

CITY OF ARCADIA

City Council Regular Meeting Agenda



Tuesday, November 7, 2023, 7:00 p.m.

Location: City Council Chamber, 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。

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 shall be limited to five (5) minutes per person. At the Mayor's discretion, the time limit may be shortened to allow all 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. 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. 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，或者在市长询问公众发言时，直接到讲台上发言。每位发言人的发言时间不得超过五（5）分钟。市长可自行决定缩短发言限制时间，以便允许所有发言人向市议会表达自己的意见。

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。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。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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1. CALL TO ORDER

2. INVOCATION

Mohammad Ahad, Mosque of San Gabriel

3. PLEDGE OF ALLEGIANCE

Webelos Pack 371 – Longley Way Elementary

4. ROLL CALL OF CITY COUNCIL MEMBERS

April A. Verlato, Mayor
Michael Cao, Mayor Pro Tem
Paul P. Cheng, Council Member
Sharon Kwan, Council Member
Eileen Wang, Council Member

5. SUPPLEMENTAL INFORMATION FROM CITY MANAGER REGARDING AGENDA ITEMS

6. PRESENTATIONS

- a. Presentation of Arcadia Festival of Bands Month Proclamation to the Arcadia Festival of Bands Committee.
- b. Presentation of “Shop and Dine Arcadia Season” Proclamation to the Arcadia Chamber of Commerce.
- c. Presentation of Family Court Awareness Month Proclamation.

7. 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. Each speaker is limited to five (5) minutes per person, unless waived by the City Council. Under the Brown Act, the City Council is prohibited from discussing or taking action on any item not listed on the posted agenda.

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

9. 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 October 17,2023.
CEQA: Not a Project
Recommended Action: Approve
- b. Ordinance No. 2397 related to Text Amendment No. 23-01 amending Division 2 of Article IX, Chapter 1 (Development Code) of the Arcadia Municipal Code to allow Tutoring and Educational Centers in places of religious assembly through a Conditional Use Permit.
CEQA: Exempt
Recommended Action: Adopt
- c. Professional Services Agreement with Public Sector Personnel Consultants for a Total Compensation Study in the amount of \$63,000, and authorize an additional \$13,000 for contingency work arising out of the survey process.
CEQA: Not a Project
Recommended Action: Approve
- d. Contract with Carrier Corporation for the Installation of HVAC Split Systems at the Police Department in the amount of \$117,119.
CEQA: Not a Project
Recommended Action: Approve
- e. Grant award from the Office of Traffic Safety – Selective Traffic Enforcement Program for reimbursement of costs related to various traffic enforcement operations in the amount of \$60,000.
CEQA: Not a Project
Recommended Action: Accept
- f. Purchase Order with Sierra Chevrolet of Monrovia for the purchase of one 2024 Chevrolet Silverado 2500 Regular Cab Long Bed Pickup Truck in the amount of \$54,916.13.
CEQA: Not a Project
Recommended Action: Approve
- g. Purchase Order with Haaker Equipment Company for the purchase of one 2025 Elgin CNG Crosswind Street Sweeper in the amount of \$505,864.48.
CEQA: Not a Project
Recommended Action: Approve
- h. Purchase Order with BradyIFS for the purchase of janitorial supplies and related products for various City facilities in an amount not to exceed \$75,000.
CEQA: Not a Project
Recommended Action: Approve

- i. Purchase Order with The Garland Company, Inc. for the purchase of roofing materials for the Reroof of Various City Facilities Project in the amount of \$142,709.94.
CEQA: Not a Project
Recommended Action: Approve
- j. Purchase of Automated License Plate Reader (“ALPR”) camera subscription from Flock Safety for the addition of 23 ALPR cameras in an amount not to exceed \$75,450 for Fiscal Year 2023-24.
CEQA: Not a Project
Recommended Action: Approve
- k. Accept all work performed by 316 Engineering & Construction, Inc. for the Water Main Replacement Project as complete.
CEQA: Exempt
Recommended Action: Approve

10. CITY MANAGER

- a. Downtown Arcadia Broadband Strategic Plan.
CEQA: Not a Project
Recommended Action: Receive and File
- b. Los Angeles Found Project Lifesaver Program for individuals with cognitive disorders.
CEQA: Not a Project
Recommended Action: Receive and File

11. ADJOURNMENT

The City Council will adjourn this meeting in memory of Former California State Senator and Former Arcadia Mayor Bob Margett to November 21, 2023, 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. Copies of individual Agenda Reports are available via email upon request (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) 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)。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, the Arcadia Music Club is proud to sponsor the 70th Annual Arcadia Festival of Bands, the longest running Band Review in the State of California; and

WHEREAS, this year's theme is "Fire Up the Volunteers" and;

WHEREAS, the annual parade is hosted by the four marching bands of the Arcadia Unified School District – Arcadia High School, Dana Middle School, First Avenue Middle School, and Foothills Middle School; and

WHEREAS, more than 30 high school bands, and over 5,000 student musicians will attend this event and compete in the band review and field show; and

WHEREAS, the Arcadia Festival of Bands is one of the few band competitions in Southern California that consistently attracts the very best in competitors, and is widely considered to be the finest competition of its kind; and

WHEREAS, the Arcadia Festival of Bands will take place on November 18, 2023 as a signature event of our community, open to all who love marching bands and music.

NOW, THEREFORE, I, April A. Verlato, Mayor of the City of Arcadia, do hereby proclaim the month of November 2023 as:

ARCADIA FESTIVAL OF BANDS MONTH

and encourage all Arcadia residents to support this outstanding and entertaining Arcadia tradition, as we welcome the marching bands and visitors to our beautiful community.



Dated this
7th Day of November, 2023


April A. Verlato, Mayor



City of Arcadia

PROCLAMATION

WHEREAS, the City of Arcadia, California, recognizes and celebrates our local businesses and the contributions they make to our local economy, community, and the economic health of the City; and

WHEREAS, successful local businesses not only help to create a strong local economy, but also provide unique products and services to our residents and businesses, foster community connections and gathering spaces, and provide employment and other economic opportunities; and

WHEREAS, when residents and other community members choose to shop and dine at brick-and-mortar businesses located in the City of Arcadia, more of their spending and sales tax dollars stay local and get reinvested back into local community; and

WHEREAS, the winter holiday shopping season is an especially important time of the year to encourage community members to shop and dine in Arcadia, support local businesses, and keep more of our spending and sales tax dollars in the local community.

NOW, THEREFORE, I, April A. Verlato, Mayor of the City of Arcadia, do hereby proclaim November and December 2023 as:

SHOP AND DINE ARCADIA SEASON

and encourage our residents and community members to shop and dine at businesses located in the City of Arcadia throughout the holiday season.

*Dated this
7th Day of November, 2023*

April A. Verlato, Mayor





City of Arcadia

PROCLAMATION

WHEREAS, the mission of the Family Court Awareness Month Committee (FCAMC) is to increase awareness on the importance of a family court system that prioritizes child safety and acts in the best interest of children: and

WHEREAS, the mission at the FCAMC is fueled by the desire to create awareness and change in the family court system for the conservatively estimated, 58,000 children a year ordered into unsupervised contact with abusive parents, while honoring the hundreds of children who have been reported as murdered during visitation with a dangerous parent; and

WHEREAS, the mission of the FCAMC is to increase awareness on the importance of empirically-based education and training on domestic violence and child abuse, including emotional, psychological, physical, and sexual abuse, as well as childhood trauma, coercive control, and post separation abuse for judges and all professionals working on cases within the family court system; and

WHEREAS, the mission of the FCAMC is to increase awareness on the importance of using scientifically valid, evidence-based, treatment programs and services that are proven in terms of safety, effectiveness, and therapeutic value, and;

WHEREAS, the mission at the FCAMC is to educate judges and other family court professionals on evidence-based, peer-reviewed research. Such research is a critical component to making decisions that are truly in the best interest of children. This research includes The Adverse Childhood Experiences (ACEs) Study (co-principal investigator: Vincent Felitti, Kaiser Permanente-CDC); Child Custody Evaluators' Beliefs About Domestic Abuse Allegations (principal investigator: Daniel Saunders, University of Michigan, sponsored by the National Institute of Justice); and Child Custody Outcomes in Cases Involving Parental Alienation and Abuse Allegations (principal investigator: Joan S. Meier, GW Law School, sponsored by the National Institute of Justice).

NOW, THEREFORE, I, April A. Verlato, Mayor of the City of Arcadia, do hereby proclaim the month of November 2023 as:

FAMILY COURT AWARENESS MONTH

and encourage all residents to support their local communities' efforts to prevent the harm of children in the hands of family members and to honor and value the lives of children.

*Dated this
7th Day of November, 2023*

April A. Verlato, Mayor



**ARCADIA CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, OCTOBER 17, 2023**

CALL TO ORDER - Mayor Verlato called the Closed Session to order at 6:00 p.m.

ROLL CALL OF CITY COUNCIL MEMBERS

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

ABSENT: None

PUBLIC COMMENTS – No one appeared.

CLOSED SESSION

- a. Pursuant to Government Code Section 54956.9 (d)(1) to confer with legal counsel regarding the matter of City of Whittier, et al. v. County of Los Angeles, Los Angeles Superior Court (Case No. 23STCP03579)

No reportable action was taken.

The Closed Session ended at 6:44 p.m.

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

1. **CALL TO ORDER** – Mayor Verlato called the Regular Meeting to order at 7:02 p.m.

2. **INVOCATION** – Council Member Cheng

3. **PLEDGE OF ALLEGIANCE** – Girl Scout Troop 16581

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

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

ABSENT: None

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

City Attorney Maurer reported that prior to the Regular Meeting the City Council met in Closed Session to discuss the one item listed on the posted agenda; and indicated that no reportable action was taken.

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

City Manager Lazzaretto noted an email sent to the City Council on behalf of the Architectural Review Boards (ARBs) for Rancho Santa Anita Lower Rancho and Santa Anita Village, regarding the proposed changes to artificial turf as presented in Consent Calendar Item 10.b.; and indicated

that those ARBs requested the City Council reconsider the adoption of the proposed text amendments for artificial turf, and that the increased turf area only apply to smaller properties.

7. PRESENTATIONS

- a. Presentation of a \$30,000 donation from the Friends of the Arcadia Public Library to the Arcadia Public Library.

8. PUBLIC COMMENTS – No one appeared.

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 Cao announced that he attended the Clean Power Alliance Meeting; USC Arcadia Hospital Foundation's Crystal Ball Fundraiser event; the Los Angeles Arboretum Foundation's 75th Anniversary Gala honoring Supervisor Kathryn Barger; the USC Arcadia Hospital Medical Staff event; the League of Women Voters Pasadena Area Ice Cream Social; the League of California Cities Los Angeles County Division Budget Sub-Committee meeting; he stated that it is Filipino American History Month; and he reminded everyone that together we can rise towards peace.

Council Member Cheng explained the significance of mourning bands over Law Enforcement badges; he expressed his sadness for the continued loss of first responders; he encouraged everyone to express their support to first responders throughout Southern California; he thanked the Arcadia Educational Foundation for their donation to Arcadia schools; he thanked Marilyn Wilander for her support to the community and for serving on the League of Women Voters; and he thanked the City Council for their encouragement and support.

Council Member Wang announced that she attended an event celebrating the 112th National Day of the Republic of China; the 2nd Annual Asian Fall Fest; American Youth Soccer Organization (AYSO) Region 2 Fundraiser; the USC Arcadia Hospital Foundation's Crystal Ball Fundraiser event; the ribbon cutting ceremony for Let's Go Hair Salon; the Los Angeles Arboretum Foundation's 75th Anniversary Gala honoring Supervisor Kathryn Barger; the League of Women Voters Pasadena Area Ice Cream Social; the Arcadia Education Foundation Luncheon; the Foothill Transit Authority Meeting, among other events outside the City of Arcadia; and she stated that it is Filipino American History Month.

Council Member Kwan announced that she attended the USC Arcadia Hospital Foundation's Crystal Ball Fundraiser event; the ribbon cutting ceremony for Pure Media Marketing; the Foothill Gold Line JPA Meeting; the Downtown Arcadia Improvement Association (DAIA) Meeting; she noted that October 27 is the DAIA Halloween Haunting and encouraged everyone to attend; she furthered announced that she attended the Los Angeles Arboretum Foundation's 75th Anniversary Gala; the Rancho Santa Anita Lower Rancho Block Party; she thanked Arcadia Police Officers and Firefighters for their support; and stated that she attended the Arcadia Education Foundation Luncheon.

City Clerk Glasco announced that the City Clerk's Office is accepting applications to fill a vacancy on the Recreation and Parks Commission; he noted that he was unable to attend the ribbon cutting ceremony for Pure Media Marketing, but that Pure Media Marketing created the Arcadia Vietnam Monument website and congratulated the owner, Christine Zito, on her success.

Mayor Verlato noted Arcadia's efforts to acquire water by highlighting Consent Calendar Item 10.i. – the purchase of three million dollars' worth of water; she thanked the Public Works Services

Department for securing the purchase at a discounted rate; she also noted Consent Calendar Item 10.f. – a donation from the Arcadia Police Foundation, for the Arcadia Police Department’s Police Service Dog (K-9) Program; she announced that she attended the USC Arcadia Hospital Foundation’s Crystal Ball Fundraiser event; the unveiling of Creative World Art School’s mural on the side of their building titled “Toads Garden”; the ribbon cutting ceremony for Pure Media Marketing; and the Recreation and Parks Commission Meeting. She further announced that she hosted Mahjong with the Mayor; attended the Los Angeles Arboretum Foundation’s 75th Anniversary Gala; a Neighborhood Watch meeting hosted by the Arcadia Police Department; the Rancho Santa Anita Lower Rancho Block Party; the League of Women Voters Pasadena Area Ice Cream Social; the Arcadia Education Foundation Luncheon; she stated that she hosted Coffee with the Mayor; that she attended the San Gabriel Valley Regional Housing Trust Meeting; that October 27 is the Downtown Arcadia Improvement Association’s Halloween Haunting event; and that November 17 is the Arcadia Police Foundation’s Evening with our Blue Heroes Fundraising Gala.

10. CONSENT CALENDAR

- a. Regular Meeting Minutes of October 3, 2023.
CEQA: Not a Project
Recommended Action: Approve
- b. Ordinance No. 2397 related to Text Amendment No. 23-01 amending various sections of Article IX, Chapter 1 (Development Code) of the Arcadia Municipal Code pertaining to artificial turf in residential zones and allowing tutoring and educational centers in places of religious assembly through a Conditional Use Permit.
CEQA: Exempt
Recommended Acton: Adopt
- c. Resolution No. 7527 changing the name of Colorado Street to Colorado Boulevard within City limits, with the exception of the frontage road portion between Harvard Drive and Princeton Road.
CEQA: Not a Project
Recommended Action: Adopt
- d. Resolution No. 7528 amending Resolution No. 7383 establishing compensation and related benefits for City Council, Executive Management, Management, and Unrepresented Confidential Employees for July 1, 2021, through June 30, 2024 (Project Manager).
CEQA: Not a Project
Recommended Action: Adopt
- e. Donation in the amount of \$30,000 from the Friends of the Arcadia Public Library to fund ongoing children’s and teen programming for Fiscal Year 2023-24.
CEQA: Not a Project
Recommended Action: Accept
- f. Donation in the amount of \$33,550 from the Arcadia Police Foundation for the Arcadia Police Department’s Police Service Dog (K-9) Program.
CEQA: Not a Project
Recommended Action: Accept

- g. Extension to the Professional Services Agreement with ABM Industry Groups, LLC, for Janitorial and Porter Services at various City facilities in an amount not to exceed \$418,278.42.
CEQA: Not a Project
Recommended Action: Approve
- h. Extension to the Management Agreement with Touchstone Golf, LLC, for the management of operations and maintenance of the Arcadia Par 3 Golf Course.
CEQA: Not a Project
Recommended Action: Approve
- i. Purchase of 3,203 acre-feet of imported cyclic storage water from the Main San Gabriel Basin Watermaster in the amount of \$3,068,474.
CEQA: Not a Project
Recommended Action: Approve
- j. Reject the one proposal received for Design-Build Services for the Bonita Park Concession Building Improvement Project and direct staff to re-design the project and solicit additional proposals.
CEQA: Not a Project
Recommended Action: Approve
- k. Accept all work performed by California Professional Engineering, Inc. for the Santa Anita Avenue Corridor Phase 2 Traffic Signal Improvements, at the intersections of Santa Anita Avenue and Colorado Boulevard, Santa Clara Street, Diamond Street, Wistaria Avenue and Virginia Drive, as complete.
CEQA: Exempt
Recommended Action: Approve
- l. Accept all work performed by Mission Paving and Sealing, Inc. for the Fiscal Year 2022-23 Annual Slurry Seal Project as complete.
CEQA: Exempt
Recommended Action: Approve

Mayor Verlato pulled Consent Calendar Item 10.b for separate discussion.

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

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

City Attorney Maurer noted that Council Member Wang has a conflict related to the tutoring and educational centers portion of Item 10.b., and indicated that if that portion was discussed that Council Member Wang would need to step out of the City Council Chambers.

In response to City Attorney Maurer's comment, Mayor Verlato indicated that only the artificial turf portion would be discussed. Mayor Verlato read emails received for Public Comment from Laurie Thompson, ARB Chair of the Santa Anita Village and Greg Medeiros, ARB Chair of the Rancho Santa Anita Lower Rancho, expressing their opposition to the increase in artificial turf allowances and requesting that the increase should only apply to smaller properties.

After City Council discussion, a motion was made by Council Member Kwan, seconded by Council Member Cheng, and carried on a roll call vote to table the artificial turf portion of the text amendment to allow the opportunity to conduct additional outreach and obtain more input from residents, and adopt the second text amendment related to tutoring and educational centers at the November 7, 2023, City Council Meeting.

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

11. ADJOURNMENT

The City Council adjourned at 8:11 p.m. in memory of the innocent lives lost in the conflict between Israel and Palestine to November 7, 2023, 6:00 p.m. in the City Council Conference Room.



Linda Rodriguez
Assistant City Clerk



STAFF REPORT

Development Services Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

FROM: Jason Kruckeberg, Assistant City Manager/Development Services Director
Lisa Flores, Deputy Development Services Director
Prepared By: Edwin Arreola, Associate Planner

SUBJECT: ORDINANCE NO. 2397 RELATED TO TEXT AMENDMENT NO. 23-01 AMENDING DIVISION 2 OF ARTICLE IX, CHAPTER 1 (DEVELOPMENT CODE) OF THE ARCADIA MUNICIPAL CODE TO ALLOW TUTORING AND EDUCATIONAL CENTERS IN PLACES OF RELIGIOUS ASSEMBLY THROUGH A CONDITIONAL USE PERMIT
CEQA: Exempt
Recommendation: Adopt

SUMMARY

At its regular meeting on October 3, 2023, the City Council introduced Ordinance No. 2397 to approve text amendments to various sections of the Arcadia Municipal Code to increase artificial turf allowances in residential zones and allow tutoring and educational centers in places of religious assembly through a Conditional Use Permit; this Ordinance was approved by the City Council.

On October 17, 2023, the City Council voted to table the proposed text amendments on artificial turf in residential zones and directed the amendments to allow tutoring and educational centers in places of religious assembly, be brought back separately at the next City Council Meeting. It is recommended that the City Council adopt Ordinance No. 2397 as it relates only to the changes to tutoring and educational centers in places of religious assembly.

DISCUSSION

At the October 3, 2023, City Council meeting, a public hearing was held to consider Ordinance No. 2397 to approve Text Amendment No. 23-01, amending various sections of Article IX, Chapter 1 (Development Code) of the Arcadia Municipal Code to increase the allowable area for artificial turf in residential zones and allow tutoring and educational centers in places of religious assembly through a Conditional Use Permit – refer to Attachment No. 2. The motion was approved by the City Council and the Ordinance was introduced.

At the October 17, 2023, City Council meeting, when the Ordinance was presented for a second reading and adoption, the City Council read two email public comments from the Chairs of the Architectural Review Boards (“ARBs”) for the Rancho Santa Anita Lower Rancho and Santa Anita Village. The comments from the two Chairpersons were in opposition to the proposed text amendments to the regulations on artificial turf – refer to Attachment No. 3. Aside from the two email public comments, there was no additional public testimony.

The City Council discussed this item further and Council Member Kwan expressed her concerns that more outreach and input was needed from the community on the proposed changes to artificial turf. As a result, the City Council unanimously agreed to table the artificial turf portion of the text amendment to give an opportunity to conduct additional outreach and obtain more input from residents on this proposal. Subsequently, the City Council also instructed staff to proceed with the second text amendment related to tutoring and educational centers.

It should be noted that at the October 3, 2023, City Council meeting, Council Member Wang recused herself from a portion of the discussion regarding tutoring and educational centers, due to her involvement in that industry in Arcadia. No further discussion was held on tutoring and educational centers at the regular meeting on October 17, 2023.

With these changes, the Ordinance was revised to reflect only the text amendment to allow tutoring and educational centers in places of religious assembly through a Conditional Use Permit – refer to Attachment No. 1. In response to the City Council’s direction, an article on the proposed changes to artificial turf was published in the City’s Fall Newsletter, which is sent to every household in Arcadia. The Newsletter details the proposed changes to artificial turf, pros and cons of artificial turf use, and how residents can provide more input on the proposal.

ENVIRONMENTAL ANALYSIS

The proposed changes to the Development Code to allow tutoring and educational centers in places of religious assembly through a Conditional Use Permit are exempt from the requirements of the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3), as it can be seen with certainty that the proposed text amendments would not have a significant effect on the environment, and thus, are not subject to CEQA review.

RECOMMENDATION

It is recommended that the City Council find that the proposed action is exempt from CEQA; and adopt Ordinance No. 2397 related to Text Amendment No. 23-01 amending Division 2 of the Article IX, Chapter 1 (Development Code) of the Arcadia Municipal Code to allow tutoring and educational centers in places of religious assembly through a Conditional Use Permit.

Adoption of Ordinance No. 2397 – TA 23-01

November 7, 2023

Page 3 of 3

Approved:



Dominic Lazzaretto
City Manager

Attachment No. 1: Ordinance No. 2397

Attachment No. 2: City Council Staff Reports (with no attachments), dated October 3, 2023 and October 17, 2023

Attachment No. 3: Letters from the Santa Anita Lower Rancho and Santa Anita Village ARBs

Attachment No. 1

ORDINANCE NO. 2397

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, RELATED TO TEXT AMENDMENT NO. 23-01 AMENDING DIVISION 2 OF ARTICLE IX, CHAPTER 1 (DEVELOPMENT CODE) OF THE ARCADIA MUNICIPAL CODE TO ALLOW TUTORING AND EDUCATIONAL CENTERS IN PLACES OF RELIGIOUS ASSEMBLY THROUGH A CONDITIONAL USE PERMIT

WHEREAS, the Development Services Department initiated a text amendment to amend and update various sections of the City's Development Code under Text Amendment No. 23-01 (referred to as "Text Amendment"); and

WHEREAS, the Text Amendment proposed changes to Article IX, Chapter 1, of the Municipal Code pertaining to: (i) allowing tutoring and educational centers in places of religious assembly through a Conditional Use Permit as shown under Exhibit "A" of this Ordinance; and (ii) allowing more artificial turf in the front and street side yards on residentially zoned properties; and

WHEREAS, on June 5, 2023, Planning Services completed an environmental review of the proposed Text Amendment and determined that it is exempt from review under the California Environmental Quality Act ("CEQA") pursuant to Section 15061 (b)(3) of the CEQA Guidelines, where it can be seen with certainty that the Text Amendment would not have a significant effect on the environment and, thus, the proposed Text Amendment is not subject to CEQA review; and

WHEREAS, on July 25, 2023, the Planning Commission held a duly-noticed public hearing and considered the Text Amendment; there was one public comment in favor of the proposed changes from one of the affected property owners with non-permitted artificial turf; and

WHEREAS, after the public hearing, the Planning Commission adopted Resolution No. 2129 with a 4-0 vote, recommending that the City Council approve the Text Amendment; and

WHEREAS, on September 14, 2023, the City published notice of the City Council public hearing concerning the Text Amendment in a newspaper of general circulation (Arcadia Weekly); and

WHEREAS, on October 3, 2023, the City Council held a duly noticed public hearing on the Text Amendment, at which time all interested persons were given full opportunity to be heard and to present evidence; and

WHEREAS, after the public hearing, the City Council took two separate actions on the Text Amendment. The first motion was a 4-0 vote (with Councilmember Wang recused) to approve the text amendment and introduce Ordinance No. 2397 to allow tutoring and educational centers in places of religious assembly through a Conditional Use Permit. The second motion was a 5-0 vote to approve the second text amendment and introduce Ordinance No. 2397 to allow more artificial turf in the front and street side yards on residentially zoned properties; and

WHEREAS, on October 17, 2023, the City Council voted 4-0 (with Councilmember Wang recused) to approve the text amendment and re-introduce Ordinance No. 2397 to allow tutoring and education centers in places of religious assembly through a Conditional Use Permit without substantive modification but severed from the proposed text amendments to regulations on artificial turf, which the City Council voted unanimously to table for further discussion.

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

SECTION 1. The factual data submitted by the Development Services Department in the October 3, 2023, staff report is true and correct.

SECTION 2. This City Council finds, based upon the entire record, including without limitation to the staff report and related documents presented before the City Council:

1. The proposed Development Code amendment is consistent with the goals, policies, and objectives of the General Plan and any applicable specific plan(s).

FACTS: The proposed amendments are consistent with the policies of the General Plan, which serves as a guide to address the long-term physical development and growth of the City.

The proposed amendment to allow tutoring and educational centers to serve as accessory uses at places of religious assembly through a Conditional Use Permit process is consistent with the General Plan because it encourages the City to tailor its regulations to respond to the market as it changes, maximize revenue, and maintain appropriate business mix and to provide economic opportunities for the various uses in the City. Allowing tutoring and educational centers would be an appropriate mix of uses within a place of religious assembly since many of these religious facilities already offer this type of service or programs through their ministry and have the facility to accommodate such use. This proposed amendment is consistent with the following General Plan goal and policies:

Economic Development Element

- Policy ED-1.9: Tailor regulations to respond to market changes, maximize revenue, and maintain the appropriate business mix.

Land Use Element

- Goal LU-1: A balance of land uses that preserves Arcadia's status as a Community of Homes and a community of opportunity.
- Policy LU-1.2: Promote new uses of land that provide diverse economic, social, and cultural opportunities, and that reinforce the characteristics that make Arcadia a desirable place to live.

The proposed amendment to allow tutoring and educational centers in places of religious assembly will help the existing religious organizations provide other opportunities that are currently compatible with their existing operation. Therefore, the proposed Text Amendment and ordinance are consistent with the City's adopted General Plan and any applicable specific plan(s).

2. The proposed Text Amendment is internally consistent with other applicable provisions of this Development Code.

FACTS: The proposed amendment is internally consistent with other applicable provisions of this Development Code in that tutoring and educational centers within places of religious assembly would be subject to a discretionary review through a Conditional Use Permit to ensure that all potential impacts will be addressed and that the proposed use would be compatible with the existing use on-site and with the surrounding business and/or community. Therefore, the Text Amendment is internally consistent with other applicable provisions of this Development Code.

SECTION 3. The City Council hereby determines that the Text Amendment is exempt from review under the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3) which exempts from review where it can be seen with certainty that there is no possibility that the Text Amendment may have a significant effect on the environment and thus, is not subject to CEQA review.

SECTION 4. The City Council hereby adopts Ordinance No. 2397 to allow tutoring and educational centers in places of religious assembly through a Conditional Use Permit.

SECTION 5. 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. This Ordinance shall take effect on the thirty-first (31st) day after its adoption.

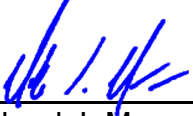
Passed, and adopted this 7th day of November, 2023.

Mayor of the City of Arcadia

ATTEST:

City Clerk

APPROVED AS TO FORM:



Michael J. Maurer
City Attorney

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EXHIBIT “A”

**Development Code, Division 2 – Land Use Regulations and Allowable
Uses**

Development Code - Division 2 – Land Use Regulations and Allowable Uses

The new language is shown in “red.” ~~Strikethrough~~ for any language to be deleted

9102.01.020 Land Use Regulations and Allowable Uses

Amended by Ord. No. 2347

Amended by Ord. No. 2348

Amended by Ord. No. 2363

Amended by Ord. No. 2369 & 2370

- A. Allowed Uses.** Table 2-1 (Allowed Uses and Permit Requirements for Residential Zones) indicates the uses allowed within each residential zone and any permits required to establish the use, pursuant to Division 7 (Permit Processing Procedures). The regulations for each zone are established by letter designations as follows:

“P” represents permitted (allowed) uses.

“A” represents accessory uses.

“M” designates uses that require the approval of a Minor Use Permit subject to requirements of Section 9107.09 (Conditional Use Permit and Minor Use Permit) of this Development Code.

“C” designates uses that require the approval of a Conditional Use Permit subject to requirements of Section 9107.09 (Conditional Use Permit and Minor Use Permit) of this Development Code.

“--” designates uses that are not permitted.

- B. Director Determination.** Land uses are defined in Division 9 (Definitions). In cases where a specific land use or activity is not defined, the Director shall assign the land use or activity to a classification substantially similar in character. Land uses not listed in the table or not found to be substantially similar to the land uses below are prohibited.

- C. Specific Use Regulations.** Where the last column in Table 2-1 (Allowed Uses and Permit Requirements for Residential Zones) includes a Section, Subsection, or Division number, the regulations in the referenced Section, Subsection, or Division shall apply to the use.

Table 2-1 Allowed Uses and Permit Requirements for Residential Zones		P Permitted A Permitted as an Accessory Use M Minor Use Permit Required C Conditional Use Permit Required -- Not Allowed						
Land Use	R-M	R-0	R-1	R-2	R-3	R-3-R	Specific Use Regulations	
Other Uses								
Antennas and Wireless Communication Facilities - Co-location or Panel	--	--	--	--	P	P	Exception: All facilities are permitted on City-owned properties and public rights-of-way. New standalone facilities are not permitted in	

Antennas and Wireless Communication Facilities - Standalone Facility	--	--	--	--	--	--	Architectural Design (D) overlay zones. See also Subsection 9104.02.050 (Antennas and Wireless Communication Facilities)
Places of Religious Assembly	--	C	C	C	C	--	Tutoring and Educational Centers may be permitted as an Accessory Use under a Conditional Use
Sports Courts (Private)	P	P	P	P	P	P	Must comply with Subsection 9104.02.330 (Sports Courts in Residential Zones)
Sports Courts (Private) with Lighting	M	M	M	M	M	M	
Recharging Stations	A	A	A	A	A	A	
Utility Structures and Service Facilities	C	C	C	C	C	C	

**9102.03.020 Land Use Regulations and Allowable Uses
Amended by Ord. No. 2375**

A. Allowed Uses. Table 2-8 (Allowed Uses and Permit Requirements for Commercial and Industrial Zones) indicates the land use regulations for Commercial and Industrial zones and any permits required to establish the use, pursuant to Division 7 (Permit Processing Procedures). The regulations for each zone are established by letter designations as follows:

“P” represents permitted (allowed) uses.

“A” represents accessory uses.

“M” designates uses that require the approval of a Minor Use Permit subject to requirements of Section 9107.09 (Conditional Use Permits and Minor Use Permits) of this Development Code.

“C” designates uses that require the approval of a Conditional Use Permit subject to requirements of Section 9107.09 (Conditional Use Permits and Minor Use Permits) of this Development Code.

“--” designates uses that are not permitted.

B. Director Determination. Land uses are defined in Division 9 (Definitions). In cases where a specific land use or activity is not defined, the Director shall assign the land use or activity to a classification substantially similar in character. Land uses not listed in the table or not found to be substantially similar to the land uses below are prohibited.

C. Specific Use Regulations. Where the last column in Table 2-8 includes a Section, Subsection, or Division number, the regulations in the referenced Section, Subsection, or Division shall apply to the use.

Table 2-8 Allowed Uses and Permit Requirements for Commercial and Industrial Zones	P	Permitted by Right ⁽¹⁾				
	A	Permitted as an Accessory Use				
	M	Minor Use Permit				
	C	Conditional Use Permit				
	--	Not Allowed				
Land Use	C-O	C-G	C-R	M-1	Specific Use Regulations	
Other Uses						

Assembly/Meeting Facilities, Public or Private	M	M	--	M	
Donation Box – Outdoor	M	M	--	M	See Subsection 9104.02.120 (Donation Box – Outdoor)
Drive-Through or Drive-Up Facilities	--	C	--	C	See Subsection 9104.02.130 (Drive-through and Drive-up Facilities)
Extended Hours Uses	C	C	M	C	See Subsection 9104.02.150 (Extended Hours Uses)
Places of Religious Assembly	M	M	--	M	Tutoring and Educational Centers may be permitted as an Accessory Use under a Conditional Use Permit.
Stable, Public and Private	--	--	--	C	
Reverse Vending Machines – Consumer Goods	P	P	P	P	Allowed indoors only
Vending Machines	P	P	P	P	Allowed indoors only

9102.05.020 Land Use Regulations and Allowable Uses in Downtown Zones

Amended by Ord. No. 2348 & 2356

Amended by Ord. No. 2369 & 2370

Amended by Ord. No. 2375

A. Allowed Uses. Table 2-10 (Allowed Uses and Permit Requirements for Downtown Zones) indicates the land use regulations for the Downtown zones and any permits required to establish the use, pursuant to Division 7

(Permit Processing Procedures). The regulations for each zone are established by letter designations as follows:

“P” represents permitted (allowed) uses.

“A” represents accessory uses.

“M” designates uses that require the approval of a Minor Use Permit subject to requirements of Section 9107.09 (Conditional Use Permits and Minor Use Permits) of this Development Code.

“C” designates uses that require the approval of a Conditional Use Permit subject to requirements of Section 9107.09 09 (Conditional Use Permits and Minor Use Permits) of this Development Code.

“UF” designates uses that are permitted on upper floors only, and are not allowed on the ground floor of a structure.

“--” designates uses that are not permitted.

B. Director Determination. Land uses are defined in Division 9 (Definitions). In cases where a specific land use or activity is not defined, the Director shall assign the land use or activity to a classification substantially similar in character. Land uses not listed in the table or not found to be substantially similar to the land uses below are prohibited.

C. Specific Use Regulations. Where the last column in Table 2-10 (Allowed Uses and Permit Requirements for Downtown Zones) includes a Section, Subsection, or Division number, the regulations in the referenced Section, Subsection, or Division shall apply to the use.

Table 2-10 Allowed Uses and Permit Requirements for Downtown Zones	P A C M -- (UF)	Permitted by Right Permitted as an Accessory Use Conditional Use Permit Minor Use Permit Not Allowed Upper Floor Permitted, Not Allowed on Ground Floor				
	Land Use	CBD	MU	DMU	CM	Specific Use Regulations
Utility Structures and Service Facilities	P	P	P	P	P	Subject to Site Plan and Design Review pursuant to Section 9107.19 (Site Plan and Design Review).
Other Uses						
Assembly/Meeting Facilities, Public or Private	--	--	--	--	M	
Donation Box – Outdoor	--	--	--	--	M	
Extended Hours Use	M	C	M	C	C	See Subsection 9104.02.150 (Extended Hours Uses)
Places of Religious Assembly	--	--	--	--	M	Tutoring and Educational Centers may be permitted as an Accessory Use under a Conditional Use Permit
Drive-Through or Drive-Up Facilities	--	--	--	--	C	See Subsection 9104.02.130 (Drive-through and Drive-up Facilities)
Reverse Vending Machines – Consumer Goods	P	P	P	P	P	Allowed indoors only
Vending Machines	P	P	P	P	P	Allowed indoors only
Urban Agriculture	A	A	A	A	A	

(1) Accessory dwelling units are subject to the development standards in Subsection 9102.01.080.



STAFF REPORT

Development Services Department

DATE: October 3, 2023

TO: Honorable Mayor and City Council

FROM: Jason Kruckeberg, Assistant City Manager/Development Services Director
Lisa Flores, Deputy Development Services Director
By: Edwin Arreola, Associate Planner

SUBJECT: ORDINANCE NO. 2397 RELATED TO TEXT AMENDMENT NO. 23-01 AMENDING VARIOUS SECTIONS OF ARTICLE IX, CHAPTER 1 (DEVELOPMENT CODE) OF THE ARCADIA MUNICIPAL CODE PERTAINING TO ARTIFICIAL TURF IN RESIDENTIAL ZONES AND ALLOWING TUTORING AND EDUCATIONAL CENTERS IN PLACES OF RELIGIOUS ASSEMBLY THROUGH A CONDITIONAL USE PERMIT
CEQA: Exempt
Recommendation: Introduce and Approve

SUMMARY

The Development Services Department has initiated a Text Amendment for various sections of the City's Development Code, including: 1) An amendment to increase the allowable area for artificial turf on residentially zoned properties; and 2) Allow tutoring and educational centers in places of religious assembly through a Conditional Use Permit.

It is recommended that the City Council find that this action is exempt from the California Environmental Quality Act (CEQA); introduce Ordinance No. 2397 (Attachment No. 1) and approve Text Amendment No. 23-01.

BACKGROUND

The subject Ordinance contains two sets of text amendments for consideration by the City Council, with one related to artificial turf and the other pertaining to tutoring and educational centers in places of religious assembly. Despite being two unrelated issues, it is common practice to present all proposed text amendments to the Development Code under the same Ordinance rather than separate processes for each individual issue.

1. Artificial Turf

The first set of text amendments proposed are for an increase in artificial turf area allowed within the front and street side (corner) yard areas of residentially zoned properties. The

City originally created regulations to allow artificial turf in the front and street side yards of residential properties in 2016. This was as a result of Governor Brown signing AB 1164 into law, which prevented cities from prohibiting the installation of artificial turf, along with 23 other related bills to help with the ongoing drought in 2015. Prior to 2016, artificial turf was not permitted on residential properties in the City. Persistent drought conditions and increased requests and community interest in artificial turf has led the City to reconsider artificial turf limitations as a means of water conservation and/or landscape maintenance. Many residents felt that the permitted artificial turf amount is too restrictive and not conducive to saving water as they seek to install larger applications of artificial turf on their properties.

One of the main issues the City experienced with artificial turf are properties that have installed turf areas that exceed the permitted amount. There are currently at least eight properties where artificial turf has been installed within the front yard area that exceed the permitted amount allowed by the City. One of these properties is located within the Very High Fire Hazard Severity Zone (VHFHSZ) area where artificial turf is not permitted. There have been more properties in violation of the artificial turf standards over the years, but they have since been brought into compliance. Most of the property owners who have made these installations are unaware of the artificial turf limitations and did not seek approval from the City. On some occasions, property owners face losing a large investment into their property by having to remove substantial portions of artificial turf to be in compliance with the Development Code.

At the March 7, 2023, City Council Meeting, a presentation was made to better illustrate these issues and to receive direction from the City Council regarding changes to the allowed artificial turf area. The City Council was presented with the option to keep the existing policies, allow for an increased use of artificial turf as hardscape, or allow for an unlimited application of artificial turf. A recommendation was made to increase the percentage of the allowed artificial turf area while keeping the other hardscape materials capped at 40 percent (the current limitation). The City Council agreed that an Ordinance should be considered to increase the artificial turf limit and that information should be included on what other cities allow as well as any associated maintenance and environmental issues.

2. Tutoring at Religious Facilities

The second change proposed to the Development Code through this Text Amendment is to allow tutoring and educational centers in places of religious assembly through a Conditional Use Permit. In recent years, several places of religious assembly have contacted the Planning Division asking if they can lease their vacant classrooms to tutoring businesses. Arcadia has several religious properties throughout the City containing classrooms and other spaces that are underutilized, especially Monday through Friday. Places of religious assembly are often uniquely suited to accommodate tutoring and educational centers due to the complementary operating schedules, large parking lots, and available classroom space. To make better use of these spaces and generate income to support the organization, leasing these rooms to businesses such as

tutoring and educational centers has been requested. Currently, the Development Code does not allow tutoring and educational centers to operate at places of religious assembly. The only accessory uses allowed are day care centers, or schools that are run and operated by the religious organization itself. This text amendment would allow a third party to operate a tutoring and educational center at a place of religious assembly through approval of a Conditional Use Permit. If approved, the text amendment would also allow an existing, unpermitted tutoring center, TECC at the Arcadia Community Church at 121 Alice Street, to apply for a Conditional Use Permit.

DISCUSSION

Section 9103.09.040 of the Arcadia Development Code sets forth development standards for landscape requirements throughout the City, including artificial turf. This section is proposed to be updated to expand the amount of artificial turf permitted in the front and street side yard setbacks for residential properties. The Development Code is also being updated to allow for tutoring and educational centers at places of religious assembly in all zones, subject to a Conditional Use Permit.

1. *Artificial Turf*

Currently, the allotted amount of artificial turf within the front and street yard areas of residential properties is regulated by two standards within the Development Code. The first requires that hardscape materials should not cover more than 40 percent of the front and street side yard areas. The Development Code categorizes artificial turf as a hardscape material along with other materials such as pavement, concrete, rocks, or similar materials. Collectively, all of these materials should not exceed the 40 percent maximum, and any remaining area within these yard spaces should be naturally landscaped. In addition to this standard, artificial turf is independently restricted to consist of no more than 15 percent of the front and street side yard areas. The application of artificial turf must comply with both standards to be permitted.

Under the proposed amendment, the 15 percent limit on artificial turf within the front and street yard areas would be removed and solely regulated by the hardscape percentage. The amount of hardscape would remain at 40 percent if artificial turf is not used but would expand to a maximum of 60 percent if artificial turf is used. Additionally, any hardscape over 40 percent may only be artificial turf - refer to Attachment No. 1, Exhibit A for the entire text amendment. Artificial turf would continue to be prohibited within the public parkway and all remaining areas that are not hardscaped must be naturally landscaped.

After initially considering a sliding scale that would allow a tiered artificial turf percentage for the different lot sizes in the City, specifically allowing more artificial turf for smaller lots, it was determined that a set percentage for all properties would be easier for property owners to understand and for the City to regulate. To better describe the proposal, a property maximizing the proposed changes would have at least 40 percent of the front and/or street yard areas naturally landscaped. At most, 40 percent of the front and corner yards would be hardscaped with materials that comprise the driveways and walkways.

The remaining 20 percent would consist of artificial turf, with the amount potentially fluctuating between the amount of other hardscape materials. A reasonably sized area of natural landscaping could be provided, which can be blended with artificial turf and still provide adequate and functional driveways and walkways.

The increase to the hardscape percentage when artificial turf is proposed was determined through review and analysis of some common issues with artificial turf in the City. Particularly, the ability of smaller lots to include a portion of artificial turf, ensuring that enough landscaped area is being provided to execute a cohesive landscape design within the street facing yards, and evaluation of existing projects with code cases. Furthermore, as requested by the City Council, the increase was compared to other cities in the area. Each of these issues is further discussed below.

Currently, the 15 percent maximum of artificial turf allowed is counted towards the 40 percent maximum hardscape within the front and street yard areas. While allowing some artificial turf on lots with a width of 75 feet or greater, these limits typically prevent most smaller lots from including any artificial turf in the front yard, as the driveways and walkways account for the entire 40 percent maximum hardscape. This is demonstrated with the yard depicted in Figure 1 below. Allowing artificial turf to comprise of any of the hardscape area over 40 percent and up to 60 percent would allow these smaller lots to install at least a portion of artificial turf.



Figure 1 – Narrow Lot that Cannot Apply Any Artificial Turf Under Current Standards

Properties that were in violation of the artificial turf regulations were studied. The two properties shown below show examples of what properties look like with larger amounts of artificial turf and what the property owners did to bring those sites into compliance with the current regulations.



Figure 2, Before – With Artificial Turf that Exceeds the Maximum Limit



Figure 2, After – Artificial Turf Was Replaced with Natural Landscaping

The property above in Figure 2, while providing a balance of natural landscaping and artificial turf type that meets the specifications of the code, was in violation for having over 15 percent of the front yard covered in artificial turf and was required to remove a significant portion of artificial turf to bring it into compliance.



Figure 3, Before – With Artificial Turf that Exceeds Maximum Limit



Figure 3, After – Artificial Turf Replaced with Natural Landscaping

The property above in Figure 3 had a majority of the front yard covered in hardscape consisting of the driveway, walkway, and artificial turf with very small pockets of natural landscaping. Since the driveway and walkway areas took up 40 percent of the front yard on this narrower lot, the artificial turf was removed and replaced with natural turf to comply with the current regulations.

Figure 4 below shows a comparison of the current and proposed regulations on a 25-foot front yard setback on a 75-foot wide lot, a typical lot size in the City, with a 16 foot wide

driveway (gray), a typical driveway width that leads into a two car garage. The **dark green** represents artificial turf, **light green** represents natural landscaping, the gray represents driveway, and hatched lines represent the City's parkway (in some cases it contains a paved sidewalk). A total of 281 square feet of artificial turf (or 15 percent of the front yard) is permitted for a front yard of this size under the current regulations. A total of 725 square feet of artificial turf (or about 38.5 percent of the front yard since the driveway would take up 21.5 percent of the hardscape area) would be permitted under the proposed regulations. Any landscaping within the City's parkway would give the adjacent front yard a sense of a larger naturally landscaped area. The diagram shows potential for artificial turf to be used with sizeable areas of natural landscaping that would allow for a comprehensive yard design and not just a large mass of artificial turf.

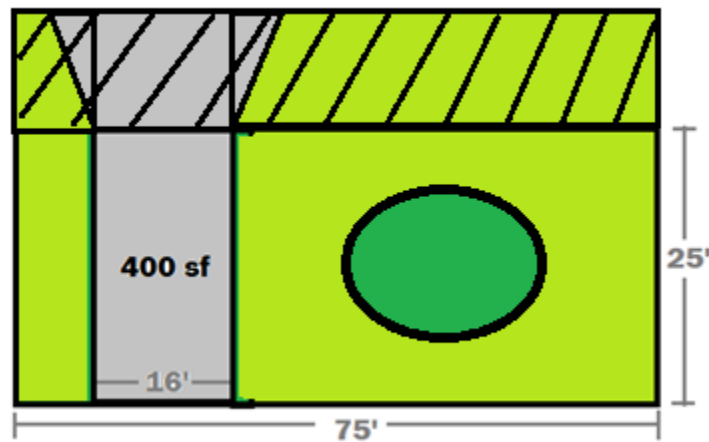


Figure 4 - Artificial Turf Under the Current Regulations

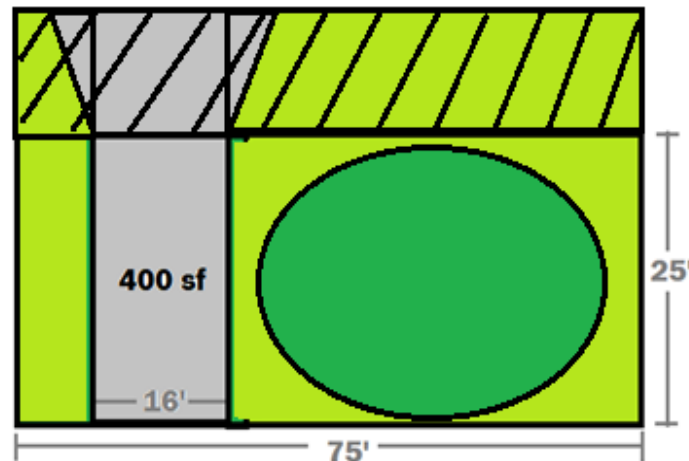


Figure 4 - Artificial Turf Under the Proposed Regulations

In consideration of the smaller lots that were hindered by the current regulations, cohesive applications of artificial turf seen in some of the code cases, and the proposed hardscape limits that still provide significant portions of natural landscaping, the increase in

hardscape to 60 percent when artificial turf is proposed, was determined to be the best approach as there is no increase to other hardscape materials. This would allow more leniency in the amount of turf for sites in violation of the code, still require a generous portion of natural landscaping, and allow the front and street-side yards to remain green throughout the year.

The proposed increase to the artificial turf area is in line with other cities in the San Gabriel Valley, some of which have recently updated their regulations to be even more permissive for artificial turf. Table 1 below shows what other cities allow.

Table 1– Surrounding Cities Artificial Turf Regulations

CITY	ARTIFICIAL TURF PERCENTAGE
Alhambra (updated in 2016) & Monterey Park	No limit; artificial turf counted as landscaping
Temple City (updated in 2023)	43% max artificial turf; minimum 22% live vegetation required
Duarte (updated in 2016) and El Monte (updated in 2023)	40% max artificial turf; minimum 20% landscape required
La Canada Flintridge, Sierra Madre, and Rosemead	50% max. hardscape (includes artificial turf)
San Marino	45% max. hardscape (includes artificial turf)
South Pasadena	30% max. hardscape (includes artificial turf)
San Gabriel	25% max. artificial turf
Pasadena & Monrovia	Requires submittal of landscape plan – These cities do not have a maximum limit.
Arcadia (current)	15% max. artificial turf; artificial turf counted as part of 40% max. hardscape
Arcadia (proposed)	60% max. hardscape when using artificial turf; 40% max. hardscape for all other materials

There was a wide range of artificial turf percentages throughout the various cities in the vicinity. Additionally, each city classifies artificial turf differently with some deeming artificial turf as landscaping while others deem it a hardscape material. Currently, Arcadia is one of the more restrictive cities in terms of allowed artificial turf area compared to neighboring cities. Temple City, El Monte, Duarte, and Alhambra have changed their artificial turf regulations to be more permissive since 2016. While Alhambra does not have a limit, the other cities have set a higher maximum amount of artificial turf and a minimum amount of natural landscaping in the range of 20 to 22 percent in the front and street side yard areas, which in turn allows for a larger hardscape area. In comparison, while properties in those cities could reach a hardscape area of up to 80 percent including artificial turf, Arcadia would have a maximum limit of 60 percent hardscape including artificial turf. Also, the hardscape area for all other hardscape materials would go unchanged from the current 40 percent maximum. While Arcadia would surpass the allowed percentages of some of the other cities on the list, most of those have not updated

their artificial turf regulations since the State has updated regulations in response to severe drought conditions. With the proposed changes, Arcadia would fall towards the middle among surrounding cities regarding artificial turf allotment.

Similar to Arcadia, many other cities require design review to ensure the landscape plan is a well thought out. The plan must be prepared by a licensed landscape architect since it is subject to the Water Efficiency Landscape Ordinance (WELo) and must be approved by the Planning Division prior to installation or, if the property is located within one of the five designated Homeowners Association (HOA) areas, it is subject to the Architectural Review Board (ARB) Chair's review. This would ensure that front and street side yards present a cohesive design and meet the intent of the Design Guidelines for landscaping. Additionally, through this process, Staff may ensure that there are sufficient artificial turf buffers around protected trees, which may differ on a case-by-case basis.

In addition to the amendments to the hardscape percentage to allow more artificial turf, another proposed change is where the artificial turf may be placed on the property. Currently, artificial turf is not allowed to be installed within 10 feet of a sidewalk, or within 20 feet from the curb if there is no sidewalk. This means that properties that have a landscaped parkway must set any artificial turf eight feet inside the front and/or street-side property lines (because parkways are typically 12' in width). The text amendment would change the City's regulations to allow artificial turf beginning at one foot inside the property line. The one-foot setback would ensure the City's Engineering Division and Public Works Department have sufficient space to complete any sidewalk or parkway improvements without damaging the artificial turf. Artificial turf would still not be allowed within the City's public right-of-way (or public parkway/sidewalk) to ensure the City has access to utilities, street trees, and other public infrastructure and would essentially provide additional naturally landscaped areas in front of the yard areas.

To ensure that the artificial turf is of high quality and durable material, the City's regulations on artificial turf material, length, color, durability, installation, and maintenance would not change under this text amendment. This includes requiring that the turf has:

- A minimum eight-year no-fade warranty
- Material made from specific lead-free products
- A minimum blade height of 1.5 inches
- Is green in color with a tan fiber base layer and soil colored fill
- Is maintained over time

These requirements are verified by the Planning Division along with the submittal of a landscape plan upon the installation of the artificial turf. Code Services ensures that all yard areas are in compliance with the Development Code standards, including making sure all naturally landscaped yards and artificial turf applications are being maintained over time. Any violation of these regulations would require maintenance or replacement of the material. Figure 5 below shows the general composition of layers for an artificial turf application.

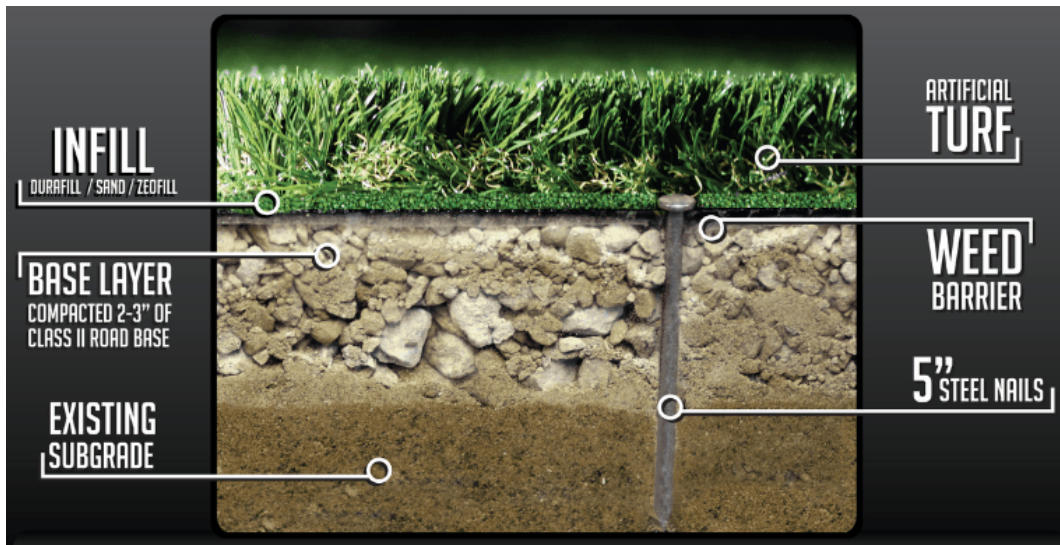


Figure 5 – Artificial Turf Layer Composition

Very High Fire Hazard Severity Zones (VHFHSZ)

A recent change in the law with regard to fire safety also impacts the placement of artificial turf. State law prohibits installation of any non-State Fire Marshal listed petroleum-based products, such as artificial turf, within 100 feet of any structures if the property is located within a VHFHSZ – refer to Attachment No. 2 of the VHFHSZ area and Figure 6 below. Public Resources Code Section 4291 created the concept of “defensible space” in 1965 as a response to unmitigated wildfires throughout the state. The original defensible space required only 30 feet of reduction of combustible and flammable materials around the structure. In 2006, this distance was increased to 100 feet. In 2023, the State added petroleum materials to the list such as polyethylene, PVC, polypropylene, polystyrene, polyester, nylon, and acrylic. This is what artificial turf is made from since it is made of artificial fibers. These products are highly flammable, may release toxic gasses when ignited, and would hinder firefighting efforts in the event of a wildfire.

Currently, there are no artificial turf manufacturers that produce California State Fire Marshal listed products for the VHFHSZ. As a result, a regulation is being added to the Development Code to make it clear to residents that artificial turf is not permitted within a defensible space area in the VHFHSZ. Restricting petroleum based artificial turf within the defensible spaces would ensure there are no fire fuels located within the vicinity of a structure in areas subject to wildfires; however, it would also effectively outlaw artificial turf in the front, rear, or side yards of many (if not most) homes in the subject area.

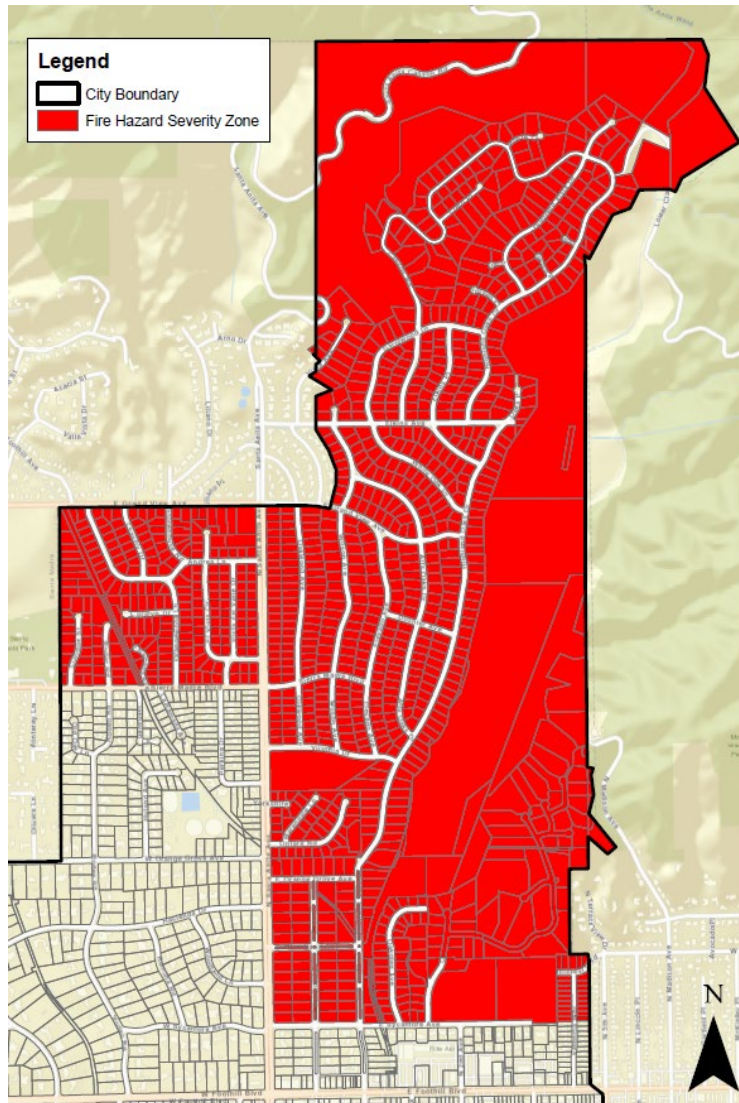


Figure 6 – Very High Fire Hazard Severity Zone Map

Non-Compliant Properties

With the proposed changes and codifying of the VHFHSZ, two of the eight current non-compliant properties would become, or be nearly compliant subject to the exact percentage of hardscape area within the front yard. One of the properties currently located in the VHFHSZ would have to remove their artificial turf in its entirety. The remaining properties which contain close to 100 percent hardscape in the front yard, including artificial turf, would need to remove approximately 40 percent of the hardscape and remove any artificial turf within the public parkway to meet the new regulations. Conversely, under the current regulations, these properties would need to remove almost all of their artificial turf, as their existing pavement takes up a majority of the 40 percent maximum hardscape.

Advantages of Artificial Turf

Some of the advantages of using artificial turf are that it requires little maintenance, conserves water, and reduces greenhouse gas emissions and pollutants since it does not need to be mowed or fertilized. The basic maintenance for artificial turf entails raking to remove leaves and fluff up the turf blades. It is also ideal for certain areas on properties that get very little sunlight, always appears green and healthy, looks well-manicured, is manufactured to be non-toxic and non-allergenic, is typically warranted to last between 8 to 15 years, is uninhabitable by mosquitos, fleas, and ticks, and allows water/rainwater to percolate through the turf and into the ground. An artificial turf area that is approximately 750 square feet can conserve 22,000 gallons of water per year. Additionally, since the City first established artificial turf regulations in 2016, the quality of artificial turf has vastly improved to appear realistic and allow more permeability. While it at times can be costly to install, the expense and various components that go into installing artificial turf have gotten to a point that it is just as expensive as installing normal landscaping.

Disadvantages of Artificial Turf

While artificial turf can be considered environmentally friendly in some regards, there are also disadvantages in using this material. One of the disadvantages of artificial turf is that it is made of rubber and plastic and can reach much higher temperatures (20 to 50 degrees higher) than the outdoor temperature causing a “heat island” effect. A 90-degree day can typically create a surface temperature of 140 degrees on artificial turf exposed to the sun. Heat islands contribute to higher daytime temperatures, reduce nighttime cooling, and can contribute to higher air-pollution levels. Most artificial turf products are also flammable. Artificial turf is not biodegradable and typically disposed of in landfills after replacement. Also, it can trap bacteria from animal droppings. Although artificial turf does not require the same level of maintenance as natural turf, it does require detailed spot cleaning including washing and scrubbing if stained with any fluids or debris. Despite these disadvantages, artificial turf installation has been improved to now provide products which may reduce the overall heat island effect through the implementation of natural fills that do not heat as quickly and prevent odor and bacteria from animals. Additionally, the installation and maintenance regulations in the Development Code are in place to ensure no additional issues arise with the quality of the artificial turf being used.

While there are pros and cons to installing artificial turf, many residents in the City would like to install more artificial turf to meet their preferences and needs. Given that the State has experienced years of drought and that many residents are trying to do the right thing by conserving water, relaxing the standards to allow more artificial turf would give property owners the option to be more flexible and creative with their landscape design while still ensuring that a natural landscape is the prominent streetscape in the community.

2. *Allowing Tutoring and Educational Centers as an Accessory Use to Places of Religious Assembly*

Currently, the Development Code does not allow any accessory uses at places of religious assembly other than day care centers or part-time or full-time schools, which are incidental to the place of worship. Places of religious assembly are often used only one or two days per week, on weekends, and contain large spaces suitable for gatherings and classroom style teaching. Tutoring and educational centers typically operate throughout the week, after school hours. This means the two uses would be compatible with one another as they would occupy the same space at different times throughout the week. Being able to rent the otherwise underutilized space provides opportunities for places of religious assembly to generate income, allowing for ongoing financial stability. Many places of religious assembly continue to suffer from reduced attendance after COVID-19 and need ongoing income to maintain their services and buildings. Places of worship also tend to have large parking lots and queuing areas for cars, which addresses the main concern of tutoring facilities that can create traffic impacts during drop-off and pick-up times. The proposed text amendment would allow tutoring and educational centers as an accessory use at places of religious assembly in all zones, subject to the approval of a Conditional Use Permit.

Tutoring and educational uses require the approval of a Conditional Use Permit to operate within other zones throughout the City. A Conditional Use Permit would ensure that such a business would be suitable for the space it is occupying, that the hours of operation would not create any issues with the primary use or neighboring properties, that there would be sufficient parking and drop-off areas on site, and that the tutoring or educational center would not create any potential impacts. Conditional Use Permits are subject to public hearings at the Planning Commission under all circumstances.

PLANNING COMMISSION HEARING

The Planning Commission held a public hearing on July 25, 2023, on the proposed text amendments. There was one public comment in favor of the proposed changes from one of the affected property owners with non-permitted artificial turf. After much discussion, the Planning Commission was in favor of increasing the artificial turf area to the proposed amount within the front and street side yard areas, and believed the site plan and design review process would ensure a cohesive and detailed landscape design inclusive of artificial turf. The Planning Commission had no issues with allowing tutoring and educational centers in places of religious assembly through a Conditional Use Permit and were unanimously in favor of the amendment (refer to Attachment No. 3 for the Excerpt of Planning Commission Minutes). Following the discussion, the Planning Commission voted unanimously to adopt Resolution No. 2129 recommending that the City Council approve the proposed text amendments.

FINDINGS

Pursuant to Section 9108.03.060, an amendment to the Development Code may be approved only if all of the following findings are made:

1. The proposed Development Code amendment is consistent with the goals, policies, and objectives of the General Plan and any applicable specific plan(s).

Facts to Support the Finding: The proposed amendments are consistent with the policies of the General Plan, which serves as a guide to address the long-term physical development and growth of the City.

The proposed amendment to allow more artificial turf on residentially zoned properties will ensure that the urban design practices will further reduce water consumption, pollution, and greenhouse gas emissions and support the needs of the City residents with the following General Plan goal and policies:

Resource Sustainability Element

- Goal RS-4: Wise and sustainable water use practices that respond to and support the needs of City residents and businesses.
- Policy RS-4.3: Require that applications for major new development projects address the adequacy and reliability of water supplies as described in SB 610.
- Policy RS-4.6: Implement aggressive public and private programs to reduce water use and water waste associated with landscape irrigation, including the planting of native and drought-tolerant plants, use of efficient irrigation systems, and collection and recycling of runoff.

The proposed amendment to allow tutoring and educational centers to serve as accessory uses at places of religious assembly through a Conditional Use Permit process is consistent with the General Plan because it encourages the City to tailor its regulations to respond to the market as it changes, maximize revenue, and maintain appropriate business mix and to provide economic opportunities for the various uses in the City. Allowing tutoring and educational centers would be an appropriate mix of uses within a place of religious assembly since many of these religious facilities already offer this type of service or programs through their ministry and have the facility to accommodate such use. This proposed amendment is consistent with the following General Plan goal and policies:

Economic Development Element

- Policy ED-1.9: Tailor regulations to respond to market changes, maximize revenue, and maintain the appropriate business mix.

Land Use Element

- Goal LU-1: A balance of land uses that preserves Arcadia’s status as a Community of Homes and a community of opportunity.
- Policy LU-1.2: Promote new uses of land that provide diverse economic, social, and cultural opportunities, and that reinforce the characteristics that make Arcadia a desirable place to live.

The proposed amendment to the artificial turf regulations is consistent with the City’s General Plan because it puts measures in place that will promote water conservation through landscaping. The proposed amendment to allow tutoring and educational centers in places of religious assembly will help the existing religious organizations provide other opportunities that are currently compatible with their existing operation. Therefore, the proposed Text Amendment and ordinance are consistent with the City’s adopted General Plan and any applicable specific plan(s).

2. The proposed amendment is internally consistent with other applicable provisions of this Development Code.

Facts to Support the Finding: The proposed amendments are internally consistent with other applicable provisions of this Development Code in that artificial turf is currently allowed on residentially zoned property. The amendment would only increase the percentage to allow more, while also amending the applicable provisions concerning the installation, specification of the products, and provisions to ensure that it is a well thought out design. Other provisions regarding landscaping and hardscape materials will remain the same. As for the amendment to allow tutoring and educational centers within places of religious assembly, it will also be internally consistent with provisions of the Development Code because any approval would be subject to a discretionary review through a Conditional Use Permit to ensure that all potential impacts are addressed and that the proposed use is compatible with the existing on-site use, and with the surrounding business and/or community. Therefore, the Text Amendment is internally consistent with other applicable provisions of this Development Code.

ENVIRONMENTAL ANALYSIS

The proposed changes to the Development Code pertaining to artificial turf in residential zones and tutoring and educational centers in places of religious assembly are exempt from the requirements of CEQA pursuant to Section 15061(b)(3), as it can be seen with certainty that the proposed text amendments would not have a significant effect on the environment and, thus, are not subject to CEQA review. See Attachment No. 4 for the Preliminary Environmental Assessment.

PUBLIC COMMENTS/NOTICE

The public hearing notice for this City Council meeting was published in the Arcadia Weekly on September 14, 2023. As of September 29, 2023, staff did not receive any additional concerns or comments from the public. There was one public comment on the proposed Text Amendments from the Planning Commission Hearing on July 25, 2023, in favor of the proposed changes from one of the affected property owners with non-permitted artificial turf.

On June 28, 2023, a letter was sent to all the affected property owners that have non-permitted artificial turf and to the five City designated Homeowners Association Presidents and Architectural Review Board Chairs. This letter was sent to inform recipients of the proposed change, and to date, no comments in opposition to the proposed amendments have been received.

FISCAL IMPACT

The proposed text amendments would have no significant fiscal impact on the City's budget.

