

# CITY OF ARCADIA

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## City Council Regular Meeting Agenda



**Tuesday, March 4, 2025, 6:00 p.m.**

**Location: City Council Conference Room, 240 W. Huntington Drive, Arcadia**

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability related modification or accommodation in order to participate in a meeting, including auxiliary aids or services, may request such modification or accommodation from the City Clerk at (626) 574-5455. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting.

根据《美国残障人法案》，需要调整或提供便利设施才能参加会议的残障人士（包括辅助器材或服务）可与市书记官办公室联系（电话：(626) 574-5455）。请在会前 48 小时通知市书记官办公室，以便作出合理安排，确保顺利参加会议。

Pursuant to the City of Arcadia's Language Access Services Policy, limited-English proficient speakers who require translation services in order to participate in a meeting may request the use of a volunteer or professional translator by contacting the City Clerk's Office at (626) 574-5455 at least 72 hours prior to the meeting.

根据阿凯迪亚市的语言便利服务政策，英语能力有限并需要翻译服务才能参加会议的人可与市书记官办公室联系（电话：(626) 574-5455），请求提供志愿或专业翻译服务，请至少在会前 72 小时提出请求。

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### **How to Submit Public Comment:**

Members of the Public who wish to submit public comment may do so using one of the following methods. Public comment is limited to the time and words allotted.

1. **In-Person:** Complete a Speaker Card, indicating the agenda item number and submit it to the City Clerk prior to the meeting, or simply come to the podium when the Mayor asks for those who wish to speak. Speakers are generally limited to five (5) minutes per person; any changes to the allotted time will be announced prior to the Public Comment period. At the Mayor's discretion, the time limit may be shortened to allow speakers to address the City Council.

Electronic submission of Public Comment is also available via the City's website or by email as noted below. Public Comment submitted electronically will not be read into the record at the posted meeting time but are forwarded to the City Council prior to the meeting for consideration.

1. **Website:** Please submit your comments using our online public comment form at [ArcadiaCA.gov/comment](https://ArcadiaCA.gov/comment). Your comments must be received at least 30 minutes prior to the posted meeting time.
2. **Email:** Please submit your comments via email to [CityClerk@ArcadiaCA.gov](mailto:CityClerk@ArcadiaCA.gov). Your comments must be received at least 30 minutes prior to the posted meeting time.

### 如何提交公众评论意见:

公众成员可以使用以下任何一种方法提交公众评论意见。请在时间和字数的限制范围内提交公众评论意见。

1. **亲自出席:** 填写一张发言人卡片, 注明议程项目编号, 然后在会议开始前提交给市书记官, 或者在市市长询问公众发言时, 直接到讲台上发言。发言者通常每人限时五 (5) 分钟; 如有时间调整, 将在公众评论期间之前公告。根据市长的裁量权, 时间限制可能会缩短, 以便发言者向市议会发言。

亦可按照以下方法在本市网站上或通过电子邮件以电子方式提交公众评论意见。以电子方式提交的公众评论意见不会在公布的会议期间读入记录, 但会在会议开始前转交给市议会, 供市议会考虑。

1. **网站:** 请使用以下网站中刊载的在线公众评论意见表提交您的评论意见: [ArcadiaCA.gov/comment](http://ArcadiaCA.gov/comment)。必须在公布的会议时间前至少提前 30 分钟提交评论意见。
2. **电子邮件:** 请将您的评论意见通过电子邮件发送至: [CityClerk@ArcadiaCA.gov](mailto:CityClerk@ArcadiaCA.gov)。必须在公布的会议时间前至少提前 30 分钟提交评论意见。

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## CALL TO ORDER

### ROLL CALL OF CITY COUNCIL MEMBERS

Dr. Michael Cao, Mayor  
Sharon Kwan, Mayor Pro Tem  
Paul P. Cheng, Council Member  
David Fu, Council Member  
Eileen Wang, Council Member

### PUBLIC COMMENTS (5-minute time limit each speaker)

Any person wishing to speak before the City Council is asked to complete a Speaker Card and provide it to the City Clerk prior to the start of the meeting. Speakers are generally limited to five (5) minutes per person; any changes to the allotted time will be announced prior to the Public Comment period. Under the Brown Act, the City Council is prohibited from discussing or taking action on any item not listed on the posted agenda.

### CLOSED SESSION

- a. Confer with legal counsel regarding anticipated litigation.

Potential initiation of litigation pursuant to Government Code Section 54956.9(d)(4): one (1) Case.

### Regular Meeting City Council Chambers, 7:00 p.m.

1. **CALL TO ORDER**
2. **INVOCATION**

Reverend John Scholte, Journey Community Church

**3. PLEDGE OF ALLEGIANCE**

John Cullen, Navy Veteran and Arcadia Resident

**4. ROLL CALL OF CITY COUNCIL MEMBERS**

Dr. Michael Cao, Mayor  
Sharon Kwan, Mayor Pro Tem  
Paul P. Cheng, Council Member  
David Fu, Council Member  
Eileen Wang, Council Member

**5. REPORT FROM CITY ATTORNEY REGARDING CLOSED/STUDY SESSION ITEMS**

**6. SUPPLEMENTAL INFORMATION FROM CITY MANAGER REGARDING AGENDA ITEMS**

**7. PRESENTATIONS**

- a. Presentation of Mayor's Certificates to the Foothills Middle School Girls Basketball Team for winning the League Championship.
- b. Presentation of the 2025 Arbor Day Proclamation.

**8. PUBLIC COMMENTS (5-minute time limit each speaker)**

Any person wishing to speak before the City Council is asked to complete a Speaker Card and provide it to the City Clerk prior to the start of the meeting. Speakers are generally limited to five (5) minutes per person; any changes to the allotted time will be announced prior to the Public Comment period. Under the Brown Act, the City Council is prohibited from discussing or taking action on any item not listed on the posted agenda.

**9. REPORTS FROM MAYOR AND CITY COUNCIL (*including reports from the City Council related to meetings attended at City expense [AB 1234]*).**

**10. CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless a member of the City Council, staff, or the public requests that a specific item be removed from the Consent Calendar for separate discussion and action.

- a. Regular Meeting Minutes of February 18, 2025.  
CEQA: Not a Project  
Recommended Action: Approve
- b. Ordinance No. 2403 amending Article V, Chapter 6 of the Arcadia Municipal Code and adopting by reference the Los Angeles County Health Code; and authorizing the City Manager to enter into a Public Services Contract with the Los Angeles County Department of Public Health.  
CEQA: Not a Project  
Recommended Action: Introduce, Approve, and Set Public Hearing Date

- c. Contract with Carter Enterprises Group, Inc. for the Americans with Disabilities Act Curb Ramp Project in the amount of \$211,000.  
CEQA: Exempt  
Recommended Action: Approve
- d. Extension to the contract with Crosstown Electrical & Data, Inc. for extraordinary traffic signal maintenance services in the amount of \$91,855.  
CEQA: Not a Project  
Recommended Action: Approve
- e. Police Department lease of two vehicles from Longo Toyota for three years with the option to renew for three additional one-year periods, in an amount not to exceed \$38,407.  
CEQA: Not a Project  
Recommended Action: Approve
- f. Purchase Order with Granite Data Solutions for the purchase of 75 Dell computer workstations in the amount of \$75,000.  
CEQA: Not a Project  
Recommended Action: Approve

## 11. CITY MANAGER

- a. Resolution No. 7619 amending the Fiscal Year 2024-25 General Fund Budget and authorizing a supplemental budget appropriation for the expansion of the Basic Life Support Peak Hours Ambulance Program in the amount of \$23,900, offset by additional revenues from the expanded program.  
CEQA: Not a Project  
Recommended Action: Adopt

## 12. ADJOURNMENT

The City Council will adjourn this meeting in memory of longtime Arcadia volunteer Dianne Chapman to Tuesday, March 18, 2025, 6:00 p.m. in the City Council Conference Room.

## Welcome to the Arcadia City Council Meeting!

The City Council encourages public participation, and invites you to share your views on City business.

**MEETINGS:** Regular Meetings of the City Council are held on the first and third Tuesday of each month at 7:00 p.m. in City Council Chambers. A full City Council agenda packet with all backup information is available at City Hall, the Arcadia Library, and on the City's website at [www.ArcadiaCA.gov](http://www.ArcadiaCA.gov). Copies of individual Agenda Reports are available via email upon request ([CityClerk@ArcadiaCA.gov](mailto:CityClerk@ArcadiaCA.gov)). Documents distributed to a majority of the City Council after the posting of this agenda will be available for review at the Office of the City Clerk, 240 W. Huntington Drive, Arcadia, California. Live broadcasts and replays of the City Council Meetings are on cable television. Your attendance at this public meeting may result in the recording and broadcast of your image and/or voice as previously described.

**PUBLIC PARTICIPATION:** Your participation is welcomed and invited at all City Council meetings. Time is reserved at each regular meeting for those in the audience who wish to address the City Council. The City requests that persons addressing the City Council refrain from making personal, slanderous, profane, or disruptive remarks. Where possible, please submit a **Speaker Card** to the City Clerk prior to your comments, or simply come to the podium when the Mayor asks for those who wish to speak, and state your name and address (optional) for the record. Please provide the City Clerk with a copy of any written materials used in your address to the City Council as well as 10 copies of any printed materials you would like distributed to the City Council. The use of City equipment for presentations is not permitted.

**MATTERS NOT ON THE AGENDA** should be presented during the time designated as "PUBLIC COMMENTS." In general, each speaker will be given five (5) minutes to address the City Council; however, the Mayor, at his/her discretion, may shorten the speaking time limit to allow all speakers time to address the City Council. **By State law, the City Council may not discuss or vote on items not on the agenda. The matter will automatically be referred to staff for appropriate action or response or will be placed on the agenda of a future meeting.**

**MATTERS ON THE AGENDA** should be addressed when the City Council considers that item. Please indicate the Agenda Item Numbers(s) on the **Speaker Card**. Your name will be called at the appropriate time and you may proceed with your presentation within the five (5) minute time frame. The Mayor, at his/her discretion, may shorten the speaking time limit to allow all speakers to address the City Council.

**PUBLIC HEARINGS AND APPEALS** are items scheduled for which public input is either required or desired. Separate and apart from the applicant (who may speak longer in the discretion of the City Council), speakers shall be limited to five (5) minutes per person. The Mayor, at his/her discretion, may shorten the speaking time limit to allow all speakers to address the City Council. The applicant may additionally submit rebuttal comments.

**AGENDA ITEMS:** The Agenda contains the regular order of business of the City Council. Items on the Agenda have generally been reviewed and investigated by the City Staff in advance of the meeting so that the City Council can be fully informed about a matter before making its decision.

**CONSENT CALENDAR:** Items listed on the Consent Calendar are considered to be routine by the City Council and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the City Council, Staff, or the public so requests. In this event, the item will be removed from the Consent Calendar and considered and acted on separately.

**DECORUM:** While members of the public are free to level criticism of City policies and the action(s) or proposed action(s) of the City Council or its members, members of the public may not engage in behavior that is disruptive to the orderly conduct of the proceedings, including but not limited to, conduct that prevents other members of the audience from being heard when it is their opportunity to speak or which prevents members of the audience from hearing or seeing the proceedings. Members of the public may not threaten any person with physical harm or act in a manner that may reasonably be interpreted as an imminent threat of physical harm. All persons attending the meeting are expected to adhere to the City's policy barring harassment based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, sexual orientation, or age. The Chief of Police, or such member or members of the Police Department, shall serve as the Sergeant-at-Arms of the City Council meeting. The Sergeant-at-Arms shall carry out all orders and instructions given by the presiding official for the purpose of maintaining order and decorum at the meeting. Any person who violates the order and decorum of the meeting may be placed under arrest and such person may be prosecuted under the provisions of Penal Code Section 403 or applicable Arcadia Municipal Code section.

# 欢迎参加阿凯迪亚市议会会议！

市议会鼓励公众参与，并邀请您分享对城市管理的看法。

**会议：**市议会定期会议于每个月第一个和第三个星期二下午七时在市议会会议厅举行。在市政厅、阿凯迪亚图书馆和市政府网站 ([www.ArcadiaCA.gov](http://www.ArcadiaCA.gov)) 可以找到包含所有相关信息的完整市议会议程。单独的议程报告可应请求通过电子邮件索取 ([CityClerk@ArcadiaCA.gov](mailto:CityClerk@ArcadiaCA.gov))。至于在发布该议程后向市议会多数成员分发的文件，公众可在阿凯迪亚市书记官办公室查阅，地址：240 W. Huntington Drive, Arcadia, California。市议会会议实况将通过有线电视进行现场直播和回放。如在以往的通知中所提示，如果您参加这次公开会议，您的图像和/或声音可能被录下并播出。

**公众参与：**市议会欢迎并邀请您参加市议会的所有会议。在每次定期会议上都为那些希望在会上发言的市民留出时间。市政府要求在市议会发言的人杜绝个人攻击、诽谤、亵渎或破坏性言论。如有可能，请在发表意见之前向市书记官提交一张**发言卡**，亦可在市长宣布自由发言时直接上台发言，并说出您的姓名和地址（如果您愿意），以便制作会议记录。请向市书记官提供一份您在发言中使用的任何书面材料，以及 10 份您希望分发给市议会的任何印刷材料。不允许把市政府设备用于准备发言内容。

**议程之外的事项**应当在指定的“公众评议”时间提出。在一般情况下，每位发言者将有五（5）分钟时间向市议会陈述意见，但市长可酌情缩短发言时限，以便让所有希望发言的人都有机会发言。**根据州法，市议会不得讨论或表决未列入议程的事项。此类事项将自动转给工作人员采取适当行动或作出回应，或将其列入未来会议的议程。**

**列入议程的事项**应当在市议会审议该事项时讨论。请在**发言卡**上标明事项的议程编号。在适当的时间会叫到您的名字，您可以在五（5）分钟时限内发言。市长可酌情缩短发言时限，以便让所有希望发言的人都有机会发言。

**公开听证和上诉**是为需要或希望征求公众意见的事项安排的日程。除申请人外（市议会可酌情决定延长申请人的发言时间），每位发言人的发言不得超过五（5）分钟。市长可酌情缩短发言时限，以便让所有希望发言的人都有机会发言。申请人还可以另外提交反驳意见。

**议程事项：**议程包含市议会的例行议题。一般而言，由市政府工作人员在会议前对议程中的事项进行审查和调查，以便市议会在作出决定之前能够充分了解情况。

**同意日历：**在同意日历上列出的事项被市议会视为例行公事，并将通过一项动议采取行动。除非市议员、工作人员或公众提出请求，否则不会对这些事项进行单独讨论。如果有人提出请求，该事项将从同意日历中删除，单独进行审议和采取行动。

**行为规范：**尽管市民可对市政府的政策和市议会或其成员的行动或拟议行动自由地提出批评，但不得出现干扰会议正常秩序的行为，包括但不限于在别人的发言时间内阻止别人发言，或妨碍公众听到发言内容或看到议程进展状况。市民亦不得威胁进行身体伤害或以可能被合理理解为作出身体伤害紧迫威胁的方式行事。所有出席会议的人都必须遵守市政府的反骚扰政策，禁止基于个人种族、宗教信仰、肤色、原国籍、祖籍、身体残障、疾病、婚姻状况、性别、性取向或年龄骚扰他人。警察局长或警察局其他成员将担任维持市议会会议秩序的保安官。保安官将执行会议主持人的一切命令和指示，以维持会议秩序和行为规范。对任何违反会议秩序和行为规范的人可执行拘捕，并可能根据《刑法典》第 403 条或《阿凯迪亚市政法典》相关条款提出起诉。



# City of Arcadia

## PROCLAMATION

*WHEREAS*, in 1872, the Nebraska Board of Agriculture established a special day for the planting of trees, where the Arbor Day holiday was first commemorated with the planting of more than one million trees; and

*WHEREAS*, Arbor Day is celebrated nationally to help maintain and replenish our country's vast forests, orchards, and woodlands; and

*WHEREAS*, trees are a renewable resource that help reduce topsoil erosion and combat climate change; and

*WHEREAS*, trees provide essential habitat for much of California's wildlife, including many endangered species; and

*WHEREAS*, vegetation and trees planted in urban areas play an important role in purifying the air, reducing pollution, and curtailing greenhouse gases by sequestering carbon; and

*WHEREAS*, Arcadia takes special care to preserve and manage its urban forest under its protected tree ordinance and through regular tree plantings and replacement; and

*WHEREAS*, trees are a valuable asset that help enhance property values and beautify the Arcadia community, necessitating their preservation and protection.

*NOW, THEREFORE*, I, Dr. Michael Cao, Mayor of the City of Arcadia, do hereby proclaim the week of March 7-14, 2025, as a celebration of:

## ARBOR DAY

in the City of Arcadia and urge all citizens to celebrate by protecting and planting trees for the benefit of future generations.

*Dated this  
4th Day of March, 2025*

*Dr. Michael Cao, Mayor*



**ARCADIA CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, FEBRUARY 18, 2025**

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1. **CALL TO ORDER** – Mayor Cao called the Regular Meeting to order at 7:00 p.m.
2. **INVOCATION** – Reverend Gina Milligan, Santa Anita Church
3. **PLEDGE OF ALLEGIANCE** – Lee Shimmin, Army Veteran and Arcadia Resident
4. **ROLL CALL OF CITY COUNCIL MEMBERS**

PRESENT: Cheng, Fu, Wang, Kwan, and Cao

ABSENT: None

5. **SUPPLEMENTAL INFORMATION FROM CITY MANAGER REGARDING AGENDA ITEMS**

City Manager Lazzaretto had nothing to report.

6. **PRESENTATIONS**

- a. Presentation of Mayor’s Certificate of Commendation to Rio Hondo Prep Football for winning the 2024 CIF Division 7 Football Championship and Southern California Division 3A Championship.
- b. Presentation of Mayor’s Certificates of Commendation to the 2025 Tournament of Roses Royal Court.

7. **PUBLIC HEARING**

- a. Direct the Los Angeles County Agricultural Commissioner to abate nuisances upon those properties located in the City of Arcadia and approve the Annual Weed Abatement Property List.

CEQA: Exempt

Recommended Action: Approve

City Manager Lazzaretto presented the staff report.

Mayor Cao opened the Public Hearing – no one appeared.

Mayor Cao closed the Public Hearing.

A motion was made by Council Member Cheng, seconded by Council Member Wang, and carried on a roll call vote to direct the Los Angeles County Agricultural Commissioner to abate nuisances upon those properties located in the City of Arcadia and approve the Annual Weed Abatement Property List.

AYES: Cheng, Wang, Fu, Kwan, and Cao

NOES: None

ABSENT: None

## 8. PUBLIC COMMENTS

Oliva Tan, an Arcadia resident, appeared in support of Mayor Pro Tem Kwan's proposal, which was made during the February 4, 2025, Regular Meeting, to discuss a fire prevention plan, encouraging the City Council to place this item on a future agenda for discussion.

Karie Horie, Arcadia business owner and Arcadia Chamber of Commerce Board Member, appeared and thanked the City Council and City staff for attending the Arcadia Chamber Excellence ("ACE") Award dinner. She announced that the Arcadia Chamber has the following upcoming events: Rise & Shine Arcadia Breakfast on February 20; Learning Lab on February 26; Networking at Noon, and Happy Hour Hop on February 27; she thanked the City Council for their partnership with the Arcadia Strong Grant Program and that more funds were raised to expand the program in response to the recent wildfires; and that the 3rd Annual Golf Classic is on May 1, encouraging everyone to attend.

Michelle Wu, an Arcadia resident, appeared and requested that Council Member Wang resign from office, expressing her reasons why she should step down.

April Verlato, Arcadia resident and former Mayor, appeared and referenced comments made by City staff and wildfire experts regarding the Eaton Fire; she shared a personal story about following expert advice and how it saved one home from the Pacific Palisades Fire; and she emphasized that Arcadia can do more, encouraging the City Council to have a discussion about improving wildfire protection for homes in Arcadia.

Sonia, an Arcadia resident, appeared and commented on the February 4 City Council Meeting and Mayor Pro Tem Kwan's wildfire proposal; she expressed her disappointment over the lack of support for the Public Comments raised at the last meeting; she referenced statements from City staff and Council Members highlighting their differing views on the Eaton Fire in Arcadia; and she encouraged the City Council to support Mayor Pro Tem Kwan's request to agendize a discussion on wildfire preparedness.

## 9. REPORTS FROM MAYOR, CITY COUNCIL AND CITY CLERK *(including reports from the City Council related to meetings attended at City expense [AB 1234]).*

Mayor Pro Tem Kwan acknowledged that the recent wildfires remain a concern for residents; she noted an article in which Southern California Edison ("SCE") reported its equipment may have ignited the Hurst Fire; she shared a photo from a resident showing a small SCE pole fire; she emphasized the need for the City Manager and the Public Works Services Department to assess the preventative measures SCE is taking to ensure public safety; she stressed the importance of taking a proactive approach to prevent future disasters; and she called for the community to come together in protecting the City.

Council Member Fu announced that he attended the Taipei Economic and Cultural Office in Los Angeles, Wildfire Relief Donation and Lunar New Year Reception; he commended the Taipei Economic and Cultural Office and the Taiwanese Chambers of Commerce for the generous donation to the Arcadia Fire Department Foundation and the Arcadia Firefighters' Association; he expressed full confidence in the City's public safety professionals; he thanked City staff for their efforts during the recent rainstorm; and thanked Arcadia residents for working together to share important information during emergencies.

Council Member Cheng shared encouraging stories for those going through tough times; he thanked Mayor Cao for having veterans lead the Pledge of Allegiance at City Council Meetings; and he expressed his gratitude towards his colleagues for their support.

Council Member Wang thanked the speakers for sharing their concerns over the recent wildfires; she provided a report on the various events that she attended or will be attending as a representative of the City; she recognized the importance of President's Day; and thanked her colleagues and City staff for their efforts in keeping the City safe.

Mayor Cao provided a report on the various events that he attended or will be attending as a representative of the City; he noted that July 4, 2026, will mark the 250th anniversary of the United States of America and requested City Council support to place an item on a future agenda to discuss ways to honor this milestone; Council Member Wang and Council Member Fu concurred.

## 10. CONSENT CALENDAR

- a. Regular Meeting Minutes of February 4, 2025.  
CEQA: Not a Project  
Recommended Action: Approve
- b. Extension to the contract with Sheldon Mechanical Corporation for HVAC preventative maintenance and repair services at various City facilities in an amount not to exceed \$313,798.  
CEQA: Not a Project  
Recommended Action: Approve
- c. Purchase Order with Flock Safety for renewal of the Automated License Plate Reader ("ALPR") camera subscription ("Phase 2") for Fiscal Year 2024-25 in an amount not to exceed \$69,000.  
CEQA: Not a Project  
Recommended Action: Approve

It was moved by Council Member Cheng, seconded by Council Member Wang and carried on a roll call vote to approve Consent Calendar Items 10.a through 10.c.

AYES: Cheng, Wang, Fu, Kwan, and Cao  
NOES: None  
ABSENT: None

## 11. CITY MANAGER

- a. Presentation of the General Fund Fiscal Year 2023-24 year ending result and Fiscal Year 2024-25 Mid-Year Budget review.  
CEQA: Not a Project  
Recommended Action: Receive and File

City Manager Lazzaretto provided the PowerPoint presentation.

After discussion, the presentation was received and filed by the City Council.

- b. Resolution No. 7620 incorporating the City of Arcadia Local Hazard Mitigation Plan ("LHMP") into the Safety Element of the Arcadia General Plan.  
CEQA: Not a Project  
Recommended Action: Adopt

Fire Chief Suen presented the staff report.

A motion was made by Council Member Wang, seconded by Council Member Cheng, and carried on a roll call vote to adopt Resolution No. 7620 incorporating the City of Arcadia Local Hazard Mitigation Plan (“LHMP”) into the Safety Element of the Arcadia General Plan.

AYES: Wang, Cheng, Fu, Kwan, and Cao  
NOES: None  
ABSENT: None

## 12. ADJOURNMENT

The City Council adjourned in memory of longtime resident and volunteer Dorothy Denne at 8:57 p.m. to Tuesday, March 4, 2025, at 6:00 p.m. in the City Council Conference Room.



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Linda Rodriguez  
City Clerk



# STAFF REPORT

Office of the City Manager

**DATE:** March 4, 2025

**TO:** Honorable Mayor and City Council

**FROM:** Dominic Lazzaretto, City Manager  
By: Justine Bruno, Deputy City Manager

**SUBJECT:** ORDINANCE NO. 2403 AMENDING ARTICLE V, CHAPTER 6 OF THE ARCADIA MUNICIPAL CODE AND ADOPTING BY REFERENCE THE LOS ANGELES COUNTY HEALTH CODE; AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A PUBLIC SERVICES CONTRACT WITH THE LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH

**CEQA: Not a Project**

**Recommendation: Introduce, Approve, and Set Public Hearing Date**

## **SUMMARY**

Arcadia uses the Los Angeles County Public Health Code as the "Health Code" for the City. The Los Angeles County Department of Public Health ("Public Health") has approached all 85 cities within Los Angeles County, including Arcadia, about modernizing the agreement that provides public health services for cities. The last contract for public health services between Arcadia and Los Angeles County was executed on February 12, 1964, and needs modernization.

It is recommended that the City Council introduce Ordinance No. 2403, amending Article V of the Arcadia Municipal Code relating to Sanitation and Health, and adopt by reference the Los Angeles County Health Code; approve, authorize, and direct the City Manager to enter into a Public Services Contract with the Los Angeles County Department of Public Health; and set a Public Hearing for the adoption of Ordinance No. 2403 on April 1, 2025.

## **BACKGROUND**

California law allows for contracts between cities and counties for the administration of public health services, including any ordinances regarding public health, sanitation, and inspection services, with any such enforcement actions performed by a County Health Officer. Arcadia has long consented to having Los Angeles County enforce and observe public health laws, orders, and regulations in the City.

On April 5, 2011, the City Council adopted Ordinance No. 2282, which adopted by reference, the most recent version of the Los Angeles County Health Code, including any future amendments approved by the County Board of Supervisors. Prior to 2011, Ordinance No. 2171 was adopted in 2003, which effectuated the same process of adopting the Los Angeles County Health Code by reference and repealing all other ordinances or conflicting language in the Arcadia Municipal Code.

The type of state-mandated public health services performed for cities on behalf of County Public Health are outlined in Title 17 of the California Code of Regulations, Section 1276, and include the following: public health statistics; communicable disease control; environmental health and sanitation services; public health laboratory and testing services; health education programs; public health nursing services; and offerings in chronic disease, nutrition, and family planning.

## **DISCUSSION**

Los Angeles County has public health service contracts with 85 of its 88 cities, excluding the Cities of Long Beach, Pasadena, and Vernon, who maintain their own municipal health departments. Through these contracts, the County's Health Officer serves as the local health officer within the contracted jurisdictions, including Arcadia.

Similar to other cities, Arcadia's existing contract for public health services was last executed in the 1960s and has yet to be updated. Specifically, the last contract was executed on February 12, 1964. Changes in state law and public health practices have rendered certain contract language obsolete and in need of modernization. The proposed Public Services Contract makes these updates for all 85 contracted cities, replacing antiquated language with text that reflects current public health practices and complies with legal citations and references. Upon execution, the new contract terms will extend through June 30, 2029, automatically renewing for consecutive five (5) year terms, for an indefinite period.

In the process of updating and modernizing the Public Services Contract between Arcadia and Los Angeles County, it is recommended that the ordinance to adopt the Health Code by reference also be readopted. With minor cleanup to the existing text related to dates and terminology, Section 5600 of the Arcadia Municipal Code will be largely unchanged under proposed Ordinance No. 2403. Refer to Attachment No. 3 – Ordinance No. 2282, to see what was last adopted in 2011 related to the Health Code.

Alternatively, if the City Council foregoes adoption of Ordinance No. 2403 and approval of the updated Public Services Contract, the existing Municipal Code language and health services contract would remain in place. Absent any City Council action on this matter, public health services will continue to be provided to Arcadia in the same manner, unless the City Council takes action to terminate the existing contract and/or repeal Section 5600 of the Municipal Code. Adoption of Ordinance No. 2403 ensures

that the County's health officers can effectively and fully enforce the rules and regulations that keep Arcadians safe and healthy.

