Manager’s Office-Economic Development
1243 National City Boulevard
National City, CA 91950
P: 619.336.4216
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APPLICATION PROCEDURES & GUIDELINES FOR A COMMERCIAL CANNABIS BUSINESS PERMIT

Application Period

OPENS – [REDACTED]

CLOSES – [REDACTED]

Information regarding the Commercial Cannabis Business (CCB) Application process can be found on the City’s website at <https://www.nationalcityca.gov/government/city-manager/economic-development/commercial-cannabis> and includes the following:

- Application Procedures & Guidelines
- National City Municipal Code (NCMC) Chapter 9.60
- Commercial Cannabis Business (CCB) Permit Application
- Financial Responsibility, Indemnity and Consent to Inspection Terms Agreement
- Background Check Portal Link
- Owner Acknowledgement Agreement

The application period to apply for a Cannabis Business Permit to operate a CCB in National City is 60 days and will open on [REDACTED] and will remain open until [REDACTED]. Applications will be available on the City’s website listed on these procedures. Applications must be submitted to the Finance Department in their entirety and prior to the deadline. Incomplete application will be returned.

Applicants should monitor the City’s web page for any additional information, FAQs, or updates. It is the responsibility of the Applicant to stay informed of this information.

NUMBER OF PERMITS

During this application period the City will be allowing up to six (6) cannabis business permits under this process. A minimum of two (2) permits are dedicated to Local Owner applicants who satisfy the local ownership criteria in Appendix B below, and a minimum of one (1) permit is dedicated to an applicant applying for a consumption lounge.

LIMITATIONS

Any Applicant wishing to conduct cannabis retail sales either storefront or nonstorefront will be required to conduct at a minimum one other cannabis activity in conjunction with the retail license such as cultivation, manufacturing, or distribution or as part of a microbusiness. In addition, the retail portion of the operations cannot be the primary function of the business and will be limited to utilizing no more than 40% of the total square feet of any cannabis operation conducted on the property. Please note the retail application must be under the same ownership as one of the other cannabis licenses on the same property in order to qualify for a cannabis retail permit. Furthermore, any cannabis businesses providing

retail ancillary/accessory use to the primary activity of the business shall be no closer than two hundred fifty (250) feet of any residential parcel in the City in accordance with Section 9.60.070(a)(2). The distance between the cannabis business and the residential parcel shall be measured from the outer boundaries of the residential parcel to the first structure on the property seeking the commercial cannabis permit.

AMENDMENTS TO THE APPLICATION

After **[INSERT DEADLINE DATE]**, Applicants will not be allowed to make amendments to their application or to supplement their application, except as otherwise specifically permitted in these procedures or as authorized in writing by the City.

LIMITATIONS ON MULTIPLE APPLICATIONS

Applicants are allowed to submit cannabis permit applications for multiple types of cannabis permits. However, applicants possessing an ownership interest of ten percent (10%), or more, in a cannabis permit application shall be limited to submitting only one application for the same type of cannabis permit. In order to ensure compliance with the ownership interest concerns, every owner on the application will be required to complete the Ownership Acknowledgement form which is provided on the City's website. In addition, the City will only accept a maximum of two Verification Letters (ZVL) per property (APN).

CITY'S RESERVATION OF RIGHTS

The City reserves the right to reject any and/or all applications, with or without cause or reason. The City may modify, postpone, or cancel the request for a CCB license without liability, obligation, or commitment to any party, firm, or organization. In addition, the City reserves the right to request and obtain additional information from any Applicant submitting an application in order to conduct a complete review of the application or an investigation into the truthfulness of the statements set forth in the application or provided at any stage of the application process and it is not fully responsive to this request for a CCB application.

APPLICATION PROCESS

This application process is adopted pursuant to National City Municipal Code Chapter 9.60.160. Review the information regarding the application process and which documents you will need. Before submitting your application, review your application in its entirety to ensure that it is complete and accurate. Review the information regarding the Cannabis Business Permit application process for a CCB on the City webpage provided on page one.

The following procedures outline the application evaluation and selection process, required materials, and other information necessary to apply for a Cannabis Business Permit to operate a cannabis business in National City. Information provided by the applicant in Phase II of the application process will be used in the negotiation of a Development Agreement in Phase III.

APPLICATION SUBMITTAL REQUIREMENTS

Applications must respond to all requirements outlined in the "Application Procedures & Guidelines for a Cannabis Business Permit." Applicants must submit all required application materials together in one complete comprehensive application package. This must be done in person. The application package must include all the following documents with original signatures for each document.

(a) Cannabis Business Permit Application;

- (b) Financial Responsibility, Indemnity and Consent to Inspection Terms Agreement;
- (c) Agreement on Limitations of City's Liability and Indemnification to City;
- (d) Application fee and Background Check fee(s); and
- (e) Owner Acknowledgment Agreement
- (f) Zoning Verification Letter

FLASH DRIVE CONTENT

In addition, all Applicants must submit a USB flash drive containing one complete copy of the application submittal requirements as outlined in the below format. The application package and application fees must be received by the City Finance Department. Responses to the Evaluation Criteria (Sections A-H found in Appendix A of the Application Procedures & Guidelines) shall be limited to 200 pages. Responses pertaining to Backgrounds, Proof of Capitalization, Zoning Verification Letter, and Property Owner Consent/Lease Agreements, Property Owner/Landlord Affidavit, Owner Acknowledgement Agreement shall not be included in the 200-page limitation. Those responses should be saved in PDF files that are separate from the Evaluation Criteria (see below).

All materials must be submitted on a USB flash drive in a PDF format in the following files. You must submit the files in the correct format and organized correctly or your application may be rejected.

- PDF File #1 – Cannabis Business Permit Application (pages 1-3), Financial Responsibility, Indemnity and Consent to Inspection Terms Agreement (pages F1-F3), Agreement on Limitations of City Liability, and Certification, Assurances, Warranties, and Indemnification to City (pages F4-F6), proof of insurance or a letter of insurability; and Owners Acknowledgement Agreement. All copied documents shall display required signatures to be deemed complete.
- PDF File #2 – Evaluation Criteria (Responses to Sections A-H of Appendix A limited to 200 pages)
- PDF File #3 – Background Check documentation (All required documents for each owner). Upon submission of the online background application, Applicants will receive an email confirmation. This confirmation needs to be printed, scanned, and included within PDF File #3.
- PDF File #4 – Proof of Capitalization (Appropriate bank statements, loan documents, promissory notes, financial and commitment letters)
- PDF File #5 – Zoning Verification Letter (ZVL) which shows the correct location and units in the building being used. Proof of Insurance or a letter showing proof of insurability by a qualified insurance company which shows the location being insured in National City, the type of activity being insured, and the name of the business being insured. Copies from another business location in another city owned by the Applicant will not be accepted.

CRIMINAL BACKGROUND CHECK

Each Owner must undergo a criminal history background check to demonstrate they do not provide "good cause" for denial per NCMC Sections 9.60.110 and 9.60.230(j). Owners who do not meet the criminal history eligibility requirements of Section 9.60.230(j) will be disqualified. The background form can be found online at <https://www.nationalcityca.gov/government/city-manager/economic-development/commercial-cannabis>.

In addition, each successful applicant will be asked to submit to a Live Scan as part of the background check as determined by the Chief of Police. Prior to being issued a permit the Applicant's primary contact will be notified by email with the instructions on how to schedule the Live Scan appointment.

The initial background check fee for each owner shall be \$350.00. This process will be required to meet the minimum threshold qualifications pursuant to NCMC Section 9.60.230(j). The results of the background check along with the city-issued Zoning Verification Letter must be included with the CCB Application (Phase I).

ZONING VERIFICATION LETTER (ZVL)

Prior to submitting a CCB application (Phase I), an Applicant must obtain a Zoning Verification Letter from the Community Development Department as mentioned in Section 9.60.140 of the NCMC. To secure this letter, an Applicant must make a written request which should specify the intended use of the building (cultivation, manufacturing, distribution, retail, Microbusiness or Consumption Lounge), and the proposed building location. Please advise the City if you currently occupy the premises or if there is a tenant currently occupying the premises.

The issuance of a ZVL does not constitute written evidence of permission given by the City or any of its officials to operate a cannabis business, nor does it establish a “permit” within the meaning of the Permit Streamlining Act, nor does it create an entitlement under the Zoning or Building Code. A regulatory permit for a CCB does not constitute a permit that runs with the land on which the cannabis business is established. Please note that the cannabis business will require a discretionary permit. This is a separate application that will be made only after the awarding of the permit at the conclusion of Phase III.

In the event the proposed location will be leased from the property owner, the applicant shall be required to provide a signed and notarized statement from the owner of the property, acknowledging that the property owner consents to the operation of the commercial cannabis business on the owner's property as outlined in MCMC section 9.60.150.

FEES

All applicants will be required to submit a fee of \$1,859 for Phase I of the application review process. However, there will also be a separate fee for the Zoning Verification Letter (ZVL) of \$80 per site and the Background Check Fee of \$350 per owner. For applicants who move on to Phase II of the review process, a fee of \$3,765 will be due. In the final application review (Phase III), a deposit of \$5,000 will be due. This amount will be charged against time spent by City staff and the Consultant in reviewing applications and administrating the application process. Applicants are advised that they may be required to pay additional amounts as required for the sole purpose of the City's completion of the application review process. For the successful Applicants there will also be a Live Scan Fee of \$XX.00 prior to obtaining the Cannabis Business Permit.

Payment must be made by a certified check, cashier's check or money order made payable to the City of National City. Please note the City will not accept cash or credit cards and application fees are non-refundable once the City has begun reviewing the application.

APPLICATION REVIEW, SCORING AND APPROVAL PROCESS

PHASE I: DETERMINATION OF ELIGIBILITY

Applications must be submitted in their entirety in order to move forward in the review process. Late applications will not be considered. Upon receiving a completed application, the City staff will review the application in its entirety using the Application Submittal checklist on Page 1 of the CCB Application. Applications that meet the minimum eligibility requirements will be forwarded to the Consultant for Phase II (Application Evaluation and Review). If the City Manager determines in the initial screening that an

application does not meet minimum eligibility requirements, the applicant shall be notified in writing that the application has been denied.

PHASE II: APPLICATION EVALUATION AND REVIEW (3000 points)

During Phase II, Applications will be evaluated, scored, and ranked based using a merit-based system on a pass/fail basis. As instructed above, responses to the Review Criteria must be saved in PDF File #2 and shall not exceed 200 pages. Applicants will not be allowed to resubmit information that is determined to be missing or deficient during the Phase II review.

See APPENDIX A for a description of the evaluation criteria:

- Section A. Business Plan (500 points)
- Section B. Labor, Equity, Diversity & Inclusion Plan (600 points)
- Section C. Safety Plan (350 points)
- Section D. Security Plan (350 points)
- Section E. Qualifications of Owners (400 points)
- Section F. Neighborhood Compatibility Plan (300 points)
- Section G. Community Benefits & Investment Plan (400 points)
- Section H. Proposed Location (100 points)

Phase II scores will be tabulated to establish an overall order and ranking of the applicants. The top six (6) ranked applicants which score a minimum of 90% (2,700 points) will advance to Phase III of the selection process. If the top six ranked applicants do not include at least two Local Owner applicants and/or one consumption lounge applicant, then the highest ranking Local Owner applicants and/or highest ranking consumption lounge applicant will be elevated to the top six replacing the lowest ranking applicants in the top six. To be clear, the top six must include at least two Local Owner applicants and one consumption lounge applicant that meet the 90% threshold. In the event of a tie in scoring, a lottery drawing process will be used to determine the final ranking.

Local Owner Applicants:

A minimum of two (2) permits are dedicated to applicants who qualify as Local Owners and score a minimum of 90% (2,700 points) in Phase II of the review process, regardless of whether those applicants finish in the top six ranking. To establish local owner preference, Local Owner applicants will receive an additional 5% (150 points) added to their application score.

In the event that the City either (a) does not receive at least two (2) local applicants or (b) the local applicants do not satisfy the 90% threshold established in Phase II of the review process, the City will reserve spots from the top six for Local Owner applicants to proceed to Phase III in anticipation of Local Owner applicants meeting the 90% threshold in future application periods.

Consumption Lounge Applicants:

A minimum of one (1) permit is dedicated to applicants applying for a cannabis consumption lounge and score a minimum of 90% (2,700 points) in Phase II of the review process, regardless of whether those applicants finish in the top six ranking.

In the event that the City either (a) does not receive at least one (1) consumption lounge applicant or (b) the consumption lounge applicants do not satisfy the 90% threshold established in Phase II of the review process, the City will reserve spots from the top six for consumption lounge applicants to proceed to Phase III in anticipation of consumption lounge applicants meeting the 90% threshold in future application periods.

PHASE III: FINAL REVIEW BY CITY MANAGER AND RECOMMENDATION TO CITY COUNCIL

Upon the completion of Phase II, the City Manager will award the permit(s) in accordance with NCMC Section 9.60.100 and 9.60.160. However, prior to doing so issuance of the Commercial Cannabis Permit shall require the Applicant to certify that all information in the application remains accurate and that the Applicant agrees to abide by all laws, rules, ordinances, resolutions, and codes applicable to the business.

Prior to operating in the City and as a condition of issuance of a regulatory permit, the operator of each cannabis facility shall enter into a Development Agreement with the City setting forth the terms and conditions under which the cannabis facility will operate that are in addition to the requirements of Chapter 9.60, including, but not limited to community benefits such as public outreach and education, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety and welfare. It shall be very important for each applicant to strategically understand the Council Policy direction on reaching its economic incentive goals related to the community benefit when negotiating with the City Manager.

In addition, any community benefits that a commercial cannabis business agrees to provide shall be incorporated into the terms and conditions under which the commercial cannabis business will operate with the City of National City's approval, if and when a Development Agreement is issued. Upon successful negotiations in this phase of the process the Applicant will then be presented to the City Council for final approval. Upon the approval of the City Council the issuance of a permit shall allow the applicant to proceed to apply for both a land use permit and a business license and related approvals.

In the event that negotiations with an Applicant in this phase are not successful, the Applicant will be denied by the City Manager. The City Manager will then notify the first alternate from the Phase II ranking that they have been awarded the opportunity to proceed to Phase III of the application process. In the event the City attempts to contact an alternate on the list to proceed to Phase III and is not able to get a response within 30 days, that alternate will be removed from the list and the next alternate will be contacted.

Any Applicant wishing to appeal Phase I through Phase III of the Application Process may appeal to the City Manager or appointed hearing officer within ten (10) days of the Applicant receiving a notice that they will not move forward in the application process or be issued a permit. Such appeals shall comply with the requirements of NCMC Sections 9.60.390 and 9.60.400. Any decision made by the City Council to award or not to award a cannabis permit shall be final and shall not be subject to appeal.

Note: Being awarded a CCB does not constitute a land use entitlement and does not waive or remove the requirements of applying for and receiving permits for all construction including: electrical, plumbing, fire, Community Development Department permits or reviews, and any other permits, licenses, or reviews as deemed necessary by the relevant departments or governmental entities in charge of said permits. Nor does the award of a CCB guarantee that the plans submitted via the CCB application process meet the standards or requirements in Title 18 and any other permit requirements from other City departments or agencies.

CONTACT

If you have any questions or would like an update on the status of your application, please contact Economic Development Staff, at 619.336.4216 or by email at Ed@NationalCityca.Gov.

APPENDIX A: EVALUATION CRITERIA

The City is a public agency subject to the California Public Records Act (“CPRA”). In the event a request for information under the CPRA seeks disclosure of application materials marked by Applicant as “Confidential information,” the City will make reasonable efforts to provide notice to Applicant prior to such disclosure to allow Applicant to seek a protective order, injunctive relief, or other appropriate remedy. If Applicant contends any designated application materials are exempt from the CPRA and wishes to prevent disclosure, it is required, at its own cost, liability, and expense to obtain a protective order, injunctive relief or other appropriate remedy from a court having jurisdiction over the matter at least two (2) days before City’s deadline to respond to the CPRA request. If Applicant fails to obtain such a remedy before the deadline for the City’s response to the CPRA request, the City will disclose the requested information and shall not be liable or responsible for such disclosure.

SECTION A: BUSINESS PLAN (500 points)

1. Finances* – A budget for construction, operations, maintenance, compensation of employees, equipment, property lease, security equipment and staff, City fees, state fees, utility costs, product purchases and other anticipated contingency costs. The budget must demonstrate sufficient capital in place to pay startup costs and at least three months of operating costs, as well as a description of the sources and uses of funds.
 - A. Proof of capitalization, in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets which can be verified by the City on a verifiable letter head.
 - B. A pro forma for at least three years of operations.
 - C. A schedule for beginning operation, including a narrative outlining any proposed construction and improvements and a timeline for completion.
2. Daily Operations - The Business Plan should describe the day-to-day operations which meet industry best practices for the type of cannabis business you are applying.
 - 2.1 Describe the day-to-day operations if you are applying for a RETAIL permit. This should include at a minimum the following criteria:
 - A. Describe customer check-in procedures.
 - B. Identify location and procedures for receiving deliveries during business hours.
 - C. Identify the name of the Point-of-sale system to be used and the number of Point-of-Sale locations.
 - D. Estimate the number of customers to be served per hour/day.
 - E. Describe the proposed product line to be sold and estimate the percentage of sales of flower and manufactured products.
 - F. If proposed, describe delivery service procedures, number of vehicles and product security during transportation.
 - G. How the Cannabis Business will conform to local and state laws. See NCMC Sections 9.60.250 and Title 18 as they pertain to retail establishments in the City of National City.
 - H. How cannabis and cannabis products will be tracked and monitored to prevent diversion. Describe the Point-of-Sale system to be used and how it will interact with the state’s mandated track and trace system.
 - 2.2 Describe the day-to-day operations if you are applying for a CONSUMPTION LOUNGE permit. This should include at a minimum, the following criteria:
 - A. How the Consumption Lounge will be contained within the premises of a state-licensed retail business or microbusiness.
 - B. Identify how the consumption areas shall be well ventilated in private areas of the retail establishment and are designed to prevent the flow of smoke to any other area of the facility.

- C. Describe how the retail store shall adopt procedures to ensure that its customers may only gain access to the lounge once they have purchased cannabis products from the retail store.
 - D. Describe how the business will use a state licensed security guard on duty during operating hours of the lounge.
 - E. Identify how the business will establish a parking plan, ventilation plan, anti-drugged driving plan, employee and customer education training, design plan and set hours of operation.
 - F. Identify how the lounge will take the appropriate steps to ensure they will only provide cannabis to an individual in an amount consistent with personal possession and use limits allowed by the state.
- 2.3 Describe the day-to-day operations if you are applying for a DISTRIBUTION permit. This should include at a minimum the following criteria:
- A. Identify the number of delivery drivers, hours of delivery and vehicles to be used.
 - B. Describe the transportation security procedures.
 - C. Describe how inventory will be received, processed, stored, and secured in the permitted premises.
 - D. Describe the quality control procedures designed to ensure all cannabis is properly packaged, labeled, and tested.
 - E. How the Cannabis Business will conform to local and state laws. See NCMC 9.60.290 and Title 18 as they pertain to Distribution.
- 2.4 Describe the day-to-day operations if you are applying for a MANUFACTURING permit. This should include at a minimum the following criteria:
- A. Identify all cannabis products manufactured within the permitted premises.
 - B. Describe quality control procedures.
 - C. Describe inventory control procedures.
 - D. Describe the extraction process, equipment and room in which extractions will be conducted.
 - E. Provide detail as to whether the extraction equipment has been reviewed and certified by a Professional Engineer or Certified Industrial Hygienist.
 - F. Describe the sanitation procedures.
 - G. How the Cannabis Business will conform to local and state laws. See NCMC 9.60.310 and Title 18, as they pertain to Manufacturing.
- 2.5 Describe the day-to-day operations if you are applying for a TESTING permit. This should include at a minimum the following criteria:
- A. Describe the sampling standard operating procedures.
 - B. Describe procedures for transporting cannabis field samples.
 - C. Describe the chain of custody for field samples.
 - D. Describe the quality control procedures.
 - E. Describe the Laboratory Supervisor/Manager responsibilities and qualifications.
 - F. Identify location and procedures for storing cannabis products.
 - G. Describe how the cannabis business will conform to local and State laws. See NCMC 9.60.300 and Title 18 as they pertain to testing labs in the City of National City.
 - H. Describe how the cannabis and cannabis products will be tracked and monitored to prevent diversion.
 - I. Describe the Point-of-Sale system to be used and how it will interact with the State's mandated track and trace system.
- 2.6 Describe the day-to-day operations if you are applying for a MICROBUSINESS permit. This should include at a minimum the following criteria:
- A. A microbusiness license engaged in retail shall describe all the requirements in subsection 2.1 of Appendix A, Section A in accordance with CCR §5500 and applicable requirements in NCMC Chapter 9.60.250.

- B. A microbusiness license engaged in distribution shall describe all the requirements in subsection 2.3 of Appendix A Section A in accordance with CCR §5500 and applicable requirements in NCMC Chapter 9.60.290.
- C. A microbusiness license engaged in manufacturing shall describe all the requirements in subsection 2.4 of Appendix A, Section A in accordance with CCR §5500 and applicable requirements in SBMC Chapter 9.60.310.
- D. Describe how the cannabis business will conform to local and State laws. See NCMC 9.60.320 and Title 18 as they pertain to Microbusinesses in the City of National City.

SECTION B: LABOR, EQUITY, DIVERSITY & INCLUSION PLAN (600 points)

1. The application should describe to what extent the cannabis business will adhere to heightened pay and benefits standards and practices, including recognition of the collective bargaining rights of employees for businesses with more than ten (10) employees
2. Identify number of employees at initial opening and the maximum number of employees when the business is at full capacity.
3. Describe any diversity and inclusion programs that will be developed as part of the business model which embraces a rich and diverse work force with a diverse set of perspectives, work and life experiences, as well as religious and cultural differences that provide equal opportunities for employee development.
4. Identify all positions and their responsibilities.
5. Describe compensation to and opportunities for continuing education and training for employees.
6. Describe whether the cannabis business is committed to offering employees a Living Wage.
7. Briefly describe benefits provided to employees such as health care, vacation, and medical leave, to the degree they are offered as part of employment.
8. Describe to the extent to which the cannabis business will be a locally owned enterprise and the owner(s) reside within the City of National City. In order to qualify for this criteria, an owner must have lived in the City of National City for at least three (3) years prior to November 9, 2021.
9. Describe plans to encourage local hiring goal at 50% of National City residents.

SECTION C: SAFETY PLAN (350 points)

1. The detailed Safety Plan shall be prepared by a California professional fire prevention and suppression consultant.
2. This plan will describe all fire prevention and suppression measures, fire extinguisher locations, evacuation routes and alarm systems the facility will have in place.
3. Describe all accident and incident reporting procedures.
4. Describe the waste management locations and procedures.

SECTION D: SECURITY PLAN (350 points)

1. The security plan shall be prepared by a professional security consultant. This can be done with in-house staff or a consultant, but it must clearly demonstrate that it meets the professional standards requested to receive the appropriate points for each criterion in this section.
 - A. The plan should demonstrate how the cannabis business wishes to develop the floor plan and address other security issues on the property.
2. Premises Diagram: In addition to the site plans submitted for the Proposed Location (in Section H of Appendix A), a separate Premises Diagram must be included in this Security Plan section

(Section D) of the application. The diagram must meet the requirements of the Bureau of Cannabis Control CCR Title 16, Division 42, §5006 Premises Diagram.

- A. The diagram shall show the boundaries of the property and the proposed location to be licensed, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows, and doorways, and shall include a brief statement or description of the principal activity to be conducted therein.
 - B. The diagram shall show and identify commercial cannabis activities that will take place in each area of the premises and identify all limited-access areas.
 - C. The diagram shall show where all cameras are located and assign a number to each camera for identification purposes.
 - D. The diagram should be accurate, dimensioned and to-scale (minimum scale of 1/4").
 - E. If the proposed location consists of only a portion of a property, the diagram must be labeled indicating which part of the property will be used for the licensed premises and what activities will be used for the remaining property.
3. Description of operational security, including but not limited to general security for access/visitor control, inventory control and cash handling procedures.
 4. Description of perimeter security, on-site security guards, lighting, and parking.
 5. Identify transportation techniques and security procedures.
 6. Description of employee training and general security policies.

SECTION E: QUALIFICATION OF OWNERS (400 points)

1. Experience – Demonstrate the business owner’s experience in owning, managing, and operating a retail cannabis business. For purposes of this section, owner shall mean the State definition of owner in the State Business and Professions Code Section 26001 and all persons, companies, and entities that will be directing, controlling, and/or managing the day-to-day operations of the business. Evidence that prior experience was from legally permitted activities.
2. Cannabis Industry Knowledge – Demonstrate overall knowledge of the cannabis industry (as demonstrated throughout the screening application), including identification of how industry best practices and State regulations have been incorporated in existing/prior legal businesses outside the City of National City.
3. Ownership Team – Describe the involvement of the ownership team in day-to-day operation of the business. Owner is defined based upon the State definition of owner, see Business and Professions Code Section 26001.
4. Have you owned or do you currently own a business in National? Business ownership must have occurred for at least 1yr prior to November 9, 2021.

SECTION F: NEIGHBORHOOD COMPATIBILITY PLAN (300 points)

1. Describe how the business will proactively address and respond to complaints related to noise, light, odor, and vehicle and pedestrian traffic.
2. Describe how the business will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.
3. Describe odor mitigation practices:
 - A. Identify potential sources of odor.
 - B. Describe odor control devices and techniques employed to ensure that odors from cannabis are not detectable beyond the licensed premises.
 - C. Describe all proposed staff training and system maintenance plans.
4. Describe the waste management plan. The plan shall include waste disposal locations, security measures, methods of rendering all waste unusable and unrecognizable, and the vendor in charge of disposal.

5. The application should include the following information about the proposed location:
 - A. Physical address and a detailed description of the proposed location, including the overall property, building, and interior floor plan.
 - B. Description of all known nearby State and local sensitive use areas. The cannabis business must have the appropriate zoning and meet all the locational requirements as described in NCMC sections 9.60.070 and Title 18.
 - C. List any nearby well-traveled paths to schools and describe how the cannabis business will proactively protect the youth on these paths from exposure to the cannabis business.
 - D. Describe how the business will proactively take steps about community concerns to protect the youth generally from the impacts of the cannabis business.
 - E. Proof of ownership, lease agreement, or a Letter of Intent to Lease as outlined in section 9.60.150 of the NCMC
 - F. Vicinity map.
 - G. Photographs of existing site and buildings.
 - H. Evidence that the location has access to public transportation for employees or customers.

SECTION G: COMMUNITY BENEFITS AND INVESTMENTS PLAN (400 points)

The cannabis business should describe the benefits the business will provide to the local community, for example by directly aiding, participating in, or funding the work of local non-profits, community-based organizations, civic organizations, or social services organizations. Benefits may be in the form of volunteer services, monetary donations, financial support of City-sponsored activities or organizations, in-kind donations to the City or other charitable organizations and/or any other economic incentives to the City.

SECTION H: PROPOSED LOCATION (100 points)

In addition to the location related details required in the Security Plan section of this application, the application shall include a thorough narrative description of the proposed location, including but not limited to the overall site, existing and/or proposed building(s), parking spaces, driveways, pedestrian sidewalks/rights-of-way, and neighboring businesses on the parcel. Description of floor plans and interior design are not a requirement of this section. In addition to the narrative description of the proposed locations, Applicants shall also include the following items.

1. The CBP applicant must have the appropriate zoning and meet all the locational requirements as described in NCMC sections 9.60.070 and Title 18.
2. The application shall include photographs of the front (street facing) side of the building. In the event the proposed location is undeveloped land, photographs shall depict the property from all vantage points of the property.
3. The application must include a (Site) diagram depicting all details described in the narrative description of the proposed location. The diagram required for this section need not include a description of any building interior, floor plan or security detail.

APPENDIX B: LOCAL OWNERSHIP CRITERIA

SECTION A: LOCAL OWNERSHIP CRITERIA:

The National City Council has expressed interest in creating a Local Ownership Permitting Process to promote equitable ownership and employment opportunities in the cannabis industry to decrease the disparities in life outcomes for marginalized communities and to provide opportunities for local residents to compete for cannabis business permits. An applicant that is eligible to apply as “Local Owner”, must meet the following criteria:

1. An “Local Owner Applicant” shall be defined as an applicant whose ownership or owner meets the following criteria:
 - A. An owner must have lived in the City of National City for at least three (3) years prior to November 9, 2021; and
 - B. The business entity must have ownership that meet the criteria in subsection (a) and hold at least 51% ownership interest. This majority interest can be made up of a single individual that meets this criteria, or any combination of individuals that hold at least 10% interest individually and meets the definition of an owner in National City Municipal Code section 9.60.110.

SECTION B: LOCAL OWNER APPLICANT VERIFICATION PROCESS:

An applicant’s eligibility shall be determined during Phase I of the application process. If the applicant fails to qualify Local Owner Applicant, the applicant will be processed as a general cannabis applicant.

1. **Proof of Residency.** Provide at least two of the following documents, evidencing three (3) years of residency:
 - A. A copy of a valid California Driver’s License or Identification Card records
 - B. Property tax billings and payments
 - C. Signed rental agreement
 - D. Verified copies of state or federal tax returns where a City of National City Address is listed as the primary address
 - E. School records
 - F. Medical Records
 - G. Banking records
 - H. National City Housing Authority records
 - I. Utility, cable, or internet company billing and payment records



**LOCAL OWNERSHIP ACKNOWLEDGEMENT FORM
FOR COMMERCIAL CANNABIS BUSINESS
PERMIT APPLICATION**

It is the intent of the City of National City to promote equitable ownership and employment opportunities in the cannabis industry to decrease the disparities in life outcomes for marginalized communities and to provide opportunities for local residents to compete for cannabis business permits. Therefore, this notice is to clarify the eligibility requirements in order to receive qualification for Local Ownership by establishing this acknowledgement to provide additional protections to mitigate against potential predatory practices.

In order to qualify for the full points relating to the local ownership criteria, the business entity must have ownership that meets the respective eligibility factors and hold at least 51% ownership interest. The local ownership criteria are identified in the Application Procedures & Guidelines for a Cannabis Business Permit in Appendix B). This majority interest can be made up of a single individual that meets this criteria, or any combination of individuals that hold at least 10% interest individually and meets the definition of an owner in National City Municipal Code section 9.60.110.

The local preference criteria is intended for the benefit of Local Owner Applicants related to business profits, proceeds of the sale of business assets, voting rights and additional protections. This also requires the Local Owner to receive the Equity Share percent of the retained earnings and 100% of the unencumbered value of each share of stock, member interest or partnership interest owned in the event of the dissolution of the entity to their equity share, or 100% of the value of each stock, member interest or partnership interest in the event that the stock, member interest or partnership interest is sold. Chief among the concepts of equity share, is unconditional ownership which means such individual(s) will receive equal profits, and distributions or other payments proportionate to their ownership interests.

This is intended to ensure true ownership by the Local Preference Individual Applicants and as such, prohibits the divestment or relinquishment of any part of their ownership under any circumstance. In addition, the Local Ownership Share Share is also expanded to address voting rights on fundamental decisions relating to the business and control of at least the equity share percent of the voting rights on all decisions involving the operation of the business. Furthermore, it requires the Local Owner Preference be the highest officer position of the business or that another individual is appointed to that position by mutual agreement of the parties. This requirement is also subject to being audited to assess compliance and the Local Owner Preference can initiate legal action due to a breach of contract agreement, and the City may suspend and/or revoke a license if any provision in an operating agreement violates any of the Equity Share or Local Owner Preference requirements.

Lastly, all applicants will be required to incorporate an addendum into their operating agreements that

makes any provision ineffective, unenforceable, null and void, if it is inconsistent with, or in violation of, the Local Ownership Share requirements. As proposed, Local Owner Preference Applicants will be required to verify under Section 9.60.110 and Appendix B of the Application Procedures and Guidelines that they meet the definition of a Local Owner at the time of applying for a permit or permit renewal. The City shall have the sole and absolute discretion to determine whether the Applicant qualifies as a Local Owner to determine if they should be awarded the number of points awarded for it.

The undersigned acknowledges that he/she has read and fully understands the content of this Agreement and is the Applicant or his/her/its authorized signatory.