RECOMMENDATION

It is recommended that the City Council find that the proposed action is exempt from CEQA; and Introduce Ordinance No. 2397 to approve Text Amendment No. 23-01 amending various sections of Article IX, Chapter 1 (Development Code) of the Arcadia Municipal Code to increase the allowable area for artificial turf in residential zones and allowing tutoring and educational centers in places of religious assembly through a Conditional Use Permit.

Approved:



Dominic Lazzaretto
City Manager

- Attachment No. 1: Ordinance No. 2397
Exhibit A – Development Code, Division 2 – Land Use Regulations and Allowable Uses
Exhibit B – Development Code, Division 3 - Landscaping
Exhibit C – Development Code, Division 9 - Definitions
- Attachment No. 2: Map of the Very High Fire Hazard Severity Zones
- Attachment No. 3: Excerpt of the Planning Commission Minutes, dated July 25, 2023
- Attachment No. 4: Planning Commission Resolution No. 2129 and Staff Report, dated July 25, 2023, including all the attachments
- Attachment No. 5: Preliminary Exemption Assessment



STAFF REPORT

Development Services Department

DATE: October 17, 2023

TO: Honorable Mayor and City Council

FROM: Jason Kruckeberg, Assistant City Manager/Development Services Director
Lisa Flores, Deputy Development Services Director
Prepared By: Edwin Arreola, Associate Planner

SUBJECT: ORDINANCE NO. 2397 RELATED TO TEXT AMENDMENT NO. 23-01 AMENDING VARIOUS SECTIONS OF ARTICLE IX, CHAPTER 1 (DEVELOPMENT CODE) OF THE ARCADIA MUNICIPAL CODE PERTAINING TO ARTIFICIAL TURF IN RESIDENTIAL ZONES AND ALLOWING TUTORING AND EDUCATIONAL CENTERS IN PLACES OF RELIGIOUS ASSEMBLY THROUGH A CONDITIONAL USE PERMIT
CEQA: Exempt
Recommendation: Adopt

SUMMARY

At its regular meeting on October 3, 2023, the City Council introduced Ordinance No. 2397 to approve Text Amendment No. 23-01 amending various sections of Article IX, Chapter 1 (Development Code) of the Arcadia Municipal Code to increase the allowable area for artificial turf in residential zones and allowing tutoring and educational centers in places of religious assembly through a Conditional Use Permit – refer to Attachment No. 2. The Ordinance was approved by the City Council – refer to Attachment No. 1 for final draft of the text amendment under Ordinance No. 2397.

It should be noted that Council Member Wang recused herself from the portion of the discussion regarding tutoring and educational centers, due to her involvement in that industry in Arcadia. Any vote she takes on this item should only apply to the artificial turf portion of the proposed Ordinance.

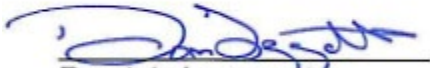
ENVIRONMENTAL ANALYSIS

The proposed changes to the Development Code pertaining to artificial turf in residential zones and tutoring and educational centers in places of religious assembly are exempt from the requirements of the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3), as it can be seen with certainty that the proposed text amendments would not have a significant effect on the environment, and thus, are not subject to CEQA review.

RECOMMENDATION

It is recommended that the City Council find that the proposed action is exempt from CEQA; and adopt Ordinance No. 2397 related to Text Amendment No. 23-01 amending various sections of Article IX, Chapter 1 (Development Code) of the Arcadia Municipal Code pertaining to artificial turf in residential zones and allowing tutoring and educational centers in places of religious assembly through a Conditional Use Permit with a Categorical Exemption under the California Environmental Quality Act (“CEQA”).

Approved:



Dominic Lazzaretto
City Manager

Attachment No. 1: Ordinance No. 2397 with Exhibits

Attachment No. 2: City Council Staff Report (with no attachments), dated October 3, 2023

Attachment No. 3

From: Laurie Thompson <laurie229@gmail.com>
Date: October 17, 2023 at 1:07:23 AM PDT
To: April Verlato <averlato@arcadiaca.gov>
Subject: Artificial Turf

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Dear Mayor Verlato,

I am sending this email to urge the pulling from the consent calendar the item regarding artificial turf.

The support for this expansion of the use of such turf is well intentioned but research reveals the unintended consequence is great harm to our environment.

Being made of plastic and crumbled tires it creates heat islands. The temperature around homes with this green carpet can be 20-50% higher causing the home to sit in a soup of hot air that rises to contribute to the greenhouse effect. That is approximately the temperature of a hot asphalt street.

This heat also spreads to surrounding neighbors whether they like it or not. Manufacturers recommend cooling the heated plastic carpet with water.

Over time the use of artificial turf compacts the soil which deprives plants and tree roots of the oxygen needed to thrive.

Such compacted soil is devoid of the natural organisms needed for a healthy plant and tree ecology. Placing artificial turf over or near the driplines of trees will kill the tree. How does the city plan to enforce the protection of trees? Who determines the extent of the drip lines? Compacted soil cannot easily be reconstituted and must be dug out and replaced. Compacted soil is not permeable.

Artificial turf must eventually be replaced causing millions and millions of square feet of toxic plastic and crumbled tires to be dumped into already stressed landfills.

Artificial turf is not trouble free. It needs to be raked to fluff up the coated blades and cleared regularly of debris and animal droppings. How can acceptable care be regulated and enforced? Code services are stretched too thin already.

Artificial turf is really a very expensive plastic rug and is not environmentally friendly.

The points made here are only the tip of the iceberg.

We need to be wiser when it comes to protecting our environment.

Please reconsider this item and base any future decisions on scientific data.

Laurie Thompson

ARB Chair

Santa Anita Village.

October 17, 2023

To: Arcadia City Council

Subject Agenda Item 10 b. Ordinance No. 2397

The Architectural Review Boards (ARB) for the Lower Rancho and Village ask that you reconsider your recent approval of language changes to the Development Code regarding artificial lawn. Although the 5% increase in artificial lawn doesn't sound like much, the language change will exempt artificial lawns from the 40% restriction for front yard hardscape. Devoting 60% of a front yard to either hardscape or artificial lawn will alter the visual impact of our existing neighborhoods. For large lots this is a significant area. If this language change is needed so that smaller lots can install artificial lawns, then why not limit the language change to only smaller lots.

If water conservation is your objection, there are many water conservation techniques already available that are far more sustainable than artificial lawn including low water use plants, grouping similar water use plants, smart irrigation heads, controllers and drip systems. The City Water Efficient Landscaping Ordinance (WELO) is a step in the right direction. Of course planting more shade trees can both save water and beautify our City.

Whatever water savings artificial lawn provides will be offset by some significant negatives. For one, it is not a very sustainable product. It is petroleum based and can catch fire. It has the potential of increasing ambient temperatures. One study suggests a surface temperature similar to a black asphalt street. A significant amount of energy is used to produce it as well as dispose of it. The useful life is 15 to 20 years, but I suspect that its visual appeal will diminish well before then. How will the City make sure that old and unsightly artificial lawns are replaced? Code enforcement already has a full plate.

Lastly, there doesn't seem to be any urgency for the City Council to be taking action at this time. We just experienced a wetter than normal year and may be in store for an El Nino bringing more rain next year. The City of San Marino is taking a far different approach to artificial lawn. The City Council in September approved an urgency ordinance that established a temporary moratorium prohibiting residents from installing artificial grass. How is it that two cities, so close to one another are taking such a different approach?

Thank you for considering this request.

Greg Medeiros

Chair, Lower Rancho ARB



STAFF REPORT

Administrative Services Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

FROM: Hue Quach, Administrative Services Director
Anely Williams, Human Resources Administrator

SUBJECT: PROFESSIONAL SERVICES AGREEMENT WITH PUBLIC SECTOR PERSONNEL CONSULTANTS FOR A TOTAL COMPENSATION STUDY IN THE AMOUNT OF \$63,000, AND AUTHORIZE AN ADDITIONAL \$13,000 FOR CONTINGENCY WORK ARISING OUT OF THE SURVEY PROCESS

CEQA: Not a Project
Recommendation: Approve

SUMMARY

The Human Resources Division of the Administrative Services Department, solicited proposals from qualified consultants to conduct a Total Compensation Study to evaluate how the City compares with the regional market for similar public sector positions. A Total Compensation Study evaluates base salary, special payments, and benefits to provide a comprehensive picture of the City's compensation package.

The City received eight proposals and interviewed the top three consulting firms. All the firms interviewed were deemed qualified to complete the study; however, the proposed cost, flexibility, customization, and experience that Public Sector Personnel Consultants has proposed best fits the City's needs at this time. It is recommended that the City Council approve, authorize and direct the City Manager to execute a Professional Services Agreement with Public Sector Personnel Consultants for a Total Compensation Study in the amount of \$63,000, and authorize an additional \$13,000 for contingencies. A copy of the proposed Professional Services Agreement is attached to this staff report.

BACKGROUND

Conducting Total Compensation Studies is a common practice in human resources to gather information and to ensure that the City is aware of changes in the marketplace. Such studies provide data that help inform the City's position in overall compensation, relative to the marketplace. The City's last compensation project was concluded in 2020 and it updated compensation information from a prior survey. However, the employment

market has changed dramatically during and after the COVID-19 pandemic, which has created challenges in recruitment, selection, and retention of well-qualified candidates and staff. A recent Total Compensation Study that starts with new base data rather than updating previous data, will allow the City to evaluate current labor market trends and be well-informed for the upcoming labor negotiation discussions.

DISCUSSION

Arcadia has five Memorandums of Understanding (“MOUs”) that set forth wages, hours, and other terms and conditions of employment for employees include in each respective bargaining group. Arcadia’s five bargaining groups include the Arcadia City Employees Association (“ACEA”); the Arcadia Firefighter’s Association (“AFFA”); the Arcadia Police Civilian Employees Association (“APCEA”); the Arcadia Police Officers’ Association (“APOA”); and the Arcadia Public Works Employees Association (“APWEA”).

As the terms in the current MOUs are set to expire on June 30, 2024, the City solicited proposals for a Total Compensation Study to assist in providing a clear picture of the marketplace. The requested scope of work included:

- Regular ongoing communication of survey status and progress throughout the term of the agreement.
- Review of current job descriptions and compensation system to understand duties and responsibilities; and ensure internal equity and external competitiveness.
- A comprehensive base salary and benefits survey (Total Compensation) of external regional labor market cities impacting the Arcadia area job market. The survey includes, but is not limited to, base wage/salary; employee and employer-paid CalPERS contributions; certification pay; educational incentives; employer-paid insurance contributions; and leave benefits.

The City received eight (8) proposals, which were evaluated based upon the consulting firm’s understanding of the project, services to be provided, ability to complete the work within the time specified, cost, and qualifications of the firm, including its experience and personnel assigned to the project. The complete list of proposals is provided below:

Firm	Costs
Evergreen Solutions	\$ 36,500
Uncomplicate HR	\$ 44,000
Baker Tilly	\$ 47,600
Public Sector Personnel Consultants	\$ 63,000
MGT	\$ 75,931
Trüpp	\$ 81,700
Koff & Associates	\$ 83,435
CPS HR Consulting	\$121,700

All firms met the qualification requirements specified in the City's request for proposals. However, the two lowest bidders did not exhibit a high level of experience with the type of work requested by the City, and/or with similarly situated California public agencies, nor were their proposals sufficiently detailed or specific enough to merit further consideration. Additionally, CPS HR Consulting's project proposal was cost prohibitive based on the anticipated and allocated budget for the project, and MGT's proposed project timeline was well beyond the City's estimated completion date.

Following the review of all proposals, the top three highest ranked firms were Koff & Associates, Public Sector Personnel Consultants, and Baker Tilly. References were checked and additional materials were requested from the firms to determine the best fit for Arcadia. The top three firms were the most qualified to complete the project based on their scope of experience and ability to design and implement a compensation system. However, based on the overall depth of the proposal, cost of the proposal, experience with California public agencies, and flexibility, it was determined that Public Sector Personnel Consultants ("PSPC") are the most qualified to conduct the study at this time. PSPC has 32 years of compensation and consulting experience in the public sector. PSPC has extensive experience providing services in California, including recently serving 24 public agencies and actively serving eight cities in 2023.

The proposed cost from PSPC includes project planning, stakeholder meetings, a total compensation survey with multiple comparable agencies, briefings, and final presentations. However, it is recommended that additional funding be authorized to provide for contingency work that may result from the study. These contingencies may include \$5,000 for employee Position Analysis Questionnaires to understand job duties and responsibilities, as needed, and may include \$8,000 for desk audits for "irregular" positions to ensure comparable survey data are obtained. Thus, the total amount of additional work program items could total up to \$13,000, which would bring the total potential project cost to \$76,000. This amount is within the project budget and the funding would only be utilized based on the additional contingency work deemed necessary.

The services provided in the study will include the following:

- Project planning and scheduling meetings with designated City staff;
- Extensive review of background documents;
- Policy input and project direction meeting, including briefing presentation;
- Communication and progress reports;
- A custom salary and benefit survey, and analysis of the market data; and
- Preparation and presentation of final project reports.

The approach PSPC uses to conduct a Total Compensation Study is customized to the specific needs and objectives of their clients. Further, PSPC's overall cost is in the mid-range of the proposals received, offering the flexibility and customization Arcadia seeks. Coupled with their extensive public agency experience, PSPC is the best fit for the Study,

and therefore, it is recommended that PSPC be awarded the Professional Services Agreement.

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. Thus, this matter is exempt under CEQA.

FISCAL IMPACT

Public Sector Personnel Consultants' proposed services for the Total Compensation Study is \$63,000. An additional \$13,000 is requested for contingencies that may result from the study, as referenced above. Sufficient funds have been budgeted in the Human Resources Division Fiscal Year 2023-24 Operating Budget to cover the total potential cost of \$76,000.

RECOMMENDATION

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act; and approve, authorize, and direct the City Manager to execute a Professional Services Agreement with Public Sector Personnel Consultants for a Total Compensation Study in the amount of \$63,000, and authorize an additional \$13,000 for contingency work arising out of the survey process.

Approved:



Dominic Lazzaretto
City Manager

Attachment: Proposed Professional Services Agreement

**CITY OF ARCADIA
PROFESSIONAL SERVICES AGREEMENT REGARDING
TOTAL COMPENSATION STUDY**

This Agreement is made and entered into as of November 8, 2023 by and between the City of Arcadia, a municipal corporation organized and operating under the laws of the State of California with its principal place of business at 240 West Huntington Drive, Arcadia, California 91066 (“City”), and Public Sector Personnel Consultants, Inc., an S-Corporation with its principal place of business at 2824 N. Power Road #113-486 Mesa, AZ 85215 (hereinafter referred to as “Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

RECITALS

- A. City is a public agency of the State of California and is in need of professional services for the following project: Total Compensation Study (hereinafter referred to as “the Project”).
- B. Consultant is duly licensed and has the necessary qualifications to provide such services.
- C. The Parties desire by this Agreement to establish the terms for City to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

Consultant shall provide the City with the services described in the Scope of Services attached hereto as Exhibit “A.”

2. Compensation.

a. Subject to paragraph 2(b) below, the City shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit “B.”

b. In no event shall the total amount paid for services rendered by Consultant under this Agreement exceed the sum of **\$63,000** for completion of the Project. This amount is to cover all printing and related costs, and the City will not pay any additional fees for printing expenses. Periodic payments shall be made within 30 days of receipt of an invoice which includes a detailed description of the work performed. Payments to Consultant for work performed will be made on a monthly billing basis.

c. The City may direct Consultant to perform the “optional tasks” set forth in Exhibit “B” separate from the not-to-exceed amount set forth above; *provided that* the cost shall not exceed the respective amount for each optional task identified in Exhibit “B”. Consultant shall not perform any optional task unless directed in writing by the City.

3. Additional Work.

If changes in the work seem merited by Consultant or the City, and informal consultations with the other party indicate that a change is warranted, it shall be processed in the following manner: a letter outlining the changes shall be forwarded to the City by Consultant with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the City and executed by both Parties before performance of such services, or the City will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Maintenance of Records.

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by City.

5. Term.

The term of this Agreement shall be from November 8, 2023, to February 28, 2024, unless earlier terminated as provided herein. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Project. Consultant shall perform its services in a prompt and timely manner within the term of this Agreement and shall commence performance upon receipt of written notice from the City to proceed ("Notice to Proceed"). The Notice to Proceed shall set forth the date of commencement of work.

6. Delays in Performance.

a. Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.

b. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law.

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government, including Cal/OSHA requirements.

b. If required, Consultant shall assist the City, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies.

c. If applicable, Consultant is responsible for all costs of clean up and/ or removal of hazardous and toxic substances spilled as a result of his or her services or operations performed under this Agreement.

8. Standard of Care

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Subconsultant

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates, and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Contractor

Consultant is retained as an independent contractor and is not an employee of City. No employee or agent of Consultant shall become an employee of City. The work to be performed shall be in accordance with the work described in this Agreement, subject to such directions and amendments from City as herein provided.

11. Insurance. Consultant shall not commence work for the City until it has provided evidence satisfactory to the City it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this section.

a. Commercial General Liability

(i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the City.

(ii) Coverage for Commercial General Liability insurance shall be at least as broad as the following:

(1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.

(iii) Commercial General Liability Insurance must include coverage for the following:

- (1) Bodily Injury and Property Damage
- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability
- (5) Aggregate Limits that Apply per Project
- (6) Explosion, Collapse and Underground (UCX) exclusion deleted
- (7) Contractual Liability with respect to this Agreement
- (8) Property Damage
- (9) Independent Consultants Coverage

(iv) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

(v) The policy shall give City, its officials, officers, employees, agents and City designated volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the City, and provided that such deductibles shall not apply to the City as an additional insured.

b. Automobile Liability

(i) At all times during the performance of the work under this Agreement, the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the City.

(ii) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(iii) The policy shall give City, its officials, officers, employees, agents and City designated volunteers additional insured status.

(iv) Subject to written approval by the City, the automobile liability program may utilize deductibles, provided that such deductibles shall not apply to the City as an additional insured, but not a self-insured retention.

c. Workers' Compensation/Employer's Liability

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this section.

d. Professional Liability (Errors and Omissions)

At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability or Errors and Omissions insurance appropriate to its profession, in

a form and with insurance companies acceptable to the City and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

e. Minimum Policy Limits Required

(i) The following insurance limits are required for the Agreement:

	<u>Combined Single Limit</u>
Commercial General Liability	\$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability	\$1,000,000 per occurrence
Professional Liability	\$1,000,000 per claim and aggregate (errors and omissions)

(ii) Defense costs shall be payable in addition to the limits.

(iii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

f. Evidence Required

Prior to execution of the Agreement, the Consultant shall file with the City evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required

(i) Consultant shall provide the City at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the City at least ten (10) days prior to the effective date of cancellation or expiration.

(ii) The Commercial General Liability Policy and Automobile Policy shall each contain a provision stating that Consultant's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the City or any named insureds shall not be called upon to contribute to any loss.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to waiver of subrogation in favor of the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(v) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the City and shall not preclude the City from taking such other actions available to the City under other provisions of the Agreement or law.

h. Qualifying Insurers

(i) All policies required shall be issued by acceptable insurance companies, as determined by the City, which satisfy the following minimum requirements:

(1) Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

i. Additional Insurance Provisions

(i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the City, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(ii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(iii) The City may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(iv) Neither the City nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

j. Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the City that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the City as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, City may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

12. Indemnification.

a. To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

b. To the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's obligations under the above indemnity shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, but shall not otherwise be reduced. If Consultant's obligations to defend, indemnify, and/or hold harmless arise out of Consultant's performance of "design professional services" (as that term is defined under Civil Code section 2782.8), then upon Consultant obtaining a final adjudication that liability under a claim is caused by the comparative active negligence or willful misconduct of the City, Consultant's obligations shall be reduced in proportion to the established comparative liability of the City and shall not exceed the Consultant's proportionate percentage of fault.

13. California Labor Code Requirements.

a. Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects ("Prevailing Wage Laws"). If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$15,000 or more for maintenance or \$25,000 or more for construction, alteration, demolition, installation, or repair, Consultant agrees to fully comply with such Prevailing Wage Laws. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any

failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1).

b. If the services are being performed as part of an applicable “public works” or “maintenance” project and if the total compensation is \$15,000 or more for maintenance or \$25,000 or more for construction, alteration, demolition, installation, or repair, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant’s sole responsibility to comply with all applicable registration and labor compliance requirements.

c. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant’s sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor that affect Consultant’s performance of services, including any delay, shall be Consultant’s sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor.

14. Verification of Employment Eligibility.

By executing this Agreement, Consultant verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

15. Laws and Venue.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Los Angeles, State of California.

16. Termination or Abandonment

a. City has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, City shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. City shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by City and Consultant of the portion of

such task completed but not paid prior to said termination. City shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to City only in the event of substantial failure by City to perform in accordance with the terms of this Agreement through no fault of Consultant.

17. Documents. Except as otherwise provided in "Termination or Abandonment," above, all original field notes, written reports, Drawings and Specifications and other documents, produced or developed for the Project shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the City.

18. Organization

Consultant shall assign Matthew Weatherly and Bob Longmire as Project Managers. The Project Managers shall not be removed from the Project or reassigned without the prior written consent of the City.

19. Limitation of Agreement.

This Agreement is limited to and includes only the work included in the Project described above.

20. Notice

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

CITY:

City of Arcadia

240 West Huntington Drive

Arcadia, CA 91066

Attn: Anely Williams, Human Resources

CONSULTANT:

Public Sector Personnel Consultants, Inc.

2824 N. Power Road #113-486

Mesa, AZ 85215

Attn: Matt Weatherly, President

and shall be effective upon receipt thereof.

21. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the City and the Consultant.

22. Equal Opportunity Employment.

Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal

Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

23. Entire Agreement

This Agreement, with its exhibits, represents the entire understanding of City and Consultant as to those matters contained herein, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. Each party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This Agreement may not be modified or altered except in writing signed by both Parties hereto. This is an integrated Agreement.

24. Severability

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the provisions unenforceable, invalid or illegal.

25. Successors and Assigns

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of City. Any attempted assignment without such consent shall be invalid and void.

26. Non-Waiver

None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

27. Time of Essence

Time is of the essence for each and every provision of this Agreement.

28. City's Right to Employ Other Consultants

City reserves its right to employ other consultants, including engineers, in connection with this Project or other projects.

29. Prohibited Interests

Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no director, official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF ARCADIA
AND PUBLIC SECTOR PERSONNEL CONSULTANTS**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF ARCADIA

PUBLIC SECTOR PERSONNEL CONSULTANTS,
INC.

By: _____
Dominic Lazzaretto
City Manager

By: _____
Matthew Weatherly
President

Date: _____

Date: _____

ATTEST:

By: _____
Bob Longmire
Vice President

By: _____
City Clerk

Date: _____

APPROVED AS TO FORM

By: _____
Michael J. Maurer
City Attorney

EXHIBIT "A"

Scope of Services

SCOPE OF SERVICES: EXECUTIVE SUMMARY

Consultant proposes the following program of consulting services and implementation support to conduct a total compensation study.

1. Project planning and scheduling meetings with the City's Human Resources Staff, project designee(s)
2. Policy input and project direction meeting and briefing with Council, Human Resources and designee(s)
3. Project briefing presentation for Council, City officials, City's project leaders, and employees (optionally)
4. Management and employee communication, progress reports throughout all project phases
5. Occupational familiarization by review of City's current class specifications and compensation plans
6. Organizational familiarization by review of City organization charts, budgets, and annual reports
7. Position Analysis Questionnaire (PAQ) customized for gathering City employee occupation data
8. Meetings to distribute and explain the PAQ and the project for all City officials and employees
9. Confirmation of survey cities to include in external total compensation comparisons
10. Identification of City occupations to utilize as survey benchmark job classifications
11. Solicitation of comparator employers and agencies for participation in external compensation surveys
12. Extraction of data from public employer compensation plans, questionnaires, reliable published surveys
13. Total compensation and benefits survey by bargaining unit for external competitiveness comparisons
14. Consolidation of data from all sources and calculation of prevailing rates for benchmark jobs
15. Computation of extent City's compensation offerings vary from external prevailing rates and practices
16. Review of competitiveness analysis with Human Resources, City Officials and City's project designees
17. Construction of optional salary range structures for review and selection by City's project leaders
18. Assignment of job classes to salary ranges by internal equity and external

- competitiveness
19. Assistance with City Council identification of desired, affordable salary competitiveness policy
 20. Fiscal impact estimates at various levels of external prevailing rates competitiveness policies
 21. Review and critique of draft salary and implementation plans with Human Resources, project leaders
 22. Preparation and presentation of final project reports for the City Council, staff, and City Officials
 23. Development of a plan for the implementation of City's updated compensation plan
 24. Uploading of **EZ COMP™** program files on a Human Resources Department computer, staff training
 25. Development and provision of process for ongoing plan maintenance and subsequent plan updates
 26. Assistance with communicating the City's updated plans for all City officials and employees

ESTIMATED PROJECT ELAPSED TIME CHART

TASK NAME		ELAPSED WEEKS:					
		1-3	4-6	7-9	10-12	13+	
	PROJECT COMMUNICATION, QUALITY ASSURANCE, PROJECT STATUS REPORTS	[Red bar spanning all weeks]					
	COMPENSATION SURVEYS, BENCHMARK SELECTION, DATA COLLECTION, COMPARABILITY ASSURANCE REVIEW	[Red bar spanning weeks 1-3, 4-6]					
	PREVAILING RATES COMPUTATION, MARKET COMPETITIVENESS ANALYSIS, DRAFT COMPENSATION METHODOLOGY			[Red bar spanning weeks 7-9, 10-12]		*	
	SALARY RANGE ASSIGNMENTS ON BASIS OF INTERNAL EQUITY AND EXTERNAL COMPETITIVENESS				[Red bar spanning weeks 10-12, 13+]		
	SALARY RANGE TABLES, FISCAL IMPACT ESTIMATES, REVIEW OF DRAFT PLANS WITH CITY OFFICIALS, DESIGNEE(S)				[Red bar spanning weeks 10-12, 13+] *		
	PREPARATION AND PRESENTATION OF FINAL REPORT TO HR, COMMITTEES, EXECUTIVE TEAM					[Red bar spanning weeks 13+, 14+]	

* Progress reviews with the City

SCOPE OF SERVICES: APPROACH AND METHODOLOGY

The following is Consultant's overall work plan and approach to achieving the City's objectives for the conduct of a total compensation study.

A. OBJECTIVES OF THE PROJECT

The recommended plans, programs, systems and administrative procedures will meet these ten most important criteria.

- Internally equitable
- Financially responsible
- Externally competitive
- Efficiently administered
- Readily understood
- Inclusive of employee input
- Easily updated & maintained
- Reflective of City's values
- Legally compliant & defensible
- Reflective of prevailing "best practices"

B. SCOPE OF THE PROJECT

The project could include: a management and employee communication plan; partnership with the City's Human Resources staff, City Manager, Council, and project designee(s); occupational, organizational, and operational familiarization; optional Position Analysis Questionnaire (PAQ) and job analysis for all classifications; **EZ COMP™**; internal equity and external competitiveness evaluation; total compensation survey and competitiveness analysis; salary range recommendations; fiscal impact estimates and multiple implementation scenarios; updated compensation plan and compensation plan implementation support for all included employees in all job classifications.

C. PROJECT METHODOLOGY

1. Quality Assurance

To ensure a high-quality project, Consultant built in several layers of procedural and statistical controls, in addition to those already in **EZ COMP™**. Consultant follows a prescribed series of steps in each project phase, which are reviewed by the Project Manager. Work developed by Consultant will be reviewed by Human Resources and City's Project Manager(s) to minimize the chance of errors and to ensure that the Project reflects the City's organizational values.

2. Project Planning Meetings and Communication Plan Development

Consultant will work with Human Resources and City Officials or representatives on a communication strategy, plan, and materials, beginning prior to the Project and extending to the post-Project information meetings. Consultant can conduct

group pre-Project meetings for all City officials and employees where Consultant will discuss the Project's scope, answer questions, and (optionally) distribute and explain a Position Analysis Questionnaire.

D. POSITION CLASSIFICATION ANALYSIS – OPTION OR AS NEEDED

1. Review of Essential Tasks – Position Analysis Questionnaire

Consultant will review and analyze the current essential tasks, duties and responsibilities, and minimum qualifications of each included position through the Position Analysis Questionnaire (PAQ) to be completed by each employee (or group of employees with identical jobs) in print or electronic format. If the information on the PAQ does not clearly delineate the position's scope of responsibilities, we may return the PAQ to the position's incumbent for additional information or focus on the data gap during a worksite job information interview.

2. Employee Worksite Job Information Interviews

Consultant can conduct a worksite job information interview with a representative incumbent of every requested job classification or for those we propose to change. The purpose of these interviews is to verify the data on the PAQ, obtain additional insight into the scope and complexity of the job duties, observe technical processes and working conditions, and to provide employees with an additional method of participation in the project. This process also ensures that Consultant makes all internal and external comparisons on the basis of actual job content and not merely job title.

E. COMPENSATION SURVEY AND ANALYSIS

1. City Involvement in Compensation Plan Development

Consultant will obtain policy direction from the City Council, Human Resources staff, and/or City Officials on the following key components of the salary plan development process:

- Comparator Employer Selection
- Job Evaluation Method-Salary Plan Linkage
- Benchmark Job Class Selection
- Draft Compensation Plan Review / Critique
- Compensation Competitiveness Policy
- Total Compensation Points for Analysis
- Salary Structure Selection
- Project Implementation Plan

2. **Comprehensive Compensation Survey**

Consultant will collect the complete pay plans from each of the City's comparators and build a custom survey database to ensure accuracy and completeness, unique to the City's job classifications.

a. Data Collection Protocol will be developed in consultation with the City's project leaders to determine which salary data elements to include, such as:

Total Compensation Information (to be finalized with Project Team/for approval)

- Salary grade/step or open range salary plan structure
- Salary range structure Minimum, Midpoint, and Maximum
- City-supported benefits such as health insurance premiums and pension contributions
- Paid time off, add pay, certification pay, longevity pay

b. Benchmark Job Selection will be made by identifying City job classes common to its employment-competitive public and private employers in the immediate area and throughout the region or State, clearly identifiable, and representative of standard occupational job groups.

c. Comparator Employers Identification or Confirmation will be made in partnership with City staff, or per agreed upon lists from bargaining, and/or by research and input from Consultant.

d. Compensation Data Collection will be made by one or more of the following methods.

- Pre-survey contact with the selected comparator employers to solicit participation in the City's compensation survey(s)
- Extraction from the pay plans of designated public employers.
- Customized salary and total compensation and benefits survey requests for local governments and other public employers, distributed by mail, fax, and e-mail.
- As desired, additional data extraction from established salary surveys and commercial survey sources such as Watson Wyatt, ERI, etc.

e. Data Quality Control includes editing data for accuracy and proper matching to the City's survey benchmark jobs, and phone/fax/E-mail follow-ups for data clarification and to obtain comparators' benchmark job descriptions.

3. **Prevailing Rates Calculation**

Consultant will consolidate the compensation data from all sources, enter the information into the **EZ COMP™** program, and compute the prevailing rates, inclusive of cost-of-living differentials, as the statistical mean of the survey data for each benchmark job class. Data will be projected forward from the date of

collection to a common date relating to the City's salary plan year by the annual Prevailing Rate Increase Factor (PRI) applicable at that time.

4. Compensation Competitiveness Comparison

Consultant will provide the City with charts comparing its current salary structures to those of the selected public and private comparator employers. We will calculate the extent that the City's offerings vary from the prevailing rates and practices of other relevant employers.

F. PAY PLAN DEVELOPMENT

1. Compensation Competitiveness Policy

Consultant will assist the City to select a compensation competitiveness policy which best fits its compensation strategy and financial resources, by providing fiscal impact estimates at various percentage relationships to the prevailing rates.

2. Salary Plan Structure Development

Consultant will review the City's current wage plans and **1)** utilize the City's current wage plan structures to identify internally equitable and externally competitive salary ranges for each City job class or **2)** prepare alternative salary range structures and schedules for the City to select the best fit for its competitiveness strategy, with these optional criteria:

- Method of administration, i.e.: measured job performance, longevity, or skill
- Width of the salary ranges, grades, or broad bands, from Minimum to Maximum
- Varying salary range widths for FLSA non-exempt or exempt positions
- Open salary ranges for pay-for-performance or variable compensation plan
- If steps within the salary ranges, number of steps, percentage separation
- Number of salary ranges, grades, or broad bands in the salary schedule
- Percentage of separation between salary ranges, grades or broad bands
- Recognition for longevity, unique assignments, and special skill requirements

3. Salary Range Assignment Development

Consultant will assign each job classification to a salary range in the City's current or selected new salary structure on the basis of a combination of factors, including:

- The prevailing rates for the benchmark job classes
- Its current relationship to similar or occupationally related job classes
- The 15% guideline for salary range separation between sequential job classes
- The 25% guideline for salary separation of a department head job class

4. Implementation Plan Development

Consultant will work with the Human Resources and Project Team on a plan for transition to the recommended plan, including a timetable for the principal activities, employee communication, impact on budget processes, and estimates of required financial resources.

G. ENSURING THE CITY'S SELF-SUFFICIENCY

The City will be self-sufficient in all aspects of maintenance of the updated compensation plan through these services.

1. Procedure Manuals

- *Position Classification Procedure Guide*
- *Salary Administration Procedure Guide*
- *City of Arcadia **EZ COMP™** Procedure Guide*

2. Training Workshop – for City staff in position classification, job evaluation, compensation surveys, and compensation plan design and administration.

3. EZ COMP™ – program and project files on one of the City's computers, a custom user's manual, and system training for key City and Human Resources staff.

4. Initial Year's Implementation Warranty Support – Consultant will analyze, evaluate, classify, and provide a salary range recommendation for any new or changed position or entire job classification, **at no cost to the City** for one year.

H. EXTENSIVE EMPLOYEE INCLUSION AND COMMUNICATION - OPTIONAL

Very important factors for successful implementation of new or updated classification and compensation plans are **1)** extensive employee inclusion, and **2)** extensive employee communication. City officials and employees will participate in one or more of the following activities:

- Attending pre-project briefings and question and answer sessions
- Completing a Position Analysis Questionnaire (PAQ) describing their position
- Elaborating on their jobs in individual or group job information interviews (optional)

I. MINIMAL CITY SUPPORT REQUIRED

Consultant is completely self-sufficient in projects of this nature and does not require any substantive staff support from the City other than payroll data, and arrangements for group and individual meetings and interviews. Consultant appreciates, but does not require, any office space, telephone, clerical assistance, computers, or office equipment. Consultant will provide all data entry, data processing, duplicating, and report preparation functions.

J. REPORTS AND PRESENTATIONS

1. Draft and Final Report Preparation

Consultant will provide the City's project leader(s) with a draft report for review and critique, including compensation market data, salary comparison tables, fiscal estimates, salary range listings, and implementation procedures. Consultant will incorporate critique into the development of a final report summarizing the project's findings, recommendations, and detailed description of the City's updated compensation plans.

2. Final Report Presentations

Upon request by the project team, Consultant will conduct a workshop or formal presentation of the final report and recommendations to the Human Resources staff, City Officials, and employees.

3. EZ COMP™ Program Installation

Consultant will install the **EZ COMP™** program and project files on one of the Human Resources Department's computers and provide training to key staff in the maintenance and update of the compensation plan.

4. Implementation Warranty

To ensure effective implementation of the new plan, Consultant will analyze, evaluate, and provide a salary range recommendation for any new or changed job class, **at no cost to the City** for one year.

EXHIBIT "B"

Compensation

The project's total cost, including all fees for professional services and reimbursement for out-of-pocket expenses, **will not exceed** the indicated amounts.

Major Project Components

Project planning; Stakeholder meetings; Project briefing meetings for employees	\$ 3,000
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Total Compensation Survey (up to 12 comparators)	\$ 50,000
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Reserve – Employee communication; Stakeholder meetings; Presentations	\$ 5,000
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From surveys; Compensation plan, Draft reviews; Final presentations	\$ 5,000
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Total Compensation Survey Cost:	\$ 63,000

Optional Tasks (Contingencies)

Employee Position Analysis Questionnaire; Position classification; titling; career ladders; job families	\$ 5,000
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Desk Audit job information interview (per 50)	\$ 8,000
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Contingency Costs:	\$ 13,000



STAFF REPORT

Public Works Services Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

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

SUBJECT: CONTRACT WITH CARRIER CORPORATION FOR THE INSTALLATION OF HVAC SPLIT SYSTEMS AT THE POLICE DEPARTMENT IN THE AMOUNT OF \$117,119
CEQA: Not a Project
Recommendation: Approve

SUMMARY

The Fiscal Year 2023-24 Capital Improvement Program (“FY 2023-24 CIP”) provides for the installation of new Heating, Ventilation, and Air Conditioning (“HVAC”) split cooling systems in the Police Department. The new HVAC split cooling systems will help maintain the cooling capacity in the 911 equipment, server, radio communications, and dispatch service center rooms. Utilizing Sourcewell, a national cooperative purchasing program, enables the City to streamline the procurement process for HVAC split system installation at the Police Department and receive the best price possible.

It is recommended that the City Council approve, authorize, and direct the City Manager to execute a Contract with Carrier Corporation for the installation of HVAC split systems at the Police Department in the amount of \$117,119.

BACKGROUND

The FY 2023-24 CIP provides for the installation of new HVAC split cooling systems in the 911 equipment, server, radio communications, and dispatch service center rooms in the Police Department. These rooms serve a critical role in the operations of the department. When the central cooling plant for the Police Department building is not operational, due to maintenance issues or equipment failures, the rooms can reach dangerously high temperatures and may create a risk for the computer systems housed in these areas, resulting in potential impacts to emergency operations.

The installation of new HVAC split cooling systems in the Police Department will allow for each room to be independently monitored and cooled. As a result, the 911 equipment,

server, radio communications, and dispatch service center rooms will maintain individual cooling capacities, reducing the level of cooling failure across rooms and operations.

DISCUSSION

The project will include the installation of new HVAC split cooling systems for the 911 equipment, server, radio communications, and dispatch service center rooms. The project will consist of recovering the refrigerant from the existing units' compressors, removing the existing units, and preparing the installation sites for the new units. Once the new units are brought in, the contractor will run refrigerant lines and guidelines to where the units will drain. In addition, condensing units will be furnished and installed, and electrical will be run to the new standalone thermostats. The new systems will be pressure tested and charged with additional refrigerant.

The California Government Code authorizes public agencies to participate in cooperative purchasing agreements while remaining within the City's adopted rules and procedures for purchasing. By utilizing a cooperative purchasing program, the City can streamline the procurement process for these services at a lower cost than the traditional competitive bidding process. Sourcewell awarded a contract to Carrier Corporation for a series of specialized HVAC related services. A copy of the agreement between Sourcewell and Carrier Corporation is attached. The bidding process and the contract with Carrier Corporation have been reviewed by the Public Works Services Department, and it has been determined to meet the City's procurement requirements. The City has previously contracted with Carrier Corporation and has been satisfied with their service.

ENVIRONMENTAL ANALYSIS

This Project is considered a Class 1 exemption as defined in Section 15301(a) "Existing Facilities" projects of the California Environmental Quality Act ("CEQA"), which exempts projects consisting of the minor alteration of existing public structures.

FISCAL IMPACT

Funds in the amount of \$130,000 have been budgeted in the Fiscal Year 2023-24 Capital Improvement Program for the Police Installation of HVAC Split Systems Project. The total cost for the project is \$117,119.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project and is, therefore, exempt under the California Environmental Quality Act ("CEQA"); and approve, authorize, and direct the City Manager to execute a Contract with Carrier Corporation for the Installation of HVAC Split Systems at the Police Department in the amount of \$117,119.

Contract for Installation of Police Department HVAC Split Systems
November 7, 2023
Page 3 of 3

Approved:



Dominic Lazzaretto
City Manager

Attachments: Proposed Construction Contract
Sourcewell Contract

**CITY OF ARCADIA
CONSTRUCTION CONTRACT
FOR THE INSTALLATION OF HVAC SPLIT SYSTEMS
AT THE POLICE DEPARTMENT**

1. PARTIES AND DATE.

This Contract is made and entered into this _____ day of _____, 20__ by and between the City of Arcadia, a public agency of the State of California ("City") and **Carrier Corporation**, a Delaware Corporation, with its principal place of business at 2478 Peck Road, City of Industry, CA 90601 ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Contract.

2. RECITALS.

2.1 City. City is a public agency organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain construction services required by the City on the terms and conditions set forth in this Contract. Contractor represents that it is duly licensed and experienced in providing heating, ventilation, air conditioning, repair and replacement for HVAC related construction services to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the services in the State of California, and that it is familiar with the plans of City. The following license classifications are required for this Project: **C-20 and C-10**.

2.3 Project. City desires to engage Contractor to render such services for the Installation of **HVAC Split Systems at the Police Department** ("Project") as set forth in this Contract.

2.4 Project Documents & Certifications. Contractor has obtained, and delivers concurrently herewith, a performance bond, a payment bond, and all insurance documentation, as required by the Contract.

3. TERMS

3.1 Incorporation of Documents. This Contract includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto:

- Services/Schedule (Exhibit "A")
- Plans and Specifications (Exhibit "B")
- Special Conditions (Exhibit "C")
- Contractor's Certificate Regarding Workers' Compensation (Exhibit "D")
- Public Works Contractor Registration Certification (Exhibit "E")
- Payment and Performance Bonds (Exhibit "F")
- Federal Requirements (Exhibit "G")
- Addenda
- Change Orders executed by the City

- Current Edition of the Standard Specifications for Public Works Construction (The Greenbook), Excluding Sections 1-9
- Notice Inviting Bids, if any
- Instructions to Bidders, if any
- Contractor's Bid

3.2 Contractor's Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project, including all structures and facilities necessary for the Project or described in the Contract (hereinafter sometimes referred to as the "Work"), for a Total Contract Price as specified pursuant to this Contract. All Work shall be subject to, and performed in accordance with the above referenced documents, as well as the exhibits attached hereto and incorporated herein by reference. The plans and specifications for the Work are further described in Exhibit "B" attached hereto and incorporated herein by this reference. Special Conditions, if any, relating to the Work are described in Exhibit "C" attached hereto and incorporated herein by this reference.

3.2.1 Change in Scope of Work. Any change in the scope of the Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Work shall not be paid for or accepted unless such change, addition or deletion is approved in writing by a valid change order executed by the City. Should Contractor request a change order due to unforeseen circumstances affecting the performance of the Work, such request shall be made within five (5) business days of the date such circumstances are discovered or shall waive its right to request a change order due to such circumstances. If the Parties cannot agree on any change in price required by such change in the Work, the City may direct the Contractor to proceed with the performance of the change on a time and materials basis.

3.2.2 Substitutions/"Or Equal". Pursuant to Public Contract Code Section 3400(b), the City may make a finding that designates certain products, things, or services by specific brand or trade name. Unless specifically designated in this Contract, whenever any material, process, or article is indicated or specified by grade, patent, or proprietary name or by name of manufacturer, such Specifications shall be deemed to be used for the purpose of facilitating the description of the material, process or article desired and shall be deemed to be followed by the words "or equal."

Contractor may, unless otherwise stated, offer for substitution any material, process or article which shall be substantially equal or better in every respect to that so indicated or specified in this Contract. However, the City may have adopted certain uniform standards for certain materials, processes and articles. Contractor shall submit requests, together with substantiating data, for substitution of any "or equal" material, process or article no later than thirty-five (35) days after award of the Contract. To facilitate the construction schedule and sequencing, some requests may need to be submitted before thirty-five (35) days after award of Contract. Provisions regarding submission of "or equal" requests shall not in any way authorize an extension of time for performance of this Contract. If a proposed "or equal" substitution request is rejected, Contractor shall be responsible for providing the specified material, process or article. The burden of proof as to the equality of any material, process or article shall rest with Contractor.

The City has the complete and sole discretion to determine if a material, process or article is an "or equal" material, process or article that may be substituted. Data required to

substantiate requests for substitutions of an “or equal” material, process or article data shall include a signed affidavit from Contractor stating that, and describing how, the substituted “or equal” material, process or article is equivalent to that specified in every way except as listed on the affidavit. Substantiating data shall include any and all illustrations, specifications, and other relevant data including catalog information which describes the requested substituted “or equal” material, process or article, and substantiates that it is an “or equal” to the material, process or article. The substantiating data must also include information regarding the durability and lifecycle cost of the requested substituted “or equal” material, process or article. Failure to submit all the required substantiating data, including the signed affidavit, to the City in a timely fashion will result in the rejection of the proposed substitution.

Contractor shall bear all of the City’s costs associated with the review of substitution requests. Contractor shall be responsible for all costs related to a substituted “or equal” material, process or article. Contractor is directed to the Special Conditions (if any) to review any findings made pursuant to Public Contract Code section 3400.

3.3 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Work under this Contract within **Sixty (60) Calendar** days, beginning the effective date of the Notice to Proceed (“Contract Time”). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones developed by the City. Such schedules or milestones may be included as part of Exhibits “A” or “B” attached hereto, or may be provided separately in writing to Contractor. Contractor agrees that if such Work is not completed within the aforementioned Contract Time and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the Contract, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages the sum of **Two Hundred Ninety-Two Dollars and Eighty Cents (\$292.80) per day** for each and every calendar day of delay beyond the Contract Time or beyond any completion schedule, construction schedule or Project milestones established pursuant to the Contract.

3.4 Standard of Performance; Performance of Employees. Contractor shall perform all Work under this Contract in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work, including any required business license, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Contractor shall perform, at its own cost and expense and without reimbursement from the City, any work necessary to correct errors or omissions which are caused by Contractor’s failure to comply with the standard of care provided for herein. Any employee who is determined by the City to be uncooperative, incompetent, a threat to the safety of persons or the Work, or any employee who fails or refuses to perform the Work in a manner acceptable to the City, shall be promptly removed from the Project by Contractor and shall not be re-employed on the Work.

3.5 Control and Payment of Subordinates; Contractual Relationship. City retains Contractor on an independent contractor basis and Contractor is not an employee of City. Any additional personnel performing the work governed by this Contract on behalf of Contractor shall

at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance under this Contract and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

3.6 City's Basic Obligation. City agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract, the City shall pay to Contractor, as full consideration for the satisfactory performance by Contractor of the services and obligations required by this Contract, the below-referenced compensation in accordance with compensation provisions set forth in the Contract.

3.7 Compensation and Payment.

3.7.1 Amount of Compensation. As consideration for performance of the Work required herein, City agrees to pay Contractor the Total Contract Price of **ONE HUNDRED SEVENTEEN THOUSAND, ONE HUNDRED NINETEEN DOLLARS AND NO CENTS (\$117,119.00)** ("Total Contract Price") provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the City.

3.7.2 Payment of Compensation. If the Work is scheduled for completion in thirty (30) or less calendar days, City will arrange for payment of the Total Contract Price upon completion and approval by City of the Work. If the Work is scheduled for completion in more than thirty (30) calendar days, City will pay Contractor on a monthly basis as provided for herein. On or before the fifth (5th) day of each month, Contractor shall submit to the City an itemized application for payment in the format supplied by the City indicating the amount of Work completed since commencement of the Work or since the last progress payment. These applications shall be supported by evidence which is required by this Contract and such other documentation as the City may require. The Contractor shall certify that the Work for which payment is requested has been done and that the materials listed are stored where indicated. Contractor may be required to furnish a detailed schedule of values upon request of the City and in such detail and form as the City shall request, showing the quantities, unit prices, overhead, profit, and all other expenses involved in order to provide a basis for determining the amount of progress payments.

3.7.3 Prompt Payment. City shall review and pay all progress payment requests in accordance with the provisions set forth in Section 20104.50 of the California Public Contract Code. However, no progress payments will be made for Work not completed in accordance with this Contract. Contractor shall comply with all applicable laws, rules and regulations relating to the proper payment of its employees, subcontractors, suppliers or others.

3.7.4 Contract Retentions. From each approved progress estimate, five percent (5%) will be deducted and retained by the City, and the remainder will be paid to Contractor. All Contract retention shall be released and paid to Contractor and subcontractors pursuant to California Public Contract Code Section 7107.

3.7.5 Other Retentions. In addition to Contract retentions, the City may deduct from each progress payment an amount necessary to protect City from loss because of: (1) liquidated damages which have accrued as of the date of the application for payment; (2) any sums expended by the City in performing any of Contractor's obligations under the Contract

which Contractor has failed to perform or has performed inadequately; (3) defective Work not remedied; (4) stop notices as allowed by state law; (5) reasonable doubt that the Work can be completed for the unpaid balance of the Total Contract Price or within the scheduled completion date; (6) unsatisfactory prosecution of the Work by Contractor; (7) unauthorized deviations from the Contract; (8) failure of Contractor to maintain or submit on a timely basis proper and sufficient documentation as required by the Contract or by City during the prosecution of the Work; (9) erroneous or false estimates by Contractor of the value of the Work performed; (10) any sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Contract; and (11) any other sums which the City is entitled to recover from Contractor under the terms of the Contract or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

3.7.6 Substitutions for Contract Retentions. In accordance with California Public Contract Code Section 22300, the City will permit the substitution of securities for any monies withheld by the City to ensure performance under the Contract. At the request and expense of Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in California as the escrow agent, and thereafter the City shall then pay such monies to Contractor as they come due. Upon satisfactory completion of the Contract, the securities shall be returned to Contractor. For purposes of this Section and Section 22300 of the Public Contract Code, the term "satisfactory completion of the contract" shall mean the time the City has issued written final acceptance of the Work and filed a Notice of Completion as required by law and provisions of this Contract. Contractor shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon. The escrow agreement used for the purposes of this Section shall be in the form provided by the City.

3.7.7 Title to Work. As security for partial, progress, or other payments, title to Work for which such payments are made shall pass to the City at the time of payment. To the extent that title has not previously been vested in the City by reason of payments, full title shall pass to the City at delivery of the Work at the destination and time specified in this Contract. Such transferred title shall in each case be good, free and clear from any and all security interests, liens, or other encumbrances. Contractor promises and agrees that it will not pledge, hypothecate, or otherwise encumber the items in any manner that would result in any lien, security interest, charge, or claim upon or against said items. Such transfer of title shall not imply acceptance by the City, nor relieve Contractor from the responsibility to strictly comply with the Contract, and shall not relieve Contractor of responsibility for any loss of or damage to items.

3.7.8 Labor and Material Releases. Contractor shall furnish City with labor and material releases from all subcontractors performing work on, or furnishing materials for, the Work governed by this Contract prior to final payment by City.

3.7.9 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720 et seq., and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$25,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in

effect at the commencement of this Contract. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. Contractor and any subcontractor shall forfeit a penalty of up to \$200 per calendar day or portion thereof for each worker paid less than the prevailing wage rates.

3.7.10 Apprenticeable Crafts. If the Total Contract Price exceeds \$35,000 and if Contractor employs workmen in an apprenticeable craft or trade, Contractor shall comply with the provisions of Section 1777.5 of the California Labor Code with respect to the employment of properly registered apprentices upon public works. The primary responsibility for compliance with said section for all apprenticeable occupations shall be with Contractor. The Contractor or any subcontractor that is determined by the Labor Commissioner to have knowingly violated Section 1777.5 shall forfeit as a civil penalty an amount not exceeding \$100 for each full calendar day of noncompliance, or such greater amount as provided by law.

3.7.11 Hours of Work. If the Total Contract Price exceeds \$25,000, Contractor is advised that eight (8) hours labor constitutes a legal day's work. Pursuant to Section 1813 of the California Labor Code, Contractor shall forfeit a penalty of \$25.00 per worker for each day that each worker is permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, except when payment for overtime is made at not less than one and one-half (1-1/2) times the basic rate for that worker.

3.7.12 Payroll Records. If the Total Contract Price exceeds \$25,000, Contractor and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. The payroll records shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor in the manner provided in Labor Code section 1776. In the event of noncompliance with the requirements of this section, Contractor shall have 10 days in which to comply subsequent to receipt of written notice specifying in what respects such Contractor must comply with this section. Should noncompliance still be evident after such 10-day period, Contractor shall, as a penalty to City, forfeit not more than \$100.00 for each calendar day or portion thereof, for each worker, until strict compliance is effectuated. The amount of the forfeiture is to be determined by the Labor Commissioner. A contractor who is found to have violated the provisions of law regarding wages on Public Works with the intent to defraud shall be ineligible to bid on Public Works contracts for a period of one to three years as determined by the Labor Commissioner. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, such penalties shall be withheld from progress payments then due. The responsibility for compliance with this section is on Contractor. The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

3.7.13 Contractor and Subcontractor Registration. If the Total Contract Price exceeds \$25,000, then pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors'

current registration with the Department of Industrial Relations to perform public work. Contractor is directed to review, fill out and execute the Public Works Contractor Registration Certification attached hereto as Exhibit "E" prior to contract execution. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

3.7.14 Labor Compliance; Stop Orders. If the Total Contract Price exceeds \$25,000, Contractor acknowledges that it is aware that this Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be the Contractor's sole responsibility to evaluate and pay the cost of complying with all labor compliance requirements under this Contract and applicable law. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor's performance of Work, including any delay, shall be Contractor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay subject to any applicable liquidated damages and shall not be compensable by the City. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

3.8 Performance of Work; Jobsite Obligations.

3.8.1 Water Quality Management and Compliance.

3.8.1.1 Water Quality Management and Compliance. Contractor shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Work including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); local ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State.

3.8.1.2 Compliance with the Statewide Construction General Permit. Contractor shall comply with all conditions of the most recent iteration of the National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Construction Activity, issued by the California State Water Resources Control Board ("Permit"). It shall be Contractor's sole responsibility to file a Notice of Intent and procure coverage under the Permit for all construction activity which results in the disturbance of more than one acre of total land area or which is part of a larger common area of development or sale. Prior to initiating work, Contractor shall be solely responsible for preparing and implementing a Storm Water Pollution Prevention Plan (SWPPP) as required by the Permit. Contractor shall be responsible for procuring, implementing and complying with the provisions of the Permit and the SWPPP, including the standard provisions, and monitoring and reporting requirements as required by the Permit. The Permit requires the SWPPP to be a "living document" that changes as necessary to meet the conditions and requirements of the job site as it progresses through different phases of construction and is subject to different weather conditions. It shall be Contractor's sole responsibility to update the SWPPP as necessary to address conditions at the project site.

3.8.1.3 Other Water Quality Rules Regulations and Policies. Contractor shall comply with the lawful requirements of any applicable municipality, drainage City, or local agency regarding discharges of storm water to separate storm drain systems or other watercourses under their jurisdiction, including applicable requirements in municipal storm water management programs.

3.8.1.4 Cost of Compliance. Storm, surface, nuisance, or other waters may be encountered at various times during construction of The Work. Therefore, the Contractor, by submitting a Bid, hereby acknowledges that it has investigated the risk arising from such waters, has prepared its Bid accordingly, and assumes any and all risks and liabilities arising therefrom.

3.8.1.5 Liability for Non-Compliance. Failure to comply with the Permit is a violation of federal and state law. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to defend, indemnify and hold harmless the City and its officials, officers, employees, volunteers and agents for any alleged violations. In addition, City may seek damages from Contractor for any delay in completing the Work in accordance with the Contract, if such delay is caused by or related to Contractor's failure to comply with the Permit.

3.8.1.6 Reservation of Right to Defend. City reserves the right to defend any enforcement action brought against the City for Contractor's failure to comply with the Permit or any other relevant water quality law, regulation, or policy. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to be bound by, and to reimburse the City for the costs (including the City's attorney's fees) associated with, any settlement reached between the City and the relevant enforcement entity.

3.8.1.7 Training. In addition to the standard of performance requirements set forth in paragraph 3.4, Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them without impacting water quality in violation of the laws, regulations and policies described in paragraph 3.8.1. Contractor further warrants that it, its employees and subcontractors will receive adequate training, as determined by City, regarding the requirements of the laws, regulations and policies described in paragraph 3.8.1 as they may relate to the Work provided under this Agreement. Upon request, City will provide the Contractor with a list of training programs that meet the requirements of this paragraph.

3.8.2 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and lifesaving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. Furthermore, Contractor shall prominently display the names and telephone numbers of at least

two medical doctors practicing in the vicinity of the Project, as well as the telephone number of the local ambulance service, adjacent to all telephones at the Project site.

3.8.3 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Contract or the Work, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Work. If Contractor observes that the drawings or specifications are at variance with any law, rule or regulation, it shall promptly notify the City in writing. Any necessary changes shall be made by written change order. If Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. City is a public entity of the State of California subject to certain provisions of the Health & Safety Code, Government Code, Public Contract Code, and Labor Code of the State. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a municipality are a part of this Contract to the same extent as though set forth herein and will be complied with. Contractor shall defend, indemnify and hold City, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.8.4 Permits and Licenses. Contractor shall be responsible for securing City permits and licenses necessary to perform the Work described herein, including, but not limited to, any required business license. While Contractor will not be charged a fee for any City permits, Contractor shall pay the City's business license fee, if any. Any ineligible contractor or subcontractor pursuant to Labor Code Sections 1777.1 and 1777.7 may not perform work on this Project.

3.8.5 Trenching Work. If the Total Contract Price exceeds \$25,000 and if the Work governed by this Contract entails excavation of any trench or trenches five (5) feet or more in depth, Contractor shall comply with all applicable provisions of the California Labor Code, including Section 6705. To this end, Contractor shall submit for City's review and approval a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.

3.8.6 Hazardous Materials and Differing Conditions. As required by California Public Contract Code Section 7104, if this Contract involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, Contractor shall promptly, and prior to disturbance of any conditions, notify City of: (1) any material discovered in excavation that Contractor believes to be a hazardous waste that is required to be removed to a Class I, Class II or Class III disposal site; (2) subsurface or latent physical conditions at the site differing from those indicated by City; and (3) unknown physical conditions of an unusual nature at the site, significantly different from those ordinarily encountered in such contract work. Upon notification, City shall promptly investigate the conditions to determine whether a change order is appropriate. In the event of a dispute, Contractor shall not be excused from any scheduled completion date and shall proceed with all Work to be performed under the Contract, but shall retain all rights provided by the Contract or by law for making protests and resolving the dispute.

3.8.7 Underground Utility Facilities. To the extent required by Section 4215 of the California Government Code, City shall compensate Contractor for the costs of: (1) locating and repairing damage to underground utility facilities not caused by the failure of Contractor to

exercise reasonable care; (2) removing or relocating underground utility facilities not indicated in the construction drawings; and (3) equipment necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay caused by failure of City to provide for removal or relocation of such utility facilities.

3.8.8 Air Quality. Contractor must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Although CARB limits and requirements are more broad, Contractor shall specifically be aware of their application to "portable equipment", which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Contractor shall indemnify City against any fines or penalties imposed by CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Contractor, its subcontractors, or others for whom Contractor is responsible under its indemnity obligations provided for in this Agreement.

3.8.9 State Recycling Mandates. Contractor shall comply with State Recycling Mandates. Any recyclable materials/debris collected by the contractor that can be feasibly diverted via reuse or recycling must be hauled by the appropriate handler for reuse or recycling.

3.9 Completion of Work. When Contractor determines that it has completed the Work required herein, Contractor shall so notify City in writing and shall furnish all labor and material releases required by this Contract. City shall thereupon inspect the Work. If the Work is not acceptable to the City, the City shall indicate to Contractor in writing the specific portions or items of Work which are unsatisfactory or incomplete. Once Contractor determines that it has completed the incomplete or unsatisfactory Work, Contractor may request a reinspection by the City. Once the Work is acceptable to City, City shall pay to Contractor the Total Contract Price remaining to be paid, less any amount which City may be authorized or directed by law to retain. Payment of retention proceeds due to Contractor shall be made in accordance with Section 7107 of the California Public Contract Code.

3.10 Claims; Government Code Claim Compliance.

3.10.1 Intent. Effective January 1, 1991, Section 20104 et seq., of the California Public Contract Code prescribes a process utilizing informal conferences, non-binding judicial supervised mediation, and judicial arbitration to resolve disputes on construction claims of \$375,000 or less. Effective January 1, 2017, Section 9204 of the Public Contract Code prescribes a process for negotiation and mediation to resolve disputes on construction claims. The intent of this Section is to implement Sections 20104 et seq. and Section 9204 of the California Public Contract Code. This Section shall be construed to be consistent with said statutes.

3.10.2 Claims. For purposes of this Section, "Claim" means a separate demand by the Contractor, after a change order duly requested in accordance with the terms of this Contract has been denied by the City, for (A) a time extension, (B) payment of money or damages arising from Work done by or on behalf of the Contractor pursuant to the Contract, or (C) an amount the payment of which is disputed by the City. Claims governed by this Section may not be filed unless and until the Contractor completes all procedures for giving notice of delay or change and for the requesting of a time extension or change order, including but not necessarily limited to the change order procedures contained herein, and Contractor's request for a change has been denied in whole or in part. Claims governed by this Section must be filed no later than fourteen (14) days after a request for change has been denied in whole or in part

or after any other event giving rise to the Claim. The Claim shall be submitted in writing to the City and shall include on its first page the following in 16 point capital font: "THIS IS A CLAIM." Furthermore, the claim shall include the documents necessary to substantiate the claim. Nothing in this Section is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims, including all requirements pertaining to compensation or payment for extra Work, disputed Work, and/or changed conditions. Failure to follow such contractual requirements shall bar any claims or subsequent lawsuits for compensation or payment thereon.

3.10.3 Supporting Documentation. The Contractor shall submit all claims in the following format:

3.10.3.1 Summary of claim merit and price, reference Contract Document provisions pursuant to which the claim is made

3.10.3.2 List of documents relating to claim:

- (A) Specifications
- (B) Drawings
- (C) Clarifications (Requests for Information)
- (D) Schedules
- (E) Other

3.10.3.3 Chronology of events and correspondence

3.10.3.4 Analysis of claim merit

3.10.3.5 Analysis of claim cost

3.10.3.6 Time impact analysis in CPM format

3.10.3.7 If Contractor's claim is based in whole or in part on an allegation of errors or omissions in the Drawings or Specifications for the Project, Contractor shall provide a summary of the percentage of the claim subject to design errors or omissions and shall obtain a certificate of merit in support of the claim of design errors and omissions.

3.10.3.8 Cover letter and certification of validity of the claim, including any claims from subcontractors of any tier, in accordance with Government Code section 12650 *et seq.*

3.10.4 City's Response. Upon receipt of a claim pursuant to this Section, City shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the Contractor a written statement identifying what portion of the claim is disputed and what portion is undisputed. Any payment due on an undisputed portion of the claim will be processed and made within 60 days after the public entity issues its written statement.

3.10.4.1 If City needs approval from its governing body to provide the Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually

agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, City shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the Contractor a written statement identifying the disputed portion and the undisputed portion.

3.10.4.2 Within 30 days of receipt of a claim, City may request in writing additional documentation supporting the claim or relating to defenses or claims City may have against the Contractor. If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of City and the Contractor.

3.10.4.3 City's written response to the claim, as further documented, shall be submitted to the Contractor within 30 days (if the claim is less than \$50,000, within 15 days) after receipt of the further documentation, or within a period of time no greater than that taken by the Contractor in producing the additional information or requested documentation, whichever is greater.

3.10.5 Meet and Confer. If the Contractor disputes City's written response, or City fails to respond within the time prescribed, the Contractor may so notify City, in writing, either within 15 days of receipt of City's response or within 15 days of City's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand, City shall schedule a meet and confer conference within 30 days for settlement of the dispute.

3.10.6 Mediation. Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, City shall provide the Contractor a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after City issues its written statement. Any disputed portion of the claim, as identified by the Contractor in writing, shall be submitted to nonbinding mediation, with City and the Contractor sharing the associated costs equally. City and Contractor shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing, unless the parties agree to select a mediator at a later time.

3.10.6.1 If the Parties cannot agree upon a mediator, each Party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each Party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator.

3.10.6.2 For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the Parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

3.10.6.3 Unless otherwise agreed to by City and the Contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

3.10.6.4 The mediation shall be held no earlier than the date the Contractor completes the Work or the date that the Contractor last performs Work, whichever is earlier. All unresolved claims shall be considered jointly in a single mediation, unless a new unrelated claim arises after mediation is completed.

3.10.7 Procedures After Mediation. If following the mediation, the claim or any portion remains in dispute, the Contractor must file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the Contractor submits his or her written claim pursuant to subdivision (a) until the time the claim is denied, including any period of time utilized by the meet and confer conference or mediation.

3.10.8 Civil Actions. The following procedures are established for all civil actions filed to resolve claims subject to this Section:

3.10.8.1 Within 60 days, but no earlier than 30 days, following the filing or responsive pleadings, the court shall submit the matter to non-binding mediation unless waived by mutual stipulation of both parties or unless mediation was held prior to commencement of the action in accordance with Public Contract Code section 9204 and the terms of these procedures.. The mediation process shall provide for the selection within 15 days by both parties of a disinterested third person as mediator, shall be commenced within 30 days of the submittal, and shall be concluded within 15 days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court.

3.10.8.2 If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1114.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

3.10.8.3 In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, (A) arbitrators shall, when possible, be experienced in construction law, and (B) any party appealing an arbitration award who does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, also pay the attorney's fees on appeal of the other party.

3.10.9 Government Code Claims. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Contractor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the City. A Government Code claim must be filed no earlier than the date the work is completed or the date the Contractor last performs work on the Project, whichever occurs first. A Government Code claim shall be inclusive of all unresolved claims unless a new unrelated claim arises after the Government Code claim is submitted.

3.10.10 Non-Waiver. City's failure to respond to a claim from the Contractor within the time periods described in this Section or to otherwise meet the time requirements of this Section shall result in the claim being deemed rejected in its entirety. City's failure to respond shall not waive City's rights to any subsequent procedures for the resolution of disputed claims.

3.11 Loss and Damage. Except as may otherwise be limited by law, Contractor shall be responsible for all loss and damage which may arise out of the nature of the Work agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work until the same is fully completed and accepted by City. In the event of damage proximately caused by an Act of God, as defined by Section 7105 of the Public Contract Code, the City may terminate this Contract pursuant to Section 3.17.3; provided, however, that the City needs to provide Contractor with only one (1) day advanced written notice.

3.12 Indemnification.

3.12.1 Scope of Indemnity. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the City, its officials, employees, agents and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Contractor's services, the Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent required by Civil Code section 2782, Contractor's indemnity obligation shall not apply to liability for damages for death or bodily injury to persons, injury to property, or any other loss, damage or expense arising from the sole or active negligence or willful misconduct of the City or the City's agents, servants, or independent contractors who are directly responsible to the City, or for defects in design furnished by those persons.

3.12.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against City or its officials, employees, agents and authorized volunteers. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse City for the cost of any settlement paid by City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Contractor shall reimburse City and its officials, employees, agents and authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its officials, employees, agents and authorized volunteers.

3.13 Insurance.

3.13.1 Time for Compliance. Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Contract for cause.

3.13.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Work hereunder by Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Contract. Such insurance shall meet at least the following minimum levels of coverage:

3.13.2.1 Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability:* Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01) OR Insurance Services Office Owners and Contractors Protective Liability Coverage Form (CG 00 09 11 88) (coverage for operations of designated contractor); (2) *Automobile Liability:* Insurance Services Office Business Auto Coverage form number CA 00 01, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability:* Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance. Policies shall not contain exclusions contrary to this Contract.

3.13.2.2 Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability:* \$1,000,000 per occurrence and \$1,000,000 aggregate for bodily injury, personal injury and property damage; (2) *Automobile Liability:* \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability:* Workers' compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 each accident, policy limit bodily injury or disease, and each employee bodily injury or disease. Defense costs shall be available in addition to the limits. Notwithstanding the minimum limits specified herein, any available coverage shall be provided to the parties required to be named as additional insureds pursuant to this Contract.