To underscore the City's desire to continue having the Los Angeles County Health Department provide these services for Arcadia, its residents, and businesses, it is recommended that Ordinance No. 2403 be introduced for adoption during the April 1, 2025, City Council Meeting. If authorized, there will be no change in services provided by Public Health to the City of Arcadia; simply, an updated Municipal Code and Public Services Contract will be in place that reflect current laws and regulations.

### **ENVIRONMENTAL ANALYSIS**

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA") Guidelines per Section 15061(b)(3), as it can be seen with certainty that it will have no impact on the environment.

### **FISCAL IMPACT**

In general, Los Angeles County Public Health provides for the local administration of public health services to Arcadia and other cities, on a no-cost basis. For entities requiring a public health permit, the proposed agreement allows the County to collect the required permit fees from the applicant. For example, the proposed contract allows Public Health to charge a cost reimbursement fee to Arcadia, or any city, for two purposes:

- (1) Inspection of a City owned or operated detention facility pursuant to Health and Safety Code section 101045; and
- (2) Other public health administration or inspection services that are requested by Arcadia that are beyond the scope of services under this agreement.

Any costs for inspection services requested by the City will be done within current budgets. Otherwise, there is no fiscal impact resulting from the introduction of the proposed ordinance and authorization of the Public Services Contract with the Department of Public Health. Any other public health services that do not require specific fees or permits will continue to be offered to the City at no cost.

Should the City wish to forgo having the County provide health services, the City would need to establish a full Health Department and would incur millions of dollars in costs for staffing, equipment, testing services, buildings, and the like. While a portion of those expenditures could be recovered through fees charged, a significant portion would not, resulting in net costs to the City.

**RECOMMENDATION**

It is recommended that the City Council determine that this action does not constitute a project under the California Environmental Quality Act (“CEQA”); introduce Ordinance No. 2403, amending Article V, Chapter 6 of the Arcadia Municipal Code and adopting by reference the Los Angeles County Health Code; and approve, authorize, and direct the City Manager to enter into a Public Services Contract with the Los Angeles County Department of Public Health; and set a Public Hearing regarding the adoption of Ordinance No. 2403 for April 1, 2025.

Attachment No. 1: Ordinance No. 2403

Attachment No. 2: Proposed Public Services Contract with Los Angeles County (2025)

Attachment No. 3: Ordinance No. 2282 (2011)

Attachment No. 4: Public Services Contract with Los Angeles County (1964)

**Attachment No. 1**

**ORDINANCE NO. 2403**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, AMENDING ARTICLE V, CHAPTER 6 OF THE ARCADIA MUNICIPAL CODE AND ADOPTING BY REFERENCE THE LOS ANGELES COUNTY HEALTH CODE**

WHEREAS, the City Council of the City of Arcadia utilizes the Los Angeles County Public Health Code as the “Health Code” for the City of Arcadia; and

WHEREAS, on April 5, 2011, the City Council adopted by reference, the Los Angeles County Public Health Code, as approved by the Board of Supervisors through October 19, 2010, together with such amendments thereafter as may be enacted by the County, such that it is made a part of the Arcadia Municipal Code; and

WHEREAS, the Los Angeles County Health Department seeks to execute a new contract for the provision of public health services to local jurisdictions that have opted into this service and adopted, in whole or in part, the Los Angeles County Public Health Code; and

WHEREAS, the last contract for the provision of public health services between the City of Arcadia and the Los Angeles County Health Department was executed in 1964, and is in need of modernization; and

WHEREAS, as part of the contract modernization process, the City Council seeks to reaffirm its selection of the Los Angeles County Health Department to provide public health services in the City of Arcadia by readopting Article V, Chapter 6 of the Arcadia Municipal Code.

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

SECTION 1. Section 5600 of Article V, Chapter 6 of the Arcadia Municipal Code is amended to read in its entirety as follows:

“Section 5600. THE LOS ANGELES COUNTY HEALTH CODE. ADOPTION. The Health Code of the County of Los Angeles, as approved by the Board of Supervisors through September 10, 2024, and codified as Division 1 of Title 11 of the Los Angeles County Code, together with such amendments thereafter as may hereafter be enacted by the County, is hereby adopted and by this reference made a part of the Arcadia Municipal Code with the same force and effect as though fully set forth herein. A copy of said "Health Code" is on file and open to inspection in the Office of the City Clerk. Where, in any specific case, there is a difference between the City of Arcadia Municipal Code and the Los Angeles County Health Code, the most restrictive shall govern. When there is a conflict between a general requirement and a specific requirement, the specific requirement shall be applicable. In the event that there is an inconsistency or conflict between any provision of the County Health Code and any other provision of the Arcadia Municipal Code, then such other conflicting provision of the Arcadia Municipal Code shall have precedence.”

SECTION 2. Section 5601.2 of Article V, Chapter 6 of the Arcadia Municipal Code is amended to read as follows: “Section 5601.2 SAME. SAME. Whenever the term "County" or "County of Los Angeles" or any abbreviation thereof in said Health Code refers to a person engaged in or charged with the enforcement of any provision of the said Health Code, it shall be interpreted and deemed to mean the "Health Officer" or the “Director” of public health of the county of Los Angeles.”

SECTION 3. Section 5601.3 of Article V, Chapter 6 of the Arcadia Municipal Code is amended to read as follows: "Section 5601.3 SAME. SAME. Whenever the term "Health Officer", "Officer", or "Director" appears in said Health Code, it shall be interpreted and deemed to mean the "City Health Officer" or "City Health Director." Throughout the term of any contract between the City and another public agency for the enforcement of the provisions of this Chapter by such other public agency, the term shall mean the Health Officer or the Health Director of such other public agency."

SECTION 4. Section 5601.5 of Article V, Chapter 6 of the Arcadia Municipal Code is amended to read as follows: "Section 5601.5 SAME. SAME. The provisions of Chapter 11.38 of said Health Code shall not apply to the City of Arcadia or any of its departments or agencies."

SECTION 5. Section 5602.1 of Article V, Chapter 6 of the Arcadia Municipal Code is amended to read as follows: "Section 5602.1 SAME. ADDITION. A new Section 11.32.010.1 is hereby added to the Health Code to read as follows:

Sec. 11.32.010.1. SAME. PUBLIC USE OF PRIVATE POOLS. This Chapter shall likewise apply to all private pools designed for use by, available for use to, or used by the occupants of five (5) or more dwelling units."

SECTION 6. Section 5602.6 of Article V, Chapter 6 of the Arcadia Municipal Code is amended to read as follows: "Section 5602.6 SAME. ADDITIONS. New Sections 11.16.070.1, 11.16.070.2, 11.16.070.2.1, 11.16.070.2.2, 11.16.070.2.3, 11.16.070.2.4 and 11.16.070.3 are hereby added to the Health Code, the same to read respectively as follows:

Sec. 11.16.070.1. DISPOSAL OF MEDICAL SUPPLIES. No person shall dispose of, leave or discard, outside of the portion of a building in his possession, any container, bottle, syringe, hypodermic needle, hypodermic syringe, needle designed for or used in the dispensing, giving or injecting of medicine, drugs as defined by Section 4403 of the Business and Professions Code, or poisons as defined by Section 4160 of the Business and Professions Code, or any bandage, dressing or gauze that has been used in the treating or caring for an infectious disease. Medicine as used in this Section shall include drugs intended for use in the diagnosis, care, mitigation, treatment or prevention of disease, disorders, sickness or ailment in human beings or animals.

Sec. 11.16.070.2. SAME. METHODS. Items described in the preceding Section shall be disposed of in the manner prescribed in the following subsections.

Sec. 11.16.070.2.1. SAME. SAME. LIQUID AND SOFT WASTES. All fluid and soft material wastes, soiled paper tissue and other similar materials which can be properly disposed of through the sanitary sewer system, shall be disposed of in such manner.

Sec. 11.16.070.2.2. SAME. SAME. SOLID CONTAINERS. All containers, bottles, and other solid materials which contain or have contained medicines or drugs of any type shall be placed in waste containers enclosed or sealed by a solid lid or door securely fastened by a padlock or similar locking device, or in enclosed covered trash containers placed within an enclosed, roofed trash enclosure, the only entry to which shall be by means of a door securely fastened by a padlock or similar locking device. Every such padlock or locking device shall be under the exclusive control of the person placing materials therein, and shall remain locked at all times except during the time of placing materials therein or collecting materials therefrom by a person authorized so to do.

Sec. 11.16.070.2.3. SAME. SAME. USED OR CONTAMINATED ITEMS. Used or contaminated bandages, dressings, gauze, tongue depressors and similar items shall be securely wrapped and placed in heavy waxed paper or plastic bags which shall be securely closed by tying or stapling and which shall then be placed in metal trash cans which have overlapping, fly-tight lids. Such lids shall be kept in place at all times except while the trash cans are being filled or emptied by a person authorized so to do.

Sec. 11.16.070.2.4. SAME. SAME. SYRINGES AND NEEDLES. Syringes, needles, hypodermic syringes and needles and similar soft plastic items shall be disposed of in the manner provided by Section 11.16.070.2.2, or may be disposed of in the manner provided by Section 11.16.070.2.3 if the contents first be entirely removed therefrom, the needles broken, and the syringe or container be so broken or cut up by an approved method as to render the same unusable for any purpose whatsoever.

Sec. 11.16.070.3. SAME. OTHER REGULATIONS. If any requirements of Section 11.16.070.2 and the subsections thereof conflict with any applicable State or County law, regulation or administrative practice, the more stringent law or regulation shall apply.”

SECTION 7. The City Clerk shall certify to the adoption of this Ordinance and shall cause a copy of same to be posted per Resolution No. 7483 and within fifteen (15) days after its adoption. This Ordinance shall take effect on the thirty-first (31<sup>st</sup>) day after its adoption.

[SIGNATURES ON THE NEXT PAGE]

Passed, approved, and adopted this 1st day of April, 2025.

\_\_\_\_\_  
Mayor of the City of Arcadia

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:



\_\_\_\_\_  
Michael J. Maurer  
City Attorney

**DEPARTMENT OF PUBLIC HEALTH  
PUBLIC HEALTH SERVICES CONTRACT**

THIS CONTRACT "Contract" is made and entered into on \_\_\_\_\_

by and between

COUNTY OF LOS ANGELES  
(hereafter "County")

and

CITY OF ARCADIA  
(hereafter "City")

THIS PUBLIC HEALTH SERVICES CONTRACT ("Contract") is made by and between the County of Los Angeles, hereinafter referred to as the "County", and the City of Arcadia hereinafter referred to as "City."

**REPRESENTATION:**

The City desires to continue to contract with the County for the performance of public health services by the County's Department of Public Health ("Public Health"), for the County's Health Officer to act as the City's Health Officer, and for the County's Department of Public Health to serve as the City's Environmental Health Department.

The County agrees to continue performing such services on the terms and conditions set forth in this Contract.

This Contract is authorized by California Health and Safety Code Sections 101400 and 101405.

To effectuate public health services for the City, the County and its duly appointed Health Officer shall exercise the powers and duties that are conferred upon local health officers by law.

The County Health Officer shall fulfill the obligations and exercise the authority conferred by California Health and Safety Code Sections 101470 and 101475 within the territorial jurisdiction of the City in the performance of this Contract.

**THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:**

1. **TERM:** This Contract shall become effective upon date of execution, and replace all prior contracts for public health services between the City and County. This contract shall continue in full force and effect until June 30, 2029. Subject to Section 7 below, this Contract shall thereafter be automatically renewed for consecutive five (5) year terms, for an indefinite period, without further action by either City or County, unless City or County terminates the Contract in the manner set forth in Section 7.
2. **PUBLIC HEALTH SERVICES:** The County and the County's Health Officer shall observe and enforce within the territorial jurisdiction of the City all of the following:
  - a. Orders, quarantine, and other regulations, concerning public health, prescribed by the California Department of Public Health ("CDPH").
  - b. Statutes relating to public health.
  - c. Provisions of Los Angeles County Code, Title 11, and any amendments thereto, as adopted by City by ordinance or resolution, to the same extent as they are enforced in the unincorporated area of the County.
3. **DESCRIPTION OF PUBLIC HEALTH FUNCTIONS:**
  - a. The performance of all public health services, the standard of performance and other matters incidental to the performance of public health services and observation and enforcement of public health statutes, regulations, ordinances and CDPH orders and guidance shall be determined solely at the discretion of the County Health Officer and/or Director of County

Public Health. The control of County personnel under this Contract shall remain exclusively with the County.

- b. The County agrees to continue to perform for the City such public health services as are authorized or mandated by state laws or regulations related to public health, to be performed by the local health officer or local enforcement agency.
  - i. Pursuant to California Health and Safety Code section 101045, the County shall investigate health and sanitary conditions in detention facilities operated by the City, if any. County may bill and receive payment from City for inspection and reporting services in the manner provided by Paragraph 4, subsections (g) and (h) of this Contract.
  - ii. For future enactments of state law or regulation, County agrees to perform public health services that impose a specific duty or obligation on the local health officer to observe or enforce. Should future state law statutory or regulatory enactment related to public health not impose a duty or obligation on the local health officer, City may request in writing that the County perform that public health service. Should County elect to perform that discretionary public health service for City, pursuant to such City request, then County may bill and receive payment from City for inspection and reporting services in the manner provided by Section 4, subsections (g) and (h) of this Contract.
- c. The County agrees to continue to perform for the City such public health services as authorized or mandated by provisions of Title 11 of the Los Angeles County Code, and any amendments or additions thereto, that the City has adopted via ordinance or resolution.
  - i. Should the County Board of Supervisors enact future provisions to or amend existing provisions of Title 11 of the Los Angeles County Code, County will inform the City of the newly enacted provision or amendment via email to the City's Manager, and describe the

- enacted new provision or amendment and the impact to the services performed under this Contract, if any.
- ii. For future ordinances that may be enacted by the Board of Supervisors into Title 11 of the Los Angeles County Code, in order for the County to observe and enforce that enacted ordinance within the City, the City must approve the incorporation of the identical version of that new Title 11 provision into its municipal code via ordinance or by resolution of the City Council.
  - iii. Any future amendments to provisions of Title 11 of the Los Angeles County Code that exist in the City's Municipal Code at the date of the execution of this Contract, shall be incorporated by the City into its municipal code.
- d. The County shall issue public health permits and licenses to permittees located within the City and collect the fees as provided for in Los Angeles County Code, Title 8, Chapter 8.04. Such fees shall be retained by County Public Health for the benefit of County as full compensation for the services performed by the Public Health Director and County Health Officer on behalf of the City.
- i. County may, from time to time, amend or alter the public health permit or license fees charged to those individuals or entities required to obtain a public health permit or license pursuant to either state statute or Los Angeles County Code, Title 8, Chapter 8.04.
  - ii. City may not set, collect, or retain public health permit or license fees for any public health service performed by County under this Contract.
- e. For the purpose of performing said functions, County shall furnish and supply all necessary labor, supervision, equipment, and supplies necessary to provide the public health services described in this Contract and as necessary to protect the public health, safety, and welfare as determined by Public Health in its sole discretion. All persons employed in

the performance of public health services and functions under this Contract shall be County personnel.

**4. GENERAL TERMS:**

- a. To facilitate the performance of public health services, City and County will cooperate and assist each other to fulfill the purpose and intent of this Contract.
- b. Exhibit A of this Contract, which is attached hereto and incorporated herein, shall provide the language of the City's Municipal Code, as amended, that reflects the City's specific adoption of Division 1 of Title 11 of the Los Angeles County Code as of the effective date of this Contract. Exhibit A may be revised to reflect any changes to the City's Municipal Code regarding Title 11 of the Los Angeles County Code.
- c. All persons employed in the performance of such public health duties, functions and services for City shall be County employees or personnel and no City employee shall be supplied by County, and no person employed by County under this Contract shall have any City pension, civil service, or any status or right.
- d. The City shall not be called upon to assume any liability for the direct payment of any salary, wages or other compensation to any County personnel performing services hereunder for the City, or be liable for compensation or required to indemnify any County employee for injury or sickness arising out of his or her employment.
- e. The parties have executed an Assumption of Liability Contract approved by the Board of Supervisors on December 27, 1977, and/or a Joint Indemnity Contract approved by the Board of Supervisors on October 8, 1991. Whichever of these documents the City has signed later in time is currently in effect and hereby made a part of and incorporated into this Contract by reference. In the event that the Board of Supervisors later approves a revised Joint Indemnity Contract, and the City executes the

revised contract, the subsequent contract as of its effective date shall supersede the contract previously in effect between the parties hereto.

- f. City is not required to separately reimburse County for the performance or enforcement of any City ordinance or resolution which adopts identical provisions of Los Angeles County Code, Title 11, and its amendments.
- g. Should City request in writing additional public health services of the County, that are not required by statute, regulation or CDPH Order, or as provided in Title 11 of the Los Angeles County Code, the County may charge the City, at rates approved by the Board of Supervisors, an hourly rate that will reimburse the County for the cost for the provision of those specific public health services.
- h. County, through its Director of Public Health, must render to City within twenty (20) calendar days after the close of each calendar month an itemized invoice which covers all extra services performed for City if such services were requested by the City in writing, during said month, and City must pay County within thirty (30) days after date of such invoice.
- i. If a violation of public health statutes, regulations or ordinances results in a public health hazard within the City, County will notify the City Manager in writing. If the City elects to pursue legal prosecution or abatement, City shall provide to County contact information for counsel that will represent the City and the People in any legal proceeding to abate or mitigate the public health hazard. City shall bear the full cost of such proceedings. County may bill City on an hourly basis for time spent by County employees participating in such legal proceedings.

5. **NOTICES:** Notices hereunder must be in writing and may either be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, attention to the parties at the addresses listed below. Public Health Director, or the Director's designee, is authorized to execute all notices or demands which are required or permitted by County under this Contract.

Addresses and parties to be notified may be changed by providing at least ten (10) working days prior written notice to the other party.

A. Notices to County must be addressed as follows:

- (1) Department of Public Health  
Environmental Health – Administrative Headquarters  
5050 Commerce Drive  
Baldwin Park, California 91706  
Attention: Director, Environmental Health  
E-mail: [EHAdmin@ph.lacounty.gov](mailto:EHAdmin@ph.lacounty.gov)
- (2) Department of Public Health  
Contracts and Grants Division  
5555 Ferguson Drive, 2<sup>nd</sup> Floor, Suite 210  
Commerce, CA 90022  
Attention: Division Director  
Email: [contracts-grants@ph.lacounty.gov](mailto:contracts-grants@ph.lacounty.gov)
- (3) Department of Public Health  
Office of the Director  
Attention: Director, Public Health  
313 North Figueroa Street  
Los Angeles, CA 90012  
Email: [PHDirector@ph.lacounty.gov](mailto:PHDirector@ph.lacounty.gov)

B. Notices to City must be addressed as follows:

- (1) City of Arcadia  
Attention: City Manager  
244 West Huntington Drive, P.O. Box 60021  
Arcadia, CA 91066  
Email: [domlazz@ArcadiaCA.gov](mailto:domlazz@ArcadiaCA.gov)  
Phone: (626) 574-5400

6. **GOVERNING LAW, JURISDICTION, AND VENUE:** This Contract will be governed by, and will be construed in accordance with, the laws of the State of California. City agrees and consents to the exclusive jurisdiction of the courts of the State of California or the United States Courthouse, Central District, Western Division, for all purposes regarding this Contract and further agrees and consents

that venue of any action brought under this Contract shall be exclusively in the County of Los Angeles.

7. **TERMINATION FOR CONVENIENCE:** The performance of services under this Contract may be terminated, with or without cause, in whole or in part, from time to time when such action is deemed by County or City to be in their own best interest. Termination of services hereunder shall be effectuated by the delivery of an advance written Notice of Termination of the entire Contract by one party to the other at least one hundred and eighty (180) calendar days prior to July 1 of the following calendar year. The termination of services may only be effective on July 1 of the calendar year, so as to assure no lapse in public health and local health officer services to the residents of City.
8. **ALTERATION OF TERMS/AMENDMENTS:** The body of this Contract and any Exhibits attached hereto, and documents incorporated by reference, fully expresses all understandings of the parties concerning all matters covered and shall constitute the total Contract. No addition to, or alteration of, the terms of this Contract, whether by written or verbal understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Contract which is formally approved and executed by the parties in the same manner as this Contract.
9. **INDEPENDENT CONTRACTOR STATUS:** This Contract is by and between the County and City and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and City. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.



IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed by its Director of Public Health, and Contractor has caused this Contract to be subscribed in its behalf by its duly authorized officer, the month, day, and year first written above.

**CITY OF ARCADIA**

**COUNTY OF LOS ANGELES**

By: \_\_\_\_\_  
Dominic Lazzaretto  
City Manager

By: \_\_\_\_\_  
Barbara Ferrer, Ph.D., M.P.H., M.Ed.  
Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM  
BY THE OFFICE OF THE CITY ATTORNEY

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL

MICHAEL J. MAURER, City Attorney

MYN R. HARRISON, County Counsel

By: \_\_\_\_\_  
City Attorney

APPROVED AS TO CONTRACT  
ADMINISTRATION:  
Department of Public Health

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Contracts and Grants Division

ATTEST:  
LINDA RODRIGUEZ, City Clerk

Date: \_\_\_\_\_

By: \_\_\_\_\_  
City Clerk

Date: \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

#07642:db

# Exhibit A:

## CITIES - HEALTH OFFICER - ADOPTION OF COUNTY CODE

### ARCADIA

|   |
|---|
| <b>ADOPTION OF OUR COUNTY CODE TITLE 8 &amp; TITLE 11</b> |
|---|

|  |
|--|
| <b>5600. - LOS ANGELES COUNTY HEALTH CODE. ADOPTION.</b> |
|--|

The Health Code of the County of Los Angeles, as approved by the Board of Supervisors through October 19, 2010, together with such amendments thereafter as may hereafter be enacted by the County, is hereby adopted and by this reference made a part of the Arcadia Municipal Code with the same force and effect as though fully set forth herein. A copy of said "Health Code" is on file and open to inspection in the Office of the City Clerk. Where, in any specific case, there is a difference between the City of Arcadia Municipal Code and the Los Angeles County Health Code, the most restrictive shall govern. When there is a conflict between a general requirement and a specific requirement, the specific requirement shall be applicable. In the event that there is an inconsistency or conflict between any provision of the County Health Code and any other provision of the Arcadia Municipal Code, then such other conflicting provision of the Arcadia Municipal Code shall have precedence. (Amended by Ord. 2171 adopted 2-18-03; Ord. 1264 adopted 10-2-64; amended by Ord. 1495 adopted 10-16-73; amended by Ord. 1514 adopted 9-3-74)

(Amended by Ord. 2282, adopted 10-3-11)

|   |
|---|
| <b>CITY MUNICIPAL CODE EXCLUSION OF SPECIFIC PUBLIC HEALTH SERVICES</b> |
|---|

|      |
|------|
| None |
|------|

ORDINANCE NO. 2282

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, AMENDING SECTION 5600 OF CHAPTER 6, PART 3, ARTICLE V OF THE ARCADIA MUNICIPAL CODE AND ADOPTING BY REFERENCE THE LOS ANGELES COUNTY HEALTH CODE

WHEREAS, the City Council of the City of Arcadia utilizes the Los Angeles County Public Health Code as the "Health Code" for the City of Arcadia; and

WHEREAS, the City Council wishes to adopt by reference the Los Angeles County Public Health Code, as approved by the Board of Supervisors through October 19, 2010, together with such amendments thereafter as may hereafter be enacted by the County, such that it is made a part of the Arcadia Municipal Code; and

WHEREAS, as part this proposed action, the City of Arcadia adopts recent revisions to Title 8 of the Los Angeles County Public Health Code that adds "mobile food facility" to the definition of food facility; establishes a semi-annual letter grading and scoring program for mobile food facilities; requires owners of mobile food facilities and mobile support units to disclose current route information to the Department of Public Health; and establishes an annual certification inspection for mobile food facilities and mobile support units.

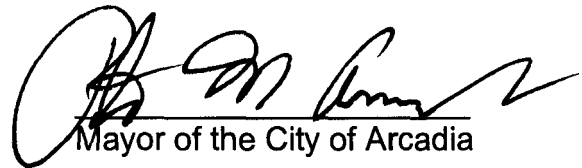
NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 5600 of Chapter 6, Part 3, Article V of the Arcadia Municipal Code is hereby amended to read as in its entirety as follows:


"5600. LOS ANGELES COUNTY HEALTH CODE. ADOPTION. The Health Code of the County of Los Angeles, as approved by the Board of Supervisors through October 19, 2010, together with such amendments thereafter as may hereafter be enacted by the County, is hereby adopted and by this reference made a part of the Arcadia Municipal Code with the same force and effect as though fully set forth herein. A copy of said "Health Code" is on file and open to inspection in the Office of the City Clerk. Where, in any specific case, there is a difference between the City of Arcadia Municipal Code and the Los Angeles County Health Code, the most restrictive shall govern. When there is a conflict between a general requirement and a specific requirement, the specific requirement shall be applicable. In the event that there is an inconsistency or conflict between any provision of the County Health Code and any other provision of the Arcadia Municipal Code, then such other conflicting provision of the Arcadia Municipal Code shall have precedence."

SECTION 2. The City Clerk shall certify to the adoption of this Ordinance and shall cause a copy of the same to be published in the official newspaper of said City within fifteen (15) days after its adoption.


Passed, approved and adopted this 5th day of April, 2011.

  
Mayor of the City of Arcadia

ATTEST:

  
City Clerk

APPROVED AS TO FORM:

  
Stephen P. Deitsch  
City Attorney

STATE OF CALIFORNIA        )  
COUNTY OF LOS ANGELES    ) SS:  
CITY OF ARCADIA             )

I, JAMES H. BARROWS, City Clerk of the City of Arcadia, hereby certifies that the foregoing Ordinance No. 2282 was passed and adopted by the City Council of the City of Arcadia, signed by the Mayor and attested to by the City Clerk at a regular meeting of said Council held on the 5th day of April, 2011 and that said Ordinance was adopted by the following vote, to wit:

AYES:     Council Members Chandler, Harbicht, Kovacic and Amundson

NOES:     None

ABSENT:   Council Member Segal

  
City Clerk of the City of Arcadia



AGREEMENT - HEALTH SERVICES

*No. 7242*

THIS AGREEMENT, made and entered into this 12th  
day of February, 1964, by and between  
the COUNTY OF LOS ANGELES, State of California, hereinafter  
called the "County," and the CITY OF Arcadia,  
Los Angeles County, California, a municipal corporation,  
hereinafter called the "City,"

WITNESSETH:

THAT WHEREAS, Sections 480, 481 and 482 of the  
Health and Safety Code of the State of California  
authorize the Board of Supervisors of the County to contract  
with the City for the performance by the Health Officer  
and other employees of the County of any or all functions  
relating to the enforcement in the City of all ordinances  
thereof relating to public health and sanitation, and the  
making of all inspections and the performance of all  
functions in connection therewith at cost;

NOW, THEREFORE, in consideration of the mutual  
covenants and agreements herein contained, it is hereby  
agreed as follows:

FIRST: The County agrees to render such public  
health services as authorized by Sections 480 and 482 of  
the Health and Safety Code of the State of California and  
as may be required by the City as provided by its  
ordinances now in effect or hereafter adopted. Copies of

APPROVED BY BOARD OF SUPERVISORS

MAY 28 1963

*Gordon T. Neavig*  
GORDON T. Neavig  
Clark of the Board

all ordinances now in effect, or hereafter adopted, and all amendments thereto, shall be promptly supplied the County of Los Angeles. It is understood that the City, upon proper resolution by the City Council, shall make request in writing to the County Health Officer for performance of services required under ordinances now in effect or later to be enacted.

SECOND: The City agrees to pay the cost as defined in Paragraph Ninth hereof, for the enforcement of said ordinance or ordinances, or in its election, the provisions in Paragraph Fifteenth. Costs of services rendered under Paragraph Fifth shall be paid pursuant to Paragraph Ninth. Services performed under Paragraph Sixteenth shall be paid for in the manner of election as provided for therein.

THIRD: It is expressly and mutually agreed that the City shall compensate the County for court time in the enforcement of local ordinances on the basis of the cost of performing said work as defined in Paragraph Ninth hereof, reduced by the amount recovered by witness fees.