Applicant Signature

Date Signed

Print Name

Title

Company Name

Address/Telephone

Owner Signature

Date Signed

Print Name

Ownership Interest (specify)

Owner Signature

Date Signed

Print Name

Ownership Interest (specify)

Owner Signature

Date Signed

Print Name

Ownership Interest (specify)

Owner Signature

Date Signed

Print Name

Ownership Interest (specify)

(Attach additional sheets if necessary)

RESOLUTION NO. 2021-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, ESTABLISHING FEES FOR RECOVERY OF THE COST OF THE COMMERCIAL CANNABIS BUSINESS REGULATORY PROGRAM DEVELOPMENT AND FOR THE COST TO REVIEW AND PROCESS APPLICATIONS FOR CANNABIS BUSINESSES

WHEREAS, on May 4, 2021, the City Council of the City of National City ("City") adopted Ordinance Number 2021-2487, adding Chapter 9.60 (Commercial Cannabis Activity) to the National City Municipal Code to establish a regulatory program requiring all commercial cannabis uses to obtain a commercial cannabis business permit issued by the City before commencing operation; and

WHEREAS, the California Constitution and the Government Code allow the City to establish fees and charges for municipal services and regulatory programs; provided such fees and charges do not exceed estimated reasonable cost to the City in providing the service or regulatory program to which the fee or charge applies; and

WHEREAS, the City has incurred expenses to adopt the commercial cannabis business regulatory program to develop cannabis business applications; and

WHEREAS, administration of the commercial cannabis business regulatory program requires the City to incur costs to process permit applications and to ensure applicants and businesses comply with the City's Municipal Code and related regulations and policies; and

WHEREAS, City staff, with the assistance of SCI Consulting Group, has conducted a cost recovery analysis of the costs associated with the development, operation, and administration of the cannabis regulatory program, including the costs for processing commercial cannabis business permit applications; and

WHEREAS, the City held a Public Hearing to consider adjustments to City user fees at a publicly noticed regularly scheduled City Council meeting on December 7, 2021, wherein the City Council considered oral and written presentations of City staff, and members of the public; and

WHEREAS, the City Council has determined that a new commercial cannabis business fee schedule is necessary to recover costs associated with creating and administering the commercial cannabis regulatory program; and

WHEREAS, the City Council has reviewed the cost recovery analysis conducted by staff and finds that the proposed fees do not exceed the reasonable costs of providing services for which these fees are charged.

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

SECTION 1: Approves and adopts the recitals set forth above in support of this Resolution.

SECTION 2: The "Commercial Cannabis Business Fee Schedule," attached hereto as "Exhibit A" and incorporated herein by this reference, is hereby approved and shall be added to the City's Master Fee Schedule.

SECTION 3: The rates, fees, and charges set forth in Exhibit "A" shall be effective and implemented on February 7, 2022.

///

SECTION 4: Determines that the adoption of this Resolution does not constitute a project under the California Environmental Quality Act ("CEQA) according to CEQA Guidelines Sections 15378 (b)(4), as it does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Furthermore, the approval of the fees established in this Resolution is categorically exempt from CEQA under CEQA Guidelines Section 15273(a)(1) because the approval of the fees is merely establishing fees to meet operating expenses.

SECTION 5: If any section, subsection, subdivision, paragraph, sentence, clause, or phrase of this Resolution or any part thereof is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portion of this Resolution or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause, or phrase be declared invalid or unconstitutional.

SECTION 6: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

EXHIBIT A



Commercial Cannabis Business Fee Schedule

❖ Summary of Commercial Cannabis Fees:

Fee Description	Type	Fee ¹	Unit
Application Review - Phase 1	Fee	\$1,812	per application
Application Review - Phase 2	Fee	\$3,706	per application
Application Review - Phase 3	Deposit ²	\$5,000	per application
Background Check	Fee	\$350	per owner
Appeal Process Fee	Fee	\$1,564	per appeal

Notes:

¹ Proposed fees are rounded to the nearest dollar.

² The Deposit paid at the time of application are estimates based on the typical amount of staff time and other costs required to negotiate development agreements. In the event the deposit is not sufficient to reimburse the City for completing the Phase III review, the applicant shall provide additional deposits to the City sufficient to complete the processing of the application. If, at any time, the remaining Deposit retained by the City is below \$1,000 after deductions for the fees incurred to date, then, within 15 days after receipt of written notice from the City of that fact, the applicant shall deposit an additional \$2,500 with the City. The City shall not perform any further review of the application until the applicant submits the Deposit or the required increase to the Deposit. No interest shall accrue on amounts deposited. Any unused portion of the Deposit will be returned to the applicant within 60 days following the approval/denial of the commercial cannabis business permit.

❖ Fully Burdened Hourly Rates:

Fully Burdened Rates		
Dept	Title	FBHR ¹
CMO	City Manager	\$225.81
	Community Development Spec II	\$82.47
	Executive Assistant	\$78.86
FI	SR Accounting Assistant	\$61.18
CA	City Attorney	\$193.73
Other:		
	Consultant	\$280.00

¹ Fully Burdened Rates are subject to change annually.

EXHIBIT A

**City of National City
Commercial Cannabis Cost Recovery
Analysis**

Application Review - Phase I: Determination of Eligibility

General Tasks/Activities	City Administration					Outside Service	Hours	Cost	Total Labor Other Costs	Total Cost
	City Manager's Office CDS			Finance	City Attorney	Cannabis				
	CM	II	EA	SAA	CA	Consultant				
<i>Fully Burdened Hourly Rate</i>	\$226	\$82	\$79	\$61	\$194	\$280				
Application Intake	0.50	0.50	0.50	0.50	1.00	0.00	3.00	\$418	\$0	\$418
Application Completeness Check	0.00	0.50	0.00	0.50	0.00	0.50	1.50	\$212	\$0	\$212
Determination of Eligibility	0.50	1.00	0.00	0.00	0.50	0.50	2.50	\$432	\$0	\$432
Development & Implementation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0	\$750	\$750
Total	1.00	2.00	0.50	1.00	1.50	1.00	7.00	\$1,062	\$750	\$1,812

EXHIBIT A

**City of National City
Commercial Cannabis Cost Recovery
Analysis**

Application Review - Phase II: Application Evaluation and Review

General Tasks/Activities	City Administration					Outside Service	Hour s	Cost	Total Labor Other Costs	Total Cost
	City Manager's Office CDS			Finance	City Attorney	Cannabis				
	CM	II	EA	SAA	CA	Consultant				
<i>Fully Burdened Hourly Rate</i>	\$226	\$82	\$79	\$61	\$194	\$280				
Review and Evaluation	1.00	2.00	0.00	0.50	1.00	10.00	14.50	\$3,415	\$0	\$3,415
Applicant Notification	0.50	0.50	0.50	0.00	0.50	0.00	2.00	\$290	\$0	\$290
Total	1.50	2.50	0.50	0.50	1.50	10.00	16.50	\$3,706	\$0	\$3,706

EXHIBIT A

**City of National City
Commercial Cannabis Cost Recovery
Analysis**

Background Checks

General Tasks/Activities	City Administration					Outside Service	Hour s	Cost	Total Labor Other Costs	Total Cost
	City Manager's Office CDS			Finance	City Attorney	Cannabis				
	CM	II	EA	SAA	CA	Consultant				
<i>Fully Burdened Hourly Rate</i>	\$226	\$82	\$79	\$61	\$194	\$280				
Background Check	0.00	0.00	0.00	0.00	0.00	1.25	1.25	\$350	\$0	\$350
Total	0.00	0.00	0.00	0.00	0.00	1.25	1.25	\$350	\$0	\$350

EXHIBIT A

**City of National City
Commercial Cannabis Cost Recovery
Analysis**

Appeal Process Fee

General Tasks/Activities	City Administration					Outside Service	Hours	Cost	Total Labor Other Costs	Total Cost
	City Manager's Office CDS			Finance	City Attorney	Cannabis				
	CM	II	EA	SAA	CA	Consultant				
<i>Fully Burdened Hourly Rate</i>	\$226	\$82	\$79	\$61	\$194	\$280				
Review Appeal & Prepare Response	3.00	3.00	0.00	0.50	2.00	2.00	10.50	\$1,903	\$0	\$1,903
Conduct Hearing	2.00	2.00	0.00	0.00	2.00	2.00	8.00	\$1,564	\$0	\$1,564
Total	2.00	2.00	0.00	0.00	2.00	2.00	8.00	\$1,564	\$0	\$1,564

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City, California, authorizing the City Manager to enter into a new agreement between the City of National City \(“City”\) and ARTS A Reason to Survive \(“ARTS”\) for the maintenance and operation of the Arts Center located at 200 East 12th Street in National City for a 36 month period from January 1, 2022 to December 31, 2024. \(Library and Community Services\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Resolution of the City Council of the City of National City, California, authorizing the City Manager to enter into a new agreement between the City of National City ("City") and ARTS A Reason to Survive ("ARTS") for the maintenance and operation of the Arts Center located at 200 East 12th Street in National City for a 36 month period from January 1, 2022 to December 31, 2024.

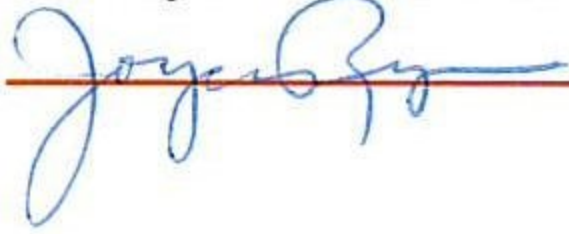
PREPARED BY: Joyce Ryan

PHONE: 619-470-5882

EXPLANATION:

Please see attached.

DEPARTMENT: Library & Community Services

APPROVED BY: 

FINANCIAL STATEMENT:

ACCOUNT NO.

No Fiscal Impact – there is no fiscal impact associated with the report.

APPROVED: _____ **FINANCE**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

No CEQA Exemption - This action is not subject to review under the California Environmental Quality Act (CEQA).

ORDINANCE: **INTRODUCTION** **FINAL ADOPTION**

STAFF RECOMMENDATION:

Approve the resolution authorizing the City Manager to enter into a new agreement between the City of National City ("City") and ARTS A Reason to Survive ("ARTS") for the maintenance and operation of the Arts Center located at 200 East 12th Street in National City for a 36 month period from January 1, 2022 to December 31, 2024.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Staff Report
2. Maintenance & Operating Agreement
3. Certificate of Insurance
4. Resolution



City Council Staff Report

ITEM

Resolution of the City Council of the City of National City, California, authorizing the City Manager to enter into a new agreement between the City of National City (“City”) and ARTS A Reason to Survive (“ARTS”) for the maintenance and operation of the Arts Center located at 200 East 12th Street in National City for a 36 month period from January 1, 2022 to December 31, 2024.

BACKGROUND

Since 2012, A Reason to Survive (ARTS) has had a home in National City in the old Library building at 200 East 12th Street. Since then, ARTS has worked to positively impact the lives of our young community residents and bring their creativity and imagination to the surface through programs at the Arts Center. The staff at ARTS have been instrumental in the installation of art projects throughout the City, including the “A” Avenue Art Wall. ARTS staff have also participated in programs and events, most notably the Dia de los Muertos event and Community Services Day.

EXPLANATION

The agreement that was in place (from January 1, 2018 to December 31, 2021) was updated to include language that addressed the following: 36-month period with up to three two-year extensions; the inclusion of art consultancy, art installation, art maintenance, and programs such as Dia de los Muertos and Community Services Day within the scope of service; and the requirement that quarterly reporting be submitted within 30 days of the end of the quarter.

The inclusion of art consultancy, installation and maintenance is simply a reflection of the role that ARTS currently performs. ARTS staff work with local artists, consult with the City on art projects (such as the City Hall Artwork, “A” Avenue Wall, etc.) and install artwork throughout the City, on occasion. The arts maintenance is specifically for temporary artwork that ARTS has installed throughout the City.

In return for maintaining and operating the property at 200 East 12th Street, ARTS will provide to the City \$125,000 worth of projects and programs annually.

RECOMMENDATION

Adopt a resolution authorizing the City Manager to enter into a new agreement between the City of National City (“City”) and ARTS A Reason to Survive (“ARTS”) for the maintenance and operation of the Arts Center located at 200 East 12th Street in National City for a 36 month period from January 1, 2022 to December 31, 2024.

FISCAL IMPACT

Adoption of the resolution will have no fiscal impact on the General Fund.

**AGREEMENT
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
A REASON TO SURVIVE**

THIS AGREEMENT is entered into on this 7 day of December, 2021, by and between the CITY OF NATIONAL CITY, a municipal corporation (the "CITY"), and A REASON TO SURVIVE (the "ARTS").

RECITALS

WHEREAS, the CITY owns the improved real property located at 200 East 12th Street, National City, California. This real property is commonly known as the Arts Center Building (the "ARTS CENTER"). A description of the ARTS CENTER is attached hereto as Exhibit "A" and Exhibit "B", incorporated herein by reference;

WHEREAS, one of the goals of the CITY's General Plan is to develop a cultural arts program that encourages and facilitates the development of art in public spaces and promotes greater awareness of architectural, urban design, and the cultural heritage of the CITY;

WHEREAS, ARTS is a California non-profit corporation skilled in creating public art, including capital arts projects;

WHEREAS, the CITY desires to employ ARTS to maintain the ARTS CENTER for the benefit of the community and ARTS is willing and able to maintain the ARTS CENTER for such purpose;

WHEREAS, in exchange for maintaining the ARTS CENTER for the benefit of residents and visitors, the CITY desires to grant ARTS a revocable license to enter and operate the ARTS CENTER located at 200 East 12th Street, National City, California;

WHEREAS, the CITY previously entered into a similar arts maintenance agreement with ARTS which commenced on January 1, 2018 and expires on December 31, 2021;

WHEREAS, the CITY wishes to enter into this new agreement for continued arts maintenance with ARTS.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. **ENGAGEMENT OF CONSULTANT.** The CITY agrees to engage ARTS to maintain and operate the real property located at 200 East 12th Street, National City, California and known as the ARTS CENTER, in accordance with all the terms and

conditions contained herein. ARTS represents that all services shall be performed directly by ARTS or under direct supervision of ARTS.

1.1 **LICENSE FOR USE OF PROPERTY.** The CITY grants ARTS a recovable license to enter and operate the ARTS CENTER, subject to the covenants and conditions hereinafter set forth, as of the Effective Date of this agreement.

1.1.1 Parking. CITY will maintain control of the public parking lot adjacent to the Arts Center. ARTS shall neither have reserved parking nor exclusive on-site parking spaces.

1.2 **OWNERSHIP OF PERSONAL PROPERTY AND IMPROVEMENTS.** The rights and obligations of CITY and ARTS regarding the ownership of personal property and improvements on the property known as the ARTS CENTER shall be as follows:

1.2.1 Ownership of Personal Property. All improvements existing on the property known as the ARTS CENTER, together with all fixtures permanently attached to the property as of the effective date of this agreement shall remain the property of the CITY during the Term. ARTS shall not remove any improvements or fixtures from the property and shall not waste, destroy, or modify any improvements or fixtures, except as permitted by this agreement.

1.2.2 Ownership of Improvements and Equipment. All improvements made to the ARTS CENTER by ARTS shall become property of the CITY.

2. **TERM.** This agreement will become effective on January 1, 2022. The duration of this agreement is for the period of January 1, 2022 through December 31, 2024. This agreement may be extended by mutual agreement upon the same terms and conditions for an additional two (2) year term. CITY and ARTS may exercise up to three two-year extensions. Any extension of this agreement must be approved by resolution of the City Council.

3. **SCOPE OF SERVICES.** It is the intenton of this agreement that the operation of the Arts Center by ARTS will encourage and foster arts education programming, creative youth development, project based learning, and support services for the students and families at the ARTS CENTER, as well as the creation of public art projects in the community.

In exchange for its use of the ARTS CENTER, ARTS shall provide capital projects and programming services (the "Projects and Programs") within National City's jurisdictional boundaries during the Term. Such Projects shall serve as consideration for the use of the property and shall include: a) capital improvements to the ARTS CENTER; b) the performance of works of authorship as described in California Civil Code 980-989 and United States Code Title 17, Article 106(A) and Section 113(d) (hereafter "Public Art"), throughout the community utilizing various media; c) community event banners; d)

public gateway improvements, that may include aspects of Public Art; e) landscape, streetscape, and park improvements; and f) art consultancy, art installation and art maintenance of ARTS-installed temporary art pieces done on behalf of and for the benefit of the City of National City or National City programs such as, but not exclusively limited to, the annual Dia de los Muertos and Community Services Day programs and events. ARTS is not obligated to maintain permanent public art or public art pieces unless the parties agree. The scope of services described in this Article 3 are in addition to all other property maintenance obligations more specifically described herein.

3.1 **VALUE OF PROJECTS AND PROGRAMS.** The annual value of the Projects and Programs shall total at least one hundred and twenty-five thousand dollars (\$125,000.00). Of this \$125,000, ARTS must obtain at least \$25,000 for the Projects and Programs through fundraising.

3.2 **METHOD OF DETERMINING VALUE OF PROJECTS AND PROGRAMS.** The value of all Projects and Programs shall be determined according to a) the dollar value of each Project and Program, as represented by a separate written agreement approved by the City Manager or designee, or b) copies of invoices, receipts, or bills demonstrating the dollar value of materials purchased for a Project and Program. ARTS must promptly make all invoices, receipts, or bills demonstrating the dollar value of materials purchased for a Project or Program available to the City Manager or designee within 3 days of a written request.

3.3 **WAIVER OF ARTISTIC RIGHTS.** ARTS expressly waives and disclaims any residual rights in the Projects and Programs granted to ARTS by state or federal law, including the California Civil Code, Articles 980-989, relating to intellectual property and artistic works and Title 17 United States Code Section 106A and Section 113(d) relating to artistic rights.

3.4 **HOURS OF OPERATION.** ARTS will open the property known as the ARTS CENTER to the public Monday through Friday from 10:00 a.m. to 5:00 p.m.

3.5 **SERVICE FEES.** ARTS shall not provide any programs and services for profit. However, ARTS may charge user fees for classes and programs offered to school groups and the community to offset costs incurred by ARTS in its maintenance and operation of the ARTS CENTER. Any fees charged this Article 3.5 must be approved by the City Manager or designee. There will no fee for the public to gain access to the ARTS CENTER during the hours of operation listed in Article 3.4.

3.6 **REPORTING BY ARTS.** ARTS shall provide quarterly reports to the City Manager, or designee, that provide Statistical Information (defined below) for the immediately preceding quarter. Each quarterly report shall contain, at a minimum, the total number of a) National City residents who participated in ARTS' Projects or Programs; b) participants and volunteers who participated in ARTS' Projects or Programs; c) all events and programs coordinated; d) the capital projects completed. The quarterly reports shall also include reports on ARTS' operating and maintenance

plans, long-term and short-term goals, and any other pertinent statistics. The information required to appear in the quarterly reports by this Article 3.6 will be referred to as "Statistical Information." Each quarterly report will include all previous quarters' Statistical Information", if any. ARTS will deliver the quarterly report to the City Manager or designee within 30 days of the end of each quarter.

3.7 **ANNUAL BUDGET**. ARTS shall provide the City Manager, or designee, with a courtesy copy of the proposed budget for ARTS' estimated maintenance and operating expenses for the ARTS CENTER by July 1 of each year during the Term. ARTS shall provide to the City Manager or designee, an audited financial report and tax return, ninety (90) days following June 30 of each year during the Term.

3.8 **VOLUNTEER MANAGEMENT**. ARTS may utilize volunteers to operate the ARTS CENTER, and in providing the Projects and Programs required by this agreement. ARTS is responsible for recruiting, training, and managing all volunteers on the property. Volunteers are considered the responsibility of ARTS for the purpose of workers compensation or general liability.

3.9 **ALCOHOL USE**. ARTS or third parties with permission from ARTS, may, hold events at the ARTS CENTER where alcoholic beverages are served. Alcoholic beverages shall be served subject to the following requirements.

- (a) Alcohol will not be served during youth programming under any circumstance.
- (b) Alcohol will be served in limited areas of the ARTS CENTER designated by ARTS in advance of any event and approved by the City Manager or designee.
- (c) Alcoholic beverages must be served by a licensed bartender,. The bartender must have a copy of their bartender's license located at the property.
- (d) The event host must obtain approval from the California Department of Alcoholic Beverage Control to serve alcohol.
- (e) The event host is responsible for all guests' behavior during and following the service of alcohol.
- (f) "Last call" for service of alcohol shall be at least thirty (30) minutes prior to the scheduled end of the event.
- (g) When third parties (with permission from ARTS) serve alcoholic beverages, the following additional requirements shall apply:
 - 1. The third party shall provide the CITY proof of liability insurance acceptable to the City's Risk Manager;
 - 2. The third party shall provide two licensed security guards for every 100 guests registered to attend the event;
 - 3. ARTS shall reserve the authority to immediately terminate an event if ARTS determines, in its sole discretion, the

third party has not complied with any requirements of this Article 3.9.

4. ARTS shall provide the CITY a copy of their third party rental agreement template for approval.

4. **CONSIDERATION.** ARTS' payment of \$1.00 to the CITY, in addition to ARTS' provision of Projects and Programs under Article 3 of this agreement and the mutual benefit to be derived from ARTS' performance under the remainder of this agreement, shall serve as the sole consideration due the CITY for ARTS license to use and operate the ARTS CENTER.

5. **OWNERSHIP RIGHTS AND LICENSES TO ARTWORK: WAIVER.** Through its provision of Projects and Programs to the CITY, ARTS makes an unconditional donation, in perpetuity, of all Public Art created to the CITY. ARTS acknowledges that the CITY is authorized to accept donations of Public Art pursuant to Sections 37354 and 37355 of the Government Code. Before beginning each Project or Program that contains Public Art, ARTS and all individuals participating in the Project or Program must sign a CITY-approved waiver that expressly waives and disclaims any and all rights they each may have under the California Art Preservation Act, as set forth in Civil Code Section 980-989, and any rights under the Visual Artists Rights Act, as set forth at 17 U.S.C. Section 106A and Section 113(d) to any Public Art created pursuant to this agreement. ARTS, and all participants who create Public Art, shall not attempt to defeat Sections 3.2.3 and 9.2 by cooperating with any organization which seeks to bring an action under Civil Code Article 989 or any other applicable provision of law.

5.1 **OWNERSHIP OF MATERIALS.** Ownership of all materials and concepts produced for the CITY under this agreement, including but not limited to completed Projects, and all rights to licensing and reproductions of Public Art, shall pass to and become the property of the CITY once the CITY accepts the completed Project. The CITY, at its option, will store all drawings and materials that may assist with future repairs.

5.2 **ASSIGNMENT.** ARTS hereby assigns to the CITY all rights to produce, give, sell, and distribute still or motion images and models or other likeness of any kind of Public Art but shall exercise no rights thereto inconsistent with any provision of this Article 5.0. Any Memoranda, Reports, Maps, Drawings, Renderings, Photos, Plans, Specifications, and other documents prepared by ARTS for any Project or Program, whether paper or electronic, shall become the property of the CITY for use with respect to the specific Project or Program provided to the CITY, and shall be turned over to the CITY upon completion of the Project or Program, or any phase thereof, as contemplated by this Agreement.

5.3 **SURVIVAL.** The provisions of Article 5.0 to 5.2 shall survive the termination of this agreement.

6. **COMPLIANCE WITH LAWS.** ARTS, at its sole discretion, shall procure, maintain, and hold available for the CITY's inspection any governmental license or permit required for the proper and lawful conduct of ARTS' operation of the ARTS CENTER. ARTS shall not use the ARTS CENTER for any use or purpose in violation of the laws of the United States of America, or the laws, ordinances, regulations, orders, or requirements of the State of California, the County of San Diego, the CITY, or of other lawful authorities. ARTS shall, at its sole expense, comply with all applicable statutes, laws, ordinances, rules, regulations, orders, covenants and restrictions of record, and requirements in effect during the Term regulating the use by ARTS of the ARTS CENTER.

7. **UTILITY SERVICES.** The CITY shall be responsible for maintaining reasonable utility services to the ARTS CENTER. The CITY shall pay for Twenty Thousand dollars (\$20,000) worth of electricity and reasonable water usage at the property known as the ARTS CENTER. ARTS shall pay for all costs of electricity that exceeds the sum listed in this Article 7. If the CITY determines, in its sole discretion, that ARTS is negligent in its use of the utilities, including water usage, the CITY may hold a good faith meet and confer meeting with ARTS to discuss its utilities usage.

8. **ARTS REPAIRS AND MAINTENANCE OBLIGATIONS.** ARTS acknowledges that it has made a thorough inspection of the ARTS CENTER and that it accepts the property "as-is" as of the Effective Date of this agreement. At ARTS' own cost and expense, ARTS shall repair, replace, and maintain the ARTS CENTER in good, tenable condition as necessary. ARTS shall not be obligated to repair or replace damage to the Property caused by ordinary wear and tear. ARTS shall maintain the property in an accessible manner for use by individuals with disabilities and comply with federal and state law regarding accessibility, including but not limited to the Americans with Disabilities Act and the California's Disabled Persons Act. Other than repair work in emergency situations, not exceeding Three Thousand Dollars (\$3,000), ARTS shall not perform any repair work without the CITY's prior written consent. As used in this Article 8, "emergency" means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services. All emergency repairs performed by the CITY on the property known as the ARTS CENTER are governed by Public Contract Code Section 22050. ARTS' obligations under this Article shall apply regardless of whether the repairs, restorations, and replacements are ordinary or extraordinary, foreseeable or unforeseeable, capital or noncapital, the fault or not the fault of ARTS, its agents, employees, volunteers, invitees, visitors, or contractors. All replacements made by the ARTS shall be of like size, kind, and quality to the items replaced.

8.1 **CITY REPAIR AND MAINTENANCE OBLIGATIONS.** For any repair and maintenance work exceeding Three Thousand Dollars (\$3,000), the CITY will consider the nature and priority of the work and available funding to determine if and when such repairs will be completed.

8.2 **CITY RIGHT TO INSPECT.** ARTS shall permit the CITY to enter

the ARTS CENTER at all times during usual hours of operation to inspect the property. Any entry pursuant to this Article 8.2 shall not unreasonably interfere with with ARTS operation of the ARTS CENTER. However, nothing contained in this Article 8.2 shall create any duty on the part of the CITY to do any work which, under any provision of this agreement ARTS may be required to do.

9. **ALTERATIONS**. ARTS may alter, replace, add to, change, or construct additional improvements to the ARTS CENTER, as ARTS may find necessary or convenient for its operation of the property. Any alteration performed by ARTS under this Article 9 shall be performed: a) ARTS' sole cost and expense; b) with the CITY's prior written consent; and c) in accordance with construction plans submitted to and approved by the CITY.

9.1 **CONSTRUCTION PERMITS AND LICENSES**. At all times during the Term, ARTS shall procure, at its sole cost and expense, all permits and licenses that are necessary or required from any local governmental agency for the proposed construction of any alterations. The CITY may, in its sole discretion, waive CITY permitting fees where applicable.

9.2 **PROPOSED PLANS**. In its sole discretion, the CITY may require ARTS to do any of the following: a) submit a complete set of proposed plans of any alterations to the CITY; b) apply for and receive a permit from the Building Department to complete any alterations; c) within sixty (60) days of a written request, furnish CITY with a complete set of "as-built" plans for any CITY-approved alterations.

9.3. **PREVAILING WAGES**. ARTS shall comply with prevailing wage statutes for any work not performed by volunteers. State prevailing wage rates may apply to work performed under this agreement. State prevailing wages rates apply to all public works contracts as set forth in California Labor Code, including but not limited to, Sections 1720, 1720.2, 1720.3, 1720.4, and 1771. Consultant is solely responsible to determine if State prevailing wage rates apply and, if applicable, pay such rates in accordance with all laws, ordinances, rules, and regulations.

10. **MECHANICS' LIENS: STOP NOTICES**. ARTS shall pay, or cause to be paid, the total cost and expense of all works of improvement, as that phrase is defined in the Mechanics Lien Law in effect at time and place of construction, done by it, or caused to be done by it, on the property known as the ARTS CENTER, and for all materials furnished for, or in connection with any such work. If any lien or stop notice is filed against the property known as the ARTS CENTER, ARTS shall cause the lien or stop notice to be discharged of record within one hundred eighty (180) days after it is filed. ARTS shall indemnify, defend, and hold the CITY harmless from any and all liability, loss, damage, costs, attorneys' fees, and all other expenses on account of claims of lien of laborers, materialmen, or others for work performed, or materials or supplies furnished for ARTS or persons claiming under ARTS.

10.1 **NOTICE OF LIEN OR STOP NOTICE**. Should any claim of lien or stop notice related to ARTS' work of improvement of the property be filed against the property, or any action be filed against the property, or any action affecting the title to the property be commenced, the party receiving notice of such lien or stop notice or action shall immediately give the other party written notice thereof.

10.2 **NOTICE OF NON-RESPONSIBILITY**. The CITY or its representatives shall have the right to post and keep posted on the property notices on non-responsibility or such other notices which the CITY may deem to be proper for the protections of the CITY's interest in the property. ARTS shall, before the commencement of any work which might result in any such lien or stop notice, give to the CITY written notice of its intention to do so with sufficient time to enable posting of such notices.

11. **DEFINITION OF TAXES**. "Taxes" shall mean all taxes, governmental bonds, special assessments, charges, or transfer taxes, license and transaction fees, including, but not limited to: (a) any state, local, federal income tax, or any real or personal property tax; (b) increases in taxes attributable to ARTS' operation of the property, or; (c) any taxes which are essentially payments to a governmental agency, other than the CITY, for the right to make improvements to the property.

11.1 **POSSESSORY INTEREST**. Notwithstanding Articles 1 to 1.2, ARTS acknowledges that this agreement may create a possessory interest subject to property taxation and that ARTS may be subject to the payment of taxes levied on such interest. ARTS shall pay, before delinquency, all taxes, assessments, and fees assessed or levied upon the property.

11.2 **RESPONSIBILITY FOR PAYMENT OF TAXES**. The CITY shall not be obligated to pay any Taxes accruing against any interest in ARTS' use of the property at any time before or during the Term. ARTS shall pay any Taxes that accrue against any interest in ARTS' use of the property. Additionally, ARTS shall pay any Taxes levied upon any improvements, fixtures, or personal property located on the property to the extent such Taxes result from ARTS operation or other activities held upon, or in connection with, the property.

12. **PROJECT COORDINATION AND SUPERVISION**. The Library & Community Services Director hereby is designated as the Project Coordinator for the CITY and will monitor the progress and execution of this agreement. ARTS shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this agreement for the ARTS. The ARTS Executive Director thereby is designated as the Project Director for the ARTS.

13. **INDEMNIFICATION AND HOLD HARMLESS.** To the maximum extent provided by law, ARTS agrees to defend, indemnify and hold harmless the City of National City, its officers, officials, agents, employees, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of ARTS' performance or other obligations under this Agreement, or arising either directly or indirectly from, any act, error, omission, or negligence of ARTS or its contractors, licensees, invitees, members, agents, servants or employees; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of CITY, its agents, officers, employees or volunteers. CITY will cooperate reasonably in the defense of any action, and ARTS shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this agreement that occurred during the term of this agreement.

13.1 **THIRD PARTY INDEMNITY.** ARTS shall not invite third party organizations onto the property known as the ARTS CENTER until said third party organization furnishes CITY a written agreement in which it indemnifies and holds CITY harmless, upon terms satisfactory to CITY.

13.2 **WAIVERS FROM THIRD PARTIES.** ARTS agrees to obtain from all guests, invitees, or third party organizations whose participants visit the property, a waiver of liability and hold harmless agreement upon terms satisfactory to the CITY.

14. **INSURANCE.** ARTS, at its sole cost and expense, shall purchase and maintain, and shall require its subcontractors, and third party organizations ARTS invites onto the property to purchase and maintain, throughout the term of this agreement, the following insurance policies:

- (a) If checked, **Professional Liability** Insurance (errors and omissions) with minimum limits of \$1,000,000 per occurrence.
- (b) **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.
- (c) **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this agreement. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement

shall be provided. The general aggregate limit must apply solely to this “project” or “location”. The “project” or “location” should be noted with specificity on an endorsement that shall be incorporated into the policy. The Commercial General Liability required by this Section must include Sexual Misconduct Liability coverage.