3.13.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements (amendments) on forms supplied or approved by the City to add the following provisions to the insurance policies:

3.13.3.1 General Liability. (1) Such policy shall give the City, its officials, employees, agents and authorized volunteers additional insured status using ISO endorsements CG20 10 10 01 plus CG20 37 10 01, or endorsements providing the exact same coverage, with respect to the Work or operations performed by or on behalf of Contractor, including materials, parts or equipment furnished in connection with such work; (2) all policies shall waive or shall permit Contractor to waive all rights of subrogation which may be obtained by the Contractor or any insurer by virtue of payment of any loss or any coverage provided to any person named as an additional insured pursuant to this Contract, and Contractor agrees to waive all such rights of subrogation; and (3) the insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and authorized volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, employees, agents and authorized volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it.

3.13.3.2 Automobile Liability. (1) Such policy shall give the City, its officials, employees, agents and authorized volunteers additional insured status with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by Contractor or for which Contractor is responsible; (2) all policies shall waive or shall permit Contractor to waive all rights of subrogation which may be obtained by the

Contractor or any insurer by virtue of payment of any loss or any coverage provided to any person named as an additional insured pursuant to this Contract, and Contractor agrees to waive all such rights of subrogation; and (3) the insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and authorized volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, employees, agents and authorized volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it in any way.

3.13.3.3 Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its officials, employees, agents and authorized volunteers for losses paid under the terms of the insurance policy which arise from work performed by Contractor.

3.13.3.4 All Coverages. Each insurance policy required by this Contract shall be endorsed to state that: (1) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (2) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its officials, employees, agents and authorized volunteers.

3.13.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its officials, employees, agents and authorized volunteers.

3.13.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Contractor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officials, employees, agents and authorized volunteers; or (2) the Contractor shall procure a bond or other financial guarantee acceptable to the City guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.13.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to the City. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

3.13.7 Verification of Coverage. Contractor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Contract on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the City. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.13.8 Subcontractors. All subcontractors shall meet the requirements of this Section before commencing Work. Contractor shall furnish separate certificates and endorsements for each subcontractor. Subcontractor policies of General Liability insurance shall name the City, its officials, employees, agents and authorized volunteers as additional insureds using form ISO 20 38 04 13 or endorsements providing the exact same coverage. All

coverages for subcontractors shall be subject to all of the requirements stated herein except as otherwise agreed to by the City in writing.

3.13.9 Reporting of Claims. Contractor shall report to the City, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Work under this Contract.

3.14 Bond Requirements.

3.14.1 Payment Bond. If required by law or otherwise specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Payment Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.2 Performance Bond. If specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Performance Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the effected bond within (ten) 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Contract until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, Contractor shall, upon request of the City, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. If Contractor fails to furnish any required bond, the City may terminate the Contract for cause.

3.14.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in California Code of Civil Procedure Section 995.120, shall be accepted. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.15 Warranty. Contractor warrants all Work under the Contract (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Contract or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Contract, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective

Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Contract. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstatement of equipment and materials necessary to gain access, shall be the sole responsibility of Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Contract, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

3.16 Employee/Labor Certifications.

3.16.1 Contractor's Labor Certification. By its signature hereunder, Contractor certifies that he is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Work. A certification form for this purpose, which is attached to this Contract as Exhibit "D" and incorporated herein by reference, shall be executed simultaneously with this Contract.

3.16.2 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

3.16.3 Verification of Employment Eligibility. By executing this Contract, Contractor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subcontractors and sub-subcontractors to comply with the same.

3.17 General Provisions.

3.17.1 City's Representative. The City hereby designates the General Manager, or his or her designee, to act as its representative for the performance of this Contract ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.17.2 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the City ("Contractor's Representative"). Following approval by the City, Contractor's Representative shall have full authority to represent

and act on behalf of Contractor for all purposes under this Contract. Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the City, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the City, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the City's written approval.

3.17.3 Termination. This Contract may be terminated by City at any time, either with or without cause, by giving Contractor three (3) days advance written notice. In the event of termination by City for any reason other than the fault of Contractor, City shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, City may terminate the Contract immediately without notice, may reduce payment to Contractor in the amount necessary to offset City's resulting damages, and may pursue any other available recourse against Contractor. Contractor may not terminate this Contract except for cause. In the event this Contract is terminated in whole or in part as provided, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, City may require Contractor to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by Contractor in connection with its performance of this Contract.

3.17.4 Contract Interpretation. Should any question arise regarding the meaning or import of any of the provisions of this Contract or written or oral instructions from City, the matter shall be referred to City's Representative, whose decision shall be binding upon Contractor.

3.17.5 Anti-Trust Claims. This provision shall be operative if this Contract is applicable to California Public Contract Code Section 7103.5. In entering into this Contract to supply goods, services or materials, Contractor hereby offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the City tender final payment to Contractor, without further acknowledgment by the Parties.

3.17.6 Notices. All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

CONTRACTOR:

Carrier Corporation
2478 Peck Road
City of Industry, California 90601
Attn: Dan Marquez, Account Executive

CITY:

City of Arcadia
240 West Huntington Drive
Arcadia, California 91066
Attn: Carlos Aguilar, General Services Superintendent

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.17.7 Time of Essence. Time is of the essence in the performance of this Contract.

3.17.8 Assignment Forbidden. Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of City. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, City may, at its option, terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

3.17.9 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.17.10 Laws, Venue, and Attorneys' Fees. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Los Angeles, State of California.

3.17.11 Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original.

3.17.12 Successors. The Parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract.

3.17.13 [Reserved]

3.17.14 Solicitation. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City shall have the right to terminate this Contract without liability.

3.17.15 Conflict of Interest. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For

breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Contract, no official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom. In addition, Contractor agrees to file, or to cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Work.

3.17.16 Certification of License.

3.17.16.1 Contractor certifies that as of the date of execution of this Contract, Contractor has a current contractor's license of the classification indicated below under Contractor's signature.

3.17.16.2 Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

3.17.17 Authority to Enter Contract. Each Party warrants that the individuals who have signed this Contract have the legal power, right and authority to make this Contract and bind each respective Party.

3.17.18 Entire Contract; Modification. This Contract contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Contract may only be modified by a writing signed by both Parties.

3.17.19 Non-Waiver. None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

3.17.20 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project or other projects.

[SIGNATURES ON NEXT PAGE]

**SIGNATURE PAGE FOR CONSTRUCTION CONTRACT
BETWEEN THE CITY OF ARCADIA
AND CARRIER CORPORATION**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the _____ day of _____, _____.

CITY OF ARCADIA

CARRIER CORPORATION

By: _____
Dominic Lazaretto
City Manager

By: _____
Its: _____

Printed Name: _____

ATTEST:

By: _____

By: _____
City Clerk

Its: _____

Printed Name: _____

APPROVED AS TO FORM:

By: _____
City Attorney

EXHIBIT "A"

SERVICES / SCHEDULE

The project proposal, Carrier Corporation Quote Number 00782784, are incorporated into this Contract. Services shall include but not limited to the following:

Scope of Work

1. 911 Dispatch Center Supplemental A/C Unit

- a. Coordinate scheduling and planning with customer.
- b. Furnish and install (2) 2.5 Ton wall mounted air handlers inside 911 Dispatch Department.
- c. Run line sets for each respective air handler to outside planter area on the north side of building (includes coring through exterior wall).
- d. Run drain lines to planter area from each air handler.
- e. Furnish and install (1) 5 Ton Condensing unit in planter area (includes pad).
- f. Run electrical from adjacent electrical room to each piece of equipment being installed.
- g. Pressure test, evacuate and charge system.
- h. Perform Start-up, verify operation and trim charge if needed.
- i. Clean work area.

2. 911 Server Room / 3 Ton Supplemental A/C

- a. Coordinate scheduling and planning with customer.
- b. Furnish and install 3 Ton air handler in 911 server room (includes wired remote for temperature control).
- c. Run refrigerant line set to exterior planter on the north side of the building (includes coring through exterior wall).
- d. Drain line will be run with line set and will drain into planter area.
- e. Furnish and install 3 Ton condensing unit on pad in planter area.
 - i. Note: Sprinklers will have to be modified by others.
- f. Run electrical from adjacent electrical room to both indoor and outdoor units.
- g. Pressure test, evacuate and charge with refrigerant.
- h. Start-up, verify operation and clean work area.

3. Admin Office Data Center Supplemental A/C

- a. Coordinate scheduling and planning with customer.
- b. Furnish and install (1) 3 Ton Ductless Wall mounted Air Handler in 2nd Floor Admin Office Data Center server room (includes wired remote for temperature control).
- c. Drain line will be run to nearest restroom and will be exposed vertically through the ceiling down below the sink and tie into trap.
- d. Run line set up to roof.
- e. Furnish and install new "**roofed in**" platform with roof pitch pocket to prevent water leaks.
- f. Furnish and install (1) 3 Ton Condensing Unit on new platform and properly secure.
- g. Run electrical from adjacent electrical room to new equipment.
- h. Pressure test, evacuate and charge with refrigerant.
- i. Start-up, verify operation and clean work area.

4. Communication Room Supplemental A/C unit

- a. Coordinate scheduling and planning with customer.
- b. Furnish and install (1) 2 Ton Ductless Wall mounted Air Handler in 2nd Floor Communication server room (includes wired remote for temperature control).
- c. Drain line will be run to nearest restroom and will be exposed vertically through the ceiling down below the sink and tie into trap.
- d. Run line set up to roof.
- e. Furnish and install new “**roofed in**” platform with roof pitch pocket to prevent water leaks.
- f. Furnish and install (1) 2 Ton Condensing Unit on new platform and properly secure.
- g. Run electrical from adjacent electrical room to new equipment.
- h. Pressure test, evacuate and charge with refrigerant.
- i. Start-up, verify operation and clean work area.

EXHIBIT "B"

PLANS AND SPECIFICATIONS

All service and unit specifications are listed in Exhibit "A".

EXHIBIT "C"

SPECIAL CONDITIONS

ARTICLE 1. BONDS

Within ten (10) calendar days from the date the Contractor is notified of award of the Contract, the Contractor shall deliver to the City four identical counterparts of the Performance Bond and Payment Bond on the forms supplied by the City and included as Exhibit "F" to the Contract. Failure to do so may, in the sole discretion of City, result in the forfeiture of Contractor's bid security. The surety supplying the bond must be an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, authorized to do business as such in the State of California and satisfactory to the City. The Performance Bond and the Payment Bond shall be for one hundred percent (100%) of the Total Contract Price.

EXHIBIT "D"

**CERTIFICATION
LABOR CODE - SECTION 1861**

I, the undersigned Contractor, am aware of the provisions of Section 3700, et seq., of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I, the undersigned Contractor, agree to and will comply with such provisions before commencing the performance of the Work on this Contract.

CARRIOR CORPORATION

By: _____
Signature

Name (Print)

Title (Print)

EXHIBIT “E”

PUBLIC WORKS CONTRACTOR REGISTRATION CERTIFICATION

Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. See <http://www.dir.ca.gov/Public-Works/PublicWorks.html> for additional information.

No bid will be accepted nor any contract entered into without proof of the contractor’s and subcontractors’ current registration with the Department of Industrial Relations to perform public work.

Contractor hereby certifies that it is aware of the registration requirements set forth in Labor Code sections 1725.5 and 1771.1 and is currently registered as a contractor with the Department of Industrial Relations.¹

Name of Contractor: _____

DIR Registration Number: _____

DIR Registration Expiration: _____

Small Project Exemption: _____ Yes or _____ No

Unless Contractor is exempt pursuant to the small project exemption, Contractor further acknowledges:

- Contractor shall maintain a current DIR registration for the duration of the project.
- Contractor shall include the requirements of Labor Code sections 1725.5 and 1771.1 in its contract with subcontractors and ensure that all subcontractors are registered at the time of bid opening and maintain registration status for the duration of the project.
- Failure to submit this form or comply with any of the above requirements may result in a finding that the bid is non-responsive.

Name of Contractor _____

Signature _____

Name and Title _____

Dated _____

¹ If the Project is exempt from the contractor registration requirements pursuant to the small project exemption under Labor Code Sections 1725.5 and 1771.1, please mark “Yes” in response to “Small Project Exemption.”

EXHIBIT "F"

PAYMENT AND PERFORMANCE BONDS

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Arcadia (hereinafter referred to as "City") has awarded to **Carrier Corporation**, (hereinafter referred to as the "Contractor") an agreement for **Installation of the HVAC Split Systems at the Police Department** (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 **ONE HUNDRED SEVENTEEN THOUSAND, ONE HUNDRED NINETEEN DOLLARS AND NO CENTS (\$117,119.00)**, 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-year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its officers and agents, 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 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, Surety shall undertake and faithfully fulfill all such obligations. 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:

- (1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
- (2) 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.
- (3) Permit the City to complete the Project in any manner consistent with local, California and federal 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, including but not limited to the provisions of sections 2819 and 2845 of the California Civil Code.

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

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached.

(Attach Attorney-in-Fact Certificate) Title _____

The rate of premium on this bond is _____ per thousand. The total amount of premium charges, \$_____.
(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 authorizing the person signing on behalf of the Surety to do so must be attached hereto.

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

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Arcadia (hereinafter designated as the "City"), by action taken or a resolution passed **November 7, 2023** has awarded to **Carrier Corporation** hereinafter designated as the "Principal," a contract for the work described as follows:

Installation of HVAC Split Systems at the Police Department (the "Project"); and

WHEREAS, the work to be performed by the Principal is more particularly set forth in the Contract Documents for the Project dated _____ ("Contract Documents"), the terms and conditions of which are expressly incorporated by reference; 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 **ONE HUNDRED SEVENTEEN THOUSAND, ONE HUNDRED NINETEEN DOLLARS AND NO CENS (\$117,119.00)** 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 Section 9100 of the Civil Code, 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 Section 18663 of the Revenue and Taxation Code, 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.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code 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 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 Section 9100 of the Civil Code, 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 and the provisions of sections 2819 and 2845 of the California Civil Code.

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

Title _____

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached. A Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

NOTE: A copy of the Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

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

EXHIBIT "G"
FEDERAL REQUIREMENTS

NOT APPLICABLE.

**Solicitation Number: RFP #070121****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Carrier Global Corporation, 5900-H Northwoods Bus Pkwy., Charlotte, NC 28269 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for HVAC Systems and Related Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires August 12, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcwell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Supplier will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcwell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any third-party claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

Under no circumstances will Supplier be liable for any incidental, special, liquidated or consequential damages, including loss of revenue, loss of use of equipment or facilities, or economic damages based on strict liability or negligence.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

5. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or

2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance of the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts listed below:

Limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles

in limits of liability as indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Limits:

\$2,000,000 per occurrence and in aggregate

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Limits:

\$2,000,000 per claim

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcwell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcwell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcwell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcwell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcwell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcwell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors, except such rights as Supplier has to proceeds. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names

of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. Any order requiring Buy American provisions will not be accepted until Supplier confirms in writing it can comply with the specific applicable Buy American clause cited. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

U. FEDERAL GOVERNMENT REQUIREMENTS STIPULATION. Supplier is a commercial entity and the components, equipment and services to be included by Supplier in its proposal and to be provided in the event of an award are offered on the basis that they constitute commercial items as defined in the Federal Acquisition Regulations ("FAR"). Similarly, the prices to be offered by Supplier in its proposal, and which would be offered in any resulting contract and any modifications or changes to such contract are based on Supplier's standard commercial accounting policies and practices. Supplier's accounting practices comply fully with U.S. GAAP, but do not take into account any additional or special requirements of Cost Accounting Standards, nor meet the requirements of FAR Part 31 or any similar procurement regulations, including those of the U.S. Department of Defense. Accordingly, Supplier makes its proposal based on its belief that an award can be made to Supplier consistent with FAR Part 12 - "Acquisition of Commercial Items," and that submission of cost and pricing data consistent with CAS/FAR Part 31 will not be required. Supplier does not accept and will not be held liable for any flow down requirements unless specifically agreed to in writing.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

Carrier Global Corporation

DocuSigned by:
Jeremy Schwartz
C0FD2A139D06489...

DocuSigned by:
Simon C. Walls
F1B5CDFCEE8A47B...

By: _____

By: _____

Jeremy Schwartz

Simon C. Walls

Title: Chief Procurement Officer

Title: Global Strategic Accounts Leader

10/7/2021 | 9:30 PM CDT

10/7/2021 | 11:01 AM CDT

Date: _____

Date: _____

Approved:

DocuSigned by:
Chad Coauette
7E42B8F817A64CC...

By: _____

Chad Coauette

Title: Executive Director/CEO

10/7/2021 | 9:34 PM CDT

Date: _____

RFP 070121 - HVAC Systems and Related Services

Vendor Details

Company Name: Carrier Global Corp
Does your company conduct business under any other name? If yes, please state: Carrier Corporation
Address: 5900-H Northwoods Bus Pkwy
Charlotte, NC 28269
Contact: Alex Relf
Email: alex.l.relf@carrier.com
Phone: 704-521-6443
HST#: 06-0991716

Submission Details

Created On: Tuesday June 15, 2021 15:26:02
Submitted On: Wednesday June 30, 2021 15:43:18
Submitted By: Alex Relf
Email: alex.l.relf@carrier.com
Transaction #: 0278eeef-41a2-4fbe-a881-901b9690436a
Submitter's IP Address: 104.129.206.103

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only):	Carrier Global Corporation
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Carrier Corporation
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	Carrier Corporation
4	Proposer Physical Address:	5900-H Northwoods Bus Pkwy, Charlotte, N.C. 28269
5	Proposer website address (or addresses):	www.carrier.com
6	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Meredith Emmerich, Vice President, North America, Commercial HVAC, 5900-B Northwoods Bus Pkwy, Charlotte, NC. 28269. meredith.emmerich@carrier.com
7	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Alex Relf, Strategic Account Manager, 5900-H Northwoods Bus Pkwy, Charlotte, N.C. 28269, 704-521-6443, alex.l.relf@carrier.com
8	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Joe Ison, Strategic Accounts Manager, 5900-H Northwoods Bus Pkwy, Charlotte, N.C. 28269, 501-529-9688, joseph.e.ison@carrier.com

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
9	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	Carrier Engineering Corporation was incorporated in New York on June 26, 1915 by seven engineers led by Willis Carrier. In 1930, Carrier Air Conditioning was formed through the merger of Carrier Engineering Corporation with Brunswick-Kroeschell Company and York Heating & Ventilating Corporation. In 1978, Carrier Corporation, a corporation organized in the State of Delaware, became a wholly owned subsidiary of United Technologies Corporation, and was subsequently spun off as a stand alone company in April of 2020. Carrier Corporation is the leading manufacturer of heating, ventilation and air conditioning equipment and service in the United States with sales totaling approximately \$19 Billion in 2020.
10	What are your company's expectations in the event of an award?	Carrier is currently an incumbent vendor of Sourcewell. Upon award, Carrier will schedule a roll out meeting with the customer to plan and prepare for the execution of the awarded contract, as needed.
11	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Carrier Global Corporation is an American multinational home appliances corporation based in Palm Beach Gardens, Florida. Carrier was founded in 1915 as an independent company manufacturing and distributing heating, ventilating and air conditioning (HVAC) systems, and has since expanded to include manufacturing commercial refrigeration and foodservice equipment, and fire and security technologies. As of 2020, it was an \$18.6 billion company with over 53,000 employees serving customers in 160 countries on six continents. Carrier's Moody rating is Baa3, and the outlook is stable. Carrier's Baa3 senior unsecured rating reflects its long-established leadership position in the global equipment industry. Carrier's significant scale positions it as one of the largest competitors in the sector. The business is exposed to cyclicalities with about 70% of revenue derived from new equipment sales. The ratings consider sizeable debt levels and high financial leverage following the spinoff from United Technologies Corporation in early 2020. Refer to annual report for full financial statements.
12	What is your US market share for the solutions that you are proposing?	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.
13	What is your Canadian market share for the solutions that you are proposing?	N/A
14	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No
15	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Manufacturer and service provider. a) N/A b) Carrier Commercial Service self performs most work, or will serve as a general if specialty sub-contractors are needed on a project. Carrier has 99 service offices throughout North America, and may procure product or materials through our corporate owned warehouses, or through local distribution centers.
16	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Carrier is subject to various registration and licensing requirements in the states and local jurisdictions where it does business and has hundreds of licenses in place in the United States, and Canada.
17	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	N/A

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
18	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>The OptiClean™ Dual-Mode Air Scrubber & Negative Air Machine, Carrier's pioneering solution to help provide healthier indoor air, has been crowned Air Conditioning Innovation of the Year in the RAC Cooling Industry Awards, one of the UK's top building technology awards.</p> <p>The recognition follows the OptiClean unit being named one of TIME's 100 Best Inventions of 2020. The product, currently available in North America and Asia, is expected to launch in Europe this year. Carrier is part of Carrier Global Corporation (NYSE: CARR), a leading global provider of healthy, safe and sustainable building and cold chain solutions.</p> <p>As an air scrubber, the OptiClean unit can improve the indoor air quality of classrooms, restaurants, dental offices, commercial buildings and more, by pulling in air, scrubbing it using a HEPA filter, and then exhausting cleaner air back into the room. It has a footprint of less than three square feet and can plug into a standard wall outlet.</p>
19	What percentage of your sales are to the governmental sector in the past three years	Carrier Corporation is a 19 billion dollar, global entity. Less than 1% of those sales were recognized from the government sector.
20	What percentage of your sales are to the education sector in the past three years	Carrier Corporation is a 19 billion dollar, global entity. Less than 1% of those sales were recognized from the education sector.
21	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.
22	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.

Table 4: References/Testimonials

Line Item 23. Supply reference information from three customers who are eligible to be Sourcwell participating entities.

Entity Name *	Contact Name *	Phone Number *
County of Passaic	Steve Orsini	201-937-2576
Mount Olive Board of Education	Glenn Miller	973 691-4008 x8505
Rutgers University	Glen Vliet	848 445-3714

Table 5: Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
Houston Independent School District	Education	Texas - TX	HVAC preventive maintenance, retrofits, repairs, energy saving upgrades.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.
Redondo Beach School District	Education	California - CA	HVAC capital chiller installations and retrofits, to include boilers, air handlers, and controls systems.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.
BIRMINGHAM BOARD OF EDUCATION	Education	Alabama - AL	HVAC preventive maintenance, retrofits, repairs, energy saving upgrades.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.
Elk Grove School District	Education	California - CA	Supply HVAC equipment, perform startup, and warranty repairs.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.
University of Central Florida	Education	Florida - FL	HVAC capital chiller installations and retrofits, to include boilers, roof top units, and controls systems.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.	Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
25	Sales force.	In North America, Carrier Commercial Service is geographically managed through the Service Center of Excellence, in Charlotte, NC. This centralized location works with 99 field offices that cover the entire continental United States, Hawaii, and Canada.
26	Dealer network or other distribution methods.	Carrier has both company owned direct sales offices, independent distributors and joint venture distributors. In May 1999 Carrier and Watsco, Inc. formed a joint venture to distribute Carrier, Bryant, Payne equipment and Totaline parts. The new name for this distribution network is Carrier Enterprises. These distributors were previously owned 100% by Carrier.
27	Service force.	Commercial Service employs over 2,000 management, professional, clerical personnel, service technicians and technical engineers. We have over 30 million man-hours of service experience. Service technicians belong to local pipefitters unions (optional in right-to-work states), which are part of the United Association of Plumbers and Steamfitters.
28	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	When you partner with Carrier, you will work with a single source, dedicated Service Account Team that will provide 360 degrees of comprehensive solutions. Carrier will work with our client to develop a smart, effective and customized plan, designed to deliver the most value for the equipment and facility. Service options are matched to your required level of coverage; from inspections and annual maintenance, to planned and full maintenance options. When it comes to predictive maintenance services, Carrier is proactive, keeping your equipment at its operating peak performance. In-depth analysis, with our proprietary diagnostic tools, increases reliability and minimizes downtime. Carrier Commercial Service will notify you of any potential issues long before you realize there is a problem. In the event of an emergency outage, Carrier's response time to "tech on site" is typically 4 hours. For routine calls, the response time is generally 8 hours.
29	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Carrier Corporation is a proud incumbent provider to Sourcewell. Carrier will continue to respond to requests from current, and prospective, members of the Sourcewell program.
30	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Carrier Commercial Service in Canada currently provides services to governmental facilities. Our Canada team will respond accordingly to all requests for Sourcewell services.
31	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	Carrier has over 900 dispatch points operating out of 99 service offices in the US and Canada. Carrier Commercial Service provides services to all regions of the US, except Alaska.
32	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Carrier can, and will, service all sectors throughout the US and Canada (except Alaska) via the Sourcewell program.
33	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Carrier Commercial Service provides services to all regions of the US and Canada, to include Hawaii. Carrier does not service Alaska.

Table 7: Marketing Plan

Line Item	Question	Response *
34	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Carrier sends quarterly and annual email correspondence to customers associated with these markets. In addition to our email marketing campaign, Carrier annually attends and participates in the NIGP Forum and trade show. Carrier looks forward to partnering with Sourcewell in a strategic relationship at the show. Examples of Carrier's marketing materials for market solutions may be found at www.carrier.com . Included with the submission package is Carrier Strategic Accounts Marketing brochure.
35	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Carrier's web site www.carrier.com is an effective platform for communicating our offerings to the general public, and prospective clients alike. The site allows us to showcase products and services, sustainable building solutions, and newly developed innovations. Carrier is also active in LinkedIn and Twitter, as a means of communicating current news, and during times of emergency, to alert our customers of our temporary solutions for heating, cooling and power supply.
36	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Carrier will encourage Sourcewell to facilitate introductions on behalf of Carrier with parties that represent a match to our service offerings. The master services agreement will be introduced to the national sales team during the award rollout, and will be accessible to all service personnel on our internal, National Accounts web site.
37	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	N/A

Table 8: Value-Added Attributes

Line Item	Question	Response *
38	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	At the customer's option, Carrier may provide equipment operation training at the customer's facility. This training generally lasts several hours in duration, and encompasses unit operation, weekly routine operations checks, and minor troubleshooting. In addition, the customer may attend factory training at the Service Center of Excellence in Charlotte, N.C.
39	Describe any technological advances that your proposed products or services offer.	Carrier® SMART Service is a dynamic, proactive strategy for enhanced equipment and system management. Through the identification and analysis of chiller and system operating trends, more informed decisions can now be made relative to meeting comfort demands, implementing service, maintenance or repair events and improving a building's financial performance. The benefits include insight into chiller operation and trends, early indication of equipment problems, maximum operating efficiency, mitigating risks by identifying and correcting minor problems before they lead to expensive repairs.
40	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	One of the U.S. Government's testing agencies recently found that Carrier's variable-speed screw chiller consumed less energy and offered a greater range of operating conditions than alternative water-cooled chiller technology. Overseen by the General Services Administration, the Green Proving Ground program appointed Oak Ridge National Laboratory to perform real-world testing of two chillers: one with variable-speed screw technology and the other with maglev centrifugal technology. The findings showed variable-speed screw technology, like that in Carrier's AquaEdge® 23XRV water-cooled chiller, was more efficient, more versatile and required less maintenance than the maglev centrifugal and at a lower installed cost. When compared across a broad range of operating conditions, the variable-speed screw chiller consumed 11 percent less energy than the maglev centrifugal chiller. Based on the data, the variable-speed screw chiller also has an equipment price that is more than 30 percent lower than the maglev centrifugal chiller with the same cooling capacity.
41	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	With Weather Series Rooftop Units featuring EcoBlue™ Technology, Carrier is proving that not all rooftops are created equal. EcoBlue™ Technology includes a more compact vane axial fan, which is an industry first for packaged rooftop units, along with a simplified design that helps lower installation and maintenance costs. Turn to the experts today to learn more and see how we've put a whole new spin on rooftops. Silver award winner of Consulting - Specifying Engineer 2019 Product of the Year.
42	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	Carrier is a publicly traded, fortune 500 corporation and is not minority owned.
43	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	When you partner with Carrier, you'll work with recognized HVAC professionals – all with a clear focus on the importance of every aspect of your investment. Our technicians are certified as Carrier Specialists or Masters - each trained on our products, customer service and thoroughly tested to our standards. Carrier's Tech360 Certification Program is the most progressive learning program in the industry. As Carrier's own servicing entity, we have access to the latest engineering advancements and the most advanced technical servicing tools. Our expansive OEM service network has strategically-located offices in the United States and Canada. Translation: we'll be there whenever you need us... 24/7/365. Environmental Health and Safety (EH&S) is rooted in our culture. We support a multi-faceted EH&S management system which ensures a focused approach to safety every day. On all levels, we adhere to the most stringent safety standards, which translate to safety on your jobsite. Our Achieving Competitive Excellence (ACE) operating system brings you standardized solutions, no guesswork, no variables. We focus on quality, efficiency and consistency at your jobsite and in all our day-to-day business practices.

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
44	Do your warranties cover all products, parts, and labor?	Carrier warrants that all equipment manufactured by Carrier Corporation and all Carrier equipment, parts or components supplied hereunder will be free from defects in material and workmanship. Carrier shall at its option repair or replace, F.O.B. point of sale, any equipment, part or component sold by Carrier and determined to be defective within one (1) year from the date of initial operation or eighteen (18) months from date of shipment, whichever is earlier. Carrier does not warrant products not manufactured by Carrier Corporation, but it does pass on to Customer any available manufacturer's warranty for those products. Carrier warrants that all service provided by Carrier hereunder shall be performed in a workmanlike manner. In the event any such service is determined to be defective within ninety (90) days of completion of that service, Carrier shall at its option re-perform or issue a credit for such service. Carrier's obligation to repair or replace any defective equipment, parts or components during the warranty period shall be Customer's exclusive remedy. Carrier shall not be responsible for labor charges for removal or reinstallation of defective equipment, parts or components, for charges for transportation, handling and shipping or refrigerant loss, or for repairs or replacement of such equipment, parts or components, required as a consequence of faulty installation, misapplication, vandalism, abuse, exposure to chemicals, improper servicing, unauthorized alteration or improper operation by persons other than Carrier.
45	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	No
46	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes
47	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	No
48	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Carrier will warranty products per the manufacturer's guidelines.
49	What are your proposed exchange and return programs and policies?	No items will be accepted for return without prior written authorization. Returned goods may be subject to a restocking charge. Special order and non-stock items cannot be returned.
50	Describe any service contract options for the items included in your proposal.	Carrier offers its customers long-term service agreements providing them with knowledge on new cost-saving and environmental technologies, preventive maintenance, and recommendations on current controls systems. In addition, Carrier has a unique remote diagnostic monitoring tool that can detect potential service problems before they occur. Carrier seeks to reduce the clients operating costs through equipment optimization, equipment baseline analysis, building management solutions, energy savings solutions, equipment modernization, including: retrofit and upgrades and turnkey replacement solutions. Other key resources include: Field service engineers, standard work instructions, expedited parts availability and CarrierROLE®, remote online experts

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
51	Describe any performance standards or guarantees that apply to your services	<p>Carrier warrants that all equipment manufactured by Carrier Corporation and all Carrier equipment, parts or components supplied hereunder will be free from defects in material and workmanship. Carrier shall at its option repair or replace, F.O.B. point of sale, any equipment, part or component sold by Carrier and determined to be defective within one (1) year from the date of initial operation or eighteen (18) months from date of shipment, whichever is earlier. Carrier does not warrant products not manufactured by Carrier Corporation, but it does pass on to Customer any available manufacturer's warranty for those products. Carrier warrants that all service provided by Carrier hereunder shall be performed in a workmanlike manner. In the event any such service is determined to be defective within ninety (90) days of completion of that service, Carrier shall at its option re-perform or issue a credit for such service, Carrier's obligation to repair or replace any defective equipment, parts or components during the warranty period shall be Customer's exclusive remedy. Carrier shall not be responsible for labor charges for removal or reinstallation of defective equipment, parts or components, for charges for transportation, handling and shipping or refrigerant loss, or for repairs or replacement of such equipment, parts or components, required as a consequence of faulty installation, misapplication, vandalism, abuse, exposure to chemicals, improper servicing, unauthorized alteration or improper operation by persons other than Carrier.</p>
52	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	<p>Quality Assurance of Products & Services</p> <p>In early 1990, Carrier's Service Marketing Division developed a process for Service Product Design and Implementation. Once a concept is established, it progresses through a feasibility study, where customers are consulted via focus groups or questionnaires. If management approval is obtained, a multi-functional team selected from marketing and operations is formed to undertake the project.</p> <p>Consequently, field training must take place for the proper delivery of the service product. This can be a concurrent activity with the technical training that must accompany each product. Training sessions are held at the region or district offices, with all office personnel involved. This includes the clerical people who administer the product, the engineers who may be called upon to install the product, the managers who manage the product's introduction, and the technicians who are involved in product installation and delivery.</p> <p>In product introduction, the project manager meets with quality review teams and suppliers to assure that the final product meets the initial goals for the product. Once the product is field implemented, the Customer Service Report (CSR) provides the means to communicate product deficiencies. Service marketing compiles the data via statistical analysis and the information is passed on to the appropriate suppliers.</p> <p>What service was sold versus what service was performed is a key indicator in the service business. Method of documentation of this indicator includes a computerized scheduling system, and the Customer Service Report (CSR) time tickets.</p> <p>The Customer Service Report (CSR), is a critical document for conformity. The CSR consists of several sections. The equipment information, model and serial numbers are recorded to identify the machine. A task code is used to identify the work done. Additionally, operating log readings are taken to verify the proper operation of the machine within design conditions. Calculations are done by the mechanic to confirm that operation is within the design specifications. Space on the form is dedicated to parts used, written description of work done and abnormalities discovered by the servicing mechanic. Finally, after all service is performed, customer signatures are obtained to verify that the work was done to the customer's satisfaction.</p> <p>The service performance key indicators are measured monthly by management. If any discrepancies are noted, the next level of management meets with the entity, determines the root cause of the existing performance as a comparison to plan and develop action plans to rectify the situation. These action plans detail specific areas of concern, outlining actions to be taken, timing, and responsibilities. Monthly follow-ups are conducted and actual results compared to planned results. Further corrective actions are taken as required.</p> <p>For product hardware, statistics and data compiled by the CSR Report feedback process determines product deficiencies. Its purpose is to allow the mechanic to receive technical assistance during startup, to give feedback to engineering on problems encountered with the unit. This information is shared with the components supplier and action items implemented to correct the situation. Management makes a required vendor visit to assure that the proper actions are implemented.</p> <p>In a distributed technical organization, there is the need to communicate service instructions across the nation. The principle vehicles for these transfers of information are the Service Bulletin and Equipment Technical Manuals.</p> <p>The need to generate technical bulletins is created by the input received from the field service organization through Customer Service Report (CSR) documents which are reviewed by U.S Field Operations (USFO) customer assurance personnel and field requests for assistance.</p> <p>Carrier uses both formal and informal approaches to assess the quality of its systems, processes, practices, products and services. Formally, Carrier Systems and Services assess the quality of the above with measurements. Some of the measurements include yearly audits (i.e., policies, procedures, purchasing, signature authority, safety), product failure rates on a monthly basis, service agreement cancellations, customer surveys (customer satisfaction index), and customer complaints.</p> <p>There are Product Management Councils set up to monitor, review and take action for specific products. Examples are the chiller, airside products, and controls products quality councils which meet on a quarterly basis or as required.</p> <p>Carrier is committed to delivering a quality product or service at an appropriate price. We have or are implementing processes that allow us to measure the quality of our current offerings, assess opportunities for improvement and implement changes, when needed, to improve our quality or modify our products to meet new customer requirements.</p>

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
53	Describe your payment terms and accepted payment methods?	Net 30. Payment is accepted via check, credit card, or wire.
54	Describe any leasing or financing options available for use by educational or governmental entities.	N/A
55	Briefly describe your proposed order process. Include enough detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell participating entities' purchase orders.	Rather than utilize a dealer network, Carrier Corp directly employs its sales and service force. As a Sourcewell incumbent, Carrier has successfully provided quarterly reports since 2017.
56	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Carrier has created a pricing template which details contract labor rates, material markups, and equipment discounts from master pricing. This document is distributed to our field upon contract award, and stored on a shared drive for all company employees to access. Template uploaded to this RFP as a reference.
57	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, and at no additional costs.

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
58	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	See attached pricing template.
59	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	See attached pricing template.
60	Describe any quantity or volume discounts or rebate programs that you offer.	None.
61	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Sourced Parts are generally marked up using a pre-negotiated Mark up schedule. See attached pricing template for rates.
62	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Trip charges and consumable charges apply to every visit.
63	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All shipments shall be F.O.B. shipping point, freight prepaid and allowed to the job site. Shipment dates quoted are approximate. Carrier does not guarantee a particular date for shipment or delivery. Carrier shall have the right to ship any portion of the equipment included in this Agreement and invoice Customer for such partial shipment.
64	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Same as above.
65	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Any unique requirements will be discussed on a customer by customer basis.

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
66	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
67	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.	Carrier Corporation utilizes a pricing tool that can be pre-loaded with Sourcewell's pre-negotiated rates, and markups. This ensures that users are compliant while creating competitive bids for Sourcewell members. A National Account Manager will review all bids prior to submission to ensure consistency, and correctness.
68	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	The Carrier National Account Manager will use two tools to track the Sourcewell contract usage. One is a tracking list maintained by the National Account Manager, and the equipment team. The second resides in our service-sales software, which will track and report quoted or sold jobs throughout the life of the contract.
69	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	2%

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
70	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Heating, ventilation, air-conditioning and refrigeration systems, controls, services, and sustainable solutions for commercial, industrial, and transportation applications.
71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Parts sales, new equipment factory startup, turnkey product installations, upgrades, indoor air quality solutions.

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
72	HVAC, IAQ, and water heating or treatment infrastructure, equipment, components, products, parts, and related technology	<input checked="" type="radio"/> Yes <input type="radio"/> No	Carrier offers a full line of products and solutions for building occupants' comfort, health, and well being, and industrial cooling. This includes new equipment, parts, labor, warranty, and turnkey installations.
73	Sensors, controls, thermostats, gauges, and system automation or management products and technology	<input checked="" type="radio"/> Yes <input type="radio"/> No	Carrier sells a full line of OEM replacement components, and can source parts from all other HVAC manufacturers as well.
74	Services related to the offering of the solutions described in Lines 72 and 73 of Table 14B above, including installation, maintenance, repair, refurbishment, replacement, system upgrades, emergency or short-term HVAC equipment rental, assessment, integration, training, support, and customization	<input checked="" type="radio"/> Yes <input type="radio"/> No	Carrier seeks to reduce the clients operating costs through equipment optimization, equipment baseline analysis, building management solutions, energy savings solutions, equipment modernization, including: retrofit and upgrades and turnkey replacement solutions. Other key resources include: Field service engineers, standard work instructions, expedited parts availability and CarrierROLE®, remote online experts

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents**Ensure your submission document(s) conforms to the following:**

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

[Pricing](#) - Sourcewell RFP 5-19-21 Carrier Equipment Products and Pricing.xlsx - Wednesday June 30, 2021 15:03:46

[Financial Strength and Stability](#) - Carrier-2020-Annual-Report.pdf - Monday June 21, 2021 10:32:55

[Marketing Plan/Samples](#) - Strategic Accounts Overview.pdf - Monday June 28, 2021 09:17:40

WMBE/MBE/SBE or Related Certificates (optional)

[Warranty Information](#) - Carrier Warranty and Terms.pdf - Monday June 21, 2021 10:33:20

[Standard Transaction Document Samples](#) - Sourcewell RFP 5-19-21 Carrier Equipment Products and Pricing.xlsx - Wednesday June 30, 2021 15:04:38

[Upload Additional Document](#) - RFP_070121_HVAC_Systems_Services_Contract_Template Sourcewell redline for Carrier 5.25.2021.docx - Monday June 21, 2021 10:33:43

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcwell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcwell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcwell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcwell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Alex Relf, Strategic Account Manager, Carrier Global Corp

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_4_HVAC_Systems_Services_RFP_070121 Tue June 22 2021 04:10 PM	<input checked="" type="checkbox"/>	1
Addendum_3_HVAC_Systems_Services_RFP_070121 Wed May 26 2021 04:55 PM	<input checked="" type="checkbox"/>	1
Addendum_2_HVAC_Systems_Services_RFP_070121 Tue May 18 2021 03:45 PM	<input checked="" type="checkbox"/>	1
Addendum_1_HVAC_Systems_Services_RFP_070121 Mon May 17 2021 01:50 PM	<input checked="" type="checkbox"/>	1



STAFF REPORT

Police Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

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

SUBJECT: GRANT AWARD FROM THE OFFICE OF TRAFFIC SAFETY – SELECTIVE TRAFFIC ENFORCEMENT PROGRAM FOR REIMBURSEMENT OF COSTS RELATED TO VARIOUS TRAFFIC ENFORCEMENT OPERATIONS IN THE AMOUNT OF \$60,000
CEQA: Not a Project
Recommendation: Accept

SUMMARY

The Arcadia Police Department has applied for a grant from the California Office of Traffic Safety (“OTS”) for the 2024 Selective Traffic Enforcement Program, which will reimburse expenses related to traffic enforcement operations during the period of October 1, 2023, through September 30, 2024. OTS has approved Arcadia’s funding request of approximately \$60,000. With City Council approval, the grant agreement will be fully executed on or before November 30, 2023.

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act (“CEQA”); and accept a grant award from the Office of Traffic Safety – Selective Traffic Enforcement Program, for reimbursement of costs related to various traffic enforcement operations in the amount of \$60,000.

BACKGROUND

The Selective Traffic Enforcement Program (“STEP”) is administered and coordinated by OTS directly. The grant is designed to help reduce the number of persons killed and/or injured in crashes involving alcohol, speed, running red lights, and other primary collision factors. The program funds various enforcement strategies, including DUI saturation patrols to apprehend impaired drivers, warrant service operations targeting DUI violators who fail to appear in court or violate probation, and stakeouts. The program also supports measures that concentrate on speed, aggressive driving, seat belt enforcement, intersection operations with disproportionate numbers of traffic collisions, traffic safety presentations, and special enforcement operations encouraging motorcycle safety. A copy of the Office of Traffic Safety grant is attached to this staff report.

Overall, the grant is used to mitigate traffic safety program deficiencies, expand ongoing activity, or develop new programs. Grant funding cannot replace existing program expenditures, nor can traffic safety funds be used for program maintenance, research, rehabilitation, or construction.

DISCUSSION

The Selective Traffic Enforcement Program (“STEP”) will reimburse the City for personnel costs, supplies, and travel expenses related to conferences and training that support STEP and/or traffic safety goals, in an amount not to exceed \$60,000. In addition, during the federal Fiscal Year of October 2023 to September 2024, the Department will engage in several DUI saturation operations, warrant service operations, traffic enforcement operations, distracted driving operations, and traffic safety presentations.

The grant award will be distributed on a reimbursement basis. OTS will reimburse the City for all pre-approved costs upon receipt of the Department’s quarterly claims. The City will be required to comply with the terms and conditions of the grant for each reimbursement request, including expense reporting and auditing.

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. Thus, this matter is exempt under CEQA.

FISCAL IMPACT

The anticipated OTS STEP expenditures have been included in the adopted Fiscal Year 2023-24 Budget. All costs related to the Program will be offset by reimbursement at the end of the grant period, in the amount of approximately \$60,000.

RECOMMENDATION

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act (“CEQA”); and accept a grant award from the Office of Traffic Safety – Selective Traffic Enforcement Program for reimbursement of costs related to various traffic enforcement operations in the amount of \$60,000.

Approved:



Dominic Lazzaretto
City Manager

Attachment: Draft Grant Agreement with the Office of Traffic Safety

1. GRANT TITLE Selective Traffic Enforcement Program (STEP)	
2. NAME OF AGENCY Arcadia	3. Grant Period From: 10/01/2023 To: 09/30/2024
4. AGENCY UNIT TO ADMINISTER GRANT Arcadia Police Department	
5. GRANT DESCRIPTION Best practice strategies will be conducted to reduce the number of persons killed and injured in crashes involving alcohol and other primary crash factors. The funded strategies may include impaired driving enforcement, enforcement operations focusing on primary crash factors, distracted driving, night-time seat belt enforcement, special enforcement operations encouraging motorcycle safety, enforcement and public awareness in areas with a high number of bicycle and pedestrian crashes, and educational programs. These strategies are designed to earn media attention thus enhancing the overall deterrent effect.	
6. Federal Funds Allocated Under This Agreement Shall Not Exceed: \$60,000.00	
7. TERMS AND CONDITIONS: The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement: <ul style="list-style-type: none"> • Schedule A – Problem Statement, Goals and Objectives and Method of Procedure • Schedule B – Detailed Budget Estimate and Sub-Budget Estimate (if applicable) • Schedule B-1 – Budget Narrative and Sub-Budget Narrative (if applicable) • Exhibit A – Certifications and Assurances • Exhibit B* – OTS Grant Program Manual • Exhibit C – Grant Electronic Management System (GEMS) Access <p>*Items shown with an asterisk (*), are hereby incorporated by reference and made a part of this agreement as if attached hereto.</p> <p>These documents can be viewed at the OTS home web page under Grants: www.ots.ca.gov.</p> <p>We, the officials named below, hereby swear under penalty of perjury under the laws of the State of California that we are duly authorized to legally bind the Grant recipient to the above described Grant terms and conditions.</p> <p>IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.</p>	
8. Approval Signatures	
A. GRANT DIRECTOR NAME: Brett Bourgeois TITLE: Lieutenant EMAIL: bbourgeois@arcadiaca.gov PHONE: (626) 574-5183 ADDRESS: 250 W. Huntington Drive P.O. Box 60021 Arcadia, CA 91066-6021 _____ (_____) (_____) (Signature) (Date)	B. AUTHORIZING OFFICIAL NAME: Roy Nakamura TITLE: Chief of Police EMAIL: rnakamura@arcadiaca.gov PHONE: (626) 574-5178 ADDRESS: 250 W. Huntington Drive Arcadia, CA 91007 _____ (_____) (_____) (Signature) (Date)
C. FISCAL OFFICIAL NAME: Henry Chen TITLE: Financial Service Director EMAIL: hchen@arcadiaca.gov PHONE: (626) 574-5427 ADDRESS: 240 W. Huntington Drive Arcadia, CA 91007 _____ (_____) (_____) (Signature) (Date)	D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY NAME: Barbara Rooney TITLE: Director EMAIL: barbara.rooney@ots.ca.gov PHONE: (916) 509-3030 ADDRESS: 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758 _____ (_____) (_____) (Signature) (Date)

<p>E. ACCOUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY</p> <p>NAME: Carolyn Vu ADDRESS: 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758</p>	<p>9. SAM INFORMATION</p> <p>SAM #: Tk8GVJYL4GQ4 REGISTERED ADDRESS: 240 W. Huntington Drive CITY: Arcadia ZIP+4: 91007-3401</p>
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10. PROJECTED EXPENDITURES						
FUND	CFDA	ITEM/APPROPRIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
				AGREEMENT TOTAL		\$60,000.00
				AMOUNT ENCUMBERED BY THIS DOCUMENT		\$60,000.00
<i>I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.</i>				PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT		\$ 0.00
				TOTAL AMOUNT ENCUMBERED TO DATE		\$60,000.00
OTS ACCOUNTING OFFICER'S SIGNATURE			DATE SIGNED			

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1. PROBLEM STATEMENT

The City of Arcadia is in Los Angeles County and has a population of approximately 57,000 people. In addition to the permanent residents, tens of thousands of people come to the City of Arcadia daily for work, tourism, and recreational activities. Traffic volumes can be extremely heavy throughout the city, due to the following reasons: There are five major east/west running arterial streets connecting Arcadia to surrounding cities, which generate a high volume of commuter traffic. Additionally, numerous vehicles bypass the 210 Freeway during peak commute hours and travel on local roadways through the city. Furthermore, the City of Arcadia has two major businesses - the Shops at Santa Anita Mall and the Santa Anita Racetrack. In addition to these venues, the Los Angeles County Arboretum hosts concerts and special events throughout the year. These three destinations attract tens of thousands of patrons daily, and, during peak hours, there can be over one hundred thousand persons in the city. Finally, there are many large medical buildings in town, in addition to the USC Arcadia Hospital, which provides services to residents from surrounding communities.

The Department's Traffic Bureau has fluctuated between full, and less than full staffing, in recent years. However, because of current staffing issues, the Traffic Bureau has been disbanded. Despite vacancies, Department personnel strive to provide a high level of service to the Arcadia community.

In 2018, two (2) fatal traffic crashes occurred with two (2) victims. The PCF for the first fatal crash was V.C. 21951 - Passing a Vehicle Stopped at a Crosswalk. The PCF for the second crash was V.C. 21955 - Jaywalking. In 2019, one (1) fatal traffic crash occurred with one (1) victim. The PCF was V.C. 23152(a) - DUI Alcohol. In 2020, one (1) fatal traffic crash occurred with one (1) victim. The PCF was V.C. 21453(a) - Red Light violation. In 2021, four (4) fatal traffic crashes occurred with four (4) victims. The PCF for the first fatal crash was V.C. 22348(b) - Speeding over 100MPH. The PCF for the second fatal crash was V.C. 191.5(a) - Gross Vehicular Manslaughter with an associated PCF of V.C. 23153(a) - Felony DUI Causing Injury. The PCF for the third fatal crash was V.C. 21658(a) - Failure to Maintain a Direct Course of Travel with an associated factor of a possible medical emergency. The PCF for the fourth fatal crash was classified as - Other Than Driver. It appears the driver had a medical emergency prior to the crash. In 2022, one (1) fatal traffic crash occurred with one (1) victim. The PCF was VC 22350 - Unsafe Speed. A review of the data shows that crashes involving pedestrians, red light violations, speeding, and alcohol/drug impairment have caused crashes resulting in fatalities.

In 2016, a total of 957 traffic crashes occurred, where 369 persons sustained injuries. In 2017, a total of 904 traffic crashes occurred, where 292 persons sustained injuries in 208 crashes. In 2018, a total of 836 traffic crashes occurred, where 323 persons sustained injuries in 237 crashes. In 2019, a total of 841 traffic crashes occurred, where 282 persons sustained injuries in 204 crashes. In 2020, a total of 449 traffic crashes occurred, where 196 persons sustained injuries in 145 crashes. In 2021, a total of 561 traffic crashes occurred, where 228 persons sustained injuries in 172 crashes. In 2022, a total of 567 traffic crashes occurred, where 270 persons sustained injuries in 204 crashes.

Since 2016, the overall number of traffic crashes has decreased. This could be due to many factors, including fewer vehicles traveling on roadways during the COVID pandemic. Although the number of crashes has decreased in recent years the average number of persons injured remains relatively high, with an average of 280 persons being injured in traffic crashes since 2016. It is our hope that grant-related enforcement activities, targeting primary crash factor violations, will help reduce the number of traffic crashes, injuries, and fatalities.

2. PERFORMANCE MEASURES

A. Goals:

1. Reduce the number of persons killed in traffic crashes.
2. Reduce the number of persons injured in traffic crashes.
3. Reduce the number of pedestrians killed in traffic crashes.
4. Reduce the number of pedestrians injured in traffic crashes.
5. Reduce the number of bicyclists killed in traffic crashes.

6. Reduce the number of bicyclists injured in traffic crashes.
7. Reduce the number of persons killed in alcohol-involved crashes.
8. Reduce the number of persons injured in alcohol-involved crashes.
9. Reduce the number of persons killed in drug-involved crashes.
10. Reduce the number of persons injured in drug-involved crashes.
11. Reduce the number of persons killed in alcohol/drug combo-involved crashes.
12. Reduce the number of persons injured in alcohol/drug combo-involved crashes.
13. Reduce the number of motorcyclists killed in traffic crashes.
14. Reduce the number of motorcyclists injured in traffic crashes.
15. Reduce hit & run fatal crashes.
16. Reduce hit & run injury crashes.
17. Reduce nighttime (2100 - 0259 hours) fatal crashes.
18. Reduce nighttime (2100 - 0259 hours) injury crashes.

B. Objectives:	Target Number
1. Issue a press release announcing the kick-off of the grant by November 15. The kick-off press releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at pio@ots.ca.gov , and copied to your OTS Coordinator, for approval 14 days prior to the issuance date of the release.	1
2. Participate and report data (as required) in the following campaigns; Quarter 1: National Walk to School Day, National Teen Driver Safety Week, NHTSA Winter Mobilization; Quarter 3: National Distracted Driving Awareness Month, National Motorcycle Safety Month, National Bicycle Safety Month, National Click it or Ticket Mobilization; Quarter 4: NHTSA Summer Mobilization, National Child Passenger Safety Week, and California's Pedestrian Safety Month.	10
3. Develop (by December 31) and/or maintain a "DUI BOLO" program to notify patrol and traffic officers to be on the lookout for identified repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. Updated DUI BOLOs should be distributed to patrol and traffic officers monthly.	12
4. Send law enforcement personnel to the NHTSA Standardized Field Sobriety Testing (SFST) (minimum 16 hours) POST-certified training.	5
5. Send law enforcement personnel to the NHTSA Advanced Roadside Impaired Driving Enforcement (ARIDE) 16 hour POST-certified training.	5
6. Send law enforcement personnel to the Drug Recognition Expert (DRE) training.	2
7. Conduct DUI/DL Checkpoints. A minimum of 1 checkpoint should be conducted during the NHTSA Winter Mobilization and 1 during the Summer Mobilization. To enhance the overall deterrent effect and promote high visibility, it is recommended the grantee issue an advance press release and conduct social media activity for each checkpoint. For combination DUI/DL checkpoints, departments should issue press releases that mention DL's will be checked at the DUI/DL checkpoint. Signs for DUI/DL checkpoints should read "DUI/Driver's License Checkpoint Ahead." OTS does not fund or support independent DL checkpoints. Only on an exception basis and with OTS pre-approval will OTS fund checkpoints that begin prior to 1800 hours. When possible, DUI/DL Checkpoint screeners should be DRE- or ARIDE-trained.	2
8. Conduct DUI Saturation Patrol operation(s).	4
9. Conduct Traffic Enforcement operation(s), including but not limited to, primary crash factor violations.	4
10. Conduct highly publicized Distracted Driving enforcement operation(s) targeting drivers using hand held cell phones and texting.	2
11. Conduct Nighttime (1800-0559) Click It or Ticket enforcement operation(s).	1
12. Conduct highly publicized pedestrian and/or bicycle enforcement operation(s) in areas or during events with a high number of pedestrian and/or bicycle crashes resulting from violations made by pedestrians, bicyclists, and drivers.	2
13. Conduct Traffic Safety educational presentation(s) with an effort to reach community members. Note: Presentation(s) may include topics such as distracted	2

driving, DUI, speed, bicycle and pedestrian safety, seat belts and child passenger safety.	
14. Participate in highly visible collaborative DUI Enforcement operations.	2
15. Participate in highly visible collaborative Traffic Enforcement operations.	2
16. Send law enforcement personnel to DUI Checkpoint Planning and Management training.	2

3. METHOD OF PROCEDURE

A. Phase 1 – Program Preparation (1st Quarter of Grant Year)

- The department will develop operational plans to implement the “best practice” strategies outlined in the objectives section.
- All training needed to implement the program should be conducted in the first quarter.
- All grant related purchases needed to implement the program should be made in the first quarter.
- In order to develop/maintain the “DUI BOLOs,” research will be conducted to identify the “worst of the worst” repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. The DUI BOLO may include the driver’s name, last known address, DOB, description, current license status, and the number of times suspended or revoked for DUI. DUI BOLOs should be updated and distributed to traffic and patrol officers at least monthly.
- Implementation of the STEP grant activities will be accomplished by deploying personnel at high crash locations.

Media Requirements Issue a press release approved by the OTS PIO announcing the kick-off of the grant by November 15, but no sooner than October 1. The kick-off release must be approved by the OTS PIO and only distributed after the grant is fully signed and executed. If you are unable to meet the November 15 deadline to issue a kick-off press release, communicate reasons to your OTS coordinator and OTS PIO.

B. Phase 2 – Program Operations (Throughout Grant Year)

- The department will work to create media opportunities throughout the grant period to call attention to the innovative program strategies and outcomes.

Media Requirements

The following requirements are for all grant-related activities:

- Send all media advisories, alerts, videos, graphics, artwork, posters, radio/PSA/video scripts, storyboards, digital and/or print educational materials for grant-related activities to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS coordinator. Optimum lead time would be 7 days before the scheduled release but at least 3 business days prior to the scheduled release date for review and approval is appreciated.
- The OTS PIO is responsible for the approval of the design and content of materials. The agency understands OTS PIO approval is not authorizing approval of budget expenditure or cost. Any cost approvals must come from the Coordinator.
- Pre-approval is not required when using any OTS-supplied template for media advisories, press releases, social media graphics, videos or posts, or any other OTS-supplied educational material. However, copy the OTS PIO at pio@ots.ca.gov and your OTS coordinator when any material is distributed to the media and public, such as a press release, educational material, or link to social media post. The OTS-supplied kick-off press release templates and any kickoff press releases are an exception to this policy and require prior approval before distribution to the media and public.
- If an OTS-supplied template, educational material, social media graphic, post or video is substantially changed, the changes shall be sent to the OTS PIO at pio@ots.ca.gov for approval and copy to your OTS Coordinator. Optimum lead time would be 7 days prior to the scheduled release date, but at least 3 business days prior to the scheduled release date for review and approval is appreciated.
- Press releases, social media posts and alerts on platforms such as NextDoor and Nixle reporting immediate and time-sensitive grant activities (e.g. enforcement operations, day of event highlights or announcements, event invites) are exempt from the OTS PIO approval process. The OTS PIO and your Coordinator should still be notified when the grant-related activity is happening (e.g. car seat checks, bicycle rodeos, community presentations, DUI checkpoints, etc.).

- Enforcement activities such as warrant and probation sweeps, court stings, etc. that are embargoed or could impact operations by publicizing in advance are exempt from the PIO approval process. However, announcements and results of activities should still be copied to the OTS PIO at pio@ots.ca.gov and your Coordinator with embargoed date and time or with “INTERNAL ONLY: DO NOT RELEASE” message in subject line of email.
- Any earned or paid media campaigns for TV, radio, digital or social media that are part of a specific grant objective, using OTS grant funds, or designed and developed using contractual services by a subgrantee, requires prior approval. Please send to the OTS PIO at pio@ots.ca.gov for approval and copy your grant coordinator at least 3 business days prior to the scheduled release date.
- Social media posts highlighting state or national traffic safety campaigns (Distracted Driving Month, Motorcycle Safety Awareness Month, etc.), enforcement operations (DUI checkpoints, etc.), or any other grant-related activity such as Bicycle rodeos, presentations, or events, are highly encouraged but do not require prior approval.
- Submit a draft or rough-cut of all digital, printed, recorded or video material (brochures, posters, scripts, artwork, trailer graphics, digital graphics, social posts connected to an earned or paid media campaign grant objective) to the OTS PIO at pio@ots.ca.gov and copy your OTS Coordinator for approval prior to the production or duplication.
- Use the following standard language in all press, media, and printed materials, space permitting: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.
- Space permitting, include the OTS logo on all grant-funded print materials, graphics and paid or earned social media campaign grant objective; consult your OTS Coordinator for specifics, format-appropriate logos, or if space does not permit the use of the OTS logo.
- Email the OTS PIO at pio@ots.ca.gov and copy your OTS Coordinator at least 21 days in advance, or when first confirmed, a short description of any significant grant-related traffic safety event or program, particularly events that are highly publicized beforehand with anticipated media coverage so OTS has sufficient notice to arrange for attendance and/or participation in the event. If unable to attend, email the OTS PIO and coordinator brief highlights and/or results, including any media coverage (broadcast, digital, print) of event within 7 days following significant grant-related event or program. Media and program highlights are to be reflected in QPRs.
- Any press releases, work plans, scripts, storyboards, artwork, graphics, videos or any educational or informational materials that received PIO approval in a prior grant year needs to be resubmitted for approval in the current grant year.
- Contact the OTS PIO or your OTS Coordinator for consultation when changes from any of the above requirements might be warranted.

C. Phase 3 – Data Collection & Reporting (Throughout Grant Year)

1. Prepare and submit grant claim invoices (due January 30, April 30, July 30, and October 30)
2. Prepare and submit Quarterly Performance Reports (QPR) (due January 30, April 30, July 30, and October 30)
 - Collect and report quarterly, appropriate data that supports the progress of goals and objectives.
 - Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
 - Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
 - Collect, analyze and report statistical data relating to the grant goals and objectives.

4. METHOD OF EVALUATION

Using the data compiled during the grant, the Grant Director will complete the “Final Evaluation” section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant’s accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

5. ADMINISTRATIVE SUPPORT

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

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FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT
164AL-24	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	\$35,000.00
402PT-24	20.600	State and Community Highway Safety	\$25,000.00

COST CATEGORY	FUND NUMBER	UNIT COST OR RATE	UNITS	TOTAL COST TO GRANT
A. PERSONNEL COSTS				
<u>Straight Time</u>				
				\$0.00
<u>Overtime</u>				
DUI/DL Checkpoints	164AL-24	\$9,600.00	2	\$19,200.00
DUI Saturation Patrols	164AL-24	\$2,400.00	4	\$9,600.00
Collaborative DUI Enforcement	164AL-24	\$1,470.00	2	\$2,940.00
Benefits for 164AL OT@ 1.45%	164AL-24	\$31,740.00	1	\$460.00
Traffic Enforcement	402PT-24	\$2,100.00	4	\$8,400.00
Distracted Driving	402PT-24	\$2,000.00	2	\$4,000.00
Pedestrian and Bicycle Enforcement	402PT-24	\$2,000.00	2	\$4,000.00
Night-time Click It Or Ticket	402PT-24	\$2,000.00	1	\$2,000.00
Collaborative Traffic Enforcement	402PT-24	\$1,300.00	2	\$2,600.00
Traffic Safety Education	402PT-24	\$300.00	2	\$600.00
Benefits for 402PT OT @ 1.45%	402PT-24	\$21,600.00	1	\$313.00
Category Sub-Total				\$54,113.00
B. TRAVEL EXPENSES				
In State Travel	402PT-24	\$3,087.00	1	\$3,087.00
				\$0.00
Category Sub-Total				\$3,087.00
C. CONTRACTUAL SERVICES				
				\$0.00
Category Sub-Total				\$0.00
D. EQUIPMENT				
				\$0.00
Category Sub-Total				\$0.00
E. OTHER DIRECT COSTS				
DUI Checkpoint Supplies	164AL-24	\$2,000.00	1	\$2,000.00
Phlebotomist	164AL-24	\$400.00	2	\$800.00
Category Sub-Total				\$2,800.00
F. INDIRECT COSTS				
				\$0.00
Category Sub-Total				\$0.00
GRANT TOTAL				\$60,000.00

BUDGET NARRATIVE
PERSONNEL COSTS
DUI/DL Checkpoints - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
DUI Saturation Patrols - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Collaborative DUI Enforcement - Overtime for grant funded Collaborative DUI Enforcement operations conducted by appropriate department personnel
Benefits for 164AL OT@ 1.45% - Benefit breakdown: Medicare @ 1.45%
Traffic Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Distracted Driving - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Pedestrian and Bicycle Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Night-time Click It Or Ticket - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.
Collaborative Traffic Enforcement - Overtime for grant funded Collaborative Traffic Enforcement operations conducted by appropriate department personnel
Traffic Safety Education - Overtime for grant funded traffic safety presentations or campaigns conducted by appropriate department personnel.
Benefits for 402PT OT @ 1.45% - Benefit breakdown: Medicare @ 1.45%
TRAVEL EXPENSES
In State Travel - Costs are included for appropriate staff to attend conferences and training events supporting the grant goals and objectives and/or traffic safety. Local mileage for grant activities and meetings is included. Anticipated travel may include the OTS Traffic Safety Law Enforcement Forum and the California Traffic Safety Summit. All conferences, seminars or training not specifically identified in the Budget Narrative must be approved by OTS. All travel claimed must be at the agency approved rate. Per Diem may not be claimed for meals provided at conferences when registration fees are paid with OTS grant funds.
CONTRACTUAL SERVICES
-
EQUIPMENT
-
OTHER DIRECT COSTS
DUI Checkpoint Supplies - On-scene supplies needed to conduct sobriety checkpoints. Costs may include 28" traffic cones, MUTCD compliant traffic signs, MUTCD compliant high visibility vests (maximum of 10), traffic counters (maximum of 2), generator, gas for generators, lighting, reflective banners, electronic flares, PAS Device/Calibration Supplies, heater, propane for heaters, fan, anti-fatigue mats, and canopies. Additional items may be purchased if approved by OTS. The cost of food and beverages will not be reimbursed. Each item must have a unit cost of less than \$5,000 (including tax and shipping).
Phlebotomist - To draw and collect blood samples during OTS funded grant operations from suspected DUI drivers on scene as evidence in support of DUI convictions in a court of law.
INDIRECT COSTS
-
STATEMENTS/DISCLAIMERS
There will be no program income generated from this grant.

Nothing in this “agreement” shall be interpreted as a requirement, formal or informal, that a particular law enforcement officer issue a specified or predetermined number of citations in pursuance of the goals and objectives here under.

Benefits for personnel costs can only be applied to straight time or overtime hours charged to the grant.

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Certifications and Assurances for Fiscal Year 2024 Highway Safety Grants (23 U.S.C. Chapter 4 or Section 1906, Public Law 109-59, as amended by Section 25024, Public Law 117-58)

The officials named on the grant agreement, certify by way of signature on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies, and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include, but are not limited to, the following:

GENERAL REQUIREMENTS

The State will comply with applicable statutes and regulations, including but not limited to:

- 23 U.S.C. Chapter 4—Highway Safety Act of 1966, as amended;
- Sec. 1906, [Public Law 109-59](#), as amended by Sec. 25024, [Public Law 117-58](#);
- [23 CFR part 1300](#)—Uniform Procedures for State Highway Safety Grant Programs;
- [2 CFR part 200](#)—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- [2 CFR part 1201](#)—Department of Transportation, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

NONDISCRIMINATION

(applies to all subrecipients as well as States)

The State highway safety agency [and its subrecipients] will comply with all Federal statutes and implementing regulations relating to nondiscrimination (“Federal Nondiscrimination Authorities”). These include but are not limited to:

- *Title VI of the Civil Rights Act of 1964* ([42 U.S.C. 2000d](#) et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- [49 CFR part 21](#) (entitled *Non-discrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964*);
- [28 CFR 50.3](#) (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);
- *The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, ([42 U.S.C. 4601](#)), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- *Federal-Aid Highway Act of 1973*, ([23 U.S.C. 324 et seq.](#)), and *Title IX of the Education Amendments of 1972*, as amended ([20 U.S.C. 1681-1683](#) and [1685-1686](#)) (prohibit discrimination on the basis of sex);
- *Section 504 of the Rehabilitation Act of 1973*, ([29 U.S.C. 794 et seq.](#)), as amended, (prohibits discrimination on the basis of disability) and [49 CFR part 27](#);
- *The Age Discrimination Act of 1975*, as amended, ([42 U.S.C. 6101 et seq.](#)), (prohibits discrimination on the basis of age);
- *The Civil Rights Restoration Act of 1987*, (Pub. L. 100-209), (broadens scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- *Titles II and III of the Americans with Disabilities Act* ([42 U.S.C. 12131-12189](#)) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and [49 CFR parts 37](#) and [38](#);
- [Executive Order 12898](#), *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations* (preventing discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- [Executive Order 13166](#), *Improving Access to Services for Persons with Limited English Proficiency* (requiring that recipients of Federal financial assistance provide meaningful access for applicants and beneficiaries who have limited English proficiency (LEP));
- [Executive Order 13985](#), *Advancing Racial Equity and Support for Underserved Communities through the Federal Government* (advancing equity across the Federal Government); and
- [Executive Order 13988](#), *Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation* (clarifying that sex discrimination includes discrimination on the grounds of gender identity or sexual orientation).