FOURTH: No services to be compensated for pursuant to Paragraphs Third and Ninth hereof shall be performed unless said City shall have available funds previously appropriated to cover the costs hereof.

FIFTH: In the event the City desires to have rodent control and extermination measures undertaken by the County, it is expressly and mutually agreed that the City shall

compensate the County for the cost of providing said service, as defined in Paragraph Ninth hereof. Further, it is expressly understood that the City shall notify the County Health Officer of its intent to avail itself of rodent control or extermination; that the City shall set aside a sum sufficient to cover the cost of rodent control or extermination; that the County Health Officer shall be notified of the amount set aside for the control and suppression of rodents; and that the County shall not exceed the amount set up by the City unless expressly authorized in writing to do so by the City.

SIXTH: The County agrees to submit to the City during the life of this agreement periodic statements in duplicate for services rendered during the period covered, and the City agrees to pay the cost thereof within thirty (30) days after receipt of such billing. If the City desires monthly billing it shall notify the County in writing, otherwise billing periods shall be fixed by the County.

SEVENTH: It is expressly agreed between the parties hereto that nothing herein contained shall be construed to bind the City to designate or demand of the County, or the County to furnish any particular number of inspections or visits.

EIGHTH: Performance hereunder shall commence on February 12, \_\_\_\_\_, 19 64, and this contract shall remain in full force and effect to July 1, 19 64, and unless then terminated shall be renewed without further action

of the contracting parties from year to year. Either party hereto shall have the right to terminate this agreement at the end of any fiscal year by giving written notice of such intention to so do, such notice to be given not less than thirty (30) days prior to the end of any fiscal year.

NINTH: The City agrees to pay the County the cost of performing all services covered by this agreement, except as otherwise provided in Paragraph Fifteenth hereof. Costs shall include salaries of employees engaged in performing said services, a pro-rate of vacation and sick leave, supervision of such employees while so employed, the County Retirement Contribution and Workmen's Compensation Insurance Premiums on salaries, traveling expenses, supplies, plus a pro-rate of all indirect expenses. If the cost of providing the services changes, the City shall be notified of each such change in writing. i

TENTH: For the purpose of performing said functions, County shall furnish and supply all necessary labor, supervision, equipment, communication facilities, and supplies necessary to maintain the level of service to be rendered hereunder.

ELEVENTH: Notwithstanding anything hereinbefore contained, it is agreed that in all instances where special supplies, stationery, notices, forms, and the like must be issued in the name of said City, the same shall be supplied.

by said City at its own cost and expense.

TWELFTH: All persons employed in the performance of such services and functions for said City shall be County employees, and no City employee as such shall be taken over by said County, and no person employed hereunder shall have any City pension, civil service, or any status or right.

For the purpose of performing such services and functions, and for the purpose of giving official status to the performance thereof, every County officer and employee engaged in performing any such service and function shall be deemed to be an officer or employee of said City while performing service for said City, which service is within the scope of this agreement and is a municipal function.

THIRTEENTH: City shall not be called upon to assume any liability for the direct payment of any salaries, wages, or other compensation to any County personnel performing services hereunder for said City, or any liability other than that provided for in this agreement.

Except as herein otherwise specified, the City shall not be liable for compensation or indemnity to any County employee for injury or sickness arising out of his employment.

FOURTEENTH: County, its officers and employees, shall not be deemed to assume any liability for intentional or

negligent acts of said City or of any officer or employee thereof.

FIFTEENTH: In the event City by ordinance adopts the provisions of the Public Health Code of County (Ordinance No. 7583), the Health Officer shall perform the services necessary to enforce said ordinance provisions in the City to the same extent as the County Ordinance is enforced in unincorporated territory, and shall issue the permits and collect the fees provided for in Section 750 of said Public Health Code.

Said fees shall be retained by the Health Officer for the benefit of County as full compensation for the services performed by the Health Officer in the enforcement of said ordinance provisions, except that any court time spent in the enforcement thereof shall be compensated for in accordance with Paragraph Third hereof. In the event and whenever County Ordinance No. 7583 is amended to change the amount or amounts of any of the said permit fees, City shall at once amend its ordinance to provide permit fees in the exact amount as those designated in the County Ordinance as amended.

In the event that the City elects to set, collect and retain its own permit fees, it shall so notify the County Health Officer, and shall thereafter pay the cost of the service under this paragraph pursuant to Paragraph Ninth.

SIXTEENTH: The County agrees to enforce the provisions of Division 13, Part 2 of the Health and Safety Code of the State of California, relating to the sanitation, maintenance, use and occupancy of mobile homes and mobile

home parks and as may be requested pursuant to such sections by the City. It is understood that any such requests shall be in writing, directed to the County Health Officer and specifically designate the services to be required pursuant to any or all of the above sections of the Health and Safety Code. Such notification to the County Health Officer from the City shall indicate the election of the City that the City agrees either to pay the cost as defined in Paragraph Ninth hereof for the enforcement of said provisions of Division 13, Part 2 of the Health and Safety Code or that the City desires the County Health Officer to collect and retain the annual operating permit fees as prescribed in Division 13, Part 2 as full compensation for services performed by the County Health Officer.

INWITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

CITY OF Aradia  
BY Elton D. Phillips  
MAYOR

ATTEST:  
Christine Von Kaasen  
City Clerk

COUNTY OF LOS ANGELES

ATTEST:  
GORDON T. NESVIG  
Clerk of the  
Board of Supervisors

(SEAL) BY WARREN M. DORN  
Chairman, Board of Supervisors

WINIFRED BERNSTEIN  
Deputy

APPROVED AS TO FORM  
HAROLD W. KENNEDY, County Counsel

BY [Signature]  
Deputy

APPROVED AS TO FORM

James A. Neelkin  
City Attorney

4/63



# STAFF REPORT

Development Services Department

**DATE:** March 4, 2025

**TO:** Honorable Mayor and City Council

**FROM:** Kevin Merrill, City Engineer  
By: Johnathan Doojphibulpol, Principal Civil Engineer

**SUBJECT:** CONTRACT WITH CARTER ENTERPRISES GROUP, INC. FOR THE AMERICANS WITH DISABILITIES ACT CURB RAMP PROJECT IN THE AMOUNT OF \$211,000  
**CEQA: Exempt**  
**Recommendation: Approve**

## **SUMMARY**

The Americans with Disabilities Act (“ADA”) Curb Ramp Project is part of the Community Development Block Grant (“CDBG”) Program. The Project proposes to construct ADA compliant curb ramps at 16 locations where there are no preexisting ramps. Other improvements include sidewalks, curbs and gutters, cross gutters, and spandrels.

The Project was advertised for bids on January 23, 2025, and bids were opened on February 13, 2025. A total of 9 bids were received, and Carter Enterprises Group, Inc. DBA Pavement Rehab Company returned the lowest bid with an amount of \$211,000. It is recommended that the City Council approve, authorize, and direct the City Manager to execute a contract with Carter Enterprises Group, Inc., for the ADA Curb Ramp Project in the amount of \$211,000.

## **BACKGROUND**

On January 21, 2025, the City Council approved Resolution No. 7610, authorizing an amendment to the Statement of Objectives and Projects for the CDBG Program and adding the proposed Curb Ramp Project to the Fiscal Year 2024-25 Capital Improvement Program.

The ADA Curb Ramp Project was originally planned to construct eighteen (18) accessible curb ramps throughout the City. Locations for the new ramps were chosen based on a number of factors, which included engineering analysis, resident requests, the absence of existing ramps, and the proximity of the proposed locations to schools. Selected locations for the ramps were:

- Ten (10) ramps located on Sierra Madre Boulevard between Claridge Street and Perkins Drive.
- Two (2) ramps located at Sunset Boulevard and Okoboji Drive.
- Two (2) ramps located at Lovell Avenue and Winnie Way.
- Four (4) ramps located on Hugo Reid Drive at Magellan Drive and Old Ranch Road.

During the design of the project, two of the ramps located on the South side of the intersection of Sierra Madre Boulevard and Rodeo Road, were determined to be too costly to construct due to the drastic change in street slope. As a result, these two ramps were removed from the project. With this decrease in scope, more cross gutter and spandrel improvements were planned for other locations, ensuring complete compliance with ADA and Public Right of Way Accessibility Guidelines (“PROWAG”). Following completion of the project, access will be provided to residents of all abilities to safely travel these streets.

## **DISCUSSION**

The Project was advertised for bids on January 23, 2025. Bids were opened on February 13, 2025, and nine (9) bids were received as follows:

| <b>BIDDER</b>                    | <b>AMOUNT</b> |
|----------------------------------|---------------|
| Carter Enterprises Group, Inc.   | \$211,000     |
| FS Contractors, Inc              | \$233,132     |
| TVR Construction Engineering LLC | \$237,379     |
| We R Builders, Inc               | \$252,955     |
| Gentry General Engineering, Inc  | \$253,777     |
| Kalban Inc                       | \$263,231     |
| Gentry Brothers Inc              | \$273,380     |
| S&H Civilworks                   | \$320,440     |
| Hardy & Harper Inc               | \$334,000     |

The low bidder, Carter Enterprises Group, Inc., DBA Pavement Rehab Company, is based out of Anaheim, CA. They have subcontracted with the City on a previous project, the Santa Anita Avenue Corridor Phase 2 Traffic Signal Improvements Project, and their work was satisfactory.

The Los Angeles County Development Authority (“LACDA”) is the administrator of the CDBG program and, under their guidelines, it has been verified that Carter Enterprises Group, Inc. is not on the Department of Industrial Relations (“DIR”) Debarment List. The DIR Debarment List records contractors that are barred from bidding on, accepting, or performing any public works contracts, either as a contractor or subcontractor. In addition, one of LACDA’s requirements is verification of the selected contractor’s California Contractor’s License, which ensures that labor compliance and workers compensation laws have been met; these requirements have also been verified.

**ENVIRONMENTAL ANALYSIS**

This project is categorically exempt pursuant to the California Environmental Quality Act (“CEQA”) under Section 15301 (Existing Facilities) and Section 15302 (Replacement or Reconstruction). The project is constructing curb ramps at existing infrastructure locations and replacing sidewalks, curbs and gutters, cross gutters, and spandrels where they are damaged or not up to current standards, with no expansion of use; therefore, the exemption is warranted.

**FISCAL IMPACT**

This project is funded from two sources: \$160,000 of CDBG funds and \$58,729.53 of Transportation Development Act Article 3 (“TDA 3”) funds. The CDBG funds were appropriated to the project by City Council at the January 21, 2025, Meeting. TDA Article 3 funds are appropriated each year for ADA projects and funds are available from the Fiscal Year 2023-24 and 2024-25 budgets. Combined, the CDBG and TDA Article 3 funds provide a sufficient budget to cover the contract amount of \$211,000.

**RECOMMENDATION**

It is recommended that the City Council determine this project is exempt under the California Environmental Quality Act (“CEQA”); and approve, authorize, and direct the City Manager to execute a contract with Carter Enterprises Group, Inc. for the Americans with Disabilities Act Curb Ramp Project in the amount of \$211,000.

Approved:



Dominic Lazzaretto  
City Manager

Attachment: Contract with Carter Enterprises Group, Inc.

## CONTRACT

This CONTRACT, No. \_\_\_\_\_ is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2025, by and between City of Arcadia, sometimes hereinafter called "City," and Carter Enterprises Group, Inc., sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

a. **SCOPE OF WORK.** The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

### ADA CURB RAMP PROJECT

The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

b. **TIME FOR COMPLETION.** Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within **30** calendar days from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

c. **CONTRACT PRICE.** The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Two Hundred and Eleven Thousand Dollars (\$211,000.00)**. Payment shall be made as set forth in the General Conditions.

d. **LIQUIDATED DAMAGES.** In accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum set forth in Section 00 73 13, Article 1.11 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Article does not exclude recovery of other damages specified in the Contract Documents.

e. **COMPONENT PARTS OF THE CONTRACT.** The "Contract Documents" include the following:

- Notice Inviting Bids
- Instructions to Bidders
- Bid Form
- Bid Bond
- Designation of Subcontractors
- Information Required of Bidders
- Non-Collusion Declaration Form
- Iran Contracting Act Certification
- Public Works Contractor Registration Certification
- Performance Bond

Payment (Labor and Materials) Bond  
General Conditions  
Special Conditions  
Technical Specifications  
Addenda  
Plans and Drawings  
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except  
Sections 1-9  
Applicable Local Agency Standards and Specifications, as last revised  
Approved and fully executed change orders  
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. This Contract shall supersede any prior agreement of the parties.

f. **PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.** Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

g. **INDEMNIFICATION.** Contractor shall provide indemnification and defense as set forth in the General Conditions.

h. **PREVAILING WAGES.** Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Administrative Office or may be obtained online at <http://www.dir.ca.gov> and which must be posted at the job site.

**[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]**

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ARCADIA

CARTER ENTERPRISES GROUP, INC.

By: \_\_\_\_\_  
Dominic Lazzaretto  
City Manager

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

Printed Name: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
City Clerk

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

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

Printed Name: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

**(CONTRACTOR'S SIGNATURE MUST BE  
NOTARIZED AND CORPORATE  
SEAL AFFIXED, IF APPLICABLE)**

**END OF CONTRACT**

# Notary Acknowledgment

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

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

Signature of Notary Public \_\_\_\_\_

## OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

### CAPACITY CLAIMED BY SIGNER

- Individual
- Corporate Officer

\_\_\_\_\_  
Title(s)

- Partner(s)  Limited  General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other:

Signer is representing:  
Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
\_\_\_\_\_

### DESCRIPTION OF ATTACHED DOCUMENT

\_\_\_\_\_  
Title or Type of Document

\_\_\_\_\_  
Number of Pages

\_\_\_\_\_  
Date of Document

\_\_\_\_\_  
Signer(s) Other Than Named Above

**PAYMENT BOND (LABOR AND MATERIALS)**

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Arcadia (hereinafter designated as the "City"), by action taken or a resolution passed February \_\_\_\_, 2025, has awarded to Carter Enterprises Group, Inc., hereinafter designated as the "Principal," a contract for the work described as follows: **Contract No.** \_\_\_\_\_ (the "Project"); and

WHEREAS, said Principal is required to furnish a bond in connection with said contract; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and \_\_\_\_\_ as Surety, are held and firmly bound unto the City in the penal sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Civil Code Section 9100, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Revenue and Taxation Code Section 18663, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified, and also, in case suit is brought upon this bond, all litigation expenses incurred by the City in such suit, including reasonable attorneys' fees, court costs, expert witness fees and investigation expenses.

This bond shall inure to the benefit of any of the persons named in Civil Code Section 9100 so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants

otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or City and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Civil Code Section 9100, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned, including but not limited to the provisions of sections 2819 and 2845 of the California Civil Code.

By their signatures hereunder, Surety and Principal hereby confirm under penalty of perjury that surety is an admitted surety insurer authorized to do business in the State of California.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

(Corporate Seal)

\_\_\_\_\_  
Contractor/ Principal

By \_\_\_\_\_

Title \_\_\_\_\_

(Corporate Seal)

\_\_\_\_\_  
Surety

By \_\_\_\_\_

Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title \_\_\_\_\_

# Notary Acknowledgment

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

STATE OF CALIFORNIA  
 COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

Signature of Notary Public \_\_\_\_\_

### OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

#### CAPACITY CLAIMED BY SIGNER

- Individual
- Corporate Officer

\_\_\_\_\_  
 Title(s)

- Partner(s)
  - Limited
  - General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other:

Signer is representing:  
 Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
 \_\_\_\_\_

#### DESCRIPTION OF ATTACHED DOCUMENT

\_\_\_\_\_  
 Title or Type of Document

\_\_\_\_\_  
 Number of Pages

\_\_\_\_\_  
 Date of Document

\_\_\_\_\_  
 Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for Contractor/Principal.

# Notary Acknowledgment

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STATE OF CALIFORNIA  
 COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

Signature of Notary Public \_\_\_\_\_

### OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

\_\_\_\_\_  
 Title(s)

\_\_\_\_\_  
 Title or Type of Document

- Partner(s)
  - Limited
  - General

\_\_\_\_\_  
 Number of Pages

- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other:

\_\_\_\_\_  
 Date of Document

Signer is representing:  
 Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
 Signer(s) Other Than Named Above

**NOTE:** This acknowledgment is to be completed for the Attorney-in-Fact. The Power-of-Attorney to local representatives of the bonding company must also be attached.

**END OF PAYMENT BOND**

## PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Arcadia, (hereinafter referred to as "City") has awarded to Carter Enterprises Group, Inc., (hereinafter referred to as the "Contractor") an agreement for **Contract No.** \_\_\_\_\_, (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated \_\_\_\_\_, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, \_\_\_\_\_, the undersigned Contractor and \_\_\_\_\_ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of \_\_\_\_\_ DOLLARS, (\$ \_\_\_\_\_), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one (1) year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its officials, officers, employees, and authorized volunteers, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees including reasonable attorney's fees, incurred by City in enforcing such obligation.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City's rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure Section 337.15.

Whenever Contractor shall be, and is declared by the City to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the City's option:

- i. Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
- ii. Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.
- iii. Permit the City to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the City, when declaring the Contractor in default, notifies Surety of the City's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project.

By their signatures hereunder, Surety and Contractor hereby confirm under penalty of perjury that surety is an admitted surety insurer authorized to do business in the State of California.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, we have hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

(Corporate Seal)

\_\_\_\_\_  
Contractor/ Principal

By \_\_\_\_\_

Title \_\_\_\_\_

(Corporate Seal)

\_\_\_\_\_  
Surety

By \_\_\_\_\_

Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title \_\_\_\_\_

The rate of premium on this bond is \_\_\_\_\_ per thousand. The total amount of premium charges is \$\_\_\_\_\_.  
(The above must be filled in by corporate attorney.)

**THIS IS A REQUIRED FORM**

Any claims under this bond may be addressed to:

(Name and Address of Surety)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Name and Address of Agent or Representative for service of process in California, if different from above)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Telephone number of Surety and Agent or Representative for service of process in California)

\_\_\_\_\_

**NOTE: A copy of the Power-of-Attorney to local representatives of the bonding company must be attached hereto in addition to appropriate Notarial Acknowledgements of Execution by both Contractor and Surety.**



# Notary Acknowledgment

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

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

Signature of Notary Public \_\_\_\_\_

## OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

### CAPACITY CLAIMED BY SIGNER

### DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

\_\_\_\_\_  
Title(s)

\_\_\_\_\_  
Title or Type of Document

- Partner(s)  Limited
- General

\_\_\_\_\_  
Number of Pages

- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other:

\_\_\_\_\_  
Date of Document

Signer is representing:  
Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for the Attorney-in-Fact. The Power-of Attorney to local representatives of the bonding company must also be attached.

**END OF PERFORMANCE BOND**

Insert W9 form on PDF copy.

DRAFT



# STAFF REPORT

Public Works Services Department

**DATE:** March 4, 2025

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Public Works Services Director  
By: Carlos Aguilar, General Services Superintendent

**SUBJECT:** EXTENSION TO THE CONTRACT WITH CROSTOWN ELECTRICAL & DATA, INC. FOR EXTRAORDINARY TRAFFIC SIGNAL MAINTENANCE SERVICES IN THE AMOUNT OF \$91,855  
**CEQA: Not a Project**  
**Recommendation: Approve**

## **SUMMARY**

On March 19, 2024, the City Council approved a contract extension with Crosstown Electrical & Data, Inc. for extraordinary traffic signal maintenance services in the amount of \$88,407. Crosstown Electrical & Data, Inc. are reaching the end of their extended contract term and have submitted a written offer to extend their contract for an additional year. The offer reflects a 3.9%, or \$3,448, Consumer Price Index (“CPI”) cost increase. This will be Crosstown Electrical & Data, Inc.’s second contract extension; all other contract terms and conditions will remain in effect.

Based on past performance, it is recommended that the City Council approve, authorize, and direct the City Manager to execute a one-year contract extension with Crosstown Electrical & Data, Inc. for extraordinary traffic signal maintenance services in the amount of \$91,855. It is further recommended that the City Council delegate the authority to approve future extensions under this agreement to the City Manager, without having to return to the City Council for subsequent approval, provided that any changes to the financial terms stay within standard inflationary limits.

## **BACKGROUND**

The Public Works Services Department (“PWSD”) is responsible for the maintenance and repair of approximately 65 signalized intersections within the City. This work includes replacing burnt out lamps, repairing safety lights, minor repairs to damaged signal heads, monthly inspection of the signal controllers at all intersections, and field response to timing complaints and outages.

The purpose of the extraordinary traffic signal contract is to handle problems that are beyond the expertise of the City's Signal/Street Light Technician. The contractor also responds when a traffic signal has been knocked down or there is a safety hazard to traffic. The contract specifications also include painting of signal heads and testing conflict monitors at all intersections to ensure that the traffic signals are functioning properly.

The extraordinary traffic signal maintenance contract functions primarily on an as-needed basis, with the City being billed for time and materials as work is performed. The City of Arcadia experiences numerous traffic signal pole knockdowns every year resulting primarily from vehicle collisions. Repair costs for collision-related pole replacements are billed to the party responsible and reimbursed to the City. The traffic signal related expenses impacting the City's operational budget are annual conflict monitor testing and after-hours response for traffic signal malfunctions.

### **DISCUSSION**

Crosstown Electrical & Data, Inc. is reaching the end of their contract term and has submitted a written offer to extend their contract for an additional year. The extension reflects a 3.9%, or \$3,448, cost increase to offset an increase in the Consumer Price Index of goods related to their operations. The rate increase is based on the calendar year 2024 CPI increase of 3.5% among all goods and services in the Los Angeles Area. The extension increase is higher than the CPI due to additional operational expenses Crosstown Electrical & Data, Inc. is incurring from increased labor costs.

Crosstown Electrical & Data, Inc. has provided quality service to the City of Arcadia and continues to be responsive to requests from City staff. This will be Crosstown Electrical & Data, Inc.'s second contract extension. It is further recommended that the City Council delegate the authority to approve a third and final extension under this agreement to the City Manager, without having to return to the City Council for subsequent approval, provided that any changes to the financial terms stay within standard inflationary limits.

### **ENVIRONMENTAL ANALYSIS**

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA"), as it can be seen with certainty that it will have no impact on the environment.

### **FISCAL IMPACT**

The total contract cost will be set at a not-to-exceed amount of \$91,855. Sufficient funds have been budgeted for extraordinary repairs of traffic signals. All work is performed on a time and materials basis and Crosstown Electrical & Data, Inc. is only paid for the work performed.

**RECOMMENDATION**

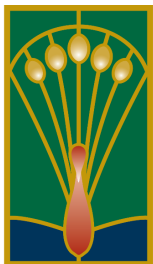
It is recommended that the City Council determine that this action does not constitute a project under the California Environmental Quality Act ("CEQA"); and approve, authorize, and direct the City Manager to execute a one-year extension to the contract with Crosstown Electrical & Data, Inc. for extraordinary traffic signal maintenance services in the amount of \$91,855. It is further recommended that the City Council delegate the authority to approve future extensions under this agreement to the City Manager, without having to return to the City Council for subsequent approval, provided that any changes to the financial terms stay within standard inflationary limits.

Approved:



Dominic Lazzaretto  
City Manager

Attachment: Proposed Amendment No. 2 to the Contract



**AMENDMENT NO. 2 TO THE TRAFFIC SIGNAL MAINTENANCE SERVICES  
2023 CONTRACT BY AND BETWEEN THE CITY OF ARCADIA  
AND CROSSTOWN ELECTRICAL & DATA, INC.**

**CITY OF  
ARCADIA**

This Amendment No. 2 ("Amendment No. 2") is hereby entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2025 by and between the City of Arcadia, a municipal corporation of the State of California, and Crosstown Electrical & Data, Inc., a California Corporation, with respect to that certain Contract between the parties dated April 19, 2023 ("Agreement"), and further amended by Amendment No. 1 dated April 18, 2024.

The Parties agree as follows:

1. Section B of the Contract Term is hereby extended to include the period from April 19, 20, 2025 to and including April 19, 2026. ("Extended Term").
2. Section C of the Contract, during the Extended Term Contract Price shall not exceed Ninety-One Thousand, Eight Hundred Fifty-Five Dollars and No Cents (\$91,855.00).
3. All terms and provisions of the Contract not amended by this Amendment No. 2 are hereby reaffirmed.

In witness whereof the Parties have executed this Amendment No. 2 on the date set forth below.

CITY OF ARCADIA

CROSSTOWN ELECTRICAL & DATA, INC.

By: \_\_\_\_\_  
Dominic Lazzaretto  
City Manager

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

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

ATTEST:

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

Title: \_\_\_\_\_

\_\_\_\_\_  
City Clerk

Dated: \_\_\_\_\_

APPROVED AS TO FORM

CONCUR:

\_\_\_\_\_  
Michael J. Maurer  
City Attorney

\_\_\_\_\_  
Paul Cranmer  
Public Works Services Director



# STAFF REPORT

Police Department

**DATE:** March 4, 2025

**TO:** Honorable Mayor and City Council

**FROM:** Roy Nakamura, Police Chief  
By: Amber Abeyta, Management Analyst

**SUBJECT:** POLICE DEPARTMENT LEASE OF TWO VEHICLES FROM LONGO TOYOTA FOR THREE YEARS WITH THE OPTION TO RENEW FOR THREE ADDITIONAL ONE-YEAR PERIODS, IN AN AMOUNT NOT TO EXCEED \$38,407

**CEQA: Not a Project**  
**Recommendation: Approve**

## **SUMMARY**

The Detective Bureau currently utilizes two vehicles that are leased from Enterprise Fleet Management (“EFM”). These vehicles are used for both investigative and administrative roles. Recently, EFM informed the Police Department that they no longer provide leases for less than 10 vehicles. An informal bidding process was conducted to explore new vehicle lease options. Three bids were submitted from: Longo Toyota, Sierra Chevrolet and Ram, and Sierra Honda of Monrovia. After a detailed evaluation, it was determined that the bid from Longo Toyota best meets the Department’s needs and offers the most cost-effective solution.

It is recommended that the City Council approve the lease of two vehicles from Longo Toyota for the Police Department for three years, with the option to renew for three additional one-year periods, in an amount not to exceed \$38,407.

## **BACKGROUND**

Since 2018, the Detective Bureau of the Police Department has utilized two leased vehicles, a Toyota Sienna (sedan) and a Chevy Silverado (compact truck) from EFM. The monthly lease for both vehicles totals \$1,199. These vehicles are utilized for different activities, encompassing both investigative and administrative roles. Occasionally, they are employed in a support capacity where marked units are unnecessary or not suitable for the task at hand. Due to the timeframe of traditional lease agreements (lasting 2-3 years) and the need to update the vehicles, EFM was approached to explore the possibility of initiating a lease for two new vehicles. EFM explained that they no longer

Vehicle Lease – Longo Toyota

March 4, 2025

Page 2 of 3

offer lease agreements for less than 10 vehicles; therefore, upon termination of the current lease with EFM, negotiating a new lease will not be possible, as the Department only requires two vehicles.

Since the lease with EFM is no longer an option, and to comply with the City’s procurement policy, a Small/Informal bid was processed, and three dealerships were contacted to obtain bids to lease two new vehicles. Bids were specifically requested for vehicles with similar styles as the current lease, which includes a sedan and a compact pickup truck. The results are outlined in the table below:

| <b>Vehicle</b>                  | <b>Monthly Payment</b>                             | <b>Initial Cost</b> |
|---------------------------------|--|---------------------|
| <b>Longo Toyota</b>             |  |                     |
| 2025 Toyota Tacoma Truck        | \$506.86   | \$0.00              |
| 2025 Toyota Camry               | \$559.98   | \$0.00              |
| Subtotal:                       | \$1,066.84   | \$0.00              |
| <b>Total:</b>                   | <b>(36-month lease + Initial Cost) \$38,406.24</b> |                     |
| <b>Sierra Chevrolet and Ram</b> |  |                     |
| 2025 Chevy Colorado Truck       | \$509.56   | \$1,342.39          |
| 2025 Chevy Equinox SUV          | \$511.91   | 696.74              |
| Subtotal:                       | \$1,021.47   | \$2,039.13          |
| <b>Total:</b>                   | <b>(36-month lease + Initial Cost) \$38,812.05</b> |                     |
| <b>Sierra Honda of Monrovia</b> |  |                     |
| 2025 Honda Accord Sedan         | \$458.86   | \$1,707.31          |
| 2024 Honda Ridgeline Truck      | \$577.09   | \$2,081.04          |
| Subtotal:                       | \$1,035.95   | \$3,788.35          |
| <b>Total:</b>                   | <b>(36-month lease + Initial Cost) \$41,082.55</b> |                     |

The lowest and most responsive bid was received from Longo Toyota for a 36-month lease, in the amount of \$38,406.24. In addition, a two-year maintenance plan is included with the Toyota lease, while the bids from Sierra Chevy and Sierra Honda do not include maintenance. At the conclusion of the second year, the City will be responsible for performing routine maintenance.