- (d) **Workers’ Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of ARTS employees and employers’ liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the CITY. Said endorsement shall be provided prior to commencement of work under this Agreement.
- (e) If CONSULTANT has no employees subject to the California Workers’ Compensation and Labor laws, ARTS shall execute a Declaration to that effect. Said Declaration shall be provided to ARTS by CITY.
- (f) The aforesaid policies shall constitute primary insurance as to the CITY, its officers, officials, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY’s Risk Manager, at the address listed in subsection (h) below, of cancellation or material change.
- (g) If required insurance coverage is provided on a “claims made” rather than “occurrence” form, the CITY shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this agreement. In addition, the “retro” date must be on or before the date of this agreement.
- (h) The Certificate Holder for all policies of insurance required by this Section shall be:

City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA 91950-4397

- (i) Insurance shall be written with only insurers authorized to conduct business in California that hold a current policy holder’s alphabetic and financial size category rating of not less than A:VII according to the current Best’s Key Rating Guide, or a company of equal financial stability that is approved by the CITY’S Risk Manager. In the event coverage is provided by non-admitted “surplus lines” carriers, they must be included on the most recent List of Approved Surplus Line Insurers (“LASLI”) and otherwise meet rating requirements.
- (j) This agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the CITY’S Risk Manager. If ARTS does not keep all insurance policies required by this Article 14 in full force and effect at all times during the term of this agreement, the CITY may treat the

failure to maintain the requisite insurance as a breach of this agreement and terminate the agreement as provided herein.

- (k) All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the CITY. CITY reserves the right to modify the insurance requirements of this Article 14, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
- (l) If ARTS maintains broader coverage or higher limits (or both) than the minimum limits shown above, the CITY shall be entitled to the broader coverage or higher limits (or both) maintained by ARTS. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.

15. **LEGAL FEES.** If any CITY or ARTS brings a suit or action against the other arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney's fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award. Attorney's fees to the prevailing party if other than the CITY shall, in addition, be limited to the amount of attorney's fees incurred by the CITY in its prosecution or defense of the action, irrespective of the actual amount of attorney's fees incurred by the prevailing party.

16. **TERMINATION.**

- (a) This agreement may be terminated with or without cause by the CITY. Termination without cause shall be effective only upon 60-day's written notice to ARTS. During said 60-day period ARTS shall perform all services in accordance with this agreement.
- (b) This agreement may also be terminated immediately by the CITY for cause in the event of a material breach of this agreement, misrepresentation by the ARTS in connection with the formation of this agreement or the performance of services, or the failure to perform services as directed by the CITY.
- (c) Termination with or without cause shall be effected by delivery of written Notice of Termination to ARTS as provided for herein.
- (d) CITY further reserves the right to immediately terminate this agreement upon: (1) the filing of a petition in bankruptcy affecting ARTS; (2) a reorganization of ARTS for the benefit of creditors; or (3) a business reorganization, change in business name or change in business status of the ARTS.

17. **HAZARDOUS MATERIALS LAWS**. As used in this Article 17, the term "Hazardous Materials' Laws" means any and all federal, state or local laws or ordinances, rules, decrees, orders, regulations or court decisions (including the so-called "common law") relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under, or about the Property, soil and ground water conditions, or other similar substances or conditions. The following legal authority is a non-exhaustive list of the legal authority that applies to the definition of the term "Hazardous Materials Laws": the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C., Section 9601 et seq.); the Hazardous Materials Transportation Act, as amended (49 U.S.C., Section 1801 et seq.); and the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C., Section 6901 et seq.).

17.2 **HAZARDOUS MATERIALS DEFINITION**. As used in this Article the term " Hazardous Materials" means any chemical, compound, material, substance or other matter that:

- (a) is a flammable, explosive, asbestos, radioactive nuclear medicine, vaccine, bacteria, virus, hazardous waste, toxic, overtly injurious or potentially injurious material, whether injurious or potentially injurious by itself or in combination with other materials;
- (b) is controlled, referred to, designated in or governed by any Hazardous Materials Laws;
- (c) gives rise to any reporting, notice or publication requirements under any Hazardous Materials Laws, or;
- (d) is any other material or substance giving rise to any liability, responsibility or duty upon the CITY or the ARTS with respect to any third person under any Hazardous Materials Law.

17.3 **ARTS REPRESENTATIONS AND WARRANTIES**. ARTS represents and warrants that, during the Term or any extension thereof, ARTS shall comply with the following provisions of this Article unless otherwise specifically approved in writing by the CITY, subject to the terms and conditions of the ARTS' maintenance obligations provided elsewhere in this Agreement:

- (a) ARTS shall not cause or permit any Hazardous Materials to be brought, kept or used in or about the property by ARTS, its agents, employees, assigns, contractors or invitees, except as required by ARTS' permitted use of the property in the normal course of operations;
- (b) Any handling, transportation, storage, treatment, or usage by ARTS of Hazardous Materials that is to occur on the property following the Effective Date shall be in compliance with all applicable Hazardous Materials Laws;
- (c) Any leaks, spills, release, discharge, emission or disposal of Hazardous Materials which may occur on the Property following the Effective Date shall be promptly and thoroughly cleaned and removed

from the Property by ARTS at its sole expense, and any such discharge shall be promptly reported in writing to the CITY, and to any other appropriate governmental regulatory authorities;

- (d) No friable asbestos shall be constructed, placed on, deposited, stored, disposed of, or located by ARTS on the property;
- (e) No underground improvements, including but not limited to treatment or storage tanks, or water, gas or oil wells shall be located by ARTS on the property without the CITY's prior written consent.
- (f) ARTS shall promptly supply the CITY with copies of all notices, reports, correspondence, and submissions made by ARTS to the United States Environmental Protection Agency, the United Occupational Safety and Health Administration, and any other local, state or federal authority which requires submission of any information concerning environmental matters or hazardous wastes or substances pursuant to applicable Hazardous Materials' Laws; and

17.4 ARTS shall promptly notify the CITY of any liens threatened or attached against the Property pursuant to any Hazardous Materials' Law. If such a lien is filed against the Property, then, within the earlier of (i) twenty (20) days following such filing, or (ii) before any governmental authority commences proceedings to sell the Property pursuant to the lien, ARTS shall either:

- (a) pay the claim and remove the lien from the Property, or
- (b) furnish either: (1) a bond or cash deposit reasonably satisfactory to the CITY in an amount not less than the claim from which the lien arises, or; (2) other security satisfactory to the CITY in an amount not less than that which is sufficient to discharge the claim from which the lien arises.

17.5. At the end of this agreement, ARTS shall surrender the property to the CITY free of any and all Hazardous Materials and in compliance with all Hazardous Materials' Laws affecting the Property.

18. ARTS shall not voluntarily or involuntarily assign or otherwise transfer all or any portion of its rights and duties under this agreement without the CITY's prior written consent. Any attempted assignment or transfer without the CITY's prior written consent shall be void.

18.1 ARTS may engage third party organizations to provide special services or programming at the Property if: a) CITY consents, in writing, to the third party organizations' proposed use of the Property and; b) the third party organization obtains policies of insurance acceptable to the City's Risk Manager and Article 14 of this agreement.

19. **EVENTS OF DEFAULT; REMEDIES.** The following sub-articles shall apply if either ARTS or the CITY neglects, fails to perform, or fails to observe any of their respective obligations under the terms, covenants, or conditions contained in this agreement ("Default"):

19.1 **THIRTY-DAY CORRECTION OF DEFAULT.** If either ARTS or the CITY determines that the other party is in default, then the non-defaulting party must provide the defaulting party written notice of the Default and thirty (30) days to correct the default.

19.2 **EXTENDED CORRECTION OF DEFAULT.** If the defaulting party determines that more than thirty (30) days is required to correct the Default, the defaulting party must provide the other party written notice of the reasons why additional time is required to correct such Default. The defaulting party must use diligent efforts to correct a Default under this Article 13.1.2 and, in any case, must correct such Default within ninety (90) days from the date of the written notice of default.

19.3 **REMEDIES FOR FAILURE TO CORRECT DEFAULT.** If the defaulting party fails to comply with Article 19.1. or 19.2, then the non-defaulting party may immediately terminate this agreement. The defaulting party shall be liable to the non-defaulting party for any and all damages sustained by the non-defaulting party as a result of the defaulting parties' breach.

20. **ABANDONMENT.** ARTS shall not vacate or abandon the property at any time during the Term nor permit the property to remain unoccupied for a period of longer than five (5) consecutive days during the term of this agreement. These provisions shall not apply if the property is closed and operation is temporarily discontinued therein on account of strikes, lockouts, acts of nature, or similar causes beyond the reasonable control of ARTS. Any exceptions must be submitted in writing to the City Manager or designee for approval.

21. **ARTS' DUTY TO REPAIR CASUALTY.** ARTS shall, as expeditiously as reasonably possible, repair any damages to the property caused by fire, earthquake, or any other identifiable event of a sudden, unexpected, or unusual nature ("Casualty"), and repair, restore, and replace any such damaged or destroyed Fixtures, Improvements or Personal Property ("Casualty Repairs"). Any Casualty Repairs made are: (a) to be performed at ARTS' sole cost and expense; (b) subject to all other terms and conditions of this agreement.

21.1 **CONSTRUCTION PROVISIONS.** In the event of any reconstruction of the property, fixtures or improvements required of ARTS pursuant to this Article, ARTS shall repair the property, and repair or rebuild such fixtures and improvements, to substantially the same condition they were in immediately preceding such casualty.

21.2 **NO ABATEMENT.** In the event of reconstruction, replacement, or repair by ARTS pursuant to this Article, ARTS shall continue its operations on the property during any such period to the extent reasonably practicable from the standpoint of prudent business management, and in continuing compliance with applicable laws and regulations. ARTS shall not be entitled to any compensation or damages from CITY for: (a) loss of use of the whole or any part of the property; (b) ARTS' Personal Property; or

(c) any inconvenience or annoyance occasioned by such damage, reconstruction, or replacement.

21.3 **MAJOR DESTRUCTION**. Notwithstanding any of the foregoing provisions of this Article to the contrary, if, at any time after the Effective Date, (a) the improvements are damaged or destroyed to the extent of more than twenty-five percent (25%) of their replacement cost, or (b) the damage is such that the improvements cannot be repaired and restored within one hundred and eighty (180) days after the casualty, then ARTS shall have the right to terminate this agreement upon thirty (30) days' prior written notice to the CITY.

22. **CONDEMNATION**. ARTS may terminate this agreement within twenty (20) days after the date that a condemning authority (by a party other than the CITY) takes possession of the property by delivery of written notice of such condemnation if: (a) all of the property is taken under eminent domain proceedings; or (b) less than all of the property is taken under such eminent domain proceeding and the part taken substantially impairs the ability of ARTS to use the remainder of the property for the purposes permitted by this agreement.

22.1 In the absence of such written notice from a condemning authority, ARTS may terminate this agreement within twenty (20) days after the condemning authority shall have taken possession.

22.2 **CONTINUATION OF OPERATING AGREEMENT AFTER CONDEMNATION**. If this agreement is not terminated by ARTS, it shall remain in full force and effect as to any portion of the property remaining, and this agreement will end as of the date possession of the part taken by the public entity as to the part of the property that is taken.

22.3 **AWARD**. All monies awarded in any condemnation shall belong to the CITY. The CITY shall have no liability to ARTS for any award not provided by the condemning authority.

23. **SALE OR MORTGAGE**. The CITY may, pursuant to existing and subsequently enacted CITY ordinances and State laws, at any time, and without the consent of ARTS, vacate, sell, purchase, exchange, transfer, assign, lease, encumber or convey the CITY's interest in whole or in part, in the property (collectively referred to in this Article as a "Sale"). The CITY shall provide to ARTS written notice of the CITY's intent to a Sale or discontinuance pursuant to this Article at least ninety (90) days prior to said proposed transfer.

23.1 **RELEASE ON SALE**. From and after a Sale or discontinuance of the CITY's entire interest in the Property, the CITY shall be released from all liability to ARTS and ARTS successors and assigns arising from this Agreement because of any act, occurrence, or omission of the CITY occurring after such Sale.

24. **RIGHT OF ENTRY**. CITY, its agents, employees, and contractors may enter the Property at any time with or without notice to ARTS to: (a) respond to

health and safety concerns; (b) inspect the property and improvements; (c) determine whether ARTS is complying with its obligations in this Agreement (including its obligations with respect to compliance with Hazardous Materials Laws); (d) post notices of non-responsibility or similar notices; (e) inspect the progress of construction of any improvement; or (f) make repairs that this agreement requires or allows CITY to make, or make repairs to any adjoining space or utility services, or make repairs, alterations, or improvements to any other portion of the Property

24.1 All work enumerated in this Article 24 must be done as promptly as reasonably possible and so as to cause as little interference to ARTS as reasonably possible.

25. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given by telex, telecopy, facsimile or fax, when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

CITY: City Manager
City of National City
1243 National City Boulevard
National City, CA 91950-4397

With a copy to:

Library & Community Services Director
City of National City
1401 National City Boulevard
National City, CA 91950

ARTS:A Reason to Survive, Inc.
Executive Director
200 East 12th Street
National City, CA 91950

25.1 Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Any notice, request, demand, direction or other communication sent by cable, telex, telecopy, facsimile or fax must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Article.

26. **ARTS' DUTY TO KEEP RECORDS.** ARTS shall, at all times during the term, and for a period of five (5) years following expiration or earlier termination of this agreement, keep or cause to be kept, true and complete books, records and accounts of all: (a) construction undertaken pursuant to the rights conferred on ARTS under this agreement, and (b) financial transactions in the operation of all business activities, of whatever nature, conducted pursuant to the rights granted by this agreement. Such records shall also include the source and disposition of all trash and other waste collected and disposed of by ARTS in the operation of its business. Said records must be supported by source documents such as receipts, invoices, sales slips, cash register tapes, purchase invoices or other pertinent documents.

26.1 **CITY'S RIGHT TO AUDIT.** All ARTS books, accounts, and records shall be kept and made available at one location within the limits of the County of San Diego. The CITY shall have the right at any reasonable time to examine and perform audits of ARTS' records pertaining to (a) construction undertaken pursuant to the rights conferred on ARTS under this Agreement, and (b) its operations on the Property, including , without limitation , any records pertaining to ARTS' use of utilities on the Property. The cost of said audits shall be borne by the CITY, except that ARTS shall provide to the CITY, at ARTS' expense, necessary data to enable the CITY to fully comply with each and every requirement of the State of California or by the United States of America for information or reports relating to this Agreement and to ARTS' use of the Property.

27. **ADMINISTRATIVE PROVISIONS.**

- A. **Amendment to this Agreement.** The terms of this agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.
- B. **Applicable Law.** This agreement shall be governed by and construed in accordance with the laws of the State of California. The venue for any legal action arising under this agreement shall be in either state or federal court in the County of San Diego, State of California.
- C. **Assignment & Assumption of Rights.** ARTS shall not assign this agreement, in whole or in part, to any other party without first obtaining the written consent of CITY.
- D. **Audit.** If this agreement exceeds ten-thousand dollars (\$10,000), the parties shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under the agreement, per Government Code Section 8546.7.

- E. **Authority.** ARTS represents and warrants that it has full power and authority to execute and fully perform its obligations under this agreement pursuant to its governing instruments, without the need for any further action, and that the person executing this agreement on behalf of ARTS is the duly designated agent of ARTS and is authorized to do so.
- F. **Captions.** Any captions to, or headings of, the sections or subsections of this agreement are solely for the convenience of the parties hereto, are not a part of this agreement, and shall not be used for the interpretation or determination of the validity of this agreement or any provision hereof.
- G. **Computation of Time Periods.** If any date or time period provided for in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, then such date shall automatically be extended until 5:00 p.m. Pacific Time of the next day which is not a Saturday, Sunday or federal, state, or legal holiday.
- H. **Conflict of Interest and Political Reform Act Obligations.** During the term of this agreement, ARTS shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the City of National City. ARTS shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. ARTS shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which ARTS has a financial interest as defined in Government Code Section 87103. ARTS represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the CITY.
- I. **Construction.** The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this agreement, (iv) each party and such party's counsel and advisors have reviewed this agreement, (v) each party has agreed to enter into this agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this agreement, or any portions hereof, or any amendments hereto.
- J. **Counterparts.** This agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.
- K. **Entire Agreement.** This agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof.

No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby

- L. **Exhibits and Schedules.** The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any exhibits, schedules, or provisions thereof conflict or are inconsistent with the terms and conditions contained in this agreement, the terms and conditions of this agreement shall control.
- M. **Force Majeure.** If either party is prevented or delayed from performing any act or discharging any obligation hereunder, because of any and all causes beyond either party' s reasonable control, including unusual delays in deliveries, abnormally adverse weather conditions, unavoidable casualties, strikes, labor disputes, inability to obtain labor, materials or equipment, acts of God, governmental restrictions, regulations or controls, any hostile government actions, acts of terrorism, civil commotion and fire or other casualty, legal actions attacking the validity of this agreement or the CITY or ARTS' operations of the property, or any other casualties beyond the reasonable control of either party ("Force Majeure"), performance of such act shall be excused for the period of such delay, and the period for performance of such act shall be extended for a period equivalent to the period of such delay. Force Majeure shall not include any bankruptcy, insolvency , or other financial inability on the part of either party hereto.
- N. **Independent Contractor.** ARTS acknowledges that it is an independent contractor; that it alone retains control of the manner of conducting its activities in furtherance of this agreement; and that it, as well as any persons, contractors or agents it may employ, are not employees of CITY for any purpose.
- O. **No Obligations to Third Parties.** Except as otherwise expressly provided herein, the execution and delivery of this agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.
- P. **Partial Invalidity.** If any provision of this agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this agreement shall not be affected thereby. Each provision shall be valid and enforceable to the fullest extent permitted by law.
- Q. **Subcontractors or Subconsultants.** The CITY is engaging the services of the ARTS identified in this agreement. ARTS shall not subcontract any portion of the work, unless such subcontracting was part of the original proposal or is allowed by the CITY in writing, or within the terms of this agreement. In the event any portion of the work under this agreement is subcontracted, the subconsultant(s) shall be required to comply with and agree to, for the benefit of and in favor of the CITY,

provision shall be valid and enforceable to the fullest extent permitted by law.

- Q. **Subcontractors or Subconsultants.** The CITY is engaging the services of the ARTS identified in this agreement. ARTS shall not subcontract any portion of the work, unless such subcontracting was part of the original proposal or is allowed by the CITY in writing, or within the terms of this agreement. In the event any portion of the work under this agreement is subcontracted, the subconsultant(s) shall be required to comply with and agree to, for the benefit of and in favor of the CITY, both the insurance provisions and the indemnification and hold harmless provisions of this Agreement.
- R. **Successors and Assigns.** This agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.
- S. **Waiver.** The waiver or failure to enforce any provision of this agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date and year first above written.

CITY OF NATIONAL CITY

By: _____
Alejandra Sotelo Solis, Mayor

APPROVED AS TO FORM:

By: _____
Gabriela Torres
Deputy City Attorney

A REASON TO SURVIVE (ARTS)

(Corporation – signatures of two corporate officers required)

(Partnership or Sole proprietorship – one signature)

By: _____
(Name)

JAMES HALLIDAY

(Print)

EXECUTIVE DIRECTOR

(Title)

By: _____
(Name)

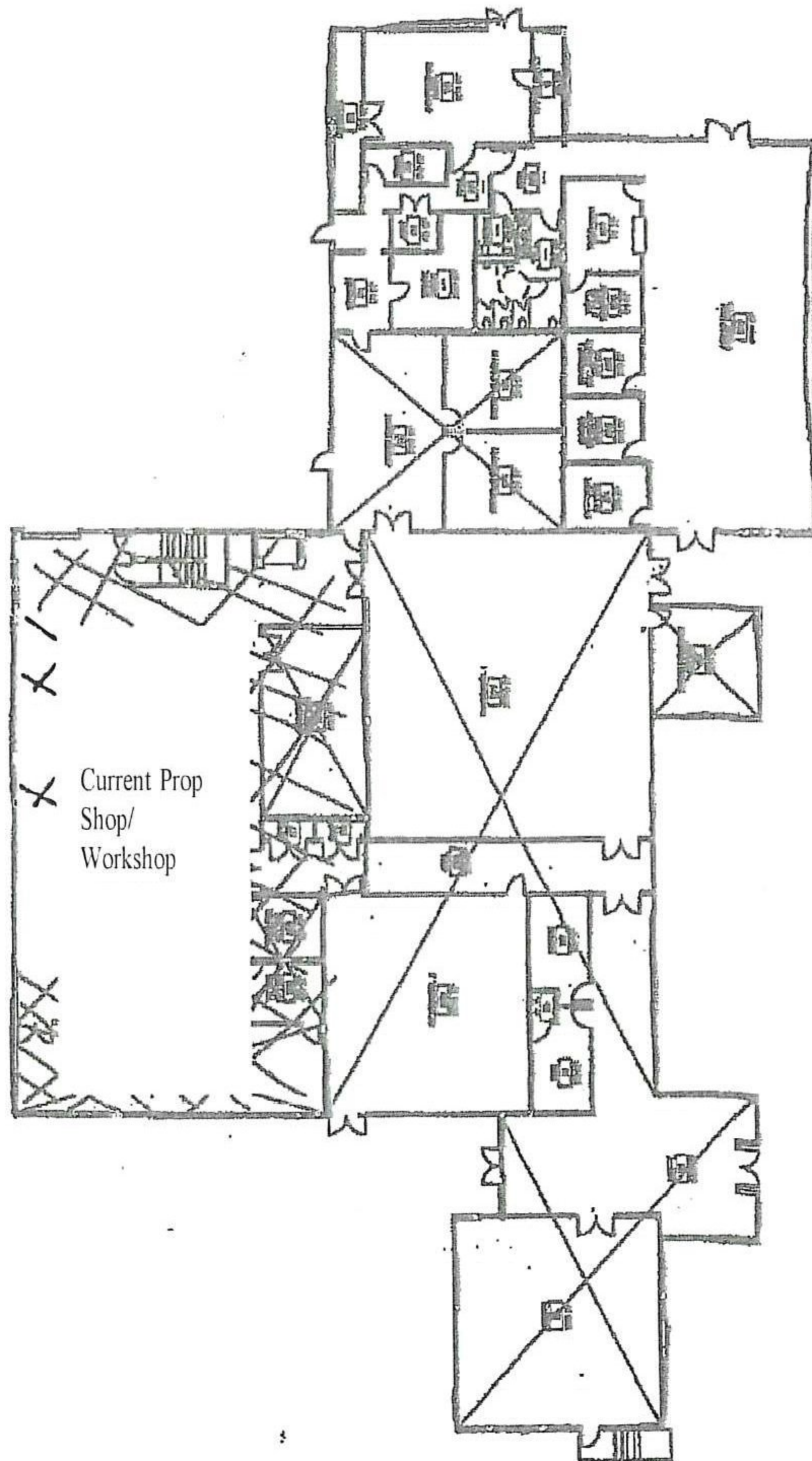
Jacqueline Reynoso

(Print)

Board Chair woman

(Title)

EXHIBIT A



ARTS CENTER

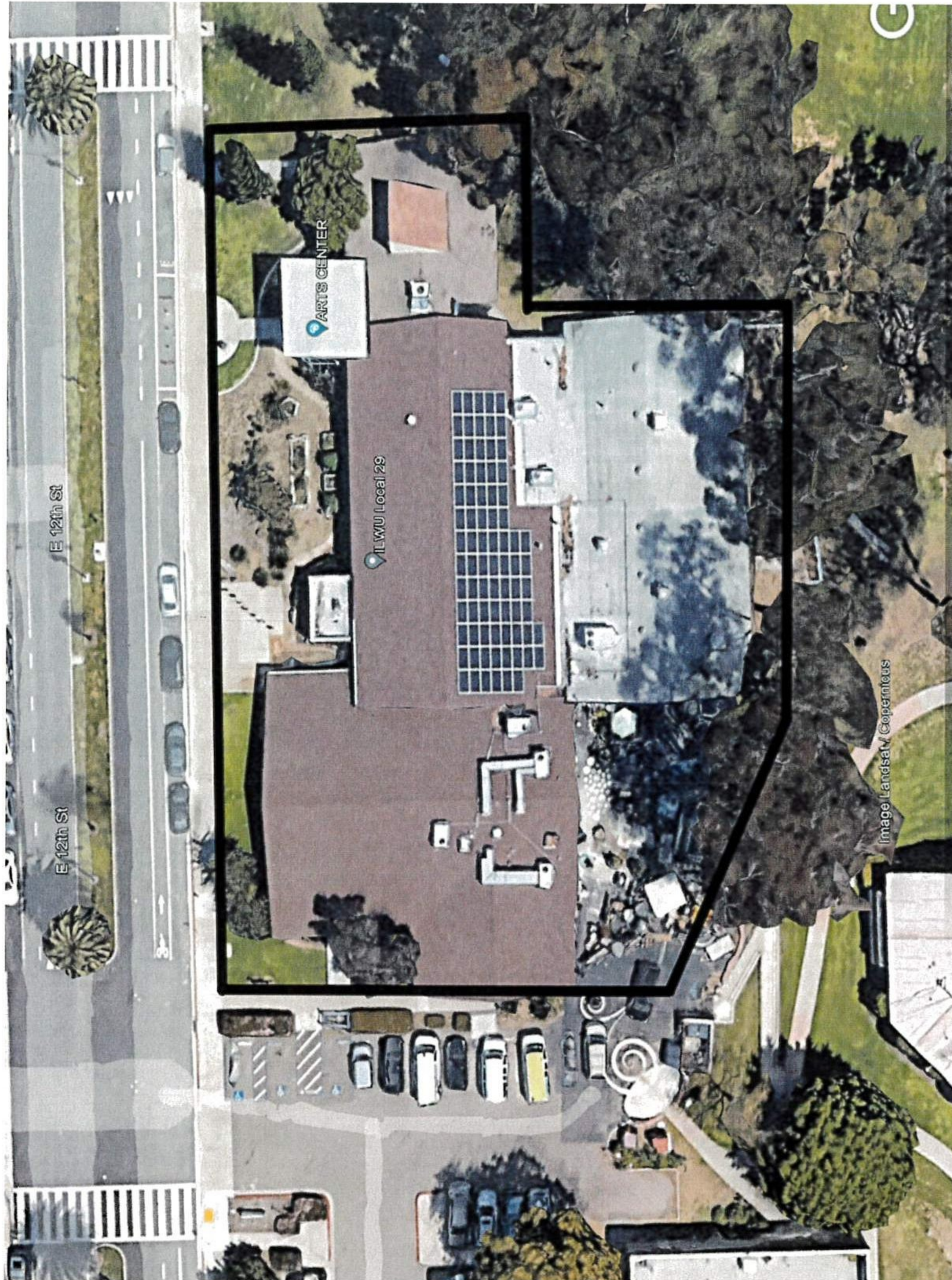


EXHIBIT B - ARTS CENTER, 200 East 12th Street, National City CA

From: codyd@snappins.com
To: nationalcityca nationalcityca@Ebix.com
CC:
Subject: RE: City of National City Certificate of Insurance Req
Date: 6/25/2021 2:17:40 PM
Attachment(s):

Hello,

Please see the attached renewal for A Reason To Survive.

Thank you,

Cody Deal
Commercial Support Specialist
Office Holiday Closures:

- **Friday, 7/2/2021 Closing at 2 PM**
- **Monday, 7/5/2021 Closed All Day**



www.snappassociates.com
438 Camino Del Rio S
Suite #112
San Diego, CA 92108
619-908-3100 phone
619-908-3110 fax





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From: Cody Deal
Sent: Monday, June 21, 2021 3:21 PM
To: 'Customer Service' <nationalcityca@ebix.com>
Subject: RE: City of National City Certificate of Insurance Req

Thank you,

Cody Deal
Commercial Support Specialist



www.snappassociates.com
438 Camino Del Rio S
Suite #112
San Diego, CA 92108
619-908-3100 phone
619-908-3110 fax



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From: Customer Service <nationalcityca@ebix.com>
Date: June 21, 2021 at 12:43:13 PM PDT
To: Sarah Colletti <sarahc@snappins.com>
Subject: City of National City Certificate of Insurance Req



The attached notice is being sent to you on behalf of City of National City by Ebix RCS. City of National City has engaged with Ebix to manage insurance compliance verification on its behalf. You must be properly insured while doing business with City of National City and comply with insurance requirements.

As of the date of this notice we have not received proper evidence of insurance coverage. Please review the attached notice as it includes the information needed for compliance and where to send your Certificate of Insurance.

Vendor Instructions: The attached notice is being sent to you and your agent, if we have their email address on file.

Agent Instructions: Please review the attached notice as it includes the information needed for compliance.

Please send your Certificate of Insurance via email to nationalcityca@ebix.com ; if you have any questions, please contact Ebix by calling 951- 652-2874; thank you for your prompt attention to this matter.

EBIX Ebix ,Inc. | One Ebix way | Johns Creek, GA 30097 | Web-

-

Links contained in this email have been replaced. If you click on a link in the email above, the link will be analyzed for known threats. If a known threat is found, you

will not be able to proceed to the destination. If suspicious content is detected, you will see a warning.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

<p>Name Of Person Or Organization:</p> <p>The City of National City, its elected officials, officers, agents, employees and volunteers</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

The following is added to Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions:**

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO ENTER INTO A NEW AGREEMENT BETWEEN THE CITY OF NATIONAL CITY (“CITY”) AND ARTS A REASON TO SURVIVE (“ARTS”) FOR THE MAINTENANCE AND OPERATION OF THE ARTS CENTER LOCATED AT 200 EAST 12TH STREET IN NATIONAL CITY FOR A 36 MONTH PERIOD FROM JANUARY 1, 2022 TO DECEMBER 31, 2024.

WHEREAS, the CITY owns the improved real property located at 200 East 12th Street, National City, California. This real property is commonly known as the Arts Center Building (the “ARTS CENTER”);

WHEREAS, one of the goals of the CITY’s General Plan is to develop a cultural arts program that encourages and facilitates the development of art in public spaces and promotes greater awareness of architectural, urban design, and the cultural heritage of the CITY;

WHEREAS, ARTS is a California non-profit corporation skilled in creating public art, including capital arts projects;

WHEREAS, the CITY desires to employ ARTS to maintain the ARTS CENTER for the benefit of the community and ARTS is willing and able to maintain the ARTS CENTER for such purpose;

WHEREAS, in exchange for maintaining the ARTS CENTER for the benefit of residents and visitors, the CITY desires to grant ARTS a revocable license to enter and operate the ARTS CENTER located at 200 East 12th Street, National City, California;

WHEREAS, the CITY previously entered into a similar arts maintenance agreement with ARTS which commenced on January 1, 2018 and expires on December 31, 2021;

WHEREAS, the CITY wishes to enter into this new agreement for continued arts maintenance with ARTS.

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

Section 1: Authorizes the City Manager to enter into an Agreement between the City of National City and ARTS A Reason to Survive for the Maintenance and Operation of the ARTS Center located at 200 East 12th Street in National City for a 36 month period from January 1, 2022 to December 31, 2024.

Section 2: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City, California adopting City Council Policy 805 entitled “Naming of City Assets and Streets.” \(City Manager\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO. _____

ITEM TITLE:

Resolution of the City Council of the City of National City adopting City Council Policy 805 entitled "Naming of City Assets and Streets."

PREPARED BY: Tony Winney, Assistant City Manager | **DEPARTMENT:** City Manager's Office

PHONE: (619) 336-4240

APPROVED BY: _____



EXPLANATION:

See attached Exhibit A.

FINANCIAL STATEMENT:

APPROVED: _____ Finance

ACCOUNT NO.

APPROVED: _____ MIS

No fiscal impact.

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Adopt the Resolution.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

- Attachment A – Explanation
- Attachment B – Proposed City Council Policy 805
- Attachment C – Resolution
- Attachment D - City Administrative Manual Policy 10.01

Discussion on City Council Policy 805 entitled “NAMING OF CITY ASSETS AND STREETS”

Exhibit A

The City currently does not have a formal policy regarding the naming or renaming of City assets or streets. Assets include parks and facilities such as athletic fields. Staff has prepared a draft policy for discussion which is outlined below. In development of this policy, staff researched similar policies in surrounding cities, and other cities within California. There was a great deal of variety between policies, and many cities had no formal policies in place. Staff drew upon common elements of each and designed a policy which would provide a clear process going forward for future requests for naming of assets such as facilities and parks and the renaming of streets, which would also help ensure transparency and allow for public participation in the process.