The preceding statutory and regulatory cites hereinafter are referred to as the “Acts” and “Regulations,” respectively.

GENERAL ASSURANCES

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

“No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, for which the Recipient receives Federal financial assistance from DOT, including NHTSA.”

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI of the Civil Rights Act of 1964 and other non-discrimination requirements (the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these nondiscrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

SPECIFIC ASSURANCES

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted Highway Safety Grant Program:

1. The Recipient agrees that each “activity,” “facility,” or “program,” as defined in § 21.23(b) and (c) of [49 CFR part 21](#) will be (with regard to an “activity”) facilitated, or will be (with regard to a “facility”) operated, or will be (with regard to a “program”) conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with all Highway Safety Grant Programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source: *“The [name of Recipient], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”*
3. The Recipient will insert the clauses of appendix A and E of this Assurance (also referred to as DOT Order 1050.2A) in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of appendix B of DOT Order 1050.2A, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in appendix C and appendix D of this DOT Order 1050.2A, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
 - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
 - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
 - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the State highway safety agency also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing NHTSA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by NHTSA. You must keep records, reports, and submit the material for review upon request to NHTSA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The State highway safety agency gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the Highway Safety Grant Program. This ASSURANCE is binding on the State highway safety agency, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the Highway Safety Grant Program. The person(s) signing below is/are authorized to sign this ASSURANCE on behalf of the Recipient.

THE DRUG-FREE WORKPLACE ACT OF 1988 (41 U.S.C. 8103)

The Subgrantee will provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing a drug-free awareness program to inform employees about:
 1. The dangers of drug abuse in the workplace;
 2. The grantee's policy of maintaining a drug-free workplace;
 3. Any available drug counseling, rehabilitation, and employee assistance programs;
 4. The penalties that may be imposed upon employees for drug violations occurring in the workplace;
 5. Making it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- c. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 1. Abide by the terms of the statement;
 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- d. Notifying the agency within ten days after receiving notice under subparagraph (c)(2) from an employee or otherwise receiving actual notice of such conviction;
- e. Taking one of the following actions, within 30 days of receiving notice under subparagraph (c)(2), with respect to any employee who is so convicted—
 1. Taking appropriate personnel action against such an employee, up to and including termination;
 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- f. Making a good faith effort to continue to maintain a drug-free workplace through implementation of all of the paragraphs above.

POLITICAL ACTIVITY (HATCH ACT)

(applies to all subrecipients as well as States)

The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

CERTIFICATION REGARDING FEDERAL LOBBYING

(applies to all subrecipients as well as States)

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

RESTRICTION ON STATE LOBBYING (applies to subrecipients as well as States)

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION (applies to all subrecipients as well as States)

INSTRUCTIONS FOR PRIMARY TIER PARTICIPANT CERTIFICATION (STATES)

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or

otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate the transaction for cause or default.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS— PRIMARY TIER COVERED TRANSACTIONS

1. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
2. Where the prospective primary tier participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

INSTRUCTIONS FOR LOWER TIER PARTICIPANT CERTIFICATION

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or

otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov>).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION— LOWER TIER COVERED TRANSACTIONS

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

BUY AMERICA (applies to subrecipients as well as States)

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

CERTIFICATION ON CONFLICT OF INTEREST (applies to subrecipients as well as States)

GENERAL REQUIREMENTS

No employee, officer, or agent of a State or its subrecipient who is authorized in an official capacity to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any subaward, including contracts or subcontracts, in connection with this grant shall have, directly or indirectly, any financial or personal interest in any such subaward. Such a financial or personal interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or personal interest in or a tangible personal benefit from an entity considered for a subaward. Based on this policy:

1. The recipient shall maintain a written code or standards of conduct that provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents.
 - a. The code or standards shall provide that the recipient's officers, employees, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential subawardees, including contractors or parties to subcontracts.
 - b. The code or standards shall establish penalties, sanctions, or other disciplinary actions for violations, as permitted by State or local law or regulations.
2. The recipient shall maintain responsibility to enforce the requirements of the written code or standards of conduct.

DISCLOSURE REQUIREMENTS

No State or its subrecipient, including its officers, employees, or agents, shall perform or continue to perform under a grant or cooperative agreement, whose objectivity may be impaired because of any related past, present, or currently planned interest, financial or otherwise, in organizations regulated by NHTSA or in organizations whose interests may be substantially affected by NHTSA activities. Based on this policy:

1. The recipient shall disclose any conflict of interest identified as soon as reasonably possible, making an immediate and full disclosure in writing to NHTSA. The disclosure shall include a description of the action which the recipient has taken or proposes to take to avoid or mitigate such conflict.
2. NHTSA will review the disclosure and may require additional relevant information from the recipient. If a conflict of interest is found to exist, NHTSA may (a) terminate the award, or (b) determine that it is otherwise in the best interest of NHTSA to continue the award and include appropriate provisions to mitigate or avoid such conflict.
3. Conflicts of interest that require disclosure include all past, present, or currently planned organizational, financial, contractual, or other interest(s) with an organization regulated by NHTSA or with an organization whose interests may be substantially affected by NHTSA activities, and which are related to this award. The interest(s) that require disclosure include those of any recipient, affiliate, proposed consultant, proposed subcontractor, and key personnel of any of the above. Past interest shall be limited to within one year of the date of award. Key personnel shall include any person owning more than a 20 percent interest in a recipient, and the officers, employees or agents of a recipient who are responsible for making a decision or taking an action under an award where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE (applies to all subrecipients as well as States)

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

POLICY ON SEAT BELT USE

In accordance with Executive Order 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, the Grantee is encouraged to adopt and enforce on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this Presidential initiative. For information and resources on traffic safety programs and policies for employers, please contact the Network of Employers for Traffic Safety (NETS), a public-private partnership dedicated to improving the traffic safety practices of employers and employees. You can download information on seat belt programs, costs of motor vehicle crashes to employers, and other traffic safety initiatives at www.trafficsafety.org. The NHTSA website (www.nhtsa.gov) also provides information on statistics, campaigns, and program evaluations and references.

POLICY ON BANNING TEXT MESSAGING WHILE DRIVING

In accordance with Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted driving, including policies to ban text messaging while driving company-owned or rented vehicles, Government-owned, leased or rented vehicles, or privately-owned vehicles when on official Government business or when performing any work on or behalf of the Government. States are also encouraged to conduct workplace safety initiatives in a manner commensurate with the size of the business, such as establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving, and education, awareness, and other outreach to employees about the safety risks associated with texting while driving.



STAFF REPORT

Public Works Services Department

DATE: November 07, 2023

TO: Honorable Mayor and City Council

FROM: Paul Cranmer, Public Works Services Director
By: Dave Thompson, Streets Superintendent

SUBJECT: PURCHASE ORDER WITH SIERRA CHEVROLET OF MONROVIA FOR THE PURCHASE OF ONE 2024 CHEVROLET SILVERADO 2500 REGULAR CAB LONG BED PICKUP TRUCK IN THE AMOUNT OF \$54,916.13

CEQA: Not a Project
Recommendation: Approve

SUMMARY

The Fiscal Year 2023-24 Equipment Acquisition Budget provides for the replacement of one 3/4-ton pickup truck for the Public Works Services Department (“PWSD”) that meets the replacement criteria outlined in the City’s Vehicle Replacement Program. To ensure that the City is receiving the most competitive price for one 2024 Chevrolet Silverado 2500 Regular Cab Long Bed pickup truck, a formal bid process was conducted. Sierra Chevrolet submitted the only bid.

It is recommended that the City Council approve a purchase order with Sierra Chevrolet for the purchase of one 2024 Chevrolet Silverado 2500 Regular Cab Long Bed pickup truck in the amount of \$54,916.13.

BACKGROUND

The Fiscal Year 2023-24 Equipment Acquisition Budget provides for the replacement of one 3/4-ton pickup truck in the PWSD. The vehicle that will be replaced is currently used by the Streets section of the PWSD and meets the mileage and age requirements of the City’s Vehicle Replacement Program. The vehicle scheduled for replacement is a 2011 Ford F-250 3/4-ton pickup truck with 168,079 miles.

This pickup truck is used by the Streets section for daily maintenance of bus stops, City trash cans, and trash removal. This vehicle is heavily utilized considering the ongoing need to maintain the City’s streets and bus stops. The existing unit will go to auction once replaced and auction proceeds will return to the fund of origin.

DISCUSSION

A Notice Inviting Bids was published in accordance with City Council Resolution No. 7483, and bid packages were distributed to local vendors who provide this type of vehicle. One bid was received with the following results:

<u>Bidder</u>	<u>Location</u>	<u>Bid Amount</u>
Sierra Chevrolet of Monrovia	Monrovia, CA	\$54,916.13

Vendors that received bid packages but did not submit bids, stated that they were unable to bid due to a lack of inventory, and/or not having the ability to order the requested vehicle in the desired time frame. The bid submitted by Sierra Chevrolet of Monrovia was reviewed and the dealership’s background investigated. Based on this review, it has been determined that Sierra Chevrolet of Monrovia is the lowest responsive bidder that meets the City’s required vehicle 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. Thus, this matter is exempt under CEQA.

FISCAL IMPACT

The total purchase cost for the 2024 Chevrolet Silverado 2500 Regular Cab Long Bed pickup truck is \$54,916.13. Funds in the amount of \$90,000 have been budgeted in the Fiscal Year 2023-24 Equipment Replacement Budget. Additional funds within the remaining budget will be used to outfit the vehicle with necessary equipment.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project, and therefore, is exempt under the California Environmental Quality Act (“CEQA”); and approve a Purchase Order with Sierra Chevrolet of Monrovia for the purchase of one 2024 Chevrolet Silverado 2500 Regular Cab Long Bed pickup truck in the amount of \$54,916.13.

Approved:



Dominic Lazzaretto
City Manager



STAFF REPORT

Public Works Services Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

FROM: Paul Cranmer, Public Works Services Director
By: Dave Thompson, Streets Superintendent

SUBJECT: PURCHASE ORDER WITH HAAKER EQUIPMENT COMPANY FOR THE PURCHASE OF ONE 2025 ELGIN CNG CROSSWIND STREET SWEEPER IN THE AMOUNT OF \$505,864.48
CEQA: Not a Project
Recommendation: Approve

SUMMARY

The Fiscal Year 2023-24 Equipment Replacement Budget provides for the replacement of one Compressed Natural Gas (“CNG”) street sweeper for the Public Works Services Department (“PWSD”) that meets the replacement criteria outlined in the City’s Vehicle Replacement Program. After exploring purchasing options, it was determined that using Sourcewell, a national cooperative purchasing program, allows the City to streamline vehicle procurement and receive the best price possible. It is recommended that the City Council approve a Purchase Order with Haaker Equipment Company for the purchase of one 2025 Elgin CNG Crosswind Street Sweeper in the amount of \$505,864.48.

BACKGROUND

The Fiscal Year 2023-24 Equipment Replacement Budget provides for the replacement of one CNG street sweeper in the PWSD. The vehicle that will be replaced is currently used by the Streets section of the PWSD and meets both the mileage and age requirements of the City’s Vehicle Replacement Program. The vehicle being replaced is a 2015 CNG Street Sweeper with 105,691 miles.

Street sweeping is a vital service that keeps City streets clean and prevents trash from entering the storm drain system. The PWSD has two front line street sweepers that clean every street and alley in Arcadia, once a week. Streets in commercial areas are swept twice a week, and during the fall season with the influx of leaves (October through January), a third backup street sweeper is also used.

DISCUSSION

After exploring possible purchasing options, it was determined that using Sourcewell, a national cooperative purchasing program, enables the City to streamline the procurement

process and receive the best price possible. The California Government Code authorizes public agencies to participate in cooperative purchasing agreements such as those established by Sourcewell, while remaining within the City's adopted rules and procedures for purchasing. By utilizing a cooperative purchasing program, the City can streamline the procurement process and acquire vehicles and equipment at a lower cost than traditional competitive bidding.

Sourcewell awarded a contract to Haaker Equipment Company for street sweepers and related equipment. Haaker Equipment Company is a local authorized dealer that can supply a 2025 Elgin CNG Crosswind Street Sweeper that meets the City's street sweeper specifications. The bidding process and Sourcewell's contracts have been reviewed by the PWSD and meet the City's procurement requirements. A copy of the Haaker Equipment Company's contract is attached.

ENVIRONMENTAL ANALYSIS

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

FISCAL IMPACT

The cost of the 2025 Elgin CNG Crosswind Street Sweeper is \$505,864.48. The cost for safety lighting and communication equipment for the sweeper will be approximately \$5,900 and will be acquired through a separate purchase order. Funds in the amount of \$661,300 have been budgeted in the Fiscal Year 2023-24 Equipment Replacement Budget to replace this sweeper, and therefore, sufficient funds exist for this purchase.

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 a Purchase Order with Haaker Equipment Company for the purchase of one 2025 Elgin CNG Crosswind Street Sweeper in the amount of \$505,864.48.

Approved:



Dominic Lazzaretto
City Manager

Attachments: Haaker Equipment Company Proposal Contract
Sourcewell Contract

HAAKER

EQUIPMENT COMPANY

2070 North White Avenue, La Verne, California 91750
(909) 598-2706 ~ FAX (909) 598-1427 ~ haaker.com



July 7, 2023

TO: CITY OF ARCADIA
11800 Goldring Road
Arcadia CA 91066

ATTN: Mr. Rob Kalanjian & Mr. John Corona
626-256-6574 626 256-6652
Email: rkalanjian@arcadiaca.gov jcorona@ci.arcadia.ca.us

In accordance with your request, we are pleased to submit the following proposal for your consideration and approval based on the [Sourcewell Cooperative Purchasing Agreement - Contract #093021-ELG.](#)

NEW ELGIN CNG CROSSWIND

Mounted on a 2025 Freightliner M2 112 250 HP Cummings CNG Engine, Allison Automatic Transmission, Dual Air Ride Seats, Power Windows and Doors Dual Steering
Equipped with all Standard and Optional Equipment listed:

Standard Equipment Included

- Alternator, 95 amp
- Auto Shutdown, Aux. Engine
- Backup Alarm, electric
- Blower, 20,000 CFM rating with linatex lined housing
- Brooms, hydraulic rotation
- Brooms, Dual
- Broom Measurement Ruler
- Console, w/rocker switches for all sweep functions, including memory sweep with full gauge package including tachometer, engine hour meter, oil pressure indicator, coolant temperature, voltmeter and fuel lever indicator, water level gauge and warning lights for hopper pressure controls and manual reset circuit breakers
- Doors, access fiberglass doors provide easy service and maintenance on auxiliary engine, hydraulic and electrical system
- Electronic Throttle, sweep resume/sweep transport/reverse pick-up
- Fuel Water Separator on Aux Engine
- Hopper rear door, hydraulically opened/closed and locked/unlocked with external controls.
- Hose, hydrant fill, 16' 8" with coupling
- In-Cab Hopper Dump
- LED Clearance Lights
- Lights, rear clearance and rear identification
- Manuals, operator and parts
- Mirrors, West Coast type with 8" convex inserts, one each side
- Pick-up head, hydraulically operated, 14" (355 mm) outside diameter pressure hose, 12-3/4" (324mm) inside diameter suction hose with quick disconnect on suction side
- Spray nozzles, sixteen (16), seven (7) in the pick-up head, three (3) in the suction nozzle, three (3) at each side broom
- Side Broom Outer Position Stop
- Trans Oil Cooler
- Vacuum enhancer, in-cab operated
- Water tank, molded polyethylene, 240 gallons (907L)
- Water pre-filter, hydrant fill hose
- AM/FM/CD Radio
- Left Hand Fender Mirror
- Right And Left Hand Heated And Remote Controlled Mirrors
- Steel Bristles with Polyethylene Segments
- Sweeper Painted Standard White
- Chassis Painted Standard White
- Red Logo
- 1 Year Parts and Labor Warranty
- Sweeper - Operator Manual
- Sweeper Parts Manual

Optional Equipment Included

- Chassis Battery Disconnect
- LED Stop/Tail/Turn
- (1) Spare Chassis Key
- Right Hand Bostrom 905 Vinyl Mid-Back
- Side broom Tilt Option Right Hand
- Side broom Tilt Option Left Hand
- Lifeliner Hopper System
- Right Hand Inspection Door with Step and Handle
- Hopper Vibrator
- 6" Hopper Drain
- Hopper Deluge
- Low Pressure Washdown
- Auxiliary Hydraulic Pump
- Auxiliary Engine Battery Disconnect
- (1) Extra Key - Auxiliary Engine
- Midwest Auto lube Sweeper Only
- Rear Arrow board
- Rear Arrow board
- (2) Alternating Flashing Rear Lights
- Slow Moving Vehicle Sign
- Sweeper Service Manual
- Chassis Operators Manual
- Chassis Parts Manual
- Chassis Service Manual
- Hydrant Wrench
- Safety Triangles
- 5# Fire Extinguisher

ONE UNIT:

Sourcewell Unit Price: \$ 465,923.00
 Sourcewell Discount: (\$ 7,089.00)
 Subtotal: \$ 458,834.00
 Sales Tax (10.25%).....\$ 47,030.48

TOTAL UNIT PRICE, FOB: ARCADIA, CA:..... \$ 505,864.48

TWO UNITS:

Sourcewell Unit Price: \$ 931,846.00
 Sourcewell Discount: (\$ 14,178.00)
 Subtotal: \$ 917,668.00
 Sales Tax (10.25%).....\$ 94,060.97

TOTAL UNIT PRICE, FOB: ARCADIA, CA:..... \$ 1,011,728.97

THE PROPERTY HEREIN IS GUARANTEED BY MANUFACTURER'S WARRANTY ONLY AND SELLER MAKES NO WARRANTY EXPRESSED OR IMPLIED, OF MERCHANTABILITY OR OTHERWISE, OR OF FITNESS FOR ANY PARTICULAR PURPOSE, THAT EXTENDS BEYOND THE ABOVE DESCRIPTION OF THE EQUIPMENT.

NOTE: Price is good until 15 Days. Cost increases due to the addition of Government mandated safety or environmental devices incurred after the date of this proposal, will be charged to you at our cost. Proof of such costs, if any, will be documented.

TAXES: SALES TAX applicable at time of delivery will be shown on our invoice. FEDERAL EXCISE TAXES, if applicable, will require payment unless a properly executed Exemption Certificate is submitted.

DELIVERY: 330-460 Days TERMS: Net 30

We appreciate the opportunity to present this proposal and look forward to being of further and continued service.

HAAKER EQUIPMENT COMPANY ACCEPTED BY: _____

BY: Chuy Vallejo DATE: _____
CHUY VALLEJO
 Parts/Service/Outside Sales Mgr.

**Solicitation Number: RFP #093021****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Elgin Sweeper Company, 1300 West Bartlett Road, Elgin, IL 60120 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Street Sweepers and Specialty Sweepers, with Related Equipment, Accessories, and Supplies from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires November 16, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcwell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Supplier will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcwell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
 - b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,

resellers, marketing representatives, and agents (collectively “Permitted Sublicensees”) in advertising and promotional materials for the purpose of marketing the Parties’ relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. Use; Quality Control.

- a. Neither party may alter the other party’s trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
- b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party’s trademarks only in good faith and in a dignified manner consistent with such party’s use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

5. Termination. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party’s name or logo (excepting Sourcewell’s pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell’s written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names

of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcwell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcwell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcwell

Elgin Sweeper Company

DocuSigned by:
Jeremy Schwartz
By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 11/15/2021 | 11:35 AM CST

DocuSigned by:
David Panizzi
By: 67407721F3A64A7...
David Panizzi
Title: Business Development Manager
Date: 11/22/2021 | 8:45 AM CST

Approved:

DocuSigned by:
Chad Coquette
By: 7E42B8F817A64CC...
Chad Coquette
Title: Executive Director/CEO
Date: 11/22/2021 | 10:11 AM CST

RFP 093021 - Street Sweepers and Specialty Sweepers, with Related Equipment, Accessories, and Supplies

Vendor Details

Company Name: Elgin Sweeper Co.
Does your company conduct business under any other name? If yes, please state: Elgin Sweeper Co. Division of Federal signal
Address: 1300 W Bartlett Rd
Elgin, IL 60120
Contact: David Panizzi
Email: dpanizzi@elginsweeper.com
Phone: 847-622-7153 402385
HST#: 36-2351764

Submission Details

Created On: Monday September 13, 2021 13:04:04
Submitted On: Wednesday September 29, 2021 16:49:19
Submitted By: David Panizzi
Email: dpanizzi@elginsweeper.com
Transaction #: cd6ff737-3555-439f-821b-fc3b047a5759
Submitter's IP Address: 50.238.226.126

Specifications**Table 1: Proposer Identity & Authorized Representatives**

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Elgin Sweeper Company (Division of Federal Signal Corp.)
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Elgin Sweeper Company
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	No other names
4	Proposer Physical Address:	1300 West Bartlett Rd. Elgin, IL 60120
5	Proposer website address (or addresses):	www.elginsweeper.com
6	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	David Panizzi Business Development Manager 1300 West Bartlett Rd. Elgin, IL 60120 dpanizzi@elginsweeper.com 847-622-7153
7	Proposer's primary contact for this proposal (name, title, address, email address & phone):	David Panizzi Business Development Manager 1300 West Bartlett Rd. Elgin, IL 60120 dpanizzi@elginsweeper.com 847-622-7153
8	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	No other contacts

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
9	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	Aligned with Federal Signal, Elgin Sweeper works to enhance the cleanliness, safety and well being of our communities and work places. We are an American manufacturer with 107 years of street sweeper design and manufacturing experience. We are focused on designing, manufacturing and distributing high-quality street sweeping equipment that serves municipal, governmental, industrial and institutional customers. We are focused on doing this with high regard for our employees and our environment.
10	What are your company's expectations in the event of an award?	We would expect to continue cooperation with Sourcewell as we work to serve its membership and work to provide effective and simple solutions for environmental cleaning challenges. This would include Sourcewell commitment to expand membership and promotion of their contracts to support their contract holders. We have over a decade of cooperation and growth working together with Sourcewell and their members, and we would work together to continue serve the membership with the latest advances in street sweeper designs and product offerings.
11	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Elgin Sweeper Co.has been manufacturing street sweepers for over 107 years. Today we are the leading manufacturer of sweepers for municipalities and governmental agencies in North America. We offer the the broadest selection of street sweepers across various sweeping technologies. We utilize mechanical, regenerative air, pure vacuum sweeper and we offer alternative fuels including CNG and hybrid electric sweeping. Elgin is a subsidiary of Federal Signal - a publicly traded company with more than \$1.2 billion in revenue last year. The link shown here can be used to access the latest quarterly reports as well as other financial related topics and will clearly show Federal Signal's financial strength and stability. https://www.federalsignal.com/annual-quarterly-reports
12	What is your US market share for the solutions that you are proposing?	Our industry is a non-reporting industry. Therefore, no independent data of market share exists. Based on our market knowledge and across all sweeping model/technologies, we believe our market share to be 40+%.
13	What is your Canadian market share for the solutions that you are proposing?	Again, we do not have empirical data supporting market share in Canada but our research shows that we are approximately 35% market share across all types of sweeping technologies.
14	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	Elgin Sweeper Co. and Federal Signal Corp. have never been the subject of a bankruptcy action.
15	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	We are a manufacturer. We have a network of third-party dealerships across North America that are trained to sell and service our products. The dealerships are specifically contracted and trained to represent our products in their local areas. We also have Regional Sales Reps (located throughout N. America) that support the sales process and are available to meet and work with end-user. We also have a Field Service and Support team. They too are located within their regions, and are dedicated to support our dealers and their efforts to ensure customer satisfaction with our products. The Regional Sales Reps and the Regional Service and Support Reps are employees of the company.
16	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	All of our contracted dealers are required to have valid state equipment dealer license. All of our dealers must comply with this requirement as part of their contract with us. While not required, Elgin is ISO 9001 certified. ISO is the International Standards Organization and being certified means that we have policies and procedures commensurate with our business (heavy manufacturing) and that we adhere to those policies, procedures and quality standards. We are audited annually.
17	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	None

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
18	Describe any relevant industry awards or recognition that your company has received in the past five years	Elgin Broom Bear - Contractor's Choice Awards GOLD for 2016, 2017, 2019 and SILVER for 2018 from Roads and Bridges Publication. 2019 Workforce Development Award from Elgin Area Chamber of Commerce (Elgin Development Group). Federal Signal Work Place Hazard Reduction Award for 2019 & 2020.
19	What percentage of your sales are to the governmental sector in the past three years	Approximately 68%
20	What percentage of your sales are to the education sector in the past three years	Less than 1%
21	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	We as a manufacturer do not hold any additional state or provincial purchasing contracts - only our current Sourcewell contract. However, a number of our local dealers do hold state or local purchasing contracts which they service. We do not have access to the detailed sales volumes as those are not tracked.
22	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	We service a GSA contract (47QMCA18D000E) that is administered through our dealer in Maryland. Again, annual sales volumes are unknown.

Table 4: References/Testimonials

Line Item 23. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Wheaton, IL	Sam Webb Fleet Supervisor	630-260-2119	*
City of Chesapeake, VA member #52040	Mike McColgan	(757) 382-3321	*
City of Norfolk, VA member #50228	Steve Patterson	(757) 441-5700	*

Table 5: Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Confidential	Government	Illinois - IL	Purchase of Street Sweeper	We are a public company and this is confidential information	We are a public company and this is confidential information	*
Confidential	Government	Illinois - IL	Purchase of Street Sweeper	We are a public company and this is confidential information	We are a public company and this is confidential information	*
Confidential	Government	Illinois - IL	Purchase of Street Sweepers	We are a public company and this is confidential information	We are a public company and this is confidential information	*
Confidential	Government	Illinois - IL	Purchase of Street Sweepers	We are a public company and this is confidential information	We are a public company and this is confidential information	*
Confidential	Government	Illinois - IL	Purchase of Street Sweepers	We are a public company and this is confidential information	We are a public company and this is confidential information	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
25	Sales force.	Elgin has six Regional Sales Managers (RSMs) tasked with supporting our dealer's sales efforts. The RSMs set sales targets and are involved in the end-user sales process as needed. The RSMs report to a Director of Municipal/Governmental Sales who reports to a Group level Vice President	*
26	Dealer network or other distribution methods.	Our dealer network consists of 34 dealer entities with over 70 location throughout North America. All dealers are assigned an area of responsibility that cover all of the US, Canada and the US Territories. Total dealer sales reps/territory managers for North American total over 230.	*
27	Service force.	Internally, Elgin has an Inside Service organization with seven technical reps that support our dealer's daily need for technical support. We also have four Regional Service and Support Managers (RSSMs) that live and work with specific dealers within their assigned regions to provide warranty support, training, consultation and end-user interaction. All of our internal reps support approximately 225 dealer technicians tasked with providing end-user service.	*
28	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Sourcewell members will order through their local dealer who will, in-turn, place an order with us. Our dealer will be responsible for assisting the member with equipment configuration recommendations and providing a detailed proposal/quotation to the member. Once the sweeper is manufactured and delivered to our dealer, they will be responsible for preparing, delivering, training and supporting the end-user's needs with the sweeper. History is showing that Elgin dealers are knowledgeable, experienced and anxious to use our Sourcewell contract.	*
29	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Customer Service starts from the delivery process with Sweeper installation/operation training. Shortly after delivery, we request a customer satisfaction survey be filled out so we can understand the level of satisfaction from product quality, to dealer support and overall product satisfaction. Any negative responses are recorded and assigned to a field rep for appropriate follow-up. All Elgin Dealers have trained and certified technicians with the vast majority of dealers providing road (go to customer location) service complete with well-equipped service trucks. This allows for quicker support of possible inoperative vehicles. Also, at Elgin we have a 24-hour toll free helpline that is staffed by factory personnel. The objective is to provide an immediate contact and response for both our dealers and end-user customers. Lastly, we support our products with a comprehensive warranty that is provided through our trained dealer network. Our philosophy is that quality products with high-levels of service support will ensure the best value for our customers - this, in turn, will create their desire to continue their business relationship with Elgin and our dealers.	*
30	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Our dealer network allows us to sell and service our products throughout all of North America. Our dealers are assigned geographic areas (or territories) of responsibility that include all states and provinces. The assigned territories are listed in the dealer contract.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	We support, service and actively pursue business opportunities with all Canadian entities that use street sweepers.	*
32	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	We will service all geographic areas of the US and Canada.	*
33	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	We will service any and all Sourcewell participating entities.	*
34	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Hawaii, Alaska and the US Territories are serviced the same as other states. We have dealers that are contractually assigned these geographic regions.	*

Table 7: Marketing Plan

Line Item	Question	Response *
35	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	We advertise our Sourcewell contract at trade shows, on our public website, on our marketing collateral and at our internal dealer events. We invite our Sourcewell Contract Administrator to attend and participate at our trade shows and internal dealer sales training events. We have facilitated contract training with both our Regional Sales Managers and dealerships. We encourage our dealers to attend and network at Sourcewell sponsored events like GTKU and Sourcewell University.
36	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Elgin utilizes a number of social media platforms to inform and communicate with the public and our followers. Our Marketing Communications Group does an excellent job of utilizing these technologies to promote our products and keep our users informed of what's happening. We use Facebook, LinkedIn, YouTube and Twitter to keep users and followers up-to-date with the latest product releases including videos; application specific information, new option availability (to enhance the functionality), and the latest press releases. Our website allows users to connect to information including our Sourcewell relationship and contract information.
37	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	We would expect Sourcewell to promote our contracts to their membership as a way to simplify the procurement process and that membership understands that contract holders are part of an elite group of product/solution providers that have proven to be reputable and responsive to member's needs. We expect that Sourcewell works to continue to expand membership so that additional entities would be able to experience the benefits for all parties. Our Sourcewell contract is currently well integrated within our sales process. Our RSMS, as well as our dealers, have been trained in using our contract as a preferred method of selling/procuring our products. Our dealers currently have the ability to create Sourcewell compliant proposals/quotes within our on-line configurator and ordering tool. By making a simple selection (check box) within our CPQ tool a dealer sales rep can create a proposal that is compliant with our Sourcewell contract. The tool applies the appropriate pricing, contract information, inserts the approved Sourcewell logo and tracks orders for reporting purposes.
38	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	We do not have an e-procurement system for end-customer use. However, we do have an on-line product configuration and ordering tool that our dealers use to configure customers specific units and place orders with us. Our dealers use this on-line tool to prepare Sourcewell compliant proposal/quotes for members and then to place that Sourcewell order upon award.

Table 8: Value-Added Attributes

Line Item	Question	Response *
39	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	We offer training at several levels. Initial training is basic installation training and is provided by our dealers at or shortly after delivery of a new sweeper as agreed to with customer. This would include basic operation, cleaning and maintenance training. This is generally free of charge unless the member requests multiple sessions or more in-depth training that requires more time. This initial training is considered standard or can be optionally upgraded if a deeper level of training is desired. We also offer product model specific training at the factory. This covers multiple days and is also free of charge with the only costs being travel and hotel accommodations if needed. Dealers usually assist the member/customer with registration for this training.
40	Describe any technological advances that your proposed products or services offer.	We have a number of technological advances on current product offerings including single-engine sweepers. We use advance variable planetary drive system (VPD) to drive sweeper components without sacrificing sweep performance. This drive system is a unique technology for our industry. We currently offer this single-engine technology for two of our four air sweeper models. More are in development. We also have an electric-hybrid sweeper that is available mounted on a diesel or CNG powered chassis. Sweeping is powered electrically while the chassis propulsion and battery re-charging is done with the diesel or clean CNG chassis power. Our pipeline of development items is significant as well. Users will see a number of new products utilizing technological advances in the coming years. This is all attributable to our Engineering and Product Development group where we focus on employing new technologies for our products.
41	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	We have a working relationship and agreement with NASCAR Green, the sustainability arm of NASCAR sweeping. We have worked with them for approximately eight years and we are the exclusive sweeper for all major NASCAR events. We were chosen after comprehensive testing of our sweeper product and we were chosen because of benefits such as fuel efficiency and ability to design and deliver very specific features required for use on race tracks. We offer single-engine sweep technologies on several models and we are able to show improved fuel efficiency and noise reduction. This theme has continued most recently with development of our hybrid-electric sweeping technology that is now available with our Broom Bear sweeper. Sourcewell members can look forward to additional "green" solutions in the near future.
42	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Elgin Sweeper Company is committed to providing environmental solutions that reduce storm water runoff pollution and air pollution. Years ago we introduced our "Eco-Infused" Technology to our brand which is development platform that combines science and innovation to produce more environmentally efficient sweepers. From alternative fuel to waterless dust control to singled-engine sweeper technology to electric hybrid powered sweepers, Elgin is a technology leader in developing products that result in cleaner streets, water and air. We have been recognized by NASCAR green with a long-term partnership (9 years running) based on our ability to provide track sweeping and drying in the most efficient manner available.
43	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	While Elgin does not qualify under any of these business heading, several of our partner/dealers do. This includes WMBE and SBE. This is not a requirement of our dealer/partners and therefore access to documentation is not readily available.
44	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Elgin's unique attributes include a full-line of street/road sweepers that can be configured for virtually any road sweeping application. The full line includes multiple units of purpose build mechanical, chassis mounted mechanical, regenerative air, pure vacuum sweepers, as well as alternative fuel. Our dealer network positions us to serve and support virtually any Sourcewell member in the US and Canada. We have long-term relationships with our dealer network which means we work well together and ultimately, our customers and Sourcewell members benefit. Together, and with our complete-line of sweeper offerings, we can focus on specific sweeping applications that would best serve our customers and Sourcewell membership. We do not need to push one technology or nudge customers in a certain direction as we offer all types of sweeping. We have a full service engineering department which provides tremendous flexibility to offer unique option requests to meet specific customer/member requirements. Lastly, our long relationship with Sourcewell means that we are familiar with member needs and also with vendor requirements - such as reporting and managing our contract effectively to the mutual benefit of all parties.

Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
45	Do your warranties cover all products, parts, and labor?	Yes
46	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	No usage limitation. Standard warranty is for 1 year bumper-to -bumper exclusive of wear items such as brooms.
47	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes
48	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	Our dealer contracts require that they provide service for all customer within their area of responsibility. This would of course include Sourcewell member customers. In very rare situations and with the agreement of the customer, authorizations for a specific customer to perform their own warranty repair can be given. Elgin and our dealer would support this by providing parts, work instructions and compensation at pre-established rates. Authorization would only be given if the required repair is considered relatively easy to accomplish and did not present any risk for the customer.
49	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Our warranty covers all items with the exception of engines, truck chassis, tires and other components that carry their own manufacturers warranty. These items are typically supported by local dealer facilities. Any items/components that do not have local service would be cover by Elgin and our dealers. We have been know to assist our end user by leveraging our contacts with engine and chassis manufacturers and dealers.
50	What are your proposed exchange and return programs and policies?	It is extremely rare that we would need to exchange or have a sweeper returned. If one of our sweepers was determined to be wrong for a specific customer need/application, we would work with them to modify or exchange a product for one that would work better. Ultimately, we are all better off if the customer is satisfied with their sweeper - that's what we work toward.
51	Describe any service contract options for the items included in your proposal.	We are not specifically offering service contracts with this proposal. However, most of our dealer offer a variety service contract options and service specials. The offerings can be from full-service turnkey parts and service solutions to specific seasonal specials in preparation for sweeping season. These are dealer specific.

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
52	Describe your payment terms and accepted payment methods?	Payment terms are established between the Elgin dealer and the Sourcewell member. Generally, this is net 15 or net 30-days. However, our dealers do most of their business municipally and understand that some entities need to apply different payment terms. Most of the time the specific member requirements can be met if within reason. The standard payment terms between our dealer and u is net 30-days.
53	Describe any leasing or financing options available for use by educational or governmental entities.	Again, leasing and financing options are determined between the Egin dealer and the Sourcewell member. All of our dealers offer some type of leasing and/or financing option. This is usually with a third-party that we or they have established relationships with. We often recommend NCL and many of our dealers have an established relationship with NCL and use NCL's Sourcewell contract solution for lease/financing options.
54	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	We do not have a standard transaction document that is provided to the end-user/member. Typically, the entity issues a purchase order to our dealer based on a Sourcewell proposal/quote that is generated through our configurator tool. The dealer submits the "quote" to us as an order once the member issues a PO. We, in turn, issue an electronic acknowledgement document to the dealer confirming what was ordered. This is our standard process today, for all orders, and Sourcewell orders fit nicely within our existing process. I am including example documents in the upload section.
55	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	The payment process for members is a transaction between Sourcewell member and Elgin dealer. I do not believe P-card transactions are used. We do not accept P-Card payments from our dealers. We have no hidden or undisclosed costs.

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *
56	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	We are offering our full-line of sweepers. Our pricing model is a simple 3% discount from list price on all sweeper products including options, exclusive of chassis and freight (from factory to dealer location) costs. We are also offering the rental of our sweepers. Rental rates apply across the US and Canada (in Canadian dollars). The rates provided on the rental rate sheets are the Sourcewell member's price. Used Sweepers, primarily from rental fleet, are generally late model and because of various usage and condition of specific units, the pricing will be a negotiated and agreed to price between the member and Elgin dealer. This allows members a method of obtaining a quality sweeper at a much lower initial acquisition cost.
57	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	For new equipment a 3% discount from list price applies. This discount applies to all Elgin manufactured content including options. The rental pricing is a pre-established rental rate and is consistent throughout the US and Canada. These rates are at the lower end of the regional rate study that was conducted. Used equipment pricing will be negotiated and agreed to between member and Elgin dealer.
58	Describe any quantity or volume discounts or rebate programs that you offer.	Additional volume discounts could be considered on a case-by-case basis.
59	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Sourced products or open market items fall into three categories for us. This could be items that would be provided by our dealer. The items in this category would be quoted by our dealer to the member and could include items such as special radios, decals or exterior wraps, lighting, and other dealer installed accessories. These items would not be subject to the 3% discount. Also included in this category would be unique equipment or options that would be designed, manufactured or procured and installed by Elgin. This is common for us and would be handled through our RFQ/Specials process. This allows us to provide a unique (off price list) solution for our customers and would be priced consistently with the 3% discount from list price. Our "Special" solution would be included in the Sourcewell proposal/quote. The last category would be factory supplied chassis. Because most of our product are mounted and integrated to a commercial chassis, we work with commercial chassis manufacturers and their local dealers to provide chassis specifically engineered for Elgin sweeper-mounting and use. We typically get favorable pricing from the manufacturer/dealer because of our volume. These chassis are very competitively priced and specifically designed for use with our sweepers. This is the easiest, least risky, and most often cost-effective turnkey solution. Because chassis availability/inventory is inconsistent and lead times vary, we do not provide chassis pricing. We will provide chassis quote through our dealer at the time a Sourcewell quote/proposal is being developed - the 3% discount does not apply to chassis that we or our dealers provide.
60	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Additional costs not included with our submittal would include dealer charges for items such as pre-delivery inspection and unit preparation, local freight charges, additional training above and beyond initial training at or shortly after delivery. Also, as mentioned above, any dealer installed item would not be identified in our price sheets but would be identified in the member's Sourcewell proposal/quote.
61	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	The freight from our factory to the local dealer facility would be included with the Sourcewell quote but not subject to the 3% discount. Freight is a pass thru cost and not a profit item for us. Local freight and delivery is handled by our local dealers and is not specifically listed in our response. This cost would be additional and should be listed on the member's pricing quote (often listed as part of the PDI process). This price would also vary by dealer and complexity of local shipping requirements.
62	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Alaska, Hawaii, Canada or other "offshore" delivery requirement would include a special quote from us. With offshore shipping requirements we typically containerize the sweeper, deliver to a coastal port via truck and then load the container to a boat for delivery to location. This usually requires additional handling charges including protective coatings and dock charges. These charges can vary and would be disclosed in a member's proposal/quote.
63	Describe any unique distribution and/or delivery methods or options offered in your proposal.	We have a dedicated traffic department which is tasked with arranging any unique delivery requirement. This is their focus and the department is knowledgeable and skilled at finding competitively priced shipping options that best meet requirements.

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
64	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	The pricing offered for our complete line of street sweepers for this Sourcwell proposal is typically better than what we offer for other purchasing contracts. It is possible that a dealer may offer a lesser price for a specific deal or customer but that is generally without our input.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
65	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcwell. This process includes ensuring that Sourcwell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcwell. Provide sufficient detail to support your ability to report quarterly sales to Sourcwell as described in the Contract template.	Currently, we require our Regional Sales Managers to report Sourcwell Sales (using the provided Sourcwell template) on a quarterly basis. Late last year we refined and simplified that process by allowing our dealers to select "Sourcwell" within the CPQ/ordering tool and that would automatically apply the appropriate pricing. This also allows us the ability to track Sourcwell deals in our CPQ/on-line ordering tool. Each RSM now has the ability to view all sales, by specific dealer and region and can query for Sourcwell specific sales. By tracking sales within our CPQ ordering tool, we can verify "Sourcwell" sales and obtain the other required reporting details including transaction price. Once RSMs submit their territory Sourcwell sales reports, they are reviewed and reconciled by our Controller. Once approved, I submitted the quarterly report as required and our Controller initiates payment.
66	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Quarterly sales are reviewed and compared to the previous year's quarterly results and are also reviewed as a percentage of overall sales. As Business Development Manager, I am task with ensuring growth targets are achieved specific to several business development objectives that are set. This includes overall Sourcwell Sales increases. I am also charged with ensuring compliance to requirements.
67	Identify a proposed administrative fee that you will pay to Sourcwell for facilitating, managing, and promoting the Sourcwell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	As with past contracts, we propose a 0.5% administrative fee exclusive of chassis pricing and freight. We remove chassis pricing and freight as these items are not profit generating but rather cost items. This fee will be paid by us (Elgin) and is not a line item past on to the member.

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
68	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	We are offering for purchase or rental, a full-line of street sweepers. We offer purpose-built mechanical sweepers, chassis-mounted mechanical, regenerative air and pure vacuum sweeping technologies. We also offer a number of our models utilizing alternative fuels including Compressed Natural Gas (CNG) and hybrid electric sweepers. Our product offering represents the most comprehensive line-up of full-sized street sweepers for use in municipal, county highway and state DOT applications. Because of recent popularity of renting sweepers, we are offering rental option for our line of sweepers as well as the sale of late model used sweeper equipment.
69	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services. [Refer also to RFP Section II. B. 2 for potential subcategory descriptors.]	Our focus is on street, highway, runway, construction, and large parking lot sweepers. Our subcategories include purpose-built, chassis-mounted diesel and alternative fuels including Compressed natural gas (CNG) and hybrid (electric) solutions. It should be noted that our sweepers have a comprehensive list of options and accessories that are available to customize our products for specific and geographic applications including waterless sweeping and high-altitude sweeping. These options are including in our offering.

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
70	Street, sidewalk, and parking lot sweeping and cleaning equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	Eight different models with optional variations for specific sweeping applications.
71	Runway sweeping and cleaning equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	We offer an option of our regen sweeper for higher speed runway and tarmac sweeping applications.
72	Litter, trash, and debris vacuums	<input checked="" type="radio"/> Yes <input type="radio"/> No	Our regenerative air and pure vacuum sweepers are available with Catch basin hose that can add versatility to pick-up debris below surface grade or on/in street shoulders and parkways.
73	Supplies and replacement or wear parts related to the solutions in Lines 70 - 72 above	<input type="radio"/> Yes <input checked="" type="radio"/> No	Service parts are not offered.

Table 15: Exceptions to Terms, Conditions, or Specifications Form

Line Item 74. NOTICE: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
 - [Pricing](#) - Elgin Pricing Files.zip - Tuesday September 28, 2021 16:19:40
 - [Financial Strength and Stability](#) - fss_2020_10k.pdf - Friday September 24, 2021 14:17:07
 - [Marketing Plan/Samples](#) - 2021 Elgin Facebook - Sourcewell.pdf - Friday September 24, 2021 13:26:30
 - WMBE/MBE/SBE or Related Certificates (optional)
 - [Warranty Information](#) - Elgin Warranty Statement.jpg - Monday September 27, 2021 10:57:49
 - [Standard Transaction Document Samples](#) - Elgin Transaction doc examples.zip - Friday September 24, 2021 13:27:10
 - [Upload Additional Document](#) - Fed Sig Elgin Vactor-Sourcewell-COI 2022.pdf - Monday September 27, 2021 13:52:39

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - David Panizzi, Business Development Manager, Elgin Sweeper Company

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_2_Street_Sweepers_RFP_093021 Wed August 25 2021 07:12 PM	<input checked="" type="checkbox"/>	1
Addendum_1_Street_Sweepers_RFP_093021 Fri August 13 2021 02:49 PM	<input checked="" type="checkbox"/>	2



STAFF REPORT

Public Works Services Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

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

SUBJECT: PURCHASE ORDER WITH BRADYIFS FOR THE PURCHASE OF JANITORIAL SUPPLIES AND RELATED PRODUCTS FOR VARIOUS CITY FACILITIES IN AN AMOUNT NOT TO EXCEED \$75,000

CEQA: Not a Project

Recommendation: Approve

SUMMARY

The Public Works Services Department (“PWSD”) maintains a revolving inventory of janitorial supplies and related products in the City’s warehouse for all City departments. Using the Omnia Partners cooperative purchasing program enables the City to streamline the process of procuring janitorial supplies and receive the best price possible. It is recommended that the City Council approve a Purchase Order with BradyIFS for the purchase of janitorial supplies and related products for various City facilities in an amount not to exceed \$75,000, with optional annual extensions.

BACKGROUND

The PWSD is responsible for purchasing and distributing janitorial supplies for City facilities. It is essential for the City’s warehouse to maintain an adequate supply of cleaning supplies and paper goods to prevent interruption of janitorial and cleaning services. Most items used in conjunction with janitorial services and facilities maintenance are considered a revolving inventory item and must be replenished to continue daily operations at City facilities. Some examples of purchased items include toilet paper, toilet seat covers, paper towels, liquid hand soap, trash bags, disinfectants, and paper cups.

DISCUSSION

The California Government Code authorizes public agencies to participate in cooperative purchasing agreements such as those established by Omnia Partners, while remaining within the City’s adopted rules and procedures for purchasing. Omnia Partners is a national government purchasing cooperative working to reduce the cost of goods and services by leveraging the purchasing power of public agencies. Omnia Partners utilize advanced procurement solutions that result in cooperative purchasing contracts with high

quality products and services, at the lowest prices. By utilizing a cooperative purchasing program, Arcadia can streamline the procurement process and purchase janitorial supplies at a lower cost than through traditional competitive bidding.

Omnia Partners awarded a master contract agreement to Network Services Company dba Network Distribution for janitorial supplies and equipment, with optional extensions through January 2027. Under the master agreement, Network Distribution has authorized distribution partners. BradyIFS is the local authorized distribution partner for the delivery of janitorial supplies and equipment. The bidding process and contract have been reviewed by the PWSD, and both have been determined to meet the City's procurement requirements.

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. Thus, this matter is exempt under CEQA.

FISCAL IMPACT

Each City Department plans and budgets for their own use of janitorial supplies each fiscal year. Across all departments, the total cost of all supplies will not exceed \$75,000. Sufficient funds are available in each Department's Fiscal Year 2023-24 Operating Budgets for the purchase of janitorial supplies.

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 a Purchase Order with BradyIFS for the purchase of janitorial supplies and related products for various City facilities in an amount not to exceed \$75,000, with optional annual extensions.

Approved:



Dominic Lazzaretto
City Manager

Attachments: Omnia Partners Contract

Region 4 Education Service Center (ESC)

Contract # R211301

for

Cleaning Supplies, Breakroom and Related Products

with

Network Services Company

Effective: February 1, 2022

The following documents comprise the executed contract between the Region 4 Education Service Center and Network Services Company, effective February 1, 2022:

- I. Vendor Contract and Signature Form
- II. Supplier's Response to the RFP, incorporated by reference

CONTRACT

This Contract ("Contract") is made as of February 1, 2022 by and between Network Services ("Contractor") and Region 4 Education Service Center ("Region 4 ESC") for the purchase of Cleaning Supplies, Breakroom and Related Products ("the products and services").

RECITALS

WHEREAS, Region 4 ESC issued Request for Proposals Number 21-13 for Cleaning Supplies, Breakroom and Related Products ("RFP"), to which Contractor provided a response ("Proposal"); and

WHEREAS, Region 4 ESC selected Contractor's Proposal and wishes to engage Contractor in providing the services/materials described in the RFP and Proposal;

WHEREAS, both parties agree and understand the following pages will constitute the Contract between the Contractor and Region 4 ESC, having its principal place of business at 7145 West Tidwell Road, Houston, TX 77092.

WHEREAS, Contractor included, in writing, any required exceptions or deviations from these terms, conditions, and specifications; and it is further understood that, if agreed to by Region 4 ESC, said exceptions or deviations are incorporated into the Contract.

WHEREAS, this Contract consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth below shall control.

WHEREAS, the Contract will provide that any state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit ("Public Agencies") may purchase products and services at prices indicated in the Contract upon the Public Agency's registration with OMNIA Partners.

1) Term of agreement. The term of the Contract is for a period of three (3) years unless terminated, canceled or extended as otherwise provided herein. Region 4 ESC shall have the right to renew the Contract for two (2) additional one-year periods or portions thereof. Region 4 ESC shall review the Contract prior to the renewal date and notify the Contractor of Region 4 ESC's intent renew the Contract. Contractor may elect not to renew by providing three hundred sixty-five days' (365) notice to Region 4 ESC. Notwithstanding the expiration of the initial term or any subsequent term or all renewal options, Region 4 ESC and Contractor may mutually agree to extend the term of this Agreement. Contractor acknowledges and understands Region 4 ESC is under no obligation whatsoever to extend the term of this Agreement.

The anticipated full term of the contract is five (5) years. The Contractor shall have the right to enter local "service" agreements with Participating Public Agencies accessing the contract through OMNIA Partners, so long as the effective date of such agreement is prior to the expiration of the Contract. All local agreements may have a full potential term (any combination of initial and renewal periods) not to exceed five years. Any tasks or project

agreements executed against this Master Agreement during the effective term may survive beyond the expiration of the Master Agreement as established and agreed to by both parties.

- 2) Scope: Contractor shall perform all duties, responsibilities and obligations, set forth in this agreement, and described in the RFP, incorporated herein by reference as though fully set forth herein.
- 3) Form of Contract. The form of Contract shall be the RFP, the Offeror's proposal and Best and Final Offer(s).
- 4) Order of Precedence. In the event of a conflict in the provisions of the Contract as accepted by Region 4 ESC, the following order of precedence shall prevail:
 - i. This Contract
 - ii. Offeror's Best and Final Offer
 - iii. Offeror's proposal
 - iv. RFP and any addenda
- 5) Commencement of Work. The Contractor is cautioned not to commence any billable work or provide any material or service under this Contract until Contractor receives a purchase order for such work or is otherwise directed to do so in writing by Region 4 ESC.
- 6) Entire Agreement (Parol evidence). The Contract, as specified above, represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.
- 7) Assignment of Contract. No assignment of Contract may be made without the prior written approval of Region 4 ESC. Contractor is required to notify Region 4 ESC when any material change in operations is made (i.e. bankruptcy, change of ownership, merger, etc.).
- 8) Novation. If Contractor sells or transfers all assets or the entire portion of the assets used to perform this Contract, a successor in interest must guarantee to perform all obligations under this Contract. Region 4 ESC reserves the right to accept or reject any new party. A change of name agreement will not change the contractual obligations of Contractor.
- 9) Contract Alterations. No alterations to the terms of this Contract shall be valid or binding unless authorized and signed by Region 4 ESC.
- 10) Adding Authorized Distributors/Dealers. Contractor is prohibited from authorizing additional distributors or dealers, other than those identified at the time of submitting their proposal, to sell under the Contract without notification and prior written approval from Region 4 ESC. Contractor must notify Region 4 ESC each time it wishes to add an authorized distributor or dealer. Purchase orders and payment can only be made to the Contractor unless otherwise approved by Region 4 ESC. Pricing provided to members by added distributors or dealers must also be less than or equal to the Contractor's pricing.
- 11) TERMINATION OF CONTRACT
 - a) Cancellation for Non-Performance or Contractor Deficiency. Region 4 ESC may terminate the Contract if purchase volume is determined to be low volume in any 12-month period. Region 4 ESC reserves the right to cancel the whole or any part of this Contract due to failure by Contractor to carry out any obligation, term or condition of the contract. Region

4 ESC may issue a written deficiency notice to Contractor for acting or failing to act in any of the following:

- i. Providing material that does not meet the specifications of the Contract;
- ii. Providing work or material was not awarded under the Contract;
- iii. Failing to adequately perform the services set forth in the scope of work and specifications;
- iv. Failing to complete required work or furnish required materials within a reasonable amount of time;
- v. Failing to make progress in performance of the Contract or giving Region 4 ESC reason to believe Contractor will not or cannot perform the requirements of the Contract; or
- vi. Performing work or providing services under the Contract prior to receiving an authorized purchase order.

Upon receipt of a written deficiency notice, Contractor shall have ten (10) days to provide a satisfactory response to Region 4 ESC. Failure to adequately address all issues of concern may result in Contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by Contractor under the Contract shall immediately become the property of Region 4 ESC.

- b) Termination for Cause. If, for any reason, Contractor fails to fulfill its obligation in a timely manner, or Contractor violates any of the covenants, agreements, or stipulations of this Contract Region 4 ESC reserves the right to terminate the Contract immediately and pursue all other applicable remedies afforded by law. Such termination shall be effective by delivery of notice, to the Contractor, specifying the effective date of termination. In such event, all documents, data, studies, surveys, drawings, maps, models and reports prepared by Contractor will become the property of the Region 4 ESC. If such event does occur, Contractor will be entitled to receive just and equitable compensation for the satisfactory work completed on such documents.
- c) Delivery/Service Failures. Failure to deliver goods or services within the time specified, or within a reasonable time period as interpreted by the purchasing agent or failure to make replacements or corrections of rejected articles/services when so requested shall constitute grounds for the Contract to be terminated. In the event Region 4 ESC must purchase in an open market, Contractor agrees to reimburse Region 4 ESC, within a reasonable time period, for all expenses incurred.
- d) Force Majeure. If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lighting; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by

acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

- e) Standard Cancellation. Region 4 ESC may cancel this Contract in whole or in part by providing written notice. The cancellation will take effect 30 business days after the other party receives the notice of cancellation. After the 30th business day all work will cease following completion of final purchase order.
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- 13) Survival Clause. All applicable software license agreements, warranties or service agreements that are entered into between Contractor and Region 4 ESC under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Contractor shall survive expiration or termination of the Contract.
- 14) Delivery. Conforming product shall be shipped within 7 days of receipt of Purchase Order. If delivery is not or cannot be made within this time period, the Contractor must receive authorization for the delayed delivery. The order may be canceled if the estimated shipping time is not acceptable. All deliveries shall be freight prepaid, F.O.B. Destination and shall be included in all pricing offered unless otherwise clearly stated in writing.
- 15) Inspection & Acceptance. If defective or incorrect material is delivered, Region 4 ESC may make the determination to return the material to the Contractor at no cost to Region 4 ESC. The Contractor agrees to pay all shipping costs for the return shipment. Contractor shall be responsible for arranging the return of the defective or incorrect material.
- 16) Payments. Payment shall be made after satisfactory performance, in accordance with all provisions thereof, and upon receipt of a properly completed invoice.
- 17) Price Adjustments. Should it become necessary or proper during the term of this Contract to make any change in design or any alterations that will increase price, Region 4 ESC must be notified immediately. Price increases must be approved by Region 4 ESC and no payment for additional materials or services, beyond the amount stipulated in the Contract shall be paid without prior approval. All price increases must be supported by manufacturer documentation, or a formal cost justification letter. Contractor must honor previous prices for thirty (30) days after approval and written notification from Region 4 ESC. It is the Contractor's responsibility to keep all pricing up to date and on file with Region 4 ESC. All price changes must be provided to Region 4 ESC, using the same format as was provided and accepted in the Contractor's proposal.

Price reductions may be offered at any time during Contract. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all users equally; 2) reduction is for a specific period, normally not less than thirty (30) days; and 3) original price is not exceeded after the time-limit. Contractor shall offer Region 4 ESC any published price reduction during the Contract term.

- 18) Audit Rights. Contractor shall, at its sole expense, maintain appropriate due diligence of all purchases made by Region 4 ESC and any entity that utilizes this Contract. Region 4 ESC reserves the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. Region 4 ESC shall have the authority to conduct random audits of Contractor's pricing at Region 4 ESC's sole cost and expense. Notwithstanding the foregoing, in the event that Region 4 ESC is made aware of any pricing being offered that is materially inconsistent with the pricing under this agreement, Region 4 ESC shall have the ability to conduct an extensive audit of Contractor's pricing at Contractor's sole cost and expense. Region 4 ESC may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 4 ESC.
- 19) Discontinued Products. If a product or model is discontinued by the manufacturer, Contractor may substitute a new product or model if the replacement product meets or exceeds the specifications and performance of the discontinued model and if the discount is the same or greater than the discontinued model.
- 20) New Products/Services. New products and/or services that meet the scope of work may be added to the Contract. Pricing shall be equivalent to the percentage discount for other products. Contractor may replace or add product lines if the line is replacing or supplementing products, is equal or superior to the original products, is discounted similarly or greater than the original discount, and if the products meet the requirements of the Contract. No products and/or services may be added to avoid competitive procurement requirements. Region 4 ESC may require additions to be submitted with documentation from Members demonstrating an interest in, or a potential requirement for, the new product or service. Region 4 ESC may reject any additions without cause.
- 21) Options. Optional equipment for products under Contract may be added to the Contract at the time they become available under the following conditions: 1) the option is priced at a discount similar to other options; 2) the option is an enhancement to the unit that improves performance or reliability.
- 22) Warranty Conditions. All supplies, equipment and services shall include manufacturer's minimum standard warranty and one (1) year labor warranty unless otherwise agreed to in writing.
- 23) Site Cleanup. Contractor shall clean up and remove all debris and rubbish resulting from their work as required or directed. Upon completion of the work, the premises shall be left in good repair and an orderly, neat, clean, safe and unobstructed condition.
- 24) Site Preparation. Contractor shall not begin a project for which the site has not been prepared, unless Contractor does the preparation work at no cost, or until Region 4 ESC includes the cost of site preparation in a purchase order. Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.
- 25) Registered Sex Offender Restrictions. For work to be performed at schools, Contractor agrees no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or are reasonably expected to be present. Contractor agrees a violation of this condition shall be considered a


material breach and may result in the cancellation of the purchase order at Region 4 ESC's discretion. Contractor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge.

- 26) Safety measures. Contractor shall take all reasonable precautions for the safety of employees on the worksite and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Contractor shall post warning signs against all hazards created by its operation and work in progress. Proper precautions shall be taken pursuant to state law and standard practices to protect workers, general public and existing structures from injury or damage.
- 27) Smoking. Persons working under the Contract shall adhere to local smoking policies. Smoking will only be permitted in posted areas or off premises.
- 28) Stored materials. Upon prior written agreement between the Contractor and Region 4 ESC, payment may be made for materials not incorporated in the work but delivered and suitably stored at the site or some other location, for installation at a later date. An inventory of the stored materials must be provided to Region 4 ESC prior to payment. Such materials must be stored and protected in a secure location and be insured for their full value by the Contractor against loss and damage. Contractor agrees to provide proof of coverage and additionally insured upon request. Additionally, if stored offsite, the materials must also be clearly identified as property of Region 4 ESC and be separated from other materials. Region 4 ESC must be allowed reasonable opportunity to inspect and take inventory of stored materials, on or offsite, as necessary. Until final acceptance by Region 4 ESC, it shall be the Contractor's responsibility to protect all materials and equipment. Contractor warrants and guarantees that title for all work, materials and equipment shall pass to Region 4 ESC upon final acceptance.
- 29) Funding Out Clause. A Contract for the acquisition, including lease, of real or personal property is a commitment of Region 4 ESC's current revenue only. Region 4 ESC retains the right to terminate the Contract at the expiration of each budget period during the term of the Contract and is conditioned on a best effort attempt by Region 4 ESC to obtain appropriate funds for payment of the contract.
- 30) Indemnity. Contractor shall protect, indemnify, and hold harmless both Region 4 ESC and its administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the Contractor, Contractor employees or subcontractors in the preparation of the solicitation and the later execution of the Contract. Any litigation involving either Region 4 ESC, its administrators and employees and agents will be in Harris County, Texas.
- 31) Marketing. Contractor agrees to allow Region 4 ESC to use their name and logo within website, marketing materials and advertisement. Any use of Region 4 ESC name and logo or any form of publicity, inclusive of press releases, regarding this Contract by Contractor must have prior approval from Region 4 ESC.
- 32) Certificates of Insurance. Certificates of insurance shall be delivered to the Region 4 ESC prior to commencement of work. The Contractor shall give Region 4 ESC a minimum of ten (10) days' notice prior to any modifications or cancellation of policies. The Contractor shall require all subcontractors performing any work to maintain coverage as specified.

33) Legal Obligations. It is Contractor's responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services and shall comply with all laws while fulfilling the Contract. Applicable laws and regulation must be followed even if not specifically identified herein.

OFFER AND CONTRACT SIGNATURE FORM

The undersigned hereby offers and, if awarded, agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing.

Company Name Network Services Company
Address 1100 E. Woodfield Road, Suite 200
City/State/Zip Schaumburg, IL 60173
Telephone No. 224..381.2278
Email Address dceko@netwrokdistribution.com
Printed Name Daniel Ceko
Title Treasurer & Corporate Counsel
Authorized signature Daniel Ceko 

Accepted by Region 4 ESC:

Contract No. R211301

Initial Contract Term 02/01/2022 to 01/31/2025

Margaret S. Bass 10/26/2021
Region 4 ESC Authorized Board Member Date

Margaret S. Bass
Print Name

Linda F. Tinnerman 10/26/2021
Region 4 ESC Authorized Board Member Date

Linda F. Tinnerman
Print Name

Appendix B

TERMS & CONDITIONS ACCEPTANCE FORM

Signature on the Offer and Contract Signature form certifies complete acceptance of the terms and conditions in this solicitation and draft Contract except as noted below with proposed substitute language (additional pages may be attached, if necessary). The provisions of the RFP cannot be modified without the express written approval of Region 4 ESC. If a proposal is returned with modifications to the draft Contract provisions that are not expressly approved in writing by Region 4 ESC, the Contract provisions contained in the RFP shall prevail.

Check one of the following responses:

- Offeror takes no exceptions to the terms and conditions of the RFP and draft Contract.

(Note: If none are listed below, it is understood that no exceptions/deviations are taken.)

- Offeror takes the following exceptions to the RFP and draft Contract. All exceptions must be clearly explained, reference the corresponding term to which Offeror is taking exception and clearly state any proposed modified language, proposed additional terms to the RFP and draft Contract must be included:

(Note: Unacceptable exceptions may remove Offeror’s proposal from consideration for award. Region 4 ESC shall be the sole judge on the acceptance of exceptions and modifications and the decision shall be final.)

If an offer is made with modifications to the contract provisions that are not expressly approved in writing, the contract provisions contained in the RFP shall prevail.)

Section/Page	Term, Condition, or Specification	Exception/Proposed Modification	Accepted (For Region 4 ESC’s use)
11(c)	Delivery	Delete last sentence of this section	Accepted
11(e)	Cancellation	Either Party may terminate with ninety (90) day written notice	Accepted
18	Audit Rights	Audit period can involve no more than immediately preceding eighteen (18) months of purchases. - amended 9/30/2021	Accepted



August 17, 2021

Attn: Region 4

Re: Solicitation Number 21-13
Request For Proposal
Cleaning Supplies, Breakroom and Related Products

Thank you for accepting Network Distribution's response to this RFP.
It is a pleasure to work with Region 4 and OMNIA Partners.

If you have any questions regarding the attached documents, please reach out for clarity.

Regards -

Jennifer Eichorn
Proposals Manager

224.361.2094
jeichorn@networkdistribution.com

NETWORK DISTRIBUTION

RFP TABLE OF CONTENTS



ONE – Draft Contract and Offer and Contract Signature Form (Appendix A)

- a. Terms and Conditions Acceptance Form (Appendix B)
- b. Receipt of Addendum No.1 Acknowledgement, Signed

TWO – Products and Pricing

- a. Products and Pricing – RFP Response
- b. Price List - RFP Response

THREE – Performance Capability

- a. OMNIA Partners Documents: Exhibit A – Response For National Cooperative Contract
- b. Performance Capability – RFP Response

Attachments:

- Exhibit A 3.1C Distributor Locations
- Exhibit A 3.1D D&B Report
- Exhibit A 3.1E NetGreen Program
- Exhibit A 3.1G Special Business Status Summary
- Exhibit A 3.2E Map of Distributor Locations
- Exhibit A 3.2Ei Distributor Locations Sq Ft
- Exhibit A 3.3B 90 Day Marketing Plan
- Exhibit A 3.3C Implementation Outline
- Exhibit A 3.3I Organization Chart
- RFP Response b-iv Capabilities and Scope
- RFP Response b-vi Disaster Recovery Plan

FOUR – Qualification and Experience

- a. Qualification and Experience – RFP Response +
 - a. *Network* References – Region 4
 - b. Region 4 *Network* Proposed Program – *Network* Overview

FIVE – Value Add

- a. Value Add – RFP Response
Attachments:
 - RFP Response di-1 Marketplace PunchOut
 - RFP Response di-2 Healthy Measures

SIX – Additional Required Documents (Appendix C)

- Appendix C, Doc #1 Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy
- Appendix C, Doc #1 Proprietary Letter
- Appendix C, Doc #2 Antitrust Certification Statement (Tex. Government Code § 2155.005)
- Appendix C, Doc #3 Form 1295 Certificate of Interested Parties Texas
- Appendix C, Doc #4 Form 2270 Texas Verification Form

- Appendix D, Exhibit F Fed Funding Addendum Cleaning and Breakroom
- Appendix D Exhibit G New Jersey Compliance Form Signed
- FEMA Special Conditions Cleaning and Breakroom



7145 West Tidwell Road ~ Houston, Texas 77092
(713)-462-7708
www.esc4.net

NOTICE TO OFFEROR

ADDENDUM NO. 1

Solicitation Number 21-13

Request for Proposal (“RFP”)
by Region 4 Education Service Center (“ESC”)
for
Cleaning Supplies, Breakroom, and Related Products

This Addendum No. 1 amends the Request for Proposals (RFP) for Cleaning Supplies, Breakroom, and Related Products 21-13 (“Addendum”). To the extent of any discrepancy between the original RFP and this Addendum, this Addendum shall prevail.

Region 4 Education Service Center (“Region 4 ESC”) requests proposals from qualified suppliers with the intent to enter into a Contract for Cleaning Supplies, Breakroom, and Related Products. Addendum No. 1 is hereby issued as follows:

QUESTIONS AND ANSWERS

1. Question: Is there a pricing excel sheet?

Answer: No pricing Excel sheet is provided in the RFP. Details for pricing submittal are provided on RFP page 14, under Section IV. Evaluation Process and Criteria, 2.a) Products/Pricing.

2. Question: Is there a price list/spreadsheet with various line items for particular PPE products under this bid or do we just provide our entire product catalog along with pricing for everything?

Answer: See answer to Question 1 of this Addendum 1.

3. Question: Is it ok to just bid under this one PPE category since we do not provide products under any of the other categories or are you looking for one vendor that can provide everything across all categories?