**DISCUSSION**

The lease offered by Longo Toyota best meets the Department’s needs and is the most cost effective. The lease includes a 2025 Toyota Tacoma Truck and 2025 Toyota Camry. There is no initial cost for the lease and the monthly payments total \$1,066.84; over the three-year period, the lease would cost \$38,406.24. Since the Department currently leases vehicles at \$1,199 per month, there are sufficient funds in the General Fund Operating budget to cover the new monthly payment of \$1,066.84 for the remainder of this Fiscal Year.

**ENVIRONMENTAL ANALYSIS**

The proposed action does not constitute a project under the California Environmental Quality Act (“CEQA”), based on Section 15061(b)(3) of the CEQA Guidelines, as it can be seen with certainty that it will have no impact on the environment.

**FISCAL IMPACT**

There is no initial cost for the lease and the monthly payments total \$1,066.84, which generates slight savings over the current lease arrangement. Over the three-year period, lease costs for the two vehicles will total \$38,406.24. Sufficient funds in the amount of \$4,267 are budgeted in the Fiscal Year 2024-25 General Fund Operating budget to cover the cost of the vehicle lease for the remainder of the Fiscal Year. Funds for future years will be budgeted in the General Fund Operating budget.

**RECOMMENDATION**

It is recommended that the City Council determine this action is not a project under the California Environmental Quality Act (“CEQA”); and approve the Police Department lease of two vehicles from Longo Toyota for three years, with the option to renew for three additional one-year periods, in an amount not to exceed \$38,407.

Approved:

  
\_\_\_\_\_  
Dominic Lazzaretto  
City Manager

Attachment: Draft Lease Agreements

Deal ID:3329811



# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA

## 1. Parties

Lease Date: 02/18/2025

**LESSEE AND CO-LESSEE NAME AND LESSEE'S BILLING ADDRESS**  
 ARCADIA POLICE DEPARTMENT  
 250 West Huntington Drive  
 Arcadia, County of Los Angeles, CA 91007

**LESSOR (DEALER) NAME AND ADDRESS**  
 LONGO TOYOTA  
 3534 NORTH PECK ROAD  
 EL MONTE, CA 91731

**VEHICLE GARAGING ADDRESS**  
 N/A

This is a Lease for the Vehicle described below. The words “you”, “your” and “yours” refer to the Lessee and any Co-Lessee. The words “we”, “us” and “our” refer to the Lessor, and after assignment, to the Toyota Lease Trust (“TLT”) and any subsequent assignee. Toyota Motor Credit Corporation (“TMCC”) will be servicing this Lease on behalf of TLT. By signing this Lease, you agree to lease the Vehicle described below from us under the terms of this Lease, to pay all amounts due and to perform all of your obligations under this Lease.

## 2. Description of Leased Vehicle

You are leasing from us, and have received in satisfactory condition, the following Vehicle:

|                       |                                      |                    |                         |
|-----------------------|--------------------------------------|--------------------|-------------------------|
| <b>Leased Vehicle</b> |                                      |                    |                         |
| 2025 Toyota Camry SE  |                                      |                    |                         |
| <b>New or Used</b>    | <b>Vehicle Identification Number</b> | <b>Primary Use</b> | <b>Odometer Mileage</b> |
| New                   | 4T1DAACK8SU114630                    | Business           | 5                       |

The box below memorializes trade-in, turn-in and other individualized agreements between you and the Lessor (Dealer). Obligations of the Lessor set forth in this box shall be the sole responsibility of the Lessor (Dealer). If this box conflicts with any other section of this Lease, the other section of this Lease shall control.

N/A

### “THERE IS NO COOLING OFF PERIOD”

California law does not provide for a “cooling off” or other cancellation period for vehicle leases. Therefore, you cannot later cancel this Lease simply because you change your mind, decided the vehicle costs too much, or wish you had acquired a different vehicle. You may cancel this Lease only with the agreement of the Lessor or for legal cause such as fraud.

Lessee

[Redacted Name]

A

Co-Lessee

N/A

A

**GAP LIABILITY NOTICE:** In the event of theft or damage to the Vehicle that results in a total loss, there may be a GAP between the amount due upon early termination and the proceeds of your insurance settlement and deductible. THIS LEASE PROVIDES THAT YOU ARE LIABLE FOR THE GAP AMOUNT. Optional coverage for the GAP amount may be offered for an additional price.

TRUE AND ACCURATE REVIEW COPY - UCC NON-AUTHORITATIVE COPY

TRUE AND ACCURATE REVIEW COPY - UCC NON-AUTHORITATIVE COPY

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## FEDERAL CONSUMER LEASING ACT SEGREGATED DISCLOSURES

|  |   |  |   |
|--|---|--|---|
| <b>3. Amount Due at Lease Signing or Delivery</b><br>(Itemized in Section 7 below)<br><br>\$ <u>1,179.34</u> | <b>4. Monthly Payments</b><br>Your first Monthly Payment of \$ <u>559.88</u> is due on <u>02/18/2025</u> , followed by <u>35</u> payments of \$ <u>559.88</u> due on the <u>18th</u> of each month.<br><br>The total of your Monthly Payments is: \$ <u>20,155.68</u> | <b>5. Other Charges</b><br>(not part of your Monthly Payment)<br><br>Disposition fee (if you do not purchase the Vehicle) \$ <u>350.00</u><br><br>Total \$ <u>350.00</u> | <b>6. Total of Payments</b><br>(The amount you will have paid by the end of the Lease)<br><br>\$ <u>21,125.14</u> |
|--|---|--|---|

### Itemization of Amount Due at Lease Signing or Delivery

#### 7. Amount Due at Lease Signing or Delivery:

|   |    |                 |
|---|----|-----------------|
| a. Capitalized Cost Reduction                       | \$ | <u>N/A</u>      |
| b. First Monthly Payment                            | \$ | <u>559.88</u>   |
| c. Refundable Security Deposit                      | \$ | <u>N/A</u>      |
| d. Title Fees                                       | \$ | <u>N/A</u>      |
| e. Registration Fees                                | \$ | <u>267.00</u>   |
| f. License Fees                                     | \$ | <u>216.00</u>   |
| g. Tax on Capitalized Cost Reduction                | \$ | <u>N/A</u>      |
| h. Acquisition Fee                                  | \$ | <u>N/A</u>      |
| i. Document Processing Fee (Not a Government Fee)   | \$ | <u>85.00</u>    |
| j. DMV Electronic Filing Fee (Not a Government Fee) | \$ | <u>34.00</u>    |
| k. California Tire Fee                              | \$ | <u>8.75</u>     |
| l. Upfront Tax on Fees                              | \$ | <u>8.71</u>     |
| m. N/A  | \$ | <u>N/A</u>      |
| n. N/A  | \$ | <u>N/A</u>      |
| o. N/A  | \$ | <u>N/A</u>      |
| p. Total  | \$ | <u>1,179.34</u> |

#### 8. How the Amount Due at Lease Signing or Delivery will be Paid:

|  |                 |                 |
|--|-----------------|-----------------|
| a. Net Trade-In Allowance                            |                 |                 |
| Year <u>N/A</u> Make <u>N/A</u> Model <u>N/A</u>     |                 |                 |
| VIN <u>N/A</u>                                       |                 |                 |
| (i) Agreed Upon Value \$ <u>N/A</u>                  |                 |                 |
| (ii) Less: Pay Off \$ <u>N/A</u>                     |                 |                 |
| (iii) Less: Cash to Lessee \$ <u>N/A</u>             |                 |                 |
| Net Trade In [(i) — (ii) — (iii), no less than 0] \$ |                 | <u>0.00</u>     |
| b. Rebates and Noncash Credits \$                    | <u>1,179.34</u> |                 |
| c. <u>N/A</u>  | \$              | <u>N/A</u>      |
| d. <u>N/A</u>  | \$              | <u>N/A</u>      |
| e. <u>N/A</u>  | \$              | <u>N/A</u>      |
| f. Amount to be Paid in Cash \$                      | <u>N/A</u>      |                 |
| g. Total   | \$              | <u>1,179.34</u> |

TRUE AND ACCURATE REVIEW COPY - UCC NON-AUTHORITATIVE COPY

TRUE AND ACCURATE REVIEW COPY - UCC NON-AUTHORITATIVE COPY

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## Your Monthly Payment is determined as shown below

### 9. Payment Determination

|  |                    |
|--|--------------------|
| <b>a. Gross Capitalized Cost.</b> The agreed upon value of the Vehicle (\$ 33,305.34 ) and any items you pay over the Lease Term (such as service contracts, insurance, and any outstanding prior credit or lease balance). For an itemization of this amount, see Section 13. | \$ 33,955.34       |
| <b>b. Capitalized Cost Reduction.</b> The amount of any net trade-in allowance, rebate, noncash credit, or cash you pay that reduces the Gross Capitalized Cost.   | - \$ N/A           |
| <b>c. Adjusted Capitalized Cost.</b> The amount used in calculating your Base Monthly Payment.   | = \$ 33,955.34     |
| <b>d. Residual Value.</b> The value of the Vehicle at the end of the Lease used in calculating your Base Monthly Payment.  | - \$ 20,668.00     |
| <b>e. Depreciation and any Amortized Amounts.</b> The amount charged for the Vehicle's decline in value through normal use and for other items paid over the Lease Term.   | = \$ 13,287.34     |
| <b>f. Rent Charge.</b> The amount charged in addition to the Depreciation and any Amortized Amounts.   | + \$ 4,994.64      |
| <b>g. Total of Base Monthly Payments.</b> The Depreciation and any Amortized Amounts plus the Rent Charge.   | = \$ 18,281.98     |
| <b>h. Lease Payments.</b> The number of payments in your Lease.  | + 36               |
| <b>i. Base Monthly Payment.</b>  | = \$ 507.83        |
| <b>j. Monthly Sales/Use Tax.</b>   | + \$ 52.05         |
| <b>k. N/A</b>  | + \$ N/A           |
| <b>l. Total Monthly Payment ("Monthly Payment")</b>  | <b>= \$ 559.88</b> |

**Early Termination.** You may have to pay a substantial charge if you end this Lease early. The charge may be up to several thousand dollars. The actual charge will depend on when the Lease is terminated. The earlier you end the Lease, the greater this charge is likely to be.

### 10. Excessive Wear and Use

You may be charged for excessive wear based on our standards for normal use and for mileage in excess of 36000 miles over the odometer mileage disclosed on page one, at the rate of \$ 0.15 per mile.

### 11. Purchase Option at the End of Lease Term

You have an option to purchase the Vehicle at the end of the Lease Term for \$ 20,668.00. That amount does not include other charges you may be required to pay pursuant to Section 32.

### 12. Other Important Terms

Review this Lease for additional information on early termination, purchase options and maintenance responsibilities, warranties, late and default charges, insurance, and any security interest, if applicable.

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# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## Gross Capitalized Cost Itemization and Other Items

### 13. Itemization of Gross Capitalized Cost

You will pay for the following items over the Lease Term, as part of your Monthly Payment:

|  |                       |
|--|-----------------------|
| a.1. Agreed Upon Value of the Vehicle as equipped at time of signing this Lease  | \$ 33,305.34          |
| a.2. Agreed Upon Value of each accessory and item of optional equipment the Lessor (Dealer) agrees to add to the Vehicle after signing this Lease: |                       |
| i. N/A   | + \$ N/A              |
| ii. N/A  | + \$ N/A              |
| iii. N/A   | + \$ N/A              |
| iv. N/A  | + \$ N/A              |
| a.3. Total Agreed Upon Value of the Vehicle  | = \$ 33,305.34        |
| b. Taxes   | + \$ N/A              |
| c. Initial Title, License, and Registration Fees   | + \$ N/A              |
| d. Outstanding Prior Credit or Lease Balance   | + \$ N/A              |
| e. Acquisition Fee   | + \$ 650.00           |
| f. Document Processing Fee (Not a Government Fee)  | + \$ N/A              |
| g. DMV Electronic Filing Fee (Not a Government Fee)  | + \$ N/A              |
| h. California Tire Fee   | + \$ N/A              |
| i. N/A   | + \$ N/A              |
| j. N/A   | + \$ N/A              |
| k. N/A   | + \$ N/A              |
| l. N/A   | + \$ N/A              |
| m. N/A   | + \$ N/A              |
| n. N/A   | + \$ N/A              |
| o. N/A   | + \$ N/A              |
| p. N/A   | + \$ N/A              |
| q. N/A   | + \$ N/A              |
| r. N/A   | + \$ N/A              |
| s. Gross Capitalized Cost  | = \$ <u>33,955.34</u> |

### 14. Lease Term and Scheduled Maturity Date

The Lease Term of this Lease is 36 months, and the Scheduled Maturity Date of this Lease is 02/17/2028.

### 15. Required Insurance

You must provide the following insurance during the Lease Term, with the Lessee and/or Co-Lessee as an insured driver. No other types of insurance are required and **no Required Insurance is provided by us in this Lease:**

- a) primary automobile liability insurance with minimum limits for bodily injury or death of
  - i) \$ 15,000.00 for any one person, and
  - ii) \$ 30,000.00 for any one accident, and
  - iii) \$ 5,000.00 for property damage; and
- b) physical damage insurance for the full value of the Vehicle, with a maximum deductible of \$1,000.

See Section 24 for more information.

You have provided us today with the following insurance information:

|                    |                   |
|--------------------|-------------------|
| TBD                | TBD               |
| Insurance Provider | Policy No.        |
| TBD                | (626) 580-6000    |
| Agent's Name       | Agent's Phone No. |
| N/A                |                   |
| Agent's Address    |                   |

Insurance Coverage Verification by Dealer Employee



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## 16. Charges for Late/Returned Payments

If we do not receive a full Monthly Payment within 10 days after it is due, you must pay a late payment charge of 5% of the unpaid amount or \$10, whichever is greater.

If any payment (including an electronic funds transfer) you make to us is not honored or returned to us for any reason, in addition to any late charges, you may be charged a fee of \$25, as permitted by law.

## 17. Estimated Official Fees and Taxes

This is an estimate of the total amount you will pay over the Lease Term for official and license fees, registration, title, and taxes (including personal property taxes), whether included in your Total Monthly Payment (Section 9.I), the Amount Due at Lease Signing or Delivery (Section 7) or billed separately. The actual total of Official Fees and Taxes may be higher or lower than this estimate depending on the tax rates in effect or the value of the Vehicle at the time a fee or tax is assessed. **This estimate is based on your current address and may increase if you move or if tax rates change. You are responsible for paying any increases.** See Section 27 for additional information.

Estimated Total \$ 2,898.88

## 18. Warranty

If the Vehicle is a new or a demo Vehicle, the Vehicle is subject to the standard new warranty from the manufacturer. If the Vehicle is used, it is not covered by a warranty unless identified below:

- Remainder of standard new vehicle warranty from manufacturer
- Used vehicle warranty from manufacturer

**UNLESS WE MAKE A WRITTEN WARRANTY OR ENTER INTO A SERVICE CONTRACT WITHIN 90 DAYS FROM THE DATE OF THIS LEASE AND EXCEPT AS STATED IN THE PARAGRAPH IMMEDIATELY ABOVE, OR AS OTHERWISE PROVIDED BY LAW, YOU ARE LEASING THIS VEHICLE "AS IS." THERE ARE NO WARRANTIES AS TO THE VEHICLE'S CONDITION, MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.**

## 19. Optional Insurance and Other Products

You are not required to buy any of the Optional Insurance or Other Products listed below to enter into this Lease, and they are not a factor in our credit decision. These insurance and other products will not be provided unless the appropriate box is checked, all information is filled in, you sign below, and you are accepted by the Provider. By your signature below, you agree that you have received a notice of the terms of the insurance or product, and you want to obtain the insurance or product for the premium or charge shown. A portion of the premium or charge shown may be retained by the Lessor (Dealer).

|                          |   |     |            |           |       |
|--------------------------|---|-----|------------|-----------|-------|
| <input type="checkbox"/> | <b>Optional Credit Life Insurance</b>       | N/A |            |           |       |
|                          |   | N/A | Insured(s) |           |       |
| \$                       | N/A   |     |            | Lessee    | N/A C |
|                          | Beginning Coverage                          |     |            |           |       |
|                          | N/A   |     |            | Co-Lessee | N/A C |
|                          | Provider                                    |     |            |           |       |
| \$                       | N/A   |     |            |           |       |
|                          | Premium                                     |     |            |           |       |
| <input type="checkbox"/> | <b>Optional Credit Disability Insurance</b> | N/A |            |           |       |
|                          |   | N/A | Insured(s) |           |       |
| \$                       | N/A   |     |            | Lessee    | N/A D |
|                          | Maximum Monthly Coverage                    |     |            |           |       |
|                          | N/A   |     |            | Co-Lessee | N/A D |
|                          | Provider                                    |     |            |           |       |
| \$                       | N/A   |     |            |           |       |
|                          | Premium                                     |     |            |           |       |
| <input type="checkbox"/> | <b>Optional Service Contract</b>            | N/A | N/A        |           |       |
|                          | Miles/Coverage                              |     | Months     | Lessee    | N/A E |
|                          | N/A   |     |            | Co-Lessee | N/A E |
|                          | Provider                                    |     |            |           |       |
| \$                       | N/A   |     |            |           |       |
|                          | Premium or Charge                           |     |            |           |       |

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# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



|  |           |     |   |
|--|-----------|-----|---|
| <input type="checkbox"/> <b>Optional Guaranteed Automobile Protection</b> (See Section 31) |           |     |   |
| N/A<br>Provider  | Lessee    | N/A | F |
| \$ N/A<br>Premium or Charge  | Co-Lessee | N/A | F |
| <input type="checkbox"/> <b>Optional Maintenance Agreement</b>                             |           |     |   |
| N/A<br>Provider  | Lessee    | N/A | G |
| \$ N/A<br>Premium or Charge  | Co-Lessee | N/A | G |
| <input type="checkbox"/> <b>Optional Excess Wear and Use Protection Plan</b>               |           |     |   |
| N/A<br>Provider  | Lessee    | N/A | H |
| \$ N/A<br>Premium or Charge  | Co-Lessee | N/A | H |
| <input type="checkbox"/> <b>Optional Tire and Wheel Protection Plan</b>                    |           |     |   |
| N/A<br>Provider  | Lessee    | N/A | I |
| \$ N/A<br>Premium or Charge  | Co-Lessee | N/A | I |

Total Premiums and Charges \$ 0.00

## 20. Complete Agreement or Modification

By your signature, you acknowledge that this Lease contains the entire agreement for the Lease of this Vehicle. There are no other agreements. Any change to this Lease must be in writing, and signed by you and by us.

|        |   |           |     |
|--------|---|-----------|-----|
| Lessee |   | Co-Lessee | N/A |
|        | J |           | J   |

## YOUR OBLIGATIONS DURING THIS LEASE

### 21. Vehicle Maintenance and Damage

You are responsible for all maintenance, repair, service, and operating expenses of the Vehicle. You agree to keep the Vehicle in the same condition as when you received it, except for reasonable wear, to maintain the Vehicle so that any warranties or similar agreements remain effective and so that it passes all inspections required by law, to follow the owner's manual and maintenance schedule, and to provide us with written proof of such maintenance. You agree to make the Vehicle available to us for inspection during the Lease Term at any reasonable time and place that we request.

### 22. Prohibited Uses of the Vehicle.

You agree that you will not, nor permit others to:

- use the Vehicle in any illegal manner, in violation of your insurance policy, or without the insurance coverage described in Sections 15 and 24;
- alter or install any equipment on or in the Vehicle without our written consent. Any accessions to the Vehicle become our property;
- subject the Vehicle to any lien, seizure or other involuntary transfer;
- use the Vehicle to transport goods or people for hire;
- remove the Vehicle from the state where it was first titled, for more than 30 days, without our written consent;

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



- f. take the Vehicle outside the continental United States (except to Canada or Mexico for less than 30 days, if you have our consent and have provided us with proof of insurance);
- g. use the Vehicle in a way that causes the cancellation or suspension of any warranty or other similar protection agreement; or
- h. allow anyone else to regularly use the Vehicle without our written consent.

**Assigning, subleasing, pledging or permitting a security interest to be created in, or in any other way transferring by you of any interest in the Vehicle or this Lease is strictly prohibited.**

- 23. Title and Registration.** Legal title to the Vehicle will be in our name and the Vehicle will be registered as we direct. You must promptly pay all title, registration, and license fees.
- 24. Required Insurance.** The limits required under state law may not be sufficient for your needs. See your insurance provider for more information. **You may obtain the required coverages through any insurance company, agent, or broker you choose which is reasonably acceptable to us and authorized to do business in the state where the Vehicle is located.** This insurance may be provided through existing policies that you own or control if it otherwise meets all requirements. The insurance policy must be acceptable to us, name Toyota Lease Trust as **additional insured and loss payee**, and give us at least 10 days written notice before any cancellation or reduction in coverage. You authorize us to endorse your name(s) on any check or draft from your insurance company for any claim. You must provide us with written proof of this insurance, including a copy of the insurance policy, at any time during the term of this Lease at our request. You agree to release to us all insurance or other proceeds you receive for damages or loss to the Vehicle (including any premium refunds on the Required Insurance) up to the amount you owe us.

**Notice: Liability insurance coverage for bodily injury and property damage caused to others is not included in this Lease.**

- 25. Payment Obligations.** You may not change or stop your Monthly Payments for any reason, even if the Vehicle is stolen, destroyed, seized by the government, non-operative, experiences any mechanical problem, or does not perform satisfactorily. We may apply each Monthly Payment and each other payment we receive to past due payments, current payment due, late charges, and other amounts due under this Lease in any order we choose, to the extent permitted by law.
- 26. Change in Address.** You must notify us in writing within 30 days of any change in your address or the address where the Vehicle is garaged.
- 27. Fees Taxes and Fines.** You must promptly pay all official fees and taxes related to the Vehicle and this Lease, including title, license and registration fees, and sales, use, excise and personal property taxes. These amounts may change from time to time based on changes to your address and changes in tax rates. You must also promptly pay all other fees, assessments, charges, costs and fines (collectively "fines") incurred on the Vehicle such as traffic tickets, impounds, towing charges, storage charges and toll violations. Some bills for official fees and taxes may be sent to you for payment. Other bills may be paid by us on your behalf and we will charge you the amount billed to us. If you fail to pay any such amount when billed by us or by a third party, and we elect to pay it, you will reimburse us for the amount paid plus a \$10 administrative fee per incident, to the extent permitted by law. In connection with these bills, you give us permission to provide information regarding you and this Lease to the billing authority. You must pay all fees, taxes, assessments, charges, costs and fines incurred on the Vehicle during the Lease Term, even if they are assessed and billed after this Lease has ended. We may charge you an estimated amount for any remaining items at the time this Lease ends. You are responsible for any shortage in this estimate, and we will refund you any excess.

We are not obligated to apply for any refund or abatement of official fees and taxes, including personal property taxes. If you make a written request that we apply for a refund of an official fee or tax that you paid to us, to which you are entitled, we will file an application for refund. We will send any refund we receive, less all amounts due under this Lease, to you.

We may pay any title, registration, license fee, tax, assessment, charge, cost or fine which you fail to pay, and charge you the amount paid. You are responsible for any fines or penalties if you fail to pay the bill when due.

- 28. Default and Remedies.** To the extent permitted by law, you will be in default if:
- a. you fail to make any payment when it is due;
  - b. you fail to keep any other agreement in this Lease;
  - c. you provided false or misleading information when applying for this Lease;
  - d. you become the subject of a bankruptcy or insolvency proceeding;
  - e. the Vehicle is lost, stolen, seized, confiscated, levied upon, or damaged beyond reasonable repair;
  - f. you die and there is no surviving co-lessee; or
  - g. you fail to return the Vehicle by the Scheduled Maturity Date and do not obtain our written consent to extend the Lease Term.

If you are in default, we may do any or all of the following, as permitted by law, after giving any legally required notices, and observing any legally required cure or reinstatement periods:

- i. terminate this Lease and your right to use the Vehicle;
- ii. require you to return the Vehicle by allowing us to pick up the Vehicle or making it available to us at any reasonable time and place we specify;
- iii. take possession of the Vehicle by legal process or by self help in any manner not prohibited by law;
- iv. require you to pay the amounts set forth in Section 29;
- v. take any reasonable action to correct your default or to prevent our loss;
- vi. pursue any other remedy allowed by law; and
- vii. require you to pay all of our reasonable expenses for taking these actions and add the amount of our expenses to the amount you owe us under this Lease, including, but not limited to, expenses for repossession, transportation, storage, collection, and legal costs, including reasonable attorneys' fees paid to an attorney who is not our salaried employee, as allowed by applicable law.

We or our agent may take possession of personal property left in or on the Vehicle, subject to your right to recover such property, if any. We or our agent may store it for you and you will be responsible to pay for this service. If you do not take possession of the personal property, we or our agent may dispose of it as permitted by law.

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## ENDING YOUR LEASE

**29. Early Termination by Us.** We may terminate this Lease at any time if you are in default (see Section 28). If we do, you must return the Vehicle to us, at any reasonable location we specify. In addition, you must pay us, upon demand, the total of the following amounts:

- a. the amounts set forth in Section 28(vii); plus
- b. all Monthly Payments that have become due and are unpaid at termination; plus
- c. all other unpaid amounts then due under this Lease, but not including charges for Excessive Wear and Use and excess mileage (Sections 10 and 34); plus
- d. an Early Termination Amount equal to, the difference, if any, between:
  - (i) the Adjusted Capitalized Cost as disclosed in Section 9(c); and
  - (ii) the sum of (a) all depreciation and other amortized amounts accrued through the date of early termination, calculated in accordance with the constant yield method, and (b) the Realized Value of the Vehicle, as defined below; minus
- e. any remaining Refundable Security Deposit (Section 36) or refund we receive from Optional Insurance or Other Products (Section 38).

The "Realized Value" means one of the following: (1) where the Vehicle is a total loss as a result of a theft or damage, and you maintain the Required Insurance, the amount of any applicable insurance deductible owed by you plus the proceeds of the settlement of the insurance claim, unless we agree to a higher amount; (2) the wholesale appraised value, if you elect to have an appraisal, which you may obtain, at your own expense, from a professional independent appraiser agreed to by you and us (the appraisal must be completed at least three days before the scheduled valuation or disposal date of the Vehicle, as provided by a notice that we will provide to you); (3) if we choose to retain ownership of the Vehicle for use or to lease the Vehicle to a subsequent lessee, the wholesale value as specified in the current edition of a recognized used vehicle guide such as Kelley Blue Book or the N.A.D.A. Official Used Car Guide; or, (4) under all other circumstances, the price paid for the Vehicle at disposition.

**30. Early Termination by You.** You may terminate this Lease at any time prior to the scheduled end of this Lease. If you terminate this Lease early, are not in default, and do not elect to purchase the Vehicle in accordance with Section 32, you must return the Vehicle to us, at any reasonable location we specify, and you must pay us, upon demand:

- a. all Monthly Payments that have become due and are unpaid at termination; plus
- b. all other unpaid amounts then due under this Lease, but not including charges for Excessive Wear and Use and excess mileage (Sections 10 and 34); plus
- c. the Early Termination Amount determined pursuant to Section 29(d) above; minus
- d. any remaining Refundable Security Deposit (Section 36) or refund we receive from Optional Insurance or Other Products (Section 38).

If you terminate this Lease early, are in default (see Section 28), and do not elect to purchase the Vehicle in accordance with Section 32, you must return the Vehicle to us, at any reasonable location we specify, and you must pay us, upon demand, the amounts specified in Section 29 above.

Other terms apply if you terminate this Lease and purchase the Vehicle or trade in the Vehicle in connection with the purchase or lease of another vehicle.