Background

On April 1, 2008, the City Council discussed a report the issue of establishing criteria for a policy regarding the renaming of City facilities, park and amenities. After discussion, no formal action was taken by the City Council. Staff has included a copy of the agenda report from 2008 as a point of reference as Attachment D, which outlines prior buildings that were named or renamed by the City Council in honor of various individuals.

As the prior report outlined, over the years City Council has initiated and received requests to name new and existing City facilities in honor of individuals who have made significant contributions to community; however, those requests were granted without a formal policy in place. Examples of facilities that were named or renamed after individuals include the George Waters Nutrition Center, the Manual Portillo Casa de Salud Youth Center, Martin Luther King Community Center, and Junior Robles Field.

At the November 2, 2021 City Council meeting, City Council reviewed a preliminary draft of the a new City Council Policy 805. City Council provided their feedback on the preferred appointment process from a list of four options. The policy draft now includes creation of a “City Naming Committee” composed of the Mayor or his/her designee, the Chair of the Parks, Recreation and Senior Citizen Advisory Board or his/her designee, and a community representative as designated by the City Manager. The Committee would also have support from designated City staff, as needed for technical assistance.

Summary of Policy Recommendations

The draft policy states the City Council would consider the merit of the naming/renaming request and would have final decision making authority. The policy would discourage the changing of existing street names that have existing homes or businesses using the street name in their address, except under extraordinary circumstances with a super majority vote of the City Council. No asset or street would be named after a seated elected or appointed official or current City employee. The asset may be named after any group, individual or family, living or deceased, that has made a significant and substantial contributions of a service, cultural or historic nature to the City, as determined by the City Council. For a full list of criteria, see Section C of the policy.

Summary of Process

1. Requests for naming and/or changing the name of a City Asset or renaming an existing City street may be proposed by the Mayor or a City Council member and

submitted to the City Manager's Office in writing. If the proposed Asset is in recognition of a person or organization, the Mayor or City Council member is required to provide clear evidence that the person or organization to be honored has made a significant and lasting contribution to the betterment of the City of National City.

2. Upon receipt of the application, the City Manager or his/her designee shall review the request for compliance with this City Council Policy. If the request is deemed consistent with the City Council Policy by the City Manager, the City Manager or his/her designee shall place the request on a future City Council agenda for review and consideration.
3. The City Council shall then consider the merit of the request and determine if extended public outreach is necessary. If the City Council supports the request, the Mayor will appoint a City Naming Committee for a limited term to further discuss the request. The City Naming Committee would be composed of the Mayor or his/her designee, the Chair of the Parks, Recreation and Senior Citizen Advisory Board or his/her designee, and a community representative as designated by the City Manager. The City Council could also choose to include the Chair or their designee from a secondary City Board or Commission, if their expertise was deemed applicable. The Committee would also have support from designated City staff, as needed for technical assistance. The City Naming Committee will be charged with soliciting feedback from the public and local stakeholder groups in the community to determine whether there is support to name/rename the Asset or Street, and propose alternative naming options when appropriate.
4. Following that review, the City Manager or his/her designee shall place the proposed Asset naming/renaming item on the City Council agenda within a maximum of 90 days of the initial City Naming Committee appointments. The City Naming Committee will present their recommendations for formal review and consideration by the City Council. If the request is denied by the City Council, no further action is taken. If the City Council approves the request, staff is directed to go forward with implementing the naming of the Facility. The steps taken to implement the request will be developed as an internal City process. The decision of the City Council will be final.

The full draft of City Council Policy 805 is attached. Staff recommends adoption of a resolution adopting City Council Policy 805 entitled "Naming of City Assets and Streets."

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: NAMING OF CITY ASSETS AND STREETS	POLICY #805
ADOPTED: NOVEMBER 2, 2021	AMENDED OR REVISED: N/A

PURPOSE

The purpose of this policy is to establish the process and guidelines for naming or renaming of City assets or existing streets. This policy outlines the criteria, conditions, and procedures that govern naming and renaming of City Assets in order to maintain their integrity, to encourage philanthropic giving while acknowledging public investments, and to safeguard against unwanted commercialization of City Assets.

DEFINITIONS

City Assets refer to parks, buildings, or recreational facilities, including sports fields.

POLICY

A. General Guidelines

1. The City Council shall have the final authority to name and rename all City Facilities, and rename existing streets.
2. It is the intent of this policy to discourage the changing of existing street names that have existing homes or businesses using the street name in their address, except under extraordinary circumstances with a super majority vote of the City Council.
3. No Asset or Street shall be named after a seated elected or appointed official or current City employee.

B. Qualifications for Naming of City Assets

1. Qualifying criteria include the following:
 - a. City controlled Assets may be named or renamed after any group, individual, or family, living or deceased that has made significant and substantial contributions of a service, cultural or historic nature to the City of National City, as determined by the City Council. Said contributions do not have to be financial in nature; they may include extensive service and/or support to the City or the community in general.
 - b. When determining whether to rename an Asset, the party making the determination shall consider all factors they deem relevant, including whether some or all of the following accurately describe the person or organization for whom the Asset is proposed to be renamed:
 - i. The person or organization made lasting and significant contributions to the protection of natural or cultural resources of the City of National City; or

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: NAMING OF CITY ASSETS AND STREETS	POLICY #805
ADOPTED: NOVEMBER 2, 2021	AMENDED OR REVISED: N/A

- ii. The person or organization made substantial contributions to the betterment of a specific Asset consistent with the established standards for the Facility; or
- iii. The person or organization made substantial contributions to the advancement of recreational opportunities with the City of National City; or
- iv. The person or organization had a positive impact on the lives of National City's residents; or
- v. The person or organization volunteered for ten (10) or more years of service to the community; or
- vi. The person or organization provided significant financial support towards the purchase or construction of the City Asset proposing to be name/renamed. Significant shall be defined as contributing 50% or more towards the total land purchase or construction costs of the Asset.
- vii. The City Council, in its sole discretion, may remove or change the name of any Asset at any time, unless contractually obligated otherwise.

C. Asset and Street Naming/Renaming Criteria

1. Renaming of Existing City Streets

- a. City street names and corresponding address numbers are currently selected by City Engineering and Planning staff, as outlined in Administrative Policy Manual Policy 10.01.
- b. If an existing street name is proposed to be renamed, the process shall adhere to this City Council Policy.
- c. Names for streets shall be unique and distinct. Similar sounding or duplicate street names shall not be considered.
- d. Street names shall be selected to either recognize natural features related to the National City community or to recognize a person or organization that have made a lasting and significant contribution to the betterment of the City of National City.
- e. Discriminatory or derogatory names shall not be allowed.
- f. For the purposes of this policy, the changing of street names that have existing homes or businesses using the street name in their address shall be discouraged, except under extraordinary circumstances with a super majority of City Council.

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: NAMING OF CITY ASSETS AND STREETS	POLICY #805
ADOPTED: NOVEMBER 2, 2021	AMENDED OR REVISED: N/A

2. City Assets

- a. For purposes of this Subsection C.2, City assets refer to parks, buildings, or recreational facilities, including sports fields.
- b. City Asset names shall be selected to either recognize natural features related to the National City community or to recognize a person or organization that made a lasting and significant contribution to the betterment of the City of National City.
- c. Areas within City facilities that may be named separately from the main building include points of entry; rooms / patios within a City building; facility features (such as a column or fountain); walkways; trails, recreational facilities (such as group picnic areas, sports fields, water features, or park).

D. Naming Procedure for City Assets and Renaming of Existing Streets

1. Requests for naming and/or changing the name of a City Asset or renaming an existing City street may be proposed by the Mayor or a City Council member and submitted to the City Manager's Office in writing. If the proposed Asset is in recognition of a person or organization, the Mayor or City Council member is required to provide clear evidence that the person or organization to be honored has made a significant and lasting contribution to the betterment of the City of National City.
2. Upon receipt of the application, the City Manager or his/her designee shall review the request for compliance with this City Council Policy. If the request is deemed consistent with the City Council Policy by the City Manager, the City Manager or his/her designee shall place the request on a future City Council agenda for review and consideration.
3. The City Council shall then consider the merit of the request and determine if extended public outreach is necessary. If the City Council supports the request, the Mayor will appoint a City Naming Committee for a limited term to further discuss the request. The City Naming Committee would be composed of the Mayor or his/her designee, the Chair of the Parks, Recreation and Senior Citizen Advisory Board or his/her designee, and a community representative as designated by the City Manager. The City Council could also choose to include the Chair or his/her designee from a secondary City Board or Commission, if their expertise was deemed applicable. The Committee would also have support from designated City staff, as needed for technical

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: NAMING OF CITY ASSETS AND STREETS	POLICY #805
ADOPTED: NOVEMBER 2, 2021	AMENDED OR REVISED: N/A

assistance. The City Naming Committee will be charged with soliciting feedback from the public and local stakeholder groups in the community to determine whether there is support to name/rename the Asset or Street, and propose alternative naming options when appropriate.

4. Following that review, the City Manager or his/her designee shall place the proposed Asset naming/renaming item on the City Council agenda within a maximum of 90 days of the initial City Naming Committee appointments. The City Naming Committee will present their recommendations for formal review and consideration by the City Council. If the request is denied by the City Council, no further action is taken. If the City Council approves the request, staff is directed to go forward with implementing the naming of the Facility. The steps taken to implement the request will be developed as an internal City process. The decision of the City Council will be final.

Related Policy References

City Administrative Manual Policy 10.01

Prior Policy Amendments

None.

TITLE: City Administrative Manual

SUBJECT: Street Addresses

VOLUME NO. 1

PAGE NO. 1 of 2

INSTRUCTION NO. 10.01

CITY MANAGER
APPROVALEFFECTIVE
DATE: 4/15/87REVISION
DATE: N/A**PURPOSE/BACKGROUND:**

To clearly identify procedures to be followed when issuing street addresses.

POLICY:

A single policy procedure for assigning street names and addresses for subdivision, lot splits and meters shall be adhered to by all DSG Departments.

RESPONSIBILITY:

It is the responsibility of all DSG personnel to insure that this policy is adhered to.

PROCEDURES:**Street Names:**

At the time a tentative map for a subdivision or lot split is forwarded to the various departments for review and comments, the Building/Safety Department will assign street names based on the following:

1. Assign street names where possible utilizing names in the general area.
2. Assigning of street names will be coordinated with the Fire and Police Departments prior to forwarding a recommendation to the Planning Department.
3. Assigning of street names that will not be in conflict with existing streets.
4. Recommend the street name(s) as enclosed with the comments and/or as depicted on the map be made a condition of the approval by the Planning Commission at the time of approval.

Building Addresses:

The Building/Safety Department will assign building addresses at the time construction plans are submitted for plan check. Street addresses shall be located as set forth in the Uniform Building Code and Uniform Fire Code as adopted by the City.

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, ADOPTING CITY COUNCIL POLICY 805 ENTITLED "NAMING OF CITY ASSETS AND STREETS"

WHEREAS, at the November 2, 2021, the City of National City ("City") City Council Meeting, the City Council reviewed a preliminary draft of a new City Council Policy 805 entitled "Naming of City Assets and Streets"; and

WHEREAS, at the November 2, 2021, City Council meeting, the City Council provided staff with its feedback and directed staff to return with a final version for City Council's review and approval; and

WHEREAS, City staff recommends that the City Council approve a Resolution adopting the new City Council Policy 805 "Naming of City Assets and Streets."

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

Section 1: Adopts City Council Policy 805 entitled "Naming of City Assets and Streets."

Section 2: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City recommending the San Diego County Board of Supervisors "opt-into" the Microenterprise Home Kitchen Operations \(MEHKO\) Program. \(City Manager\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO. _____

ITEM TITLE:

Resolution of the City Council of the City of National City recommending the San Diego County Board of Supervisors "opt-into" the Microenterprise Home Kitchen Operations (MEHKO) Program.

PREPARED BY: Tony Winney, Assistant City Manager | **DEPARTMENT:** City Manager's Office

PHONE: (619) 336-4240

APPROVED BY: _____



EXPLANATION:

A Microenterprise Home Kitchen Operation (MEHKO) is a type of food service, like a mini restaurant, that is operated by a resident in a private home where food is stored, handled, and prepared that may be served to customers. Food must be prepared the day of service and can be eaten onsite or be delivered to the customer by the operator. Food may also be sold through an internet website or a phone based mobile app belonging to an Internet Food Service Intermediary, but delivery must be by the MEHKOs operator or an employee of the MEHKOs facility. Food products may not be sold to a wholesale or retail facility. Third party delivery apps such as UberEats, Postmates, or GrubHub etc. cannot be used by MEHKOs facilities.

On October 15, 2019, the City Council voted to oppose implementation of AB 377, which eliminated local government authority to opt out of the County of San Diego's MEHKO program. On November 16, Vice Mayor Rodriguez formally requested that City Council consider adoption of a resolution in support MEHKOs within the City of National City as part of the County's MEHKO program. The City Council voted 3-1 (Bush absent) to ask staff to return with a draft resolution for consideration which is attached to this agenda report.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

No fiscal impact.

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Consider adoption of the Resolution.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

Attachment A – Staff Report
Attachment B – Resolution
Attachment C – Copy of June 18, 2019 and October 15, 2019 City Council Agenda Reports regarding MEHKOs

Microenterprise Home Kitchen Operations (MEHKO)

Exhibit A – Staff Report

RECOMMENDATION:

It is recommended that the City Council review the information provided in the report and consider the attached resolution recommending that the County Board of Supervisors “opt into” the Microenterprise Home Kitchen Operations (MEHKO) program.

BACKGROUND:

A Microenterprise Home Kitchen Operation (MEHKO) is a type of food service, like a mini restaurant, that is operated by a resident in a private home where food is stored, handled, and prepared that may be served to customers. Food must be prepared the day of service and can be eaten onsite or be delivered to the customer by the operator. Food may also be sold through an internet website or a phone based mobile app belonging to an Internet Food Service Intermediary, but delivery must be by the MEHKOs operator or an employee of the MEHKOs facility. Food products may not be sold to a wholesale or retail facility. Third party delivery apps such as UberEats, Postmates, or GrubHub etc. cannot be used by MEHKOs facilities.

On January 1, 2019, the California Homemade Food Act (AB 626) went into effect and opened the door for cooks to enter the food economy (catering or restaurant) from their place of residence. County legislators were given jurisdictional authority to adopt an ordinance and implement AB 626; however, several counties required further clarification on various sections of the bill. Subsequently, AB 377, MEHKO, “a clean-up bill,” was introduced to clarify and define language in AB 626. Specifically, it eliminated third party delivery (e.g. DoorDash, Postmates, etc.) restrictions for these kitchen operations. The legislation allows a MEHKO to operate in a single-family or multi-family home, whether the residence is occupied by the owner or renter. These kitchens can store, handle, and prepare food that may be sold to consumers on-site or via delivery, as long as they meet certain health and sanitation standards regulated by the County of San Diego.

The legislation allows the County to opt-in or opt-out of the program. Should the County Board opt-in, then all cities within the County are subject to the program and do not have any ability to regulate the use. A MEHKO is subject to an annual registration and inspection by the Department of Environmental Health and Quality (DEHQ), but except for requiring a business license no other permits or approvals from the City of National City would be allowed. A MEHKO is eligible for an alcohol license from Alcoholic Beverage Control (ABC) and if issued could serve alcohol with a meal to the public.

On September 15, 2021, the County Board of Supervisors voted unanimously to direct County DEHQ to return within 120 days (which will be around January 12, 2022) with an ordinance authorizing MEHKO operations in San Diego County, conduct community/municipality outreach and collect public input, and to implement an educational program for MEHKOs that provides guidance on food safety and good neighbor components (traffic, parking, noise, and grease/food waste disposal).

PRIOR CITY COUNCIL ACTION:

On June 18, 2019, and October 15, 2019, the National City City Council voted to oppose implementation of AB 377, which eliminated local government authority to opt out of the County of San Diego’s MEHKO

program. On November 16, Vice Mayor Rodriguez formally requested that City Council consider adoption of a resolution in support MEHKOs within the City of National City as part of the County's MEHKO program. The City Council voted 5-0 to ask staff to return with the draft resolution for consideration which is attached to this agenda report.

DISCUSSION:

Prior to AB 626 and AB 377, there was no regulatory framework in place for selling food made in home kitchens, outside the Cottage Food Law, which permitted sales of only non-perishable items such as baked goods, potato chips, and preserves. The program is geared towards home cooks that are looking to supplement their income, or maybe want to experiment in the food business before deciding to ramp up production and rent a commercial kitchen. Advocates of the legislation state the MEHKO promotes the following:

- Creates economic opportunities for small-scale, home-cooking operations, which are primarily operated by women, immigrants, and people of color;
- Encourages existing "illegal" home food operations to become safer and legal;
- Enables family members to continue providing in-home care for developmentally disabled family members and older family members while still earning income;
- Creates a path to supplement family income for those hardest hit by the COVID-19 pandemic;
- Enables aspiring restaurateurs to try out and vet a menu while learning the basics of what it takes to run a small-scale retail food operation; and
- Provides additional food service options in remote locations.

The following provides some additional information related to the MEHKO program:

- The County DEH and the law states that only a permit from DEH would be required and the City would not be allowed to require any permits.
- The kitchen operator is limited to producing 30 meals per day or 60 meals per week, and from earning more than \$50,000 in annual gross income, and from hiring more than one employee.
- Food must be cooked and served the same day, and customers would be allowed to get delivery, take-out, or consume the meals on-site.
- ABC may issue an alcohol license to the kitchen operator.
- The MEHKO business would only be subject to registration and an annual inspection by DEH. Any potential violations regarding food service operations would need to be investigated by DEH.

MEHKO raises concerns due to potential conflicts between these uses and people residing in adjacent properties. The County DEH has indicated to City staff that enforcement of the above limitations will be challenging due to limited staffing. Traffic issues, smoke from wood-burning ovens, attracting rodents from improper grease and refuse storage, and other conditions creating a nuisance can be sufficiently mitigated via the City's Code Enforcement staff; however, parking may be impacted in certain neighborhoods at peak service times.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: October 15, 2019

AGENDA ITEM NO. |

ITEM TITLE:

Reconsideration of the City Council's decision to "Opt Out" of Microenterprise Home Kitchen Operations (MEHKO) Program Participation, which allows individuals to operate a food facility out of a private home.

PREPARED BY: Roberto M. Contreras *RMC*

DEPARTMENT: City Attorney

PHONE: Ext. 4412

APPROVED BY: 

EXPLANATION:

See attached Staff Report

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO. |

APPROVED: _____ **MIS**

N/A

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

N/A

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Staff Report

Mayor
Alejandra Sotelo-Solis
Council Members
Ron Morrison
Mona Rios
Jerry Cano
Gonzalo Quintero



Office of the City Attorney

STAFF REPORT MEMORANDUM

City Attorney
Angil P. Morris-Jones

Senior Assistant City Attorney
Nicole Pedone

Deputy City Attorney
Roberto M. Contreras

DATE: October 15, 2019

TO: Mayor Sotelo-Solis
Vice Mayor Morrison
Councilmember Rios
Councilmember Cano
Councilmember Quintero

CC Brad Raulston, City Manager

FROM: Roberto Contreras, Deputy City Attorney

SUBJECT: Reconsideration of the City Councils decision to "Opt Out" of Microenterprise Home Kitchen Operations (MEHKO) Program Participation, which allows individuals to operate a food facility out of a private home.

Explanation

A. **Procedural History.**

At the June 18, 2019 City Council Meeting, the City Council voted to "opt out" of the Microenterprise Home Kitchen Operations ("MEHKO") program pursuant to then-existing Health & Safety Code section 114367¹. The City Council also unanimously authorized the Mayor to sign a letter that opposed legislation pending at that time – Assembly Bill No. 377. Of interest to the City, Assembly Bill No. 377 eliminated the City's authority to opt out of MEHKO Program Participation.

After its legislative recess in August, the City Council directed staff to return with a presentation on the final outcome of the changes Assembly Bill No. 377 made to the underlying MEHKO program. Governor Newsom signed Assembly Bill No. 377 into law on Monday, October 7, 2019.

¹ All undesignated statutory references to the "Health & Safety Code" in this Staff Report will be to Health & Safety Code section 114367

B. Assembly Bill No. 377's Changes to the MEHKO Law.

By way of review, Assembly Bill No. 626 (Garcia) established MEHKOs as a permitted residential use where individuals can sell meals prepared in their home to consumers for pick-up, delivery, or onsite consumption. Assembly Bill No. 626 became effective on Tuesday, January 1, 2019.

All changes that Assembly Bill No. 377 made to the underlying MEHKO law (Assembly Bill No. 626) are available at:

http://leginfo.ca.gov/faces/billCompareClient.xhtml?bill_id=201920200AB377.

The majority of these changes related to third-party delivery services and county inspections. Most importantly, the version of Assembly Bill No. 377 that was signed into law eliminated a City's ability to either opt in or out of the MEHKO program.

C. Effect of City's June 18th "Opt Out"

As discussed at the June 18th meeting, the City Council's decision to "opt out" sent a message to the county and the Legislature that the City was concerned with various aspects of MEHKOs such as: (1) ABC License Requirements; (2) zoning issues; (3) business license issues; (4) fats, oils, and grease ("FOG"); (5) parking issues; and (6) noise issues. Since the Health & Safety Code no longer allows cities the option of opting in or out the MEHKO program, the effect of the City's "opt out" is now largely historical or symbolic in nature. Put differently, if the County of San Diego later authorizes MEHKO activity within the county, the City's "opt out" action would conflict with the Health & Safety Code. In such instance, the City's "opt out" would be preempted by the county's decision to authorize MEHKO activity.

D. Changes to MEHKO Law that Staff Would Support

The following are examples of amendments to existing MEHKO law that staff in the City Attorney's Office would support: (1) allow the City to require CUPs and hearings before ABC licenses are issued to MEHKO operators; (2) allow the City to regulate the number and location of MEHKO kitchens operating within the city; (3) address FOG concerns; (4) address parking issues; and (5) address business license issues.

E. Options Before the Council

1. Do nothing, which would leave Resolution # 2019 – 106 in place.
2. Rescind Resolution # 2019 – 106 and take no further action.
3. Rescind Resolution # 2019 – 106 and enact a resolution in support of MEHKOs.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: June 18, 2019

AGENDA ITEM NO. |

ITEM TITLE:

Request for Authorization to Opt Out of Microenterprise Home Kitchen Operations (“MEHKO”) Program Participation, which Allows Individuals to Operate a Food Facility out of a Private Home, and Request for Approval of Letter Opposing Pending Legislation (AB-377, Garcia) that Would Eliminate the City’s Authority to Opt Out of MEHKO Program Participation.

PREPARED BY: Roberto M. Contreras

DEPARTMENT: City Attorney

PHONE: Ext. 4412

APPROVED BY: 

EXPLANATION:

Effective January 1, 2019, Assembly Bill No. 626 (Garcia) established MEHKOs as a permitted residential use where individuals can sell meals prepared in their home to consumers for pick-up, delivery, or onsite consumption. Assembly Bill No. 377 (Garcia), in its current form before the State Legislature, proposes various changes to MEHKOs that would, for example, eliminate cities’ ability to opt out of the MEHKO program.

This presentation will explore (1) legislative history surrounding MEHKOs, (2) legal discussion of existing law, (3) AB-377’s proposed changes to existing law, as well as (4) identify possible challenges to implementing and regulating MEHKOs within National City. Staff seeks City Council authorization and direction to opt out of MEHKO participation and also seeks approval to sign a letter of opposition to Assembly Bill No. 377 (Garcia) which will be provided at the June 18, 2019 City Council Meeting.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO. |

APPROVED: _____ **MIS**

N/A

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

For reasons to be explained in the presentation, staff recommends that the City Council: (1) opt out of MEHKO program participation, and (2) approve attached letter of opposition to Assembly Bill No. 377

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

RESOLUTION NO. 2021-

RESOLUTION OF CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, RECOMMENDING THE SAN DIEGO COUNTY BOARD OF SUPERVISORS “OPT-INTO” THE MICROENTERPRISE HOME KITCHEN OPERATIONS (“MEHKO”) PROGRAM

WHEREAS, on January 1, 2019, the California Homemade Food Act (“AB 626”) went into effect; and

WHEREAS, California Counties required further clarification on various sections of AB 626 and subsequently, AB 377 was introduced to clarify and define language in AB 626.

WHEREAS, County legislators throughout California were given jurisdictional authority to adopt an ordinance and implement both AB 626 and AB 377 governing Microenterprise Home Kitchen Operations (“MEHKO”); and

WHEREAS, the legislation allows the County of San Diego to opt-in or opt-out of the program; and

WHEREAS, on September 15, 2021, the San Diego County Board of Supervisors voted unanimously to direct the Department of Environmental Health and Quality (“DEHQ”) to return within 120 days with an ordinance authorizing MEHKO operations in San Diego County, conduct community/municipality outreach and collect public input, and to implement an educational program for MEHKOs that guides food safety and good neighbor components; and

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

Section 1: Supports the San Diego County Board of Supervisors’ desire to bring forth an ordinance authorizing Microenterprise Home Kitchen Operations.

Section 2: Supports the San Diego County Board of Supervisors “opt into” the Microenterprise Home Kitchen Operations (“MEHKO”) program.

Section 3: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

///

PASSED and ADOPTED this 7th day of December, 2021

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Notice of Decision – Planning Commission approval of a Conditional Use Permit for beer and wine sales at a new restaurant \(KeBURROS\) located at 1539 East Plaza Blvd. \(Applicant: Borderless Kitchens\) \(Case File 2021-16 CUP\) \(Planning\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: | December 7, 2021 |

AGENDA ITEM NO. |

ITEM TITLE:

Notice of Decision – Planning Commission approval of a Conditional Use Permit for beer and wine sales at a new restaurant (KeBURROS) located at 1539 East Plaza Blvd. (Applicant: Borderless Kitchens) (Case File 2021-16 CUP)

PREPARED BY: Martin Reeder, AICP *MR*

DEPARTMENT: Community Development

PHONE: | 619-336-4313 |

APPROVED BY: 
Director of Community Development

EXPLANATION:

The applicant is requesting to sell beer and wine sales in conjunction with food sales at a proposed 1,000 square-foot restaurant (KeBURROS) for on-site consumption only (ABC Type 41). The proposed operation hours are 7:00 a.m. to midnight daily. There will be indoor seating for 42 and outside patio seating for 10.

The Planning Commission conducted a public hearing on November 15, 2021. Commissioners asked questions regarding the business operations and hours of operation. The Commission voted to recommend approval of the request based on the attached findings and recommended Conditions of Approval.

The attached Planning Commission staff report describes the proposal in detail.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**
APPROVED: _____ **MIS**

ACCOUNT NO. |

ENVIRONMENTAL REVIEW:

Not a project per California Environmental Quality Act (CEQA)

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

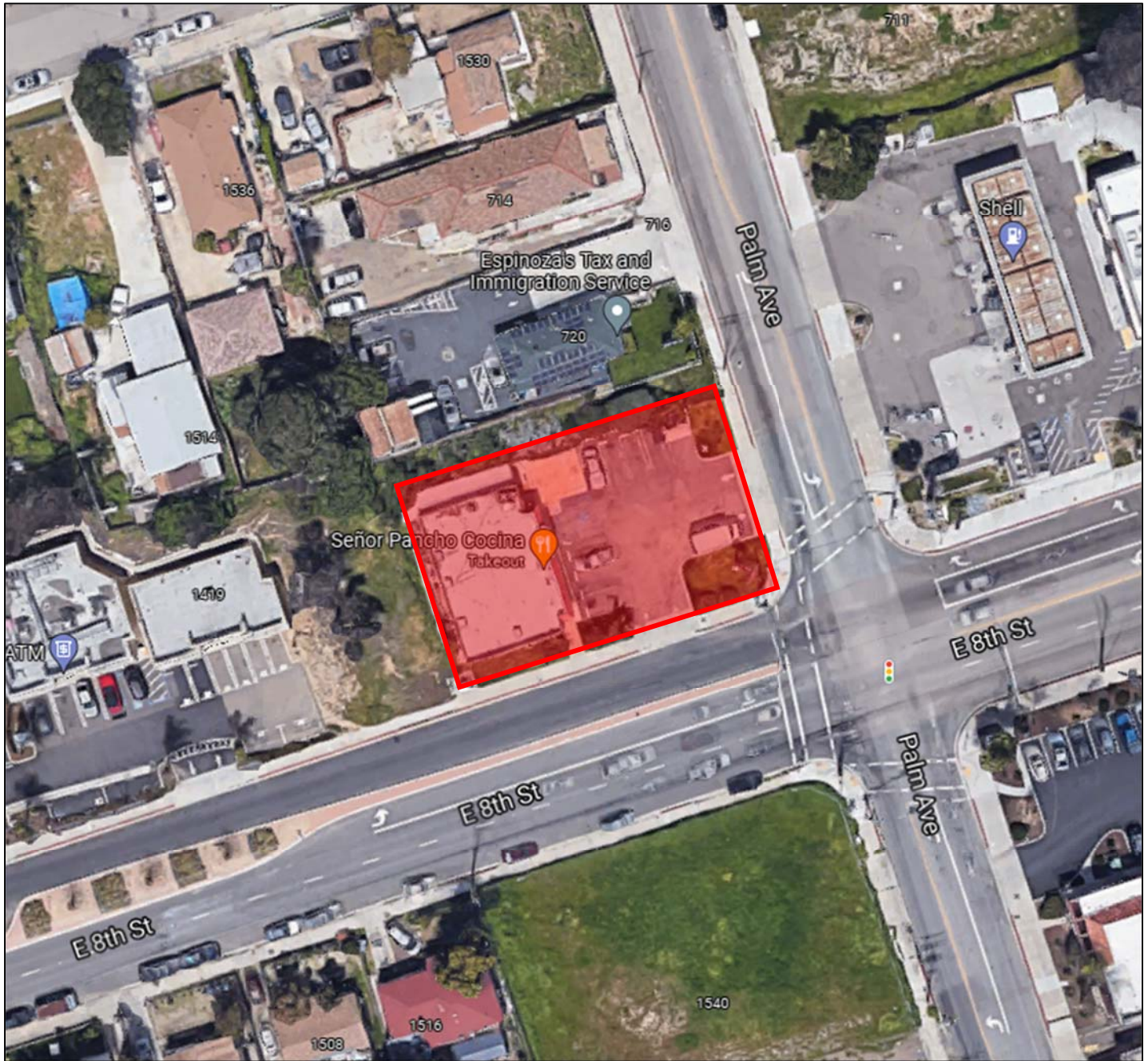
BOARD / COMMISSION RECOMMENDATION:

The Planning Commission recommended approval of the Conditional Use Permit.
Ayes: Roman, Sanchez, Sendt, Valenzuela, Yamane Noes: DeLa Paz, Natividad

ATTACHMENTS:

- | | |
|-------------------------------------|---------------------------|
| 1. Overhead | 3. Resolution No. 2021-11 |
| 2. Planning Commission Staff Report | 4. Reduced Plans |

2021-16 CUP – 1539 East 8th Street – Overhead



ATTACHMENT 1



COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING DIVISION
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

PLANNING COMMISSION STAFF REPORT

Title: PUBLIC HEARING – CONDITIONAL USE PERMIT FOR BEER AND WINE SALES AT A NEW RESTAURANT (KEBURROS) LOCATED AT 1539 EAST 8TH STREET.

Case File No.: 2021-16 CUP

Location: Northwest corner of East 8th Street and Palm Avenue

Assessor’s Parcel Nos.: 557-102-19

Staff report by: Martin Reeder, AICP – Principal Planner

Applicant: Borderless Kitchens LLC

Zoning designation: MXC-2 (Major Mixed-Use Corridor)

Adjacent use and zoning:

- North: Office use with residential beyond / MXC-2 and RS-2 (Small Lot Residential) respectively
- East: Gas station across Palm Avenue / MXC-2
- South: Vacant property across East 8th Street / MXC-2
- West: Commercial use / MXC-2

Environmental review: Not a project per California Environmental Quality Act (CEQA) as defined in Section 15378

Staff recommendation: Approve

Staff Recommendation

Staff recommends approval of the request for beer and wine sales, subject to the attached recommended conditions. The sale of beer and wine is a conditionally-allowed use in the Major Mixed-Use Corridor (MXC-2) zone and would be accessory to food sales at the restaurant.

Executive Summary

The property has historically been used as a restaurant and has recently changed hands. The new tenant (KeBURROS) proposes to sell beer and wine, in conjunction with food sales, from 7:00 a.m. to midnight daily. KeBURROS operates over 20 restaurants throughout Mexico. This will be the first location in the U.S.