Answer: No, Region 4 is seeking vendor(s) that can provide products and services across all categories, as detailed in RFP page 2, I. Scope of Work.

4. Question: Looking through this bid and noticed that products were mentioned but no quantity or brand names. I didn't see a list of specific products. If you could provide me with the information on the requested products or direct me to where I can find it in the RFP?

Answer: No quantities or brand names are specified in the RFP. Offerors should refer to RFP page 13 in Section IV. Evaluation Process and Criteria, 2. A) Products/Pricing.

5. Question: Within the RFP are the list of products and product requirements, however we are unclear of how to provide pricing and details for these items. For example: Should we provide a subset of items that fall within each product category for your review? Is there a specific number of items you wish to see in order to review pricing? Are you expecting to see all items available within these categories?

Answer: As detailed in Section IV. 2. a) i. "As indicated in the Scope of Work, Offerors shall provide a complete and comprehensive line of quality made cleaning and breakroom supplies." Offerors should further refer to Section IV. 2. A. ii. – iii.. of the RFP for additional pricing requirements.

6. Question: We want to clearly understand how you are reviewing the pricing methodology for products within these categories, so we can provide the correct format for your review. Please clarify or provide an example (For Example: the pricing columns you wish to see.).

Answer: See answer to Question 5 of this Addendum 1 and refer to the entire Section IV 2 for further pricing details.

RECEIPT OF ADDENDUM NO. 1 - ACKNOWLEDGEMENT

Offeror shall acknowledge this addendum by signing below and include in their proposal response.

Company Name Network Distribution

Contact Person Jennifer Eichorn

Signature *Jennifer Eichorn*

Date 08/10/2021

Crystal Wallace
Region 4 Education Service Center
Business Operations Specialist

APPENDIX A

DRAFT CONTRACT

This Contract ("Contract") is made as of _____, 202X by and between _____ ("Contractor") and Region 4 Education Service Center ("Region 4 ESC") for the purchase of _____ ("the products and services").

RECITALS

WHEREAS, Region 4 ESC issued Request for Proposals Number R_____ for _____ ("RFP"), to which Contractor provided a response ("Proposal"); and

WHEREAS, Region 4 ESC selected Contractor's Proposal and wishes to engage Contractor in providing the services/materials described in the RFP and Proposal;

WHEREAS, both parties agree and understand the following pages will constitute the Contract between the Contractor and Region 4 ESC, having its principal place of business at 7145 West Tidwell Road, Houston, TX 77092.

WHEREAS, Contractor included, in writing, any required exceptions or deviations from these terms, conditions, and specifications; and it is further understood that, if agreed to by Region 4 ESC, said exceptions or deviations are incorporated into the Contract.

WHEREAS, this Contract consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth below shall control.

WHEREAS, the Contract will provide that any state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit ("Public Agencies") may purchase products and services at prices indicated in the Contract upon the Public Agency's registration with OMNIA Partners.

- 1) Term of agreement. The term of the Contract is for a period of three (3) years unless terminated, canceled or extended as otherwise provided herein. Region 4 ESC shall have the right to renew the Contract for two (2) additional one-year periods or portions thereof. Region 4 ESC shall review the Contract prior to the renewal date and notify the Contractor of Region 4 ESC's intent renew the Contract. Contractor may elect not to renew by providing three hundred sixty-five days' (365) notice to Region 4 ESC. Notwithstanding the expiration of the initial term or any subsequent term or all renewal options, Region 4 ESC and Contractor may mutually agree to extend the term of this Agreement. Contractor acknowledges and understands Region 4 ESC is under no obligation whatsoever to extend the term of this Agreement.

The anticipated full term of the contract is five (5) years. The Contractor shall have the right to enter local "service" agreements with Participating Public Agencies accessing the contract through OMNIA Partners, so long as the effective date of such agreement is prior to the expiration of the Contract. All local agreements may have a full potential term (any combination of initial and renewal periods) not to exceed five years. Any tasks or project

CONTRACT

1

agreements executed against this Master Agreement during the effective term may survive beyond the expiration of the Master Agreement as established and agreed to by both parties.

- 2) Scope: Contractor shall perform all duties, responsibilities and obligations, set forth in this agreement, and described in the RFP, incorporated herein by reference as though fully set forth herein.
- 3) Form of Contract. The form of Contract shall be the RFP, the Offeror's proposal and Best and Final Offer(s).
- 4) Order of Precedence. In the event of a conflict in the provisions of the Contract as accepted by Region 4 ESC, the following order of precedence shall prevail:
 - i. This Contract
 - ii. Offeror's Best and Final Offer
 - iii. Offeror's proposal
 - iv. RFP and any addenda
- 5) Commencement of Work. The Contractor is cautioned not to commence any billable work or provide any material or service under this Contract until Contractor receives a purchase order for such work or is otherwise directed to do so in writing by Region 4 ESC.
- 6) Entire Agreement (Parol evidence). The Contract, as specified above, represents the final written expression of agreement. All agreements are contained herein and no other agreements or representations that materially alter it are acceptable.
- 7) Assignment of Contract. No assignment of Contract may be made without the prior written approval of Region 4 ESC. Contractor is required to notify Region 4 ESC when any material change in operations is made (i.e. bankruptcy, change of ownership, merger, etc.).
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CONTRACT

2

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- iv. Failing to complete required work or furnish required materials within a reasonable amount of time;
- v. Failing to make progress in performance of the Contract or giving Region 4 ESC reason to believe Contractor will not or cannot perform the requirements of the Contract; or
- vi. Performing work or providing services under the Contract prior to receiving an authorized purchase order.

Upon receipt of a written deficiency notice, Contractor shall have ten (10) days to provide a satisfactory response to Region 4 ESC. Failure to adequately address all issues of concern may result in Contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by Contractor under the Contract shall immediately become the property of Region 4 ESC.

- b) Termination for Cause. If, for any reason, Contractor fails to fulfill its obligation in a timely manner, or Contractor violates any of the covenants, agreements, or stipulations of this Contract Region 4 ESC reserves the right to terminate the Contract immediately and pursue all other applicable remedies afforded by law. Such termination shall be effective by delivery of notice, to the Contractor, specifying the effective date of termination. In such event, all documents, data, studies, surveys, drawings, maps, models and reports prepared by Contractor will become the property of the Region 4 ESC. ~~If such event does occur, Contractor will be entitled to receive just and equitable compensation for the satisfactory work completed on such documents.~~
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- d) Force Majeure. If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lighting; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by

CONTRACT

3

acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

- e) Standard Cancellation. ~~Either Party~~ ~~Region 4 ESC~~ may cancel this Contract in whole or in part by **providing (90) day written** notice. The cancellation will take effect ~~390~~ business days after the other party receives the notice of cancellation. After the ~~390~~th business day all work will cease following completion of final purchase order.
- 12) Licenses. Contractor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by Contractor. Contractor shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of services under the Contract. Region 4 ESC reserves the right to stop work and/or cancel the Contract if Contractor's license(s) expire, lapse, are suspended or terminated.
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- 15) Inspection & Acceptance. If defective or incorrect material is delivered, Region 4 ESC may make the determination to return the material to the Contractor at no cost to Region 4 ESC. The Contractor agrees to pay all shipping costs for the return shipment. Contractor shall be responsible for arranging the return of the defective or incorrect material.
- 16) Payments. Payment shall be made after satisfactory performance, in accordance with all provisions thereof, and upon receipt of a properly completed invoice.
- 17) Price Adjustments. Should it become necessary or proper during the term of this Contract to make any change in design or any alterations that will increase price, Region 4 ESC must be notified immediately. Price increases must be approved by Region 4 ESC and no payment for additional materials or services, beyond the amount stipulated in the Contract shall be paid without prior approval. All price increases must be supported by manufacturer documentation, or a formal cost justification letter. Contractor must honor previous prices for thirty (30) days after approval and written notification from Region 4 ESC. It is the Contractor's responsibility to keep all pricing up to date and on file with Region 4 ESC. All price changes must be provided to Region 4 ESC, using the same format as was provided and accepted in the Contractor's proposal.

Price reductions may be offered at any time during Contract. Special, time-limited reductions are permissible under the following conditions: 1) reduction is available to all users equally; 2) reduction is for a specific period, normally not less than thirty (30) days; and 3) original price is not exceeded after the time-limit. Contractor shall offer Region 4 ESC any published price reduction during the Contract term.

CONTRACT

4

- 18) Audit Rights. Contractor shall, at its sole expense, maintain appropriate due diligence of all purchases made by Region 4 ESC and any entity that utilizes this Contract. Region 4 ESC reserves the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. Region 4 ESC shall have the authority to conduct random audits of Contractor's pricing at Region 4 ESC's sole cost and expense. Notwithstanding the foregoing, in the event that Region 4 ESC is made aware of any pricing being offered that is materially inconsistent with the pricing under this agreement, Region 4 ESC shall have the ability to conduct an extensive audit of Contractor's pricing at Contractor's sole cost and expense. Region 4 ESC may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 4 ESC.
- 19) Discontinued Products. If a product or model is discontinued by the manufacturer, Contractor may substitute a new product or model if the replacement product meets or exceeds the specifications and performance of the discontinued model and if the discount is the same or greater than the discontinued model.
- 20) New Products/Services. New products and/or services that meet the scope of work may be added to the Contract. Pricing shall be equivalent to the percentage discount for other products. Contractor may replace or add product lines if the line is replacing or supplementing products, is equal or superior to the original products, is discounted similarly or greater than the original discount, and if the products meet the requirements of the Contract. No products and/or services may be added to avoid competitive procurement requirements. Region 4 ESC may require additions to be submitted with documentation from Members demonstrating an interest in, or a potential requirement for, the new product or service. Region 4 ESC may reject any additions without cause.
- 21) Options. Optional equipment for products under Contract may be added to the Contract at the time they become available under the following conditions: 1) the option is priced at a discount similar to other options; 2) the option is an enhancement to the unit that improves performance or reliability.
- 22) Warranty Conditions. All supplies, equipment and services shall include manufacturer's minimum standard warranty and one (1) year labor warranty unless otherwise agreed to in writing.
- 23) Site Cleanup. Contractor shall clean up and remove all debris and rubbish resulting from their work as required or directed. Upon completion of the work, the premises shall be left in good repair and an orderly, neat, clean, safe and unobstructed condition.
- 24) Site Preparation. Contractor shall not begin a project for which the site has not been prepared, unless Contractor does the preparation work at no cost, or until Region 4 ESC includes the cost of site preparation in a purchase order. Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.
- 25) Registered Sex Offender Restrictions. For work to be performed at schools, Contractor agrees no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or are reasonably expected to be present. Contractor agrees a violation of this condition shall be considered a

CONTRACT

5

material breach and may result in the cancellation of the purchase order at Region 4 ESC's discretion. Contractor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge.

- 26) Safety measures. Contractor shall take all reasonable precautions for the safety of employees on the worksite and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Contractor shall post warning signs against all hazards created by its operation and work in progress. Proper precautions shall be taken pursuant to state law and standard practices to protect workers, general public and existing structures from injury or damage.
- 27) Smoking. Persons working under the Contract shall adhere to local smoking policies. Smoking will only be permitted in posted areas or off premises.
- 28) Stored materials. Upon prior written agreement between the Contractor and Region 4 ESC, payment may be made for materials not incorporated in the work but delivered and suitably stored at the site or some other location, for installation at a later date. An inventory of the stored materials must be provided to Region 4 ESC prior to payment. Such materials must be stored and protected in a secure location and be insured for their full value by the Contractor against loss and damage. Contractor agrees to provide proof of coverage and additionally insured upon request. Additionally, if stored offsite, the materials must also be clearly identified as property of Region 4 ESC and be separated from other materials. Region 4 ESC must be allowed reasonable opportunity to inspect and take inventory of stored materials, on or offsite, as necessary. Until final acceptance by Region 4 ESC, it shall be the Contractor's responsibility to protect all materials and equipment. Contractor warrants and guarantees that title for all work, materials and equipment shall pass to Region 4 ESC upon final acceptance.
- 29) Funding Out Clause. A Contract for the acquisition, including lease, of real or personal property is a commitment of Region 4 ESC's current revenue only. Region 4 ESC retains the right to terminate the Contract at the expiration of each budget period during the term of the Contract and is conditioned on a best effort attempt by Region 4 ESC to obtain appropriate funds for payment of the contract.
- 30) Indemnity. Contractor shall protect, indemnify, and hold harmless both Region 4 ESC and its administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the Contractor, Contractor employees or subcontractors in the preparation of the solicitation and the later execution of the Contract. Any litigation involving either Region 4 ESC, its administrators and employees and agents will be in Harris County, Texas.
- 31) Marketing. Contractor agrees to allow Region 4 ESC to use their name and logo within website, marketing materials and advertisement. Any use of Region 4 ESC name and logo or any form of publicity, inclusive of press releases, regarding this Contract by Contractor must have prior approval from Region 4 ESC.
- 32) Certificates of Insurance. Certificates of insurance shall be delivered to the Region 4 ESC prior to commencement of work. The Contractor shall give Region 4 ESC a minimum of ten (10) days' notice prior to any modifications or cancellation of policies. The Contractor shall require all subcontractors performing any work to maintain coverage as specified.

CONTRACT

6

33) Legal Obligations. It is Contractor's responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services and shall comply with all laws while fulfilling the Contract. Applicable laws and regulation must be followed even if not specifically identified herein.

CONTRACT

7

OFFER AND CONTRACT SIGNATURE FORM

The undersigned hereby offers and, if awarded, agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing.

Company Name Network Services Company

Address 1100 E. Woodfield Road, Suite 200

City/State/Zip Schaumburg, IL 60173

Telephone No. 224..361.2278

Email Address dceko@netwrokdistribution.com

Printed Name Daniel Ceko

Title Treasurer & Corporate Counsel

Authorized signature Daniel Ceko Digitally signed by Daniel Ceko
DN: cn=Daniel Ceko, o=Network Services Company, ou=Network Services Company, email=dceko@netwrokdistribution.com, c=US
Date: 2011.08.11 10:52:47 -0700

Accepted by Region 4 ESC:

Contract No. _____

Initial Contract Term _____ to _____

Region 4 ESC Authorized Board Member

Date

Print Name

Region 4 ESC Authorized Board Member

Date

Print Name

Appendix B

TERMS & CONDITIONS ACCEPTANCE FORM

Signature on the Offer and Contract Signature form certifies complete acceptance of the terms and conditions in this solicitation and draft Contract except as noted below with proposed substitute language (additional pages may be attached, if necessary). The provisions of the RFP cannot be modified without the express written approval of Region 4 ESC. If a proposal is returned with modifications to the draft Contract provisions that are not expressly approved in writing by Region 4 ESC, the Contract provisions contained in the RFP shall prevail.

Check one of the following responses:

- Offeror takes no exceptions to the terms and conditions of the RFP and draft Contract.

(Note: If none are listed below, it is understood that no exceptions/deviations are taken.)

- Offeror takes the following exceptions to the RFP and draft Contract. All exceptions must be clearly explained, reference the corresponding term to which Offeror is taking exception and clearly state any proposed modified language, proposed additional terms to the RFP and draft Contract must be included:

(Note: Unacceptable exceptions may remove Offeror’s proposal from consideration for award. Region 4 ESC shall be the sole judge on the acceptance of exceptions and modifications and the decision shall be final.)

If an offer is made with modifications to the contract provisions that are not expressly approved in writing, the contract provisions contained in the RFP shall prevail.)

Section/Page	Term, Condition, or Specification	Exception/Proposed Modification	Accepted (For Region 4 ESC’s use)
11(c)	Delivery	Delete last sentence of this section	
11(e)	Cancellation	Either Party may terminate with ninety (90) day written notice	
18	Audit Rights	Audit period can involve no more than immediately preceding twelve (12) months of purchases and audit shall be at the sole cost and expense of TCPN and Region 4 ESC.	

IV. EVALUATION PROCESS AND CRITERIA

a) PRODUCTS/PRICING



Note: These topics may be additionally covered within Appendix D, Exhibit A, and OMNIA Partners Response for National Cooperative Contract.

i. As indicated in the Scope of Work, Offerors shall provide a complete and comprehensive line of quality made cleaning and breakroom supplies. When applicable, Offerors should complete the below tables but may alter as needed and are encouraged to include and further describe additional products, services, and programs. Offerors should include but are not limited to:

- i. **Dilution Control**
- ii. **Green Solutions**
- iii. **Industrial Paper and Dispensers**
- iv. **Hard Floor Care**
- v. **Carpet Care**
- vi. **Restroom Care**
- vii. **Waste Receptacles and Liners**
- viii. **Machines and Accessories**
- ix. **Breakroom and Kitchen**
- x. **Cleaning and Breakroom Tools and Supplies**
- xi. **Personal Protective Equipment (PPE) and Health/Safety Solutions**
- xii. **Other Categories**

Discounts proposed should remain the same during the contract and at a minimum for the first twelve (12) months after contract award.

We are able to provide all items listed within the RFP.

Our price proposal contains a core list of approximately 1,500 items, with pricing firm for 12 months after the contract date. Pricing will be evaluated on the yearly anniversary date.

Pricing submitted is a representation of available items. We can supply pricing for any additional or alternative items required by Region 4.

See attached [PRICE LIST RFP Response – Region 4](#)

i. Offerors are to provide a discount from a verifiable price index and provide a reduced net pricing schedule with indefinite quantities. Offeror must fully describe and disclose details of proposed pricing method including audit verification method. Prices/discounts shall remain firm and will include all charges that may be incurred in fulfilling requirement(s) for the twelve-month period following contract award. Where applicable, pricing shall be determined by applying Offerors' discounts to the prices listed on their manufacturer's price lists, retail price sheets, and catalogs.

ii. Where applicable, Offeror's may provide a fixed price, or a combination of pricing, with indefinite quantities. Prices listed will be used to establish the extent of a manufacturer's product lines, services, warranties, etc. that are available from Offeror and the pricing per item.

Multiple percentage discounts are acceptable if, where different percentage discounts apply, they different percentages are specified. Additional pricing and/or discounts may be included. Products and services proposed are to be priced separately with all ineligible items identified. Offerors may elect to limit their proposals to any category or categories.

iii. Provide complete price lists and catalog of Offeror's product line in a separate file on a Flash Drive (i.e. Pin or Jump Drives). This is to include an electronic copy of the catalog from which discount, or fixed price, is calculated. Electronic price lists must contain the following: *(if applicable)*

- Manufacturer part #
- Offeror's Part # (if different from manufacturer part #)
- Description
- Manufacturers Suggested List Price and Net Price
- Net price to Region 4 ESC (including freight)

Media submitted for price list must include the Offerors' company name, name of the solicitation, and date on the Flash Drive (i.e. Pin or Jump Drives).

We do not have a complete product catalog of all nationally available items due to the expansive nature of our product categories and varying customer needs. We will also continue to expand offering as new and more efficient products become available.

However, we can offer localized catalogs directed to needs of local markets or customers.

iv. Provide information for non-warranty service rates to include what services are covered with invoice rates.

In the instance that a product requires service, it will be discussed on a case by case basis with your local distributor.

v. Is pricing available for all products and services?

Yes. Pricing submitted is an overview/subset of available items. We can supply pricing for any additional or alternative items required by Region 4.

vi. Describe any shipping charges.

We provide standard freight free delivery to the vast majority of the US. In the event a location is outside the freight free delivery areas, the following modes of delivery are available: Fed-Ex, UPS, USPS, LTL delivery carrier, special delivery courier, and customer pick-up (with prior notification) are options. Emergency and rush orders are available. Emergency orders would incur a pass through of fees charged by the courier for delivery, and will require written location approval prior to order processing. Locations outside the continental US (Conus) may be subject to a premium for freight and any tariffs or additional shipping fees.

vii. Provide pricing for warranties on all products and services.

We are not a manufacturer, and we pass along all manufacturer warranties to Region 4. Can be discussed for applicable equipment or other items.

viii. Describe any return and restocking fees.

All returned products must be in the original container, in resalable condition and usable prior to expiration date of the product, and made within 90 days of delivery date. Items returned due to customer error will be charged a restocking fee; however, if the result of distributor error, the restocking fee will be waived.

ix. Describe any additional discounts or rebates available. Additional discounts or rebates may be offered for large quantity orders, single ship to location, growth, annual spend, guaranteed quantity, etc.

Additional discounts may be negotiated on a local case-by-case basis.

x. Describe how customers verify they are receiving Contract pricing.

Utilizing EDI-based electronic ordering or ecommerce system encourage pricing consistency for all customers. We currently support full EDI and ecommerce ordering for all National Accounts who desire to use one of these methods.

Many of our purchase orders come in through EDI or internet ordering today, and that number continues to grow.

Our ecommerce system allows custom product catalogs for each ordering location, easy product search, ability to access past and pending orders, order approval, punch-outs to vendor catalogs, and other customized options.

All of the efficiency tools will simplify and support Contract pricing standardization.

xi. Describe payment methods offered.

Payment methods include: Electronic funds transfer (EFT), automated clearing house (ACH), EDI 820 remittance, and other electronic formats.

Our IT teams can discuss options to meet your needs.

xii. Propose the frequency of updates to the Offeror's pricing structure. Describe any proposed indices to guide price adjustments. If offering a catalog contract with discounts by category, while changes in individual pricing may change, the category discounts should not change over the term of the Contract.

Quoted prices and subsequent price changes are based on a fixed cost and supported with letters from the manufacturer in cases of increase or decrease if requested.

We are offering fixed item costs, not discounts by product category.

In the case of extreme market fluctuations and manufacturer's price increases, we may implement an emergency price increase on the affected. Customer pricing will be based on contract price at the time the order is fulfilled and delivered. The actual pricing could be greater than when the order was placed.

xiii. Describe how future product introductions will be priced and align with Contract pricing proposed.

Our price proposal contains a core list of items, which are a representation of the full offering. Our entire catalog of over 10,000 items is available to Region 4 and users of this contract.

All Janitorial and Sanitation Supplies, Equipment and Related Services are considered in scope of this contract. Products are considered core (as set forth on price list with an exception to gloves) or non-core (anything outside of core list and sold at market competitive pricing).

xiv. Provide any additional information relevant to this section.

We are available to answer any additional questions about our Products and Pricing.

EXHIBIT A
RESPONSE FOR NATIONAL COOPERATIVE CONTRACT

1.0 Scope of National Cooperative Contract

Capitalized terms not otherwise defined herein shall have the meanings given to them in the Master Agreement or in the Administration Agreement between Supplier and OMNIA Partners.

We acknowledge, understand, and agree to comply with sections 1.0 – 2.0 and all subsections therein, unless indicated otherwise by our language/explanation is in blue font directly below the section or subsection.

Our responses to section 3.0 and its subsections can be found directly below the subsection in blue font.

1.1 Requirement

The Region 4 Education Service Center (“ESC”) (hereinafter defined and referred to as “Principal Procurement Agency”), on behalf of itself and the National Intergovernmental Purchasing Alliance Company, a Delaware corporation d/b/a OMNIA Partners, Public Sector (“OMNIA Partners”), is requesting proposals for Cleaning Supplies, Breakroom, and Related Products. The intent of this Request for Proposal is any contract between Principal Procurement Agency and Supplier resulting from this Request for Proposal (“Master Agreement”) be made available to other public agencies nationally, including state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit (“Public Agencies”), through OMNIA Partners’ cooperative purchasing program. The Principal Procurement Agency has executed a Principal Procurement Agency Certificate with OMNIA Partners, an example of which is included as Exhibit D, and has agreed to pursue the Master Agreement. Use of the Master Agreement by any Public Agency is preceded by their registration with OMNIA Partners as a Participating Public Agency in OMNIA Partners’ cooperative purchasing program. Registration with OMNIA Partners as a Participating Public Agency is accomplished by Public Agencies entering into a Master Intergovernmental Cooperative Purchasing Agreement, an example of which is attached as Exhibit C, and by using the Master Agreement, any such Participating Public Agency agrees that it is registered with OMNIA Partners, whether pursuant to the terms of the Master Intergovernmental Purchasing Cooperative Agreement or as otherwise agreed to. The terms and pricing established in the resulting Master Agreement between the Supplier and the Principal Procurement Agency will be the same as that available to Participating Public Agencies through OMNIA Partners.

All transactions, purchase orders, invoices, payments etc., will occur directly between the Supplier and each Participating Public Agency individually, and neither OMNIA Partners, any Principal Procurement Agency nor any Participating Public Agency, including their respective agents, directors, employees or representatives, shall be liable to Supplier for any acts, liabilities, damages, etc., incurred by any other Participating Public Agency. Supplier is responsible for knowing the tax laws in each ~~st~~

This Exhibit A defines the expectations for qualifying Suppliers based on OMNIA

Partners' requirements to market the resulting Master Agreement nationally to Public Agencies. Each section in this Exhibit A refers to the capabilities, requirements, obligations, and prohibitions of competing Suppliers on a national level in order to serve Participating Public Agencies through OMNIA Partners.

These requirements are incorporated into and are considered an integral part of this RFP. OMNIA Partners reserves the right to determine whether or not to make the Master Agreement awarded by the Principal Procurement Agency available to Participating Public Agencies, in its sole and absolute discretion, and any party submitting a response to this RFP acknowledges that any award by the Principal Procurement Agency does not obligate OMNIA Partners to make the Master Agreement available to Participating Procurement Agencies.

1.2 Marketing, Sales and Administrative Support

During the term of the Master Agreement OMNIA Partners intends to provide marketing, sales, partnership development and administrative support for Supplier pursuant to this section that directly promotes the Supplier's products and services to Participating Public Agencies through multiple channels, each designed to promote specific products and services to Public Agencies on a national basis.

OMNIA Partners will assign the Supplier a Director of Partner Development who will serve as the main point of contact for the Supplier and will be responsible for managing the overall relationship between the Supplier and OMNIA Partners. The Director of Partner Development will work with the Supplier to develop a comprehensive strategy to promote the Master Agreement and will connect the Supplier with appropriate stakeholders within OMNIA Partners including, Sales, Marketing, Contracting, Training, and Operations & Support.

The OMNIA Partners marketing team will work in conjunction with Supplier to promote the Master Agreement to both existing Participating Public Agencies and prospective Public Agencies through channels that may include:

- A. Marketing collateral (print, electronic, email, presentations)
- B. Website
- C. Trade shows/conferences/meetings
- D. Advertising
- E. Social Media

The OMNIA Partners sales teams will work in conjunction with Supplier to promote the Master Agreement to both existing Participating Public Agencies and prospective Public Agencies through initiatives that may include:

- A. Individual sales calls
- B. Joint sales calls
- C. Communications/customer service
- D. Training sessions for Public Agency teams
- E. Training sessions for Supplier teams

The OMNIA Partners contracting teams will work in conjunction with Supplier to promote the Master Agreement to both existing Participating Public Agencies and prospective Public Agencies through:

- A. Serving as the subject matter expert for questions regarding joint powers authority and state statutes and regulations for cooperative purchasing
- B. Training sessions for Public Agency teams
- C. Training sessions for Supplier teams
- D. Regular business reviews to monitor program success
- E. General contract administration

Suppliers are required to pay an Administrative Fee of 3% of the greater of the Contract Sales under the Master Agreement and Guaranteed Contract Sales under this Request for Proposal. Supplier will be required to execute the OMNIA Partners Administration Agreement (Exhibit B).

1.3 Estimated Volume

The dollar volume purchased under the Master Agreement is estimated to be approximately \$75M annually. While no minimum volume is guaranteed to Supplier, the estimated annual volume is projected based on the current annual volumes among the Principal Procurement Agency, other Participating Public Agencies that are anticipated to utilize the resulting Master Agreement to be made available to them through OMNIA Partners, and volume growth into other Public Agencies through a coordinated marketing approach between Supplier and OMNIA Partners.

1.4 Award Basis

The basis of any contract award resulting from this RFP made by Principal Procurement Agency will, at OMNIA Partners' option, be the basis of award on a national level through OMNIA Partners. If multiple Suppliers are awarded by Principal Procurement Agency under the Master Agreement, those same Suppliers will be required to extend the Master Agreement to Participating Public Agencies through OMNIA Partners. Utilization of the Master Agreement by Participating Public Agencies will be at the discretion of the individual Participating Public Agency. Certain terms of the Master Agreement specifically applicable to the Principal Procurement Agency (e.g. governing law) are subject to modification for each Participating Public Agency as Supplier, such Participating Public Agency and OMNIA Partners shall agree without being in conflict with the Master Agreement. Participating Agencies may request to enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in the Master Agreement (i.e. invoice requirements, order requirements, specialized delivery, diversity requirements such as minority and woman owned businesses, historically underutilized business, governing law, etc.) ("Supplemental Agreement"). It shall be the responsibility of the Supplier to comply, when applicable, with the prevailing wage legislation in effect in the jurisdiction of the Participating Agency. It shall further be the responsibility of the Supplier to monitor the prevailing wage rates as established by the appropriate department of labor for any increase in rates during the term of the Master Agreement and adjust wage rates accordingly. In instances where supplemental terms and conditions create additional risk and cost for Supplier, Supplier and Participating Public Agency may negotiate additional pricing above and

beyond the stated contract not-to-exceed pricing so long as the added price is commensurate with the additional cost incurred by the Supplier. Any supplemental agreement developed as a result of the Master Agreement is exclusively between the Participating Agency and the Supplier (Contract Sales are reported to OMNIA Partners).

All signed Supplemental Agreements and purchase orders issued and accepted by the Supplier may survive expiration or termination of the Master Agreement. Participating Agencies' purchase orders may exceed the term of the Master Agreement if the purchase order is issued prior to the expiration of the Master Agreement. Supplier is responsible for reporting all sales and paying the applicable Administrative Fee for sales that use the Master Agreement as the basis for the purchase order, even though Master Agreement may have expired.

1.5 Objectives of Cooperative Program

This RFP is intended to achieve the following objectives regarding availability through OMNIA Partners' cooperative program:

- A. Provide a comprehensive competitively solicited and awarded national agreement offering the Products covered by this solicitation to Participating Public Agencies;
- B. Establish the Master Agreement as the Supplier's primary go to market strategy to Public Agencies nationwide;
- C. Achieve cost savings for Supplier and Public Agencies through a single solicitation process that will reduce the Supplier's need to respond to multiple solicitations and Public Agencies need to conduct their own solicitation process;
- D. Combine the aggregate purchasing volumes of Participating Public Agencies to achieve cost effective pricing.

2.0 REPRESENTATIONS AND COVENANTS

As a condition to Supplier entering into the Master Agreement, which would be available to all Public Agencies, Supplier must make certain representations, warranties and covenants to both the Principal Procurement Agency and OMNIA Partners designed to ensure the success of the Master Agreement for all Participating Public Agencies as well as the Supplier.

2.1 Corporate Commitment

Supplier commits that (1) the Master Agreement has received all necessary corporate authorizations and support of the Supplier's executive management, (2) the Master Agreement is Supplier's primary "go to market" strategy for Public Agencies, (3) the Master Agreement will be promoted to all Public Agencies, including any existing customers, and Supplier will transition existing customers, upon their request, to the Master Agreement, and (4) that the Supplier has read and agrees to the terms and conditions of the Administration Agreement with OMNIA Partners and will execute such agreement concurrent with and as a condition of its execution of the Master Agreement with the Principal Procurement Agency. Supplier will identify an executive corporate sponsor and a separate national account manager within the RFP response that will be responsible for the overall management of the Master Agreement.

The Master Agreement is one of our primary “go to market” strategies for all Public Agencies.

We have a 10 plus year relationship and executive relationship with the OMNIA team. We work with the OMNIA teams on an almost daily basis, including state, higher education and K-12.

We have weekly calls with the OMNIA supplier team to discuss strategies, market positioning, and discuss how we grow the business together.

2.2 Pricing Commitment

Supplier commits the not-to-exceed pricing provided under the Master Agreement pricing is its lowest available (net to buyer) to Public Agencies nationwide and further commits that if a Participating Public Agency is eligible for lower pricing through a national, state, regional or local or cooperative contract, the Supplier will match such lower pricing to that Participating Public Agency under the Master Agreement.

The quoted pricing is a not to exceed price, but we fully recognize that as the order size or quantity get larger, we may have to be increasingly competitive in the market.

We are offering pricing to Region 4, OMNIA, and Participating Public Agencies (PPA's) based on negotiated product costs offered by contracted manufacturers. These cost supports are based on a number of factors including the volume of purchases, and determined by the manufacturer; not the distributor. This offer includes pricing offered exclusively for Region 4/ OMNIA.

Participating Public Agencies receive the benefit of the aggregate spend of OMNIA Partners.

We will offer Region 4 and PPAs the same price as other customers utilizing similar procurement methods and purchasing similar Volumes of product, with the same manufacturer cost supports.

We monitor competitive pricing and product mix annually. We agree to negotiate in good faith to lower any prices that are misaligned with the market. Misalignment with the market is determined by feedback from contract participants, lost opportunities, and/or other market intelligence as received or gathered from any source.

2.3 Sales Commitment

Supplier commits to aggressively market the Master Agreement as its go to market strategy in this defined sector and that its sales force will be trained, engaged and committed to offering the Master Agreement to Public Agencies through OMNIA Partners nationwide. Supplier commits that all Master Agreement sales will be accurately and timely reported to OMNIA Partners in accordance with the OMNIA Partners Administration Agreement. Supplier also commits its sales force will be compensated, including sales incentives, for sales to Public Agencies under the Master Agreement in a consistent or better manner compared to sales to Public Agencies if the Supplier were not awarded the Master Agreement.

We will compensate our sales forces under the compensation structure currently employed to promote sales of our Public Sector contracts. We utilize the same compensation structure to incent sales for all segments of our business.

3.0 SUPPLIER RESPONSE

Supplier must supply the following information in order for the Principal Procurement Agency to determine Supplier's qualifications to extend the resulting Master Agreement to Participating Public Agencies through OMNIA Partners.

3.1 Company

- A. Brief history and description of Supplier to include experience providing similar products and services.

We were established in 1968 to provide products and related services to corporate account customers on behalf of our distributors. We manage national programs for corporate account customers across the U.S. We provide a broad product selection, having built strategic alliances with the industry's best in class manufacturers..

We, focus mainly on five specific business segments: Commercial Real Estate/Building Services, Healthcare, Foodservice, the Hospitality and Industrial Packaging corporate accounts. Our strength is in these segments, utilizing our programs and products in the following categories: Janitorial supplies - including towel & tissue, can liners, hand soaps and sanitizers, chemicals, janitorial housekeeping supplies, janitorial equipment sales and personal & safety products; as well as food service disposables, industrial packaging, segment and/or customer specific products, etc. We have also worked with several government agencies which have expressed the desire and need for additional security measures. Therefore, in select areas, *Network* is able to offer document shredding as service. We suggest speaking with your local representative, should this option be of interest. Our programs provide Flexibility, Accountability and Expertise, as compared to one-size-fits-all models. can suggest a menu of options and you select the programs you wish to utilize as we guide you through the development of a customized distribution program.

- B. Total number and location of sales persons employed by Supplier.

Our Corporate Account Directors are geographically located throughout the U.S.

The Corporate Account Director manages the relationship with your corporate headquarters and their corporate counterpart. The Corporate Account Director is responsible for communicating the program, expectations and requirements to staff. Our distributor sales representatives are responsible for establishing relationships with their local facilities, exploring what unique needs they may have, establishing order guides and replenishment criteria, anticipated order/delivery days, determining regularity of visits with the customer, if site specific training is needed, etc.

CATEGORY DEVELOPMENT ANALYST – Manages all corporate contracted products and manufacturer programs, Works with sales and customer corporate contact to develop ideas for alternative product, process improvement and cost reduction. Tracks and reports all cost reductions and increases through an impact analysis. Quarterly updates on price list additions, deletions, and changes as needed.

IMPLEMENTATION MANAGER AND COORDINATOR – Implements the *Network* program with sites during the first 120 days of the program startup.

MANAGER OF IT – Manages ecommerce program startup for *Network* including EDI program startup.

CORPORATE ACCOUNT SPECIALIST – Provides Customer Service for any national requests or issues. Point of escalation (if ever needed) for local service/support. Assists in managing Web Order guides and EDI site database information.

INTEGRATED BILLING MANAGER - Responsible for program startup, on-going receivables and linkages with your AP team.

- C. Number and location of support centers (if applicable) and location of corporate office.

Our Corporate Headquarters is located in Schaumburg, Illinois; housing over 175 people to manage various aspects of our national accounts. Corporate Account Directors are geographically located throughout the U.S.

In addition to your dedicated Corporate Account Director, we will be assigning one key individual to manage the PPA locations in their servicing area, as well as interfacing corporate direction. You get national distribution with the advantages of a locally supported program.

Please [see Exhibit](#) for a map of distribution centers.

- D. Annual sales for the three previous fiscal years.

We are a private corporation that does not disclose financial statements or any specific financial information to individuals or entities. As such, audited financial statements have not been included in this proposal.

- a. Submit FEIN and Dunn & Bradstreet report.

- E. Describe any green or environmental initiatives or policies.

Nationally, we are is a member of the U.S. Green Building Council and actively involved at the chapter level – as are many of our distributors. We have a LEED® Accredited Professional on staff who monitors sustainability trends and is closely aligned with our supplier community to stay abreast of their individual

sustainability initiatives. As a strong advocate for corporate and social responsibility, we help our customers achieve their sustainability goals as well. Many of the products we purchase and provide to our customers carry various certifications. These vary by product and manufacturer selected. To help drive the utilization and awareness of these products, certifications such as Green Seal, etc. are clearly indicated and searchable within our on-line ordering system. We offer a full line of environmentally-preferred products and a proprietary evaluation program designed to assess a customer's current situation and then align the processes, products, suppliers and monitoring tools necessary to achieve the customer's sustainability, sanitation and wellness goals. Spend reporting of such products is also provided at any time and is a standard report included in our Business Reviews.

Our environmental focus is on local sourcing, local delivery fleets with dynamic routing to reduce carbon emissions, local recycling and energy conservation programs, e-business transactions, use of Energy Star appliances, water use reduction, etc.

- F. Describe any diversity programs or partners supplier does business with and how Participating Agencies may use diverse partners through the Master Agreement. Indicate how, if at all, pricing changes when using the diversity program. If there are any diversity programs, provide a list of diversity alliances and a copy of their certifications.

We have networks of diverse business partners within the local geographies that are utilized to support the Master Agreement through sales, customer service and other useful functions. While programs may vary, as do local needs, we are able to provide diverse solutions for Region 4.

Nationally, we work through disadvantaged businesses on a regular basis. We will reflect utilize our local communities and deploy supply chain solutions that reflect the communities we do business in. Often times there is an up charge to include another party. Pricing and capabilities are discussed well in advance and are conducted with full transparency.

- G. Indicate if supplier holds any of the below certifications in any classified areas and include proof of such certification in the response:

We as a whole, do not qualify as a diverse supplier, however, many of our partners are Woman Owned, Small Business, Minority Owned, or Veteran Owned certified businesses. Customer location alignment is subject to assignment policies and procedures which consider delivery areas, core competency, product availability, manufacturer relationships, etc. Locations can be evaluated and aligned with diverse distributors, whenever possible, upon request prior to location assignments. This is a detailed process utilizing various internal tools which consider freight free delivery areas, core competency, existing business, selected manufacturer programs, ability to service multiple locations, etc. Details will be provided once program needs are fully established. .

In addition, we are an equal opportunity employer committed to following the letter and spirit of laws prohibiting discrimination in the workplace. It offers equal opportunities in employment to qualified people without regard to race, color, religion, national origin, ancestry, citizenship, age, sex, disability, or other legally protected status as required by applicable law. We strive to recruit, develop, and retain a multi-faceted workforce, comprised of a variety of backgrounds and experience. This diversity in the workplace enriches our corporate cultures and enhances the relationships with our business partners. Our corporate Headquarters has a very diverse, non-discriminating workforce, where employees are able to embrace our different backgrounds through company events and celebrations.

a. Minority Women Business Enterprise

Yes No

If yes, list certifying agency: [see certifications](#)

b. Small Business Enterprise (SBE) or Disadvantaged Business Enterprise (DBE)

Yes No

If yes, list certifying agency: [see certifications](#)

c. Historically Underutilized Business (HUB)

Yes No

If yes, list certifying agency: _____

d. Historically Underutilized Business Zone Enterprise (HUBZone)

Yes No

If yes, list certifying agency: _____

e. Other recognized diversity certificate holder

Yes No

If yes, list certifying agency: [see certifications](#)

H. List any relationships with subcontractors or affiliates intended to be used when providing services and identify if subcontractors meet minority-owned standards. If any, list which certifications subcontractors hold and certifying agency.

[We as a whole, does not qualify as a diverse supplier, however, many of our partners have networks of diverse businesses within their local geography that are utilized to support the Master Agreement through sales, customer service and other useful functions. While programs may vary, as do local needs, we are able to provide diverse solutions and is open to individual discussion.](#)

I. Describe how supplier differentiates itself from its competitors.

[We are deeply partnered with suppliers and manufacturers. Our national scope coupled with the power of local market expertise sets us apart as the best distribution solution for public entities.](#)

[Additionally we have been working together with OMNIA sales teams for over 5 years, with Public Sector experience for over 15 years. Our dedicated sales team work directly with OMNIA team peers including: Public Sector, Higher Education, and State Government, with proven expertise resulting in OMNIA sales growth.](#)

[Nationally, we focus on three key areas:](#)

[Expertise](#)

- [Leading provider in the local marketplace](#)
- [Corporate Account programs](#)
- [Strength in both national and local markets](#)
- [Extensive category knowledge](#)
- [Ability to provide training](#)
- [Understand processes & best practices](#)
- [Assess and solve approach](#)
- [Spend analysis – maximize program incentives while driving out costs](#)

[Connectivity & Depth](#)

- Build a national brand and value proposition
- Corporate contacts exposed to local distribution
- Local distribution strongly linked to regional contacts
- Sustainability – order fulfillment close to end user
- owned and operated fleet, readily available

Flexibility

- Accommodate local needs, not cookie cutter programs. We use our own vehicles and are part of your local communities.
- Willing and able to customize products and procedures
- Service levels to fit end user needs – there, in person, when you need us
- Customized order cycles through inventory control
- In market inventory

J. Describe any present or past litigation, bankruptcy or reorganization involving supplier.

We are not currently, nor have we ever been, involved in litigation, bankruptcy, or reorganization proceedings.

K. Felony Conviction Notice: Indicate if the supplier

- is a publicly held corporation and this reporting requirement is not applicable;
- is not owned or operated by anyone who has been convicted of a felony; or
- is owned or operated by and individual(s) who has been convicted of a felony and provide the names and convictions.

We are not owned or operated by anyone who has been convicted of a felony.

L. Describe any debarment or suspension actions taken against supplier

We have never been debarred or suspended.

3.2 Distribution, Logistics

A. Each offeror awarded an item under this solicitation may offer their complete product and service offering/a balance of line. Describe the full line of products and services offered by supplier.

Products and Supplies

We offer a comprehensive line of products for cleaning, maintenance, and safety for all types of environments encountered in public sector facilities. Nationally, we carry the largest national brands. There are over one hundred Preferred Suppliers. Hundreds of additional suppliers are available locally, as well as access to proprietary private label products.

Our price proposal contains a core list of approximately 1,500 items, which are a representation of the full offering. Our entire catalog of over 10,000 items is available to Region 4 and users of this contract.

Paper, chemicals, liners, equipment and dispensers, hand soaps and sanitizers, supplies, and gloves are covered within the Region 4 catalog. By offering a large

variety of product and system solutions, we provide our customers the benefit of having the necessary product choices to outfit their buildings and facilities as they see fit.

We will conduct site visits with our experienced selling organization to provide a customized supply chain solution for end users. The breadth and depth of our team allows us to be consultative sellers while tapping our experiences for best results. During these business reviews we will make recommendations for cost savings and process improvement. Our team will be responsible for implementing those changes after executive commitment is secured.

We, as an organization, focuses mainly on specific business segments: Commercial Real Estate/Building Services, Public Sector, Healthcare, Foodservice, Hospitality, Grocery, Industrial Packaging, and Commercial Print corporate accounts. We have the ability to provide order fulfillment for all products and categories listed within this RFP. Our strength is in these segments, utilizing our programs and products in the following categories, including but not limited to:

- Paper products including, paper towels, bath tissues, facial tissues, seat covers, wipers, and related dispensers.
- Trash collection including, can liners, waste receptacles, and bulk waste collection units.
- Hand care including hand soaps, sanitizers, lotions, moisturizers, and related dispensers.
- Janitorial cleaning aids and tools including mops, buckets, brooms, dusters, microfiber cloths and tools, janitor carts, floor and hand pads, bottles and sprayers, window and floor cleaning tools, restroom brushes and bowl mops.
- Cleaning chemicals and related dispensing equipment for all standard and green certified products. Sub-categories include hard floor care cleaners, strippers, sealers, finishes, etc. for a variety of surfaces including wood, stone, concrete, etc.
- Carpet care includes spotters, pre-sprays, cleaners, shampoos, extractions, and defoamers, etc. as well as carpet and upholstery soil/spill protection.
- Also included are items such as air-care, specialty cleaners such as drain and dumpster maintenance, fluid retention, liquid deodorizers, cleaners and disinfectants specific to kitchen/food preparation areas, etc.
- Kitchen and Laundry care products.
- Entrance (interior and exterior) and work station floor mats.
- Personal apparel and safety items including a wide variety of gloves, both disposable and reusable, disposable booties, hairnets and bonnets, disposable coats and overalls, protective eye wear, ear plugs, face masks and respirators, hearing protection, spill kits, etc.
- Janitorial equipment and accessories including floor machines, vacuums, scrubbers, burnishers, shop and backpack vacs, blowers, etc.
- Additional items, including copy papers, break room and kitchen disposables (cups, plates, straws, napkins, etc.), small housewares, and kitchen appliances.

- B. Describe how supplier proposes to distribute the products/service nationwide. Include any states where products and services will not be offered under the Master Agreement, including U.S. Territories and Outlying Areas.
We buy directly from manufacturers for our corporate accounts, allowing us to provide timely delivery to customers across our footprint.

We are able to offer freight free delivery to 98% of the continental US. All areas qualify to receive fulfillment of orders, however, depending on exact ship-to location, which are unknown at this time, remote locations could be charged freight for order deliveries. Any such locations would be disclosed and mutually agreed upon prior to any order shipments.

Our orders are shipped on company owned delivery vehicles, and operated by our personnel as part of a scheduled delivery route. We feel this is an extension of our commitment to providing the best possible customer service, throughout the entire process. In the event that is not feasible, the following modes of delivery are available: Fed-Ex, UPS, USPS, LTL delivery carrier, special delivery courier, and customer pick-up (with prior notification).

Pricing is firm for locations all locations inside (Conus) continental U.S. Non-Conus sites may be subject to a premium for freight and any tariffs or additional fees. Any items or shipments considered oversized that may require additional handling or freight may incur additional charges.

We service the following geographic areas:

- U.S. - All 50 states, plus Puerto Rico
- Mexico – All states within Mexico
- Canada – All provinces within Canada
- Caribbean Countries – Select countries within the Caribbean

*Areas outside the CONUS may incur additional charges, depending on order dynamics and location.

- C. Describe how Participating Agencies are ensured they will receive the Master Agreement pricing; include all distribution channels such as direct ordering, retail or in-store locations, through distributors, etc. Describe how Participating Agencies verify and audit pricing to ensure its compliance with the Master Agreement.

We have an internal audit process which will periodically spot check random locations and products for accuracy.

We partner with our Customers to define compliance requirements and clearly communicate expectations, Distributors, and our customer's organizations.

We have a dedicated Compliance team that takes a proactive approach to monitoring performance, implementing corrective actions, and identifying continuous improvement.

- D. Identify all other companies that will be involved in processing, handling or shipping the products/service to the end user.

All current and future locations pursuant to this contract will be serviced directly. We do not utilize or subcontract sales services and order processing of customer needs to outside sources. One or more of our 500 distribution centers would be aligned with future locations. Once sites are identified, *Network* will assign individual locations to a *Network* distributor to begin the implementation process outlined within this RFP. The same multi-layered sales approach and activities would be replicated at each location.

- E. Provide the number, size and location of Supplier's distribution facilities, warehouses and retail network as applicable.

We total over 1000 individual distribution centers with 46+ million warehouse square feet.

See attached:

- map of location, [Exhibit](#)

At many of these distribution sites, local will call capability is available to meet same day needs when required by agencies.

3.3 Marketing and Sales

- A. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to immediately implement the Master Agreement as supplier's primary go to market strategy for Public Agencies to supplier's teams nationwide, to include, but not limited to:
- i. Executive leadership endorsement and sponsorship of the award as the public sector go-to-market strategy within first 10 days
 - ii. Training and education of Supplier's national sales force with participation from the Supplier's executive leadership, along with the OMNIA Partners team within first 90 days

As noted, the Master Agreement will be one of our primary go to market strategies. Our sales teams have been working together with OMNIA for over ten years and our dedicated sales team work directly with OMNIA team peers including: Public Sector, K-12 Education, Higher Education, and State Government. Together the teams focus on end user calls, strategy planning, and additional training.

This existing relationship will allow us to hit the road running and reduce ramp up time.

- Daily engagement between sellers and Omnia team
- Targeting activities are ongoing throughout the year
- Developed training module for distribution sellers, supplier partners and OMNIA team
- Multiple marketing campaigns throughout the year with suppliers to targeted agencies
- Participate in OMNIA regional trade shows as well as national events
- Conduct business reviews with OMNIA and suppliers resulting in targeted sales activities and specific marketing campaigns
- "C" level engagement ongoing
- Share best practices with other contract holders

Detailed monthly reporting shared with OMNIA team as needed

- B. Provide a detailed ninety-day plan beginning from award date of the Master Agreement describing the strategy to market the Master Agreement to current Participating Public Agencies, existing Public Agency customers of Supplier, as well as to prospective Public Agencies nationwide immediately upon award, to include, but not limited to:
- i. Creation and distribution of a co-branded press release to trade publications
 - ii. Announcement, Master Agreement details and contact information

- published on the Supplier's website within first 90 days
- iii. Design, publication and distribution of co-branded marketing materials within first 90 days
 - iv. Commitment to attendance and participation with OMNIA Partners at national (i.e. NIGP Annual Forum, NPI Conference, etc.), regional (i.e. Regional NIGP Chapter Meetings, Regional Cooperative Summits, etc.) and supplier-specific trade shows, conferences and meetings throughout the term of the Master Agreement
 - v. Commitment to attend, exhibit and participate at the NIGP Annual Forum in an area reserved by OMNIA Partners for partner suppliers. Booth space will be purchased and staffed by Supplier. In addition, Supplier commits to provide reasonable assistance to the overall promotion and marketing efforts for the NIGP Annual Forum, as directed by OMNIA Partners.
 - vi. Design and publication of national and regional advertising in trade publications throughout the term of the Master Agreement
 - vii. Ongoing marketing and promotion of the Master Agreement throughout its term (case studies, collateral pieces, presentations, promotions, etc.)

viii. Dedicated OMNIA Partners internet web-based homepage on Supplier's website with:

- OMNIA Partners standard logo;
- Copy of original Request for Proposal;
- Copy of Master Agreement and amendments between Principal Procurement Agency and Supplier;
- Summary of Products and pricing;
- Marketing Materials
- Electronic link to OMNIA Partners' website including the online registration page;
- A dedicated toll-free number and email address for OMNIA Partners

As a dedicated partner of OMNIA and Region 4, we will market the master agreement to all existing and participating agencies upon award, including each of the noted items within the first 90 days.

C. Describe how Supplier will transition any existing Public Agency customers' accounts to the Master Agreement available nationally through OMNIA Partners. Include a list of current cooperative contracts (regional and national) Supplier holds and describe how the Master Agreement will be positioned among the other cooperative agreements.

For Region 4, if it is in the Public Agency customer's best interest both from a service and value standpoint to transition them to the Master Agreement available through OMNIA Partners, we are able to draw upon significant experience marketing and transitioning accounts of similar size and scope.

Our DSRs work alongside OMNIA sales resources and will collaborate based on the individual needs of a site location to develop the best strategy going forward to meet the local needs. Our goal is to provide long term value to the agency based on optimizing the benefits of the agreement.

D. Acknowledge Supplier agrees to provide its logo(s) to OMNIA Partners and agrees to provide permission for reproduction of such logo in marketing communications and promotions. Acknowledge that use of OMNIA Partners logo will require permission for reproduction, as well.

For the national breadth of the contract we agree to provide its logo for reproduction but requests review by their marketing department prior to use.

E. Confirm Supplier will be proactive in direct sales of Supplier's goods and services to Public Agencies nationwide and the timely follow up to leads established by OMNIA Partners. All sales materials are to use the OMNIA Partners logo. At a minimum, the Supplier's sales initiatives should communicate:

- i. Master Agreement was competitively solicited and publicly awarded by a Principal Procurement Agency
- ii. Best government pricing
- iii. No cost to participate

iv. Non-exclusive

We understand, acknowledge, and agree to comply with all aspects of section 3.3 E.

F. Confirm Supplier will train its national sales force on the Master Agreement. At a minimum, sales training should include:

- i. Key features of Master Agreement
- ii. Working knowledge of the solicitation process
- iii. Awareness of the range of Public Agencies that can utilize the Master Agreement through OMNIA Partners
- iv. Knowledge of benefits of the use of cooperative contracts

OMNIA understand, acknowledge, and agree to comply with all aspects of section 3.3 F.

Examples of sales training include:

- developed a training methodology
- train on the specifics of our supply agreement and how to position it in the market place.
- The trainers take the participants through an interactive session where we share best practices and supply agreement content.
- These training sessions usually have 20+ attendees and are conducted at various locations within the US.
- As the contract matures and new candidates are ready to be trained we develop additional modules to reflect the skill level of the sellers.

- G. Provide the name, title, email and phone number for the person(s), who will be responsible for:
- i. Executive Support
 - ii. Marketing
 - iii. Sales
 - iv. Sales Support
 - v. Financial Reporting
 - vi. Accounts Payable
 - vii. Contracts
- H. Describe in detail how Supplier's national sales force is structured, including contact information for the highest-level executive in charge of the sales team. For Region 4, the account management team consists of one or more sales consultants at each location. Each sales consultant is backed by a dedicated sales manager who maintains relationships and visits the location regularly. These in turn may be backed by a Regional Sales Manager, and all are backed by a General Manager for their local branch. Nationally, a dedicated Account Manager will be aligned to each future location, across the U.S. Each sales professional is a subject matter expert, focused on providing solutions to issues that impact your locations. Providing best-in-class support and service, our sales professionals collaborate at the local level to understand the unique requirements and needs of locations. Contact information is finalized as locations are engaged.
- I. Explain in detail how the sales teams will work with the OMNIA Partners team to implement, grow and service the national program. We have a history of working with OMNIA sellers to drive sales. Our dedicated Public Sector sales team, work directly with OMNIA team peers including: Public Sector, Higher Education, and State Government. Working with the OMNIA partners to come up with joint targets and facilitating recurring training with Inside Sales are a few of the current partnerships.
- Sellers are trained to align our sales reps to an OMNIA seller and the team then identifies targets to pursue in their local markets. This practice of targeting opportunities in the local market place provides direction to the sellers to pursue relevant opportunities with significant upside.
- We coordinate our targeting activities with supplier partners who assist in developing co-branded marketing pieces. All sellers are held responsible to report back results against their target list. Marketing campaigns are held at various times over the course of the year to reflect market opportunities for specific products. As an example, we would run a marketing campaign for hand sanitizer during the cold and flu season.
- With our sales reps and OMNIA's sales resources we have excellent coverage throughout the continental U.S.
- I. Explain in detail how Supplier will manage the overall national program throughout the term of the Master Agreement, including ongoing coordination of marketing and sales efforts, timely new Participating Public Agency account set-up, timely contract administration, etc. As in our existing OMNIA relationship, there are touch points at all levels and daily engagement. Our sales teams meet for purposes of targeting, joint calls, and

sharing of local information. Sales leadership for both organizations speak almost daily to address selling efforts and plan strategies. Marketing teams are developing initiatives to drive sales. Training is ongoing beyond the initial phase of contract details, there are constant updates to make sure our teams are informed and up to date.

- J. State the amount of Supplier's Public Agency sales for the previous fiscal year. Provide a list of Supplier's top 10 Public Agency customers, the total purchases for each for the previous fiscal year along with a key contact for each.
- We service public sector customer locations in more than 40 states. Key sectors serviced include Primary and Secondary Education, Government Agencies, Non-Profit and Charitable Organizations, State and Local Government Agencies, and Healthcare. Our public agency sales includes the categories within this RFP; including but not limited to Towel & Tissue, Chemicals, Skin Care, Can Liners, Janitorial Supplies, and Apparel/Safety/Gloves. Additional categories include Foodservice Disposables, Industrial Packaging, Printing Papers, and Miscellaneous products.
- As a privately held company, we do not disclose specific sales information, and protect the privacy of our customers.

- K. Describe Supplier's information systems capabilities and limitations regarding order management through receipt of payment, including description of multiple platforms that may be used for any of these functions.
- We would need to fully understand the exact needs and expectations of future locations to define the appropriate ordering options. Below are some examples. Ordering options include:

- web ordering system
- EDI
- Phone
- local ordering system
- Fax/e-mail
- Integration with other platforms

Our web-based order entry system is a user friendly procurement tool ensuring a simple, intuitive ordering process and customized reporting. This is supported by a long list of capabilities that focus on controlling costs.

- Customer specific catalogs
- Budgeting and order approval options
- Sophisticated reporting capabilities
- Simple search capabilities
- Quality product images and item detail
- Personalized favorite lists
- Optimized for mobile devices

Some of our e-commerce offerings include:

ELECTRONIC CONSOLIDATED INVOICING

- Multiple sorting options, e.g., by location, by invoice #
- Invoices transferred via the Internet or FTP
- Consolidate into standard electronic file, e.g., delimited ASCII flat file such as .csv or .xls
- Custom ASCII flat file format or XML file format available

- Insertion of customer G/L codes, department or location numbers available
- Transfer via magnetic tape, disk or CD available

EDI AND OTHER ELECTRONIC INVOICING

- EDI through Value Added (VAN) or FTP
- Standard EDI 810 invoice
- Customized EDI 810 invoice available
- Invoice in standard ASCII flat file format
- Transfer via Internet or FTP
- XML file format or Custom ASCII flat file format available

PAYMENT METHODS

- Electronic funds transfer (EFT)
- Automated clearing house (ACH)
- EDI 820 remittance
- Other electronic formats

- L. Provide the Contract Sales (as defined in Section 10 of the OMNIA Partners Administration Agreement) that Supplier will guarantee each year under the Master Agreement for the initial three years of the Master Agreement (“Guaranteed Contract Sales”).

\$0.00 in year one

\$0.00 in year two

\$0.00 in year three

To the extent Supplier guarantees minimum Contract Sales, the Administrative Fee shall be calculated based on the greater of the actual Contract Sales and the Guaranteed Contract Sales.

[Not knowing if this is a multi-supplier award or a sole source award, it is difficult to determine what customers will purchase.](#)

- M. Even though it is anticipated many Public Agencies will be able to utilize the Master Agreement without further formal solicitation, there may be circumstances where Public Agencies will issue their own solicitations. The following options are available when responding to a solicitation for Products covered under the Master Agreement.

- i. Respond with Master Agreement pricing (Contract Sales reported to OMNIA Partners).
- ii. If competitive conditions require pricing lower than the standard Master Agreement not-to-exceed pricing, Supplier may respond with lower pricing through the Master Agreement. If Supplier is awarded the contract, the sales are reported as Contract Sales to OMNIA Partners under the Master Agreement.
- iii. Respond with pricing higher than Master Agreement only in the unlikely event that the Public Agency refuses to utilize Master Agreement (Contract Sales are not reported to OMNIA Partners).
- iv. If alternative or multiple proposals are permitted, respond with pricing higher than Master Agreement, and include Master Agreement as the alternate or additional proposal.

Detail Supplier's strategies under these options when responding to a solicitation.

On a case by case basis we will evaluate the market and deploy the best pricing strategy that we feel will win the business given the specifics outlined in the RFP process.

Locations



IV. EVALUATION PROCESS AND CRITERIA

b) PERFORMANCE CAPABILITY

Note: These topics are additionally covered in extended detail within Appendix D, Exhibit A, and OMNIA Partners Response for National Cooperative Contract

b) Performance Capability

i. Include a detailed response to Appendix D, Exhibit A, OMNIA Partners Response for National Cooperative Contract. Responses should highlight experience, demonstrate a strong national presence, describe how Offeror will educate its national sales force about the Contract, describe how products and services will be distributed nationwide, include a plan for marketing the products and services nationwide, and describe how volume will be tracked and reported to OMNIA Partners.

[Exhibit A complete.](#)

[Sales volume is tracked and reported to OMNIA during Annual Business Reviews. Sales reports are available upon request.](#)

ii. The successful Offeror will be required to sign Appendix D, Exhibit B, OMNIA Partners Administration Agreement prior to Contract award. Offerors should have any reviews required to sign the document prior to submitting a response. Offeror's response should include any proposed exceptions to OMNIA Partners Administration Agreement on Appendix B, Terms and Conditions Acceptance Form.

iii. Include completed Appendix D, Exhibits F. Federal Funds Certifications and G. New Jersey Business Compliance.

[Attached.](#)

iv. Describe and provide proof of an extensive distribution system.

[We are a global B2B distribution organization supported by the power of local expertise.](#)

[We have the ability to deliver to 95% of the US population freight free. We service all 50 states, North America, and select countries in the Caribbean. See \[Exhibit Map of Locations\]\(#\)](#)

v. Describe any quality assurance, quality control, or improvement processes and programs as it relates to the green/sustainable products as well as other products and services being provided by Offeror.

[As a distributor, we do not manufacture products, therefore our environmental focus is order fulfillment from our warehouses aligned to your facilities, local delivery fleets with dynamic routing systems which facilitate the reduction of carbon emissions, local recycling and energy conservation programs, e-business transactions, use of Energy Star appliances, water use reduction, etc.](#)

[We partner with manufacturers who have environmentally preferred facilities, support responsible human resource practices, and produce quality products which are recyclable, compostable and sustainable.](#)

vi. Describe how Offeror responds to emergency orders.

In the event of a disaster that renders a distribution center unable to meet a location's required level of service, we will shift orders to the nearest DC. With regard to IT system infrastructure, our primary Data Center is linked to a Disaster Recovery Site (DRS).

vii. What is Offeror's average Fill Rate?

The corporate account fill rate on core items.

viii. What is Offeror's average on time delivery rate? Describe Offeror's history of meeting the shipping and delivery timelines.

Historic delivery performance is in excess of 98% on the promised delivery day. Location delivery and on-time metrics are available upon request.

For any special order requests, delivery time is determined by manufacturer based on production and manufacturing schedules.

ix. Describe Offeror's return and restocking policy.

Items returned due to customer error will be charged a restocking fee; however, if the result of distributor error, the restocking fee will be waived. All returned products must be in the original container, in resalable condition and usable prior to expiration date of the product, and made within 90 days of delivery date.

x. Describe Offeror's ability to meet service and warranty needs.

Product warranty needs will be directed to the product manufacturer.

xi. Describe Offeror's customer service/problem resolution process. Include hours of operation, number of services, etc.

A dedicated Customer Service Representative is responsible for providing internal sales support to corporate account customers. They act as a key communicator in the identification and prompt resolution of any account issues through coordination between us, our servicing distributors, suppliers and Region 4 personnel.

The Customer Service structure is also multi-layered. Corporate and local phone support is available Monday through Friday, 7:00 a.m. to 6:00 p.m. in each respective time zone.

Corporate Headquarters provides a dedicated Corporate Account Specialist and back-up to help resolve issues or respond to program inquiries. In addition, our distributors will work with locations to provide local telephone numbers, emergency numbers and after hour contacts to insure the ultimate service levels to Region 4.

On the rare occasion that service expectations are not being met, we have a multi-step, internal resolution process which addresses the issue. The process outlines corrective action and penalties if the issue is not resolved. When the service issue cannot be remedied; location reassignment is enforced.

xii. Describe Offeror's invoicing process. Include payment terms and acceptable methods of payments. Offerors shall describe any associated fees pertaining to credit cards/p-cards.

Payment terms are Net 30 days from invoice date.

Various invoicing methods are available depending on Region 4 needs. These include electronic consolidated invoicing and EDI or other electronic invoicing. Payment may be submitted via electronic funds transfer (EFT), bank check, automated clearing house (ACH), EDI 820 remittance, or other electronic formats. Credit cards may be submitted at time of purchase and will be subject to an additional handling fee.

xiii. Describe Offeror's contract implementation/customer transition plan.
See description.

xiv. Describe the financial condition of Offeror.

As a private corporation; we do not disclose financial statements or specific financial information to individuals or entities.

We have no bankruptcies or financial hardships to disclose.

xv. Provide a website link in order to review website ease of use, availability, and capabilities related to ordering, returns and reporting. Describe the website's capabilities and functionality. Schedule a demonstration with our ecommerce team or visit our website for an introduction to our e-Commerce site.

xvi. Describe the Offeror's safety record.

There are no safety concerns to report.

xvii. Provide any additional information relevant to this section.

We are available to answer any additional questions about our Performance Capabilities.

IV. EVALUATION PROCESS AND CRITERIA

c) Qualification and Experience

Note: These topics are additionally covered in extended detail within Appendix D, Exhibit A, and OMNIA Partners Response for National Cooperative Contract

c) Qualification and Experience

i. Provide a brief history of the Offeror, including year it was established and corporate office location.

We were established in 1968. A handful of distribution companies created a collaborative partnership which would allow them to expand their ability to provide products and related services to large regional customers. Our Corporate Account Directors are geographically located throughout the U.S. You get national distribution with the advantages of a locally supported program.

ii. Describe Offeror's reputation in the marketplace.

As the premier distributor within our markets, we have a solid reputation among customers and manufacturers. Our average corporate account has been serviced for over 15 years.

We provide a broad product selection, having built alliances with the industry's best in class manufacturers.

iii. Describe Offeror's reputation of products and services in the marketplace.

We partner with the top manufacturers in the industry priding ourselves on long term relationships and communication. We have built a highly regarded reputation as a resource for innovation. Our familiarity with end user issues and expertise in the cleaning arena affords us much knowledge. There are over 100 manufacturer partners.

iv. Describe the experience and qualification of key employees.

We have over 35 years of experience in the sanitary supply and wholesale distribution industry. We look to our team for direction and insights as we continue to grow and invest in the Public Sector.

v. Describe Offeror's experience working with the government sector.

We have been a dominant player in the public sector, and have an ongoing partnership with OMNIA. We are a true expert in the market, recognizing the value of working with a variety of lead agencies.

vi. Describe past litigation, bankruptcy, reorganization, state investigations of entity or current officers and directors.

We are not currently, nor have we ever been, involved in litigation, bankruptcy, or reorganization proceedings.

vii. Provide a minimum of 10 customer references relating to the products and services within this RFP. Include entity name, contact name and title, contact phone and email, city, state, years serviced, description of services and annual volume.

In order to maintain customer privacy, we are unable to provide extensive list of contacts or sales details.

We are glad to discuss directly if you require more information.

viii. Provide any additional information relevant to this section.

We are available to provide any additional information regarding our Qualification and Experience.

IV. EVALUATION PROCESS AND CRITERIA

d) VALUE ADD

Note: These topics may be additionally covered within Appendix D, Exhibit A, and OMNIA Partners Response for National Cooperative Contract.

- i. As indicated in the Scope of Work, describe how the following categories, if any, are included in the contract:

- **Ecommerce**

Our ecommerce solution was built with our customers in mind. An easy to navigate system simplifies the buying process, whether you have one location or one thousand, and allows a seamless path to procurement. User-friendly and dynamic, including mobile access, the platform allows your team to quickly search, browse, and order products. You can easily review shipping, order details, and payment options before placing orders. Par Ordering and Par On-Hand functionality enhances the ability to proactively manage inventory levels and improve productivity.