**31. Effect of Guaranteed Automobile Protection on Early Termination.** If the Vehicle is subject to damage or theft resulting in a total loss, and you have purchased and received Guaranteed Automobile Protection in connection with this Lease, and you have met the conditions set forth in the Guaranteed Automobile Protection agreement, then your Early Termination obligations set forth in Sections 29 or 30, as applicable, will not include the charges set forth in Section 29(d), the disposition fee shown in Section 5, and the charges for Excessive Wear and Use and excess mileage (Sections 10 and 34).

**32. Your Option to Purchase the Vehicle.** You may purchase the Vehicle at any time during this Lease or at the Scheduled Maturity Date (unless a governmental agency has seized the Vehicle and instructed us not to release the Vehicle to you). The price to purchase the Vehicle at the Scheduled Maturity Date is the Purchase Option Price shown in Section 11, plus, the amount described in subsections 32(a), 32(b) and 32(c), below. The price to purchase the Vehicle during the Lease Term is the total of:

- a. all unpaid Monthly Payments that have become due, and other amounts due and unpaid under this Lease, except the disposition fee shown in Section 5 and charges for Excessive Wear and Use and excess mileage (Sections 10 and 34); plus,
- b. all official fees and taxes, and documentary fees charged in connection with the purchase; plus,
- c. all amounts necessary to meet any legal selling requirements; plus,
- d. the difference, if any, between the Adjusted Capitalized Cost as disclosed in Section 9(c) and all depreciation and other amortized amounts accrued through the date of early termination, calculated in accordance with the constant yield method.

As part of a like-kind exchange program, TMCC has engaged TQI Exchange, LLC ("TQI") as a qualified intermediary. Lessor and Lessee are hereby notified that TMCC has assigned to TQI its rights (but not its obligations) in any agreement for the sale of the Vehicle at Lease termination.

**33. Obligations if You Do Not Purchase the Vehicle at the Scheduled Maturity Date.** At the Scheduled Maturity Date, you must return the Vehicle to us at any reasonable location we specify, and pay us, upon demand, the following amounts:

- a. all Monthly Payments and other amounts due under this Lease, including the disposition fee shown in Section 5; plus
- b. all official fees and taxes charged in connection with this Lease termination; plus
- c. all Excessive Wear and Use charges described in Section 34; plus
- d. all excess mileage charges disclosed in Section 10. You will not receive a refund if you do not use all of the mileage set forth in Section 10.

If you keep possession of the Vehicle past the Scheduled Maturity Date, you agree to continue to pay the Monthly Payments. However, continued payment does not cure any default, including a default under Section 28(g), and does not permit you to keep the Vehicle unless you obtain our advance written consent to extend the Lease Term. You agree to pay us any damages we suffer because you failed to return the Vehicle at the end of this Lease.

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



**34. Excessive Wear and Use Charges.** If you do not purchase the Vehicle at any time during this Lease or at the Scheduled Maturity Date, or if you elect to terminate this Lease pursuant to the terms of this Lease and except to the extent paid by the Excess Wear and Use Protection Plan; if you purchased and received that Plan, you are responsible for the estimated cost to repair damage (including diagnostic cost, if any) to the Vehicle which is excessive wear and use (even if we do not repair the Vehicle).

Excessive wear and use may include but is not limited to certain damage such as:

- a. inoperative mechanical and electrical parts;
- b. damage (including but not limited to, damage to the engine) due to your failure to maintain the Vehicle pursuant to the terms of this Lease;
- c. damage to the body, lights, trim or paint;
- d. damaged, broken or missing glass;
- e. torn, damaged or stained interior;
- f. damage from flood, water, hail or sand;
- g. damage from removal of equipment or signs placed on the Vehicle;
- h. missing equipment, parts and accessories, including missing keys or remote entry devices; or
- i. any wear or damage to any part of the tire that doesn't allow the tire to meet the manufacturer's guidelines for safe operation, or any mismatched tire sizes in a set of 5 (or 4 with any emergency spare if the Vehicle was equipped with one).

## ADDITIONAL INFORMATION

**35. Communication Consent.** You agree that we, TMCC and any affiliates, agents and service providers or any assignees of the foregoing (individually and collectively, as applicable in this Communications Consent section, "we," "our" or "us") may call you, leave you a voice, prerecorded or artificial voice message or send you a text, email or other electronic message for any purpose related to your Accounts with us, our products and services, or surveys or research (each a "Communication"). We may include your personal information in a Communication and conduct a Communication using an automated dialing system and any contact information we have for you, including a cell phone number. We will not charge you for a Communication but your service provider may do so. You understand and agree, we may always communicate with you in any manner permissible by law that does not require your consent.

**36. Refundable Security Deposit.** Your security deposit may be used by us to pay amounts that you owe under this Lease. If you elect to purchase your Vehicle, your security deposit may be applied by us to the amount you owe to purchase your Vehicle. Any unused security deposit will be returned to you at the end of the Lease Term. No interest, increase, or profits will be paid to you on the security deposit, unless required by law.

**37. Assignment.** We can assign our interest in this Lease and in the Vehicle without your consent. After you sign this Lease, we will assign it to TLT and you agree to make all payments to TMCC as servicer for TLT.

**38. Refund of Optional Insurance or Other Products.** If any optional insurance or product included in the Gross Capitalized Cost is cancelled before the end of the Lease Term, or if you are not accepted by the Provider for a requested optional insurance or product, we will credit any refunds to your account.

**39. Indemnity.** You agree to indemnify us from, and to pay on our behalf, any claim or loss (including damages, costs, expenses and legal fees) which arises from or is related to the possession, condition, use, maintenance or operation of the Vehicle. Any insurance we provide is secondary to the Required Insurance.

**40. Credit Information.** You authorize us, at any time, to investigate any information provided on your credit application in order to establish, maintain and collect on this Lease account, including to order one or more credit reports in connection with establishing, maintaining or collecting this Lease account. You authorize us to provide information concerning your account to credit reporting agencies and others who may lawfully receive such information. You may notify us if you believe that we have reported any inaccurate information about your Lease account to a consumer reporting agency. Send your written notice describing the specific inaccuracies to us at the following address: P.O. Box 9786, Cedar Rapids, IA 52409-9786.

**41. Liability.** Lessee and Co-Lessee are jointly and severally liable. If there is both a Lessee and Co-Lessee signing this Lease, we can release, waive, or delay the enforcement of our rights against one of you, without affecting our rights as to the other one(s).

**42. Notices.** All Lessee and Co-Lessee correspondence and notices will be sent to the Lessee's Billing Address shown on this Lease, unless you give us a different address. If the Co-Lessee provides a separate address, delinquency notices will be provided to such address in addition to the Billing Address. All correspondence and notices will be given solely in TMCC's name as the servicer, and will be given on behalf of TLT.

**43. Choice of Law and Severability.** You agree that the law of the state in which this Lease is signed applies to this Lease unless prohibited by law. If certain provisions of this Lease violate the law, those provisions will be void, and the rest of this Lease will be enforceable.

**44. No Waiver by Us.** If we delay or refrain from exercising our rights or remedies under this Lease, we do not lose those rights or remedies. If we accept late or partial payments from you, we do not waive our right to receive full and timely payments. We may accept payments with "Payment in Full," similar language or other restrictive endorsements without being bound by such language or waiving our rights or remedies.

**45. Odometer Disclosure Statement.** Federal law requires that you disclose the Vehicle's odometer reading to us upon termination of this Lease or transfer of ownership. Failure to complete an Odometer Disclosure Statement, failure to return it to us, or making a false statement therein, may result in fines and/or imprisonment. You will be provided an Odometer Disclosure Statement to complete prior to the termination of this Lease.

**46. Nonapproval of Credit Application.** You have the right to return the vehicle and receive a refund of any payments made if the credit application is not approved, unless nonapproval results from an incomplete application or from incorrect information provided by you.

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA




- 47. True Lease; Security Interest.** You and we intend that this Lease for all purposes constitutes a "true lease" of the Vehicle, and not a "financed lease" or a secured transaction under the laws of any state. However, if for some reason a court or arbitrator determines that this Lease constitutes a "financed lease" or a secured transaction, you grant us a security interest at that time, to the extent permitted by law, in the Vehicle including any property now or later installed in or affixed to the Vehicle, in all proceeds derived from the Vehicle, in your security deposit, in the proceeds of any insurance relating to persons or property and the proceeds of all Guaranteed Automobile Protection and other optional products, including return of unearned premiums and unearned charges.
- 48. Electronic Records and Signatures and Conversion to Paper.** You agree to use electronic records and electronic signatures to document this contract. Your electronic signatures will have the same effect as signatures on a paper contract.  
There will be one authoritative copy of this contract. It will be the electronic copy in a document management system we designate for storing it. We may convert the authoritative copy to a paper original. We will do so by printing one paper copy marked "Original." This paper original will have your electronic signature on it. It will have the same effect as if you had signed it originally on paper.

## ARBITRATION

**49. Arbitration Provision.** You agree that any claims arising from or relating to this Lease or related agreements or relationships, including the validity, enforceability, arbitrability or scope of this Provision, at your or our election, are subject to arbitration. This includes, without limitation, claims in contract, tort, pursuant to statute, regulation, ordinance or in equity or otherwise, and claims asserted by us against you and by you against us, and the following Covered Parties: Toyota Lease Trust, Toyota Motor Credit Corporation, Lexus Financial Services, Toyota Motor Insurance Services, Inc., and/or any of our or its affiliates and/or any of our or their employees, officers, successors, assigns or against any third party providing any product or service in connection with this Lease. Any arbitration shall be administered by either JAMS (its rules may be obtained at any of its many offices nationwide or online at [www.jamsadr.com](http://www.jamsadr.com)), or any arbitration provider that either party may choose subject to the other's approval, which may not be unreasonably withheld. The applicable rules of the selected arbitration provider shall govern, except that in the event of any inconsistency between those rules and this Provision, this Provision shall prevail. Such claims shall be resolved in accordance with (i) the Federal Arbitration Act (the "FAA"); (ii) the selected arbitration provider's rules and procedures in effect at the time the claim is filed; and (iii) this Provision. Any arbitration hearing at which you appear shall be conducted at a location that is reasonably convenient to where you live. The Arbitrator shall apply applicable substantive law consistent with the FAA (and not any state law concerning arbitration) and shall award such remedies, if any, that would be available in court if arbitration had not been elected. If you cannot afford to pay and cannot obtain a waiver of the fees charged by the Arbitrator or if you believe that such fees are or will be prohibitively expensive or excessive, we and the Covered Parties will entertain in good faith any reasonable written request by you for us and the Covered Parties to pay or reimburse you for all or part of such fees. In addition, we will pay the selected arbitration provider's fees for all claims under \$15,000. For claims above that amount, the selected arbitration provider's fee shall be covered equally by the parties. In the event we prevail, we agree not to seek recovery of our attorneys' fees from you. If you prevail and the Arbitrator awards you an amount higher than our last written settlement offer before the Arbitrator was selected, we will pay you double your attorney's fees and the maximum claim that may be brought in small claims court in the county of your billing address. **We, the Covered Parties and you are prohibited from participating in any type of representative action, including a class action or private attorney general action. We, the Covered Parties and you are also prohibited from seeking any relief on a representative or class basis.** You will not be subject to this Provision for any individual claim brought by you in small claims court or your state's equivalent court, unless such claim is transferred, removed or appealed to a different court. IF ANY PARTY ELECTS ARBITRATION WITH RESPECT TO A CLAIM, NEITHER YOU NOR WE NOR ANY COVERED PARTY WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT; TO HAVE A JURY TRIAL ON THAT CLAIM; OR TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO SUCH CLAIM. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING EXCEPT AS MAY BE PROVIDED IN THE FAA. This Provision will survive your full payment of this Lease; our sale or transfer of this Lease; any repossession of the Vehicle; and your (or our) bankruptcy.

By checking the "opt-in" box and signing below, you agree that at the request of either you or us any controversy or claim between you and us shall be determined by neutral binding arbitration under the Federal Arbitration Act (definitions, terms and conditions described in the Arbitration Provision). IF YOU DO NOT WISH TO BE BOUND BY THE ARBITRATION PROVISION, CHECK THE "OPT-OUT" BOX AND SIGN BELOW. By checking a box and signing below, you agree that you have read and received a copy of the Arbitration Provision.

- OPT IN:** You agree to be bound by the Arbitration Provision.
- OPT OUT:** You do not wish to be bound by the Arbitration Provision.

Lessee  K Co-Lessee  K

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# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## CALIFORNIA CREDIT DISABILITY INSURANCE CLAIM PROCEDURE NOTICE

If you have applied for and received Optional Credit Disability Insurance (Section 19), and become disabled, tell us right away. We will tell you where to get claim forms. Send in the completed form to the Insurance Provider as soon as possible and tell us as soon as you do.

If your disability insurance covers all of your missed payment, WE CANNOT TRY TO COLLECT WHAT YOU OWE OR REPOSSESS THE VEHICLE UNTIL THREE CALENDAR MONTHS AFTER your first missed payment is due or until the insurance company pays or rejects your claim, whichever comes first. We can, however, try to collect, or repossess the vehicle if you have money due and owing us or are otherwise in default when your disability claim is made or if a senior lien holder is foreclosing.

If the insurance company pays the claim within three calendar months, we must accept the money as though you paid on time. If the insurance company rejects the claim within the three calendar months or accepts the claim within the three calendar months as a partial disability and pays less than for a total disability, you will have 35 days from the date that the rejection or the acceptance of the partial disability claim is sent to pay past due payments, or the difference between the past due payments and what the insurance company pays for the partial disability, plus late charges. You can contact us, and we will tell you how much you owe. After that time, we can take action to collect or foreclose or repossess any collateral you may have given.

If the insurance company accepts your claim but requires that you send in additional forms to remain eligible for continued payments, you should send in these additional forms no later than required. If you do not send in these forms on time, the insurance company may stop paying, and we will be able to take action to collect or foreclose or repossess any collateral you may have given.


## LEASE SIGNATURES AND NOTICES

By signing below, you acknowledge that: (1) You have read the entire Lease, including all pages; (2) You agree to all of the provisions of this Lease; (3) This is a lease; you have no ownership interest in the Vehicle unless and until you exercise your option to purchase set forth in this Lease.

**Notice to the Lessee: (1) Do not sign this Lease before you read it or if it contains any blank spaces to be filled in; (2) You are entitled to a completely filled in copy of this Lease; (3) Warning – Unless a charge is included in this Lease for public liability or property damage insurance, payment for that coverage is not provided by this Lease.**

You acknowledge that you have received a completely filled-in copy of this Lease.

Lessee  L  
Name: ARCADIA POLICE DEPARTMENT

Co-Lessee  N/A L  
Name: N/A

**Notice Regarding Assignment.** As part of a like-kind exchange program, TMCC has engaged TQI Exchange, LLC ("TQI") as a qualified intermediary. Lessor is hereby notified that TMCC has assigned to TQI its rights (but not its obligations) in agreements to acquire the Vehicle.

**Acceptance and Assignment:** The Lessor hereby accepts this Lease and assigns to the Toyota Lease Trust all rights, title and interest in this Lease and in the Vehicle, and Lessor's rights under any guaranty executed in connection with this Lease, with full powers to Toyota Lease Trust to collect and discharge all obligations related to this Lease, any guaranty, and this assignment.

Lessor  M  
Name: LONGO TOYOTA

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# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA

## 1. Parties

Lease Date: 02/18/2025

**LESSEE AND CO-LESSEE NAME AND LESSEE'S BILLING ADDRESS**  
 ARCADIA POLICE DEPARTMENT  
 250 West Huntington Drive  
 Arcadia, County of Los Angeles, CA 91007

**LESSOR (DEALER) NAME AND ADDRESS**  
 LONGO TOYOTA  
 3534 NORTH PECK ROAD  
 EL MONTE, CA 91731

**VEHICLE GARAGING ADDRESS**  
 N/A

This is a Lease for the Vehicle described below. The words “you”, “your” and “yours” refer to the Lessee and any Co-Lessee. The words “we”, “us” and “our” refer to the Lessor, and after assignment, to the Toyota Lease Trust (“TLT”) and any subsequent assignee. Toyota Motor Credit Corporation (“TMCC”) will be servicing this Lease on behalf of TLT. By signing this Lease, you agree to lease the Vehicle described below from us under the terms of this Lease, to pay all amounts due and to perform all of your obligations under this Lease.

## 2. Description of Leased Vehicle

You are leasing from us, and have received in satisfactory condition, the following Vehicle:

**Leased Vehicle**  
 2025 Toyota Tacoma 4WD SR5 Double Cab 5' Bed AT

| New or Used | Vehicle Identification Number | Primary Use | Odometer Mileage |
|-------------|-------------------------------|-------------|------------------|
| New         | 3TMLB5JN4SM110340             | Business    | 5                |

The box below memorializes trade-in, turn-in and other individualized agreements between you and the Lessor (Dealer). Obligations of the Lessor set forth in this box shall be the sole responsibility of the Lessor (Dealer). If this box conflicts with any other section of this Lease, the other section of this Lease shall control.

N/A

### “THERE IS NO COOLING OFF PERIOD”

California law does not provide for a “cooling off” or other cancellation period for vehicle leases. Therefore, you cannot later cancel this Lease simply because you change your mind, decided the vehicle costs too much, or wish you had acquired a different vehicle. You may cancel this Lease only with the agreement of the Lessor or for legal cause such as fraud.

Lessee

[Redacted Name]

A

Co-Lessee

N/A

A

**GAP LIABILITY NOTICE:** In the event of theft or damage to the Vehicle that results in a total loss, there may be a GAP between the amount due upon early termination and the proceeds of your insurance settlement and deductible. THIS LEASE PROVIDES THAT YOU ARE LIABLE FOR THE GAP AMOUNT. Optional coverage for the GAP amount may be offered for an additional price.

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# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## FEDERAL CONSUMER LEASING ACT SEGREGATED DISCLOSURES

|  |   |  |   |
|--|---|--|---|
| <b>3. Amount Due at Lease Signing or Delivery</b><br>(Itemized in Section 7 below)<br><br>\$ <u>1,327.32</u> | <b>4. Monthly Payments</b><br>Your first Monthly Payment of \$ <u>506.86</u> is due on <u>02/18/2025</u> , followed by <u>35</u> payments of \$ <u>506.86</u> due on the <u>18th</u> of each month.<br><br>The total of your Monthly Payments is: \$ <u>18,246.96</u> | <b>5. Other Charges</b><br>(not part of your Monthly Payment)<br><br>Disposition fee (if you do not purchase the Vehicle) \$ <u>350.00</u><br><br>Total \$ <u>350.00</u> | <b>6. Total of Payments</b><br>(The amount you will have paid by the end of the Lease)<br><br>\$ <u>19,417.42</u> |
|--|---|--|---|

### Itemization of Amount Due at Lease Signing or Delivery

#### 7. Amount Due at Lease Signing or Delivery:

|   |    |                 |
|---|----|-----------------|
| a. Capitalized Cost Reduction                       | \$ | <u>N/A</u>      |
| b. First Monthly Payment                            | \$ | <u>506.86</u>   |
| c. Refundable Security Deposit                      | \$ | <u>N/A</u>      |
| d. Title Fees                                       | \$ | <u>N/A</u>      |
| e. Registration Fees                                | \$ | <u>412.00</u>   |
| f. License Fees                                     | \$ | <u>272.00</u>   |
| g. Tax on Capitalized Cost Reduction                | \$ | <u>N/A</u>      |
| h. Acquisition Fee                                  | \$ | <u>N/A</u>      |
| i. Document Processing Fee (Not a Government Fee)   | \$ | <u>85.00</u>    |
| j. DMV Electronic Filing Fee (Not a Government Fee) | \$ | <u>34.00</u>    |
| k. California Tire Fee                              | \$ | <u>8.75</u>     |
| l. Upfront Tax on Fees                              | \$ | <u>8.71</u>     |
| m. N/A  | \$ | <u>N/A</u>      |
| n. N/A  | \$ | <u>N/A</u>      |
| o. N/A  | \$ | <u>N/A</u>      |
| p. Total  | \$ | <u>1,327.32</u> |

#### 8. How the Amount Due at Lease Signing or Delivery will be Paid:

|   |            |                                  |
|---|------------|----------------------------------|
| a. Net Trade-In Allowance                         |            |                                  |
| Year  | <u>N/A</u> | Make <u>N/A</u> Model <u>N/A</u> |
| VIN   | <u>N/A</u> |                                  |
| (i) Agreed Upon Value                             | \$         | <u>N/A</u>                       |
| (ii) Less: Pay Off                                | \$         | <u>N/A</u>                       |
| (iii) Less: Cash to Lessee                        | \$         | <u>N/A</u>                       |
| Net Trade In [(i) — (ii) — (iii), no less than 0] | \$         | <u>0.00</u>                      |
| b. Rebates and Noncash Credits                    | \$         | <u>1,327.32</u>                  |
| c. N/A  | \$         | <u>N/A</u>                       |
| d. N/A  | \$         | <u>N/A</u>                       |
| e. N/A  | \$         | <u>N/A</u>                       |
| f. Amount to be Paid in Cash                      | \$         | <u>N/A</u>                       |
| g. Total  | \$         | <u>1,327.32</u>                  |

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# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## Your Monthly Payment is determined as shown below

### 9. Payment Determination

|   |                           |
|---|---------------------------|
| <b>a. Gross Capitalized Cost.</b> The agreed upon value of the Vehicle (\$ <u>41,933.32</u> ) and any items you pay over the Lease Term (such as service contracts, insurance, and any outstanding prior credit or lease balance). For an itemization of this amount, see Section 13. | \$ <u>42,583.32</u>       |
| <b>b. Capitalized Cost Reduction.</b> The amount of any net trade-in allowance, rebate, noncash credit, or cash you pay that reduces the Gross Capitalized Cost.  | - \$ <u>N/A</u>           |
| <b>c. Adjusted Capitalized Cost.</b> The amount used in calculating your Base Monthly Payment.  | = \$ <u>42,583.32</u>     |
| <b>d. Residual Value.</b> The value of the Vehicle at the end of the Lease used in calculating your Base Monthly Payment.   | - \$ <u>32,670.00</u>     |
| <b>e. Depreciation and any Amortized Amounts.</b> The amount charged for the Vehicle's decline in value through normal use and for other items paid over the Lease Term.  | = \$ <u>9,913.32</u>      |
| <b>f. Rent Charge.</b> The amount charged in addition to the Depreciation and any Amortized Amounts.  | + \$ <u>6,637.32</u>      |
| <b>g. Total of Base Monthly Payments.</b> The Depreciation and any Amortized Amounts plus the Rent Charge.  | = \$ <u>16,550.64</u>     |
| <b>h. Lease Payments.</b> The number of payments in your Lease.   | + <u>36</u>               |
| <b>i. Base Monthly Payment.</b>   | = \$ <u>459.74</u>        |
| <b>j. Monthly Sales/Use Tax.</b>  | + \$ <u>47.12</u>         |
| <b>k. N/A</b>   | + \$ <u>N/A</u>           |
| <b>l. Total Monthly Payment ("Monthly Payment")</b>   | = \$ <u><u>506.86</u></u> |

**Early Termination.** You may have to pay a substantial charge if you end this Lease early. The charge may be up to several thousand dollars. The actual charge will depend on when the Lease is terminated. The earlier you end the Lease, the greater this charge is likely to be.

### 10. Excessive Wear and Use

You may be charged for excessive wear based on our standards for normal use and for mileage in excess of 36000 miles over the odometer mileage disclosed on page one, at the rate of \$ 0.15 per mile.

### 11. Purchase Option at the End of Lease Term

You have an option to purchase the Vehicle at the end of the Lease Term for \$ 32,670.00. That amount does not include other charges you may be required to pay pursuant to Section 32.

### 12. Other Important Terms

Review this Lease for additional information on early termination, purchase options and maintenance responsibilities, warranties, late and default charges, insurance, and any security interest, if applicable.

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# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## Gross Capitalized Cost Itemization and Other Items

### 13. Itemization of Gross Capitalized Cost

You will pay for the following items over the Lease Term, as part of your Monthly Payment:

|  |                       |
|--|-----------------------|
| a.1. Agreed Upon Value of the Vehicle as equipped at time of signing this Lease  | \$ 41,933.32          |
| a.2. Agreed Upon Value of each accessory and item of optional equipment the Lessor (Dealer) agrees to add to the Vehicle after signing this Lease: |                       |
| i. N/A   | + \$ N/A              |
| ii. N/A  | + \$ N/A              |
| iii. N/A   | + \$ N/A              |
| iv. N/A  | + \$ N/A              |
| a.3. Total Agreed Upon Value of the Vehicle  | = \$ 41,933.32        |
| b. Taxes   | + \$ N/A              |
| c. Initial Title, License, and Registration Fees   | + \$ N/A              |
| d. Outstanding Prior Credit or Lease Balance   | + \$ N/A              |
| e. Acquisition Fee   | + \$ 650.00           |
| f. Document Processing Fee (Not a Government Fee)  | + \$ N/A              |
| g. DMV Electronic Filing Fee (Not a Government Fee)  | + \$ N/A              |
| h. California Tire Fee   | + \$ N/A              |
| i. N/A   | + \$ N/A              |
| j. N/A   | + \$ N/A              |
| k. N/A   | + \$ N/A              |
| l. N/A   | + \$ N/A              |
| m. N/A   | + \$ N/A              |
| n. N/A   | + \$ N/A              |
| o. N/A   | + \$ N/A              |
| p. N/A   | + \$ N/A              |
| q. N/A   | + \$ N/A              |
| r. N/A   | + \$ N/A              |
| s. Gross Capitalized Cost  | = \$ <u>42,583.32</u> |

### 14. Lease Term and Scheduled Maturity Date

The Lease Term of this Lease is 36 months, and the Scheduled Maturity Date of this Lease is 02/17/2028.

### 15. Required Insurance

You must provide the following insurance during the Lease Term, with the Lessee and/or Co-Lessee as an insured driver. No other types of insurance are required and **no Required Insurance is provided by us in this Lease:**

- a) primary automobile liability insurance with minimum limits for bodily injury or death of
  - i) \$ 15,000.00 for any one person, and
  - ii) \$ 30,000.00 for any one accident, and
  - iii) \$ 5,000.00 for property damage; and
- b) physical damage insurance for the full value of the Vehicle, with a maximum deductible of \$1,000.

See Section 24 for more information.

You have provided us today with the following insurance information:

|                    |                   |
|--------------------|-------------------|
| TBD                | TBD               |
| Insurance Provider | Policy No.        |
| TBD                | (626) 580-6000    |
| Agent's Name       | Agent's Phone No. |
| N/A                |                   |
| Agent's Address    |                   |

Insurance Coverage Verification by Dealer Employee



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## 16. Charges for Late/Returned Payments

If we do not receive a full Monthly Payment within 10 days after it is due, you must pay a late payment charge of 5% of the unpaid amount or \$10, whichever is greater.

If any payment (including an electronic funds transfer) you make to us is not honored or returned to us for any reason, in addition to any late charges, you may be charged a fee of \$25, as permitted by law.

## 17. Estimated Official Fees and Taxes

This is an estimate of the total amount you will pay over the Lease Term for official and license fees, registration, title, and taxes (including personal property taxes), whether included in your Total Monthly Payment (Section 9.I), the Amount Due at Lease Signing or Delivery (Section 7) or billed separately. The actual total of Official Fees and Taxes may be higher or lower than this estimate depending on the tax rates in effect or the value of the Vehicle at the time a fee or tax is assessed. **This estimate is based on your current address and may increase if you move or if tax rates change. You are responsible for paying any increases.** See Section 27 for additional information.