Site Characteristics

The project site is a small commercial pad building located on the northwest corner of East 8th Street and Palm Avenue. The property is approximately 12,240 square feet in size. The building is 2,400 square feet in size. There is also a nine-space parking lot on the site, along with a trash enclosure located in the northeast corner. There is an approximately 18 feet square concrete patio area east of the building.

The area is mostly commercial in nature, with some residences located to the north separated by a significant grade differential and an office building in between. The property is in census tract 118.02, which includes the area from East 8th Street north to the City border, and between Highland Avenue and Palm Avenue. The attached census tract map shows the location of the subject tract (Attachment 6).

Proposed Use

The applicant is proposing to sell beer and wine in conjunction with on-site food sales in the 2,400 square-foot restaurant (ABC Type 41 license). Proposed hours of operation are 7:00 a.m. to midnight daily. There will be seating for 57 patrons inside the building and 10 patrons outside on the patio. No live entertainment is proposed.

Analysis

Section 18.30.050 of the Land Use Code allows for on-site alcohol sales with an approved Conditional Use Permit (CUP). Additional requirements for alcohol CUPs include expanded notification, a community meeting, and distance requirements.

Mailing – All property owners and occupants within a distance of 660 feet are required to be notified of a public hearing for alcohol-related CUP applications. Notice of this public hearing was sent to 508 occupants and owners.

Community Meeting – Pursuant to Section 18.30.050 (C) of the National City Zoning Code, a community meeting was held Tuesday, September 21, 2021 at 5:30 p.m. at the subject restaurant. The meeting advertisement is attached (Attachment 8); there were no attendees. The applicant stated that the same occupants that were notified of the Planning Commission meeting were notified of the community meeting.

Distance Requirements – Chapter 18.030.050 (D) of the National City Zoning Code requires a 660-foot distance from any public school; there are no schools within 660 feet of the site. In addition, restaurants with greater than 30% of their area devoted to seating are exempt from this distance requirement. The property in question has approximately half of its floor area devoted to seating.

Alcohol Sales Concentration/Location

Per the California Department of Alcoholic Beverage Control (ABC), there are currently two on-site sale licenses in census tract 118.02 where a maximum of eight are recommended, meaning that the census tract is not considered by ABC to be over-saturated with regard to alcohol sales outlets. For reference, the outlets are:

Name	Address	License Type*	CUP
Mariscos El Tiburon	543 Highland Ave	41	Y
Cabo's Tacos & Beer	831 East 8 th St	40	N

* Type 40 - On-Sale Beer

* Type 41 - On-Sale Beer and Wine

Police Department (PD)

The ABC Risk Assessment provided by PD allocated a total of nine points, which places it in the Low Risk category. Low risk is considered 12 points or less. PD comments are included as Attachment 7. The applicant is proposing alcohol sales of 7:00 a.m. to midnight daily. The Police Department rates businesses where the sale of alcohol occurs after 11:00 p.m. as a “three” (on a scale of 1 to 3) on their rating system, which usually indicates a higher risk. However, because of a

low crime rate and mostly commercial nature of the property, the overall points are much lower than normally seen.

Institute for Public Strategies

No comments were received from IPS as of the writing of this report, although they usually recommend at least the need for Responsible Beverage Sales and Service (RBSS) training for all staff. This is a standard condition of approval and is included with this report.

Findings for Approval

The Municipal Code contains six required findings for CUPs as follows:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code.

The use is allowable within the MXC-2 zone pursuant to a CUP and the proposed use meets the required guidelines in the Land Use Code for alcohol sales, as discussed in the staff report.

2. The proposed use is consistent with the General Plan and any applicable specific plan.

Alcohol sales are permitted, subject to a CUP, by the Land Use Code, which is consistent with the General Plan. There is no Specific Plan in the area.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity.

No expansion of the building is proposed. The proposal involves an existing commercial space, which was previously analyzed for traffic impacts when it was constructed.

4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints.

The proposed alcohol sales would be incidental to the primary use of food sales. A restaurant existed on the site previously.

5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.

The proposed use will be subject to conditions that limit the sale of beer and wine as well as the hours that it will be available. Beer and wine will only be available with the sale of food. In addition, all staff members serving alcohol are required to receive RBSS training.

6. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).

The project is not considered a project under CEQA, as no development is proposed. In addition, the proposed use is similar to other commercial uses in the area, which are permitted in the MXC-2 zone.

The following two findings are also included with alcohol CUPs:

7. The proposed use is deemed essential and desirable to the public convenience or necessity.

Alcohol sales will contribute to the viability of the restaurant, an allowed use in the MXC-2 zone.

8. Based on findings 1 through 7 above, public convenience and necessity will be served by a proposed use of the property for the on-site sales of alcoholic beverages pursuant to law.

Findings for Denial

Due to there being other on-sale sites in the area, there are also findings for denial as follows:

1. The proposed use is not deemed essential to the public necessity, as there are already two other outlets in the same census tract that serve alcohol.

2. Based on the above finding, public convenience and necessity will not be served by a proposed use of the property for the retail sale of alcoholic beverages pursuant to law.

Conditions of Approval

Standard Conditions of Approval have been included with this permit as well as conditions specific to on-site alcohol sales per Council Policy 707 (hours of operation, employee training, and accessory sales, etc.).

Summary

The proposed use is consistent with the General Plan due to alcohol sales for on-site consumption being a conditionally-allowed use in the MXC-2 zone. The proposed use would be incidental to the proposed restaurant use in a commercial area. The addition of on-site beer and wine sales is not expected to increase the demand for parking, other services on the property, or have any significant effects on the area. The census tract in which the restaurant is located is not considered to be over-concentrated with regard to on-sale alcohol licenses, and beer and wine will only be available with the sale of food.

Options

1. Approve 2021-16 CUP subject to the conditions listed within, based on the attached findings, or findings to be determined by the Planning Commission; or
2. Deny 2021-16 CUP based on the attached finding or findings to be determined by the Planning Commission; or,
3. Continue the item to a specific date in order to obtain additional information.

Attachments

1. Recommended Findings
2. Recommended Conditions of Approval
3. Overhead
4. Applicant's Plans (Exhibit A, Case File No. 2021-16 CUP, dated 9/29/2021)
5. Public Hearing Notice (Sent to 508 property owners & occupants)
6. Census Tract & Police Beat Maps
7. PD comments
8. Community Meeting Advertisement
9. Resolutions



MARTIN REEDER, AICP
Principal Planner



ARMANDO VERGARA
Director of Community Development

RECOMMENDED FINDINGS FOR APPROVAL

2021-16 CUP – KeBURROS

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, because the use is permitted within the MXC-2 zone pursuant to a CUP and the proposed use meets the required guidelines in the Land Use Code for alcohol sales, as discussed in the staff report.
2. The proposed use is consistent with the General Plan and any applicable specific plan, because alcohol sales are permitted, subject to a CUP, by the Land Use Code, which is consistent with the General Plan. There is no Specific Plan in the area. In addition, a restaurant use is consistent with the MXC-2 land use designation contained in the Land Use and Community Character element of the General Plan.
3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because no expansion of the building is proposed. The proposal involves an existing commercial space, which was previously analyzed for traffic impacts when it was constructed.
4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, because the proposed alcohol sales and live entertainment would be accessory to the primary use of food sales, and because a restaurant existed on the site previously.
5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the proposed use will be subject to conditions that limit the sale of beer and wine as well as the hours that it will be available. Beer and wine will only be available with the sale of food. In addition, all staff members serving alcohol are required to receive Responsible Beverage Sales and Service (RBSS) training.
6. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and is not considered a project under CEQA, as no development is proposed. In addition, the proposed use is similar to other commercial uses in the area, which are permitted in the MXC-2 zone.

7. The proposed use is deemed essential and desirable to the public convenience or necessity, because alcohol sales will contribute to the viability of the restaurant, an allowed use in the MXC-2 zone.

RECOMMENDED FINDINGS FOR DENIAL

2021-16 CUP – KeBURROS

1. The proposed use is not deemed essential to the public necessity, as there are already two other outlets in the same census tract that serve alcohol.
2. Based on the above finding, public convenience and necessity will not be served by a proposed use of the property for the retail sale of alcoholic beverages pursuant to law.

RECOMMENDED CONDITIONS OF APPROVAL

2021-16 CUP – KeBURROS

General

1. This Conditional Use Permit authorizes the sale of beer and wine for on-site consumption at a proposed restaurant (KeBURROS) located at 1539 East 8th Street. Plans submitted for permits associated with this project shall conform to Exhibit A, Case File No. 2021-16 CUP, dated 9/29/2021.
2. Before this *Conditional Use Permit* shall become effective, the applicant and the property owner shall both sign and have notarized an Acceptance Form, provided by the Planning Division, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit*. The applicant shall also submit evidence to the satisfaction of the Planning Division that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Director of Community Development prior to recordation.
3. This permit shall become null and void at such time as there is no longer a Type 41 California Department of Alcoholic Beverage Control license associated with the property.
4. This permit shall become null and void if not exercised within one year after adoption of the resolution of approval unless extended according to procedures specified in the Municipal Code.
5. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
6. This *Conditional Use Permit* may be revoked if the operator is found to be in violation of any Conditions of Approval.

Planning

7. No alcohol sales are permitted until the applicant has been issued a Type 41 license from the California Department of Alcoholic Beverage Control.
8. All sellers and servers of alcohol shall receive Responsible Beverage Service and Sales (RBSS) training, including all owners, and managers. The RBSS training must

be certified by the Department of Alcoholic Beverage Control (ABC). Proof of completion of an approved RBSS program must be provided prior to issuance of a city business license. As part of the RBSS training, the permittee shall make available a domestic violence training session as provided by the Institute of Public Strategies.

9. The sale of alcoholic beverages shall only be permitted between the hours of 7:00 a.m. and midnight daily.
10. The sale of alcohol shall not exceed the sale of food. With the annual renewal of the City business license, the business proprietor shall submit a statement clearly indicating total alcoholic beverage sales and total food sales. Said statement shall be subject to audit and verification by employees of the City, who are authorized to examine, audit and inspect such books and records of the license, as may be necessary in their judgment to verify that the sale of alcohol does not exceed the sale of food. All information obtained by an investigation of records shall remain confidential.
11. Alcohol shall be available only in conjunction with the purchase of food.
12. Permittee shall post signs in the patio dining area, including all exits to outdoor seating areas, indicating that alcoholic beverages must be consumed inside the restaurant or patio area and may not be taken off-premises.
13. No live entertainment shall be permitted without modification of this CUP.
14. The operator of the business shall maintain an active business license and ensure that the business license is renewed annually.
15. A non-combustible cover shall be provided, subject to any required building permits, for the trash enclosure.

Police

16. The permittee shall comply with all regulatory provisions of the Business and Professions Code that pertain to the sale, serving, and consumption of alcoholic beverages.



COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING DIVISION
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

NOTICE OF PUBLIC HEARING
CONDITIONAL USE PERMIT FOR BEER AND WINE SALES
AT A NEW RESTAURANT (KEBURROS)
LOCATED AT 1539 EAST 8TH STREET.
CASE FILE NO.: 2021-16 CUP

The National City Planning Commission will hold a public hearing at their regular online meeting after the hour of 6:00 p.m. **Monday, November 1, 2021** on the proposed request. The meeting will be LIVE WEBCAST from the City Council Chamber, 1243 National City Boulevard, National City, California. (Applicant: Borderless Kitchens LLC)

Due to the precautions taken to combat the spread of coronavirus (COVID-19), City Council Chambers is closed to the public. Anyone interested in this public hearing may observe it on the City's website at <http://nationalcityca.new.swagit.com/views/33>.

The applicant is proposing to sell beer and wine in conjunction with on-site food sales in the 2,400 square-foot restaurant (ABC Type 41). Proposed operation hours are 7:00 a.m. to midnight daily. There will be seating for 50 inside and 10 outside.

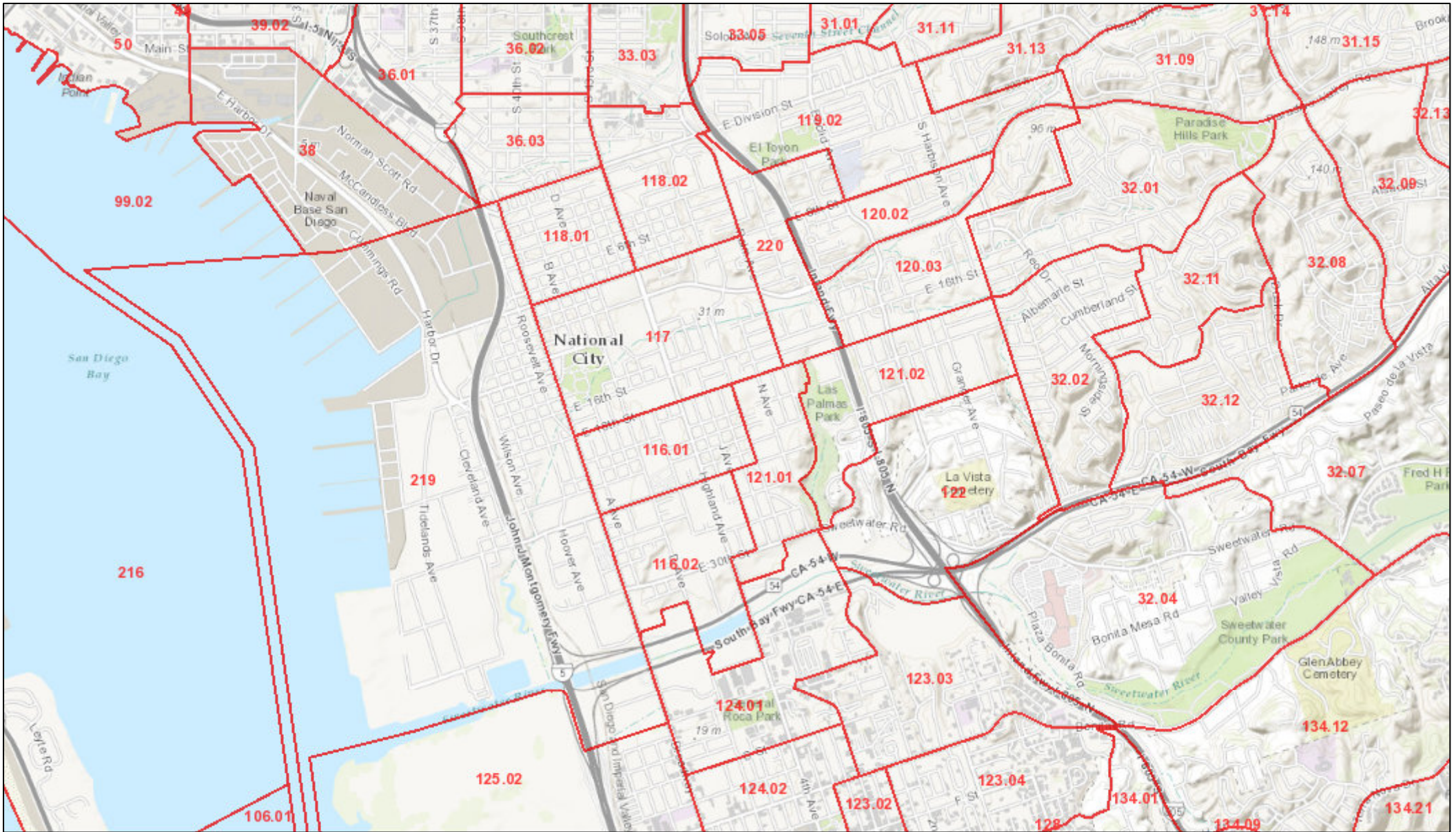
Members of the public are invited to comment. Written comments should be received on or before 4:00 p.m., **November 1, 2021** by the Planning Division, who can be contacted at 619-336-4310 or planning@nationalcityca.gov.

If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing.

NATIONAL CITY PLANNING DIVISION

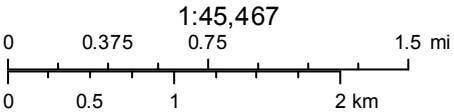
A handwritten signature in blue ink, appearing to read "Armando Vergara".

ARMANDO VERGARA
Director of Community Development

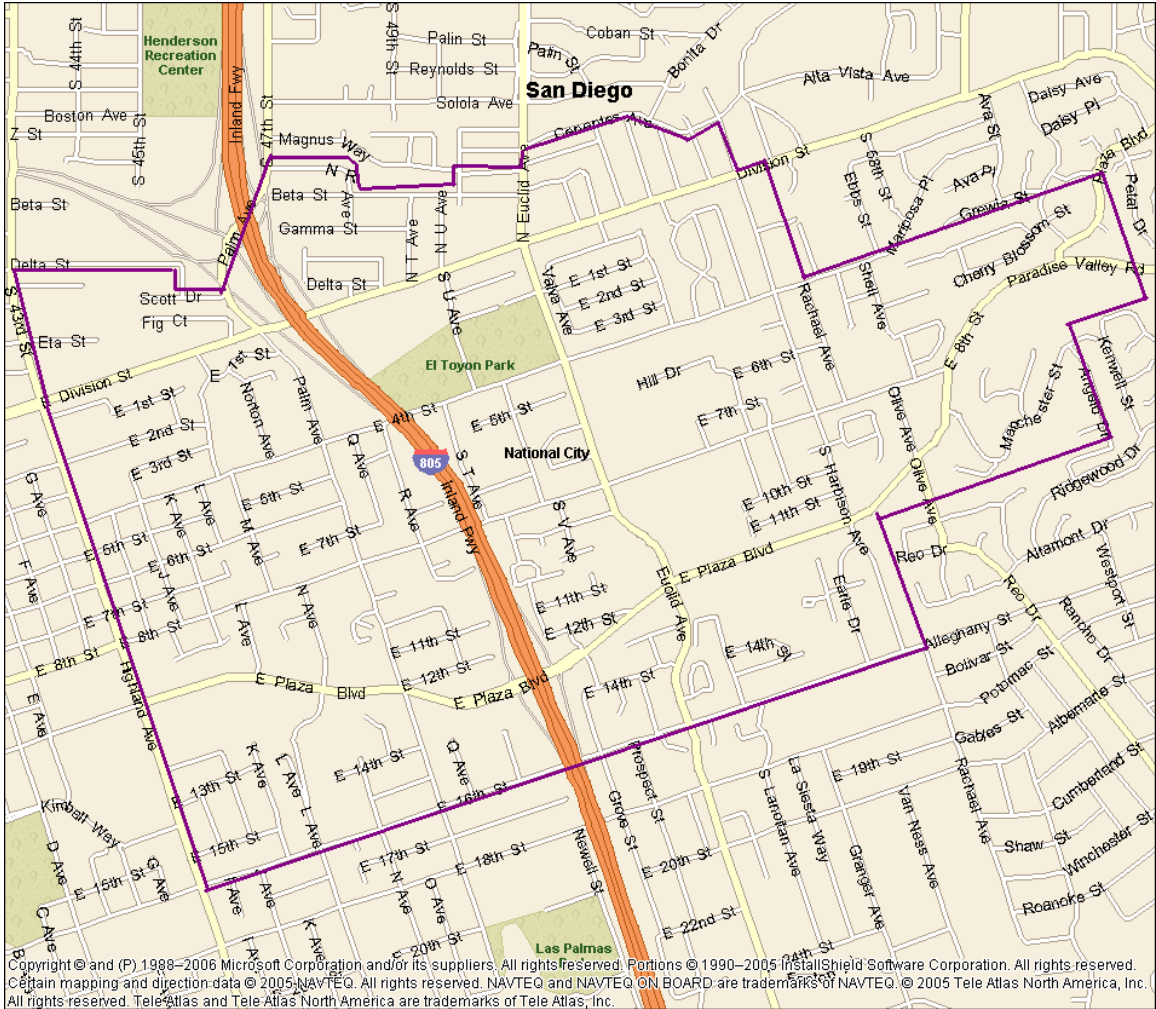


August 25, 2014

CensusTracts 2010



Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community



City of National City Beat 21

Source: Microsoft Mappoint
NCPD CAU, 4/18/07



NATIONAL CITY POLICE DEPARTMENT
ALCOHOL BEVERAGE CONTROL
RISK ASSESSMENT

DATE: _____

BUSINESS NAME: _____

ADDRESS: _____

OWNER NAME: _____ DOB: _____

OWNER ADDRESS: _____

(add additional owners on page 2)

I. Type of Business

- Restaurant (1 pt)
Market (2 pts)
Bar/Night Club (3 pts)
Tasting Room (1pt)

II. Hours of Operation

- Daytime hours (1 pt)
Close by 11pm (2 pts)
Close after 11pm (3 pts)

III. Entertainment

- Music (1 pt)
Live Music (2 pts)
Dancing/Live Music (3 pts)
No Entertainment (0 pts)

IV. Crime Rate

- Low (1 pt)
Medium (2 pts)
High (3 pts)

V. Alcohol Businesses per Census Tract

- Below (1 pt)
Average (2 pts)
Above (3 pts)

Notes:

Notes section with multiple horizontal lines for writing.

VI. Calls for Service at Location (for previous 6 months)

- Below (1 pt)
- Average (2 pts)
- Above (3 pts)

VII. Proximity Assessment (1/4 mile radius of location)

- Mostly commercial businesses (1 pt)
- Some businesses, some residential (2 pts)
- Mostly residential (3 pts)

Low Risk (12pts or less) Medium Risk (13 – 18pts) High Risk (19 – 24pts) Total Points _____

VIII. Owner(s) records check

- No criminal incidents (0 pts)
- Minor criminal incidents (2 pts)
- Multiple/Major criminal incidents (3 pts)

OWNER NAME: _____ DOB: _____

OWNER ADDRESS: _____

OWNER NAME: _____ DOB: _____

OWNER ADDRESS: _____

Recommendation:

Completed by: _____ Badge ID: _____



Notice of Public Meeting

Applicant: .KeBURROS Restaurant

Project Request: Request to add beer and wine, type 41, for on-site consumption within a new 2,400 S.F. proposed restaurant. This is a new franchise in US and currently has over 20 restaurants operating throughout Mexico. The hours of operation will be from 7am-Midnight daily with 50 indoor seats and 10 seats on patio.

Property Address: 1539 East 8th Street., National City, CA 91950.

Applicant will conduct a presentation at the above location, concerning the above request. You are invited to attend and provide comment.

PLACE: KeBURROS Restaurant Site
1539 East 8th Street
National City, CA 91950

DATE: Tuesday, September 21, 2021

TIME: 5:30PM -7:00PM

For information regarding this project contact:

Sherrie Olson – 909-519-1816

RESOLUTION NO. 2021-11

A RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF NATIONAL CITY, CALIFORNIA
APPROVING A CONDITIONAL USE PERMIT
FOR BEER AND WINE SALES AT A
NEW RESTAURANT (KEBURROS)
LOCATED AT 1539 EAST 8TH STREET.
CASE FILE NO. 2021-16 CUP
APN: 557-102-19

WHEREAS, the Planning Commission of the City of National City considered a Conditional Use Permit for beer and wine sales at a new restaurant (KeBURROS) located at 1539 East 8th Street at a duly advertised public hearing held on August 16, 2021, at which time oral and documentary evidence was presented; and,

WHEREAS, at said public hearings the Planning Commission considered the staff report contained in Case File No. 2021-16 CUP maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and,

WHEREAS, this action is taken pursuant to all applicable procedures required by State law and City law.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of National City, California, that the testimony and evidence presented to the Planning Commission at the public hearing held on November 15, 2021, support the following findings:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, because the use is permitted within the MXC-2 zone pursuant to a CUP and the proposed use meets the required guidelines in the Land Use Code for alcohol sales, as discussed in the staff report.
2. The proposed use is consistent with the General Plan and any applicable specific plan, because alcohol sales are permitted, subject to a CUP, by the Land Use Code, which is consistent with the General Plan. There is no Specific Plan in the area. In addition, a restaurant use is consistent with the MXC-2 land use designation contained in the Land Use and Community Character element of the General Plan.

ATTACHMENT 3

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because no expansion of the building is proposed. The proposal involves an existing commercial space, which was previously analyzed for traffic impacts when it was constructed.
4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, because the proposed alcohol sales and live entertainment would be accessory to the primary use of food sales, and because a restaurant existed on the site previously.
5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the proposed use will be subject to conditions that limit the sale of beer and wine as well as the hours that it will be available. Beer and wine will only be available with the sale of food. In addition, all staff members serving alcohol are required to receive Responsible Beverage Sales and Service (RBSS) training.
6. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and is not considered a project under CEQA, as no development is proposed. In addition, the proposed use is similar to other commercial uses in the area, which are permitted in the MXC-2 zone.
7. The proposed use is deemed essential and desirable to the public convenience or necessity, because alcohol sales will contribute to the viability of the restaurant, an allowed use in the MXC-2 zone.

BE IT FURTHER RESOLVED that the application for a Conditional Use Permit is approved subject to the following conditions:

General

1. This Conditional Use Permit authorizes the sale of beer and wine for on-site consumption at a proposed restaurant (KeBURROS) located at 1539 East 8th Street. Plans submitted for permits associated with this project shall conform to Exhibit A, Case File No. 2021-16 CUP, dated 9/29/2021.
2. Before this *Conditional Use Permit* shall become effective, the applicant and the property owner shall both sign and have notarized an Acceptance Form, provided by the Planning Division, acknowledging and accepting all conditions imposed upon the

approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit*. The applicant shall also submit evidence to the satisfaction of the Planning Division that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Director of Community Development prior to recordation.

3. This permit shall become null and void at such time as there is no longer a Type 41 California Department of Alcoholic Beverage Control license associated with the property.
4. This permit shall become null and void if not exercised within one year after adoption of the resolution of approval unless extended according to procedures specified in the Municipal Code.
5. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
6. This *Conditional Use Permit* may be revoked if the operator is found to be in violation of any Conditions of Approval.

Planning

7. No alcohol sales are permitted until the applicant has been issued a Type 41 license from the California Department of Alcoholic Beverage Control.
8. All sellers and servers of alcohol shall receive Responsible Beverage Service and Sales (RBSS) training, including all owners, and managers. The RBSS training must be certified by the Department of Alcoholic Beverage Control (ABC). Proof of completion of an approved RBSS program must be provided prior to issuance of a city business license. As part of the RBSS training, the permittee shall make available a domestic violence training session as provided by the Institute of Public Strategies.
9. The sale of alcoholic beverages shall only be permitted between the hours of 7:00 a.m. and midnight daily.
10. The sale of alcohol shall not exceed the sale of food. With the annual renewal of the City business license, the business proprietor shall submit a statement clearly indicating total alcoholic beverage sales and total food sales. Said statement shall be subject to audit and verification by employees of the City, who are authorized to examine, audit and inspect such books and records of the license, as may be

necessary in their judgment to verify that the sale of alcohol does not exceed the sale of food. All information obtained by an investigation of records shall remain confidential.

11. Alcohol shall be available only in conjunction with the purchase of food.
12. Permittee shall post signs in the patio dining area, including all exits to outdoor seating areas, indicating that alcoholic beverages must be consumed inside the restaurant or patio area and may not be taken off-premises.
13. No live entertainment shall be permitted without modification of this CUP.
14. The operator of the business shall maintain an active business license and ensure that the business license is renewed annually.
15. A non-combustible cover shall be provided, subject to any required building permits, for the trash enclosure.

Police

16. The permittee shall comply with all regulatory provisions of the Business and Professions Code that pertain to the sale, serving, and consumption of alcoholic beverages.

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted forthwith to the applicant and to the City Council.

BE IT FINALLY RESOLVED that this Resolution shall become effective and final on the day following the City Council meeting where the Planning Commission resolution is set for review, unless an appeal in writing is filed with the City Clerk prior to 5:00 p.m. on the day of that City Council meeting. The City Council may, at that meeting, appeal the decision of the Planning Commission and set the matter for public hearing.

CERTIFICATION:

This certifies that the Resolution was adopted by the Planning Commission at their meeting of November 15, 2021, by the following vote:

AYES: Sendt, Yamane, Roman, Sanchez, Valenzuela

NAYS: Natividad, Dela Paz

ABSENT: None.

ABSTAIN: None.