This is central point of connectivity and information for your business. As the primary access point to place orders, you will have access to reporting, customer support, and other tools to manage the buying process. Information on topics relevant to your business can also be found here. This will be your knowledge source, including articles, information, and trends relevant to your industry.

- **Consulting Services**

We have an on-site consulting program designed to ensure a clean, healthy environment. The three-step process includes interviews with key staff, a site assessment that addresses operational issues; such as appropriate chemical use and cleaning procedures, a quantifiable measure of clean, etc., and a summary of key findings. Beyond reviewing the current situation, we engage staff in a discussion to explore the findings and develop a joint action plan toward continuous improvement. The result is an increased awareness of proper cleaning, hand hygiene, and collaboration in creating a cleaner, healthier environment of care. We have been awarded the Seal of Review and Recognition from the Association for the Healthcare Environment (AHE) demonstrating that protocols and recommendations of the program achieve the standards of cleaning as outlined by the industry's premier association.

- **Training & Education**

Product Selection and Use Training-

We are dedicated to improving operational efficiency by introducing products and ensuring proper use. All representatives are trained on core product categories and can provide local support to users. Training is provided for key products which are regularly purchased.

We provide training programs on product use, cleaning techniques, recommended product application, proper use of equipment, and are available to assist in any challenging issues that may arise. Training of product use for items provided to Region 4 is available, as required and requested.

We are dedicated to improving efficiencies by introducing new products and ensuring proper use. Sales professionals share these solutions and proactively support a process of continuous improvement, where appropriate.

- Equipment training either on-site or at our distributor operated full service repair facilities, where available and as allowed.
- Local site inspection visits to ensure that products are performing to expectation.
- Product suggestions that may offer new technology or cost and labor efficiencies.

We also provide, as needed, product use and application training for specific tasks, such as:

- Hard Floor Care
- Carpet Care
- Restroom Care
- Maintenance of Public Areas
- Cleaning and Disinfecting Products and Procedures
- Green Awareness

Corporate account personnel trains the sales team how to properly navigate and deploy the OMNIA Master agreement to the market. We have a dedicated team that specializes in Public Sector, whether it be market trends, needs of public procurement, segment expertise, and more. We bring this unique value by have these experts available to support and prepare the sales team to serve Region 4 locations.

The University, a proprietary web-based training program, was designed to improve staff knowledge and performance while reducing operational costs. We deliver timely, relevant information on the key issues related to environmental services professionals through convenient webinar sessions that are available live and at each individual's convenience. In addition, we frequently host open house showcases including educational sessions, product introductions and relevant available seminars at their local warehouses.

- **Software Punch Out**

We have the ability to provide punch-out catalogs to integrate with most systems. We suggest a conversation with our IT staff to determine all possible options.

Our ecommerce system designed to provide a simple, intuitive ordering process. Marketplace is supported by a long list of capabilities that focus on controlling costs.

- Easy punch-out integration
- Inventory management with par levels for on-hand and ordering functions
- 24/7 access – internet, tablets, phone, and laptops

- **Green/Sustainability Program (include details such as: policies, products, distribution, and certifications)**

We are committed to a proactive approach in balancing today's economic realities with the

responsibility of implementing sustainable business processes. We continually work to reduce our own ecological footprint as an organization; including the use of local fleets with systematic routing for reduced carbon emissions, local sourcing, recycling and energy conservation programs, e-business transactions, and the use of EnergyStar appliances.

We are a member of the U.S. Green Building Council and actively involved at the chapter level, as are many of our distributors. We have a LEED® Accredited Professional on staff who monitors sustainability trends and is closely aligned with our supplier community to stay abreast of their individual initiatives. As a strong advocate for corporate and social responsibility, we offer a full line of environmentally-preferred products and a proprietary evaluation program, designed to assess a customer's current situation and then align the processes, products, suppliers and monitoring tools necessary to achieve sustainability, sanitation and wellness goals.

The promotion and availability of green products is based upon your level of interest, recycling and composting dedication, financial investment, and need. We suggest this be discussed in detail at the appropriate time.

Many of the products we purchase and provide to our customers carry various certifications. These vary by product and manufacturer selected. To help drive the utilization and awareness of these products, certifications such as Green Seal, etc. are clearly indicated and searchable within our on-line ordering system. We offer a full line of environmentally-preferred products and a proprietary evaluation program. Spend reporting of such products is also provided at any time and is a standard report included in our Business Reviews.

Green qualifications may require suggested application procedures, as well as product certifications. We will assist your locations with training of the proper cleaning methods and product use, as well as product selections that best meet your maintenance, environmental and efficacy needs.

- **Repair Services**

Maintenance and Service Programs - We can provide janitorial equipment and accessories including floor machines, vacuums, scrubbers, burnishing equipment, shop and backpack vacuums, blowers, etc. Equipment sales and related repairs, including replacement parts, loaners, equipment pick-up and delivery, and other related services are available and priced as needed, based upon equipment, manufacturer, and services required. Most repairs and services are provided in house.

- **Customer Support Services**

SKU Rationalization - We will work with your procurement staff towards product consolidation and SKU standardization of your core product list. Field representatives will work with sites to assess the needs of individual locations. While the main focus is to establish an overall product bundle to be utilized by all locations, the specific needs of facilities are addressed as well. We will provide Region 4 with suggested products for addition to manufacturer contracts managed by Customer; thereby reinforcing purchasing leverage and update the product bundle to reflect any agreed upon changes. Through joint efforts of your procurement staff, manufacturers and local representatives, we drive program compliance

down to the local level.

- **Sourcing**

Connecting with the right suppliers is crucial. Strategic supply management finds the perfect balance between improving product quality and service while reducing the total cost. We are well positioned in times of shortages or short supply.

Additionally manufacturer relationships and sourcing expertise provide deep insight into the supply chain. Our category experts understand supply, logistical challenges, raw material constraints, pricing, industry response and future outlook.

Creating a seamless supply chain starts with finding products and the best sources to purchase from, whether from the top manufacturers or private labeled products. We employ our own team of dedicated personnel to negotiate and manage offshore purchases and overall quality.

Our internal affiliate directly works with global sources to provide alternate and private label products. This was a great resource during to continue to serving our customers throughout the Covid-19 crisis. We help you to establish a consistent supply chain by starting with the right source.

**EXHIBIT F
FEDERAL FUNDS CERTIFICATIONS**

FEDERAL CERTIFICATIONS
ADDENDUM FOR AGREEMENT FUNDED BY U.S. FEDERAL GRANT

TO WHOM IT MAY CONCERN:

Participating Agencies may elect to use federal funds to purchase under the Master Agreement. This form should be completed and returned.

DEFINITIONS

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward

Contractor means an entity that receives a contract as defined in Contract.

Cooperative agreement means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302-6305:

- (a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal government or pass-through entity's direct benefit or use;
- (b) Is distinguished from a grant in that it provides for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.
- (c) The term does not include:
 - (1) A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or
 - (2) An agreement that provides only:
 - (i) Direct United States Government cash assistance to an individual;
 - (ii) A subsidy;
 - (iii) A loan;
 - (iv) A loan guarantee; or
 - (v) Insurance.

Federal awarding agency means the Federal agency that provides a Federal award directly to a non-Federal entity

Federal award has the meaning, depending on the context, in either paragraph (a) or (b) of this section:

- (a)(1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability; or
- (2) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability.
- (b) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of § 200.40 Federal financial assistance, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.
- (c) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal government owned, contractor operated facilities (GOCOs).
- (d) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

Nonprofit organization means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:

- (a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
- (b) Is not organized primarily for profit; and
- (c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

Obligations means, when used in connection with a non-Federal entity's utilization of funds under a Federal award, orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients.

Simplified acquisition threshold means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$250,000, but this threshold is periodically adjusted for inflation. (Also see definition of § 200.67 Micro-purchase.)

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

Termination means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance.

The following certifications and provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Pursuant to 2 C.F.R. § 200.326, all contracts, including small purchases, awarded by the Participating Agency and the Participating Agency's subcontractors shall contain the procurement provisions of Appendix II to Part 200, as applicable.

APPENDIX II TO 2 CFR PART 200

(A) Contracts for more than the simplified acquisition threshold currently set at \$250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when a Participating Agency expends federal funds, the Participating Agency reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when a Participating Agency expends federal funds, the Participating Agency reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Offeror as detailed in the terms of the contract.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Pursuant to Federal Rule (C) above, when a Participating Agency expends federal funds on any federally assisted construction

Version April 1, 2021

contract, the equal opportunity clause is incorporated by reference herein.

Does offeror agree to abide by the above? YES _____ Initials of Authorized Representative of offeror

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when a Participating Agency expends federal funds during the term of an award for all contracts and subgrants for construction or repair, offeror will be in compliance with all applicable Davis-Bacon Act provisions.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when a Participating Agency expends federal funds, offeror certifies that offeror will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Participating Agency resulting from this procurement process.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA)

Version April 1, 2021

Pursuant to Federal Rule (G) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency member resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the Executive Office of the President Office of Management and Budget (OMB) guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency. If at any time during the term of an award the offeror or its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency, the offeror will notify the Participating Agency.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term and after the awarded term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

- (1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying”, in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by Participating Agency for any contract resulting from this procurement process, offeror certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. The offeror further certifies that offeror will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When Participating Agency expends federal funds for any contract resulting from this procurement process, offeror certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy

conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

To the extent purchases are made with Federal Highway Administration, Federal Railroad Administration, or Federal Transit Administration funds, offeror certifies that its products comply with all applicable provisions of the Buy America Act and agrees to provide such certification or applicable waiver with respect to specific products to any Participating Agency upon request. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.336

Offeror agrees that the Inspector General of the Agency or any of their duly authorized representatives shall have access to any documents, papers, or other records of offeror that are pertinent to offeror's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to offeror's personnel for the purpose of interview and discussion relating to such documents.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does offeror agree? YES _____ Initials of Authorized Representative of offeror

Offeror agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that offeror certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Offeror's Name: Network Services Company

Address, City, State, and Zip Code: 1100 E. Woodfield Road, Suite 200, Schaumburg, IL 60173

Phone Number: 224.361..2278 Fax Number: _____

Printed Name and Title of Authorized Representative: Daniel Ceko, Treasurer & Corporate Counsel

Email Address: dceko@networkdistribution.com

Signature of Authorized Representative: Daniel Ceko Date: 08/10/2021

OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE

NEW JERSEY BUSINESS COMPLIANCE

Suppliers intending to do business in the State of New Jersey must comply with policies and procedures required under New Jersey statutes. All offerors submitting proposals must complete the following forms specific to the State of New Jersey. Completed forms should be submitted with the offeror's response to the RFP. Failure to complete the New Jersey packet will impact OMNIA Partners' ability to promote the Master Agreement in the State of New Jersey.

DOC #1	Ownership Disclosure Form
DOC #2	Non-Collusion Affidavit
DOC #3	Affirmative Action Affidavit
DOC #4	Political Contribution Disclosure Form
DOC #5	Stockholder Disclosure Certification
DOC #6	Certification of Non-Involvement in Prohibited Activities in Iran
DOC #7	New Jersey Business Registration Certificate

New Jersey suppliers are required to comply with the following New Jersey statutes when applicable:

- all anti-discrimination laws, including those contained in N.J.S.A. 10:2-1 through N.J.S.A. 10:2-14, N.J.S.A. 10:5-1, and N.J.S.A. 10:5-31 through 10:5-38;
- Prevailing Wage Act, N.J.S.A. 34:11-56.26, for all contracts within the contemplation of the Act;
- Public Works Contractor Registration Act, N.J.S.A. 34:11-56.26; and
- Bid and Performance Security, as required by the applicable municipal or state statutes.

**OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE**

DOC #1

**OWNERSHIP DISCLOSURE FORM
(N.J.S. 52:25-24.2)**

Pursuant to the requirements of P.L. 1999, Chapter 440 effective April 17, 2000 (Local Public Contracts Law), the offeror shall complete the form attached to these specifications listing the persons owning 10 percent (10%) or more of the firm presenting the proposal.

Company Name: Network Services Company

Street: 1100 E. Woodfield Road, Suite 200

City, State, Zip Code: Schaumburg, Illinois 60173

Complete as appropriate:

I _____, certify that I am the sole owner of _____, that there are no partners and the business is not incorporated, and the provisions of N.J.S. 52:25-24.2 do not apply.

OR:

I _____, a partner in _____, do hereby certify that the following is a list of all individual partners who own a 10% or greater interest therein. I further certify that if one (1) or more of the partners is itself a corporation or partnership, there is also set forth the names and addresses of the stockholders holding 10% or more of that corporation's stock or the individual partners owning 10% or greater interest in that partnership.

OR:

I Daniel Ceko _____, an authorized representative of Network Services Company _____, a corporation, do hereby certify that the following is a list of the names and addresses of all stockholders in the corporation who own 10% or more of its stock of any class. I further certify that if one (1) or more of such stockholders is itself a corporation or partnership, that there is also set forth the names and addresses of the stockholders holding 10% or more of the corporation's stock or the individual partners owning a 10% or greater interest in that partnership.

(Note: If there are no partners or stockholders owning 10% or more interest, indicate none.)

Name	Address	Interest
NONE		

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

August 27, 2019

Date

Daniel Ceko Digitally signed by Daniel Ceko
DN: cn=Daniel Ceko, o=Network Services Company,
ou, email=dceko@networkdistribution.com, c=US
Date: 2019.08.27 10:31:28 -0500

Authorized Signature and Title

**OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE**

DOC #2

NON-COLLUSION AFFIDAVIT

Company Name: Network Services Company

Street: 1100 E. Woodfield Road, Suite 200

City, State, Zip Code: Schaumburg, Illinois 60173

State of Illinois

County of Cook

I, Daniel Ceko of the Schaumburg
Name City

in the County of Cook, State of Illinois
of full age, being duly sworn according to law on my oath depose and say that:

I am the Treasurer and Legal Counsel of the firm of Network Services Company
Title Company Name

the Offeror making the Proposal for the goods, services or public work specified under the attached proposal, and that I executed the said proposal with full authority to do so; that said Offeror has not directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above proposal, and that all statements contained in said proposal and in this affidavit are true and correct, and made with full knowledge that relies upon the truth of the statements contained in said proposal and in the statements contained in this affidavit in awarding the contract for the said goods, services or public work.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by

Network Services Company

Company Name

Daniel Ceko

Authorized Signature & Title

Digitally signed by Daniel Ceko
DN: cn=Daniel Ceko, o=Network Services
Company, ou,
email=dceko@networkdistribution.com, c=US
Date: 2019.08.27 10:32:08 -0500

Subscribed and sworn before me

this _____ day of _____, 20____

Notary Public of _____

My commission expires _____, 20____

Requirements for National Cooperative Contract

Page 28 of 44

SEAL

OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE

DOC #3

AFFIRMATIVE ACTION AFFIDAVIT
(P.L. 1975, C.127)

Company Name: Network Services Company
Street: 1100 E. Woodfield Road, Suite 200
City, State, Zip Code: Schaumburg, Illinois 60173

Proposal Certification:

Indicate below company’s compliance with New Jersey Affirmative Action regulations. Company’s proposal will be accepted even if company is not in compliance at this time. No contract and/or purchase order may be issued, however, until all Affirmative Action requirements are met.

Required Affirmative Action Evidence:

Procurement, Professional & Service Contracts (Exhibit A)

Vendors must submit with proposal:

1. A photo copy of their Federal Letter of Affirmative Action Plan Approval

OR
2. A photo copy of their Certificate of Employee Information Report

OR
3. A complete Affirmative Action Employee Information Report (AA302) _____

Public Work – Over \$50,000 Total Project Cost:

- A. No approved Federal or New Jersey Affirmative Action Plan. We will complete Report Form AA201-A upon receipt from the
- B. Approved Federal or New Jersey Plan – certificate enclosed

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

August 27, 2019
Date

Daniel Ceko
Authorized Signature and Title
Digitally signed by Daniel Ceko
DN: cn=Daniel Ceko, o=Network Services Company,
ou, email=dceko@networkdistribution.com, c=US
Date: 2019.08.27 10:35:00 -0500

OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE

DOC #3, continued

P.L. 1995, c. 127 (N.J.A.C. 17:27)
MANDATORY AFFIRMATIVE ACTION LANGUAGE

PROCUREMENT, PROFESSIONAL AND SERVICE
CONTRACTS

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisement for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation.

The contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to attempt in good faith to employ minority and female workers trade consistent with the applicable county employment goal prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time.

The contractor or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of it testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the state of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and lay-off to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (NJAC 17:27).

Daniel Ceko Digitally signed by Daniel Ceko
DN: cn=Daniel Ceko, o=Network Services Company,
ou, email=dceko@networkdistribution.com, c=US
Date: 2019.08.27 10:36:06 -05'00'

Signature of Procurement Agent

Requirements for National Cooperative Contract
Page 30 of 44

OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE

DOC #4

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM
Public Agency Instructions

This page provides guidance to public agencies entering into contracts with business entities that are required to file Political Contribution Disclosure forms with the agency. **It is not intended to be provided to contractors.** What follows are instructions on the use of form local units can provide to contractors that are required to disclose political contributions pursuant to N.J.S.A. 19:44A-20.26 (P.L. 2005, c. 271, s.2). Additional information on the process is available in Local Finance Notice 2006-1 (http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html). Please refer back to these instructions for the appropriate links, as the Local Finance Notices include links that are no longer operational.

1. The disclosure is required for all contracts in excess of \$17,500 that are **not awarded** pursuant to a “fair and open” process (N.J.S.A. 19:44A-20.7).
2. Due to the potential length of some contractor submissions, the public agency should consider allowing data to be submitted in electronic form (i.e., spreadsheet, pdf file, etc.). Submissions must be kept with the contract documents or in an appropriate computer file and be available for public access. **The form is worded to accept this alternate submission.** The text should be amended if electronic submission will not be allowed.
3. The submission must be **received from the contractor and** on file at least 10 days prior to award of the contract. Resolutions of award should reflect that the disclosure has been received and is on file.
4. The contractor must disclose contributions made to candidate and party committees covering a wide range of public agencies, including all public agencies that have elected officials in the county of the public agency, state legislative positions, and various state entities. The Division of Local Government Services recommends that contractors be provided a list of the affected agencies. This will assist contractors in determining the campaign and political committees of the officials and candidates affected by the disclosure.
 - a. The Division has prepared model disclosure forms for each county. They can be downloaded from the “County PCD Forms” link on the Pay-to-Play web site at <http://www.nj.gov/dca/divisions/dlgs/programs/lpcl.html#12>. They will be updated from time-to-time as necessary.
 - b. A public agency using these forms **should edit them to properly reflect the correct legislative district(s).** As the forms are county-based, **they list all legislative districts** in each county. **Districts that do not represent the public agency should be removed from the lists.**
 - c. Some contractors may find it easier to provide a single list that covers all contributions, regardless of the county. These submissions are appropriate and should be accepted.
 - d. The form may be used “as-is”, subject to edits as described herein.
 - e. The “Contractor Instructions” sheet is intended to be provided with the form. It is recommended that the Instructions and the form be printed on the same piece of paper. The form notes that the Instructions are printed on the back of the form; where that is not the case, the text should be edited accordingly.
 - f. The form is a Word document and can be edited to meet local needs, and posted for download on web sites, used as an e-mail attachment, or provided as a printed document.
5. It is recommended that the contractor also complete a “Stockholder Disclosure Certification.” This will assist the local unit in its obligation to ensure that contractor did not make any prohibited contributions to the committees listed on the Business Entity Disclosure Certification in the 12 months prior to the contract (See Local Finance Notice 2006-7 for additional information on this obligation at http://www.nj.gov/dca/divisions/dlgs/resources/lfns_2006.html). A sample Certification form is part of this package and the instruction to complete it is included in the Contractor Instructions. NOTE: This section is not applicable to Boards of Education.

OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE

Doc #4, continued **C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM**
Contractor Instructions

Business entities (contractors) receiving contracts from a public agency that are NOT awarded pursuant to a “fair and open” process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that 10 days prior to the award of such a contract, the contractor shall disclose contributions to:

- any State, county, or municipal committee of a political party
- any legislative leadership committee*
- any continuing political committee (a.k.a., political action committee)
- any candidate committee of a candidate for, or holder of, an elective office:
 - of the public entity awarding the contract
 - of that county in which that public entity is located
 - of another public entity within that county
 - or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county

The disclosure must list reportable contributions to any of the committees that exceed \$300 per election cycle that were made during the 12 months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:

- individuals with an “interest” ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit
- all principals, partners, officers, or directors of the business entity or their spouses
- any subsidiaries directly or indirectly controlled by the business entity
- IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs).

When the business entity is a natural person, “a contribution by that person’s spouse or child, residing therewith, shall be deemed to be a contribution by the business entity.” [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure.

Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report.

The enclosed list of agencies is provided to assist the contractor in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the contractor’s responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement.

The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the contractor’s submission and is disclosable to the public under the Open Public Records Act.

The contractor must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law. **NOTE: This section does not apply to Board of Education contracts.**

* N.J.S.A. 19:44A-3(s): “The term “legislative leadership committee” means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures.”

**OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE**

**List of Agencies with Elected Officials Required for Political Contribution Disclosure
N.J.S.A. 19:44A-20.26**

County Name:

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

County:

Freeholders

{County Executive}

County Clerk

Surrogate

Sheriff

Municipalities (Mayor and members of governing body, regardless of title):

**USERS SHOULD CREATE THEIR OWN FORM, OR DOWNLOAD
FROM THE PAY TO PLAY SECTION OF THE DLGS WEBSITE A
COUNTY-BASED, CUSTOMIZABLE FORM.**

**OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE**

DOC #5

STOCKHOLDER DISCLOSURE CERTIFICATION

Name of Business:

I certify that the list below contains the names and home addresses of all stockholders holding 10% or more of the issued and outstanding stock of the undersigned.

OR

I certify that no one stockholder owns 10% or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

Partnership Corporation Sole Proprietorship

Limited Partnership Limited Liability Corporation Limited Liability Partnership

Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:
Name:	Name:
Home Address:	Home Address:

Subscribed and sworn before me this ___ day of _____, 2__. (Notary Public) My Commission expires:	Daniel Ceko <small>Digitally signed by Daniel Ceko DN: cn=Daniel Ceko, o=Network Services Company, ou, email=dceko@networkdistribution.com, c=US Date: 2019.08.27 10:38:29 -0500</small> _____ (Affiant) Daniel Ceko, Treasurer & Corporate Counsel _____ (Print name & title of affiant) _____ (Corporate Seal)
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OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE

DOC #6

Certification of Non-Involvement in Prohibited Activities in Iran

Pursuant to N.J.S.A. 52:32-58, Offerors must certify that neither the Offeror, nor any of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32 – 56(e) (3)), is listed on the Department of the Treasury’s List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither is involved in any of the investment activities set forth in N.J.S.A. 52:32 – 56(f).

Offerors wishing to do business in New Jersey through this contract must fill out the Certification of Non-Involvement in Prohibited Activities in Iran here:

http://www.state.nj.us/humanservices/dfd/info/standard/fdc/disclosure_investmentact.pdf.

Offerors should submit the above form completed with their proposal.

OMNIA PARTNERS EXHIBITS
EXHIBIT G- NEW JERSEY BUSINESS COMPLIANCE

DOC #7

NEW JERSEY BUSINESS REGISTRATION CERTIFICATE
(N.J.S.A. 52:32-44)

Offerors wishing to do business in New Jersey must submit their State Division of Revenue issued Business Registration Certificate with their proposal here. Failure to do so will disqualify the Offeror from offering products or services in New Jersey through any resulting contract.

<http://www.state.nj.us/treasury/revenue/forms/njreg.pdf>

ACKNOWLEDGMENT AND ACCEPTANCE
OF REGION 4 ESC's OPEN RECORDS POLICY

OPEN RECORDS POLICY

All proposals, information and documents submitted are subject to the Public Information Act requirements governed by the State of Texas once a Contract(s) is executed. If an Offeror believes its response, or parts of its response, may be exempted from disclosure, the Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt and include detailed reasons to substantiate the exemption. Price is not confidential and will not be withheld. Any unmarked information will be considered public information and released, if requested under the Public Information Act.

The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 4 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the Offeror are not acceptable. Region 4 ESC must comply with the opinions of the OAG. Region 4 ESC assumes no responsibility for asserting legal arguments on behalf of any Offeror. Offeror is advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

Signature below certifies complete acceptance of Region 4 ESC's Open Records Policy, except as noted below (additional pages may be attached, if necessary).

Check one of the following responses to the Acknowledgment and Acceptance of Region 4 ESC's Open Records Policy below:

- We acknowledge Region 4 ESC's Open Records Policy and declare that no information submitted with this proposal, or any part of our proposal, is exempt from disclosure under the Public Information Act.
- We declare the following information to be a trade secret or proprietary and exempt from disclosure under the Public Information Act.

See attached letter describing in detail the information considered proprietary.

(Note: Offeror must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition, Offeror must include detailed reasons to substantiate the exemption(s). Price is not confidential and will not be withheld. All information believed to be a trade secret or proprietary must be listed. It is further understood that failure to identify such information, in strict accordance with the instructions, will result in that information being considered public information and released, if requested under the Public Information Act.)

October 7, 2021

Date

Daniel Ceko

Digitally signed by Daniel Ceko
DN: cn=Daniel Ceko, o=Network Services
Company, ou,
email=dceko@networkdistribution.com, c=US
Date: 2021.10.07 14:27:13 -05'00'

Treasurer & Corporate Counsel

Authorized Signature & Title

ANTITRUST CERTIFICATION STATEMENTS
(Tex. Government Code § 2155.005)
Attorney General Form

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to execute this Contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
2. In connection with this proposal, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
3. In connection with this proposal, neither I nor any representative of the Company has violated any federal antitrust law; and
4. Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this proposal to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Company	Network Services Company	Contact	Daniel Ceko
			<small>Digitally signed by Daniel Ceko DN: cn=Daniel Ceko, o=Network Services Company, ou=, email=dc@networkservices.com, c=US Date: 2021.10.07 14:26:02 -0500</small>
			Signature
	1100 E. Woodfield Road		Daniel Ceko
Address	Suite 200		Printed Name
	Schaumburg, IL 60173		Treasurer & Corporate Counsel
		Official Authorizing Proposal	Position with Company
Phone	224.361.2278		Signature
Fax			Printed Name
			Position with Company

Texas Government Code 2270 Verification Form

House Bill 89 (85R Legislative Session), which adds Chapter 2270 to the Texas Government Code, provides that a governmental entity may not enter into a contract with a company without verification that the contracting vendor does not and will not boycott Israel during the term of the contract.

Furthermore, Senate Bill 252 (85R Legislative Session), which amends Chapter 2252 of the Texas Government Code to add Subchapter F, prohibits contracting with a company engaged in business with Iran, Sudan or a foreign terrorist organization identified on a list prepared by the Texas Comptroller.

I, DANIEL CEKO, as an authorized representative of

Network Services Company, a contractor engaged by

Insert Name of Company

Region 4 Education Service Center, 7145 West Tidwell Road, Houston, TX 77092, verify by this writing that the above-named company affirms that it (1) does not boycott Israel; and (2) will not boycott Israel during the term of this contract, or any contract with the above-named Texas governmental entity in the future.

Also, our company is not listed on and we do not do business with companies that are on the Texas Comptroller of Public Accounts list of Designated Foreign Terrorists Organizations found at <https://comptroller.texas.gov/purchasing/docs/foreign-terrorist.pdf>.

I further affirm that if our company's position on this issue is reversed and this affirmation is no longer valid, that the above-named Texas governmental entity will be notified in writing within one (1) business day and we understand that our company's failure to affirm and comply with the requirements of Texas Government Code 2270 et seq. shall be grounds for immediate contract termination without penalty to the above-named Texas governmental entity.

I swear and affirm that the above is true and correct.


Signature of Named Authorized Company Representative

08-06-2021
Date

**EXHIBIT F
FEDERAL FUNDS CERTIFICATIONS**

FEDERAL CERTIFICATIONS
ADDENDUM FOR AGREEMENT FUNDED BY U.S. FEDERAL GRANT

TO WHOM IT MAY CONCERN:

Participating Agencies may elect to use federal funds to purchase under the Master Agreement. This form should be completed and returned.

DEFINITIONS

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward

Contractor means an entity that receives a contract as defined in Contract.

Cooperative agreement means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302–6305:

- (a) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal government or pass-through entity's direct benefit or use;
- (b) Is distinguished from a grant in that it provides for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.
- (c) The term does not include:
 - (1) A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or
 - (2) An agreement that provides only:
 - (i) Direct United States Government cash assistance to an individual;
 - (ii) A subsidy;
 - (iii) A loan;
 - (iv) A loan guarantee; or
 - (v) Insurance.

Federal awarding agency means the Federal agency that provides a Federal award directly to a non-Federal entity

Federal award has the meaning, depending on the context, in either paragraph (a) or (b) of this section:

- (a)(1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability; or
- (2) The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in § 200.101 Applicability.
- (b) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of § 200.40 Federal financial assistance, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.
- (c) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal government owned, contractor operated facilities (GOCOs).
- (d) See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

Nonprofit organization means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:

- (a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
- (b) Is not organized primarily for profit; and
- (c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

Obligations means, when used in connection with a non-Federal entity's utilization of funds under a Federal award, orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients.

Simplified acquisition threshold means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$250,000, but this threshold is periodically adjusted for inflation. (Also see definition of § 200.67 Micro-purchase.)

Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

Termination means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance.

The following certifications and provisions may be required and apply when Participating Agency expends federal funds for any purchase resulting from this procurement process. Pursuant to 2 C.F.R. § 200.326, all contracts, including small purchases, awarded by the Participating Agency and the Participating Agency's subcontractors shall contain the procurement provisions of Appendix II to Part 200, as applicable.

APPENDIX II TO 2 CFR PART 200

(A) Contracts for more than the simplified acquisition threshold currently set at \$250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when a Participating Agency expends federal funds, the Participating Agency reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does offeror agree? YES *ADL* Initials of Authorized Representative of offeror

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when a Participating Agency expends federal funds, the Participating Agency reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Offeror as detailed in the terms of the contract.

Does offeror agree? YES *ADL* Initials of Authorized Representative of offeror

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Pursuant to Federal Rule (C) above, when a Participating Agency expends federal funds on any federally assisted construction
Version April 1, 2021

contract, the equal opportunity clause is incorporated by reference herein.

Does offeror agree to abide by the above? YES _____ Initials of Authorized Representative of offeror

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when a Participating Agency expends federal funds during the term of an award for all contracts and subgrants for construction or repair, offeror will be in compliance with all applicable Davis-Bacon Act provisions.

Does offeror agree? YES DOE _____ Initials of Authorized Representative of offeror

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when a Participating Agency expends federal funds, offeror certifies that offeror will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Participating Agency resulting from this procurement process.

Does offeror agree? YES DOE _____ Initials of Authorized Representative of offeror

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does offeror agree? YES DOE _____ Initials of Authorized Representative of offeror

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA)

Pursuant to Federal Rule (G) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency member resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does offeror agree? YES ADOC Initials of Authorized Representative of offeror

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the Executive Office of the President Office of Management and Budget (OMB) guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency. If at any time during the term of an award the offeror or its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency, the offeror will notify the Participating Agency.

Does offeror agree? YES ADOC Initials of Authorized Representative of offeror

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term and after the awarded term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

- (1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does offeror agree? YES ADOC Initials of Authorized Representative of offeror

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by Participating Agency for any contract resulting from this procurement process, offeror certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. The offeror further certifies that offeror will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does offeror agree? YES ADOC Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When Participating Agency expends federal funds for any contract resulting from this procurement process, offeror certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy

conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

Does offeror agree? YES DCE Initials of Authorized Representative of offeror

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

To the extent purchases are made with Federal Highway Administration, Federal Railroad Administration, or Federal Transit Administration funds, offeror certifies that its products comply with all applicable provisions of the Buy America Act and agrees to provide such certification or applicable waiver with respect to specific products to any Participating Agency upon request. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

Does offeror agree? YES DCE Initials of Authorized Representative of offeror

CERTIFICATION OF ACCESS TO RECORDS - 2 C.F.R. § 200.336

Offeror agrees that the Inspector General of the Agency or any of their duly authorized representatives shall have access to any documents, papers, or other records of offeror that are pertinent to offeror's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to offeror's personnel for the purpose of interview and discussion relating to such documents.

Does offeror agree? YES DCE Initials of Authorized Representative of offeror

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does offeror agree? YES DCE Initials of Authorized Representative of offeror

Offeror agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that offeror certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Offeror's Name: Network Services Company

Address, City, State, and Zip Code: 1100 E. Woodfield Road, Suite 200, Schaumburg, IL 60173

Phone Number: 224.361..2278 Fax Number: _____

Printed Name and Title of Authorized Representative: Daniel Ceko, Treasurer & Corporate Counsel

Email Address: dceko@networkdistribution.com

Signature of Authorized Representative: Daniel Ceko Date: 08/10/2021

FEMA SPECIAL CONDITIONS

Awarded Supplier(s) may need to respond to events and losses where products and services are needed for the immediate and initial response to emergency situations such as, but not limited to, water damage, fire damage, vandalism cleanup, biohazard cleanup, sewage decontamination, deodorization, and/or wind damage during a disaster or emergency situation. By submitting a proposal, the Supplier is accepted these FEMA Special Conditions required by the Federal Emergency Management Agency (FEMA).

“Contract” in the below pages under FEMA SPECIAL CONDITIONS is also referred to and defined as the “Master Agreement”.

“Contractor” in the below pages under FEMA SPECIAL CONDITIONS is also referred to and defined as “Supplier” or “Awarded Supplier”.

Conflicts of Interest

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a FEMA award if he or she has a real or apparent conflict of interest. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties, has a financial or other interest in or a tangible personal benefit from a firm considered for award. 2 C.F.R. § 200.318(c)(1); See also Standard Form 424D, ¶ 7; Standard Form 424B, ¶ 3. i. FEMA considers a “financial interest” to be the potential for gain or loss to the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties as a result of the particular procurement. The prohibited financial interest may arise from ownership of certain financial instruments or investments such as stock, bonds, or real estate, or from a salary, indebtedness, job offer, or similar interest that might be affected by the particular procurement. ii. FEMA considers an “apparent” conflict of interest to exist where an actual conflict does not exist, but where a reasonable person with knowledge of the relevant facts would question the impartiality of the employee, officer, or agent participating in the procurement. c. Gifts. The officers, employees, and agents of the Participating Public Agency nor the Participating Public Agency (“NFE”) must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, NFE’s may set standards for situations in which the financial interest is de minimus, not substantial, or the gift is an unsolicited item of nominal value. 2 C.F.R. § 200.318(c)(1). d. Violations. The NFE’s written standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the NFE. 2 C.F.R. § 200.318(c)(1). For example, the penalty for a NFE’s employee may be dismissal, and the penalty for a contractor might be the termination of the contract.

Contractor Integrity

A contractor must have a satisfactory record of integrity and business ethics. Contractors that are debarred or suspended as described in Chapter III, ¶ 6.d must be rejected and cannot receive contract awards at any level.

Public Policy

A contractor must comply with the public policies of the Federal Government and state, local government, or tribal government. This includes, among other things, past and current compliance with the:

- a. Equal opportunity and nondiscrimination laws
- b. Five affirmative steps described at 2 C.F.R. § 200.321(b) for all subcontracting under contracts supported by FEMA financial assistance; and FEMA Procurement Guidance June 21, 2016 Page IV- 7
- c. Applicable prevailing wage laws, regulations, and executive orders

Affirmative Steps

For any subcontracting opportunities, Contractor must take the following Affirmative steps:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and

5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

Prevailing Wage Requirements

When applicable, the awarded Contractor (s) and any and all subcontractor(s) agree to comply with all laws regarding prevailing wage rates including the Davis-Bacon Act, applicable to this solicitation and/or Participating Public Agencies. The Participating Public Agency shall notify the Contractor of the applicable pricing/prevailing wage rates and must apply any local wage rates requested. The Contractor and any subcontractor(s) shall comply with the prevailing wage rates set by the Participating Public Agency.

Federal Requirements

If products and services are issued in response to an emergency or disaster recovery the items below, located in this FEMA Special Conditions section of the Federal Funds Certifications, are activated and required when federal funding may be utilized.

2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II, Required Contract Clauses

1. Termination for Convenience:

The right to terminate this Contract for the convenience of the Participating Public Agency is retained by the Participating Public Agency. In the event of a termination for convenience by the Participating Public Agency, the Participating Public Agency shall, at least ten (10) calendar days in advance, deliver written notice of the termination for convenience to Contractor. Upon Contractor's receipt of such written notice, Contractor immediately shall cease the performance of the Work and shall take reasonable and appropriate action to secure and protect the Work then in place. Contractor shall then be paid by the Participating Public Agency, in accordance with the terms and provisions of the Contract Documents, an amount not to exceed the actual labor costs incurred, the actual cost of all materials installed and the actual cost of all materials stored at the project site or away from the project site, as approved in writing by the Participating Public Agency but not yet paid for and which cannot be returned, and actual, reasonable and documented demobilization costs, if any, paid by Contractor and approved by the Participating Public Agency in connection with the Scope of Work in place which is completed as of the date of termination by the Participating Public Agency and that is in conformance with the Contract Documents, less all amounts previously paid for the Work. No amount ever shall be owed or paid to Contractor for lost or anticipated profits on any part of the Scope of Work not performed or for consequential damages of any kind.

2. Equal Employment Opportunity:

The Participating Public Agency highly encourages Contractors to implement Affirmative Action practices in their employment programs. This means Contractor should not discriminate against any employee or applicant for employment because of race, color, religion, sex, pregnancy, sexual orientation, political belief or affiliation, age, disability or genetic information.

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the

Version April 1, 2021

compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided*, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

3. "During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice

to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided bylaw.
- (7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States.”

4. Davis Bacon Act and Copeland Anti-Kickback Act.

- a. Applicability of Davis-Bacon Act. The Davis-Bacon Act only applies to the emergency Management Preparedness Grant Program, Homeland Security Grant Program, Nonprofit Security Grant Program, Tribal Homeland Security Grant Program, Port Security Grant Program, and Transit Security Grant Program. **It does not apply to other FEMA grant and cooperative agreement programs, including the Public Assistance Program.**
- b. All prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144 and 3146-3148) as supplemented by Department of Labor regulations at 29 C.F.R. Part 5 (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction)). See 2 C.F.R. Part 200, Appendix II, ¶ D.
- c. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once aweek.
- d. The non-Federal entity must place a copy of the current prevailing wage determination

issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

- e. In contracts subject to the Davis-Bacon Act, the contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). The Copeland Anti- Kickback Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA.
- f. The regulation at 29 C.F.R. § 5.5(a) does provide the required contract clause that applies to compliance with both the Davis-Bacon and Copeland Acts. However, as discussed in the previous subsection, the Davis-Bacon Act does not apply to Public Assistance recipients and subrecipients. **In situations where the Davis-Bacon Act does not apply, neither does the Copeland "Anti-Kickback Act."** However, for purposes of grant programs where both clauses do apply, FEMA requires the following contract clause:

"Compliance with the Copeland "Anti-Kickback" Act.

- (1) Contractor. The contractor shall comply with 18 U.S.C. § 874, 40U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- (2) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as the FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses
- (3) Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12."

5. Contract Work Hours and Safety Standards Act.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Where applicable (see 40 U.S.C. § 3701), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II, ¶ E.
- c. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the workweek.
- d. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- e. The regulation at 29 C.F.R. § 5.5(b) provides the required contract clause concerning compliance with the Contract Work Hours and Safety Standards Act:

“Compliance with the Contract Work Hours and Safety Standards Act.

- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The (write in the name of the Federal agency or the loan or grant recipient) shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.”

6. Rights to Inventions Made Under a Contract or Agreement.

- a. Stafford Act Disaster Grants. This requirement **does not apply to the Public Assistance, Hazard Mitigation Grant Program, Fire Management Assistance Grant Program, Crisis Counseling Assistance and Training Grant Program, Disaster Case Management Grant Program, and Federal Assistance to Individuals and Households – Other Needs Assistance Grant Program, as**

FEMA awards under these programs do not meet the definition of “funding agreement.”

- b. If the FEMA award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit

Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by FEMA. See 2 C.F.R. Part 200, Appendix II, ¶ F.

- c. The regulation at 37 C.F.R. § 401.2(a) currently defines “funding agreement” as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.
7. Clean Air Act and the Federal Water Pollution Control Act. Contracts of amounts in excess of \$150,000 must contain a provision that requires the contractor to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to FEMA and the Regional Office of the Environmental Protection Agency. See 2 C.F.R. Part 200, Appendix II, ¶ G.

- a. The following provides a sample contract clause concerning compliance for contracts of amounts in excess of \$150,000:

“Clean Air Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- (2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- (2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.”

8. Debarment and Suspension.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Non-federal entities and contractors are subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive

Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security's regulations at 2 C.F.R. Part 3000 (Non procurement Debarment and Suspension).

- c. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs and activities. See 2 C.F.R. Part 200, Appendix II, ¶ H; and *Procurement Guidance for Recipients and Subrecipients Under 2 C.F.R. Part 200 (Uniform Rules): Supplement to the Public Assistance Procurement Disaster Assistance Team (PDAT) Field Manual* Chapter IV, ¶ 6.d, and Appendix C, ¶ 2 [hereinafter *PDAT Supplement*]. A contract award must not be made to parties listed in the SAM Exclusions. SAM Exclusions is the list maintained by the General Services Administration that contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. SAM exclusions can be accessed at www.sam.gov. See 2 C.F.R. § 180.530; *PDAT Supplement*, Chapter IV, ¶ 6.d and Appendix C, ¶ 2.
- d. In general, an "excluded" party cannot receive a Federal grant award or a contract within the meaning of a "covered transaction," to include subawards and subcontracts. This includes parties that receive Federal funding indirectly, such as contractors to recipients and subrecipients. The key to the exclusion is whether there is a "covered transaction," which is any non-procurement transaction (unless excepted) at either a "primary" or "secondary" tier. Although "covered transactions" do not include contracts awarded by the Federal Government for purposes of the non-procurement common rule and DHS's implementing regulations, it does include some contracts awarded by recipients and subrecipient.
- e. Specifically, a covered transaction includes the following contracts for goods or services:
 - (1) The contract is awarded by a recipient or subrecipient in the amount of at least \$25,000.
 - (2) The contract requires the approval of FEMA, regardless of amount.
 - (3) The contract is for federally required audit services.
 - (4) A subcontract is also a covered transaction if it is awarded by the contractor of a recipient or subrecipient and requires either the approval of FEMA or is in excess of \$25,000.
- d. The following provides a debarment and suspension clause. It incorporates an optional method of verifying that contractors are not excluded or disqualified:

"Suspension and Debarment

- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the contractor is required to verify that none of the contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- (3) This certification is a material representation of fact relied upon by (insert name of

subrecipient). If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to (name of state agency serving as recipient and name of subrecipient), the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

- (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.”

9. Byrd Anti-Lobbying Amendment.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. Contractors that apply or bid for an award of \$100,000 or more must file the required certification. See 2 C.F.R. Part 200, Appendix II, ¶ 1; 44 C.F.R. Part 18; *PDAT Supplement*, Chapter IV, 6.c; Appendix C, ¶ 4.
- c. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. See *PDAT Supplement*, Chapter IV, ¶ 6.c and Appendix C, ¶ 4.
- d. The following provides a Byrd Anti-Lobbying contract clause:

“Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.”

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements (To be submitted with each bid or offer exceeding \$100,000)

The undersigned [Contractor] certifies, to the best of his or her knowledge, that:

- 1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative

agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form- LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Network Services Company, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

Daniel Ceko

Digitally signed by Daniel Ceko
DN: cn=Daniel Ceko, o=Network Services Company,
ou=email=dc@networkservices.com, c=US
Date: 2021.08.10 11:05:10 -0500

Signature of Contractor's Authorized Official

Daniel Ceko, Treasurer & Corporate Counsel

Name and Title of Contractor's Authorized Official

08/10/2021

Date"

10. Procurement of Recovered Materials.

- a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.
- b. A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act at 42 U.S.C. § 6962). See 2 C.F.R. Part 200, Appendix II, ¶ J; 2 C.F.R. § 200.322; *PDAT Supplement*, Chapter V, ¶ 7.
- c. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- d. The following provides the clause that a state agency or agency of a political

Version April 1, 2021

subdivision of a state and its contractors can include in contracts meeting the above contract thresholds:

“(1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA- designated items unless the product cannot be acquired—

- (i) Competitively within a timeframe providing for compliance with the contract performance schedule;
- (ii) Meeting contract performance requirements; or
- (iii) At a reasonable price.

(2) Information about this requirement, along with the list of EPA- designate items, is available at EPA’s Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.”

11. Additional FEMA Requirements.

a. The Uniform Rules authorize FEMA to require additional provisions for non- Federal entity contracts. FEMA, pursuant to this authority, requires or recommends the following:

b. Changes.

To be eligible for FEMA assistance under the non-Federal entity’s FEMA grant or cooperative agreement, the cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of its grant or cooperative agreement, and reasonable for the completion of project scope. FEMA recommends, therefore, that a non-Federal entity include a changes clause in its contract that describes how, if at all, changes can be made by either party to alter the method, price, or schedule of the work without breaching the contract. The language of the clause may differ depending on the nature of the contract and the end-item procured.

c. Access to Records.

All non-Federal entities must place into their contracts a provision that all contractors and their successors, transferees, assignees, and subcontractors acknowledge and agree to comply with applicable provisions governing Department and FEMA access to records, accounts, documents, information, facilities, and staff. See DHS Standard Terms and Conditions, v 3.0, ¶ XXVI (2013).

d. The following provides a contract clause regarding access to records:

“Access to Records. The following access to records requirements apply to this contract:

- (1) The contractor agrees to provide (insert name of state agency or local or Indian tribal government), (insert name of recipient), the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.
- (2) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

- (3) The contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.”

12. DHS Seal, Logo, and Flags.

- a. All non-Federal entities must place in their contracts a provision that a contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval. See DHS Standard Terms and Conditions, v 3.0, ¶ XXV (2013).
- b. The following provides a contract clause regarding DHS Seal, Logo, and Flags: “The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre- approval.”

13. Compliance with Federal Law, Regulations, and Executive Orders.

- a. All non-Federal entities must place into their contracts an acknowledgement that FEMA financial assistance will be used to fund the contract along with the requirement that the contractor will comply with all applicable federal law, regulations, executive orders, and FEMA policies, procedures, and directives.
- b. The following provides a contract clause regarding Compliance with Federal Law, Regulations, and Executive Orders: “This is an acknowledgement that FEMA financial assistance will be used to fund the contract only. The contractor will comply will all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives.”

14. No Obligation by Federal Government.

- a. The non-Federal entity must include a provision in its contract that states that the Federal Government is not a party to the contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.
- b. The following provides a contract clause regarding no obligation by the Federal Government: “The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.”

15. Program Fraud and False or Fraudulent Statements or Related Acts.

- a. The non-Federal entity must include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.
- b. The following provides a contract clause regarding Fraud and False or Fraudulent or Related Acts: “The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor’s actions pertaining to this contract.”

Additional contract clauses per 2 C.F.R. § 200.325

For applicable construction/reconstruction/renovation and related services: A payment and performance bond are both required for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor’s obligations under such contract. A “payment bond” is one executed in connection with a contract to assure payment as required by law of

all persons supplying labor and material in the execution of the work provided in the contract.

Offeror agrees to comply with all terms and conditions outlined in the FEMA Special Conditions section of this solicitation.

Offeror's Name: Network Services Company, 1100 E. Woodfield Road, Suite 200, Schaumburg, IL 60173

Address, City, State, and Zip Code:

Phone Number: 224.361.2278 Fax Number:

Printed Name and Title of Authorized

Representative: Daniel Ceko, Treasurer & Corporate Counsel

Email Address: dceko@networkdistribution.com

Signature of Authorized Representative:

08/10/2021

Daniel Ceko

Digitally signed by Daniel Ceko
DN: cn=Daniel Ceko, o=Network Services Company, ou=
email=dceko@networkdistribution.com, c=US
Date: 2021.08.10 11:05:52 -0500

Date:



STAFF REPORT

Public Works Services Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

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

SUBJECT: PURCHASE ORDER WITH THE GARLAND COMPANY, INC. FOR THE PURCHASE OF ROOFING MATERIALS FOR THE REROOF OF VARIOUS CITY FACILITIES PROJECT IN THE AMOUNT OF \$142,709.94
CEQA: Not a Project
Recommendation: Approve

SUMMARY

The Fiscal Year 2023-24 Capital Improvement Program (“CIP”) provides for roof restoration at the Police Department and roof replacements at the Chamber of Commerce, City Council Chambers, and Community Center. Utilizing the State of California Multiple Award Schedules (“CMAS”) purchasing program will enable the City to streamline the process of procuring roofing materials and receive the best price possible for these items. It is recommended that the City Council approve a Purchase Order with The Garland Company, Inc. for the purchase of roofing materials for the Reroof of Various City Facilities Project in the amount of \$142,709.94.

BACKGROUND

The Fiscal Year 2023-24 CIP provides for the reroofing of the Chamber of Commerce, City Council Chambers, and Community Center buildings as well as a roof restoration at the Police Department. This work was budgeted in prior fiscal years, but was ultimately put on hold due to substantial industry price increases in materials and labor. These projects were re-programmed as part of the Fiscal Year 2023-24 Capital Improvement Program.

Chamber of Commerce

The current roof system at the Chamber of Commerce is 54 years old and has never been replaced; it requires a full roof replacement. The existing wood shingles on the roof are brittle and starting to deteriorate, and create a higher fire risk for the building. The existing wood shingles will be replaced with an approved metal wood shingle style covering.

City Council Chambers

The monolithic roofing system at the City Council Chambers has started to break down and deteriorate due to years of sun exposure and environmental conditions. The existing roofing material is becoming brittle and is currently experiencing blisters, mole runs, splits, and tears, which will lead to cracks and leaks. A reroof of the City Council Chambers is required to address the poor condition of the existing roof. The roof replacement will include an asphalt primer coating with a topcoat that will offer more protection and help lower interior temperatures by reducing heat absorption.

Community Center

The Community Center is over 25 years old, and the roof has begun to deteriorate and fail. The existing top layer roof cap sheet has begun to bubble and develop mole runs, which has resulted in cracking, seam separation, and leaks. Additionally, the base flashings and cap sheets are starting to pull away from the parapet walls, creating open gaps for water to infiltrate the building. The entire flat roof will be replaced and tile areas will be repaired, as needed, to provide a leak-free roof system.

Police Department

The main roof at the Police Department has numerous leaks and is in poor condition. There are cracks around the pipes and vent protrusions, which have allowed water to seep into the building during the rainy season. The existing roof has also lost much of its protective granules in certain areas. A roof restoration is needed to prevent these issues from worsening and leading to more building damage.

DISCUSSION

The roof replacement and restoration project will be performed by a licensed roofing contractor using materials that are purchased and supplied by the City. This construction method will reduce the total project cost by eliminating a material price markup from the contractor. The Public Works Services Department (“PWSD”) is currently out to bid for the construction labor services portion of this project. A contract for construction services will be presented to the City Council for approval as a separate agenda item.

The State Department of General Services’ Procurement Division has issued a purchasing contract to The Garland Company, Inc. for roofing materials, through the California Multiple Award Schedule program. The California Government Code authorizes public agencies to participate in purchasing agreements, like those established by the CMAS, while still adhering to the City’s adopted rules and procedures for procurement. CMAS contracts offer a wide variety of commodities and products at prices that have been assessed to be fair, reasonable, and competitive. By utilizing the CMAS purchasing program, the City can streamline the process of procuring roofing materials with the best possible prices. The PWSD has reviewed the specifications and CMAS bid

documents provided by The Garland Company, Inc. and has verified that they are compatible with the City's scope of services.

ENVIRONMENTAL ANALYSIS

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

FISCAL IMPACT

The total purchase price for the roofing materials is \$142,709.94. Funds in the amount of \$1,500,000 for both materials and labor have been budgeted in the Fiscal Year 2023-24 Capital Improvement Program for the Reroof of Various City Facilities Project. Sufficient budget exists to purchase the roofing materials needed for the Chamber of Commerce, City Council Chambers, Community Center, and Police Department.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project and is, therefore, exempt under the California Environmental Quality Act ("CEQA"); and approve a Purchase Order with The Garland Company, Inc. for the purchase of roofing materials for the Reroof of Various City Facilities Project in the amount of \$142,709.94.

Approved:



Dominic Lazzaretto
City Manager

Attachments: CMAS Garland Company, Inc. Roofing Material Proposal Contract
CMAS Material Purchase Order Request

State of California
MULTIPLE AWARD SCHEDULE
The Garland Company, Inc.

CMAS NUMBER:	4-20-56-0006B
CMAS TERM DATES:	1/27/2020 through 12/31/2024
CMAS CATEGORY:	Non Information Technology Commodities
APPLICABLE TERMS & CONDITIONS:	<u>December 1, 2017</u> (www.dgs.ca.gov/-/media/Divisions/PD/Acquisitions/CMAS/Non-IT-Commodities-CMAS-Terms-and-Conditions.ashx?la=en&hash=9AD54FF697C740F342E8B9B5BDEEDFC263632CB3)
FOR USE BY:	State & Local Government Agencies
BASE GSA SCHEDULE #:	47QSWA20D002X
BASE SCHEDULE HOLDER:	Garland Company Inc, The

This CMAS provides for the purchase and warranty of roofing and flooring materials. (See page 3 for the restrictions applicable to this CMAS.)

NOTICE: Products and/or services on this CMAS may be available on a Mandatory Statewide Contracts. If this is the case, the use of this CMAS is restricted unless the State agency has an approved exemption as explained in the Statewide Contract User Instructions. Information regarding Statewide Contracts can be obtained at the: Statewide Contract Index Listing (www.documents.dgs.ca.gov/pd/contracts/contractindexlisting.pdf). This requirement is not applicable to local government entities.

The most current Ordering Instructions and Special Provisions, CMAS Terms and Conditions, and products and/or services are included herein. All purchase orders issued by State agencies under this CMAS shall incorporate these Ordering Instructions and Special Provisions and CMAS Terms and Conditions dated December 1, 2017.

Original Signature On File

Effective Date: **1/27/2020**

BRYAN DUGGER, Program Analyst, California Multiple Award Schedules Unit

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

Agency non-compliance with the requirements of this CMAS may result in the loss of delegated authority to use the CMAS program.

CMAS contractor non-compliance with the requirements of this CMAS may result in termination of the CMAS.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

CMAS PRODUCT & SERVICE CODES

The CMAS Product & Service Codes listed below are for marketing purposes only. Review this CMAS and the base contract identified below for the products and/or services available on this CMAS.

Brand-Garland
Brand-Gardena
Construction Flooring-Epoxy
Construction-Roofing Material

AVAILABLE PRODUCTS AND/OR SERVICES

All of the products from the manufacturer/manufacturers listed in the base GSA schedule are available within the scope of this CMAS.

The ordering agency must verify all products and/or services are currently available on the base General Services Administration (GSA) schedule. Access the [GSA eLibrary](http://www.gsa.gov/eLibrary) at www.gsa.gov/eLibrary.

CMAS BASE CONTRACT

This CMAS is based on some or all of the products and/or services and prices from GSA Schedule Number 47QSWA20D002X (GARLAND COMPANY INC, THE) with a GSA term of 1/01/2020 through 12/31/2024.

EXCLUDED PRODUCTS AND/OR SERVICES

Order-Level Materials are not available under this CMAS.

ISSUE PURCHASE ORDER TO

Agency purchase orders must be either mailed or emailed to the following:

**The Garland Company, Inc.
3800 East 91st Street
Cleveland, OH 44105
Attn: Steven Rojek**

E-mail: srojek@garlandind.com

Agencies with questions regarding products and/or services may contact the CMAS contractor as follows:

**Contact: Steven Rojek
Phone: (216) 430-3613
E-mail: srojek@garlandind.com**

TOP 500 DELINQUENT TAXPAYERS

In accordance with Public Contract Code (PCC) § 10295.4, and prior to placing an order for non-IT goods and/or services, **agencies must verify with the Franchise Tax Board and the California Department of Tax and Fee Administration that this CMAS contractor's name does not appear on either list of the 500 largest tax delinquencies pursuant to Section 7063 or 19195 of the Revenue and Taxation Code. See next paragraph for information.**

The Franchise Tax Board's list of [Top 500 Delinquent Taxpayers](http://www.ftb.ca.gov/aboutftb/delinquent-taxpayers.shtml) is available at www.ftb.ca.gov/aboutftb/delinquent-taxpayers.shtml.

The California Department of Tax and Fee Administration's list of [Top 500 Sales & Use Tax Delinquencies in California](http://www.cdtfa.ca.gov/taxes-and-fees/top500.htm) is available at www.cdtfa.ca.gov/taxes-and-fees/top500.htm.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

CALIFORNIA SELLER'S PERMIT

The Garland Company, Inc.'s California Seller's Permit Number is 030651030. Prior to placing an order with this company, agencies must verify that this permit is still valid at the California Department of Tax and Fee Administration website (cdtfa.ca.gov).

CMAS PRICES

The maximum prices allowed for the products and/or services available in this CMAS are those set forth in the base contract identified on page 3 of this CMAS.

The ordering agency is encouraged to seek prices lower than those on this CMAS. When responding to an agency's Request for Offer (RFO), the CMAS contractor can offer lower prices to be competitive.

PRICE DISCOUNTS

This CMAS contains prompt payment discounts. See the base GSA schedule for the specific percent of discount.

DARFUR CONTRACTING ACT

This CMAS contractor has certified compliance to the Darfur Contracting Act, per Public Contract Code (PCC) § 10475, et seq. It is the agency's responsibility to verify that the contractor has a Darfur Contracting Act Certification on file.

CALIFORNIA CIVIL RIGHTS LAW CERTIFICATION

Pursuant to Public Contract Code section 2010, effective January 1, 2017, applicants must certify their compliance with the California Civil Rights laws and Employer Discriminatory Policies (section 51 of the Civil Code, section 12960 of the Government Code). It is the agency's responsibility to verify that the contractor has a California Civil Rights Law Certification on file.

WARRANTY

For warranties, see the federal GSA schedule and the CMAS Terms and Conditions, General Provisions, CMAS Warranty.

DELIVERY

30-45 days after receipt of order, or as negotiated between agency and CMAS contractor and included in the purchase order, or as otherwise stipulated in the contract.

SHIPPING INSTRUCTIONS

F.O.B. (Free On Board) Origin. Buying agency pays the freight charges.

State agencies (not local governments) shall follow the instructions below whenever the weight of the purchase is 100-lbs or more and F.O.B. Destination, Freight Prepaid is not used.

All shipments will be made by ground transportation unless otherwise ordered on the purchase order.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

Before placing order, contact the DGS Transportation Management (916) 376-1888 to determine the routing of freight shipments. You will need to provide Transportation Management with the point of origin and destination. They will also want to know the commodity being shipped and the estimated shipping weight of the order. If shipping overnight, the account number must be included.

Routing information should be shown on the face of the purchase order in the format shown below.

Shipping Instructions:

Supplier route via:
Carrier's telephone number: _____

Annotate bill/s of lading as follows:

"Freight for account of State of California.
Tender Number: _____ applies. State
of California Purchase Order Number:
_____ SHIP FREIGHT COLLECT."
Estimated Freight charges: _____.

If supplier is unable to use this carrier, call Transportation Management at (916) 376-1888.

The following statement must be noted on the purchase order when the commodities are being shipped via UPS (United Parcel Service) and the State is paying directly to UPS (Collect).

Shipping Instructions:

Supplier route via United Parcel Service (ground).
State of California, Department of _____ UPS account number applies.
State of California Purchase Order Number _____. SHIP COLLECT. Estimated UPS charges: _____.

If supplier is unable to use UPS, call Transportation Management at (916) 376-1888.

CMAS Contractor Note: Additional shipping costs incurred by deviation to above shipping instructions, without Transportation Management approval, shall be charged to the CMAS contractor.

PURCHASING AUTHORITY DOLLAR THRESHOLD

Order limits for the purchase of goods and/or services is determined by the individual agency purchasing authority threshold.

No CMAS order may be executed by a State agency that exceeds that agency's purchasing authority threshold. State agencies with approved purchasing authority, along with their dollar thresholds can be obtained at the List of State Departments with Approved Purchasing Authority website (www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/List-of-State-Departments-with-Approved-Purchasing-Authority).

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

HOW TO USE CMAS

Agencies must adhere to the detailed requirements in the State Contracting Manual (SCM) when using CMAS. The requirements for the following bullets are in the SCM, Volume 2, Chapter 6 (for non-IT), the SCM, Volume 3, Chapter 6 (for IT), and the SCM, Volume FISCAL, Chapter 5 (FISCAL):

- Develop a Request for Offer, which includes a Scope of Work (SOW), and Bidder Declaration form. For information on the Bidder Declaration requirements, see the SCM, Volume 2, Section 3.5.7 and Volume 3, Section 3.4.7.
- Search for potential CMAS contractors on the CMAS website (www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Acquisitions/California-Multiple-Award-Schedules) and select "Find a CMAS Contractor."
- Solicit offers from a minimum of 3 CMAS contractors including one small business and/or DVBE, if available, who are authorized to sell the products and/or services needed.
- If soliciting offers from a certified DVBE, include the Disabled Veteran Business Enterprise Declarations form (Standard 843) in the Request for Offer. This declaration must be completed and returned by the DVBE prime contractor and/or any DVBE subcontractors. (See the SCM Volumes 2, 3, and FISCAL, Chapter 3).
- This is not a bid transaction, so the small business preference, DVBE incentives, protest language, intents to award, evaluation criteria, advertising, etc., are not applicable.

- If less than 3 offers are received, State agencies must document their file with the reasons why the other suppliers solicited did not respond with an offer.
- Assess the offers received using best value methodology, with cost as one of the criteria.
- Issue a Purchase Order to the selected CMAS contractor.
- For CMAS transactions under \$10,000, only one offer is required if the State agency can establish and document that the price is fair and reasonable. The fair and reasonable method can only be used for non-customizable purchases.

Local governments set their own order limits, and are not bound by the order limits on the cover page of this CMAS.

SPLITTING ORDERS

Splitting orders to avoid any monetary limitations is prohibited.

Do not circumvent normal procurement methods by splitting purchases into a series of delegated purchase orders, per Public Contract Code (PCC) § 10329.

Splitting a project into small projects to avoid either fiscal or procedural controls is prohibited, per State Administrative Manual (SAM) § 4819.34.

MINIMUM ORDER LIMITATION

There is no minimum dollar value limitation on orders placed under this CMAS.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

ORDERING PROCEDURES

1. Purchase Orders

All Ordering Agency purchase order documents executed under this CMAS must contain the applicable CMAS number as show on page 1.

1. State Departments:

Standard 65 Purchase Documents – State departments not transacting in FISCAL must use the Purchasing Authority Purchase Order (Standard 65) for purchase execution. An electronic version of the Standard 65 is available at the DGS-PD website (www.dgsapps.dgs.ca.gov/osp/Statewid eFormsWeb/Forms.aspx), select Standard STD Forms.

FISCAL Purchase Documents – State departments transacting in FISCAL will follow the FISCAL procurement and contracting procedures.

2. Local Governmental Departments:

Local governmental agencies may use their own purchase document for purchase execution.

The agency is required to complete and distribute the purchase order. For services, the agency shall modify the information contained on the order to include the service period (start and end date), and the monthly cost (or other intermittent cost), and any other information pertinent to the services being provided. The cost for each line item should be included in the order, not just system totals.

The contractor must immediately reject purchase orders that are not accurate. Discrepancies are to be negotiated and incorporated into the purchase order prior to the products and services being delivered.

2. Service and Delivery after CMAS Expiration

The purchase order must be issued before the CMAS expires. However, delivery of the products or completion of the services may be after the CMAS expires (unless otherwise specifically stated in the purchase order).

3. Multiple CMAS Agreements on a Single Purchase Order

Agencies wishing to include multiple CMAS(s) on a single FISCAL purchase order must adhere to the following guidelines:

- All CMAS must be for the same CMAS contractor.
- The purchase order must go to one contractor location.
- Write the word “CMAS” in the space usually reserved for the contract number. On Standard 65’s, this is at the top of the form. The word “CMAS” signifies that the purchase order contains items from multiple CMAS agreements. The purchasing agency may only use one bill code.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

- For each individual CMAS (as differentiated by alpha suffix), the agency must identify and group together the CMAS number with the line items and subtotal per CMAS number (do not include tax in the subtotal), and sequentially identify each individual CMAS as Sub #1, Sub #2, Sub #3, etc. This facilitates accurate billing of administrative fees by the Procurement Division.
- The total of all items on the purchase order must not exceed the purchase order limit identified in the CMAS.
- Do not combine items from both non-IT and Information Technology CMAS(s). A non-IT CMAS begin with the number "4" and an Information Technology CMAS begins with the number "3." The purchase order limits are different for these two types of CMAS agreements.

Amendments unique to non-IT services are covered in the SCM, Volume 2, Chapter 6.B2.9 and SCM, Volume FISCAL, Chapter 5.A4.1 as follows:

If the original contract permitted amendments, but did not specify the changes (e.g., quantity or time), it may be amended, per Public Contract Code (PCC) § 10335 (d)(1). This only applies to the first amendment. The time shall not exceed one year, or add not more than 30% of the original order value and may not exceed \$250,000. If the original contract did not have language permitting amendments, the NCB process must be followed.

Also, see the SCM, Volumes 2 & 3, Chapter 8, Topic 6, for more information on amending purchase orders.

4. Amendments to Agency's Purchase Orders

Agency purchase orders cannot be amended if the CMAS has expired.

The SCM, Volumes 2 & 3, Chapter 6.A5.0 and SCM, Volume FISCAL, Chapter 5.A4.0 provides the following direction regarding amendments to all types of CMAS purchase orders:

Original orders, which include options for changes (e.g., quantity or time), that were evaluated and considered in the selection for award during the RFO process, may be amended consistent with the terms of the original order, provided that the original order allowed for amendments. If the original order did not evaluate options, then amendments are not allowed unless an NCB is approved for those amendments.

CMAS CONTRACTOR OWNERSHIP INFORMATION

The Garland Company, Inc. is a large business enterprise.

SMALL BUSINESS MUST BE CONSIDERED

Prior to placing orders under the CMAS program, State agencies shall whenever practicable first consider offers from small businesses that have established CMAS [Government Code (GC) § 14846(b)]. NOTE: The Department of General Services auditors will request substantiation of compliance with this requirement when agency files are reviewed.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

CMAS Small Business and Disabled Veteran Partners lists

(www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Acquisitions/California-Multiple-Award-Schedules) can be found on the CMAS website by selecting "Find a CMAS Contractor".

In response to our commitment to increase participation by small businesses, the Department of General Services waives the administrative fee (a fee currently charged to customer agencies to support the CMAS program) for orders to certified small business enterprises.

See the current fees in the DGS Price Book at: www.dgs.ca.gov/OFS/Price-Book.

SMALL BUSINESS/DVBE - TRACKING

State agencies are able to claim subcontracting dollars towards their small business or DVBE goals whenever the CMAS contractor subcontracts a commercially useful function to a certified small business or DVBE. The CMAS contractor will provide the ordering agency with the name of the small business or DVBE used and the dollar amount the ordering agency can apply towards its small business or DVBE goal.