Estimated Total \$ 3,122.92

## 18. Warranty

If the Vehicle is a new or a demo Vehicle, the Vehicle is subject to the standard new warranty from the manufacturer. If the Vehicle is used, it is not covered by a warranty unless identified below:

- Remainder of standard new vehicle warranty from manufacturer
- Used vehicle warranty from manufacturer

**UNLESS WE MAKE A WRITTEN WARRANTY OR ENTER INTO A SERVICE CONTRACT WITHIN 90 DAYS FROM THE DATE OF THIS LEASE AND EXCEPT AS STATED IN THE PARAGRAPH IMMEDIATELY ABOVE, OR AS OTHERWISE PROVIDED BY LAW, YOU ARE LEASING THIS VEHICLE "AS IS." THERE ARE NO WARRANTIES AS TO THE VEHICLE'S CONDITION, MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.**

## 19. Optional Insurance and Other Products

You are not required to buy any of the Optional Insurance or Other Products listed below to enter into this Lease, and they are not a factor in our credit decision. These insurance and other products will not be provided unless the appropriate box is checked, all information is filled in, you sign below, and you are accepted by the Provider. By your signature below, you agree that you have received a notice of the terms of the insurance or product, and you want to obtain the insurance or product for the premium or charge shown. A portion of the premium or charge shown may be retained by the Lessor (Dealer).

|                          |   |     |            |           |       |
|--------------------------|---|-----|------------|-----------|-------|
| <input type="checkbox"/> | <b>Optional Credit Life Insurance</b>       | N/A |            |           |       |
|                          |   | N/A | Insured(s) |           |       |
| \$                       | N/A   |     |            | Lessee    | N/A C |
|                          | Beginning Coverage                          |     |            |           |       |
|                          | N/A   |     |            | Co-Lessee | N/A C |
|                          | Provider                                    |     |            |           |       |
| \$                       | N/A   |     |            |           |       |
|                          | Premium                                     |     |            |           |       |
| <input type="checkbox"/> | <b>Optional Credit Disability Insurance</b> | N/A |            |           |       |
|                          |   | N/A | Insured(s) |           |       |
| \$                       | N/A   |     |            | Lessee    | N/A D |
|                          | Maximum Monthly Coverage                    |     |            |           |       |
|                          | N/A   |     |            | Co-Lessee | N/A D |
|                          | Provider                                    |     |            |           |       |
| \$                       | N/A   |     |            |           |       |
|                          | Premium                                     |     |            |           |       |
| <input type="checkbox"/> | <b>Optional Service Contract</b>            | N/A | N/A        |           |       |
|                          | Miles/Coverage                              |     | Months     | Lessee    | N/A E |
|                          | N/A   |     |            | Co-Lessee | N/A E |
|                          | Provider                                    |     |            |           |       |
| \$                       | N/A   |     |            |           |       |
|                          | Premium or Charge                           |     |            |           |       |

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|  |           |     |   |
|--|-----------|-----|---|
| <input type="checkbox"/> <b>Optional Guaranteed Automobile Protection</b> (See Section 31) |           |     |   |
| N/A<br>Provider  | Lessee    | N/A | F |
| \$ N/A<br>Premium or Charge  | Co-Lessee | N/A | F |
| <input type="checkbox"/> <b>Optional Maintenance Agreement</b>                             |           |     |   |
| N/A<br>Provider  | Lessee    | N/A | G |
| \$ N/A<br>Premium or Charge  | Co-Lessee | N/A | G |
| <input type="checkbox"/> <b>Optional Excess Wear and Use Protection Plan</b>               |           |     |   |
| N/A<br>Provider  | Lessee    | N/A | H |
| \$ N/A<br>Premium or Charge  | Co-Lessee | N/A | H |
| <input type="checkbox"/> <b>Optional Tire and Wheel Protection Plan</b>                    |           |     |   |
| N/A<br>Provider  | Lessee    | N/A | I |
| \$ N/A<br>Premium or Charge  | Co-Lessee | N/A | I |

Total Premiums and Charges \$ 0.00

## 20. Complete Agreement or Modification

By your signature, you acknowledge that this Lease contains the entire agreement for the Lease of this Vehicle. There are no other agreements. Any change to this Lease must be in writing, and signed by you and by us.

|        |   |           |     |
|--------|---|-----------|-----|
| Lessee |   | Co-Lessee | N/A |
|        | J |           | J   |

## YOUR OBLIGATIONS DURING THIS LEASE

### 21. Vehicle Maintenance and Damage

You are responsible for all maintenance, repair, service, and operating expenses of the Vehicle. You agree to keep the Vehicle in the same condition as when you received it, except for reasonable wear, to maintain the Vehicle so that any warranties or similar agreements remain effective and so that it passes all inspections required by law, to follow the owner's manual and maintenance schedule, and to provide us with written proof of such maintenance. You agree to make the Vehicle available to us for inspection during the Lease Term at any reasonable time and place that we request.

### 22. Prohibited Uses of the Vehicle.

You agree that you will not, nor permit others to:

- use the Vehicle in any illegal manner, in violation of your insurance policy, or without the insurance coverage described in Sections 15 and 24;
- alter or install any equipment on or in the Vehicle without our written consent. Any accessions to the Vehicle become our property;
- subject the Vehicle to any lien, seizure or other involuntary transfer;
- use the Vehicle to transport goods or people for hire;
- remove the Vehicle from the state where it was first titled, for more than 30 days, without our written consent;

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



- f. take the Vehicle outside the continental United States (except to Canada or Mexico for less than 30 days, if you have our consent and have provided us with proof of insurance);
- g. use the Vehicle in a way that causes the cancellation or suspension of any warranty or other similar protection agreement; or
- h. allow anyone else to regularly use the Vehicle without our written consent.

**Assigning, subleasing, pledging or permitting a security interest to be created in, or in any other way transferring by you of any interest in the Vehicle or this Lease is strictly prohibited.**

- 23. Title and Registration.** Legal title to the Vehicle will be in our name and the Vehicle will be registered as we direct. You must promptly pay all title, registration, and license fees.
- 24. Required Insurance.** The limits required under state law may not be sufficient for your needs. See your insurance provider for more information. **You may obtain the required coverages through any insurance company, agent, or broker you choose which is reasonably acceptable to us and authorized to do business in the state where the Vehicle is located.** This insurance may be provided through existing policies that you own or control if it otherwise meets all requirements. The insurance policy must be acceptable to us, name Toyota Lease Trust as **additional insured and loss payee**, and give us at least 10 days written notice before any cancellation or reduction in coverage. You authorize us to endorse your name(s) on any check or draft from your insurance company for any claim. You must provide us with written proof of this insurance, including a copy of the insurance policy, at any time during the term of this Lease at our request. You agree to release to us all insurance or other proceeds you receive for damages or loss to the Vehicle (including any premium refunds on the Required Insurance) up to the amount you owe us.

**Notice: Liability insurance coverage for bodily injury and property damage caused to others is not included in this Lease.**

- 25. Payment Obligations.** You may not change or stop your Monthly Payments for any reason, even if the Vehicle is stolen, destroyed, seized by the government, non-operative, experiences any mechanical problem, or does not perform satisfactorily. We may apply each Monthly Payment and each other payment we receive to past due payments, current payment due, late charges, and other amounts due under this Lease in any order we choose, to the extent permitted by law.
- 26. Change in Address.** You must notify us in writing within 30 days of any change in your address or the address where the Vehicle is garaged.
- 27. Fees Taxes and Fines.** You must promptly pay all official fees and taxes related to the Vehicle and this Lease, including title, license and registration fees, and sales, use, excise and personal property taxes. These amounts may change from time to time based on changes to your address and changes in tax rates. You must also promptly pay all other fees, assessments, charges, costs and fines (collectively "fines") incurred on the Vehicle such as traffic tickets, impounds, towing charges, storage charges and toll violations. Some bills for official fees and taxes may be sent to you for payment. Other bills may be paid by us on your behalf and we will charge you the amount billed to us. If you fail to pay any such amount when billed by us or by a third party, and we elect to pay it, you will reimburse us for the amount paid plus a \$10 administrative fee per incident, to the extent permitted by law. In connection with these bills, you give us permission to provide information regarding you and this Lease to the billing authority. You must pay all fees, taxes, assessments, charges, costs and fines incurred on the Vehicle during the Lease Term, even if they are assessed and billed after this Lease has ended. We may charge you an estimated amount for any remaining items at the time this Lease ends. You are responsible for any shortage in this estimate, and we will refund you any excess.

We are not obligated to apply for any refund or abatement of official fees and taxes, including personal property taxes. If you make a written request that we apply for a refund of an official fee or tax that you paid to us, to which you are entitled, we will file an application for refund. We will send any refund we receive, less all amounts due under this Lease, to you.

We may pay any title, registration, license fee, tax, assessment, charge, cost or fine which you fail to pay, and charge you the amount paid. You are responsible for any fines or penalties if you fail to pay the bill when due.

- 28. Default and Remedies.** To the extent permitted by law, you will be in default if:
- a. you fail to make any payment when it is due;
  - b. you fail to keep any other agreement in this Lease;
  - c. you provided false or misleading information when applying for this Lease;
  - d. you become the subject of a bankruptcy or insolvency proceeding;
  - e. the Vehicle is lost, stolen, seized, confiscated, levied upon, or damaged beyond reasonable repair;
  - f. you die and there is no surviving co-lessee; or
  - g. you fail to return the Vehicle by the Scheduled Maturity Date and do not obtain our written consent to extend the Lease Term.

If you are in default, we may do any or all of the following, as permitted by law, after giving any legally required notices, and observing any legally required cure or reinstatement periods:

- i. terminate this Lease and your right to use the Vehicle;
- ii. require you to return the Vehicle by allowing us to pick up the Vehicle or making it available to us at any reasonable time and place we specify;
- iii. take possession of the Vehicle by legal process or by self help in any manner not prohibited by law;
- iv. require you to pay the amounts set forth in Section 29;
- v. take any reasonable action to correct your default or to prevent our loss;
- vi. pursue any other remedy allowed by law; and
- vii. require you to pay all of our reasonable expenses for taking these actions and add the amount of our expenses to the amount you owe us under this Lease, including, but not limited to, expenses for repossession, transportation, storage, collection, and legal costs, including reasonable attorneys' fees paid to an attorney who is not our salaried employee, as allowed by applicable law.

We or our agent may take possession of personal property left in or on the Vehicle, subject to your right to recover such property, if any. We or our agent may store it for you and you will be responsible to pay for this service. If you do not take possession of the personal property, we or our agent may dispose of it as permitted by law.

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## ENDING YOUR LEASE

**29. Early Termination by Us.** We may terminate this Lease at any time if you are in default (see Section 28). If we do, you must return the Vehicle to us, at any reasonable location we specify. In addition, you must pay us, upon demand, the total of the following amounts:

- a. the amounts set forth in Section 28(vii); plus
- b. all Monthly Payments that have become due and are unpaid at termination; plus
- c. all other unpaid amounts then due under this Lease, but not including charges for Excessive Wear and Use and excess mileage (Sections 10 and 34); plus
- d. an Early Termination Amount equal to, the difference, if any, between:
  - (i) the Adjusted Capitalized Cost as disclosed in Section 9(c); and
  - (ii) the sum of (a) all depreciation and other amortized amounts accrued through the date of early termination, calculated in accordance with the constant yield method, and (b) the Realized Value of the Vehicle, as defined below; minus
- e. any remaining Refundable Security Deposit (Section 36) or refund we receive from Optional Insurance or Other Products (Section 38).

The "Realized Value" means one of the following: (1) where the Vehicle is a total loss as a result of a theft or damage, and you maintain the Required Insurance, the amount of any applicable insurance deductible owed by you plus the proceeds of the settlement of the insurance claim, unless we agree to a higher amount; (2) the wholesale appraised value, if you elect to have an appraisal, which you may obtain, at your own expense, from a professional independent appraiser agreed to by you and us (the appraisal must be completed at least three days before the scheduled valuation or disposal date of the Vehicle, as provided by a notice that we will provide to you); (3) if we choose to retain ownership of the Vehicle for use or to lease the Vehicle to a subsequent lessee, the wholesale value as specified in the current edition of a recognized used vehicle guide such as Kelley Blue Book or the N.A.D.A. Official Used Car Guide; or, (4) under all other circumstances, the price paid for the Vehicle at disposition.

**30. Early Termination by You.** You may terminate this Lease at any time prior to the scheduled end of this Lease. If you terminate this Lease early, are not in default, and do not elect to purchase the Vehicle in accordance with Section 32, you must return the Vehicle to us, at any reasonable location we specify, and you must pay us, upon demand:

- a. all Monthly Payments that have become due and are unpaid at termination; plus
- b. all other unpaid amounts then due under this Lease, but not including charges for Excessive Wear and Use and excess mileage (Sections 10 and 34); plus
- c. the Early Termination Amount determined pursuant to Section 29(d) above; minus
- d. any remaining Refundable Security Deposit (Section 36) or refund we receive from Optional Insurance or Other Products (Section 38).

If you terminate this Lease early, are in default (see Section 28), and do not elect to purchase the Vehicle in accordance with Section 32, you must return the Vehicle to us, at any reasonable location we specify, and you must pay us, upon demand, the amounts specified in Section 29 above.

Other terms apply if you terminate this Lease and purchase the Vehicle or trade in the Vehicle in connection with the purchase or lease of another vehicle.

**31. Effect of Guaranteed Automobile Protection on Early Termination.** If the Vehicle is subject to damage or theft resulting in a total loss, and you have purchased and received Guaranteed Automobile Protection in connection with this Lease, and you have met the conditions set forth in the Guaranteed Automobile Protection agreement, then your Early Termination obligations set forth in Sections 29 or 30, as applicable, will not include the charges set forth in Section 29(d), the disposition fee shown in Section 5, and the charges for Excessive Wear and Use and excess mileage (Sections 10 and 34).

**32. Your Option to Purchase the Vehicle.** You may purchase the Vehicle at any time during this Lease or at the Scheduled Maturity Date (unless a governmental agency has seized the Vehicle and instructed us not to release the Vehicle to you). The price to purchase the Vehicle at the Scheduled Maturity Date is the Purchase Option Price shown in Section 11, plus, the amount described in subsections 32(a), 32(b) and 32(c), below. The price to purchase the Vehicle during the Lease Term is the total of:

- a. all unpaid Monthly Payments that have become due, and other amounts due and unpaid under this Lease, except the disposition fee shown in Section 5 and charges for Excessive Wear and Use and excess mileage (Sections 10 and 34); plus,
- b. all official fees and taxes, and documentary fees charged in connection with the purchase; plus,
- c. all amounts necessary to meet any legal selling requirements; plus,
- d. the difference, if any, between the Adjusted Capitalized Cost as disclosed in Section 9(c) and all depreciation and other amortized amounts accrued through the date of early termination, calculated in accordance with the constant yield method.

As part of a like-kind exchange program, TMCC has engaged TQI Exchange, LLC ("TQI") as a qualified intermediary. Lessor and Lessee are hereby notified that TMCC has assigned to TQI its rights (but not its obligations) in any agreement for the sale of the Vehicle at Lease termination.

**33. Obligations if You Do Not Purchase the Vehicle at the Scheduled Maturity Date.** At the Scheduled Maturity Date, you must return the Vehicle to us at any reasonable location we specify, and pay us, upon demand, the following amounts:

- a. all Monthly Payments and other amounts due under this Lease, including the disposition fee shown in Section 5; plus
- b. all official fees and taxes charged in connection with this Lease termination; plus
- c. all Excessive Wear and Use charges described in Section 34; plus
- d. all excess mileage charges disclosed in Section 10. You will not receive a refund if you do not use all of the mileage set forth in Section 10.

If you keep possession of the Vehicle past the Scheduled Maturity Date, you agree to continue to pay the Monthly Payments. However, continued payment does not cure any default, including a default under Section 28(g), and does not permit you to keep the Vehicle unless you obtain our advance written consent to extend the Lease Term. You agree to pay us any damages we suffer because you failed to return the Vehicle at the end of this Lease.

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



**34. Excessive Wear and Use Charges.** If you do not purchase the Vehicle at any time during this Lease or at the Scheduled Maturity Date, or if you elect to terminate this Lease pursuant to the terms of this Lease and except to the extent paid by the Excess Wear and Use Protection Plan; if you purchased and received that Plan, you are responsible for the estimated cost to repair damage (including diagnostic cost, if any) to the Vehicle which is excessive wear and use (even if we do not repair the Vehicle).

Excessive wear and use may include but is not limited to certain damage such as:

- a. inoperative mechanical and electrical parts;
- b. damage (including but not limited to, damage to the engine) due to your failure to maintain the Vehicle pursuant to the terms of this Lease;
- c. damage to the body, lights, trim or paint;
- d. damaged, broken or missing glass;
- e. torn, damaged or stained interior;
- f. damage from flood, water, hail or sand;
- g. damage from removal of equipment or signs placed on the Vehicle;
- h. missing equipment, parts and accessories, including missing keys or remote entry devices; or
- i. any wear or damage to any part of the tire that doesn't allow the tire to meet the manufacturer's guidelines for safe operation, or any mismatched tire sizes in a set of 5 (or 4 with any emergency spare if the Vehicle was equipped with one).

## ADDITIONAL INFORMATION

**35. Communication Consent.** You agree that we, TMCC and any affiliates, agents and service providers or any assignees of the foregoing (individually and collectively, as applicable in this Communications Consent section, "we," "our" or "us") may call you, leave you a voice, prerecorded or artificial voice message or send you a text, email or other electronic message for any purpose related to your Accounts with us, our products and services, or surveys or research (each a "Communication"). We may include your personal information in a Communication and conduct a Communication using an automated dialing system and any contact information we have for you, including a cell phone number. We will not charge you for a Communication but your service provider may do so. You understand and agree, we may always communicate with you in any manner permissible by law that does not require your consent.

**36. Refundable Security Deposit.** Your security deposit may be used by us to pay amounts that you owe under this Lease. If you elect to purchase your Vehicle, your security deposit may be applied by us to the amount you owe to purchase your Vehicle. Any unused security deposit will be returned to you at the end of the Lease Term. No interest, increase, or profits will be paid to you on the security deposit, unless required by law.

**37. Assignment.** We can assign our interest in this Lease and in the Vehicle without your consent. After you sign this Lease, we will assign it to TLT and you agree to make all payments to TMCC as servicer for TLT.

**38. Refund of Optional Insurance or Other Products.** If any optional insurance or product included in the Gross Capitalized Cost is cancelled before the end of the Lease Term, or if you are not accepted by the Provider for a requested optional insurance or product, we will credit any refunds to your account.

**39. Indemnity.** You agree to indemnify us from, and to pay on our behalf, any claim or loss (including damages, costs, expenses and legal fees) which arises from or is related to the possession, condition, use, maintenance or operation of the Vehicle. Any insurance we provide is secondary to the Required Insurance.

**40. Credit Information.** You authorize us, at any time, to investigate any information provided on your credit application in order to establish, maintain and collect on this Lease account, including to order one or more credit reports in connection with establishing, maintaining or collecting this Lease account. You authorize us to provide information concerning your account to credit reporting agencies and others who may lawfully receive such information. You may notify us if you believe that we have reported any inaccurate information about your Lease account to a consumer reporting agency. Send your written notice describing the specific inaccuracies to us at the following address: P.O. Box 9786, Cedar Rapids, IA 52409-9786.

**41. Liability.** Lessee and Co-Lessee are jointly and severally liable. If there is both a Lessee and Co-Lessee signing this Lease, we can release, waive, or delay the enforcement of our rights against one of you, without affecting our rights as to the other one(s).

**42. Notices.** All Lessee and Co-Lessee correspondence and notices will be sent to the Lessee's Billing Address shown on this Lease, unless you give us a different address. If the Co-Lessee provides a separate address, delinquency notices will be provided to such address in addition to the Billing Address. All correspondence and notices will be given solely in TMCC's name as the servicer, and will be given on behalf of TLT.

**43. Choice of Law and Severability.** You agree that the law of the state in which this Lease is signed applies to this Lease unless prohibited by law. If certain provisions of this Lease violate the law, those provisions will be void, and the rest of this Lease will be enforceable.

**44. No Waiver by Us.** If we delay or refrain from exercising our rights or remedies under this Lease, we do not lose those rights or remedies. If we accept late or partial payments from you, we do not waive our right to receive full and timely payments. We may accept payments with "Payment in Full," similar language or other restrictive endorsements without being bound by such language or waiving our rights or remedies.

**45. Odometer Disclosure Statement.** Federal law requires that you disclose the Vehicle's odometer reading to us upon termination of this Lease or transfer of ownership. Failure to complete an Odometer Disclosure Statement, failure to return it to us, or making a false statement therein, may result in fines and/or imprisonment. You will be provided an Odometer Disclosure Statement to complete prior to the termination of this Lease.

**46. Nonapproval of Credit Application.** You have the right to return the vehicle and receive a refund of any payments made if the credit application is not approved, unless nonapproval results from an incomplete application or from incorrect information provided by you.

# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA




- 47. True Lease; Security Interest.** You and we intend that this Lease for all purposes constitutes a "true lease" of the Vehicle, and not a "financed lease" or a secured transaction under the laws of any state. However, if for some reason a court or arbitrator determines that this Lease constitutes a "financed lease" or a secured transaction, you grant us a security interest at that time, to the extent permitted by law, in the Vehicle including any property now or later installed in or affixed to the Vehicle, in all proceeds derived from the Vehicle, in your security deposit, in the proceeds of any insurance relating to persons or property and the proceeds of all Guaranteed Automobile Protection and other optional products, including return of unearned premiums and unearned charges.
- 48. Electronic Records and Signatures and Conversion to Paper.** You agree to use electronic records and electronic signatures to document this contract. Your electronic signatures will have the same effect as signatures on a paper contract.  
There will be one authoritative copy of this contract. It will be the electronic copy in a document management system we designate for storing it. We may convert the authoritative copy to a paper original. We will do so by printing one paper copy marked "Original." This paper original will have your electronic signature on it. It will have the same effect as if you had signed it originally on paper.

## ARBITRATION

**49. Arbitration Provision.** You agree that any claims arising from or relating to this Lease or related agreements or relationships, including the validity, enforceability, arbitrability or scope of this Provision, at your or our election, are subject to arbitration. This includes, without limitation, claims in contract, tort, pursuant to statute, regulation, ordinance or in equity or otherwise, and claims asserted by us against you and by you against us, and the following Covered Parties: Toyota Lease Trust, Toyota Motor Credit Corporation, Lexus Financial Services, Toyota Motor Insurance Services, Inc., and/or any of our or its affiliates and/or any of our or their employees, officers, successors, assigns or against any third party providing any product or service in connection with this Lease. Any arbitration shall be administered by either JAMS (its rules may be obtained at any of its many offices nationwide or online at [www.jamsadr.com](http://www.jamsadr.com)), or any arbitration provider that either party may choose subject to the other's approval, which may not be unreasonably withheld. The applicable rules of the selected arbitration provider shall govern, except that in the event of any inconsistency between those rules and this Provision, this Provision shall prevail. Such claims shall be resolved in accordance with (i) the Federal Arbitration Act (the "FAA"); (ii) the selected arbitration provider's rules and procedures in effect at the time the claim is filed; and (iii) this Provision. Any arbitration hearing at which you appear shall be conducted at a location that is reasonably convenient to where you live. The Arbitrator shall apply applicable substantive law consistent with the FAA (and not any state law concerning arbitration) and shall award such remedies, if any, that would be available in court if arbitration had not been elected. If you cannot afford to pay and cannot obtain a waiver of the fees charged by the Arbitrator or if you believe that such fees are or will be prohibitively expensive or excessive, we and the Covered Parties will entertain in good faith any reasonable written request by you for us and the Covered Parties to pay or reimburse you for all or part of such fees. In addition, we will pay the selected arbitration provider's fees for all claims under \$15,000. For claims above that amount, the selected arbitration provider's fee shall be covered equally by the parties. In the event we prevail, we agree not to seek recovery of our attorneys' fees from you. If you prevail and the Arbitrator awards you an amount higher than our last written settlement offer before the Arbitrator was selected, we will pay you double your attorney's fees and the maximum claim that may be brought in small claims court in the county of your billing address. **We, the Covered Parties and you are prohibited from participating in any type of representative action, including a class action or private attorney general action. We, the Covered Parties and you are also prohibited from seeking any relief on a representative or class basis.** You will not be subject to this Provision for any individual claim brought by you in small claims court or your state's equivalent court, unless such claim is transferred, removed or appealed to a different court. IF ANY PARTY ELECTS ARBITRATION WITH RESPECT TO A CLAIM, NEITHER YOU NOR WE NOR ANY COVERED PARTY WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT; TO HAVE A JURY TRIAL ON THAT CLAIM; OR TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO SUCH CLAIM. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING EXCEPT AS MAY BE PROVIDED IN THE FAA. This Provision will survive your full payment of this Lease; our sale or transfer of this Lease; any repossession of the Vehicle; and your (or our) bankruptcy.

By checking the "opt-in" box and signing below, you agree that at the request of either you or us any controversy or claim between you and us shall be determined by neutral binding arbitration under the Federal Arbitration Act (definitions, terms and conditions described in the Arbitration Provision). IF YOU DO NOT WISH TO BE BOUND BY THE ARBITRATION PROVISION, CHECK THE "OPT-OUT" BOX AND SIGN BELOW. By checking a box and signing below, you agree that you have read and received a copy of the Arbitration Provision.

- OPT IN:** You agree to be bound by the Arbitration Provision.
- OPT OUT:** You do not wish to be bound by the Arbitration Provision.

Lessee  K Co-Lessee  K

TRUE AND ACCURATE REVIEW COPY - UCC NON-AUTHORITATIVE COPY

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# CLOSED-END MOTOR VEHICLE LEASE AGREEMENT CALIFORNIA



## CALIFORNIA CREDIT DISABILITY INSURANCE CLAIM PROCEDURE NOTICE

If you have applied for and received Optional Credit Disability Insurance (Section 19), and become disabled, tell us right away. We will tell you where to get claim forms. Send in the completed form to the Insurance Provider as soon as possible and tell us as soon as you do.

If your disability insurance covers all of your missed payment, WE CANNOT TRY TO COLLECT WHAT YOU OWE OR REPOSSESS THE VEHICLE UNTIL THREE CALENDAR MONTHS AFTER your first missed payment is due or until the insurance company pays or rejects your claim, whichever comes first. We can, however, try to collect, or repossess the vehicle if you have money due and owing us or are otherwise in default when your disability claim is made or if a senior lien holder is foreclosing.

If the insurance company pays the claim within three calendar months, we must accept the money as though you paid on time. If the insurance company rejects the claim within the three calendar months or accepts the claim within the three calendar months as a partial disability and pays less than for a total disability, you will have 35 days from the date that the rejection or the acceptance of the partial disability claim is sent to pay past due payments, or the difference between the past due payments and what the insurance company pays for the partial disability, plus late charges. You can contact us, and we will tell you how much you owe. After that time, we can take action to collect or foreclose or repossess any collateral you may have given.

If the insurance company accepts your claim but requires that you send in additional forms to remain eligible for continued payments, you should send in these additional forms no later than required. If you do not send in these forms on time, the insurance company may stop paying, and we will be able to take action to collect or foreclose or repossess any collateral you may have given.


## LEASE SIGNATURES AND NOTICES

By signing below, you acknowledge that: (1) You have read the entire Lease, including all pages; (2) You agree to all of the provisions of this Lease; (3) This is a lease; you have no ownership interest in the Vehicle unless and until you exercise your option to purchase set forth in this Lease.

**Notice to the Lessee: (1) Do not sign this Lease before you read it or if it contains any blank spaces to be filled in; (2) You are entitled to a completely filled in copy of this Lease; (3) Warning – Unless a charge is included in this Lease for public liability or property damage insurance, payment for that coverage is not provided by this Lease.**

You acknowledge that you have received a completely filled-in copy of this Lease.

Lessee  L  
Name: ARCADIA POLICE DEPARTMENT

Co-Lessee  N/A L  
Name: N/A

**Notice Regarding Assignment.** As part of a like-kind exchange program, TMCC has engaged TQI Exchange, LLC ("TQI") as a qualified intermediary. Lessor is hereby notified that TMCC has assigned to TQI its rights (but not its obligations) in agreements to acquire the Vehicle.

**Acceptance and Assignment:** The Lessor hereby accepts this Lease and assigns to the Toyota Lease Trust all rights, title and interest in this Lease and in the Vehicle, and Lessor's rights under any guaranty executed in connection with this Lease, with full powers to Toyota Lease Trust to collect and discharge all obligations related to this Lease, any guaranty, and this assignment.