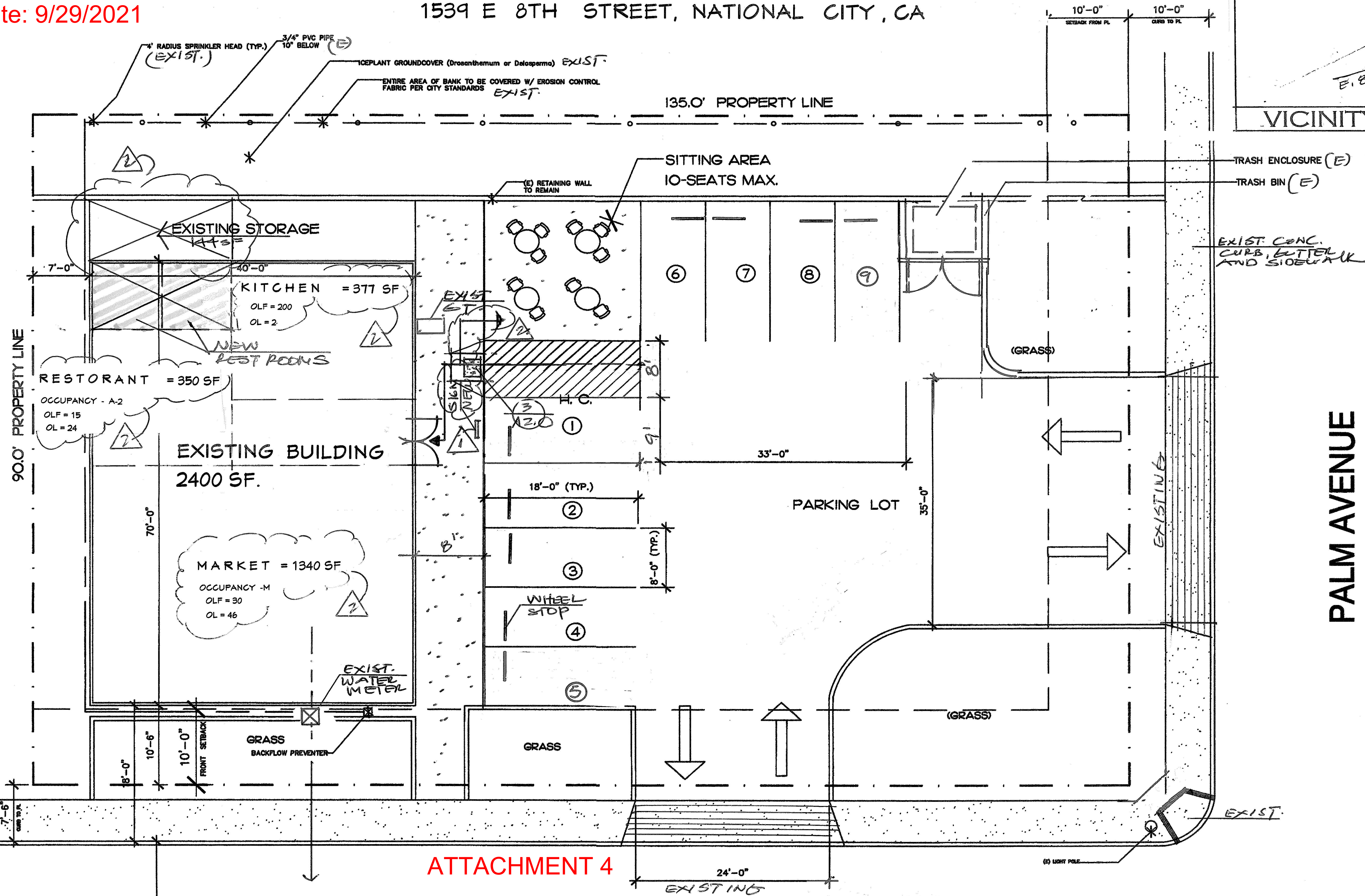


CHAIRPERSON

Exhibit A
Case File No.: 2021-16 CUP
Date: 9/29/2021

PROPOSED TENANT IMPROVEMENT FOR: QASA HOLDINGS LLC

1539 E 8TH STREET, NATIONAL CITY, CA

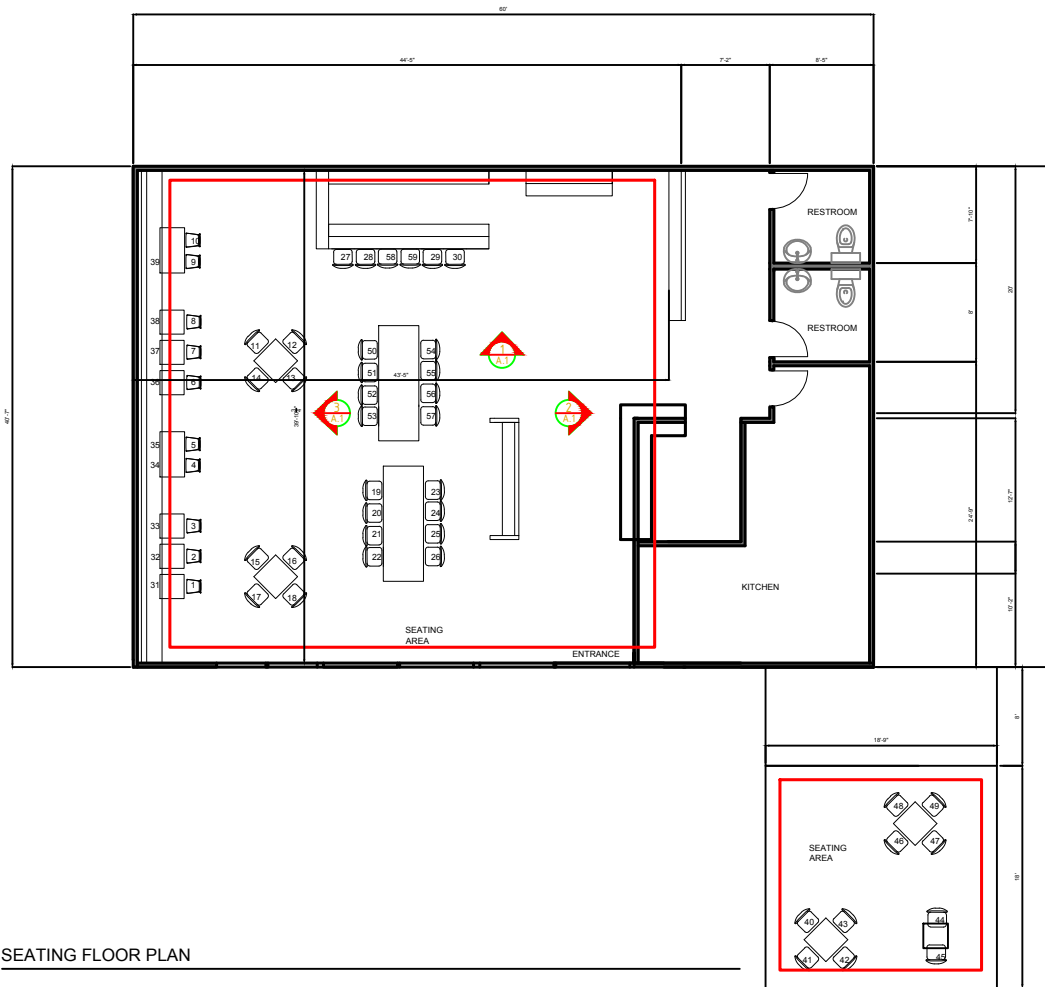


ATTACHMENT 4

PALM AVENUE


KeBURROS RESTAURANT

1539 East 8th Street, National City, CA 91950



SEATING FLOOR PLAN

2,400 S.F.
 Inside Seats - 57
 Patio Seats - 10

KEY LEGEND
 Interior Elevation

A.0

The following page(s) contain the backup material for Agenda Item: [Notice of Decision – Planning Commission approval of a Conditional Use Permit modification for the former South Bay Community Church located at 2400 Euclid Avenue to add a transitional housing facility. \(Applicant: San Diego Rescue Mission\) \(Case File 2021-13 CUP\) \(Planning\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: | December 7, 2021 |

AGENDA ITEM NO. |

ITEM TITLE:

Notice of Decision – Planning Commission approval of a Conditional Use Permit modification for the former South Bay Community Church located at 2400 Euclid Avenue to add a transitional housing facility. (Applicant: San Diego Rescue Mission) (Case File 2021-13 CUP)

PREPARED BY: Martin Reeder, AICP *MR*

DEPARTMENT: Community Development

PHONE: | 619-336-4313 |

APPROVED BY: *[Signature]*
Director of Community Development

EXPLANATION:

This proposal is for a 160-bed transitional housing facility for homeless individuals in a former church building. The facility will offer housing and services for up to 30 days at a time. No expansion of the existing buildings is proposed. The proposed use is consistent with the Housing Element of the General Plan, in that transitional housing is a permitted use in the RS-3 zone and the proposed use meets the required guidelines in the Land Use Code for such use. The homeless population is identified as a special needs group within the City, a fact that has been exacerbated by the current affordable housing crisis. Potential concerns related to the use (e.g. security, litter/loitering, operations management) are covered by conditions of approval to the extent possible.

The Planning Commission conducted a public hearing on November 15, 2021. Commissioners asked questions regarding the business operations, security, and jobs. 14 community members provided comment. The Commission voted to recommend approval of the request based on the attached findings and recommended Conditions of Approval.

The attached Planning Commission staff report describes the proposal in detail.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**
APPROVED: _____ **MIS**

ACCOUNT NO. |

ENVIRONMENTAL REVIEW:

Not a project per California Environmental Quality Act (CEQA)

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Staff concurs with the decision of the Planning Commission and recommends that the Notice of Decision be filed.

BOARD / COMMISSION RECOMMENDATION:

The Planning Commission recommended approval of the Conditional Use Permit.
Ayes: Roman, DeLa Paz, Natividad, Sendt, Valenzuela, Yamane Noes: Sanchez

ATTACHMENTS:

- | | |
|-------------------------------------|---------------------------|
| 1. Overhead | 3. Resolution No. 2021-12 |
| 2. Planning Commission Staff Report | 4. Reduced Plans |

2021-13 CUP – San Diego Rescue Mission (2400 Euclid Avenue) – Overhead



ATTACHMENT 1



COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING DIVISION
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

PLANNING COMMISSION STAFF REPORT

Title: PUBLIC HEARING – CONDITIONAL USE PERMIT MODIFICATION FOR THE FORMER SOUTH BAY COMMUNITY CHURCH LOCATED AT 2400 EUCLID AVENUE TO ADD A TRANSITIONAL HOUSING FACILITY.

Case File No.: 2021-13 CUP

Location: West side of Euclid Avenue, south of East 24th Street

Assessor's Parcel Nos.: 563-070-07

Staff report by: Martin Reeder, AICP – Principal Planner

Applicant: San Diego Rescue Mission

Zoning designation: RS-3 (Low-Medium Density Multi-Unit Residential)

Adjacent use and zoning:

- North: Residential use / RS-2 (Small Lot Residential)
- East: Residential use across Euclid Avenue / County of San Diego
- South: Residential use / County of San Diego
- West: Residential use / RS-2

Environmental review: Categorical Exemption – Class 1, Section 15301 (Existing Facilities) and Class 32, Section 15332 (In-Fill Development Projects)

Staff recommendation: Approve

Staff Recommendation

Staff recommends approval of the request for the transitional housing facility. Transitional housing is a permitted use in the residential zones and consistent with the Conditional Use Permit (CUP) modification process for the existing church, which is being replaced.

Executive Summary

This CUP application is for a 160-bed transitional housing facility for homeless individuals in a former church building. The facility will offer housing and services for up to 30 days at a time. No expansion of the existing buildings is proposed as part of this request.

History

The property was developed as a church with an education component (private preparatory school). A CUP was granted in 1990 (CUP-1988-20), along with a Zone Variance for increased wall and sign height. The school closed as a result of the COVID-19 pandemic. The church continues to function, although operations would cease if the subject CUP is approved, in which case San Diego Rescue Mission would purchase the property for use as their transitional housing center.

Site Characteristics

The subject property is 7.65 acres in size and located adjacent to the community of Lincoln Acres in the County of San Diego. The site is largely vacant, but is developed with a former church and a "Watchman's Residence", totaling approximately 22,305 square feet. There is a large parking lot (approximately 129 spaces currently) adjacent to the buildings and a concrete drainage traversing the southern boundary of the property.

The area is mostly residential in nature, with residences located in all directions. The property is separated by grade (lower) from the residences to the west and south, as well as partially to the north. The residential area to the east is approximately 80 feet away across Euclid Avenue and slopes upwards to the east.

Proposed Use

The applicant (San Diego Rescue Mission) is proposing to convert the main church building into a 160-bed transitional housing facility and "Navigation Center", catering to homeless individuals. Services will be offered to men,

women, and families. Housing will be a short term stay of 30 days and operate 24/7. Extensions beyond 30 days will be on a case-by-case basis.

There will be a day center component for guests of the Navigation Center, including basic services such as cell phone charging, a computer lab, and a place to make phone calls. Housing will provide showers, meals, and laundry services. Case management services are also proposed.

Case management services would include regular meetings with an Advocate (case manager) with a solution focused approach. People coming to the Navigation Center will meet with an Advocate within two business days of arriving. They will draft an action plan and meet as often as needed to move forward with the plan, but no less than once per week.

Due to the existing CUP on the property, the proposed use would need to modify and/or replace the CUP with a new permit, hence the subject application. The new CUP would allow for appropriate conditions to ensure that operations function harmoniously with the surrounding community.

Analysis

Potential concerns related to facilities that cater to the unhoused population are usually related to security, litter/loitering, and operations management (among others). There are no specific guidelines in the Municipal Code related to transitional housing facilities. However, there are guidelines for emergency (homeless) shelters. While the proposed facility will primarily focus on transitioning homeless individuals and families into permanent housing, there will be a shelter component to the overall operations. As such, requirements for emergency shelters, as required by Chapter 18.30.110, are included in the Conditions of Approval. Such conditions reference lighting, gathering and waiting areas, and general operating standards (management, staff qualifications, case management, maintenance, behavior, security, etc.).

General Plan

The Housing Element of the General Plan considers homeless persons as a special needs group, among others. Homelessness is considered in the Housing Element due to the connection between lack of shelter and lack of affordable housing.

Throughout the country and the San Diego region, homelessness has become an increasingly important issue. Factors contributing to the increase of homelessness include a lack of affordable housing for low and moderate income persons, increases in the number of persons whose income falls below the poverty level, reductions in public subsidies to the poor, and the de-institutionalization of the mentally ill.

Homeless shelter facilities are limited in National City. Only one such facility, a domestic violence shelter for women and children, is physically located in the City. The majority of the Homeless Shelters and Services in the Southern San Diego County region are in Chula Vista. Nevertheless, in recent years, there has been an increase in capacity by these shelters, making them able to support more people as they gather more funding for their expansion.

The 2013-2020 Housing Element identified measures to allow for homeless shelters, emergency shelters, and transitional housing to alleviate the impacts on the homeless population. As a result of these policies, the Land Use Update included zoning accommodations for transitional housing to be developed by right in the residential zones of the City, including RS-3.

Land Use Code

Transitional housing is defined in the Land Use Code as "...housing for stays of at least six months but where the units are re-circulated to another program recipient after a set period. Transitional housing may be designated for a homeless individual or family transitioning to permanent housing. This housing can take several forms, including group housing or multifamily units, and may include supportive services to allow individuals to gain necessary life skills in support of independent living." The proposal, as a 160-bed transitional housing facility for homeless individuals is consistent with this definition.

Parking – There is no specific parking requirement for transitional housing. The closest type of use would be an emergency/homeless shelter, which bases parking on the amount of office space and number of beds. Based on this requirement, a total of 25 parking spaces would be required where 73 are provided. It should be noted that the majority of homeless individuals do not own vehicles, further lessening the need for parking.

Traffic – Again, there is no specific requirement for transitional housing and, coupled with the low vehicle ownership likelihood, the anticipated traffic would be significantly less than that generated by a church and school use.

Findings for Approval

The Municipal Code contains six required findings for CUPs as follows:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code.

Transitional housing is allowable within the RS-3 zone and the proposed use meets the required guidelines in the Land Use Code for such use, as discussed in the staff report.

2. The proposed use is consistent with the General Plan and any applicable specific plan.

The homeless population in the City is identified as a special needs group by the Housing Element of the General Plan, which would be benefited by approval of this CUP. There is no Specific Plan in the area.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity.

No expansion of the building is proposed. The proposal involves an existing public assembly and residential space, which was previously analyzed for traffic impacts when it was constructed.

4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints.

The property is developed less than 25% of its overall area and no expansion of the existing development is proposed.

5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare,

or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.

The proposed use will be subject to conditions that control operations of the transitional housing/navigation center use, including the time, manner, and place in which activities may occur, so that any potential community impacts are minimized.

6. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).

Staff has determined that the proposed use is categorically exempt from a CEQA environmental review as defined in Categorical Exemption Class 1, Section 15301 (Existing Facilities), as no construction is proposed and the proposed use will generate less in the way of traffic or parking impacts.

Public Comment

As of the writing of this report, one email was received with concerns from a community member related to the proximity of the facility to Lincoln Acres Elementary School. The correspondence is attached.

Conditions of Approval

Standard Conditions of Approval have been included with this permit as well as conditions specific to operations of the facility (hours of operation, property maintenance, security, lighting, noise, etc.) Intake of new guests has been limited to the hours of 7:00 a.m. and 8:00 p.m. No outside waiting or queueing would be permitted. There is also a requirement for a management plan to ensure adequate control of the facility.

Summary

The proposed use is consistent with the Housing Element of the General Plan, in that transitional housing is a permitted use in the RS-3 zone and the proposed use meets the required guidelines in the Land Use Code for such use. The homeless population is identified as a special needs group within the City, a fact that has been exacerbated by the current affordable housing crisis. Potential concerns related to the use (e.g. security, litter/loitering, operations management) are covered by conditions of approval to the extent possible.

Options

1. Approve 2021-13 CUP subject to the conditions listed within, based on the attached findings, or findings to be determined by the Planning Commission; or
2. Deny 2021-13 CUP based on the attached finding or findings to be determined by the Planning Commission; or,
3. Continue the item to a specific date in order to obtain additional information.

Attachments

1. Recommended Findings
2. Recommended Conditions of Approval
3. Overhead
4. Applicant's Plans (Exhibit A, Case File No. 2021-13 CUP, dated 10/21/2021)
5. Program description
6. Public Hearing Notice (Sent to 113 property owners & occupants)
7. Public correspondence
8. Resolutions



MARTIN REEDER, AICP
Principal Planner



ARMANDO VERGARA
Director of Community Development

RECOMMENDED FINDINGS FOR APPROVAL

2021-13 CUP – San Diego Rescue Mission

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, because transitional housing is allowable within the RS-3 zone and the proposed use meets the required guidelines in the Land Use Code for such use, as discussed in the staff report.
2. The proposed use is consistent with the General Plan and any applicable specific plan, because the homeless population in the City is identified as a special needs group by the Housing Element of the General Plan, which would be benefited by approval of this CUP. There is no Specific Plan in the area.
3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because no expansion of the building is proposed. The proposal involves an existing public assembly and residential space, which was previously analyzed for traffic impacts when it was constructed.
4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, because the property is developed less than 25% of its overall area and no expansion of the existing development is proposed.
5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the proposed use will be subject to conditions that control operations of the transitional housing/navigation center use, including the time, manner, and place in which activities may occur, so that any potential community impacts are minimized.
6. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and staff has determined that the proposed use is categorically exempt from a CEQA environmental review as defined in Categorical Exemption Class 1, Section 15301 (Existing Facilities); no construction is proposed and the proposed use will generate less in the way of traffic or parking impacts than the previous use for which the site was developed.

RECOMMENDED CONDITIONS OF APPROVAL

2021-13 CUP – San Diego Rescue Mission

General

1. This Conditional Use Permit authorizes a 160-bed transitional housing facility and “Navigation Center” catering to homeless individuals located at 2400 Euclid Avenue. Plans submitted for permits associated with this project shall conform to Exhibit A, Case File No. 2021-13 CUP, dated 10/21/2021.
2. Before this *Conditional Use Permit* shall become effective, the applicant and the property owner shall both sign and have notarized an Acceptance Form, provided by the Planning Division, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit*. The applicant shall also submit evidence to the satisfaction of the Planning Division that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Director of Community Development prior to recordation.
3. This permit shall become null and void if not exercised within one year after adoption of the resolution of approval unless extended according to procedures specified in the Municipal Code.
4. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
5. This *Conditional Use Permit* may be revoked if the operator is found to be in violation of any Conditions of Approval.

Building

6. Plans submitted for demolition or construction improvements must comply with the 2016 editions of the California Building, Electrical, Plumbing, Mechanical, and Fire Codes.

Fire

7. Plans submitted for improvements must comply with the current editions of the California Fire Code (CFC), National Fire Protection Association (NFPA), and California Code of Regulations (CCR).

8. Fire alarms and fire sprinklers shall be evaluated and installed on the entire site for the intended use per code.
9. If entrance/exit gates are used, they shall be equipped with Knox Box and emergency strobes so as to provide emergency vehicle access and egress. A Knox Key Switch shall be required in conjunction with strobe for emergency access and shall be placed at front of property. Please contact the National City Fire Department for exact field location.
10. A fire suppression system for under the cooking hood in kitchen is required. Plans shall be submitted to the Fire Department if changes are proposed with the currently installed system. Please contact Deputy Fire Marshal Bob Drew for direction (619-336-4558).

Planning

11. The facility shall only accept clients between the hours of 7:00 a.m. and 8:00 p.m.
12. Guests of the Rescue Mission shall not be permitted to gather outside the building.
13. There shall be no loitering outside the facility or in the immediate area. The applicant shall post anti-loitering signs near all entrances to the facility. At least twice each day a San Diego Rescue Mission employee shall inspect the site and discourage loitering.
14. The applicant shall, at its own cost and expense, be responsible for trash abatement on the site and the immediate area, and shall keep the site and the immediate area free of graffiti, litter, trash and other related nuisances.
15. The San Diego Rescue Mission shall install 24-hour video surveillance of the site to provide on-site security.
16. The subject property and associated common areas on site shall be maintained in a neat and orderly fashion at all times.
17. The facility shall create and maintain a management plan. The management plan must document that management and staffing is sufficient for adequate control of the facility. The management plan shall include descriptions of:
 - a. On-site management.
 - b. Staffing levels and qualifications.
 - c. Client services offered and case management.
 - d. Behavior guidelines including no drug or alcohol use.

e. Facility maintenance.

f. Emergency plan.

g. Security plan.

18. All activities shall comply with the limits contained in Table III of Title 12 (Noise) of the National City Municipal Code.

19. Plans submitted for construction shall include an outdoor lighting plan consistent with the requirements of NCMC 18.46. The plan shall identify the type and intensity of lighting, including measures taken to prevent lighting from creating a nuisance to residents within adjacent residential zones. Adequate external lighting shall be provided for security purposes to ensure fully lit parking and entry areas.

20. The operator of the business shall maintain an active business license and ensure that the business license is renewed annually.

Navigation Center

Description of Services

Locations:

South: 2400 Euclid Avenue, National City 91950

Program description:

The Navigation Center provides temporary housing while triaging people experiencing homelessness to help them identify their next step forward.

Those receiving services will be known as “Guests”

There are three main components: housing, services, and outreach.

Housing

Housing will be developed based on the capacity of the building. The goal is to provide services for men, women and families.

Housing will be a short term stay of 30 days and operate 24/7. This is for two reasons. First, it enables turnover of beds to provide for immediate bed availability. Second, it creates a sense of urgency and a focus on next steps.

Extensions beyond 30 days will be on a case-by-case basis but the primary reason would be to bridge the time for an open long-term shelter or a permanent housing opportunity.

Housing will provide showers, breakfast, dinner and a sack lunch as well as laundry services. In addition, there would be a storage area for residents so they could attend appointments without having to worry about their belongings.

Services

There will be a day center component only for the guest staying in the Navigation Center.

Basic services will be cell phone charging, a computer lab and a place to make phone calls.

Case management services would include regular meetings with an Advocate (case manager) with a solution focused approach. People coming to the Navigation Center will meet with an Advocate within two business days of arriving. They will draft an action plan and meet as often as needed to move forward with the action plan but no less than once per week.

All guests will be placed in Mission Tracker and the Homeless Management Information System (HMIS). They will be evaluated for the Coordinated Entry System (CES), other housing, other programs to include Mission Academy and all possible diversion* opportunities.

**Diversion is an intervention to help the guest avoid having to go into the Homeless Services System.*

There will be active partnerships with other service providers and the social service system to help guest navigate services and address the issues that caused them to experience homelessness.

Outreach

There will be a component of the Navigation Center to coordinate with local authorities and other outreach organizations to collaborate and enable “warm hand-offs” into the Navigation Center.

In addition, the Navigation Center will support identifying a by name list of up to twenty individuals or families who are the most vulnerable, highest utilizers of services or are a high priority for the community. The purpose will be to target efforts to help them transition from homelessness. Some of these individuals may be more service resistant and unwilling to come to the Navigation Center but are the ones who are the biggest concern for the local community.

Goals of the program:

The ultimate goal is to tangibly reduce the number of people experiencing homelessness.

Specific goals:

Maintain an occupancy rate at or above 90%

Outcomes for shelter:

- 15% will exit homelessness through diversion efforts.

- 30% will transition to a longer-term shelter or program to include Mission Academy.

- 20% will transition to permanent housing.

Outcomes for by name list:

- 50% will transition from homelessness into a program or housing intervention

Personnel requirements:

Navigation Center Director. This position will be overall responsible for the location.

Associate Director. This position will assist the Director.

Advocate. The position will have a case load of 25. The number of Advocates will be determined by the number of shelter beds.

Outreach Worker. This position will coordinate with other outreach workers and local authorities and will have the lead on managing the by name list.

Community Life Ambassador. This position will be onsite twenty-four hours per day seven days per week. They will coordinate intakes, manage daily life and assist guests with getting connected to the right resources.

Security. There will be security onsite to assist with keeping the area around the Navigation Center safe and free from loitering and support safety inside the facility.

As needed, therapeutic services and housing navigation services will be brought over from our main location.

Partnerships:

The success of the Navigation Center will be dependent upon the ability to connect with the larger community. We will seek to build strategic relationships and partnerships with other service providers and government agencies.

We will set up areas at the Navigation Center for outside providers/case managers to come and work with our guests.



COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING DIVISION
1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

NOTICE OF PUBLIC HEARING
CONDITIONAL USE PERMIT MODIFICATION FOR THE
FORMER SOUTH BAY COMMUNITY CHURCH LOCATED
AT 2400 EUCLID AVENUE TO ADD A
TRANSITIONAL HOUSING FACILITY.
CASE FILE NO.: 2021-13 CUP

The National City Planning Commission will hold a public hearing at their regular online meeting after the hour of 6:00 p.m. **Monday, November 15, 2021** on the proposed request. The meeting will be LIVE WEBCAST from the City Council Chamber, 1243 National City Boulevard, National City, California. (Applicant: Angela Ryan, Ware Malcomb)

Due to the precautions taken to combat the spread of coronavirus (COVID-19), City Council Chambers is closed to the public. Anyone interested in this public hearing may observe it on the City's website at <http://nationalcityca.new.swagit.com/views/33>.

The site has an existing CUP for a church and school facilities occupying two buildings totaling 22,305 square feet. The proposed modifications would allow a 160-bed transitional housing facility in the main building formerly used for church operations and a portion of the former "Watchman's Residence". No expansion of the existing buildings is proposed as part of this request.

Members of the public are invited to comment. Written comments should be received on or before 4:00 p.m., **November 15, 2021** by the Planning Division, who can be contacted at 619-336-4310 or planning@nationalcityca.gov.

If you challenge the nature of the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing.

NATIONAL CITY PLANNING DIVISION

A handwritten signature in blue ink, appearing to read "Armando Vergara".

ARMANDO VERGARA
Director of Community Development

Martin Reeder

From: Michael Mossbarger
Sent: Tuesday, November 9, 2021 1:10 PM
To: Planning
Subject: Huge homeless shelter 500 ft. from Lincoln Acres Preschool and Elementary

Follow Up Flag: Follow up
Flag Status: Flagged

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello National City Planning Commission,

We are asking your assistance by denying the CUP fo the huge homeless shelter (160 beds) that is requesting to open across the street from Lincoln Acres Preschool and Elementary schools, less than 500 feet away.

This shelter will be terrible for kids, the neighborhood, and residents.

Our concerns include:

- Disease, especially COVID-19 and hepatitis, etc. in close proximity to kids
- Security issues on campus at these schools
- Sex offenders, mentally ill, drug addicts in close proximity to kids
- Affected property values for the neighborhood
- Blight on this residential neighborhood
- and much more...

We are not opposed to homeless shelters in general, however placing such a facility in an almost completely residential area seems like a terrible choice of location.

Please assist us however you can!

Thank you for your help!

Mike Mossbarger

RESOLUTION NO. 2021-12

A RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF NATIONAL CITY, CALIFORNIA
APPROVING A CONDITIONAL USE PERMIT MODIFICATION
FOR THE FORMER SOUTH BAY COMMUNITY CHURCH
LOCATED AT 2400 EUCLID AVENUE TO ADD A
TRANSITIONAL HOUSING FACILITY
CASE FILE NO. 2021-13 CUP
APN: 563-070-07

WHEREAS, the Planning Commission of the City of National City considered a Conditional Use Permit modification for the former South Bay Community Church located at 2400 Euclid Avenue to add a transitional housing facility at a duly advertised public hearing held on November 15, 2021, at which time oral and documentary evidence was presented; and,

WHEREAS, at said public hearings the Planning Commission considered the staff report contained in Case File No. 2021-13 CUP maintained by the City and incorporated herein by reference along with evidence and testimony at said hearing; and,

WHEREAS, this action is taken pursuant to all applicable procedures required by State law and City law.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of National City, California, that the testimony and evidence presented to the Planning Commission at the public hearing held on November 15, 2021, support the following findings:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code, because transitional housing is allowable within the RS-3 zone and the proposed use meets the required guidelines in the Land Use Code for such use, as discussed in the staff report.
2. The proposed use is consistent with the General Plan and any applicable specific plan, because the homeless population in the City is identified as a special needs group by the Housing Element of the General Plan, which would be benefited by approval of this CUP. There is no Specific Plan in the area.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity, because no expansion of the building is proposed. The proposal involves an existing public assembly and residential space, which was previously analyzed for traffic impacts when it was constructed.
4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints, because the property is developed less than 25% of its overall area and no expansion of the existing development is proposed.
5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the proposed use will be subject to conditions that control operations of the transitional housing/navigation center use, including the time, manner, and place in which activities may occur, so that any potential community impacts are minimized.
6. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and staff has determined that the proposed use is categorically exempt from a CEQA environmental review as defined in Categorical Exemption Class 1, Section 15301 (Existing Facilities); no construction is proposed and the proposed use will generate less in the way of traffic or parking impacts than the previous use for which the site was developed.

BE IT FURTHER RESOLVED that the application for a Conditional Use Permit is approved subject to the following conditions:

General

1. This Conditional Use Permit authorizes a 160-bed transitional housing facility and "Navigation Center" catering to homeless individuals located at 2400 Euclid Avenue. Plans submitted for permits associated with this project shall conform to Exhibit A, Case File No. 2021-13 CUP, dated 10/21/2021.
2. Before this *Conditional Use Permit* shall become effective, the applicant and the property owner shall both sign and have notarized an Acceptance Form, provided by the Planning Division, acknowledging and accepting all conditions imposed upon the approval of this permit. Failure to return the signed and notarized Acceptance Form within 30 days of its receipt shall automatically terminate the *Conditional Use Permit*. The applicant shall also submit evidence to the satisfaction of the Planning Division

that a Notice of Restriction on Real Property is recorded with the County Recorder. The applicant shall pay necessary recording fees to the County. The Notice of Restriction shall provide information that conditions imposed by approval of the *Conditional Use Permit* are binding on all present or future interest holders or estate holders of the property. The Notice of Restriction shall be approved as to form by the City Attorney and signed by the Director of Community Development prior to recordation.

3. This permit shall become null and void if not exercised within one year after adoption of the resolution of approval unless extended according to procedures specified in the Municipal Code.
4. This permit shall expire if the use authorized by this resolution is discontinued for a period of 12 months or longer. This permit may also be revoked, pursuant to provisions of the Land Use Code, if discontinued for any lesser period of time.
5. This *Conditional Use Permit* may be revoked if the operator is found to be in violation of any Conditions of Approval.

Building

6. Plans submitted for demolition or construction improvements must comply with the 2016 editions of the California Building, Electrical, Plumbing, Mechanical, and Fire Codes.

Fire

7. Plans submitted for improvements must comply with the current editions of the California Fire Code (CFC), National Fire Protection Association (NFPA), and California Code of Regulations (CCR).
8. Fire alarms and fire sprinklers shall be evaluated and installed on the entire site for the intended use per code.
9. If entrance/exit gates are used, they shall be equipped with Knox Box and emergency strobes so as to provide emergency vehicle access and egress. A Knox Key Switch shall be required in conjunction with strobe for emergency access and shall be placed at front of property. Please contact the National City Fire Department for exact field location.
10. A fire suppression system for under the cooking hood in kitchen is required. Plans shall be submitted to the Fire Department if changes are proposed with the currently installed system. Please contact Deputy Fire Marshal Bob Drew for direction (619-336-4558).

Planning

11. The facility shall only accept clients between the hours of 7:00 a.m. and 8:00 p.m.

12. Guests of the Rescue Mission shall not be permitted to gather outside the building.
13. There shall be no loitering outside the facility or in the immediate area. The applicant shall post anti-loitering signs near all entrances to the facility. At least twice each day a San Diego Rescue Mission employee shall inspect the site and discourage loitering.
14. The applicant shall, at its own cost and expense, be responsible for trash abatement on the site and the immediate area, and shall keep the site and the immediate area free of graffiti, litter, trash and other related nuisances.
15. The San Diego Rescue Mission shall provide 24-hour in-person security and video surveillance of the site to provide on-site security.
16. The subject property and associated common areas on site shall be maintained in a neat and orderly fashion at all times.
17. The facility shall create and maintain a management plan. The management plan must document that management and staffing is sufficient for adequate control of the facility. The management plan shall include descriptions of:
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 - c. Client services offered and case management.
 - d. Behavior guidelines including no drug or alcohol use.
 - e. Facility maintenance.
 - f. Emergency plan.
 - g. Security plan.
18. All activities shall comply with the limits contained in Table III of Title 12 (Noise) of the National City Municipal Code.
19. Plans submitted for construction shall include an outdoor lighting plan consistent with the requirements of NCMC 18.46. The plan shall identify the type and intensity of lighting, including measures taken to prevent lighting from creating a nuisance to residents within adjacent residential zones. Adequate external lighting shall be provided for security purposes to ensure fully lit parking and entry areas.
20. The operator of the business shall maintain an active business license and ensure that the business license is renewed annually.

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted forthwith to the applicant and to the City Council.

BE IT FINALLY RESOLVED that this Resolution shall become effective and final on the day following the City Council meeting where the Planning Commission resolution is set for review, unless an appeal in writing is filed with the City Clerk prior to 5:00 p.m. on the day of that City Council meeting. The City Council may, at that meeting, appeal the decision of the Planning Commission and set the matter for public hearing.