SMALL BUSINESS/DVBE - SUBCONTRACTING

1. The amount an ordering agency can claim towards achieving its small business or DVBE goals is the dollar amount of the subcontract award made by the CMAS contractor to each small business or DVBE.

2. The CMAS contractor will provide an ordering agency with the following information at the time the order is quoted:
 - a. The CMAS contractor will state that, as the prime contractor, it shall be responsible for the overall execution of the fulfillment of the order.
 - b. The CMAS contractor will indicate to the ordering agency how the order meets the small business or DVBE goal, as follows:
 - i. List the name of each company that is certified by the Office of Small Business and DVBE Services that it intends to subcontract a commercially useful function to; and
 - ii. Include the small business or DVBE certification number of each company listed, and attach a copy of each certification; and
 - iii. Indicate the dollar amount of each subcontract with a small business or DVBE that may be claimed by the ordering agency towards the small business or DVBE goal; and
 - iv. Indicate what commercially useful function the small business or DVBE subcontractor will be providing towards fulfillment of the order.
3. The ordering agency's purchase order must be addressed to the prime Contractor, and the purchase order must reference the information provided by the prime Contractor as outlined above.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

NEW EQUIPMENT REQUIRED

The State will procure new equipment. All equipment must be new (or warranted as newly manufactured) and the latest model in current production. Used, shopworn, demonstrator, prototype, or discontinued models are not acceptable.

Where Federal Energy Management Program (FEMP) standards are available, all State agencies shall purchase only those products that meet the recommended standards. All products displaying the Energy Star label meet the FEMP standards.

SPECIAL MANUFACTURED GOODS

Any CMAS for goods to be manufactured by the CMAS contractor specifically for the State and not suitable for sale to others may require progress payments.

For Non-IT goods CMAS, see the CMAS Non-IT Commodities Terms and Conditions, Provision 69, Progress Payments.

TRADE-IN EQUIPMENT

Trade-ins at open market price may be considered. The product description and trade-in allowance must be identified on the purchase order.

Agencies are required to adhere to State Administrative Manual (SAM) § 3520 through 3520.6, Disposal of Personal Property and Surplus Personal Property, as applicable, when trade-ins are considered. A Property Survey Report, Standard 152, must be submitted for approval prior to disposition of any State-owned personal property, including general office furniture regardless of the acquisition value, or if the property was recorded or capitalized for accounting purposes.

STATE AGENCY BUY RECYCLED CAMPAIGN (SABRC)

State ordering agencies are required to report purchases made within the eleven product categories in the California Department of Resources Recycling and Recovery's State Agency Buy Recycled Campaign (SABRC) per Public Contract Code sections 12200-12217.

Contractor will be required to complete and return a Recycled-Content Certification form (www.calrecycle.ca.gov/contracts/forms) upon request by the state ordering agency.

NOT SPECIFICALLY PRICED (NSP) ITEMS

The only time that open market/incidental, non-schedule items may be included in a CMAS order is when they fall under the parameters of the Not Specifically Priced (NSP) Items provision.

CMAS contractors must be authorized providers of the hardware, software and/or services they offer under the Not Specifically Priced (NSP) Items provision.

Agency and CMAS contractor use of the NSP provision is subject to the following requirements:

1. Purchase orders containing only NSP items are prohibited.
2. A purchase order containing NSP items may be issued only if it results in the lowest overall alternative to the State.
3. NSP items shall be clearly identified in the order. Any product or service already specifically priced and included in the base contract may not be identified as an NSP item.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

4. NSP Installation Services: The CMAS contractor is fully responsible for all installation services performed under the CMAS. Product installations must be performed by manufacturer authorized personnel and meet manufacturer documented specifications. The prime contractor, as well as any subcontractors, must hold any certifications and/or licenses required for the project. The total dollar value of all installation services included in the purchase order cannot exceed the dollar value of the products included in the purchase order, nor can they exceed the NSP Maximum Order Limitation.
5. Maximum Order Limitation: For orders \$250,000, or less, the total dollar value of all NSP items included in a purchase order shall not exceed \$5,000. For orders exceeding \$250,000, and at the option of the contractor, the total dollar value of all NSP items in a purchase order shall not exceed 5% of the total cost of the order, or \$25,000 whichever is lower.
6. An NSP item included in an order issued against a CMAS is subject to all of the terms and conditions set forth in the contract.
7. Trade-ins, upgrades, involving the swapping of boards, are permissible, where the contract makes specific provisions for this action. In those instances where it is permitted, the purchase order must include the replacement item and a notation that the purchase involves the swapping of a board.

The following NSP items ARE SPECIFICALLY EXCLUDED from any order issued under this CMAS:

1. Items not intended for use in directly supporting the priced items included in the same order. An NSP item must be subordinate to the specifically priced item that it is supporting. For example, a cable, which is not otherwise specifically priced in the base contract, is subordinate to a specifically priced printer or facsimile machine, and is eligible to be an NSP item subject to that cable meeting the remaining NSP requirements. However, a printer or facsimile machine, which is not otherwise specifically priced in the base contract, is not subordinate to a specifically priced cable, and is not eligible to be an NSP item.
2. Supply type items, except for the minimum amount necessary to provide initial support to the priced items included in the same order.
3. Items that do not meet the Productive Use Requirements for information technology products, per the SCM, Volume 3, Chapter 2, Section 2.B6.2 and SCM, Volume FISCAL, Chapter 2, Section 2.E3.2.
4. Any other item or class of items specifically excluded from the scope of this CMAS.
5. Public Works components NOT incidental to the total purchase order amount.
6. Products or services the CMAS contractor is NOT factory authorized or otherwise certified or trained to provide.
7. Follow-on consultant services that were previously recommended or suggested by the same CMAS contractor.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

The CMAS contractor is required to reject purchase orders containing NSP items that do not conform to the above requirements. The CMAS contractor will promptly notify the agency issuing the non-conforming order of its non-acceptance and the reasons for its non-acceptance.

STATE AND LOCAL GOVERNMENTS CAN USE CMAS

State and local government agency use of CMAS is optional. A local government is any city, county, city and county, district, or other local governmental body or corporation, including UC, CSU, K-12 schools and community colleges empowered to expend public funds. While the State makes this CMAS available, each local government agency should make its own determination whether the CMAS program is consistent with their procurement policies and regulations.

UPDATES AND/OR CHANGES

A CMAS amendment is not required for updates and/or changes once the update and/or change becomes effective for the federal GSA schedule, except as follows:

- A CMAS amendment is required when the CMAS is based on specific products and/or services from another contractor's multiple award contract and the contractor wants to add a new manufacturer's products and/or services.
- A CMAS amendment is required for new federal contract terms and conditions that constitute a material difference from existing contract terms and conditions. A material change has a potentially significant effect on the delivery, quantity or quality of items provided, the amount paid to the contractor or on the cost to the State.

A CMAS amendment is required to update and/or change terms and conditions and/or products and services based on a non-federal GSA multiple award contract.

SELF-DELETING FEDERAL GSA TERMS AND CONDITIONS

Instructions, or terms and conditions that appear in the Special Items or other provisions of the federal GSA and apply to the purchase, license, or rental (as applicable) of products or services by the US Government in the United States, and/or to any overseas location shall be self-deleting. (Example: "Examinations of Records" provision).

Federal regulations and standards, such as Federal Acquisition Regulation (FAR), Federal Information Resources Management Regulation (FIRMR), Federal Information Processing Standards (FIPS), General Services Administration Regulation (GSAR), or Federal Installment Payment Agreement (FIPA) shall be self-deleting. Federal blanket orders and small order procedures are not applicable.

ORDER OF PRECEDENCE

The CMAS Terms and Conditions takes precedence if there is a conflict between the terms and conditions of the contractor's federal GSA, (or other multiple award contract), packaging, invoices, catalogs, brochures, technical data sheets or other documents (see CMAS Terms and Conditions, CONFLICT OF TERMS).

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

APPLICABLE CODES, POLICIES AND GUIDELINES

All California codes, policies, and guidelines are applicable. THE USE OF CMAS DOES NOT REDUCE OR RELIEVE STATE AGENCIES OF THEIR RESPONSIBILITY TO MEET STATEWIDE REQUIREMENTS REGARDING CONTRACTING OR THE PROCUREMENT OF GOODS OR SERVICES. Most procurement and contract codes, policies, and guidelines are incorporated into CMAS agreements. Nonetheless, there is no guarantee that every possible requirement that pertains to all the different and unique State processes has been included.

PAYMENTS AND INVOICES

This CMAS contains prompt payment discounts. See the base GSA schedule for the specific percent of discount.

1. Payment Terms

Payment terms for this CMAS are net 45 days.

Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code (GC) § 927 et. seq. Unless expressly exempted by statute, the Act requires State agencies to pay properly submitted, undisputed invoices not more than 45 days after (1) the date of acceptance of goods or performance of services; or (2) receipt of an undisputed invoice, whichever is later.

2. Payee Data Record (Standard 204)

State Agencies not transacting in FISCAL, must obtain a copy of the Payee Data Record (Standard 204) in order to process payments. State Ordering Agencies forward a copy of the Standard 204 to their accounting office(s). Without the Standard 204, payment may be unnecessarily delayed. State Agencies should contact the CMAS contractor for copies of the Payee Data Record.

3. DGS Administrative and Incentive Fees

Orders from State Agencies:

The Department of General Services (DGS) will bill each State agency directly an administrative fee for use of CMAS. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS. This administrative fee is waived for CMAS purchase orders issued to California certified small businesses.

See the current administrative fees in the DGS Price Book (www.dgs.ca.gov/OFS/Price-Book).

Orders from Local Government Agencies:

CMAS contractors, who are not California certified small businesses, are required to remit to the DGS an incentive fee equal to **1.25%** of the total of all local government agency orders (excluding sales tax and freight) placed against their CMAS. The incentive fee is in lieu of local government agencies being billed the above referenced DGS administrative fee.

This incentive fee is waived for CMAS purchase orders issued to California certified small businesses.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

The check covering this fee shall be made payable to the Department of General Services, CMAS Unit, and mailed to the CMAS Unit along with the applicable Quarterly Report. See the provision in this CMAS entitled "Contractor Quarterly Report Process" for information on when and where to send these checks and reports.

4. Contractor Invoices

Unless otherwise stipulated, the CMAS contractor must send their invoices to the agency address set forth in the purchase order. Invoices shall be submitted in triplicate and shall include the following:

- CMAS number
- Agency purchase order number
- Agency Bill Code (State Only)
- Line item number
- Unit price
- Extended line item price
- Invoice total

State sales tax and/or use tax shall be itemized separately and added to each invoice as applicable.

The company name on the CMAS, purchase order and invoice must match or the State Controller's Office will not approve payment.

5. Advance Payments

Advance payment is allowed for services only under limited, narrowly defined circumstances, e.g., between specific departments and certain types of non-profit organizations, or when paying another government agency (Government Code (GC) § 11256 – 11263 and 11019).

It is NOT acceptable to pay in advance, except software maintenance and license fees, which are considered a subscription and may be paid in advance if a provision addressing payment in advance is included in the purchase order.

Software warranty upgrades and extensions may also be paid for in advance, one time.

6. Credit Card

The Garland Company, Inc. accepts the State of California credit card (CAL-Card).

A purchase order is required even when the ordering department chooses to pay the CMAS contractor via the CAL-Card.

7. Lease/Purchase Analysis

State agencies must complete a Lease/Purchase Analysis (LPA) to determine best value when contemplating a lease/rental, and retain a copy for future audit purposes (State Administrative Manual (SAM) § 3710).

For short-term rental equipment, the lease/purchase analysis must be approved by the Department of General Services, Office of legal Services.

The lease/purchase analysis for all other purchases must be approved by the Department of General Services, GS SMart State Financial Marketplace. Buyers may contact the GS SMart™ Administrator, Patrick Mullen by phone at (916) 375-4617 or via e-mail at patrick.mullen@dgs.ca.gov for further information.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

8. Leasing

The State reserves 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 SMart and/or Lease SMart). If payment is via the financial marketplace, the Supplier will invoice the State and the State will approve the invoice and the selected Lender/Lessor for all product listed on the State's procurement document will pay the supplier on behalf of the State.

Buyers may contact the GS SMart™ Administrator, Patrick Mullen by phone at (916) 375-4617 or via e-mail at patrick.mullen@dgs.ca.gov for further information.

CONTRACTOR QUARTERLY REPORT PROCESS

CMAS contractors are required to submit a detailed CMAS Business Activity Report on a quarterly basis to the CMAS Unit. See Attachment B for a copy of this form and instructions.

This report shall be mailed to:

Department of General Services
Procurement Division – CMAS Unit
Attention: Quarterly Report Processing
PO Box 989052, MS #2-202
West Sacramento, CA 95798-9052

Reports that include checks for incentive fees must be mailed and shall not be e-mailed. All other reports may be e-mailed to the attention of Quarterly Report Processing as follows:

CMAS Unit E-Mail: cmas@dgs.ca.gov

For the full instructions on completing and submitting CMAS Quarterly Business Activity Reports, and a soft copy of a blank quarterly report form, go to the CMAS website (www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Acquisitions/California-Multiple-Award-Schedules) and then select "File a CMAS Quarterly Report".

Important things to remember regarding CMAS Quarterly Business Activity Reports (referred to as "reports" below):

- A report is required for each CMAS, each quarter, even when no new purchase orders are received in the quarter.
- A separate report is required for each CMAS.
- **Each purchase order must be reported only once in the quarter identified by the purchase order date, regardless of when the services were performed, the products were delivered, the invoice was sent, or the payment was received.**
- Purchase orders from State and local government agencies must be separated on the report, as shown in the instructions.
- CMAS contractors must report the sales activity for all resellers listed on their CMAS.
- Any report that does not follow the required format or excludes required information will be deemed incomplete and returned to the CMAS contractor for corrections.
- Taxes and freight must not be included in the report.
- CMAS contractors must attach to their quarterly report a check covering the required incentive fee for all CMAS sales to local government agencies (see more information below).

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

- New CMAS agreements, renewals, extensions, and amendments will be approved only if the CMAS contractor has submitted all required quarterly reports and incentive fees.

CMAS Quarterly Business Activity Reports are due in the CMAS Unit within two weeks after the end of each quarter as shown below:

Quarter 1	Jan 1 to Mar 31	Due Apr 15
Quarter 2	Apr 1 to Jun 30	Due Jul 15
Quarter 3	Jul 1 to Sep 30	Due Oct 15
Quarter 4	Oct 1 to Dec 31	Due Jan 15

CONTRACTOR QUARTERLY INCENTIVE FEES

CMAS contractors who are not California certified small businesses must remit to DGS an incentive fee equal to **1.25%** of the total of all local government agency orders (excluding sales tax and freight) placed against their CMAS agreement(s). This incentive fee is in lieu of local government agencies being billed the above referenced DGS administrative fee.

CMAS contractors cannot charge local government agencies an additional **1.25%** charge on a separate line item to cover the incentive fee. The CMAS contractor must include the **1.25%** incentive fee in the price of the products or services offered, and the line item prices must not exceed the applicable base contract prices.

A local government agency is any city, county, district, or other local governmental body, including the California State University (CSU) and University of California (UC) systems, K-12 public schools and community colleges empowered to expend public funds.

This incentive fee is waived for CMAS purchase orders issued to California certified small businesses.

Ordering Instructions and Special Provisions

The check covering this fee shall be made payable to the Department of General Services, CMAS Unit, and mailed to the CMAS Unit along with the applicable Quarterly Report. See the provision in this CMAS entitled "Contractor Quarterly Report Process" for information on when and where to send these checks and reports.

OBTAINING COPY OF ORIGINAL CMAS AND AMENDMENTS

A copy of a CMAS and amendments, if any, can be obtained at Cal eProcure (caleprocure.ca.gov). A complete CMAS consists of the following:

- CMAS cover pages (which includes the signature page, ordering instructions and special provisions, and any attachments or exhibits as prepared by the CMAS Unit)
- CMAS Terms and Conditions.
- Federal GSA (or Non-GSA) terms and conditions
- Product/service listing and prices
- Amendments, if applicable.

It is important for the agency to confirm that the required products, services, and prices are included in the CMAS and are at or below base contract rates. To streamline substantiation that the needed items are in the base contract, the agencies should ask the CMAS contractor to identify the specific pages from the base contract that include the required products, services, and prices. Agencies should save these pages for their file documentation.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

CONTRACTORS ACTING AS FISCAL AGENTS ARE PROHIBITED

When a subcontractor ultimately provides all of the products or performs all of the services that a CMAS contractor has agreed to provide, and the prime contractor only handles the invoicing of expenditures, then the prime contractor's role becomes that of a fiscal agent because it is merely administrative in nature, and does not provide a Commercially Useful Function (CUF). It is unacceptable to use fiscal agents in this manner because the agency is paying unnecessary administrative costs.

AGENCY RESPONSIBILITY

Each agency is responsible for its own contracting program and purchasing decisions, including use of the CMAS program and associated outcomes.

This responsibility includes, but is not necessarily limited to, ensuring the necessity of the services, securing appropriate funding, complying with laws and policies, preparing the purchase order in a manner that safeguards the State's interests, obtaining required approvals, and documenting compliance with Government Code (GC) § 19130.b (3) for outsourcing services.

It is the responsibility of each agency to consult as applicable with their legal staff and contracting offices for advice depending upon the scope or complexity of the purchase order.

If you do not have legal services available to you within your agency, the DGS Office of Legal Services is available to provide services on a contractual basis.

CONFLICT OF INTEREST

Agencies must evaluate the proposed purchase order to determine if there are any potential conflict of interest issues. See the CMAS Terms and Conditions, Conflict of Interest, for more information.

FEDERAL DEBARMENT

When federal funds are being expended, the agency is required to obtain (retain in file) a signed "Federal Debarment" certification from the CMAS contractor before the purchase order is issued.

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants; responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

CONTRACTOR TRAVEL

The Travel provision is not applicable to this CMAS.

LIQUIDATED DAMAGES FOR LATE DELIVERY

The value of the liquidated damages cannot be a penalty, must be mutually agreed upon by agency and contractor and included in the purchase order to be applicable.

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

ACCEPTANCE TESTING CRITERIA

If the agency wants to include acceptance testing for all newly installed technology systems, and individual equipment, and machines which are added or field modified (modification of a machine from one model to another) after a successful performance period, the test criteria must be included in the purchase order to be applicable.

AMERICANS WITH DISABILITY ACT (ADA)

Section 504 of the Rehabilitation Act of 1973 as amended; Title VI and VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act, 42 USC 12101; California Code of Regulations, Title 2, Title 22; California Government Code, Sections 11135, et seq.; and other federal and State laws, and Executive Orders prohibit discrimination. All programs, activities, employment opportunities, and services must be made available to all persons, including persons with disabilities. See Attachment A for Procurement Division's ADA Compliance Policy of Nondiscrimination on the Basis of Disability.

Individual government agencies are responsible for self-compliance with ADA regulations.

Contractor sponsored events must provide reasonable accommodations for persons with disabilities.

**DGS PROCUREMENT DIVISION CONTACT
AND PHONE NUMBER**

Department of General Services
Procurement Division, CMAS Unit
707 Third Street, 2nd Floor, MS 2-202
West Sacramento, CA 95605-2811

Phone # (916) 375-4365

**CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
THE GARLAND COMPANY, INC.
CMAS NO. 4-20-56-0006B**

ATTACHMENT A

ADA NOTICE

**Procurement Division (State Department of General Services)
AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE
POLICY OF NONDISCRIMINATION ON THE BASIS OF DISABILITY**

To meet and carry out compliance with the nondiscrimination requirements of the Americans with Disabilities Act (ADA), it is the policy of the Procurement Division (within the State Department of General Services) to make every effort to ensure that its programs, activities, and services are available to all persons, including persons with disabilities.

For persons with a disability needing a reasonable accommodation to participate in the Procurement process, or for persons having questions regarding reasonable accommodations for the Procurement process, please contact the Procurement Division at (916) 375-4400 (main office); the Procurement Division TTY/TDD (telephone device for the deaf) or California Relay Service numbers which are listed below. You may also contact directly the Procurement Division contact person who is handling this procurement.

IMPORTANT: TO ENSURE THAT WE CAN MEET YOUR NEED, IT IS BEST THAT WE RECEIVE YOUR REQUEST AT LEAST 10 WORKING DAYS BEFORE THE SCHEDULED EVENT (i.e., MEETING, CONFERENCE, WORKSHOP, etc.) OR DEADLINE DUE-DATE FOR PROCUREMENT DOCUMENTS.

The Procurement Division TTY telephone numbers are:

Sacramento Office: 916-376-5127 (CALNET 480-5127)

The California Relay Service Telephone Numbers are:

Voice: 1-800-735-2922, or 7-1-1

Speech to Speech Service: 1-800-854-7784

ATTACHMENT B

CMAS Quarterly Business Activity Report

Instructions for **completing** the CMAS Quarterly Business Activity Report

1. Complete the top of the form with the appropriate information for your company.
2. **Agency Name** - Identify the State agency or Local Government agency that issued the order.
3. **Purchase Order Number** - Identify the purchase order number (and amendment number if applicable) on the order form. This is not your invoice number. This is the number the State agency or Local Government agency assigns to the order.
4. **Purchase Order Date** - Identify the date the purchase order was issued, as shown on the order. This is not the date you received, accepted, or invoiced the order.
5. **Total Dollars Per Purchase Order** - Identify the total dollars of the order excluding tax and freight. Tax must NOT be included in the quarterly report, even if the agency includes tax on the purchase order. The total dollars per order should indicate the entire purchase order amount (less tax and freight) regardless of when you invoice order, perform services, deliver product, or receive payment.
6. **Agency Contact** - Identify the ordering agency's contact person on the purchase order.
7. **Agency Address** - Identify the ordering agency's address on the purchase order.
8. **Phone Number** - Identify the phone number for the ordering agency's contact person.
9. **Total State Sales & Total Local Sales** - Separately identify the total State dollars and/or Local Government agency dollars (pre-tax) for all orders placed in quarter.
10. **1.25% Remitted to DGS** - Identify 1.25% of the total Local Government agency dollars reported for the quarter. This is the amount to be remitted to DGS by contractors who are not California certified small businesses.
11. **Grand Total** - Identify the total of all State and Local Government agency dollars reported for the quarter.

Notes:

- A report is required for each CMAS, each quarter, even if there are no new orders for the quarter.
- Quarterly reports are due two weeks after the end of the quarter.



The Garland Company, Inc.

High Performance Roofing And Flooring Systems

3800 East 91st Street • Cleveland, Ohio 44105-2197
Phone: (216) 641-7500 • Fax: (216) 641-0633
Nationwide: 1-800-321-9336

From: Austin Hansen
Date: September 2023
Re: Chamber of Commerce
Email: ahansen@garlandind.com

Austin Hansen
ahansen@garlandind.com

*** Quote developed in accordance with and subject to CMAS Contract #4-20-56-0006B ***

Product	Item #	Quantity	CMS Line #	Price	Total Extended
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	4133	14		\$346.00	\$4,795.56
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Description: R-Mer Seal SA, high-temp, metal roof underlayment with non-slip cross laminated surface

*** Quote developed in accordance with and subject to CMAS Contract #4-20-56-0006B ***

Total Material	\$4,795.56
Tax (10.25)	\$491.54
Freight Est.	\$808.16
Grand Total	6,095.26

Terms: 1 1/2% DISCOUNT 10 DAYS - A FINANCE CHARGE OF 2% PER MONTH, 20% PER ANNUM WILL BE ADDED TO THE UNPAID BALANCE 60 DAYS AFTER INVOICE DATE.

Printed 09/18/2023 - pricing is valid 30 days from this date.



The Garland Company, Inc.

High Performance Roofing And Flooring Systems

3800 East 91st Street • Cleveland, Ohio 44105-2197

Phone: (216) 641-7500 • Fax: (216) 641-0633

Nationwide: 1-800-321-9336

From: Austin Hansen
Date: September 2023
Re: Community Center
Email: ahansen@garlandind.com

Austin Hansen
ahansen@garlandind.com

*** Quote developed in accordance with and subject to CMAS Contract #4-20-56-0006B ***

Product	Item #	Quantity	CMS Line #	Price	Total Extended
	4112	30		\$174.00	\$5,167.80
Description: HPR Glasbase Heavy duty double coated ASTM D 4601, TYPE II fiberglass, TYPE II					
	4411-80-PRM	60		\$296.00	\$17,582.40
Description: StressBase 80 Plus Fbgl.-reinforced SBS Mod underlayment used w/VersiPly and StressPly Cap Sheets					
	4377	119		\$287.00	\$33,811.47
Description: StressPly Plus FR Mineral Poly/fbgl.-reinforced SBS-mod. FR membrane w/recycled rubber & min					
	7303-3	9		\$416.00	\$3,706.56
Description: KEE-Lock Mastic White 100% solids polyether termination mastic for use w/ KEE-Stone FB 60 Flashing					

*** Quote developed in accordance with and subject to CMAS Contract #4-20-56-0006B ***

Total Material	\$60,268.23
Tax (10.25)	\$6,177.49
Freight Est.	\$6,682.52
Grand Total	73,128.24

Terms: 1 1/2% DISCOUNT 10 DAYS - A FINANCE CHARGE OF 2% PER MONTH, 20% PER ANNUM WILL BE ADDED TO THE UNPAID BALANCE 60 DAYS AFTER INVOICE DATE.

Printed 09/18/2023 - pricing is valid 30 days from this date.



The Garland Company, Inc.

High Performance Roofing And Flooring Systems

3800 East 91st Street • Cleveland, Ohio 44105-2197
Phone: (216) 641-7500 • Fax: (216) 641-0633
Nationwide: 1-800-321-9336

From Austin Hansen
Date: September 2023
Re: Council Chambers
Email: ahansen@garlandind.com

Austin Hansen
ahansen@garlandind.com

*** Quote developed in accordance with and subject to CMAS Contract #4-20-56-0006B ***

Product	Item #	Quantity	CMS Line #	Price	Total Extended
	4411-80-PRM	54		\$296.00	\$15,824.16
Description: StressBase 80 Plus Fbgl.-reinforced SBS Mod underlayment used w/VersiPly and StressPly Cap Sheets					
	4377	108		\$287.00	\$30,686.04
Description: StressPly Plus FR Mineral Poly/fbgl.-reinforced SBS-mod. FR membrane w/recycled rubber & min					
	7303-3	9		\$416.00	\$3,706.56
Description: KEE-Lock Mastic White 100% solids polyether termination mastic for use w/ KEE-Stone FB 60 Flashing					

*** Quote developed in accordance with and subject to CMAS Contract #4-20-56-0006B ***

Total Material	\$50,216.76
Tax (10.25)	\$5,147.22
Freight Est.	\$4,560.24
Grand Total	59,924.22

Terms: 1 1/2% DISCOUNT 10 DAYS - A FINANCE CHARGE OF 2% PER MONTH, 20% PER ANNUM WILL BE ADDED TO THE UNPAID BALANCE 60 DAYS AFTER INVOICE DATE.

Printed 09/18/2023 - pricing is valid 30 days from this date.



The Garland Company, Inc.

High Performance Roofing And Flooring Systems

3800 East 91st Street • Cleveland, Ohio 44105-2197
Phone: (216) 641-7500 • Fax: (216) 641-0633
Nationwide: 1-800-321-9336

From: Austin Hansen
Date: September 2023
Re: City of Aguilar - Police Department
Email: ahansen@garlandind.com

Austin Hansen
ahansen@garlandind.com

*** Quote developed in accordance with and subject to CMAS Contract #4-20-56-0006B ***

Product	Item #	Quantity	CMS Line #	Price	Total Extended
	2130-TRUWHITE	72		\$21.00	\$1,496.88
Description: Tuff-Stuff MS True White Moisture curing, single component modified silane sealant					
	4840-6	2		\$82.00	\$162.36
Description: GarMesh 6" SBR-coated, woven fiberglass reinforced scrim for roof blisters, fractures & other defects					
	7303-3	3		\$416.00	\$1,235.52
Description: KEE-Lock Mastic White 100% solids polyether termination mastic for use w/ KEE-Stone FB 60 Flashing					

*** Quote developed in accordance with and subject to CMAS Contract #4-20-56-0006B ***

Total Material	\$2,894.76
Tax (10.25)	\$296.71
Freight Est.	\$370.75
Grand Total	3,562.22

Terms: 1 1/2% DISCOUNT 10 DAYS - A FINANCE CHARGE OF 2% PER MONTH, 20% PER ANNUM WILL BE ADDED TO THE UNPAID BALANCE 60 DAYS AFTER INVOICE DATE.

Printed 10/17/2023 - pricing is valid 30 days from this date.



STAFF REPORT

Police Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

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

SUBJECT: PURCHASE OF AUTOMATED LICENSE PLATE READER (“ALPR”) CAMERA SUBSCRIPTION FROM FLOCK SAFETY FOR THE ADDITION OF 23 ALPR CAMERAS IN AN AMOUNT NOT TO EXCEED \$75,450 FOR FISCAL YEAR 2023-2024
CEQA: Not a Project
Recommendation: Approve

SUMMARY

The Arcadia Police Department currently utilizes a subscription based platform for 20 automated license plate reader (“ALPR”) cameras. The subscription is purchased from Flock Safety and is renewed on an annual basis. Flock Safety ALPR cameras capture license plates of vehicles, providing critical information needed to prevent and solve crimes. The preferred subscription-based platform streamlines the maintenance, upgrades, and equipment, making the cameras more effective over time. The Flock ALPR cameras have proven to be an effective tool in combating and preventing crime; therefore, the Department would like to expand coverage and lease 23 additional Flock ALPR cameras to install throughout the City limits.

It is recommended that the City Council approve the purchase of an Automated License Plate Reader (“ALPR”) Camera subscription from Flock Safety for the addition of 23 ALPR cameras, in an amount not to exceed \$75,450 for Fiscal Year 2023-2024.

BACKGROUND

Since 2008, the Police Department has utilized an ALPR system to combat criminal activity, enhance productivity, and improve officer safety. The ALPR system automatically captures license plates from passing vehicles and vehicles parked in plain view, like a street or in a parking lot. Once the license plate is processed, the officer operating the ALPR (or the Department’s Dispatch Center) is immediately notified whenever a license plate is read that is associated with criteria such as a stolen vehicle, identification of

vehicles connected to wanted felons, Amber Alerts, or any other search criteria determined by the Department.

ALPR camera systems are located in fixed and mobile locations throughout the City. The ALPR system retains captured license plates and photographs of vehicles for a period of 30 days, which allows investigators time to review this data and possibly locate vehicles associated with criminal activity in the City. Once potential vehicles are connected to a crime, investigators input license plate information that triggers an alert to all officers with a digital photo of the vehicle, and pinpoint mapping of its current or previous location.

The ALPR system can capture exponentially more vehicles than any single officer could on their own. To date, the ALPR system has resulted in numerous recoveries of stolen vehicles and has provided timely alerts of criminally wanted vehicles entering the City, leading to arrests.

In May 2021, the Department explored options to replace the ALPR system due to camera inoperability, poor image quality, and other age-based malfunctions. With the prior ALPR system, the cameras that did function were limited in their detection abilities and came with costly annual operational fees and extensive in-house support. In addition, the Department wanted to replace the entire system with the latest ALPR technology, which would capture more vehicle information and expand coverage across more intersection locations.

DISCUSSION

In 2021, the City Council approved the Police Department's plan to transition from a purchase/ownership option for the cameras to a subscription-based platform. Through a formal bidding process, it was determined that the most cost-effective and efficient solution for these services was to utilize a subscription-based platform from Flock Safety. By purchasing the subscription-based platform, the cameras are covered by an extended warranty program and service plan. In addition, the consultant is responsible for monitoring the cameras to ensure they are always performing to optimal standards. More importantly, Flock's all-inclusive price per camera includes the hardware, software, SIM card and data plan, warranty maintenance, monitoring, and software upgrades. The total cost for the annual subscription provides significant cost savings compared to the total cost of ownership for the ALPR camera system.

Some additional benefits of the Flock Safety ALPR camera system include:

- Solar generated power, eliminating the need for the City to run connections to traffic signal poles for power;
- Detecting vehicles with no plates, temporary plates, dirty/covered plates, and accurate state detection;

- Effectively processing the newer black Legacy plates issued by the State that lack illuminating features;
- Covering two traffic lanes (former cameras covered one lane), which increases coverage at the City's intersections;
- Data hosted on a cloud-based Criminal Justice Information System ("CJIS") system, eliminating the need for costly in-house servers; and
- Allowing the Department to share intelligence with neighboring agencies in the county and law enforcement agencies nationwide.

The Flock ALPR camera system the Department selected in 2021 included 20 ALPR cameras. The lease of the 20 Flock ALPR cameras is being renewed on an annual basis and will be presented to the City Council for renewal later this year. Attachment "A" includes a map of the existing 20 Flock ALPR camera locations and three Flock ALPR cameras that are owned by the Santa Anita Oaks Association ("Association"). It should be noted that when the lease expires for these three ALPR cameras, the City will add two of the three ALPR cameras to the City's existing Flock ALPR Camera subscription. The one remaining ALPR camera will be maintained by the Association.

The Flock ALPR camera system has proven to be an effective tool in combating and preventing crime. Furthermore, the Department is extremely satisfied with the Flock Safety service model and pricing. As a result, the Department would like to expand the coverage of the Flock ALPR camera system and lease an additional 23 ALPR cameras. The proposed locations of the new 23 ALPR cameras (Attachment "B") are based on current crime trends in geographical areas in the City. The addition of ALPR cameras will increase coverage in the City, continue to aid in combating and preventing crime, and promote public and officer safety.

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. Thus, this matter is exempt under CEQA.

FISCAL IMPACT

The current subscription price for the 20 ALPR cameras is \$50,000 annually and is budgeted in the Police Department's General Fund Operating budget. Sufficient funds for the first year of the additional 23 cameras, including subscription fees, related equipment, and installation costs in the amount of \$77,400 have been allocated in the FY 2023-24 Equipment Replacement Fund budget.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project, and therefore, is exempt under the California Environmental Quality Act (“CEQA”); and approve the purchase of an Automated License Plate Reader (“ALPR”) camera subscription from Flock Safety for the addition of 23 ALPR cameras, in an amount not to exceed \$75,450 for Fiscal Year 2023-2024.

Approved:



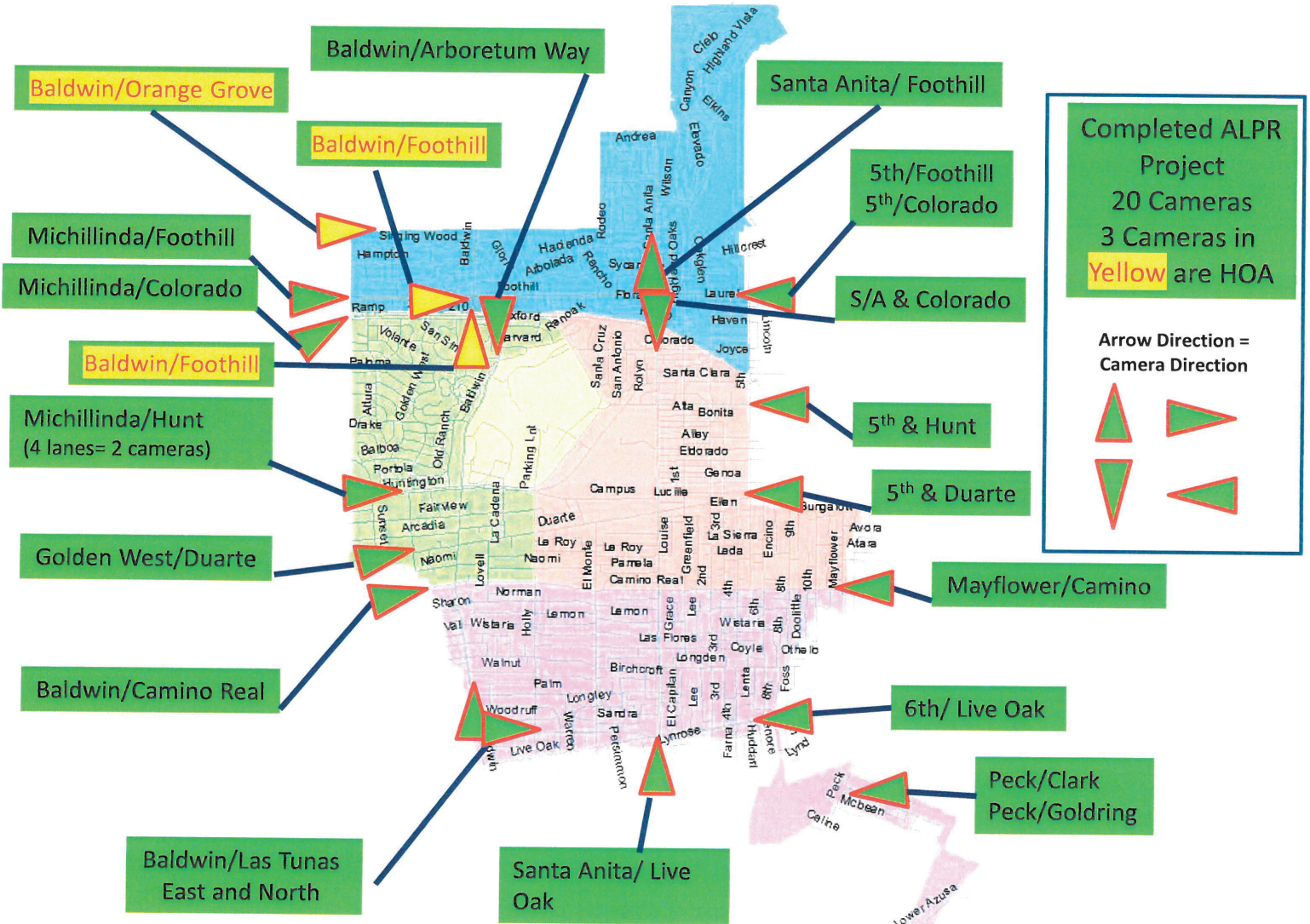
Dominic Lazzaretto
City Manager

Attachment “A” – Map of Existing 20 ALPR Camera Locations

Attachment “B” – Map of Proposed Locations of 23 New ALPR Cameras

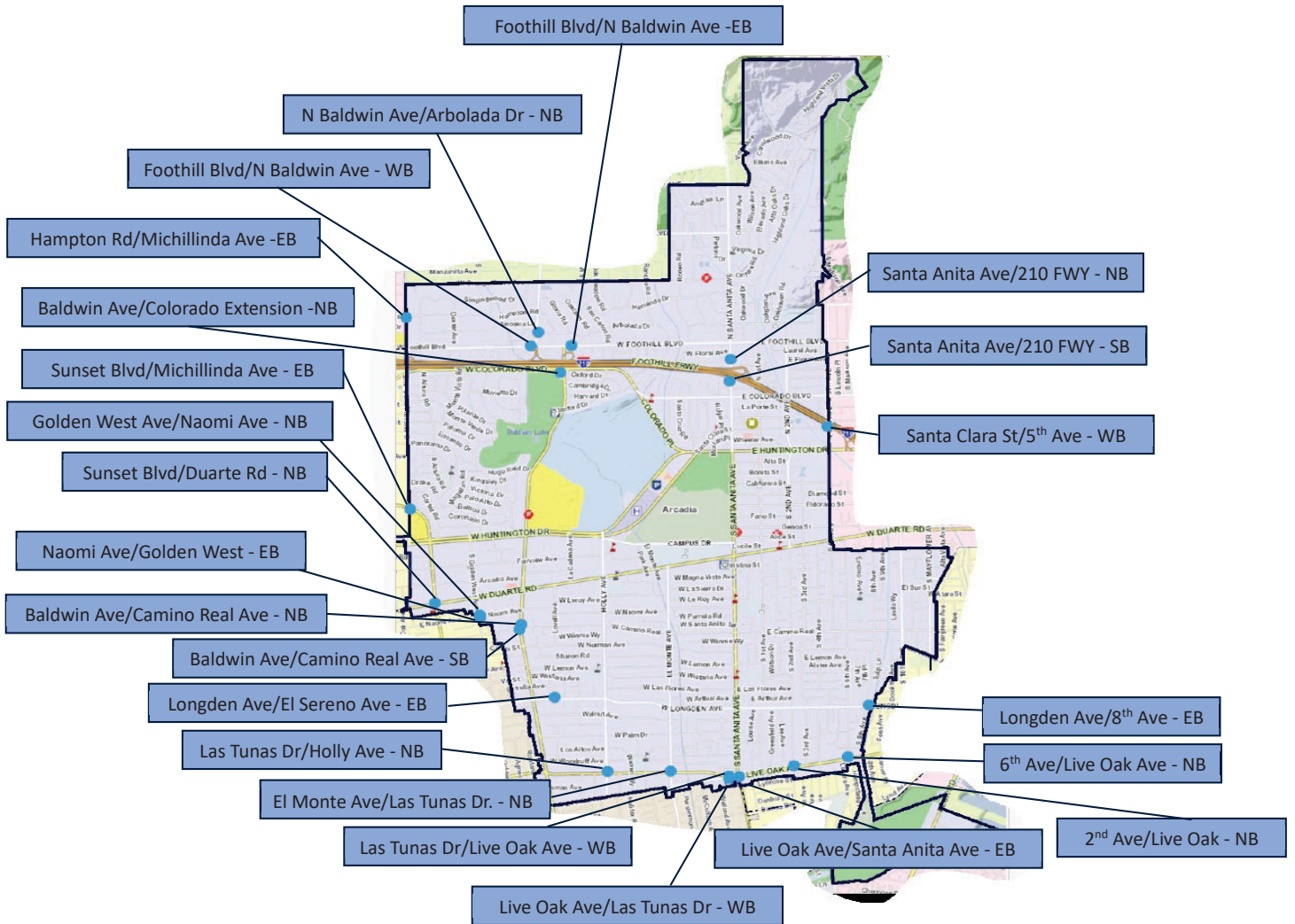
Attachment “C” – Draft Flock ALPR Camera System Purchase Agreement

Attachment "A" – Map of Existing 20 ALPR Cameras



Updated 03/30/2022

ATTACHMENT "B" – PROPOSED LOCATIONS OF 23 ADDITIONAL FLOCK ALPR CAMERAS



Attachment "C"

Flock Safety + CA - Arcadia PD

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
Antouan Benbalit
anton.benbalit@flocksafety.com
2064321524

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Company Overview

At Flock Safety, technology unites law enforcement and the communities they serve to eliminate crime and shape a safer future, together. We created the first public safety operating system to enable neighborhoods, schools, businesses, and law enforcement to work together to collect visual, audio, and situational evidence across an entire city to solve and prevent crime.

Our connected platform, comprised of License Plate Recognition (LPR), live video, audio detection, and a suite of integrations (AVL, CAD & more), alerts law enforcement when an incident occurs and turns unbiased data into objective answers that increase case clearance, maximize resources, and reduce crime -- all without compromising transparency or human privacy.

Join thousands of agencies reducing crime with Flock Safety's public safety operating system

2000+	120	1B+	<60%*
communities with private-public partnerships	incident alerts / minute	1B+ vehicles detected / month	<60% local crime reduction in Flock cities

*According to a 2019 study conducted by Cobb County Police Department

Introduction

Layer Intelligence to Solve More Crime

The pathway to a safer future looks different for every community. As such, this proposal presents a combination of products that specifically addresses your public safety needs, geographical layout, sworn officer count, and budget. These components make up your custom public safety operating system, a connected device network and software platform designed to transform real-time data into a panoramic view of your jurisdiction and help you zero in on the leads that solve more cases, prevent future crimes, and foster trust in the communities you serve.

Software Platform

Flock Safety's out-of-box software platform collects and makes sense of visual, audio, and situational evidence across your entire network of devices.

Out-of-Box Software Features

<p>Simplified Search</p>	<p>Get a complete view of all activity tied to one vehicle in your network of privately and publicly owned cameras. The user-friendly search experience allows officers to filter hours of footage in seconds based on time, location, and detailed vehicle criteria using patented Vehicle Fingerprint™ technology. Search filters include:</p> <ul style="list-style-type: none"> ● Vehicle make ● Body type ● Color ● License plates <ul style="list-style-type: none"> ○ Partial tags ○ Missing tags ○ Temporary tags ○ State recognition ● Decals ● Bumper stickers ● Back racks ● Top racks
<p>National and Local Sharing</p>	<p>Access 1B+ additional plate reads each month without purchasing more cameras. Solve cross-jurisdiction crimes by opting into Flock Safety's sharing networks, including one-to-one, national, and statewide search networks. Users can also receive alerts from several external LPR databases:</p> <ul style="list-style-type: none"> <i>California SVS</i> <i>FDLE</i> <i>FL Expired Licenses</i> <i>FL Expired Tags</i> <i>FL Sanctioned Drivers</i> <i>FL Sex Offenders</i> <i>Georgia DOR</i> <i>IL SOS</i> <i>Illinois Leads</i> <i>NCIC</i> <i>NCMEC Amber Alert</i> <i>REJIS</i> <i>CCIC</i> <i>FBI</i>
<p>Real-time Alerts</p>	<p>Receive SMS, email, and in-app notifications for custom Hot Lists, NCIC wanted lists, AMBER alerts, Silver alerts, Vehicle Fingerprint matches, and more.</p>
<p>Interactive ESRI Map</p>	<p>View your AVL, CAD, traffic, and LPR alerts alongside live on-scene video from a single interactive map for a birdseye view of activity in your jurisdiction.</p>
<p>Vehicle Location Analysis</p>	<p>Visualize sequential Hot List alerts and the direction of travel to guide officers to find suspect vehicles faster.</p>

Out-of-Box Software Features (Continued)

Transparency Portal	Establish community trust with a public-facing dashboard that shares policies, usage, and public safety outcomes related to your policing technology.
Insights Dashboard	Access at-a-glance reporting to easily prove ROI, discover crime and traffic patterns and prioritize changes to your public safety strategy by using data to determine the most significant impact.
Native MDT Application	Download FlockOS to your MDTs to ensure officers never miss a Hot List alert while out on patrol.
Hot List Attachments	Attach relevant information to Custom Hot List alerts. Give simple, digestible context to Dispatchers and Patrol Officers responding to Hot List alerts so they can act confidently and drive better outcomes. When you create a custom Hot List Alert, add case notes, photos, reports, and other relevant case information.
Single Sign On (SSO)	Increase your login speed and information security with Okta or Azure Single Sign On (SSO). Quickly access critical information you need to do your job by eliminating the need for password resets and steps in the log-in process.

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License Plate Recognition

The Flock Safety Falcon® LPR camera uses Vehicle Fingerprint™ technology to transform hours of footage into actionable evidence, even when a license plate isn't visible, and sends Hot List alerts to law enforcement users when a suspect vehicle is detected. The Falcon has fixed and location-flexible deployment options with 30% more accurate reads than leading LPR.*

*Results from the 2019 side-by-side comparison test conducted by LA County Sheriff's Department

Flock Safety Falcon® LPR Camera	Flock Safety Falcon® Flex	Flock Safety Falcon® LR
<p>Fixed, infrastructure-free LPR camera designed for permanent placement.</p> <p>√ 1 Standard LPR Camera</p> <p>√ Unlimited LTE data service + Flock OS platform licenses</p> <p>√ 1 DOT breakaway pole</p> <p>√ Dual solar panels</p> <p>√ Permitting, installation, and ongoing maintenance</p>	<p>Location-flexible LPR camera designed for fast, easy self-installation, which is ideal for your ever-changing investigative needs.</p> <p>√ 1 LPR Camera</p> <p>√ Unlimited LTE data service + software licenses</p> <p>√ 1 portable mount with varying-sized band clamps</p> <p>√ 1 Charger for internal battery</p> <p>√ 1 hardshell carrying case</p>	<p>Long-range, high-speed LPR camera that captures license plates and Vehicle Fingerprint data for increasing investigative leads on high-volume roadways like highways and interstates.</p> <p>√ 1 Long-Range LPR Camera</p> <p>√ Computing device in protective poly case</p> <p>√ AC Power</p> <p>√ Permitting, installation, and ongoing maintenance</p>

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Your Flock Safety Team

Flock Safety is more than a technology vendor; we are a partner in your mission to build a safer future. We work with thousands of law enforcement agencies across the US to build stronger, safer communities that celebrate the hard work of those who serve and protect. We don't disappear after contracts are signed; we pride ourselves on becoming an extension of your hard-working team as part of our subscription service.

Implementation	Meet with a Solutions Consultant (former LEO) to build a deployment plan based on your needs. Our Permitting Team and Installation Technicians will work to get your device network approved, installed, and activated.
User Training + Support	Your designated Customer Success Manager will help train your power users and ensure you maximize the platform, while our customer support team will assist with needs as they arise.
Maintenance	We proactively monitor the health of your device network. If we detect that a device is offline, a full-time technician will service your device for no extra charge. <i>Note: Ongoing maintenance does not apply to Falcon Flex devices.</i>
Public Relations	Government Affairs Get support educating your stakeholders, including city councils and other governing bodies. Media Relations Share crimes solved in the local media with the help of our Public Relations team.

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flock safety

ORDER FORM

This order form (“**Order Form**”) hereby incorporates and includes the terms of the previously executed agreement (the “**Terms**”) which describe and set forth the general legal terms governing the relationship (collectively, the “**Agreement**”). The Terms contain, among other things, warranty disclaimers, liability limitations and use limitations.

This additional services Agreement will be effective when this Order Form is executed by both Parties (the “**Effective Date**”)

Customer:	CA - Arcadia PD	Initial Term:	12 Months
Legal Entity Name:	CA - Arcadia PD	Renewal Term:	12 Months
Accounts Payable Email:	rmulhall@arcadiaca.gov	Payment Terms:	Net 30
Address:	250 West Huntington Drive Arcadia, California 91007	Billing Frequency:	Annual Plan - First Year Invoiced at Signing.
		Retention Period:	30 Days

Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			\$69,000.00
Flock Safety Flock OS			
FlockOS™	Included	1	Included
Flock Safety LPR Products			
Flock Safety Falcon®	Included	23	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			
Flock Safety Professional Services			
Professional Services - Standard Implementation Fee	\$650.00	6	\$3,900.00
Professional Services - Existing Infrastructure Implementation Fee	\$150.00	17	\$2,550.00
		Subtotal Year 1:	\$75,450.00
		Annual Recurring Subtotal:	\$69,000.00
		Estimated Tax:	\$0.00
		Contract Total:	\$75,450.00

*Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This Agreement will automatically renew for successive renewal terms of the greater of one year or the length set forth on the Order Form (each, a “**Renewal Term**”) unless either Party gives the other Party notice of non-renewal at least thirty (30) days prior to the end of the then-current term.*

Billing Schedule

Billing Schedule	Amount (USD)
Year 1	
At Contract Signing	\$75,450.00
Annual Recurring after Year 1	
Contract Total	\$75,450.00

*Tax not included

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Product and Services Description

Flock Safety Platform Items	Product Description	Terms
Flock Safety Falcon ®	An infrastructure-free license plate reader camera that utilizes Vehicle Fingerprint® technology to capture vehicular attributes.	The Term shall commence upon first installation and validation of Flock Hardware.

One-Time Fees	Service Description
Installation on existing infrastructure	One-time Professional Services engagement. Includes site & safety assessment, camera setup & testing, and shipping & handling in accordance with the Flock Safety Advanced Implementation Service Brief.
Professional Services - Standard Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Professional Services - Advanced Implementation Fee	One-time Professional Services engagement. Includes site & safety assessment, camera setup & testing, and shipping & handling in accordance with the Flock Safety Advanced Implementation Service Brief.

FlockOS Features & Description

Package: Essentials

FlockOS Features	Description
Community Cameras (Full Access)	Access to all privately owned Flock devices within your jurisdiction that have been shared with you.
Unlimited Users	Unlimited users for FlockOS
State Network (LP Lookup Only)	Allows agencies to look up license plates on all cameras opted in to the statewide Flock network.
Nationwide Network (LP Lookup Only)	Allows agencies to look up license plates on all cameras opted in to the nationwide Flock network.
Time & Location Based Search	Search full, partial, and temporary plates by time at particular device locations
License Plate Lookup	Look up specific license plate location history captured on Flock devices
Vehicle Fingerprint Search	Search footage using Vehicle Fingerprint™ technology. Access vehicle type, make, color, license plate state, missing / covered plates, and other unique features like bumper stickers, decals, and roof racks.
Flock Insights/Analytics page	Reporting tool to help administrators manage their LPR program with device performance data, user and network audits, plate read reports, hot list alert reports, event logs, and outcome reports.
ESRI Based Map Interface	Flock Safety's maps are powered by ESRI, which offers the ability for 3D visualization, viewing of floor plans, and layering of external GIS data, such as City infrastructure (i.e., public facilities, transit systems, utilities), Boundary mapping (i.e., precincts, county lines, beat maps), and Interior floor plans (i.e., hospitals, corporate campuses, universities)
Real-Time NCIC Alerts on Flock ALPR Cameras	Alert sent when a vehicle entered into the NCIC crime database passes by a Flock camera
Unlimited Custom Hot Lists	Ability to add a suspect's license plate to a custom list and get alerted when it passes by a Flock camera
Direct Share - Surrounding Jurisdiction (Full Access)	Access to all Flock devices owned by law enforcement that have been directly shared with you. Have ability to search by vehicle fingerprint, receive hot list alerts, and view devices on the map.

By executing this Order Form, Customer represents and warrants that it has read and agrees to all of the terms and conditions contained in the previously executed agreement. The Parties have executed this Agreement as of the dates set forth below.

FLOCK GROUP, INC.

Customer: CA - Arcadia PD

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

PO Number: _____

DRAFT



STAFF REPORT

Public Works Services Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

FROM: Paul Cranmer, Public Works Services Director
By: Tiffany Lee, P.E. Senior Civil Engineer

SUBJECT: ACCEPT ALL WORK PERFORMED BY 316 ENGINEERING & CONSTRUCTION, INC. FOR THE WATER MAIN REPLACEMENT PROJECT AS COMPLETE
CEQA: Exempt
Recommendation: Approve

SUMMARY

On March 21, 2023, the City Council approved a contract with 316 Engineering & Construction, Inc. in the amount of \$435,907, for the Water Main Replacement Project along the alley south of La Porte Street between First Avenue and Saint Joseph Street. The terms and conditions of this project have been complied with and the work has been performed to the satisfaction of the Project Manager for a total project cost of \$412,047. This amount reflects the original contract amount of \$435,907, minus quantity changes totaling \$23,860, or 5.47% less than the original contract amount.

It is recommended that the City Council accept all work performed by 316 Engineering & Construction, Inc. for the Water Main Replacement Project as complete, and authorize the final payment to be made in accordance with the contract documents, subject to the retention of \$20,602.35.

BACKGROUND

The 4-inch steel water main along the alley south of La Porte Street between First Avenue and Saint Joseph Street was installed in 1916. In recent years, Public Works Services Department maintenance crews have made several emergency repairs to this water main, primarily due to its age.

The project replaced the existing 4-inch steel water main with an 8-inch ductile iron water main. Ductile iron is the industry standard for water pipes and has corrosion resistance and strength. Ductile iron can also tolerate movement or deflection without breaking. This results in improving the overall reliability of the City's water distribution system.

DISCUSSION

On March 21, 2023, the City Council approved a contract with 316 Engineering & Construction, Inc. for the Water Main Replacement Project. The work performed included replacing a 4-inch water main with an 8-inch ductile iron water main. During the course of work, the City received credits for reducing the quantities of several bid items. Below is a breakdown of the contract change orders.

CCO	Description	Amount
1.	Deleted (38 LF) - Installation of 8-Inch Ductile Iron Pipe	(\$7,638)
2.	Deleted (254 SF) – Asphalt Pavement	(\$5,080)
3.	Deleted (38 LF) – Removal and disposal of existing or abandoned pipe	(\$342)
4.	Deleted (540 SF) – Concrete Pavement	(\$10,800)
	Total:	(\$23,860)

The change orders listed reduced the overall contract amount by \$23,860, or 5.47% less than the original contract amount. All the terms and conditions of this contract have been complied with and the work has been performed to the satisfaction of the Project Manager. The vendor, 316 Engineering & Construction, Inc., completed the work as defined in the project plans and specifications in an efficient and timely manner.

ENVIRONMENTAL ANALYSIS

The California Environmental Quality Act (“CEQA”) determination was made at project approval by the Arcadia City Council.

FISCAL IMPACT

Funds in the amount of \$400,000 were budgeted in the Fiscal Year 2022-23 Capital Improvement Program for the Water Main Replacement Project. Due to inflation and associated increases in fuel costs, material prices, and labor rates, the cost of this project increased and exceeded the approved budget by \$35,907. On March 21, 2023, the City Council authorized a supplemental budget appropriation in the amount of \$79,497.70, which included the addition of a 10% contingency for the Project.

The total cost for this Project is \$412,047; this amount reflects the original contract amount of \$435,907 minus contract changes totaling \$23,860, or 5.47% less than the original contract amount. The remaining funds will revert back to the American Rescue Plan Act (“ARPA”) Fund balance.

RECOMMENDATION

It is recommended that the City Council accept all work performed by 316 Engineering & Construction, Inc. for the Water Main Replacement Project as complete; and authorize the final payment to be made in accordance with the contract documents, subject to the retention of \$20,602.35.

Approved:

A handwritten signature in blue ink, appearing to read "Dominic Lazzaretto".

Dominic Lazzaretto
City Manager



STAFF REPORT

Development Services Department

DATE: November 7, 2023
TO: Honorable Mayor and City Council
FROM: Jason Kruckeberg, Assistant City Manager/Development Services Director
SUBJECT: DOWNTOWN ARCADIA BROADBAND STRATEGIC PLAN
CEQA: Not a Project
Recommendation: Receive and File

SUMMARY

On October 18, 2022, the City Council approved the allocation of American Rescue Plan Act (“ARPA”) funds for several economic development initiatives, including the development of a Broadband Strategic Plan for Downtown Arcadia. The Plan has been completed and has been submitted to the City as a final document. It is recommended that the City Council receive and file the Strategic Plan and direct staff to work on implementation of the Plan’s recommendations over time.

BACKGROUND

Since the end of the COVID-19 pandemic, ARPA funding has been available for various purposes, including economic development and financial assistance for businesses. To date, the City Council has allocated funds for several important and well-received economic development programs, including the Small Business Grant Program, the Small Business Permit Assistance Program (reimbursing City permit fees), the Chamber of Commerce Membership Program, the Merry and Bright Holiday Shopping Program, and the development of a Broadband Strategic Plan for Downtown Arcadia.

The original request for a broadband study came from the Downtown Arcadia Improvement Association (“DAIA”). It was articulated by the DAIA that Internet speeds were poor in the Downtown and options for improvements were costly and challenging. It was anticipated that a study could determine some options for improved service and support for the downtown business community. The City Council agreed that this was an important project that could be funded with ARPA monies. In fact, the original guidelines of the ARPA program identified funding for broadband improvements as one of the primary pillars of the program.

A Request for Proposals (“RFP”) for the broadband study was issued in July 2022. The low bidder, Design Nine, Inc., was selected as the preferred consultant with a contract

amount of \$48,750. Following selection of Design Nine Inc., the City was approached by a privately-funded broadband infrastructure company regarding a potential public-private partnership with the City to install a citywide fiberoptic network in the public right-of-way. Based on the City Council's discussion and direction at the October 18, 2022, Study Session on this topic, additional funding in the amount of \$16,250 was added to the project to assist the City with the review and evaluation of this proposal, resulting in a total project cost of \$65,000. Design Nine started work on the Strategic Plan in the late Fall of 2022.

DISCUSSION

Design Nine researched the City's existing broadband infrastructure, the Internet Service Providers that service the City, the state of broadband in both the Downtown area and Citywide, and interviewed staff and stakeholders. Part of their outreach efforts included meetings with the Downtown Arcadia Improvement Association and the City's Utility Coordination Committee, which includes members from various City Departments as well as regional utility providers.

Not surprisingly, the study found that Downtown Arcadia has limited availability of Fiber Internet Service, and that fiber is more readily available in the City's residential areas. The City currently has four primary Internet Service Providers ("ISPs"): Spectrum, AT&T, Frontier Communications, and Giggle Fiber. None of these ISPs have done extensive projects in the City's commercial areas as they have focused on residential neighborhoods instead. Gaps in the infrastructure due to high costs of providing service in urban areas, lack of concentrated and consistent demand, and the absence of newly built buildings and infrastructure are some of the reasons for this. Additionally, businesses have a wide range of data needs and demands, which do not support a single technology or approach to receiving Internet service. To date, the City has not completed any major projects to provide fiber for commercial use. The City has installed a significant amount of conduit and fiber to connect traffic signals and other City facilities together, but this has not been extended to private uses.

To gain a better perspective of business needs and current challenges, Design Nine conducted interviews and distributed a survey to business owners through the DAIA and the Chamber of Commerce. While participation was limited, there was anecdotal information received that supported the regional and national data provided. Additionally, an analysis of each of the ISPs, including their costs and rate structures was also conducted to provide a clear picture of some of the challenges facing major installations in the Downtown area.

To establish an understanding of the current situation not only in the Downtown but throughout the City, the Strategic Plan includes the following sections and analyses:

- Broadband as essential infrastructure

- Asset Analysis – how is the City set up to receive infrastructure changes
- Fiber Optic Availability
- Survey Results
- Gap Analysis
- ISP Engagement Strategy
- Recommendations
- Infrastructure Funding and Grant Opportunities

Based on the background information provided, the primary focus of the report is the development of a series of recommendations, including detailed recommendations for improving connectivity in the Downtown over time. The recommendations range from simple communication enhancements to practical economic development policies to providing conduit and potentially “dark fiber” throughout the Downtown. Dark fiber is fiber that would be placed by the City and then leased to ISPs for their use. Several of these recommendations are already part of the City’s approach, and each of the recommendations is briefly described below:

- **The City should not become an Internet provider.** The City should focus on developing public/private partnerships by making targeted investments in passive broadband infrastructure like towers and dark fiber.
- **Develop partnerships with ISPs.** Foster public-private partnerships to leverage the expertise and resources of private broadband providers.
- **Streamline Permitting Processes.** Simplify and expedite the permitting processes for broadband infrastructure deployment.
- **Adopt a "Dig Once" Policy.** Implement a policy that requires the installation of conduit or fiber-optic infrastructure during planned excavation or construction projects.
- **Identify Revenue Generation Opportunities.** Explore potential revenue generation opportunities related to broadband deployment such as leasing access to City assets or rights-of-way, offering expedited permitting for a fee, or exploring partnerships with service providers that provide revenue-sharing arrangements.
- **Develop Community Development and Planning Guidelines.** Integrate broadband infrastructure requirements into community development and planning guidelines.
- **Broadband Connectivity Project.** A conduit and dark fiber network in the downtown area of Arcadia to bring improved broadband Internet speeds and a

wider choice of Internet providers. This is the primary recommendation of the Strategic Plan.

The Study provides analysis on how the connectivity project could occur, provides estimated costs, and even extensive maps for how conduit could be added in the various portions of the Downtown. Fiber could be installed as part of large infrastructure projects, added through public street or alley improvement projects, or could be required as part of private development projects. Making conduit available for ISPs may also increase the competition for business customers, which could help lower the cost of Business Class Internet for downtown retail, professional, and enterprise businesses. Improved access and lower costs for Internet would also help retain existing businesses in the downtown area and help attract new businesses and jobs.

Currently, the City has scheduled a project to make improvements to the downtown alleys. This work was funded through a major grant from Metro and is anticipated to begin construction in November 2023. As part of this work, the City will be installing conduit and pull boxes (boxes that provide access to fiber cable and splice closures) for fiber, and making the ISPs aware of this work. This project's timing in combination with the Strategic Plan is advantageous, helping provide enhanced access to businesses in various areas of the Downtown. It is anticipated that conduit and potentially dark fiber will be added to projects over time to "build out" the infrastructure recommended as part of the Study. In addition, the City will be cognizant of grant opportunities and regional efforts to provide funding or resources for fiber installation, or to further the goals of the Study. Current efforts include a major effort by the San Gabriel Valley Council of Governments and an initiative spearheaded by the County of Los Angeles to address the "digital divide".

A separate, but related part of the scope of work for Design Nine, was to review a Citywide broadband infrastructure project that had been proposed by a firm named "SiFi". This proposal offered no upfront costs to the City to allow infrastructure to be placed throughout the City's right-of-way and then privately leased to ISPs. Through a multi-year construction effort, infrastructure is placed to the property line of each home in the City through a process called "microtrenching". A number of cities in the region have pursued this approach as a way to provide access to a large number of residents. Design Nine reviewed and analyzed the proposal, which is attached as Exhibit "C" to the Strategic Plan. At this time, it is not recommended to pursue a Citywide project of this nature. Construction time horizons appear much longer than advertised, the current ISPs in Arcadia already provide solid infrastructure, and the need for such services in the City's residential areas does not appear acute. The progress and state-of-the-art of this Citywide concept will be monitored, and if any changes occur, the project will be returned to the City Council for review.

It is recommended that the City Council receive and file the Downtown Arcadia Broadband Strategic Plan, and direct Staff to work on implementation of the plan recommendations over time. Examples of implementation actions include provision of

conduit and fiber access in all City street projects, seeking grants for funding of larger infrastructure projects, communication with ISPs on availability of conduit or fiber, and working with the business community as options become available. Any aspect of implementation that requires funding will be brought back to the City Council for consideration prior to any additional expenditures.

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. Thus, this matter is exempt under CEQA.

FISCAL IMPACT

The City was originally allocated a total of \$8,865,000 in ARPA funding to use for various purposes, including economic assistance. As of the date of this Staff Report, approximately \$1.4 million in ARPA funds remain to be specifically allocated. A total of \$65,000 was allocated toward the Broadband Strategic Plan and review of the citywide fiberoptic proposal. Use of ARPA monies for this project are an appropriate use funding, consistent with the objective to provide economic assistance to residents and businesses impacted by the COVID-19 pandemic. Any additional expenditures to implement the recommendations of the Broadband Study will be brought back to the City Council for consideration and action.

RECOMMENDATION

It is recommended that the City Council determine that this action does not constitute a project and is, therefore, exempt under, the California Environmental Quality Act (“CEQA”); and receive and file the Downtown Arcadia Broadband Strategic Plan, and direct Staff to implement Plan recommendations over time.

Approved:



Dominic Lazzaretto
City Manager

Attachment: Downtown Arcadia Broadband Strategic Plan

CITY OF ARCADIA

Downtown Broadband Strategic Plan

September 2023



TABLE OF CONTENTS

1 Summary and Recommendations	1
Recommendations	2
2 Broadband as Essential Infrastructure	3
2.1 What is Government's Role?	5
2.2 The Shared Infrastructure Business Model	6
2.3 Service Providers and Shared Infrastructure	8
3 Asset Analysis	9
3.1 Potential Anchor Customers	10
3.2 Population and Density Distribution	12
3.3 LMI and HUD Eligible Areas	13
4 Fiber Optic Availability	15
4.1 Downtown Fiber Availability	16
4.2 Number of Fiber Providers	17
4.3 Technology Type Availability	18
4.4 Broadband Service Levels	19
4.5 Upload and Download Speeds	20
5 Business Broadband Survey Results	22
Distribution of Business Survey Responses	23
Business Survey Summary Data	24
6 Gap Analysis	34
6.1 Gaps in the Infrastructure	34
6.2 How much Broadband is Enough?	35
6.3 Job and Workforce Challenges	36
6.4 Business Bandwidth Needs	37
7 ISP Engagement Strategy	39
7.1 Engaging with Broadband Providers	39
7.2 Shared Infrastructure	41
8 Recommendations	42
8.1 The Downtown Connectivity Project	43
8.2 Dark Fiber and Lit Fiber	44
8.3 The Meet-Me Shelter Concept	44
8.4 Overview of the Conduit/Fiber System	45
8.5 Service Offerings	46

8.6 Equipment	46
8.7 Conduit and Dark Fiber Design	47
8.8 Conduit and Dark Fiber Cost Estimate	50
8.9 Cost Estimate Assumptions	55
8.10 Dark Fiber Lease Considerations	55
9 Infrastructure Funding and Grant Opportunities	56
9.1 California Funding Opportunities	57
9.2 BEAD Funding	60
9.3 Digital Equity Act of 2021	61
9.4 Middle Mile Broadband Infrastructure Program	61
9.5 HUD Community Development Block Grants	62
9.6 Opportunity Zones	62
9.7 Bonding	62
9.8 Lease Fees	63
9.9 Community Reinvestment Act	63
9.10 Connection Fees	63
9.11 New Markets Tax Credit	64
9.12 Special Assessment/Service District/TIF	65
9.13 Grant Application Activities	66
10 Obstacles to Broadband Deployment	68
Appendix A: Broadband Provider Analysis	69
Appendix B: Conduit Design Detail	91
Appendix C: SiFi Analysis	116
Appendix D: Glossary	124

Disclaimer

The telecommunications business is continually evolving. We have made our best effort to apply our experience and knowledge to the business and technical information contained herein. We believe the data we have presented at this point in time to be accurate and to be representative of the current state of the telecommunications industry.