Lessor  M  
Name: LONGO TOYOTA

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# STAFF REPORT

Administrative Services Department

**DATE:** March 4, 2025

**TO:** Honorable Mayor and City Council

**FROM:** Henry Chen, Administrative Services Director  
By: Wilson Luo, Information Technology Manager

**SUBJECT:** PURCHASE ORDER WITH GRANITE DATA SOLUTIONS FOR THE PURCHASE OF 75 DELL COMPUTER WORKSTATIONS IN THE AMOUNT OF \$75,000  
**CEQA:** Not a Project  
**Recommendation:** Approve

## **SUMMARY**

To maintain and support the operations of all City departments, Arcadia uses a Computer Replacement Program to budget for and manage the replacement of aging technology. As part of its technology management strategy, the Administrative Services Department's Information Technology ("IT") Division replaces City computers on a five-year cycle. Approximately 75 computer workstations are scheduled to be replaced this year.

The formal bidding requirements have been satisfied and funds were approved for this acquisition as part of the Fiscal Year 2024-25 Equipment Replacement Budget. After exploring purchasing options, it was determined that using a Cooperative Purchasing Agreement under the California State eProcurement Program allows the City to streamline the procurement process and receive the best price possible. It is recommended that the City Council approve a Purchase Order with Granite Data Solutions in the amount of \$75,000 for the replacement of seventy-five (75) computer workstations.

## **BACKGROUND**

Computers represent an integral part of the City's technology offerings that are needed to perform the City's day-to-day business. While computer technology continues to advance, these changes also create ongoing compatibility challenges between software and hardware. Standardization of computer hardware and software is necessary to use the available technology efficiently.

An assessment of the City’s IT program was conducted and among the recommendations was to incorporate industry standards of replacing computers over a five-year life cycle. Through careful planning, centralized purchasing, and standardization of the desktop computing environment, the Computer Replacement Program helps reduce the inefficiencies associated with purchasing the “latest” technology. The overall goal of the Program is to ensure that computing resources are up to date, cost effective, and available to all staff, while working within available budgets.

## **DISCUSSION**

Arcadia has 75 computers aged beyond the recommended five-year life cycle. All 75 computers are running the soon-to-be unsupported Microsoft Windows 10 operating system. Microsoft has announced Windows 10 operating system will no longer be supported effective October 19, 2025. Patches and updates for these computers will end at that time, leaving systems susceptible to threats and posing a security risk to the City’s entire network.

To further minimize computer problems and risk, it is essential that the City replace and upgrade computer hardware for functionality and security. As an example, software such as Microsoft Windows 11 and Microsoft Office 365 are the standard operating software and require specific minimum hardware requirements, which many current machines do not meet. For these reasons, 75 computers have been identified for replacement across the following departments:

| <b>Department</b>       | <b># of Workstations</b> |
|-------------------------|--------------------------|
| Administrative Services | 3                        |
| Development Services    | 5                        |
| Fire                    | 9                        |
| Recreation              | 3                        |
| EOC                     | 1                        |
| Library                 | 13                       |
| City Manager            | 2                        |
| Police                  | 27                       |
| Public Works            | 12                       |
| <b>Total</b>            | <b>75</b>                |

The City frequently utilizes state and county agencies’ formal bidding process as an efficient and competitive method of purchasing equipment while remaining within the City’s adopted rules and procedures for procurement. The California State eProcurement Program solicited competitive bids for computer equipment and annual term purchasing contracts were executed with Dell and Hewlett-Packard. The bidding processes, as well as the contract with the resellers have been reviewed and both measures meet City requirements and specifications.

### **ENVIRONMENTAL ANALYSIS**

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA"), as it can be seen with certainty that it will have no impact on the environment.

### **FISCAL IMPACT**

The total cost for the proposed replacement computers and monitors is \$75,000. The cost of the workstations includes Microsoft Windows 11 operating system client software licensing in addition to the workstations themselves. Sufficient funds have been budgeted in the Fiscal Year 2024-25 Equipment Replacement budget for this purchase.

### **RECOMMENDATION**

It is recommended that the City Council determine that this action is not a project under the California Environmental Quality Act ("CEQA"); and approve a Purchase Order with Granite Data Solutions for the purchase of 75 Dell computer workstations in the amount of \$75,000.

Approved:



Dominic Lazzaretto  
City Manager

Attachment: California eProcurement Contract 1-22-70-31A



Department of General Services  
 Procurement Division  
 707 Third Street, 2<sup>nd</sup> Floor  
 West Sacramento, CA 95605-2811

State of California  
**STATEWIDE CONTRACT**  
**USER INSTRUCTIONS**  
 MANDATORY

**\*Supplement 10\***  
*\*(Incorporates Supplements 1-10)\**

|                               |   |
|-------------------------------|---|
| ISSUE AND EFFECTIVE DATE:     | <b>*8/23/2024*</b>  |
| CONTRACT NUMBER:              | 1-22-70-31A   |
| DESCRIPTION:                  | PC Goods - Dell Products<br>(Desktops, Thin Desktops, Thin Laptops, Rugged Laptops)   |
| CONTRACTOR:                   | Granite Data Solutions  |
| CONTRACT TERM:                | 07/01/2022 through 06/30/2026   |
| STATE CONTRACT ADMINISTRATOR: | Erica Seghesio-Groves<br>(279) 946-8022<br><a href="mailto:Erica.Seghesiogroves@dgs.ca.gov">Erica.Seghesiogroves@dgs.ca.gov</a> |

The contract user instructions, products, and pricing are included herein. All purchase documents issued under this contract incorporate the contract terms and applicable California General Provisions:

[IT General Provisions, rev 09/05/2014](#)

Cal eProcure link: [www.caleprocure.ca.gov](http://www.caleprocure.ca.gov)

| ORDER PLACEMENT INFORMATION   |  |   |
|---|--|---|
| <b>Mailing Address:</b><br>Granite Data Solutions<br>5321 Luce Avenue<br>McClellan Park, CA<br>95652  | <b>Fax/Email:</b><br>Fax: (916) 735-3551<br>Email:<br><a href="mailto:sales@granitedatasolutions.com">sales@granitedatasolutions.com</a> | <b>Contact Information:</b><br>Granite Data Solutions<br>Sales<br><br>Phone: (916) 735-3550<br>Email:<br><a href="mailto:sales@granitedatasolutions.com">sales@granitedatasolutions.com</a> |
| Contractor Website: <b>*<a href="http://www.granitedata.com">www.granitedata.com</a>*</b><br><i>OEM MSRP/Price List is contained within the Contractor's website.</i> |  |   |

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All changes to most recent Supplement are in ***bold red italic***. Additions are enclosed in asterisks; deletions are enclosed in brackets.

SUMMARY OF CHANGES

| Supplement Number  | Description/Sections   | Supplement Date           |
|--------------------|--|---------------------------|
| <b><i>*10*</i></b> | <b><i>*Subject contract for PC Goods, Dell is hereby modified to reflect the following changes:<br/> ➤ Front Cover: Updated Contractor website.<br/> ➤ Article 47: Updated SB/DVBE Participation percentage.*</i></b>  | <b><i>*8/23/2024*</i></b> |
| 9                  | Subject contract for PC Goods, Dell is hereby modified to reflect the following changes:<br>➤ Front Cover and Article 32: Update State Contract Administrator.<br>➤ Article 49: Added Generative AI Procurement Procedures.*   | 7/31/2024                 |
| 8                  | ➤ Subject contract for PC Goods, Dell is hereby modified to reflect the following changes:<br>➤ Front Page: Extend contract.<br>➤ Attachment A1 – Contract Pricing (Desktops): Refresh of desktops.<br>➤ Attach. C – PCRC Workbook: Add new refresh products.  | 4/16/2024                 |
| 7                  | Subject contract for PC Goods, Dell is hereby modified to reflect the following changes:<br>➤ Attachment A4 – Contract Pricing (Rugged Laptops): Update operating systems and docking stations.  | 12/12/2023                |
| 6                  | Subject contract for PC Goods, Dell is hereby modified to reflect the following changes:<br>➤ Attachment A1 – Contract Pricing (Desktops): Update Workstation.<br>➤ Attachment A3 – Contract Pricing (Thin Laptops): Update Thin Laptop.<br>➤ Attachment C – PCRC Workbook: Update with replacement product. | 7/27/2023                 |

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|     |  |            |
|-----|--|------------|
| 5   | <p>Subject contract for PC Goods, Dell is hereby modified to reflect the following changes:</p> <ul style="list-style-type: none"> <li>➤ Attachment A1, A2, A3 and A4 – Contract Pricing Page, (Desktops, Thin Desktops, Thin Laptops, and Rugged Laptops), Configuration tab: Correct Display specification – Add LCD.</li> <li>➤ Attachment A1 – Contract Pricing (Desktops), Configuration tab: Update Workstation processor specification.</li> <li>➤ Attachment A3 and A4 – Contract Pricing, (Thin Laptops and Rugged Laptops), Configuration tab: Update Network Connection and Docking Station specification.</li> <li>➤ Attachment B – PC Goods Specification (70-31A): Update Display, Desktop Workstation Processor, Network Connection, and Docking Station specification throughout configurations where applicable.</li> </ul> | 5/26/2023  |
| 4   | <p>Subject contract for PC Goods, Granite Data Solutions – Dell, is hereby modified to reflect the following changes:</p> <ul style="list-style-type: none"> <li>➤ Attach. A1, Contract Pricing, Desktops: Refresh of desktops.</li> <li>➤ Attach. C – PCRC: Add new refresh products.</li> </ul>  | 5/1/2023   |
| 3   | <p>Subject contract for PC Goods, Granite Data Solutions – Dell, is hereby modified to reflect the following changes:</p> <ul style="list-style-type: none"> <li>➤ Front page and Article 32: Change State Contract Administrator.</li> </ul>  | 12/22/2022 |
| 2   | <p>Subject contract for PC Goods, Granite Data Solutions – Dell, is hereby modified to reflect the following changes:</p> <ul style="list-style-type: none"> <li>➤ Article 17: Clarify purchasing guidelines for optional accessories, VAS, and extended warranties.</li> </ul>  | 10/12/2022 |
| 1   | <p>Subject contract for PC Goods, Granite Data Solutions – Dell, is hereby modified to reflect the following changes:</p> <ul style="list-style-type: none"> <li>➤ Article 12: Add timeframe for quotes.</li> <li>➤ Article 17: Clarify minimum order requirements.</li> <li>➤ Attachment A1-A4: Add Microsoft Auto-Pilot Service/Registration to the VAS; update OEM URL background links; correct Unit of Measure for D&amp;L and Emergency Services.</li> </ul>   | 8/18/2022  |
| N/A | Original Contract Posted   | 7/1/2022   |

**All other terms and conditions remain the same.**

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**1. SCOPE**

The State's contract with Granite Data Solutions (GDS) (Contractor) provides Dell PC Goods, Desktops, Thin Desktops, Thin Laptops, and Rugged Laptops at contracted pricing to the State of California and local governmental agencies in accordance with the requirements of Contract # 1-22-70-31A. The Contractor shall supply the entire portfolio of products as identified in the contract and will be the primary point of contact for data collection, reporting, and distribution of this contract to the State.

The contract term is for three (3) years with an option to extend the contract for two (2) additional one (1) year period or portion thereof. The terms, conditions, and prices for the contract extension option shall be by mutual agreement between the Contractor and the State. If a mutual agreement cannot be met the contract may be terminated at the end of the current contract term.

**2. CONTRACT USAGE/RULES**

**A. State Departments**

- The use of this contract is mandatory for all State of California departments.
- State departments must adhere to all applicable State laws, regulations, policies, best practices, and purchasing authority requirements, e.g., California Codes, Code of Regulations, State Administrative Manual, Management Memos, and State Contracting Manual Volume 2, as applicable.
- Prior to placing orders against this contract, State departments must have been granted IT purchasing authority by the Department of General Services, Procurement Division (DGS-PD) for the use of this statewide contract. State departments that have not been granted purchasing authority by DGS-PD for the use of the State's statewide contracts may contact DGS-PD's Purchasing Authority Management Section by e-mail at [pams@dgs.ca.gov](mailto:pams@dgs.ca.gov).
- State departments must have a Department of General Services (DGS) agency billing code prior to placing orders against this contract. Ordering departments may contact their Purchasing Authority contact or their department's fiscal office to obtain this information.

**B. Local Governmental Agencies**

- Local governmental agency use of this contract is optional.
- Local government agencies are defined in Public Contract Code Chapter 2, Section 10298 (a) (b) and 10299 (b); this includes the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges empowered to expend public funds for the acquisition of products While the State makes this contract available to local governmental agencies, each local governmental agency should determine whether this contract is consistent with its procurement policies and regulations.

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- Local governmental agencies shall have the same rights and privileges as State departments under the terms of this contract. Any local governmental agencies desiring to participate shall be required to adhere to the same responsibilities as do State departments and have no authority to amend, modify or change any condition of the contract.
- A DGS issued billing code is not required for local governmental agencies to place orders against this contract.

C. Unless otherwise specified within this document, the term “ordering agencies” will refer to all State departments and/or local governmental agencies eligible to utilize this contract. Ordering and/or usage instructions exclusive to State departments or local governmental agencies shall be identified within each section.

### **3. DGS ADMINISTRATIVE FEES**

#### **A. State Departments**

The DGS will bill each State department an administrative fee for use of this statewide contract. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS.

Current fees are available online in the [Price Book & Directory of Services](#) (go to Price Book Download and click on Purchasing under Procurement Division).

#### **B. Local Governmental Agencies**

For all local government agency transactions issued against the contract, the Contractor is required to remit the DGS-PD an Incentive Fee of an amount equal to 1.25 percent of the total purchase order amount excluding taxes and freight. This Incentive Fee shall not be included in the local governmental agency’s purchase price, nor invoiced or charged to the local governmental agency. All prices quoted to local governmental agencies shall reflect State contract pricing, including any and all applicable discounts, and shall include no other add-on fees.

### **4. SB/DVBE OFF-RAMP PROVISION**

There is no SB/DVBE off ramp associated with this contract.

### **5. EXEMPT PURCHASES**

To purchase PC Goods equipment outside the contract requires an approved exemption from the State Contract Administrator. Please refer to [Hardware Contract Exemption](#) for information and the required justification forms regarding the exemption process.

These special exemption purchases must be documented within the individual procurement file and will be acquired under the department-approved IT purchasing authority guidelines stated in the SCM Volume 2.

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**6. PROBLEM RESOLUTION/SUPPLIER PERFORMANCE**

Ordering agencies and/or Contractor shall inform the State Contract Administrator of any technical or contractual difficulties encountered during contract performance in a timely manner. This includes and is not limited to informal disputes, supplier performance, outstanding deliveries, etc. The ordering agency should include all relevant information and/or documentation (e.g., purchase documents).

**7. CONTRACT ITEMS**

A. Core Items

All items in Attachment A1 through A4, Contract Pricing, must meet or exceed all minimum technical requirements detailed in Attachment B, Minimum Technical Requirements. Option/Upgrades are intended to augment proposed configurations. Offers for core items at a lesser discount will not be considered.

Contractor shall provide the Value-Added Services (VAS) listed in Attachment A1 through A4, Contract Pricing. A statement of work (SOW) may be required when some VAS are ordered.

An SOW is required for all purchases that include Deployment and Logistics (D&L). D&L is limited to the subtasks outlined in Attachment D, Deployment and Logistics Breakdown. The D&L subtasks are broken down into project based and product-based tasks. The product-based tasks have a per unit time-base assigned. The timeframes noted on Attachment D for product-based tasks cannot change. The timeframes for project-based tasks will depend on the scope of the project (number of units ordered, staggered delivery to a single or multiple locations, etc.). Ordering agencies should review the timeframes the Contractor is charging for project-based tasks to determine if they are appropriate.

Once a SOW is submitted to the Contractor, the Contractor shall use Attachment D, Deployment and Logistics Breakdown to identify the specific tasks they will be performing as well as a time breakdown per task/unit. The Contractor's final D&L breakdown should be included in the SOW and the total hours should be listed on the quote. Subtasks not shown in the breakdown shall not be included in the D&L.

B. Non-Core Products

Only products meeting or exceeding the specifications of Attachment B, Minimum Technical Requirements, within the scope this contract may be purchased under this contract. Non-Core items meeting or exceeding the specifications may be quoted by the Contractor. The Contractor must submit non-core configurations to the State Contract Administrator for approval prior to quoting the non-core configuration as a contract item.

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The base criteria to consider non-core items are:

- All items are directly related to the common configuration.
- Items do not conflict with any other mandatory statewide commodities contract.

Non-Core Items must be offered at the same core discount appropriate for the product category group: Core Configuration, Monitors (where applicable), Option/Upgrade, and VAS groups Offers for non-core items may be offered at a greater discount than the contract discount. Offers for non-core items at a lesser discount will not be considered.

Products outside the scope of this contract may not be purchased from this contract.

**8. SPECIFICATIONS**

All products listed on Attachment A1 through A4, Contract Pricing, conform to Attachment B, PC Goods Specification, dated December 15, 2021.

**9. CUSTOMER SERVICE**

The Contractor will have a customer service unit that is dedicated to this contract. The customer service unit provides office and personnel resources for responding to inquiries, including telephone and email coverage weekdays during the hours of 8:00 a.m. - 5:00 p.m., PT.

The customer service unit shall be staffed with individuals that:

- Are trained in the requirements of this contract.
- Have the authority to take administrative action to correct problems that may occur.

The Contractor's customer service unit shall respond to all customer inquiries within one (1) business day of initial contact.

| Contact | Phone          | Email  |
|---------|----------------|--|
| Sales   | (916) 735-3550 | <a href="mailto:sales@granitedatasolutions.com">sales@granitedatasolutions.com</a> |

**10. ELECTRONIC CATALOG/CONTRACT WEBSITE CONTENTS**

An Electronic Catalog / Contract Website specific to this contract is available and contains the following data elements at minimum:

- Detailed line-item descriptions of the products offered through this contract
- Warranty
- State-specific current contract pricing
- SB/DVBE participation information
- Quote generation
- Contractor's customer service contact information
- OEM/MSRP/Price List (current and archives)

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**11. PRE-ORDER CONFIGURATION CONSULTATION (OFFER GENERATION)**

The Contractor shall provide pre-sale pre-order technical consultation and configuration assistance to ordering departments in order to ensure acquired configurations are operationally designed for the ordering agency's technology needs. Ordering agencies will ensure that the Contractor has been apprised on the technical needs of the systems and components acquired under the contract.

**12. OFFER FORMAT**

The Contractor shall provide an offer to ordering agencies in MS Excel spreadsheet format. Quotes from the Contractor must be effective for thirty (30) days after issuance. The quote must include the following data elements:

- Contractor Letterhead
- Quote "Prepared By" Name and Contact Information
- Quote Number
- Date of Quote
- Ordering Agency Name
- Ordering Agency Contact Person
- Contract Number
- Contract Line-Item Number (CLIN)
- Quantity
- Core/Non-Core (Y/N)
- Description of Item
- Manufacturer's Part Number/SKU
- OEM Price List/Index Price
- Contract Discount
- Contract Unit Price
- Extended Price (Quantity x Contract Price)
- Subtotals of Taxable and Non-Taxable Items
- Rate and Calculated Tax
- Applicable Fees
- Grand Total

**13. PRODUCT SUBSTITUTIONS**

Products and configurations meeting or exceeding the category requirements shall be available throughout the duration of the contract term. The contract provides for technology refresh as models are discontinued or cease production and must be approved by the State Contract Administrator. These changes will be made in the form of a contract supplement and will not be effective until the supplement's release.

The Contractor shall not substitute products or configurations or modify catalog information without written approval from the State Contract Administrator.

The Contractor will maintain the contract discount as bid throughout the original term of the contract and any extensions, including upon approved substitution.

If no substitute product is available that meets or exceeds the specifications due to fundamental technology or market change, the State may alter the common configurations to meet the updated marketplace standards. Obsolescence of a configuration may be determined at the discretion of the State.

Items with the same model number or SKU available elsewhere on the contract shall be made available to the State at the highest discount.

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**14. PROMOTIONAL PRICING**

During special pricing promotions, the Contractor shall offer the ordering agency the promotional pricing or the discount percentage off list, whichever is lower.

The Contractor shall notify the State Contract Administrator of all promotional pricing changes. Notification shall include at a minimum:

- Promotion start and end dates
- Models, products, and services included in the promotion.
- Promotional pricing

Promotional pricing shall not be cause for a permanent change in pricing. Promotional pricing shall not be cause for Contractor refresh.

Promotional items shall come with all benefits of the statewide contract terms and conditions and shall include all provisions such as warranty and delivery.

**15. STATE AGENCY INFORMATION TECHNOLOGY CERTIFICATION REQUIREMENT**

This requirement does not apply to local government agencies.

For State departments, a signed certification of compliance with state information technology (IT) policies is required for all IT acquisitions of hardware, software, and services that cost \$5,000 or more. The policy and required format is provided in SAM Section 4819.41.

**16. PURCHASE EXECUTION**

A. State Departments

1) Std. 65 Purchase Documents

State departments not transacting in FISCAL must use the Purchasing Authority Purchase Order (Std. 65) for purchase execution. An electronic version of the Std. 65 is available at the [Office of State Publishing web site](#)

All Purchasing Authority Purchase Orders (Std. 65) must contain the following:

- Agency Order Number (Purchase Order Number)
- Ordering Agency Name
- Agency Billing Code
- Purchasing Authority Number
- Leveraged Procurement Number (Contract Number)
- Supplier Information (Contact Name, Address, Phone Number, Fax Number, E-mail)
- Line-Item number
- Quantity
- Unit of Measure

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- Commodity Code Number
- Product Description
- Unit Price
- Extension Price

2) FI\$CAL Purchase Documents

State departments transacting in FI\$CAL will follow the FI\$CAL procurement and contracting procedures.

3) Blanket Orders

The use of blanket purchase orders against this statewide contract is not allowed.

B. Local Governmental Agencies

Local governmental agencies may use their own purchase document for purchase execution. The purchase documents must include the same data elements as listed above (Exception: Purchasing Authority Number and Billing Code which are used by State departments only).

**17. MINIMUM ORDER**

This contract contains a minimum order of one (1) complete configuration (i.e., desktop, laptop, etc.).

In the Desktop categories, a maximum of two (2) monitors can be purchased with each system. Monitors cannot be purchased as a stand-alone from the Desktop contracts.

Portable Monitors are treated as a peripheral to a laptop and can only be purchased with a laptop. Portable monitors are not available on stand-alone monitor contracts.

VAS cannot be purchased as a stand-alone item. VAS can only be purchased with the purchase of a complete configuration. If an ordering agency determines there is a need for VAS and it was not included on their initial PO, the ordering agency may purchase after the initial PO, but it can be only for product purchased from this contract.

Optional Accessories cannot be purchased as stand-alone items. They can only be purchased with the purchase of a complete configuration. If an ordering agency determines there is a need for these items and they were not included on their initial PO, the ordering agency may purchase these items after the initial PO, but it must be within ninety (90) days of the initial PO and the items must be for the product purchased from the contract only.

Extended Warranties may be purchased after the initial PO if purchased prior to the current warranty's expiration. Extended Warranties can only be purchased for product purchased from this contract.

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If agencies are unable to amend the initial PO, they may issue a new PO as long as it is tied back to the initial PO (i.e., comment included on new PO). Additional and/or amended PO's must be issued prior to contract expiration.

**18. ORDERING PROCEDURE**

Ordering agencies are to submit appropriate purchase documents directly to the Contractor via one of the following ordering methods:

- U.S. Mail
- Facsimile
- Email

The Contractor's Order Placement Information is as follows:

| ORDER PLACEMENT INFORMATION   |                              |  |
|---|------------------------------|--|
| U.S. Mail:<br>Granite Data Solutions<br>5321 Luce Avenue<br>McClellan Park, CA<br>95652 | Facsimile:<br>(916) 735-3551 | Email:<br><a href="mailto:sales@granitedatasolutions.com">sales@granitedatasolutions.com</a> |

When using any of the ordering methods specified above, all State departments must conform to proper State procedures.

**19. ORDER ACCEPTANCE**

The Contractor shall accept orders from any ordering agency. The Contractor shall not accept purchase documents for this contract that:

- Are incomplete.
- Contain non-contract items or items outside the scope of the contract.
- Contain non-contract terms and conditions.

The Contractor must not refuse to accept orders from any ordering agency for any other reason without written authorization from the State Contract Administrator.

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**20. ORDER RECEIPT CONFIRMATION**

The Contractor will provide ordering agencies with an email or facsimile order receipt confirmation within forty-eight (48) hours of receipt of purchase document. The Order Receipt Confirmation shall include the following information:

- Contractor's Order Number
- Ordering Agency Name
- Agency Order Number (Purchase Order Number)
- Description of Goods
- Total Cost
- Anticipated Delivery Date
- Identification of any Out of Stock/Discontinued Items

**21. OUT OF STOCK REMEDY**

Upon receipt of an order acknowledgment identifying out of stock items, the ordering agencies shall have the following options:

- Request a back order.
- Cancel the item from the order with no penalty.

The Contractor will provide notification to the ordering agencies regarding out-of-stock items which have been back ordered.

Under no circumstance is the Contractor permitted to make substitutions with non-contract items or unauthorized products.

**22. DISCONTINUED ITEM REMEDY**

Upon receipt of an order acknowledgment identifying discontinued items, the ordering agencies shall have the following options:

- Amend purchase document to reflect State-approved substitute item (per Section 13, Product Substitutions)
- Cancel the item from the order.

Under no circumstance is the Contractor permitted to make substitutions with non-contract items or unauthorized products without approval from the State Contract Administrator.

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**23. DELIVERY SCHEDULES**

Delivery for orders placed against this contract shall be in accordance with the following:

A. Locations

Deliveries are to be made (statewide) to the location specified on the individual purchase order, which may include, but not limited to inside buildings, high-rise office buildings, and receiving docks.

B. Schedule

Delivery of ordered product shall be completed in full within thirty (30) calendar days after receipt of an order (ARO) unless otherwise agreed to by the ordering agency. Due to the current market conditions, actual delivery schedules may exceed the thirty (30) day delivery requirement. Departments are required to work with Contractors on delivery timelines. If there are any questions, please contact the State Contract Administrator.

Since receiving hours for each ordering agency will vary by facility, it will be the Contractor's responsibility to check with each ordering agency for their specific delivery hours before delivery occurs. The Contractor must notify the ordering agency within twelve (12) hours of scheduled delivery time, if delivery cannot be made within the time frame specified on the Order Receipt Confirmation.

The Contractor is requested to make deliveries in Los Angeles County, Orange County, San Bernardino Metropolitan Area, and San Diego Metropolitan Area during off-peak hours. Off-peak hours are Monday through Friday, 10:00 AM to 4:00 PM PT.

C. Security Requirements

Deliveries may be made to locations inside secure grounds that require prior clearances or special entry procedures to be followed for delivery drivers.

Security procedures may vary from facility to facility. The Contractor will be responsible for contacting the secure location for security procedures, hours of operation for deliveries and service, dress code, and other rules of delivery.

Deliveries that are delayed due to drivers not being cleared to enter secure grounds may be cause for contract default.

**24. FREE ON BOARD (F.O.B.) DESTINATION**

All prices are F.O.B. destination, freight prepaid by the Contractor, to the ordering agency's final receiving point. Responsibility and liability for loss or damage for all orders will remain with the Contractor until final inspection and acceptance, when all responsibility will pass to the ordering agency, except the responsibility for latent defects, fraud, and the warranty obligations.

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**25. PALLETS**

Unless otherwise specified on the ordering agency's purchase order document, standard commercially available pallet sizes should be used. All pallets shall be of sturdy construction and adequate condition to assure delivery of the goods without damage to the goods or safety hazards.

Exchange pallets may be available; however, the State assumes no responsibility for the availability to exchange pallets. Delivery drivers shall not remove more pallets from the location than delivering at time of delivery.

**26. SHIPPED ORDERS**

All shipments shall be in accordance with the General Provisions, Article 12 entitled "Packing and Shipment".

**27. PACKING SLIP**

A packing slip will be included with each shipment, which will include at least the following information in no particular order:

- Agency order number (purchase order number)
- Ordering agency name
- Line-item description
- Quantity ordered.
- Quantity included in shipment.
- Any back ordered or out of stock items and availability date of unfilled and partial shipment.
- Number of parcels
- Destination
- All information contained on the packing label.

**28. PACKING LABEL**

A packing label will also be included with each order shipped and include the following items, visible on the outside of the box:

- Ordering Agency Name
- Delivery Address, Unit, and/or Floor
- Ordering Agency Contact Information

**29. INSTALLATION**

Contractor shall provide installation as a VAS. Physical installation includes coordination of installation with State representative, power-up, installation of latest firmware, installation of software and updates and removal of trade-in equipment and dunnage. Testing and diagnostics must include execution of a suite of hardware and software. The basic configuration must be completed and accepted by a State representative.