CERTIFICATION:

This certifies that the Resolution was adopted by the Planning Commission at their meeting of November 15, 2021, by the following vote:

AYES: Sendt, Yamane, Roman, Dela Paz, Natividad, Valenzuela

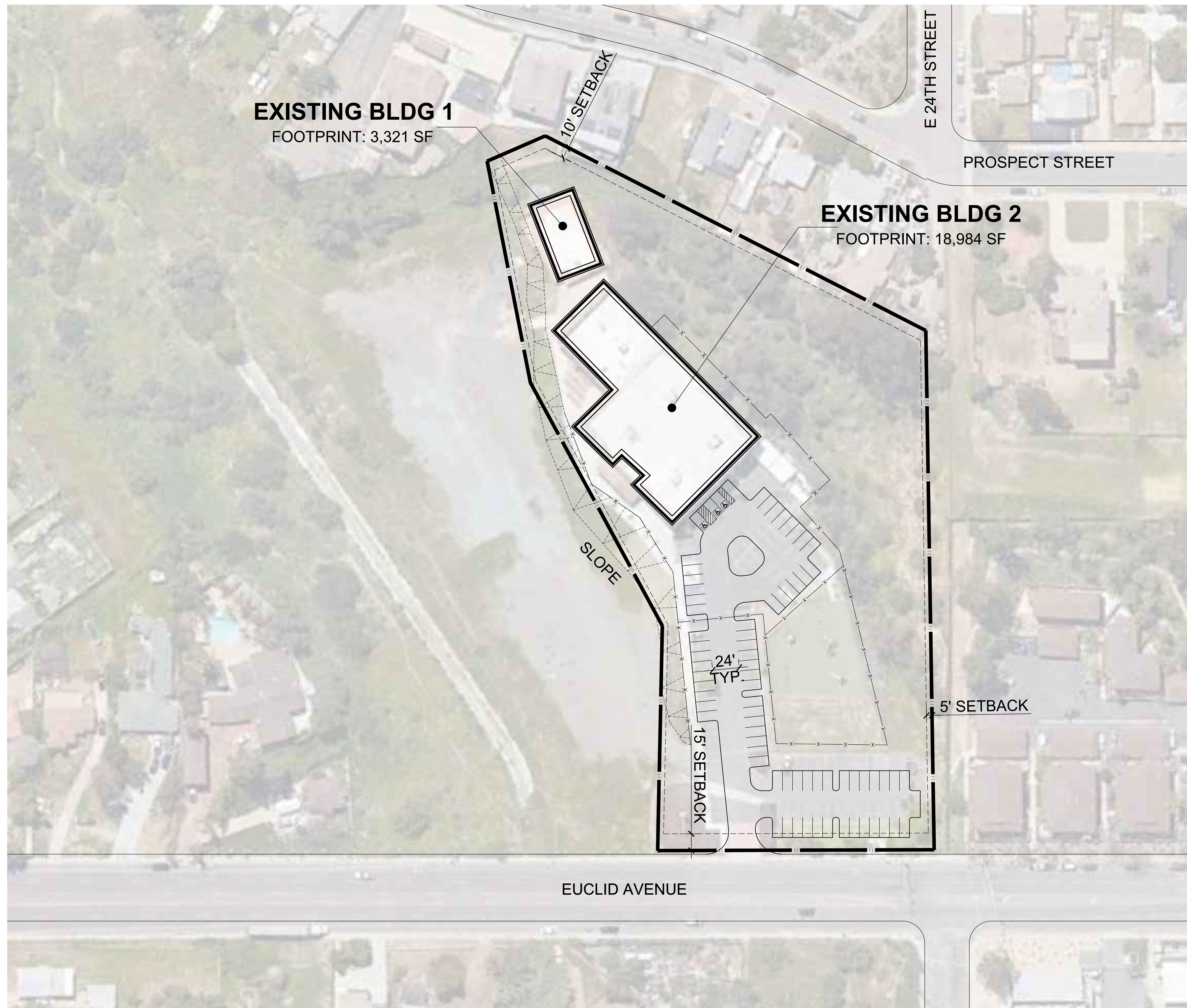
NAYS: Sanchez

ABSENT: None.

ABSTAIN: None.



CHAIRPERSON



PROJECT DATA:			
SITE AREA:			
GROSS:	3.84 AC		
	167,263 SF		
BUILDING FOOTPRINT:			
EXISTING BUILDING 1	3,321 SF		
EXISTING BUILDING 2	18,984 SF		
TOTAL FOOTPRINT:	22,305 SF		
BUILDING USE (PROPOSED):			
TRANSITIONAL HOUSING:	152 BEDS	20,094 SF	
OFFICE		2,211 SF	
COVERAGE:			
GROSS:	13%		
PARKING REQUIRED:			
TRANSITIONAL HOUSING: 1 PER 10 BEDS	16 STALLS		
OFFICE 1/250 SF	9 STALLS		
TOTAL	25 STALLS		
PARKING PROVIDED:			
AUTO:	73 STALLS		
	@3.27/1000 SF	3 STALLS	
	<i>REQ. ACCESSIBLE</i>		

DEVELOPMENT STANDARDS:	
ZONING:	RS-3
MAX. COVERAGE:	75%
MAX. BLDG. HT.:	35 FT
BUILDING SETBACKS:	
FRONT:	15 FT
SIDE:	5 FT
REAR:	10 FT
LANDSCAPE SETBACKS:	
FRONT:	15 FT
SIDE:	5 FT
REAR:	10 FT
LANDSCAPE REQ.:	20% ¹
OFF-STREET PARKING:	
STANDARD:	9X18
DRIVE AISLE:	24 FT
REQ. PARKING RATIO BY USE:	
CIVIC:	1/200 SF ³
ASSEMBLY:	1/35 SF ²

NOTES:
¹ Net lot area.
² Of seating area.
³ Open to the public, plus 1/300 sf of administrative office area.

This conceptual design is based upon a preliminary review of entitlement requirements and on unverified and possibly incomplete site and/or building information, and is intended merely to assist in exploring how the project might be developed.

Stormwater Management Design:
 AVERAGE REGIONAL REQUIRED
 PROVIDED

Boundary Source:
 CIVIL CAD FILE

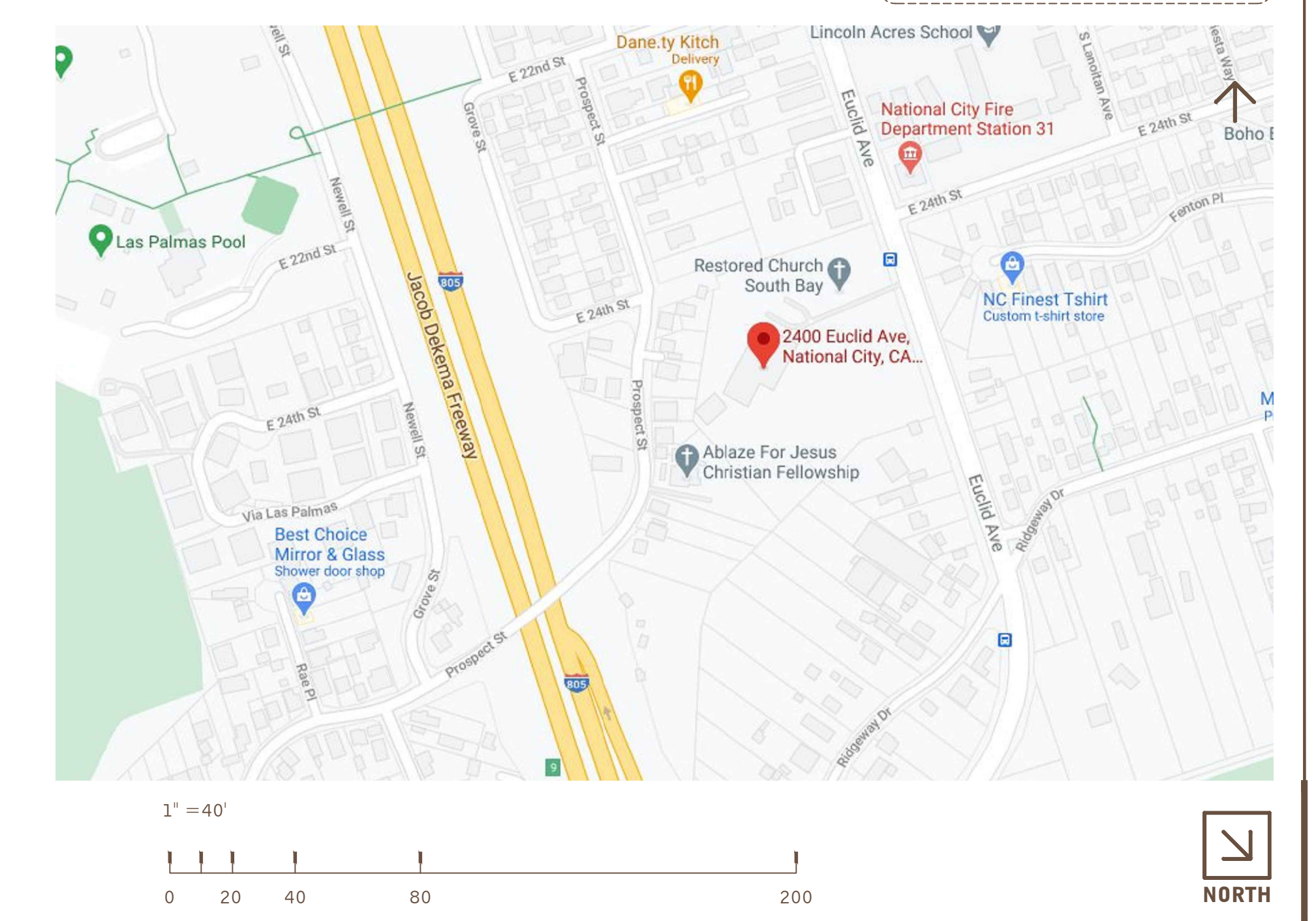
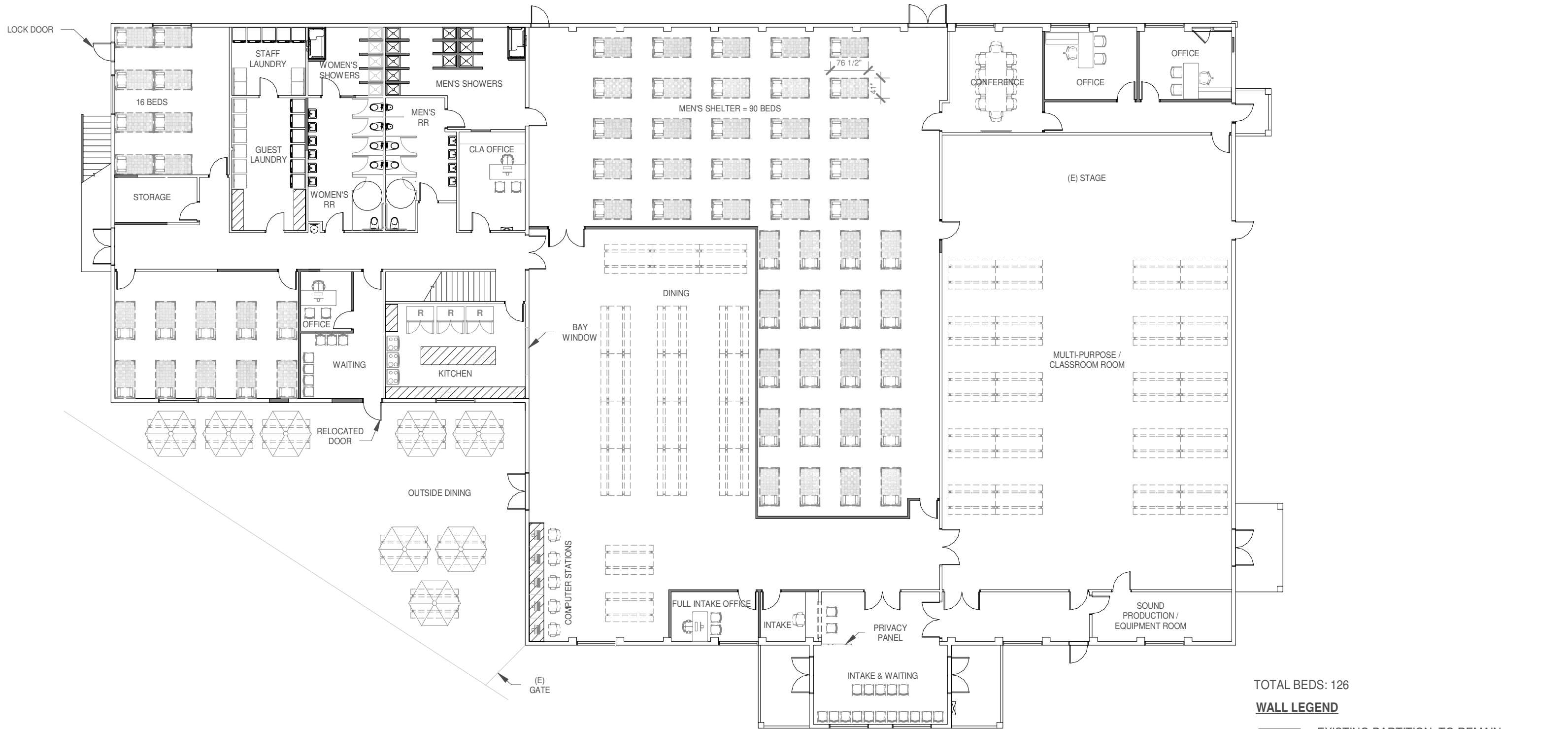


Exhibit A
 Case File No.: 2021-13 CUP
 Date: 10/21/2021

ATTACHMENT 4

WARE MALCOMB

SDG21-6028-00
 04.15.2021
 SHEET
 1

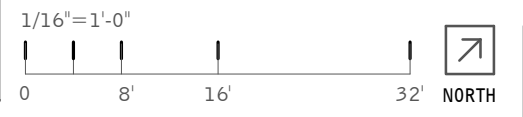


TOTAL BEDS: 126

WALL LEGEND

- EXISTING PARTITION, TO REMAIN
- NEW PARTITION

This preliminary Space Plan represents our understanding of the space code requirements. The final construction documents are subject to review and comments from the landlord as well as local governmental agencies. Changes to the plan may be required to address comments after review of the plans through the plan check process. All square footages noted are preliminary and also may change when the Space Plan is finalized.



FIRST FLOOR

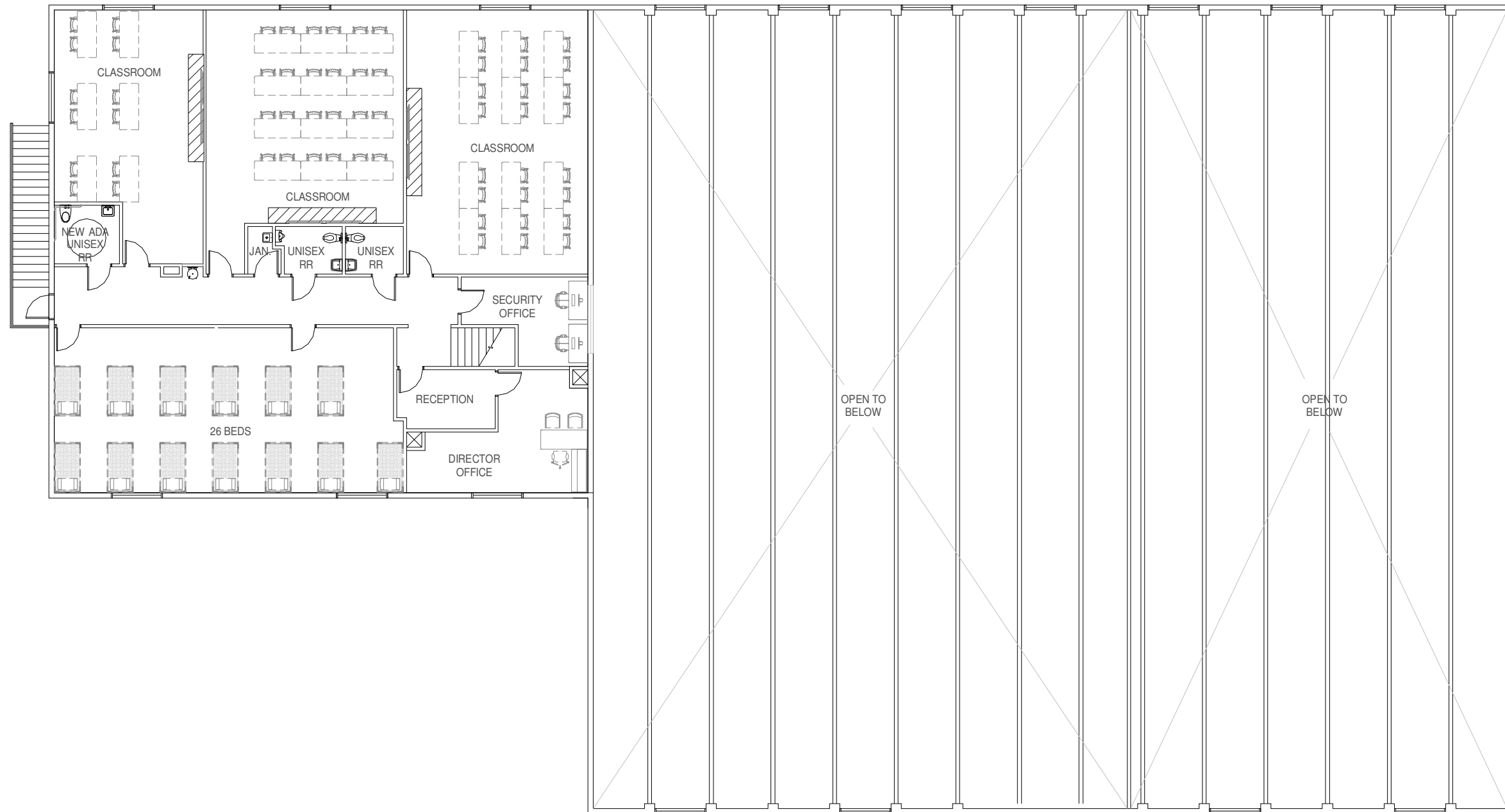
SPACE PLAN

SAN DIEGO RESCUE MISSION - NAVIGATION CENTER
2400 EUCLID AVE.
NATIONAL CITY, CA 91950

WARE MALCOMB



SDG21-6028-00
09/09/21

SHEET
SP1

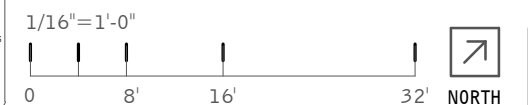


TOTAL BEDS: 26

WALL LEGEND

-  EXISTING PARTITION, TO REMAIN
-  NEW PARTITION

This preliminary Space Plan represents our understanding of the space code requirements. The final construction documents are subject to review and comments from the landlord as well as local governmental agencies. Changes to the plan may be required to address comments after review of the plans through the plan check process. All square footages noted are preliminary and also may change when the Space Plan is finalized.



SECOND FLOOR

SPACE PLAN

SAN DIEGO RESCUE MISSION - NAVIGATION CENTER
2400 EUCLID AVE.
NATIONAL CITY, CA 91950

WARE MALCOMB

SDG21-6028-00
09/09/21

SHEET
SP2

The following page(s) contain the backup material for Agenda Item: [Focused General Plan Update and Affordable Housing Notice of Funding Availability \(NOFA\). \(Housing Authority\)](#)

Please scroll down to view the backup material.

Item # ____
12/07/21

**Focused General Plan Update and Affordable Housing Notice of
Funding Availability (NOFA)**

(Housing Authority)

The following page(s) contain the backup material for Agenda Item: [City Manager Report.
\(City Manager\)](#)

Please scroll down to view the backup material.

Item # ____
12/07/21

City Manager Report

(City Manager)

The following page(s) contain the backup material for Agenda Item: [Community Benefits Ad-Hoc Committee Report to City Council - Project Labor Standards and Policies.](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO.

ITEM TITLE:

Community Benefits Ad-Hoc Committee Report to City Council – Project Labor Standards and Policies (City Clerk)

PREPARED BY: Shelley Chapel, Deputy City Clerk

DEPARTMENT: City Clerk

PHONE: (619) 336-4225

APPROVED BY: *Shelley Chapel*

EXPLANATION:

On September 7, 2021, City Council consensus with Mayor Sotelo-Solis appointment of herself and Councilmember Rios to the Community Benefits - Project Labor Standards and Policies Ad-Hoc Committee. Motion carried 3-2, with Councilmember Morrison and Vice-Mayor Rodriguez voting No.

Item No. 31 of the same meeting Vice-Mayor Rodriguez introduced the item for discussion.

Motion by Councilmember Bush, seconded by Councilmember Rios, to direct Staff to work with Ad-Hoc Committee, with San Diego Building and Construction Trades Council (SDBCTC), on the new benefits agreement on the PLA, both including but not limited to policies for local hire, apprenticeship, CIP projects, and the SDBCTC, Ad Hoc Committee and City Staff return to City Council recommendation within 90 days on framework of a policy.

Ayes: Bush, Rios, Rodriguez, Sotelo-Solis

Nays: Morrison

Motion passed by 4 to 1 vote.

This item is the report from the Ad-Hoc Committee based on discussions with San Diego Building and Construction Trades Council.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

None.

ENVIRONMENTAL REVIEW:

This action is not subject to review under the California Environmental Quality Act (CEQA)

ORDINANCE: INTRODUCTION: **FINAL ADOPTION:**

STAFF RECOMMENDATION:

City Council receive Report from the Ad-Hoc Committee and provide Committee and Staff with direction.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

None.

The following page(s) contain the backup material for Agenda Item: [Low Rider Ad-Hoc Committee Report to City Council](#).

Please scroll down to view the backup material.

Item # ____
12/07/21

Low Rider Ad-Hoc Committee Report to City Council

(Mayor and City Council)



AGENDA OF A SPECIAL MEETING
PARKING AUTHORITY OF THE CITY OF NATIONAL CITY
ONLINE ONLY MEETING

<https://www.nationalcityca.gov/webcast>

LIVE WEBCAST
COUNCIL CHAMBERS
CIVIC CENTER

1243 NATIONAL CITY BOULEVARD
NATIONAL CITY, CALIFORNIA
TUESDAY, DECEMBER 7, 2021 – 6:00 PM

ALEJANDRA SOTELO-SOLIS
Chairwoman

JOSE RODRIGUEZ
Boardmember

MARCUS BUSH
Boardmember

RON MORRISON
Boardmember

MONA RIOS
Boardmember

NOTICE: The health and well-being of National City residents, visitors, and employees during the COVID-19 outbreak remains our top priority. The City of National City is coordinating with the County of San Diego Health And Human Services Agency, and other agencies to take measures to monitor and reduce the spread of the novel coronavirus (COVID-19). **The World Health Organization has declared the outbreak a global pandemic and local and state emergencies have been declared providing reprieve from certain public meeting laws such as the Brown Act.**

As a result, the Parking Authority Meeting will occur only online to ensure the safety of City residents, employees and the communities we serve. A live webcast of the meeting may be viewed on the city's website at www.nationalcityca.gov/webcast. **For Public Comments see "Public Comments" section below.**

ORDER OF BUSINESS: Public sessions of all Regular Meetings of the Parking Authority (hereafter referred to as Elected Body) begin at 6:00 p.m. on the third Tuesday of August annually. Public Hearings begin at 6:00 p.m. unless otherwise noted. Closed Meetings begin in Open Session at 5:00 p.m., or such other time as noted, and after announcing closed session items, convenes into a Closed Meeting. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda.

REPORTS: All open session agenda items and reports as well as all documents and writings distributed to the Elected Body less than 72 hours prior to the meeting, are available for review at the entry to the Council Chambers. Regular Meeting of the Elected Boy are webcast and archived on the City's website www.nationalcityca.gov.

PUBLIC COMMENTS: The Parking Authority will receive public comments via e-mail at PublicComment@nationalcityca.gov regarding any matters within the jurisdiction of the Parking Authority. Written comments or testimony from the public (limited to three minutes) must be submitted via email **by 4:00 p.m.** on the day of the Parking Authority Meeting. All comments received from the public will be made a part of the record of the meeting. The time limit established for public testimony is three minutes per speaker. The Chairperson may limit the length of comments due to the number of persons wishing to speak or if comments become repetitious or unrelated.

*1243 National City Blvd.
National City, CA 91950
619-336-4240*

*Meeting agendas and
minutes available on web*

WWW.NATIONALCITYCA.GOV

WRITTEN AGENDA: With limited exceptions, the Elected Body may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

CONSENT AGENDA: Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion. Prior to such approval, any item may be removed from the consent portion of the agenda and separately considered, upon request of a Boardmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

OPEN TO THE PUBLIC

CALL TO ORDER

ROLL CALL

CONSENT CALENDAR

1. Resolution of the Parking Authority of the City of National City authorizing the Chairwoman to execute a Ninth Amendment to the Option to Purchase Agreement between the Parking Authority and CarMax Auto Superstores California, LLC, a Virginia limited liability company, extending the permitting period from December 31, 2021 to December 31, 2023. (Housing Authority)

ADJOURNMENT

Regular Meeting of the Parking Authority of the City of National City - Tuesday - August 16, 2022 - 6:00 p.m. - Council Chambers - National City, California.



NOTICE OF SPECIAL MEETING

PARKING AUTHORITY OF THE CITY OF NATIONAL CITY

ONLINE ONLY MEETING

<https://www.nationalcityca.gov/webcast>

LIVE WEBCAST

COUNCIL CHAMBERS

CIVIC CENTER

1243 NATIONAL CITY BOULEVARD

NATIONAL CITY, CALIFORNIA

TUESDAY, DECEMBER 7, 2021 – 6:00 PM

NOTICE IS HEREBY GIVEN, that the Parking Authority of the City of National City will hold a Special Meeting on **Tuesday, December 7, 2021, at 6:00 p.m.**, or as soon thereafter as the matter may be considered, in the Council Chambers at the Civic Center, 1243 National City Boulevard, National City, California, 91950. The business to be transacted at said meeting will be for the Parking Authority of the City of National City to consider the following:

OPEN TO THE PUBLIC

CALL TO ORDER

ROLL CALL

CONSENT CALENDAR

1. Resolution of the Parking Authority of the City of National City authorizing the Chairwoman to execute a Ninth Amendment to the Option to Purchase Agreement between the Parking Authority and CarMax Auto Superstores California, LLC, a Virginia limited liability company, extending the permitting period from December 31, 2021 to December 31, 2023. (Housing Authority)

ADJOURNMENT

Regular Meeting of the Parking Authority of the City of National City - Tuesday - August 16, 2022 - 6:00 p.m. - Council Chambers - National City, California.

**CITY OF NATIONAL CITY, CALIFORNIA
PARKING AUTHORITY AGENDA STATEMENT**

MEETING DATE: December 7, 2021

AGENDA ITEM NO. 1

ITEM TITLE:

Resolution of the Parking Authority of the City of National City authorizing the Chairwoman to execute a Ninth Amendment to the Option to Purchase Agreement between the Parking Authority and CarMax Auto Superstores California, LLC, a Virginia limited liability company, extending the permitting period from December 31, 2021 to December 31, 2023.

PREPARED BY: Gregory Rose, Property Agent

DEPARTMENT: Housing Authority

PHONE: (619) 336-4266

APPROVED BY: 

EXPLANATION:

The Parking Authority of the City of National City ("Authority") owns a 15.08-acre parcel located at the southwest corner of Sweetwater Road and Plaza Bonita Center Way ("Property"). The Authority entered into an Option to Purchase Agreement ("Original Agreement") with CarMax Auto Superstores California, LLC, ("CarMax") on August 18, 2015. CarMax intends to use part of the Property to build a CarMax Superstore and provide for on-site mitigation. CarMax is currently working on obtaining permits from the State resource agencies, but it will take most of 2022 to get the approvals. The Ninth Amendment ("Amendment") would extend the permitting period from December 31, 2021 to December 31, 2023 giving CarMax time to obtain all necessary permits and approvals.

FINANCIAL STATEMENT:

APPROVED: _____ Finance

ACCOUNT NO.

APPROVED: _____ MIS

No Fiscal Impact – This report is informational only, there is no fiscal impact associated with the report.

ENVIRONMENTAL REVIEW:

No CEQA Exemption - This action is not subject to review under the California Environmental Quality Act (CEQA).

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Adopt the Resolution.

BOARD / COMMISSION RECOMMENDATION:

Not Applicable

ATTACHMENTS:

- 1: Ninth Amendment to the Option Agreement
- 2: Resolution

NINTH AMENDMENT
TO
OPTION AGREEMENT

This NINTH AMENDMENT TO OPTION AGREEMENT (this “**Amendment**”) is entered into as of _____, 2021, by and between THE PARKING AUTHORITY OF THE CITY OF NATIONAL CITY, a public body corporate and politic (the “**Authority**”) and CARMAX AUTO SUPERSTORES, INC., a Virginia corporation (the “**Optionee**”).

RECITALS

A. The Authority and Optionee’s predecessor-in-interest are parties to that certain Option Agreement (CarMax, National City, California) dated as of August 18, 2015, as amended by that certain First Amendment to Option Agreement dated as of May 3, 2016, that certain Second Amendment to Option Agreement dated as of August 26, 2016, that certain Third Amendment to Option Agreement dated as of January 26, 2017, that certain Fourth Amendment to Option Agreement dated as of September 5, 2017, that certain Fifth Amendment to Option Agreement dated as of December 6, 2018, that certain Sixth Amendment to Option Agreement dated as of February 19, 2019, that certain Seventh Amendment to Option Agreement dated as of November 19, 2019, and that certain Eighth Amendment to Option Agreement dated as of December 1, 2020 (collectively, the “**Original Agreement**”), relating to certain real property in National City, California (the “**Property**”).

B. Optionee has been in the process of obtaining all necessary Permits, Approvals, and the Tentative Parcel Map for its intended use.

C. The parties desire to amend the Original Agreement as hereinafter provided.

D. Capitalized terms not otherwise defined in this Amendment shall have the meanings set forth in the Original Agreement. The Original Agreement, as modified by this Amendment, shall be referred to herein as the “**Agreement**.”

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Extension of Permitting Period. Section 8(a) of the Original Agreement is hereby amended by deleting the first sentence thereof and inserting the following in lieu thereof: “Optionee shall have until December 31, 2023 to obtain all necessary Permits, Approvals, and the Tentative Parcel Map.”

2. Exhibit “B”. Exhibit “B” of the Original Agreement is hereby deleted and replaced with Exhibit “B” attached hereto.

3. General. Except as expressly amended hereby, the terms and conditions of the Original Agreement and any changes or alterations agreed to in previous Amendments included in Section A above, shall remain unmodified and in full force and effect. This Amendment may be executed in counterparts, all of which evidence only one agreement, binding on all parties, even though they are not signatories to the same counterpart. If any term, covenant or

condition of this Amendment or its application to any person or circumstances shall be held to be invalid or unenforceable, the remainder of this Amendment and the application of such term or provision to other persons or circumstances shall not be affected, and each term hereof shall be valid and enforceable to the fullest extent permitted by law. The terms of this Amendment are binding upon and shall inure to the benefit of the parties and their respective legal representatives, successors and permitted assigns. This Amendment shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

AUTHORITY:

PARKING AUTHORITY OF THE CITY
OF NATIONAL CITY

By: _____
Name:
Title:

Approved as to Form:

By: _____
Name:
Legal Counsel for the Parking Authority
of the City of National City

OPTIONEE:

CARMAX AUTO SUPERSTORES, INC.,
a Virginia corporation

By: _____
K. Douglass Moyers, Vice President

RESOLUTION NO. 2021 -

RESOLUTION OF THE PARKING AUTHORITY OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE CHAIRWOMAN TO EXECUTE A NINTH AMENDMENT TO THE OPTION TO PURCHASE AGREEMENT BETWEEN THE PARKING AUTHORITY AND CARMAX AUTO SUPERSTORES CALIFORNIA, LLC, A VIRGINIA LIMITED LIABILITY COMPANY, EXTENDING THE PERMITTING PERIOD FROM DECEMBER 31, 2021 TO DECEMBER 31, 2023

WHEREAS, the Parking Authority of the City of National City (“Authority”) owns a 15.08-acre parcel located at the southwest corner of Sweetwater Road and Plaza Bonita Center Way (“Property”); and

WHEREAS, the Authority entered into an Option to Purchase Agreement (“Original Agreement”) with CarMax Auto Superstores California, LLC, (“CarMax”) on August 18, 2015; and

WHEREAS, CarMax intends to use part of the Property to build a CarMax Superstore (“Project”), which also provided for on-site mitigation; and

WHEREAS, the total purchase price in the Original Agreement was not to be less than \$3,500,000 for 9.5 acres; and

WHEREAS, on May 3, 2016, the Authority adopted Resolution No. 2016-1 entering into a First Amendment to the Option Agreement to extend the Feasibility Period, and

WHEREAS, the Second Amendment to the Option Agreement was approved and executed in August 2016, to extend the Feasibility Period; and

WHEREAS, on December 6, 2016, the Authority adopted Resolution No. 2016-3 approving the Third Amendment to the Option Agreement amending the total purchase price to \$1,500,000 for 7.7 acres, or \$4.40 per square foot, contingent on a reduction of the sales price for the County of San Diego Open Space Easement, and allowing the size and dimension of the Property to be determined by CarMax based upon the total size needed for the CarMax Project; and

WHEREAS, on September 5, 2017, the Authority adopted Resolution No. 2017-2 approving the Fourth Amendment to the Option Agreement, which reduced the sales price to \$1,500,000 for 7.63 acres, giving CarMax until September 14, 2018 to obtain all necessary permits, approvals, and the tentative parcel map, and CarMax would have the right to extend the Permitting Period by up to three (3) successive one (1) month periods, upon prior written notice to the Authority; and

WHEREAS, on December 6, 2018, the City Manager executed the Fifth Amendment, as authorized by the Fourth Amendment, to extend the Permitting Period to February 25, 2019; and

WHEREAS, on February 19, 2019 the City Manager executed a Sixth Amendment to the Option Agreement to extend the Permitting Period from February 25, 2019 to December 4, 2019 with the close of escrow occurring two (2) weeks after the expiration of the Permitting Period, or December 28, 2019; and

WHEREAS, on November 19, 2019 the City Manager executed a Seventh Amendment to extend the Permitting Period from December 4, 2019 to December 31, 2020 with the close of escrow occurring two (2) weeks after the expiration of the Permitting Period, or January 14, 2021; and

WHEREAS, the Authority adopted Resolution No. 2020 - 2 approving the Eighth Amendment to the Option Agreement, which amended the total purchase price to \$2,100,000 for 7.19 acres, amended the definition of "Property" to delete entirely the definition of "Residual Parcel" and extended the permitting period from December 31, 2020 until December 31, 2021 giving CarMax time to obtain all necessary permits and approvals; and

WHEREAS, the Ninth Amendment will amend the Option to Purchase Agreement between the Parking Authority and CarMax by extending the permitting period from December 31, 2021 to December 31, 2023.

NOW, THEREFORE, THE PARKING AUTHORITY OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: Approves and authorizes the Chairwoman to execute a Ninth Amendment to the Option to Purchase Agreement between the Parking Authority and CarMax Auto Superstores California, LLC, a Virginia limited liability company, by extending the permitting period from December 31, 2021 to December 31, 2023.

Section 2. The Secretary shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 7th day of December, 2021.

Alejandra Sotelo-Solis, Chairwoman

ATTEST:

Brad Raulston, Secretary

APPROVED AS TO FORM:

Charles E. Bell Jr., Legal Counsel



AGENDA OF A SPECIAL MEETING
SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT
COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY
ONLINE ONLY MEETING

<https://www.nationalcityca.gov/webcast>

LIVE WEBCAST
COUNCIL CHAMBERS
CIVIC CENTER

1243 NATIONAL CITY BOULEVARD
NATIONAL CITY, CALIFORNIA

TUESDAY, DECEMBER 7, 2021 – 6:00 PM

ALEJANDRA SOTELO-SOLIS
Chairwoman

JOSE RODRIGUEZ
Boardmember

MARCUS BUSH
Boardmember

RON MORRISON
Boardmember

MONA RIOS
Boardmember

NOTICE: The health and well-being of National City residents, visitors, and employees during the COVID-19 outbreak remains our top priority. The City of National City is coordinating with the County of San Diego Health And Human Services Agency, and other agencies to take measures to monitor and reduce the spread of the novel coronavirus (COVID-19). **The World Health Organization has declared the outbreak a global pandemic and local and state emergencies have been declared providing reprieve from certain public meeting laws such as the Brown Act.**

As a result, the Successor Agency Meeting will occur only online to ensure the safety of City residents, employees and the communities we serve. A live webcast of the meeting may be viewed on the city's website at www.nationalcityca.gov/webcast. **For Public Comments see "Public Comments" section below.**

ORDER OF BUSINESS: Public sessions of all Regular Meetings of the Successor Agency (hereafter referred to as Elected Body) begin at 6:00 p.m. on the third Tuesday of the months of March, June, September, and December. Public Hearings begin at 6:00 p.m. unless otherwise noted. Closed Meetings begin in Open Session at 5:00 p.m., or such other time as noted, and after announcing closed session items, convenes into a Closed Meeting. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda.

REPORTS: All regular meeting agenda items and reports as well as all documents and writings distributed to the Elected Body less than 72 hours prior to the meeting, are available for review at the entry to the Council Chambers. Regular Meeting of the Elected Body are webcast and archived on the City's website www.nationalcityca.gov.

PUBLIC COMMENTS: The Successor Agency will receive public comments via e-mail at PublicComment@nationalcityca.gov regarding any matters within the jurisdiction of the Successor Agency. Written comments or testimony from the public (limited to three minutes) must be submitted via email **by 4:00 p.m.** on the day of the Successor Agency Meeting. All comments received from the public will be made a part of the record of the meeting. The time limit established for public testimony is three minutes per speaker. The Chairperson may limit the length of comments due to the number of persons wishing to speak or if comments become repetitious or unrelated.

1243 National City Blvd.
National City, CA 91950
619-336-4240

*Meeting agendas and
minutes available on web*

WWW.NATIONALCITYCA.GOV

WRITTEN AGENDA: With limited exceptions, the Elected Body may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

CONSENT AGENDA: Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion. Prior to such approval, any item may be removed from the consent portion of the agenda and separately considered, upon request of a Boardmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

OPEN TO THE PUBLIC

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)

NON CONSENT RESOLUTIONS

1. Resolution of the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Approving the Recognized Obligation Payment Schedule (ROPS) for the Period July 1, 2022 through June 30, 2023 (ROPS 22-23) with Expenditures Totaling \$4,431,809, Approving the Associated Administrative Budget of \$230,000, and Authorizing the submittal of both to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board. (Successor Agency)

ADJOURNMENT

Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency - Tuesday – March 15, 2022 - 6:00 p.m. - Council Chambers - National City, California.



NOTICE OF SPECIAL MEETING

SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY

ONLINE ONLY MEETING

<https://www.nationalcityca.gov/webcast>

LIVE WEBCAST

COUNCIL CHAMBERS

CIVIC CENTER

1243 NATIONAL CITY BOULEVARD

NATIONAL CITY, CALIFORNIA

TUESDAY, DECEMBER 7, 2021 – 6:00 PM

NOTICE IS HEREBY GIVEN, that the Successor Agency to the Community Development Commission as the National City Redevelopment Agency will hold a Special Meeting on **Tuesday, December 7, 2021, at 6:00 p.m.**, or as soon thereafter as the matter may be considered, in the Council Chambers at the Civic Center, 1243 National City Boulevard, National City, California, 91950. The business to be transacted at said meeting will be for the Successor Agency to the Community Development Commission as the National City Redevelopment Agency to consider the following:

OPEN TO THE PUBLIC

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)

NON CONSENT RESOLUTIONS

1. Resolution of the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Approving the Recognized Obligation Payment Schedule (ROPS) for the Period July 1, 2022 through June 30, 2023 (ROPS 22-23) with Expenditures Totaling \$4,431,809, Approving the Associated Administrative Budget of \$230,000, and Authorizing the submittal of both to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board. (Successor Agency)

ADJOURNMENT

Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency - Tuesday – March 15, 2022 - 6:00 p.m. - Council Chambers - National City, California.

**THE SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
AGENDA STATEMENT**

MEETING DATE: December 07, 2021

AGENDA ITEM NO. 1

ITEM TITLE:

Resolution of the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Approving the Recognized Obligation Payment Schedule (ROPS) for the Period July 1, 2022 through June 30, 2023 (ROPS 22-23) with Expenditures Totaling \$4,431,809, Approving the Associated Administrative Budget of \$230,000, and Authorizing the submittal of both to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board.

PREPARED BY: Janel Pehau, Finance Analyst

DEPARTMENT: Successor Agency

PHONE: 619-336-4330

APPROVED BY: *Molly Brown*

EXPLANATION:

The proposed Recognized Obligation Payment Schedule (ROPS) for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) totals \$4.4 million and includes an administrative allowance of \$230,000, which costs are itemized in the associated Administrative Budget. Upon approval of this ROPS and the Administrative Budget, staff will submit them to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board for its January 20, 2022 meeting. ROPS 22-23 is due to the State Department of Finance by February 1, 2022. Please see the attached staff report for further details regarding the ROPS.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

If approved by the County Oversight Board and California Department of Finance, the revenue and expenditures listed in the ROPS 22-23 will be reflected in the FY22-23 budget.

ENVIRONMENTAL REVIEW:

Pursuant to Title 15 of the California Code of Regulations, Section 15378(b)(4), this item is not subject to the California Environmental Quality Act review because the recommended approvals are not considered a project and are governmental funding mechanisms and fiscal activities that do not involve any commitment to any specific project that may result in a potentially significant environmental impact.

ORDINANCE: **INTRODUCTION:** **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Adopt the resolution and direct staff to take all necessary steps to submit the ROPS 22-23 and Administrative Budget to the Countywide Oversight Board and subsequently to the State of California.

BOARD / COMMISSION RECOMMENDATION:

NA

ATTACHMENTS:

1. Staff Report
2. Resolution with Exhibit "A" (ROPS 22-23) and Exhibit "B" (ROPS 22-23 Administrative Budget)



CITY OF NATIONAL CITY
SUCCESSOR AGENCY STAFF REPORT

December 7, 2021

Item:

Resolution of the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Approving the Recognized Obligation Payment Schedule (ROPS) for the Period July 1, 2022 through June 30, 2023 (ROPS 22-23) with Expenditures Totaling \$4,431,809, Approving the Associated Administrative Budget of \$230,000, and Authorizing the Submittal of Both to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board

Background:

Effective February 1, 2012, all redevelopment agencies in California were dissolved and "successor agencies" were established to wind down the affairs of the former redevelopment agencies under the direction of oversight boards. Health and Safety Code Section 34177 requires successor agencies to perform a number of functions, one of which is to prepare a Recognized Obligation Payment Schedule (ROPS) before each fiscal period that details amounts required to be spent and the source of funds for those expenditures. Each successor agency must submit the ROPS to its oversight board for approval, after which it is forwarded for review and approval to the State Department of Finance, with copies to the County Auditor and Controller and State Controller's Office. The San Diego County Oversight Board will consider the Agency's ROPS at its January 20, 2022 meeting. ROPS 22-23 is due to the State Department of Finance by February 1, 2022. In addition, successor agencies are required to prepare and submit to the oversight board an administrative budget that details the estimated administrative costs for each upcoming ROPS period.

Even though the ROPS covers an entire fiscal year, the standardized form distributed by the State Department of Finance (DOF) requires that obligation payment amounts be assigned to either the "A" portion of the fiscal year (July through December) or the "B" portion of the year (January through June). The assignment of expenses to one half or the other of the fiscal year is designed not to restrict when authorized amounts may be spent during the fiscal year, but to facilitate the distribution of redevelopment property tax trust fund (RPTTF) monies, the primary source of funding for the ROPS. RPTTF monies are distributed on June 1 and January 2 by the County Auditor and Controller; the June 1 distribution applies to expenditures expected to occur during the "A" portion of the upcoming ROPS cycle, while the January 2 distribution provides cash for the second half ("B" portion) of the fiscal year.

Should changes to the ROPS be necessary, each successor agency is allowed to amend the approved ROPS one time per ROPS period. The amendment must be submitted to DOF by

October 1, and successor agencies may amend only the amounts requested for payment of approved enforceable obligations that fall within the "B" portion of the year; no new obligations can be created through the amendment process.

Discussion:

The proposed Recognized Obligation Payment Schedule for the July 1, 2022 through June 30, 2023 (ROPS 22-23) period for the National City Successor Agency, attached as Exhibit A to the resolution, totals \$4.4 million. Of that amount, \$3.9 million is allocated to the first half of the fiscal year and \$0.5 million to the second half of the fiscal year. (Note: The ROPS schedules attached to the resolution are in the form of the anticipated schedules to be issued by the State Department of Finance. These schedules must be completed on DOF's website. Once they are available, staff will enter the amounts shown in Exhibit A.)

Enforceable obligations for the ROPS 22-23 period may be grouped into the following categories:

Debt service: In September 2017 all of the Successor Agency's outstanding tax allocation bonds (Series 1999, 2005B and 2011) were refunded to reduce future debt service costs on the bonds. For the ROPS 22-23 period, debt service payments on the 2017 refunding bonds will total \$4.06 million (Items 180 – 183). Overall, the refunding bonds will result in an annual average debt service savings of \$1.0 million through final maturity in August 2032. Annual Trustee and financial reporting fees related to the bonds are expected to total \$8,000 (Items 128 and 162).

Administrative Cost Allowance and Administrative Budget: The administrative cost allowance is governed by Health and Safety Code (HSC) section 34171 (b) and is calculated based on what is termed "the adjusted Redevelopment Property Tax Trust Fund (RPTTF) distribution" from the prior year. The adjusted RPTTF distribution equals the RPTTF revenue distributed for the prior ROPS year less the prior year's authorized administrative cost allowance (ACA) and less any city loan repayments. This adjusted RPTTF amount is then multiplied by 3%. The 2021-22 adjusted RPTTF for the National City Successor Agency is \$2,524,128. When multiplied by 3%, it would result in an ACA for ROPS 22-23 of \$75,725. This calculated amount is less, however, than the minimum provided for in redevelopment dissolution law. The minimum ACA is \$250,000 annually, but may not exceed 50% of the adjusted RPTTF distribution. Based on the foregoing information and the estimated administrative costs, ROPS 22-23 requests \$230,000 for the ACA. The Administrative Budget, attached as Exhibit B to the resolution, details the estimated administrative expenditures for the ROPS 22-23 period.

Legal Services: The Successor Agency has only one litigation matter remaining: the Affordable Housing Coalition v. Sandoval, et al case. In July, 2013, the Affordable Housing Coalition of San Diego County filed a lawsuit in the Sacramento County Superior Court against the City of National City in its capacity as the Successor Agency to the Community Development Commission of National City, as well as other cities/successor agencies in San Diego County, claiming that 1) the statutes under the former Redevelopment Law imposing affordable housing obligations upon redevelopment agencies created enforceable obligations under the redevelopment dissolution statutes, and 2) if enforceable obligations were not created, the dissolution statutes unconstitutionally impaired the obligations of contracts. In September, 2016, the Court ruled against the petitioner and in favor of the respondent cities/successor agencies. Judgment based upon this ruling was entered in November, 2016, but the ruling was appealed and is still in the appeal process.

National City Successor Agency
December 7, 2021
Staff Report: ROPS 22-23

The cost of the litigation was originally being shared by eight agencies, but after a change during this past year in the arrangement for outside counsel for this matter, the costs are now being shared by ten agencies. ROPS 22-23 requests \$10,000 for this item because it is uncertain when the case will reach a conclusion.

Other Costs: Earlier in 2021 the California Department of Tax and Fee Administration (CDTFA) notified the City that a hazardous waste generator fee was due for the period of January 1, 2019 through December 31, 2019 for hazardous waste generated at the Paradise Creek Park site undergoing environmental remediation pursuant to ROPS Item #176. The letter from CDTFA indicated that the City owed a fee of \$95,660 plus interest and penalties of \$27,560 for a total of \$123,220. None of the parties involved in the remediation work were aware of the requirement to pay this fee and the Successor Agency had no authority to pay this fee under ROPS 20-21 or ROPS 21-22. The City has been in discussions with CDTFA and has paid the fee portion of the billing on behalf of the Successor Agency, but it appears unlikely that CDTFA will waive any of the remaining liability. This item would reimburse the City for this unanticipated cost.

Recommendation:

Adopt the resolution and authorize staff to take all necessary actions to submit the ROPS 22-23 and associated Administrative Budget to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board for approval and subsequently to the State and the County as required by redevelopment agency dissolution law.

Fiscal Impact Statement:

The expenditures for the items listed on ROPS 22-23 total \$4.4 million, all of which is proposed to be funded from RPTTF. The amount of new RPTTF projected to be available to the Successor Agency for ROPS 22-23 is \$20.4 million. If RPTTF funding projections are correct and if all of the items on the ROPS proposed to be funded by RPTTF are approved, approximately \$16.0 million would be available for distribution to the affected taxing entities as residual balance, of which the City of National City's share would be approximately \$2.9 million.

EXHIBIT A

Recognized Obligation Payment Schedule (ROPS 22-23) Summary for the July 1, 2022 through June 30, 2023 Period

Successor Agency: National City
County: San Diego

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	22-23A Total (July - December)	22-23B Total (January - June)	ROPS 22-23 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 3,910,416	\$ 521,394	\$ 4,431,809
F RPTTF	3,795,416	406,394	4,201,809
G Administrative RPTTF	115,000	115,000	230,000
H Current Period Enforceable Obligations (A+E)	\$ 3,910,416	\$ 521,394	\$ 4,431,809

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/

Signature Date

EXHIBIT A

National City Successor Agency
Recognized Obligation Payment Schedule (ROPS) 22-23 Excel Format

Item #	Project Name/Debt Obligation	Obligation Type	Payee	Total Outstanding Debt or Obligation	Retired	ROPS 22-23 Total	Funding Sources ROPS 22-23A (Jul - Dec)					ROPS 22-23A Total	Funding Sources ROPS 22-23B (Jan - Jun)					ROPS 22-23B Total
							Bond Proceeds	Reserve Balance	Other Funds	Redevelopment Property Tax Trust Fund (RPTTF)	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	Redevelopment Property Tax Trust Fund (RPTTF)	Admin RPTTF	
Totals				41,263,434		4,431,809	-	-	-	3,795,416	115,000	3,910,416	-	-	-	406,394	115,000	521,394
12	WI-TOD (DDA/Co-Op/Bond Docs/Other Grants)	OPA/DDA/Construction	City of National City/EnSafe	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
13	WI-TOD (DDA/Co-Op/Bond Docs/Other Grants)	OPA/DDA/Construction	City of National City/DTSC	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
87	Personnel and Admin Costs	Admin Costs	City of National City	250,000	N	230,000	-	-	-	-	115,000	115,000	-	-	-	-	115,000	115,000
110	Environmental Monitoring for CDC Properties	OPA/DDA/Construction	County of San Diego	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
111	Environmental Monitoring for CDC Properties	Remediation	GeoSyntec Consultants	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
128	Contract for Financial Analysis	Fees	NHA Advisors	4,500	N	4,000	-	-	-	4,000	-	4,000	-	-	-	-	-	-
144	Contract for Legal Services	Legal	Kane, Ballmer, & Berkman	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
146	Contract for Legal Services	Legal	Opper & Varco, LLP/ Richard Opper	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
147	Contract for Legal Services	Legal	Christensen & Spath, LLP	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
162	Bonds	Fees	Bank of New York	44,000	N	4,000	-	-	-	4,000	-	4,000	-	-	-	-	-	-
167	Contract for Legal Services	Legal	Meyers Nave Hoffman Riback Silver & Wilson	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
176	Unforseen SA remediation cost obligation - estimated additional costs Phase II WI-TOD	OPA/DDA/Construction	Paradise Creek Housing Partners	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
179	Joint Defense and Cost Sharing Agreement with respect to the Affordable Housing Coalition of San Diego County v. Sandoval et al case	Litigation	City of National City/City of Lemon Grove/Colantuono, Highsmith & Whatley, PC	10,000	N	10,000	-	-	-	10,000	-	10,000	-	-	-	-	-	-
180	2017 Tax Allocation Refunding Bond - Series A Principal Payment	Refunding Bonds Issued After 6/27/12	Bank of New York Mellon Trust Company, N. A.	34,078,000	N	2,996,000	-	-	-	2,996,000	-	2,996,000	-	-	-	-	-	-
181	2017 Tax Allocation Refunding Bond - Series A Interest Payment	Refunding Bonds Issued After 6/27/12	Bank of New York Mellon Trust Company, N. A.	4,714,890	N	811,242	-	-	-	424,271	-	424,271	-	-	-	386,971	-	386,971
182	2017 Tax Allocation Refunding Bond - Series B Principal Payment	Refunding Bonds Issued After 6/27/12	Bank of New York Mellon Trust Company, N. A.	1,858,000	N	212,000	-	-	-	212,000	-	212,000	-	-	-	-	-	-
183	2017 Tax Allocation Refunding Bonds - Series B Interest Payment	Refunding Bonds Issued After 6/27/12	Bank of New York Mellon Trust Company, N. A.	180,824	N	41,347	-	-	-	21,924	-	21,924	-	-	-	19,423	-	19,423
184	Bonds	Fees	US Bank	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
185	Bonds	Fees	US Bank	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
186	CDTFA Hazardous Waste Generator Fee	Fees	City of National City	123,220	N	123,220	-	-	-	123,220	-	123,220	-	-	-	-	-	-

EXHIBIT A

National City
Recognized Obligation Schedule (ROPS 22-23) - Notes
July 1, 2022 through June 30, 2022

Item #	Notes/Comments
179	This case continues to be in litigation and there is no certainty regarding when it will reach a final conclusion. \$10,000 is requested in this ROPS for the Agency's potential share of costs should the case continue into the ROPS 22-23 period.
186	Earlier in 2021 CDTFA notified the City that a hazardous waste generator fee was due for the period of January 1, 2019 through December 31, 2019 for hazardous waste generated at the Paradise Creek Park site undergoing environmental remediation pursuant to ROPS Item #176. The letter from CDTFA indicated that the City owed a fee of \$95,660 plus interest and penalties of \$27,560 for a total of \$123,220. None of the parties involved in the remediation work were aware of the requirement to pay this fee and the Successor Agency had no authority to pay this fee under ROPS 20-21 or ROPS 21-22. The City has been in discussions with CDTFA and has paid the fee portion of the billing on behalf of the Successor Agency, but it appears unlikely that CDTFA will waive any of the remaining liability. This item would reimburse the City for this unanticipated cost.

EXHIBIT A

Report of Cash Balances

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or								
A	B	C	D	E	F	G	H	
		Fund Sources						
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF		
ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments	
1	Beginning Available Cash Balance (Actual 07/01/19) RPTTF amount should exclude "A" period distribution amount		8,382	7,142,239	631,091	227,726	E1 = total SA beginning cash less OF cash (\$631,091) from 18-19 PPA, less ROPS 19A-20 RPTTF distribution, and less PPA of \$227,726 applied to R19-20	
2	Revenue/Income (Actual 06/30/20) RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller		13		215,238	4,972,019	G2 = ROPS 19-20A (\$4,361,655) + ROPS 19-20B (\$610,364)	
3	Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)		6,930	2,255,407	0	4,652,231		
4	Retention of Available Cash Balance (Actual 06/30/20) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			4,877,553	407,355		E4 = amount of RB applied to ROPS 20-21 and 21-22 by DOF and SA; F4 = sum of \$158,652 and \$248,703 applied by DOF to R20-21 and R21-22, respectively	
5	ROPS 19-20 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC	No entry required					547,514	
6	Ending Actual Available Cash Balance (06/30/20) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 1,465	\$ 9,279	\$ 438,974	\$ 0		

**Successor Agency to the Community Development Commission
as the National City Redevelopment Agency**

Administrative Budget: ROPS 22-23A and 22-23B

Expenditures (Estimated Amounts per GC 34177(j)(1))

	Annual Salaries & Benefits (R22-23)	% Allocated	Annual Cost	Six Month Cost Admin Budget ROPS 22-23A	Six Month Cost Admin Budget ROPS 22-23B
Personnel*					
City Manager/Executive Director	326,190	5%	16,309.50	8,155	8,155
Executive Secretary	93,270	5%	4,663.50	2,332	2,332
Executive Assistant	113,920	5%	5,696.00	2,848	2,848
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Various as needed		N/A	31,928.00	15,964	15,964
Total Personnel			187,600	93,800	93,800
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Professional Services			14,400	7,200	7,200
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Miscellaneous Expenditures (supplies, equipment use, etc)			5,000	2,500	2,500
Total M&O			42,400	21,200	21,200
Total Expenditures			230,000	115,000	115,000
Funding Sources					
RPTTF - Administrative Allowance			230,000	115,000	115,000
Total Funding Sources			230,000	115,000	115,000

* Personnel responsibilities include, but are not limited to, providing executive direction and legal guidance for the operations of the SA, scheduling and maintaining records of the meetings of the Successor Agency, preparing agenda materials for the SA Board, managing litigation, developing the ROPS for each annual period, projecting and managing the cash flow of the SA, managing contracts with service providers, executing the Long Range Property Management Plan, managing the payments to vendors, accounting for all transactions of the SA in the general ledger, and preparing annual financial statements. Not represented on this schedule, but playing an important policy role in the administration of the Successor Agency, are the City's Mayor and Council Members who serve as the Board for the Successor Agency. All personnel costs are estimates and exclude overhead costs.

RESOLUTION NO. 2021 –

RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (“ROPS”) FOR THE PERIOD JULY 1, 2022 THROUGH JUNE 30, 2023 (“ROPS 22-23”) WITH EXPENDITURES TOTALING \$4,431,809, APPROVING THE ASSOCIATED ADMINISTRATIVE BUDGET OF \$230,000, AND APPROVING THE SUBMITTAL OF BOTH TO THE COUNTY OF SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD

WHEREAS, the City of National City (“City”) City Council established the City’s Redevelopment Agency (the “Redevelopment Agency”) by Ordinance No. 1164, dated April 11, 1967; and

WHEREAS, the City Council established the City’s Housing Authority (the “Housing Authority”) by Ordinance No. 1484, dated October 14, 1975; and

WHEREAS, the City Council established the City’s Community Development Commission (the “CDC”) by Ordinance No. 1484, dated October 14, 1975, and vested the CDC with all of the powers, duties, and responsibilities of both the Redevelopment Agency and the Housing Authority, among other matters, for the purpose of enabling the CDC to operate and govern the Redevelopment Agency and the Housing Authority under a single board and as a single operating entity. The CDC acting in its capacity as the City’s Redevelopment Agency is referred to herein as the “CDC-RDA”; and

WHEREAS, all California redevelopment agencies, including the Redevelopment Agency and the CDC-RDA, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of winding down the business and fiscal affairs of the former redevelopment agencies; and

WHEREAS, pursuant to AB 26, the City Council adopted Resolution No. 2012-15 on January 10, 2012, electing to be the Successor Agency to the CDC-RDA. The Successor Agency is a legal entity that exists separate and independent from the City. The Successor Agency formally named itself the “Successor Agency to the Community Development Commission as the National City Redevelopment Agency”; and

WHEREAS, Health and Safety Code section 34177(l) requires each successor agency to prepare a Recognized Obligation Payment Schedule (ROPS) prior to each upcoming fiscal period and submit it for approval to its oversight board; and

WHEREAS, a recognized obligation payment schedule for the period of July 1, 2022 through June 30, 2023 (“ROPS 22-23”) with expenditures totaling \$4,431,809 has been submitted by the Executive Director for consideration and approval by the Board of the Successor Agency; and

WHEREAS, the ROPS 22-23 shall hereafter be submitted for review and approval to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board, and submitted to the County Administrative Officer, County Auditor/Controller, State Department of Finance, and State Controller as required by Health and Safety Code section 34177(l); and

WHEREAS, an Administrative Budget for the Successor Agency for the ROPS 22-23 period with estimated expenditures totaling \$230,000 has been submitted by the Executive Director for consideration and approval by the Board of the Successor Agency; and

WHEREAS, the ROPS 22-23 Administrative Budget shall hereafter be submitted for review and approval to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board; and

WHEREAS, the Successor Agency, now having considered ROPS 22-23 and the associated Administrative Budget, desires to approve the ROPS 22-23 and the ROPS 22-23 Administrative Budget; and

WHEREAS, the Successor Agency's ROPS 22-23, which is consistent with the requirements of the Health and Safety Code and other applicable law, is attached to this Resolution as Exhibit "A"; and

WHEREAS, the Successor Agency's ROPS 22-23 Administrative Budget, which is consistent with the requirements of the Health and Safety Code and other applicable law, is attached to this Resolution as Exhibit "B"; and

WHEREAS, this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

WHEREAS, this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per section 15378(b)(5) of the Guidelines; and

WHEREAS, all of the prerequisites with respect to the adoption of this Resolution have been met.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: The foregoing recitals are true and correct, and are hereby made by this reference a substantive part of this Resolution.

Section 2: The Successor Agency's ROPS 22-23, which is attached hereto as Exhibit "A", is approved.

Section 3: The Successor Agency's ROPS 22-23 Administrative Budget, which is attached hereto as Exhibit "B", is approved.

Section 4: The Executive Director, or designee, is hereby authorized and directed to:

(i) submit the ROPS 22-23 and the ROPS 22-23 Administrative Budget to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board for approval in such format as may be directed by the Oversight Board or the County of San Diego; and

(ii) take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution on behalf of the Successor Agency; and

(ii) take such other actions and execute such other documents as are necessary to comply with Health and Safety Code 34177 with regard to ROPS 22-23, and to amend the ROPS 22-23 administratively to reflect the most current cost estimates for all items and the most current prior period actual cost or cash data, or to conform to the direction, guidance, and/or requirements related to ROPS 22-23 by the Oversight Board, Department of Finance, or other reviewing agencies.

Section 5: The Successor Agency determines that this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per section 15378(b)(5) of the Guidelines.

Section 6: This Resolution shall take effect upon the date of its adoption.

Section 7: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolution.

PASSED and ADOPTED this 7th day of December 2021.

Alejandra Sotelo-Solis, Chairwoman

ATTEST:

Luz Molina, Secretary

APPROVED AS TO FORM:

Charles E. Bell, Jr., Successor Agency Counsel

EXHIBIT A

**Recognized Obligation Payment Schedule (ROPS 22-23)
Summary for the July 1, 2022 through June 30, 2023 Period**

Successor Agency: National City
County: San Diego

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	22-23A Total (July - December)	22-23B Total (January - June)	ROPS 22-23 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 3,910,416	\$ 521,394	\$ 4,431,809
F RPTTF	3,795,416	406,394	4,201,809
G Administrative RPTTF	115,000	115,000	230,000
H Current Period Enforceable Obligations (A+E)	\$ 3,910,416	\$ 521,394	\$ 4,431,809

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/

Signature Date

EXHIBIT A

National City Successor Agency
Recognized Obligation Payment Schedule (ROPS) 22-23 Excel Format

Item #	Project Name/Debt Obligation	Obligation Type	Payee	Total Outstanding Debt or Obligation	Retired	Funding Sources ROPS 22-23A (Jul - Dec)					Funding Sources ROPS 22-23B (Jan - Jun)					ROPS 22-23B Total		
						ROPS 22-23 Total	Bond Proceeds	Reserve Balance	Other Funds	Redevelopment Property Tax Trust Fund (RPTTF)	Admin RPTTF	ROPS 22-23A Total	Bond Proceeds	Reserve Balance	Other Funds		Redevelopment Property Tax Trust Fund (RPTTF)	Admin RPTTF
Totals				41,264,094		4,431,809	-	-	-	3,795,416	115,000	3,910,416	-	-	-	406,394	115,000	521,394
12	WI-TOD (DDA/Co-Op/Bond Docs/Other Grants)	OPA/DDA/Construction	City of National City/EnSafe	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
13	WI-TOD (DDA/Co-Op/Bond Docs/Other Grants)	OPA/DDA/Construction	City of National City/DTSC	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
87	Personnel and Admin Costs	Admin Costs	City of National City	250,000	N	230,000	-	-	-	-	115,000	115,000	-	-	-	-	115,000	115,000
110	Environmental Monitoring for CDC Properties	OPA/DDA/Construction	County of San Diego	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
111	Environmental Monitoring for CDC Properties	Remediation	GeoSyntec Consultants	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
128	Contract for Financial Analysis	Fees	NHA Advisors	4,500	N	4,000	-	-	-	4,000	-	4,000	-	-	-	-	-	-
144	Contract for Legal Services	Legal	Kane, Ballmer, & Berkman	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
146	Contract for Legal Services	Legal	Opper & Varco, LLP/ Richard Opper	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
147	Contract for Legal Services	Legal	Christensen & Spath, LLP	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
162	Bonds	Fees	Bank of New York	44,000	N	4,000	-	-	-	4,000	-	4,000	-	-	-	-	-	-
167	Contract for Legal Services	Legal	Meyers Nave Hoffman Riback Silver & Wilson	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
176	Unforeseen SA remediation cost obligation - estimated additional costs Phase II WI-TOD	OPA/DDA/Construction	Paradise Creek Housing Partners	-	Y	-	-	-	-	-	-	-	-	-	-	-	-	-
179	Joint Defense and Cost Sharing Agreement with respect to the Affordable Housing Coalition of San Diego County v. Sandoval et al case	Litigation	City of National City/City of Lemon Grove/Colantuono, Highsmith & Whatley, PC	10,000	N	10,000	-	-	-	10,000	-	10,000	-	-	-	-	-	-
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National City
Recognized Obligation Schedule (ROPS 22-23) - Notes
July 1, 2022 through June 30, 2022

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	ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)	Bond Proceeds		Fund Sources			Comments	
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**Successor Agency to the Community Development Commission
as the National City Redevelopment Agency**

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