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Contract User Instructions

Installation shall include electronic documentation, including configuration instructions, at no additional price.

Installation will require a Statement of Work if D&L is included in the purchase order. Please refer to Section 7A, Contract Items.

**30. INSPECTION AND ACCEPTANCE**

Inspection and acceptance shall be in accordance with the General Provisions, Article 16 titled Inspection, Acceptance and Rejection.

**31. CUSTOM PRODUCT ACCEPTANCE PROCESS**

Contractor shall supply the ordering agency with one (1) complete custom configuration for inspection of the series of units on the Purchase Order, completed in accordance with the specifications, including all requested items and sub-components. Arrangements for inspection shall be made only when customization of the unit is complete.

Contractor shall receive notice within five (5) business days of inspection indicating that the unit is either acceptable or not acceptable. Unacceptable or non-compliant items will be identified at the time of notification. Contractor shall provide the corrected unit for inspection within ten (10) business days after notification from the State.

After inspection and acceptance by the State, the accepted custom unit shall be the criteria or basis for acceptance of the balance of the delivery. This will not constitute final acceptance of each unit remaining on the Purchase Order.

**32. CONTRACT ADMINISTRATION**

Both the State and the Contractor have assigned contract administrators as the single points of contact for problem resolution and related contract issues.

| <b>Administrator Information</b> | <b>DGS-PD</b>   | <b>Granite Data Solutions (GDS)</b>  |
|----------------------------------|---|--|
| <b>Contact Name:</b>             | Erica Seghesio-Groves   | Scott Mitchell   |
| <b>Telephone:</b>                | (279) 946-8022  | (916) 760-4115   |
| <b>Facsimile:</b>                | N/A   | N/A  |
| <b>Email:</b>                    | <a href="mailto:Erica.Seghesiogroves@dgs.ca.gov">Erica.Seghesiogroves@dgs.ca.gov</a>  | <a href="mailto:smitchell@granitedatasolutions.com">smitchell@granitedatasolutions.com</a>     |
| <b>Address:</b>                  | DGS/Procurement Division<br>Attn: Erica Seghesio-Groves<br>707 Third Street, 2 <sup>nd</sup> Floor, MS 201<br>West Sacramento, CA 95605 | Granite Data Solutions<br>Attn: Scott Mitchell<br>5321 Luce Avenue<br>McClellan Park, CA 95652 |

**Contract (Mandatory) 1-22-70-31A \*Supplement 10\***  
Contract User Instructions

**33. RETURN POLICY**

Contractor shall accept returns for up to thirty (30) calendar days after delivery. Contractor is not required to accept returns after this time period. Contractor shall offer a credit or refund in accordance with Section 35, Credit Policy. Contractor may impose a Restocking Fee in accordance with Section 36, Restocking Fees.

Products returned should be in the packaging as delivered and include all documentation. Lost or damaged packaging materials and/or documentation shall be supplied by the Contractor. The Contractor shall not charge for these materials in excess of the Contractor's cost or the Restocking Fee, in accordance with Section 36, Restocking Fee, whichever is lower. The Contractor shall provide the State Contract Administrator and/or ordering agency a copy of the Contractor's material cost, if requested, within ten (10) days of request.

All returns shall be picked up within seven (7) working days of notification. Notification is defined as notice in writing, by facsimile or e-mail. Shipping or freight costs for returned items that were shipped in error, defective or freight-damaged shall be paid by the Contractor.

**34. CUSTOM PRODUCT RETURN POLICY**

Order agencies shall accrue no charges for custom product if the product is defective or freight damaged. Any other custom product can be returned by any ordering agency but may be subject to fees to remove customization (VAS), in addition to the fee specified in Section 36, Restocking Fees. These fees may be negotiated between the Contractor, ordering agency and the State Contract Administrator.

**35. CREDIT POLICY**

The Contractor shall offer a full credit/refund for the following items:

- Items shipped in error.
- Defective or freight-damaged items.
- Unopened product (within fifteen (15) days of delivery).
- Items that are non-compliant with the specification(s)/Purchase Order requirements (within fifteen (15) days of delivery).

All other items returned in accordance with Section 33, Return Policy, shall receive credit or refund, less any applicable restocking fees in accordance with Section 36, Restocking Fees. In all cases, the ordering agency shall have the option of taking an exchange, receiving a credit, or receiving a refund.

The Contractor will be responsible for the credit/refund or replacement of all products, including those covered by manufacturer warranties as stated in Section 42, Warranty. Contractor cannot require the ordering agency to deal directly with the manufacturer.

**Contract (Mandatory) 1-22-70-31A \*Supplement 10\***  
Contract User Instructions

**36.RESTOCKING FEES**

The Contractor may impose a restocking fee for returns for reasons not listed in 36, Credit Policy. Re-stocking fee for this contract shall be no greater than 10 percent.

The packaging and documentation provisions of Section 33, Return Policy, shall apply to re-stocked items.

**37.INVOICING**

Invoices shall be submitted to the ordering agencies within seven (7) calendar days from date of delivery.

Ordering agencies may require separate invoicing, as specified by each ordering agency. Invoices will contain the following information:

- Contractor's name, address, and telephone number
- Leveraged Procurement Agreement Number (Contract Number)
- Agency order number (purchase order number)
- Item and commodity code number
- Quantity purchased.
- Contract price and extension
- State sales and/or use tax.
- Prompt payment discounts/cash discounts, if applicable
- Totals for each order

**38.PAYMENT**

A. Terms

Payment terms for this contract are net forty-five (45) days. Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927, et seq. Unless expressly exempted by statute, the Act requires State departments to pay properly submitted, undisputed invoices not more than forty-five (45) days after the date of acceptance of goods, performance of services, or receipt of an undisputed invoice, whichever is later.

B. CAL-Card Use

State departments may use the CAL-Card for the payment of invoices. Use of the CAL-Card requires the execution of a Purchasing Authority Purchase Order (Std. 65) in accordance with Section 16, Purchase Execution and must include all required documentation applicable to the purchase.

The CAL-Card is a payment mechanism, not a procurement approach and, therefore, does not relieve State departments from adhering to all procurement laws, regulations, policies, procedures, and best practices, including those discussed in the State Contracting Manual (SCM) Volume 2. This includes but is not limited to the application of all sales and use tax laws, rules, and policies as applicable to the purchase.

**Contract (Mandatory) 1-22-70-31A \*Supplement 10\***  
Contract User Instructions

**C. State Financial Marketplace**

State departments reserve the right to select the form of payment for all procurements, be it either an outright purchase with payment rendered directly by the State, or a financing/lease-purchase or operating lease via the State Financial Marketplace (GS \$Mart and/or Lease \$Mart). If payment is via the financial marketplace, the Contractor will invoice the State department and the State department will approve the invoice and the selected Lender/Lessor for all product listed on the State's procurement document will pay the Contractor on behalf of the State.

**D. Payee Data Record**

Each State department's accounting office must have a copy of the Contractor's Payee Data Record (Std. 204) in order to process payments. State departments should forward a copy of the Std. 204 to their accounting offices. Without the Std. 204, payment may be unnecessarily delayed. State departments should contact the Contractor for copies of the Payee Data Record.

**39. CAL-CARD INVOICING**

All CAL-Card invoices are to be processed separately from other payment methods and include the elements identified in Section 37, Invoicing. CAL-Card invoices shall be submitted to the CAL-Card account holder. The total invoice amount for each CAL-Card order must reflect a zero (0) balance due or credit, if applicable, and state "paid by CAL-Card".

This website contains additional information regarding [DGS-PD's CAL-Card program](#).

**40. CALIFORNIA SELLER'S PERMIT**

The California seller permit number for the Contractor is listed below. Ordering Agencies can verify that permits are currently valid at the following website: [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov). State departments must adhere to the file documentation identified in the State Contracting Manual Volume 2.

| <b>Contractor Name</b> | <b>Seller Permit #</b> |
|------------------------|------------------------|
| Granite Data Solutions | 100-299591             |

**41. ACCESSIBILITY COMPLIANCE/ VOLUNTARY PRODUCT ACCESSIBILITY TEMPLATE (VPAT)**

Contract products are compliant with requirements for accessibility based on Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d) are determined to be relevant for this contract.

**Contract (Mandatory) 1-22-70-31A \*Supplement 10\***  
Contract User Instructions

**42. WARRANTY**

The Contractor must honor all manufacturers' warranties and guarantees for a period of three (3) years from the date of acceptance on all products offered as part of this contract. The Contractor shall bear all material and labor costs for repair of equipment defects and failure. The bid price cost shall include the manufacturer's warranty cost.

During the warranty period, the Contractor must:

- Honor all manufacturers' warranties and guarantees on all products offered through the contract.
- Continue to provide warranty service after contract termination until expiration of warranties for products that have been sold under the contract.
- Provide all labor, parts, and travel necessary to keep the products in good operating condition and preserve its operating efficiency in accordance with its technical specifications.
- Pay any necessary shipment and insurance costs.

The warranty services listed shall include all products, software and firmware maintenance costs and costs of labor, parts, travel, factory overhaul, rehabilitation, transportation, and substitute products as necessary. If it is necessary to remove any products from an ordering agency's location where on-site warranty is specified, the Contractor will provide substitute products at the time of removal.

Substitute products will be comparable to or better than the products removed. In instances where it is necessary for the Contractor to return the products to the factory, the Contractor will be responsible for all costs of the products from the time it leaves the ordering agency's site until it is returned to the site in good operating condition.

Only new standard parts or parts equal in performance to new parts will be used in effecting repairs. Parts that have been replaced will become the property of the Contractor except in instances where the ordering agency chooses to keep the hard drives. Replacement parts installed will become the property of the ordering agency.

All operating system software and firmware will be considered an integral component of the equipment and the Contractor will respond to all requests for warranty service for any failure.

Warranty services during the warranty period will not include electrical work external to the products, the furnishing of supplies, or adding or removing accessories, attachments, or other devices not provided under this contract. Warranty services also will not include repair of damage resulting from transportation by the ordering agency between State or local sites or from accident unless the accident is caused by negligent or intentional acts or omissions of the Contractor or its agents.

**Contract (Mandatory) 1-22-70-31A \*Supplement 10\***  
Contract User Instructions

**43. QUALITY ASSURANCE GUARANTEES**

The Contractor shall represent and warrant that all products provided shall be free from defects in material and workmanship, given normal use and care, over the period of the manufacturer warranty. The terms of this contract will supersede any language to the contrary on purchase orders, invoices, or other sources. Contractors must use new products, parts, and components for all new equipment purchased by the State. The Contractor may use parts that are equal in performance to new parts for warranty replacement repair parts only as long as it does not violate the manufacturer's warranty.

**44. EQUIPMENT REPLACEMENT DURING WARRANTY**

If the product provided fails to perform in accordance with technical specifications and functional descriptions contained or referenced in the contract agreement and is subject to warranty response three (3) or more times during any ninety (90) day period, the Contractor will upon the ordering agency's request, replace the product at no price. The replacement product(s) will be delivered no later than fifteen (15) working days after the ordering agency's request is received by the Contractor. Replacement goods cannot be used, refurbished, or recycled, and must be of equal or greater value.

**45. WARRANTY REPAIR RESPONSE TIME**

The Contractor must provide warranty in accordance with the following times after notification from an authorized purchaser of a problem with any of the goods included on contract.

Metropolitan Areas shall be 8x5x8 Next Business Day onsite – Eight (8) hours, typically 8:00 am to 5:00 pm, Pacific Time, five (5) days a week, Monday through Friday, eight (8) hour NBD onsite response time in metropolitan areas, excluding State holidays.

Non-Metropolitan Areas shall be 8x5x2 (two (2) hour call back response time, excluding State holidays.) Remediation shall be underway within 48 hours.

Metropolitan Areas:

Counties

San Diego, Orange, Riverside, Los Angeles, San Francisco, Alameda, Sacramento, Santa Clara, San Bernardino, Yolo, Solano, Contra Costa, and San Mateo.

Cities

Redding, Stockton, Bakersfield, Ventura, Tracy, San Quentin, Santa Rosa, Santa Barbara, Frontera, and Fresno.

**46. RECYCLED CONTENT**

State departments are required to report purchases in many product categories. The Postconsumer-Content Certification Form for the Contractor is attached (Attachment C).

**Contract (Mandatory) 1-22-70-31A \*Supplement 10\***  
Contract User Instructions

**47. SB/DVBE PARTICIPATION**

This contract contains no Small Business (SB) participation.

The Disabled Veteran Business Enterprise (DVBE) certifications and percentages for the Contractor and subcontractor(s) are listed below. State departments can verify that the certifications are currently valid at the following website: [www.caleprocure.ca.gov](http://www.caleprocure.ca.gov)

| Name                   | Prime or Subcontractor | OSDS Certification # | DVBE Percent (%) |
|------------------------|------------------------|----------------------|------------------|
| Granite Data Solutions | Prime                  | # 26068              | <b>*100%*</b>    |

DVBE Participation: The Contractor is a California Certified DVBE. For each order placed through this contract, State departments are able to claim 100 percent DVBE participation.

Any irregularities or concerns regarding prime or DVBE sub-contractor responsibilities are to be immediately documented and reported to the State Contract Administrator for further investigation. Information provided to the State Contract Administrator includes, but is not limited to:

- Copy of executed purchase document
- Value-added service description
- Work performance issue or concern
- State department contact name, email, and phone number.

State departments may request from the Contractor a monthly report providing the DVBE participation levels on purchase orders.

**48. BIDDER DECLARATION/COMMERCIALLY USEFUL FUNCTION (CUF)/ CERTIFICATIONS**

The DGS-PD, as the awarding department, has assessed the Contractor and subcontractor certifications, (i.e. Darfur, Russian Sanctions, SB/DVBE, etc.), Bidder Declaration, and CUF during the solicitation evaluation process. Consequently, when executing purchase documents pursuant to this contract, it is not necessary for State departments operating under statewide contract purchasing authority to request the completion of State required certifications, a Bidder Declaration document, or perform additional CUF analysis. The State department should make a notation of this within their procurement file.

Exception: It is the responsibility of ordering departments to confirm CUF when value-added services are acquired by an ordering department and performed by certified SB/DVBE subcontractors consistent with commitments identified in the table above.

**Contract (Mandatory) 1-22-70-31A \*Supplement 10\***  
Contract User Instructions

**49. GENERATIVE AI PROCUREMENT PROCEDURES**

State departments are required to obtain a GenAI Reporting and Factsheet (STD 1000) from the Contractor prior to issuing a Purchase Order.

If GenAI is disclosed by the Contractor, state departments must follow the required GenAI purchase procedures outlined in SCM Vol.2, Chapter 23, Generative Artificial Intelligence. State departments must retain the STD 1000 in their procurement file, and if applicable, the confirmation the purchase may proceed.

**50. TAKE-BACK/TRADE IN**

Before any Take-Back/Trade-In can occur, State departments must obtain approval for discarding their IT equipment from the DGS Surplus Property and Reutilization Program. In accordance with the State Administrative Manual (SAM), Chapter 5900, Information Technology-Disposal of IT Equipment, each State department must explore the reutilization of surplus IT equipment prior to requesting approval for recycling or attempting to use the equipment as a credit toward the purchase of new equipment.

The Take-Back service is for similar equipment, including other OEM equipment. This service is for non-working equipment.

It is not mandatory that the ordering agency use the Take-Back/Trade-In service offered. The equipment returned as part of the Take-Back/Trade-In service shall be environmentally responsibly managed. To the greatest extent feasible, the equipment is to be refurbished for resale or recycled.

GDS has partnered with Prism Electronics, an R2 Certified, ISO14001 and ISO45001, electronics recycling company in Morgan Hill, CA to achieve a secure and zero landfill e-waste recycling process for their clients' retired electronic assets and for their obsolete IT assets. Equipment will be picked up by GDS employees and transported to either GDS or PRISM Electronics for processing.

For any Take Back/Trade-In information, contact:

GDS Pickup Scheduling Contact  
Angela Mitchell – Technical Deployment Manager  
(916) 839-7670 mobile  
[ITAD@granitedatasolutions.com](mailto:ITAD@granitedatasolutions.com)

OR

GDS ITAD Program  
Devin Holmes – Business Development Manager  
(916) 238-1724 office  
[ITAD@granitedatasolutions.com](mailto:ITAD@granitedatasolutions.com)

**Contract (Mandatory) 1-22-70-31A \*Supplement 10\***  
Contract User Instructions

**51. ELECTRONIC WASTE RECYCLING**

The Contractor will comply with the Electronic Waste Recycling Act of 2003 requiring retailers to collect a recycling fee from consumers on covered electronic devices, starting January 1, 2005. California Public Resources Code Section 42463(f) defines a "covered electronic device" as a video display device containing a screen greater than four inches measured diagonally. The fees must be shown on all purchase orders. See the code identified above for more information and exceptions to this definition or go to [CDTFA Tax Rates - Special Taxes and Fees](#) for a breakdown of the fees.

**52. ATTACHMENTS**

- Attachment A1 – Contract Pricing (Desktops) Supplement 8 dated 4/16/2024
- Attachment A2 – Contract Pricing (Thin Desktops) Supplement 5 dated 5/26/2023
- Attachment A3 – Contract Pricing (Thin Laptops) Supplement 6 dated 7/27/2023
- Attachment A4 – Contract Pricing (Rugged Laptops) Supplement 7 dated 12/12/2023
- Attachment B – PC Goods Specifications (70-31A) dated Supplement 5 dated 5/24/2023
- Attachment C – PCRC Workbook Supplement 8 dated 4/16/2024
- Attachment D – Deployment and Logistics Workbook (D&L)



# STAFF REPORT

Fire Department

**DATE:** March 4, 2025

**TO:** Honorable Mayor and City Council

**FROM:** Chen Suen, Fire Chief  
By: Maria Lourdes Taylor, Sr. Management Analyst

**SUBJECT:** RESOLUTION NO. 7619 AMENDING THE FISCAL YEAR 2024-25 GENERAL FUND BUDGET AND AUTHORIZING A SUPPLEMENTAL BUDGET APPROPRIATION FOR THE EXPANSION OF THE BASIC LIFE SUPPORT PEAK HOURS AMBULANCE PROGRAM IN THE AMOUNT OF \$23,900, OFFSET BY ADDITIONAL REVENUES FROM THE EXPANDED PROGRAM

**CEQA: Not a Project**  
**Recommendation: Adopt**

## **SUMMARY**

In Fiscal Year 2023-24, the City Council approved the Basic Life Support Peak Hours Ambulance (“BLS Program”) to help address increased demand for medical services in the City of Arcadia. The BLS Program’s peak hours ambulance has improved the Fire Department’s services to the community by reducing the need for automatic aid responses, reducing response times, and maximizing cost recovery.

The current BLS Program was funded to operate Monday to Friday, from 8:00 a.m. to 8:00 p.m. Based on the positive experience thus far, adding Saturday and Sunday transports will further enhance the City’s ability to triage its EMS transport response, while adding cost recovery for such needed emergency services. Therefore, it is recommended that the City Council adopt Resolution No. 7619, amending the Fiscal Year 2024-25 General Fund Budget and authorizing a supplemental budget appropriation for the expansion of the Basic Life Support Peak Hours Ambulance Program in the amount of \$23,900, offset by the anticipated additional revenues generated from the expanded program.

## **BACKGROUND**

Over the years, the Fire Department had experienced a sustained increase in Emergency Medical Services (“EMS”) calls without adding resources to the system, leading to a substantial increase in automatic aid received by the City of Arcadia for medical transport

conducted by nearby agencies. This resulted in both an increase in response times for patients and revenue loss for the City.

Medical incident calls have continued to increase, with approximately 74% of call volume now coming from Emergency Medical Service (“EMS”) incidents. An example of Arcadia’s total call volume breakdown is shown in Table A. As shown, EMS calls have increased by over 37% in the past four years alone. Most EMS calls required ambulance transport.

**Table A: Total Call Volume**

| <b>Calendar Year</b> | <b>EMS Calls</b> | <b>% of EMS Calls</b> | <b>Total Calls</b> |
|----------------------|------------------|-----------------------|--------------------|
| <b>2020</b>          | 3,286            | 66%                   | 4,974              |
| <b>2021</b>          | 3,845            | 69%                   | 5,576              |
| <b>2022</b>          | 4,283            | 70%                   | 6,128              |
| <b>2023</b>          | 4,420            | 72%                   | 6,100              |
| <b>2024</b>          | 4,525            | 74%                   | 6,136              |

Noting the continued increase in calls requiring transport and a trend of relying on nearby agencies to respond to medical calls during daytime hours, in 2023, the Fire Department proposed the Basic Life Support Peak Hours Ambulance Program. When a neighboring agency responds into Arcadia, they benefit from the cost recovery when the patient is billed for services rendered. By providing an additional ambulance during peak hours that would specifically respond to the less critical basic life support (“BLS”) calls, the City would avoid having to rely on outside agencies and would be able to recover more of its operating costs. In addition, the BLS ambulance would free up the City’s two advanced life support (“ALS”) ambulances to more quickly respond to life threatening incidents.

In March 2024, the BLS Peak Hours Ambulance Program commenced with a Monday through Friday schedule covering 8:00 a.m. to 8:00 p.m. These hours were historically the primary hours where transportation assistance was needed from nearby agencies and also allowed the City to test the benefits of the Program at a manageable scale.

Since the BLS Program’s rollout, it has been operating successfully in service to the community by providing 406 hospital transports. Staffing with a cadre of part time employees has been successful and has provided a developmental opportunity for future paramedics and firefighters.

In addition, the BLS Program has been more successful financially than anticipated. The Fire Department’s projected ambulance billing revenue for this Fiscal Year is \$3,012,249, which is \$312,249, or 12%, more than the adopted budget. The BLS program has been integral in contributing to this revenue experience. For instance, when looking at the average cost recovery for calls that otherwise would have required automatic aid, the City has retained over \$346,500 in funds.

**DISCUSSION**

While the BLS Program has been successful, the City continues to see an increase in call volume and has had to rely on automatic aid when the BLS Program is not available. Most notably, on weekends during peak daytime hours. Expanding the BLS Program from a five- to a seven-day schedule will be advantageous both functionally and financially. This increase in service can be accomplished by staffing two additional benefitted, part-time Ambulance Operators working a 12-hour shift from 8:00 a.m. to 8:00 p.m.

Over the past three years, the City used automatic-aid to respond to an annual average of 84 weekend calls, or about 1.62 calls per weekend. Using this data, for the remaining 17 weekends in this current Fiscal Year (March to June 2025), it is expected that the City would necessitate a total of 28 automatic aid responses (17 weekends x 1.62 calls) without expanding the program. Should the City expand the program to weekends and retain these 28 automatic aid calls, based on the current blended average cost recovery rates of \$852.46 per call, approximately \$23,900 in additional recovery would be achieved. While it cannot be estimated at this time, it is expected that the City would be in a position to also respond to additional automatic aid calls on behalf of nearby agencies; thus, increasing the revenues generated under the expanded service. As shown in Table B, at a minimum, expanding the program is expected to be cost neutral before taking into account the additional revenues generated by assisting nearby agencies.

**Additional Budget Appropriation**

A supplemental budget appropriation would be required to staff the BLS Program two additional days per week. Between March and June 2025, a total of \$23,900 would be required, which includes personnel, training, fuel, and uniform/gear costs (see Table B below for the cost breakdown).

**Table B: Additional Expenditures (March - June 2025)**

| <b>Category</b>   | <b>Cost</b>     |
|---|-----------------|
| <b>Personnel<br/>(2 Ambulance Operators @ 12-hours)</b> | 18,940          |
| <b>Training @ 30 hours</b>                              | 1,913           |
| <b>Vehicle – Fuel</b>                                   | 500             |
| <b>Uniforms and Gear</b>                                | 2,500           |
| <b>Total</b>  | <b>\$23,853</b> |

This year, overall ground ambulance transport billing revenues are expected to total \$312,249 more than budgeted, even before adding the two additional days. Therefore, the additional expenses from the proposed BLS Program expansion for the remainder of FY 2024-25 will be sufficiently covered. Further, for the next three months, an estimated cost recovery of \$23,869 is expected to be collected from an additional 28 BLS and ALS weekend calls that would have otherwise been transported by automatic aid response.

In addition to the cost recovery, the City will also benefit from the advantages afforded by expanding the existing BLS Program, such as the reduction in response times and the City's need for automatic aid responses. Both of these factors will increase the overall quality of care provided to Arcadia residents and businesses.

### **ENVIRONMENTAL ANALYSIS**

The proposed actions do not constitute a project under the California Environmental Quality Act ("CEQA"), based on Section 15061(b)(3) of the CEQA Guidelines, as it can be seen with certainty that they will have no impact on the environment.

### **FISCAL IMPACT**

With the inclusion of Saturday and Sunday transports beginning March 2025, a supplemental budget appropriation of \$23,900 is being proposed for the BLS Program to fund the unanticipated personnel and operating costs for the remainder of this Fiscal Year. With the higher revenues of \$312,249 from the overall ground ambulance transports in FY 2024-25, the current Fire Operating Budget will be able to manage the proposed budget appropriation of \$23,900. In addition, it is expected that the cost recovery from calls covered by the expanded weekend BLS Program team will, at a minimum, cover these additional costs over the remainder of the Fiscal Year. Future costs will be incorporated into subsequent budgets and offset by future revenues from the BLS Program.

### **RECOMMENDATION**

It is recommended that the City Council determine that this action does not constitute a project under the California Environmental Quality Act ("CEQA"); and adopt Resolution No. 7619 amending the Fiscal Year 2024-25 General Fund Budget and authorizing a supplemental budget appropriation for the expansion of the Basic Life Support Peak Hours Ambulance Program in the amount of \$23,900, offset by additional revenues from the expanded program.

Approved:

  
Dominic Lazzaretto  
City Manager

Attachment: Resolution No. 7619

RESOLUTION NO. 7619

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, AMENDING THE FISCAL YEAR 2024-25 GENERAL FUND BUDGET AND AUTHORIZING A SUPPLEMENTAL BUDGET APPROPRIATION FOR THE EXPANSION OF THE BASIC LIFE SUPPORT PEAK HOURS AMBULANCE PROGRAM IN THE AMOUNT OF \$23,900, OFFSET BY ADDITIONAL REVENUES FROM THE EXPANDED PROGRAM

WHEREAS, the Fiscal Year 2024-25, the City Council adopted and approved funding for the new Basic Life Support (“BLS”) Peak Hours Ambulance Program (“BLS Program”) to help address the increased demand for medical services in the City of Arcadia and to help reduce the Arcadia Fire Department’s need for automatic aid from other agencies for additional ground emergency medical transportation services for the City of Arcadia, and thereby maximizing cost recovery for the City of Arcadia; and

WHEREAS, the BLS Program was funded to operate Monday to Friday for a 12-hour shift from 8:00 a.m. to 8:00 p.m. staffed by two Ambulance Operator personnel; and

WHEREAS, with the positive outcome of the program thus far, the City desires to expand the existing BLS Program by adding Saturday and Sunday transports, following the current program’s work schedule and staffing deployment, to further promote the benefits of the current BLS Program and enhance the City’s ability to triage its emergency medical services transport response while adding cost recovery for such needed emergency services; and

WHEREAS, the expansion of the BLS Program was not budgeted as part of the Arcadia Fire Department’s Fiscal Year 2024-25 Operating Budget; and

WHEREAS, a budget appropriation in the amount of \$23,900 is needed to fund the expansion of the BLS Program for the remainder of Fiscal Year 2024-25, covering

the period from March 2025 to June 2025; and

WHEREAS, the budget appropriation will be offset by additional revenues from the expansion of the existing BLS Program; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, DOES FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The expansion of the current BLS Program by adding Saturday and Sunday medical transports following the existing program's similar work schedule and staffing deployment.

SECTION 2. The sum of twenty-three thousand nine hundred and zero cents (\$23,900) is hereby appropriated, offset by additional revenues from the expanded program.

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

[SIGNATURES ON THE NEXT PAGE]


Passed, approved, and adopted this 4th day of March, 2025.

\_\_\_\_\_  
Mayor of the City of Arcadia

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael J. Maurer  
City Attorney