Design Nine, Inc. presents this information solely for planning purposes. This document is not intended to be a replacement for formal engineering studies that are normally required to implement a telecommunications infrastructure. No warranty as to the fitness of this information for any particular building, network, or system is expressed or implied. Design Nine, Inc. will not be responsible for the misuse or misapplication of this information.

For more information: www.designnine.com

1 SUMMARY AND RECOMMENDATIONS

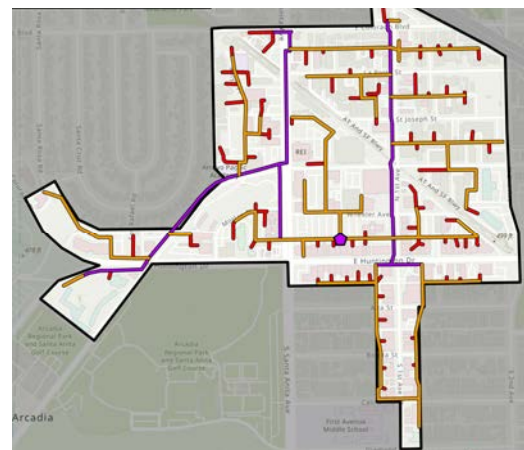
A broadband study of broadband in downtown Arcadia began in late fall of 2022 and was completed in the summer of 2023. The study was developed in response to requests from the business community to the City leaders to assist with improved availability of business class broadband in the downtown area of Arcadia and to assist with more affordable broadband and Internet services. In the downtown area, businesses have limited choice of providers, Internet packages, and pricing options.

Some businesses have reported very expensive one time construction costs to get improved service. While many residential areas of Arcadia already have very affordable fiber Internet services, downtown businesses have very limited access to fiber Internet. Downtown businesses are typically paying more for less capable Internet service than many residents with superior fiber Internet service.

Downtown businesses played an important role in the study by participating in group meetings, one on one meetings and calls, and contributing to a broadband survey used to collect information about business broadband speeds, costs, and needs.

Downtown Arcadia businesses have restricted options for Internet service. Many of those businesses still must use the older, copper-based asymmetric (unequal upload and download speeds) cable Internet service. The asymmetric service has much slower upload speeds than download speeds, which can affect a business' ability to efficiently upload and share large files, make best use of increasingly common cloud-based services, and use videoconferencing services like Teams and Zoom with excellent quality audio and video.

A primary obstacle to better Internet service in downtown Arcadia is the high cost of installing new underground fiber cable. It is not economical for an Internet Service Provider (ISP) to construct hundreds or thousands of feet of new underground conduit and fiber cable just to reach one or two customers. By creating a Downtown Connectivity Project, the City can play an important role in reducing ISP capital costs. The development of an open access conduit and dark fiber cable system that passes most buildings in downtown Arcadia would help retain existing businesses and help attract new businesses and jobs.



The open access system would offer dark fiber strands to any interested ISP. The City would not be an Internet provider, and would have very limited operations and maintenance expense for the system. Each ISP would install their own equipment and be responsible for sales and marketing of their services.

The advantages of this approach include reduced construction costs of ISPs, and the ability to have multiple ISPs using the comprehensive City-owned conduit fiber system would mean increased competition, a wider variety of high performance Internet packages, and reduced prices for those services. Better Internet service and attractive pricing would increase the value of downtown office space and help attract new businesses and workers to Arcadia.

RECOMMENDATIONS

Broadband Connectivity Project

A conduit and dark fiber network in the downtown area of Arcadia would bring improved broadband Internet speeds and a wider choice of Internet providers. The increased competition for business customers would also help lower the cost of business class Internet for downtown retail, professional, and enterprise businesses. The improved access and lower costs for Internet would also help retain existing businesses in the downtown area and help attract new businesses and jobs.

The City government should not become an Internet provider

Instead, it could focus on developing public/private partnerships by making targeted investments in passive broadband infrastructure like towers and dark fiber. These assets have long life spans of forty years or more and can be leased out to private sector ISPs (passive infrastructure leasing is not a telecommunications service). While the revenue from the lease agreements will be modest, the funds generated can be used to support maintenance of this infrastructure.

Develop partnerships with ISPs

Foster public-private partnerships to leverage the expertise and resources of private broadband providers. This can include joint investment initiatives, shared infrastructure deployments, or collaboration on community broadband projects.

Streamline Permitting Processes

Simplify and expedite the permitting processes for broadband infrastructure deployment. This can include creating a dedicated broadband team within the City's permitting department, establishing clear guidelines and timelines for approvals, and implementing online application systems. Cost: Moderate to high, depending on administrative changes and system upgrades required.

Adopt a "Dig Once" Policy

Implement a "dig once" policy that requires the installation of conduit or fiber-optic infrastructure during planned excavation or construction projects. This approach reduces future costs by minimizing the need for disruptive and expensive excavation work. Cost: Low to moderate, depending on coordination efforts with construction projects and potential infrastructure investments.

Identify Revenue Generation Opportunities

Explore potential revenue generation opportunities related to broadband deployment, such as leasing access to City assets or rights-of-way, offering expedited permitting for a fee, or exploring partnerships with service providers that provide revenue-sharing arrangements. Cost: Low to moderate, depending on the administrative and legal work involved in identifying and implementing revenue opportunities.

Develop Community Development and Planning Guidelines

Integrate broadband infrastructure requirements into community development and planning guidelines. This ensures that new developments include provisions for broadband infrastructure, supporting future connectivity needs. Cost: Low to moderate, primarily involving updates to planning guidelines and coordination with developers.

2 BROADBAND AS ESSENTIAL INFRASTRUCTURE

Governments build and manage roads, but don't own or manage the businesses that use those roads to deliver goods and services. There is true competitive pricing between competing service providers, and little or no government regulation is required.

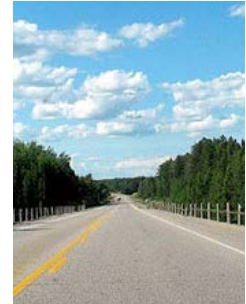
The tremendous versatility of the Internet and the underlying technology bases now allows services that used to require their own, separate (analog) road system (voice telephony and TV services) to be delivered alongside other services like Internet access on a single, integrated digital road system.

If we managed overnight package delivery the way we manage telecom, UPS and Fedex would only deliver packages to residences and businesses where each delivery firm had built a private road for their exclusive use. We recognize immediately the limitations of such a business model-few of us would have overnight package delivery to our homes because the small number of packages delivered would not justify the expense of building a private paved road.

Before the rise of the automobile, most roads were built largely by the private sector. After cars became important to commerce and economic development, communities began building and maintaining roads because it became an economic development imperative to have a modern transportation system in communities.

Before the rise of the Internet, digital networks were built largely by the private sector. As broadband has become critical to commerce and economic development, communities with digital roads are more competitive globally.

The time has come to recognize that it is inefficient and wasteful to build full duplicated digital road systems, which only raise the cost of telecom services to all public and private users. Networks that share capacity among a wide variety of public and private users have a lower cost of construction and a lower cost of operation—benefiting all users.

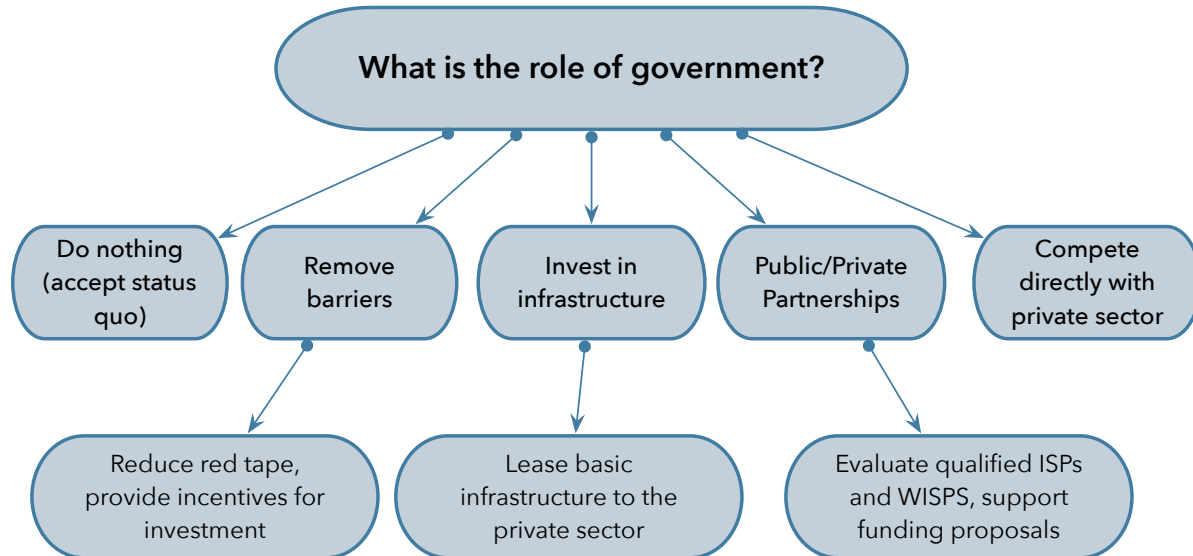


A UTILITY COMPARISON

SHARED ROADS	SHARED AIRPORTS	SHARED TELECOM
Historically, roads have been built and maintained by the community for the use of all, especially private firms that want to use them to deliver goods and services.	Airports are built and maintained by a community or region as an economic and community development asset. Both public and private users benefit from the shared use of a single, well-designed airport	Duct and fiber may be installed and maintained by the community and/or a neutral owner/operator for the use of all, including private firms that want to use them to deliver goods and services.
Access to the community road system is provided by parking lots and driveways, built by property owners, developers and builders.	Airport assets like departure gates, ticket areas, and runways provide access to the airline services.	In the digital road system, access across private property to the community-wide network in the public right of way is provided by duct and fiber built by property owners and/or developers and builders.
The local government uses roads only to deliver government services. Local government does not offer services like overnight package delivery.	While the local government or a consortium of local governments typically own the airport facility, the local governments do not offer flight services.	Local government uses the digital transport system only to deliver government services. Government does not offer services like Internet access or Voice over IP.
Private sector businesses use roads so that their own cars and trucks can deliver goods and services to customers. Because businesses do not have to build and maintain roads, all businesses benefit directly by being able to reach more customers at less expense.	Private sector airlines are able to offer competitively priced airfares because of the shared cost of the airport terminal facilities. Each airline does not build its own airport (which would sharply increase the cost of airfare).	Private sector businesses use the digital transport system to deliver goods and services to customers. Because businesses do not have to build and maintain a digital road system, all service providers benefit directly by being able to reach more customers at less expense.
There are no road connection fees, and anyone may connect to the road system for free. Governments pay for the cost of maintaining roads largely from those that use the roads. Fees are proportional to use, from taxes on tires and gasoline.	Businesses and citizens do not pay a fee to access the airport facility. The cost of maintaining the airport facility is paid by the airlines, which bundle that cost into the price of airfare. Fees are proportional to actual use by flying customers. Airlines benefit because they do not have to build, own, and operate the airport directly. Those costs are shared across all users.	Any qualified service provider may connect to the digital road system for a nominal fee and begin to offer services, without any significant capital expense. Network capital and operating costs are recovered by charging service providers a small fee that is based on a percentage of their income from services offered over the system.

2.1 WHAT IS GOVERNMENT'S ROLE?

Successful improvements in broadband access, affordability, and reliability for Arcadia involves several decision points, as outlined in the illustration below. Government has several "first choice" options.



Do nothing is to accept that businesses and residents in the City will have to continue to use whatever is available, despite the cost and bandwidth limitations that limit what many are able to do online.

Government can **remove barriers** to private sector investment. This can be an effective and low cost strategy. Possibilities include reducing permit fees for fiber construction and tower installation, incentives to developers to install conduit and meet-me boxes in new residential and commercial construction, simplified permit requirements for utility pole installation on private property, and identifying areas of residential and business demand and sharing that information with providers.

The City can choose to **make investments in basic infrastructure** (e.g. a fiber network) and make that infrastructure available to the private sector via revenue-generating lease agreements.

The City can pursue **public/private partnerships** with technically qualified and financially stable ISPs and WISPs. Where appropriate, the City can channel grant funds to providers while using the funds to build and manage new broadband infrastructure. Selected providers should be able to show technical competency and have a demonstrable track record of managing substantial fiber and/or wireless builds on time and within budget.

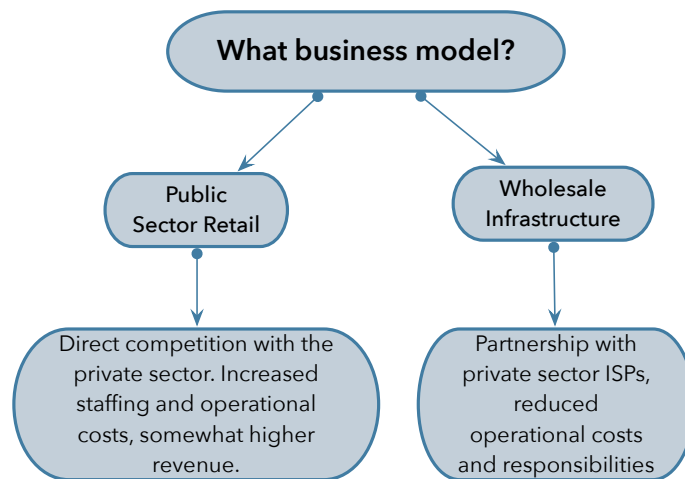
When communities have chosen the option to **compete directly with the private sector** by offering retail Internet, phone, and TV services lawsuits from incumbents often create difficulty moving forward as well as expensive legal fees.

2.2 THE SHARED INFRASTRUCTURE BUSINESS MODEL

Traditionally, the telecom services market has been vertically integrated, with telephone and cable companies owning the cable infrastructure (i.e. twisted pair copper cable for telephone, and coaxial copper cable for TV). These companies bundled analog services with their own infrastructure, which made sense when only one service could be delivered over the cable.

American residents and businesses needed two networks: one for voice telephone service, and one for television. The rise of the Internet and associated changes in technology led to digital services (voice, video, Internet) that could be delivered simultaneously over a single cable or wireless connection.

By the early 2000s, it was becoming apparent that it was inefficient and costly to have two competing “retail” cable systems (e.g. telephone, cable) delivering the same content and services—it was only creating higher costs for residents and businesses.



A new business model became possible: wholesale leasing of the cable/wireless infrastructure to private sector service providers, which unbundles the infrastructure from the services. A side effect of this unbundling is that it becomes much easier to determine what a customer is actually paying for a given service. In the vertically integrated 20th century model, with the cost of infrastructure maintenance bundled together with the services, it is much more difficult to determine what a service actually costs.

While a few communities have pursued the retail business model (typically building fiber to the home and business and selling retail Internet and other services directly to customers), most of these retail efforts have been by local governments that are also providing electric service—owning the utility poles is a significant cost advantage not available in most communities.

Within the wholesale business model, there are several different ways to generate revenue.

Passive Infrastructure Leasing – In this approach, the City makes investments in a few targeted passive infrastructure types, typically broadband towers, and optionally conduit and dark fiber. This kind of basic infrastructure has virtually no day to day maintenance and management responsibilities, and can be leased out to private sector Internet providers so that those companies can expand their service area and service quality more rapidly.

Lit Circuit Wholesale – In this approach, the network provides lit fiber circuits to providers, with one circuit allocated to each customer. Service providers are charged for the cost of each circuit. Service providers are responsible for their own customers and their own customer billing. Revenue is based on the number of customers who actually buy service (the take rate). Revenue is dependent on the marketing success of the service providers.

Utility Fee Wholesale – In this approach, every household and business in the community pays a monthly small utility fee. Service providers pay only a small fee for use of the network that is based on the total number of potential customers. In this model, the effective take rate from a revenue perspective is 100%. With this high take rate, the individual utility fee can be very modest because everyone pays something, rather than just those buying a service.

Features	Municipal Retail	Wholesale Infrastructure
Basic Concept	Generally more difficult to because of possible legal challenges from incumbent providers. Generally not an option in Arcadia.	One or more private sector ISPs would use the infrastructure to sell their own services directly to residents and businesses. Can be a dark fiber approach, lit fiber approach, and/or wireless towers.
Government Involvement	Local government competes directly with the private sector for Internet service.	City involvement is limited to providing basic infrastructure to ISPs.
Management	Local government is responsible for management and operations. Most functions could be outsourced to a qualified third party entity.	ISPs responsible for virtually all day to day customer services and support. City only responsible for conduit/dark fiber maintenance and repairs.
Competition	The incumbent telephone and cable providers would compete vigorously against local government service offerings.	Private sector ISPs would provide competition to the existing incumbent providers.
Service Options	Local government would sell only Internet. Businesses and residents could get TV and voice using their Internet connections.	ISPs would focus on high speed Internet, with some other service offerings like voice and business services.
Risks	The primary risk would be lawsuits from incumbent providers.	Limited risk if financing can be identified. A limited but consistent awareness/marketing campaign is required to meet financial targets for leasing conduit/fiber strands to ISPs.

In the wholesale infrastructure business model, local government investments are limited to basic transport infrastructure, including conduit, fiber, and network equipment. Services for businesses and residents are offered by private sector providers offering Internet, TV, telephone and other data services.

2.3 SERVICE PROVIDERS AND SHARED INFRASTRUCTURE

The wholesale infrastructure model, where the local government is NOT selling retail telecommunications services, has been resistant to legal challenges, with at least one hundred communities in the U.S. that lease infrastructure to private sector service providers.

The service providers that are usually most eager to become providers on a community-owned network are smaller local and regional providers.

Once a community-owned network is under construction, it is typical that the incumbents, particularly the cable companies, begin lowering rates and offering special deals to customers to try to lock them in to multi-year contracts. There are two ways to approach this:

- If the announcement of construction of community-owned infrastructure lowers prices and improves service from the incumbents, that is an economic benefit to the businesses of the city. The new system, bringing new providers and a wider range of packages and pricing to citizens and businesses, creates the needed competition that motivates the incumbents to provide better prices and service.
- If the City does move forward, a modest but well thought out information and education campaign about the benefits and advantages will be important to counter mis-leading information from the incumbents. Part of the effort must be to let businesses know not to sign long term contracts with the existing incumbent providers.

3 ASSET ANALYSIS

There are a variety of existing assets, resources and infrastructure that could be used to facilitate further deployment of broadband services in the downtown business district. There may be an opportunity for the City to expand its smart city infrastructure by deploying conduit and dark fiber and leasing some of those assets (e.g. fiber strands) to private sector ISPs. The lease fees would offset the cost of installing the shared infrastructure.

Utility Infrastructure

The city's utility infrastructure, such as electric or water utility poles, conduits, or ducts, can be utilized for the deployment of broadband infrastructure. By leveraging these existing assets, the cost and time associated with deploying new infrastructure can be reduced for private sector Internet providers.

Municipal Buildings and Facilities

Municipal buildings and facilities, including city halls, libraries, schools, and community centers, can serve as potential locations for the installation of wireless access points or small cell sites. These assets can help improve connectivity in surrounding areas and provide public Wi-Fi hotspots.

Streetlights and Traffic Controls

Streetlights and the City traffic control network can serve a dual purpose as infrastructure for deploying wired broadband services, cellular 5G small cells, or WiFi wireless equipment. This can enhance coverage and capacity for wireless broadband services in downtown Arcadia. "Smart" streetlights that can be dimmed or turned off during low traffic periods (e.g. late night, early morning) can be controlled with fiber-connected management systems. Energy savings from such initiatives can be used to help fund deployment of conduit and fiber in the downtown areas of the City.

Public Rights-of-Way

Public rights-of-way, such as roads, sidewalks, and medians, can be used to lay fiber optic cables or deploy wireless infrastructure. Streamlining access to public rights-of-way and establishing clear guidelines for deployment can facilitate broadband expansion. City permitting staff should ensure that telecom infrastructure as-built data is added to the City GIS system.

Digital Infrastructure Plans

Existing City plans and initiatives related to smart city development (e.g. "smart" water meters) or digital infrastructure can be aligned with broadband deployment strategies. Coordination between different departments and leveraging these plans can provide a cohesive framework for broadband expansion. The City Planning department should work closely with City engineering and permitting staff to track private sector telecom infrastructure that is placed in public right of way.

Partnerships with Private Sector

Collaborating with private sector entities, including ISPs, telecommunications companies, or infrastructure providers, can leverage their resources and expertise to facilitate broadband deployment. Public-private partnerships can help access additional funding, technical knowledge, and accelerate the expansion of services.

A wide variety of assets in City of Arcadia are identified in the following pages.

The included maps provide detail on the following:

Potential Anchor Customers– This information is used to identify key users of Internet services that could benefit from improved broadband infrastructure in the city. K12 schools, public safety facilities, fire and rescue locations, health facilities, and city facilities are included.

LMI/HUD Areas – Low and Moderate Income (LMI) and HUD-eligible areas often qualify for certain kinds of grants not available to other areas.

3.1 POTENTIAL ANCHOR CUSTOMERS

Identifying potential anchor customers and leveraging existing anchors can play a crucial role in justifying private-sector investment in broadband infrastructure. Here are some potential anchor customers and strategies to leverage them in support of the City's broadband objectives for downtown Arcadia.

Educational Institutions

Schools, colleges, and universities are ideal anchor customers due to their significant demand for high-speed internet access. Partnering with educational institutions in downtown Arcadia can attract private-sector investment. Strategies could include collaborating with educational institutions to share infrastructure, establishing public-private partnerships for connectivity solutions, or providing incentives for broadband providers to serve these institutions.

Healthcare Facilities

Hospitals, clinics, and healthcare facilities require reliable and high-speed connectivity for telemedicine, electronic health records, and medical imaging. Leveraging healthcare facilities as anchor customers can attract private investment. Encouraging partnerships between healthcare providers and broadband providers can lead to tailored solutions for their connectivity needs.

Office Buildings and Industrial Zones

Office buildings and industrial areas of downtown Arcadia will have a high concentration of businesses that rely on fast and reliable internet connectivity. Collaborating with building owners or industrial businesses can help attract private investment. This can involve providing incentives for broadband providers to serve these areas or facilitating the installation of shared infrastructure to lower costs.

Government Offices and Municipal Services

City offices require robust broadband connectivity for their operations. Leveraging the City's facilities as anchor customers can help incentivize private investment. Strategies may include working with providers to provide connectivity services to City offices, exploring partnerships for network sharing, or establishing public-private collaborations to improve connectivity in government facilities.

Community Centers and Libraries

Community centers and libraries serve as important gathering spaces for residents and often provide public access to computers and internet services. Partnering with these institutions can help attract private investment. Strategies could include offering incentives for broadband providers to improve connectivity in these facilities or exploring innovative models such as Wi-Fi hotspots in community centers or mobile library services.

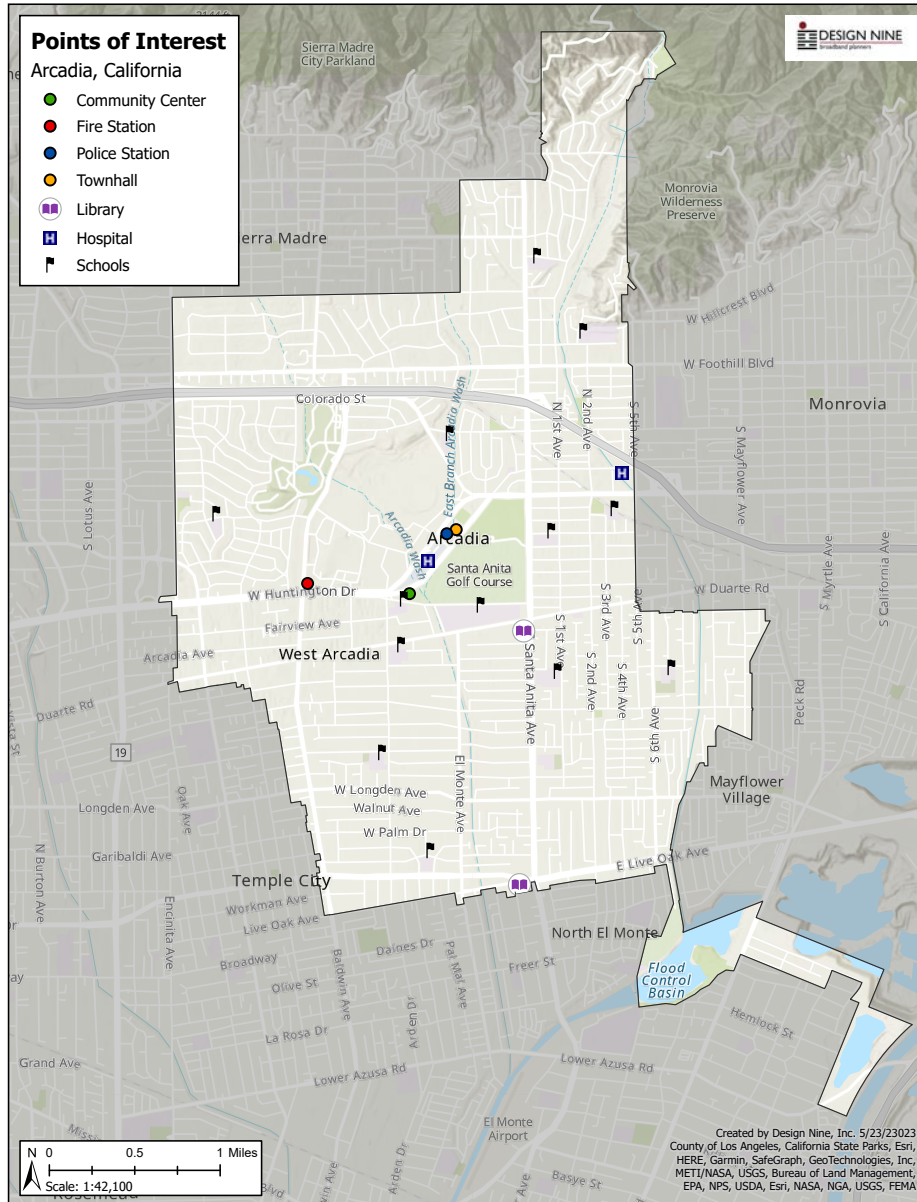
Entertainment and Arts Venues

Entertainment venues, theaters, and arts centers in the downtown area require internet connectivity for digital performances, streaming, and online ticketing. These venues as anchor customers can help

attract private investment. Strategies may include facilitating partnerships between broadband providers and entertainment venues or providing incentives for connectivity enhancements.

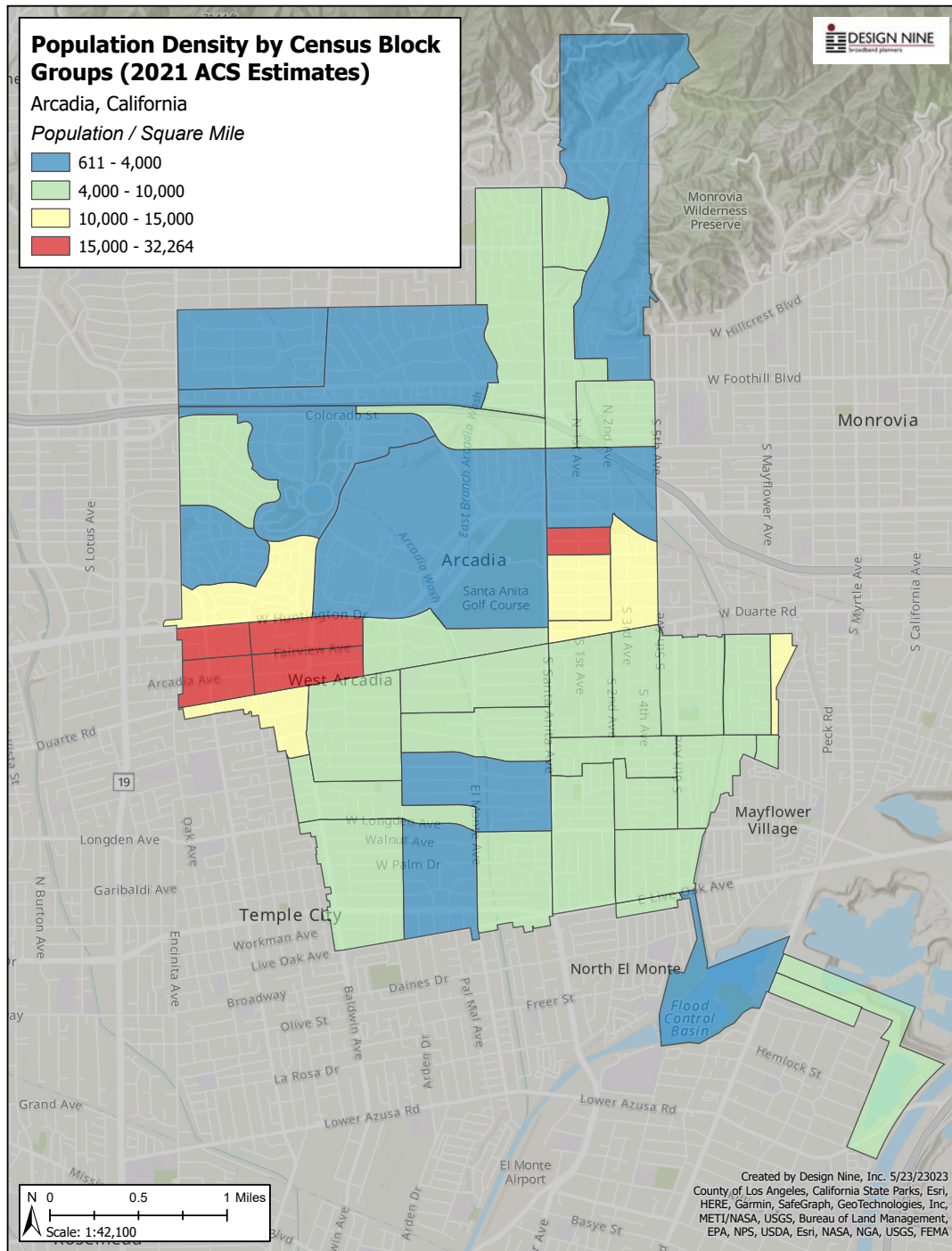
Sports Facilities and Arenas

Sports facilities and arenas in Arcadia also require robust broadband connectivity for ticketing systems, live streaming, and fan engagement. Leveraging these venues as anchor customers can justify private investment. Exploring partnerships with broadband providers or offering incentives to enhance connectivity in these venues can be effective strategies.



3.2 POPULATION AND DENSITY DISTRIBUTION

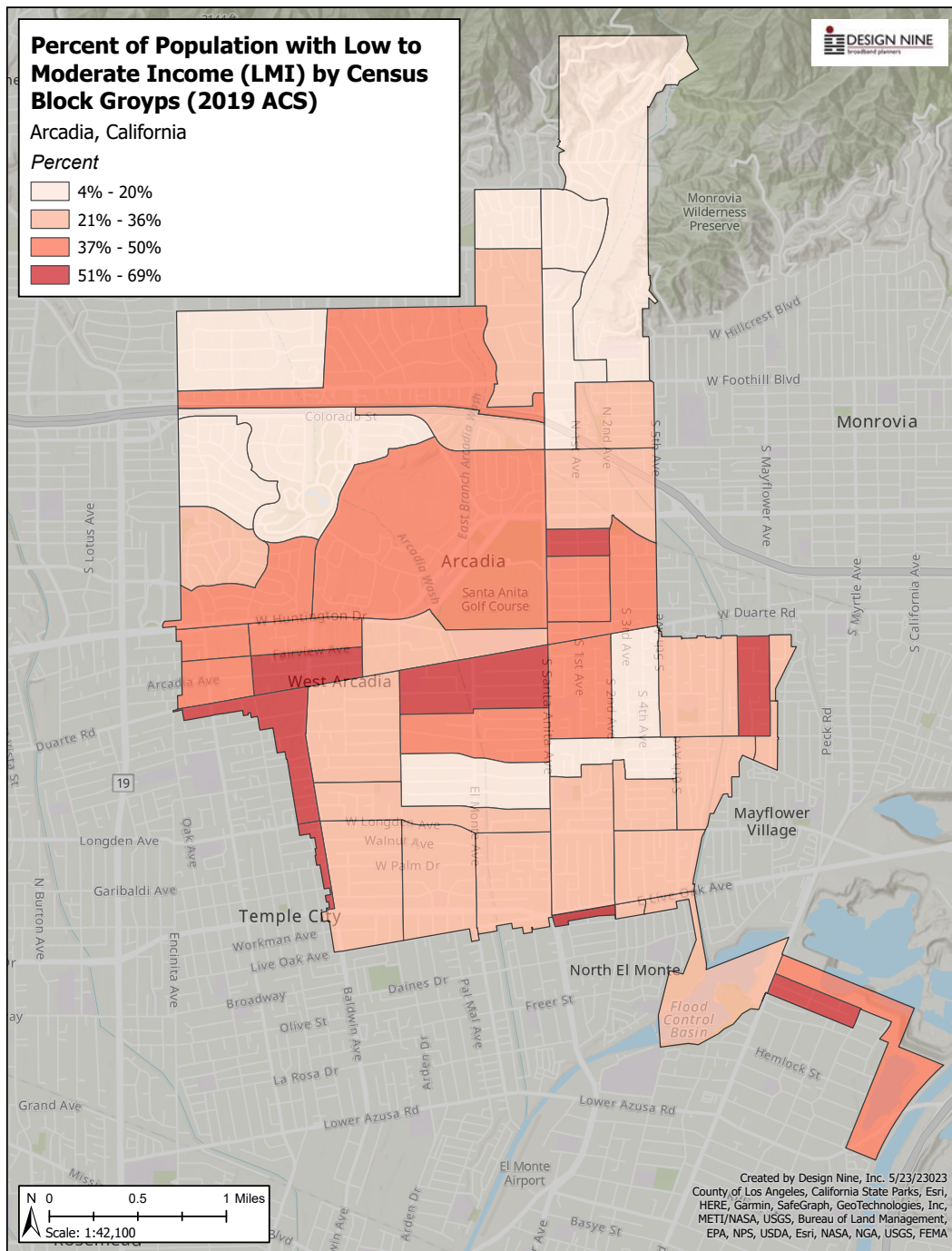
This map shows the population and density distribution in the city, by census block. This information can be helpful when working with service providers and when trying to identify what technologies are most appropriate for various areas of the city.

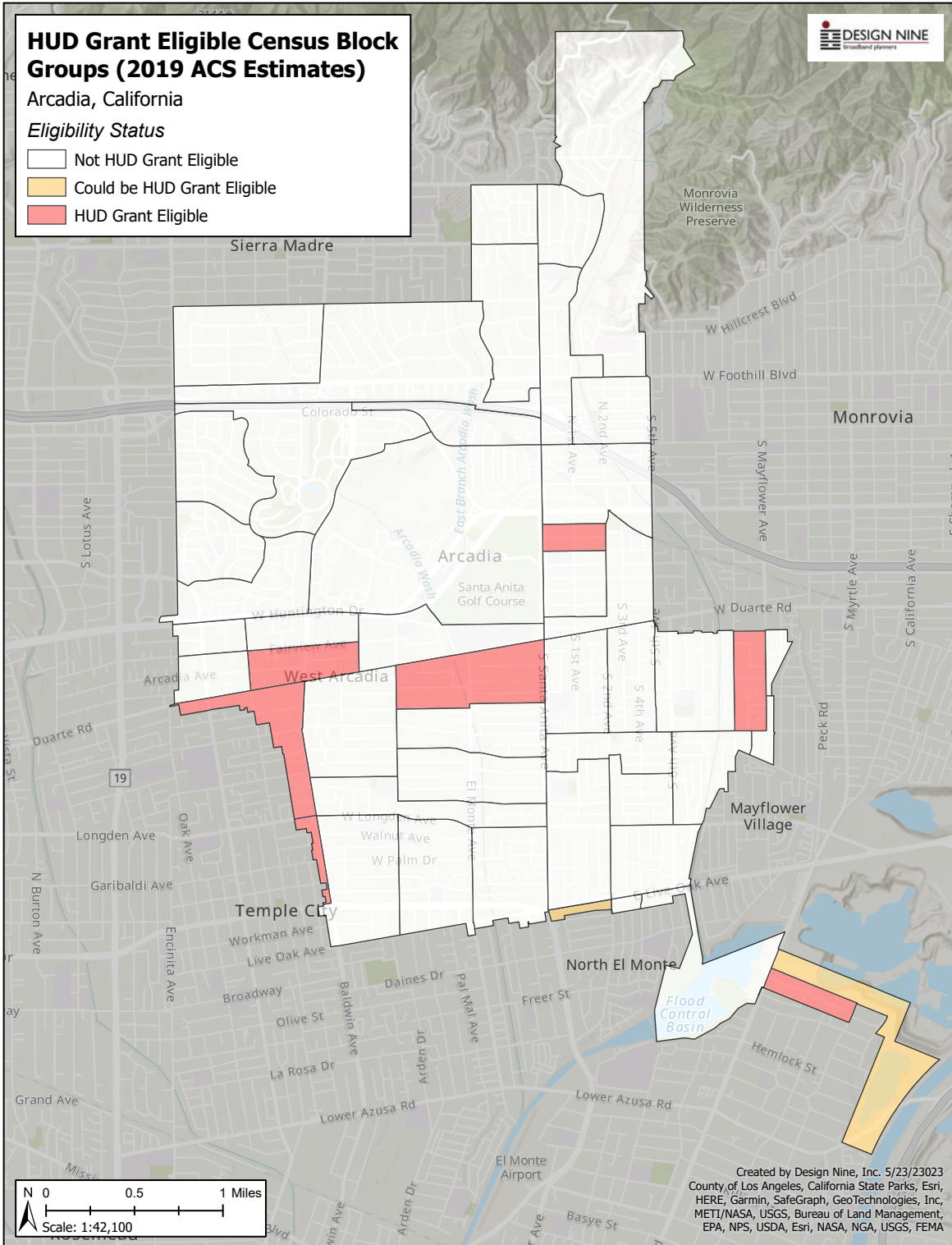


3.3 LMI AND HUD ELIGIBLE AREAS

HUD-eligible areas are determined by Low and Moderate Income (LMI) statistics—but can be different from census blocks in the city that meet LMI thresholds.

HUD-eligible census blocks can qualify for CDBG funding for telecom infrastructure projects. Arcadia does have some HUD grant eligible areas.





4 FIBER OPTIC AVAILABILITY

Fiber availability data is compiled from publicly available sources. The FCC (Federal Communications Commission) provides a wide variety of broadband and telecom data as reported to the FCC by the providers. Some telecom providers do not share their route data.

In residential areas of the city, AT&T, Earthlink, Frontier, and Giggle Fiber all offer fiber service, but not to every residence. AT&T and Frontier are the predominate fiber providers.

In the downtown area of the city, fiber availability is much more limited. Downtown Arcadia, with respect to telecom infrastructure, is an “urban” environment with much higher construction costs than in residential neighborhoods. The high cost of installing fiber under urban streets and sidewalks is a deterrent to widespread fiber availability.

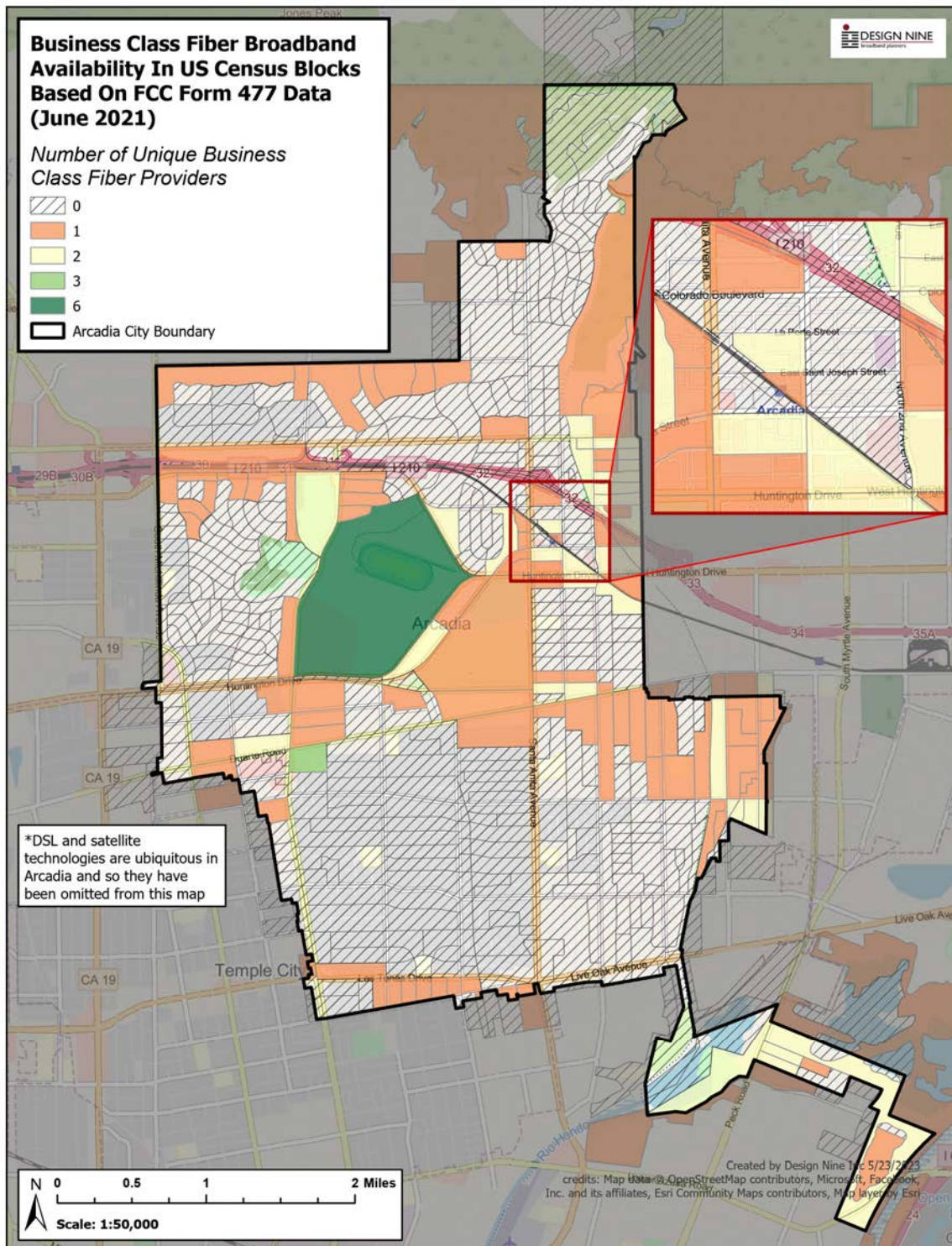
4.1 DOWNTOWN FIBER AVAILABILITY

Data provided by the National Broadband Map shows very limited or no business class fiber coverage in downtown Arcadia. Some downtown businesses reported in the broadband survey results that they did have a fiber connection, and it appears that Giggle fiber may have some limited availability in the downtown area.



4.2 NUMBER OF FIBER PROVIDERS

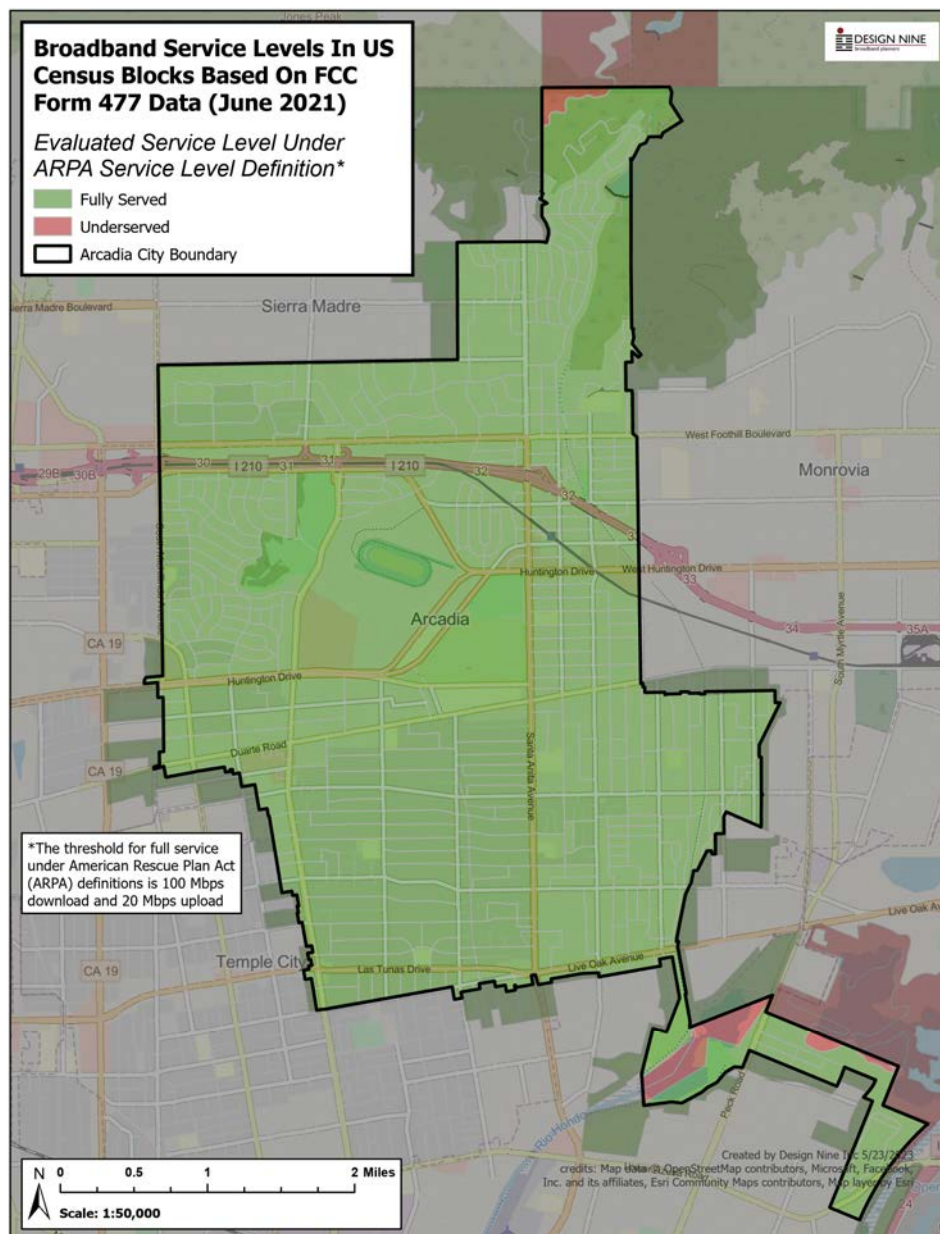
This map shows the availability of ISPs offering business class fiber services in Arcadia. In the downtown area (the expanded rectangle), there are none or only one provider. The large green block (claiming six providers) would seem to be a data anomaly. Other data indicates that there are at most three fiber providers in a few residential areas of the city.



4.4 BROADBAND SERVICE LEVELS

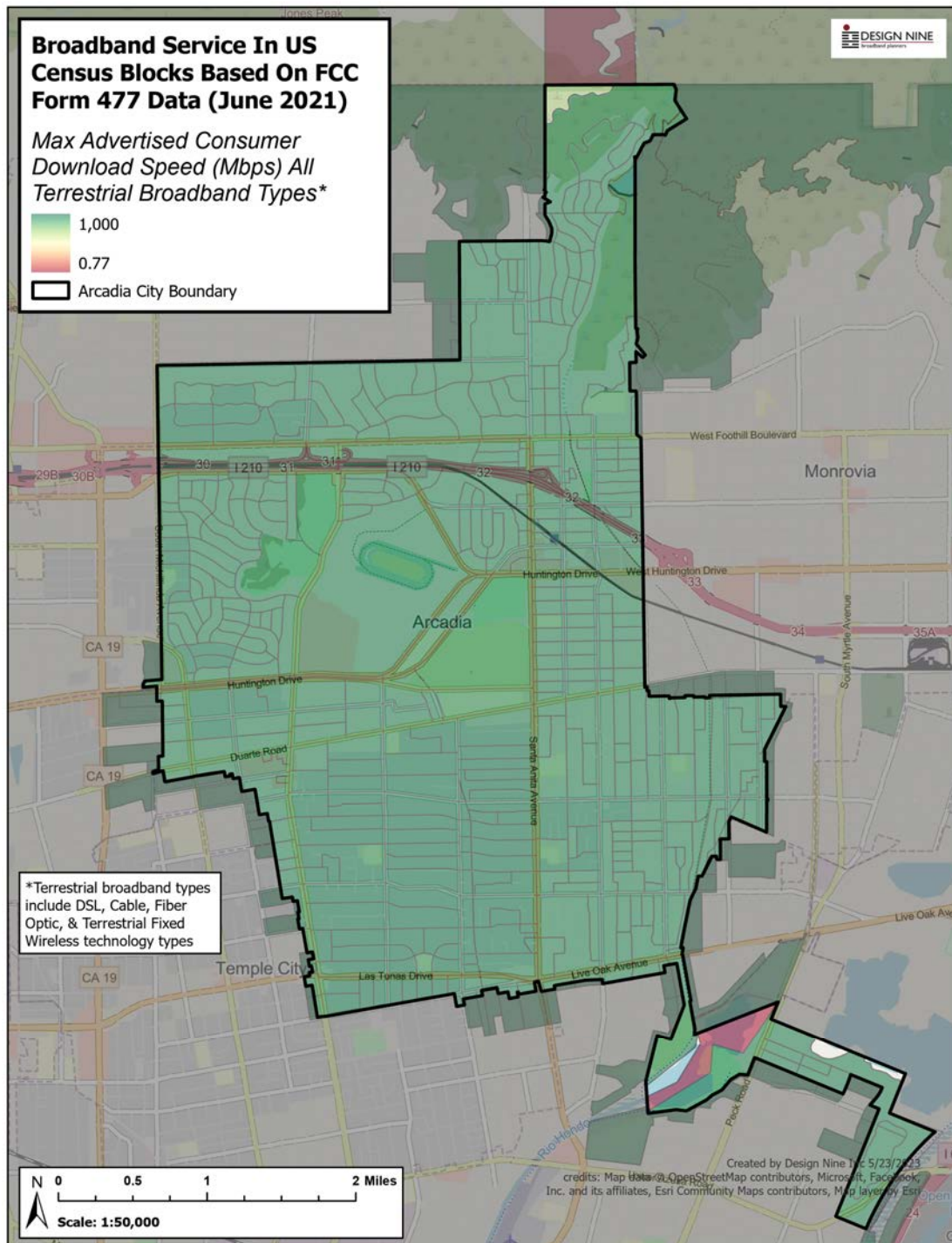
The FCC data indicates that the city is “fully served” with the exception of a several very small areas. This map uses the newer FCC definition of fully served, which is 100 Mbps download and 20 Mbps upload speeds. There are two problems with the 477 data:

- The data is self-reported by the providers, who typically report their most optimistic Internet speeds. In practice, customers may not always get the reported speeds.
- A single customer receiving service in a census block means that the provider can indicate that the entire census block is counted. So if one household receives 100/20 Mbps service, all households in that census block are counted as receiving that level of service.

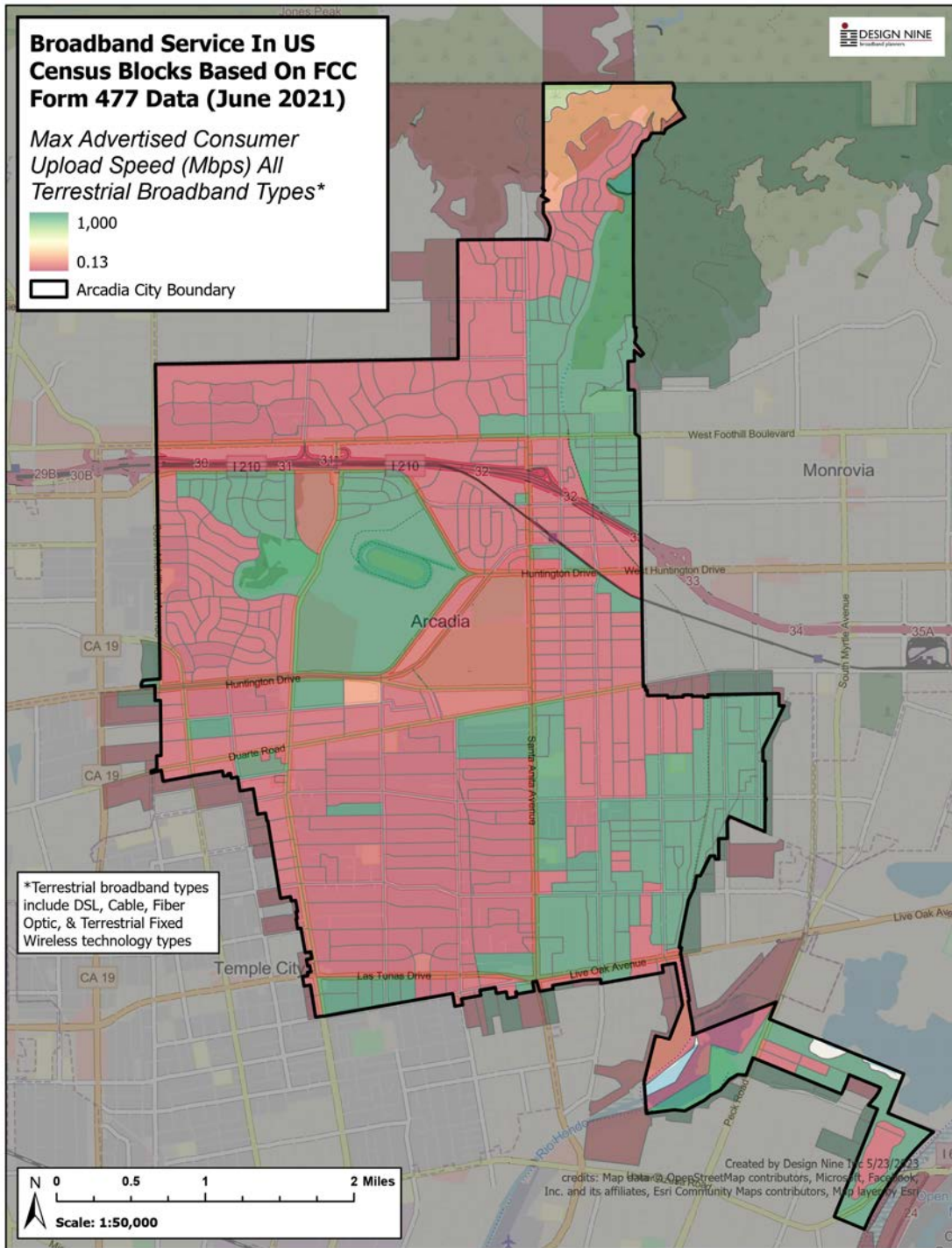


4.5 UPLOAD AND DOWNLOAD SPEEDS

The next two maps illustrate upload and download speeds, also using recent FCC data given by the Internet Service Providers. Consistent with previous data in this section, the downtown area has some of the slowest broadband speeds in the city. The green shades indicate higher speed service availability. Download speeds exceed the 100 Mbps minimum everywhere in the city.



Throughout the city, upload speeds are much lower than download speeds. The asymmetric speeds (upload much lower than download) reflects a continued reliance on cable Internet, which is an older, copper-based technology that has difficulty providing business class service (i.e. symmetric service, or equal upload and download speeds).



5 BUSINESS BROADBAND SURVEY RESULTS

During the summer of 2023, a broadband survey was conducted in Arcadia, California as part of a study in broadband needs. The online (Web) version of the survey was publicized on social media. A total of 10 responses were collected from businesses in the City of Arcadia. Not all responders answered every question. Some key findings from the results are listed below.

40% of business respondents want better Internet access

70% of respondents said that they believe the local government should help facilitate better broadband

100% indicated that the Internet is important to the success of their business over the next five years

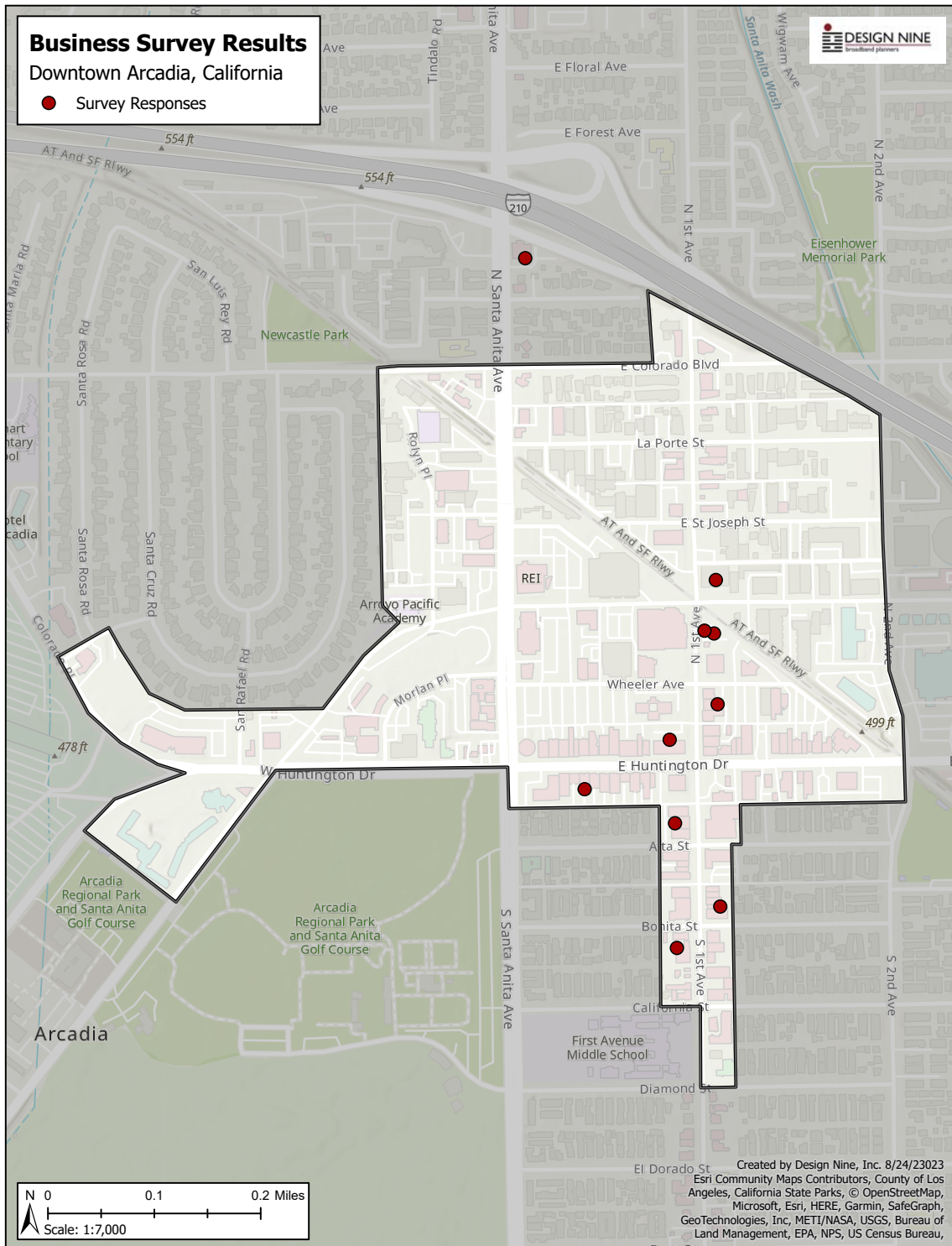
50% of businesses are "satisfied" or "very satisfied" with the speed of their current Internet service

Several businesses reported they have a fiber Internet connection

80% of businesses that responded need employees to be able to work from home

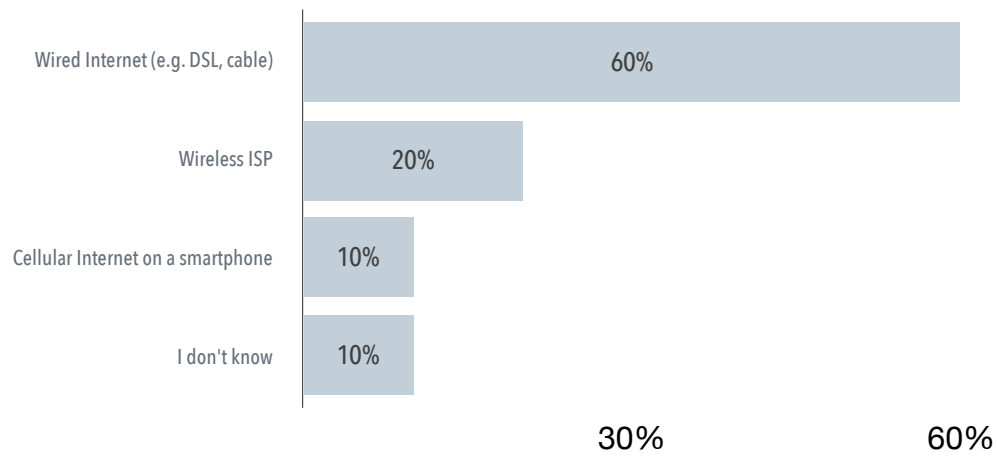
DISTRIBUTION OF BUSINESS SURVEY RESPONSES

The map below shows the geographic distribution of responses to the business survey.

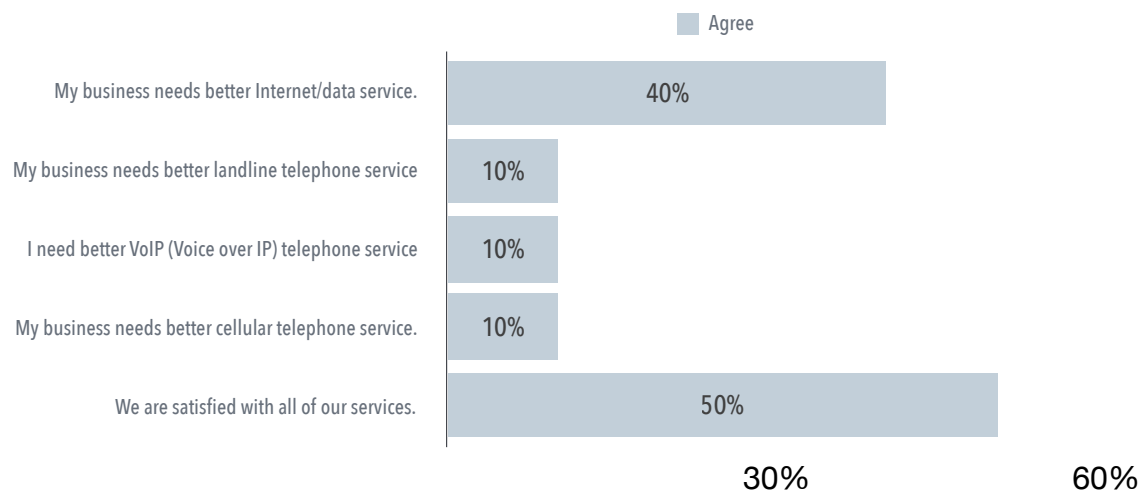


BUSINESS SURVEY SUMMARY DATA

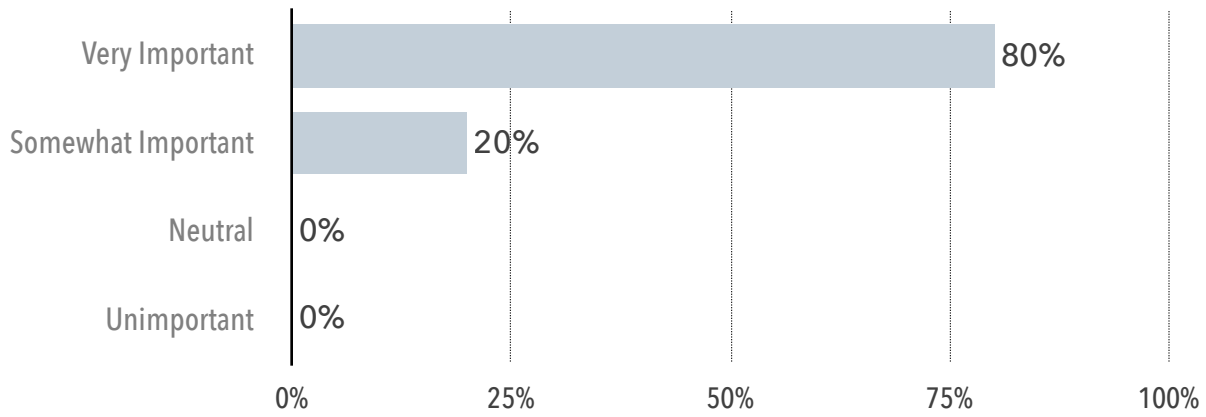
1. What kind of Internet service are you using to complete this survey?



2. Select the items you agree with below



3. How important do you think Internet technology will be for the success of your business over the next five years?



4a. Total number of employees

1 to 10	70%
11 to 40	30%
41 to 80	0%
81 to 150	0%
Over 150	0%

4b. Total number of Internet users

1 to 10	60%
11 to 40	20%
41 to 80	0%
81 to 150	10%
Over 150	10%

5. If you are a business, what type? (select all that apply)

Professional / Office	4	40%
Retail / Wholesale	3	30%
Medical	1	10%
Restaurant / Food Services	1	10%
Educational	1	10%
Other (Please Specify Below)	1	10%

Other types of businesses

- Escrow services company

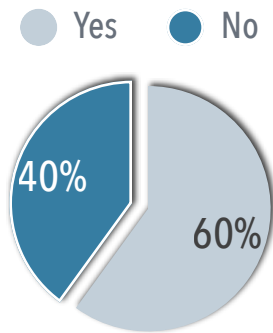
6. Is this a home-based business?

Yes	No
0	10
0%	100%

7. How much do you pay now for Internet access each month?

\$0 to \$100	\$101 to \$150	\$151 to \$500	\$501 to \$1,000	\$1,001 to \$5,000	\$5,000 or more	I don't know
4	3	2	0	1	0	0
40%	30%	20%	0%	10%	0%	0%

8. Are you satisfied with what you pay for Internet service?



9. What type of Internet do you have?

Cable Modem	1	10%
Fiber	4	40%
Wireless ISP	2	20%
DSL Line	1	10%
Other (Please Specify Below)	1	10%
I don't know	1	10%

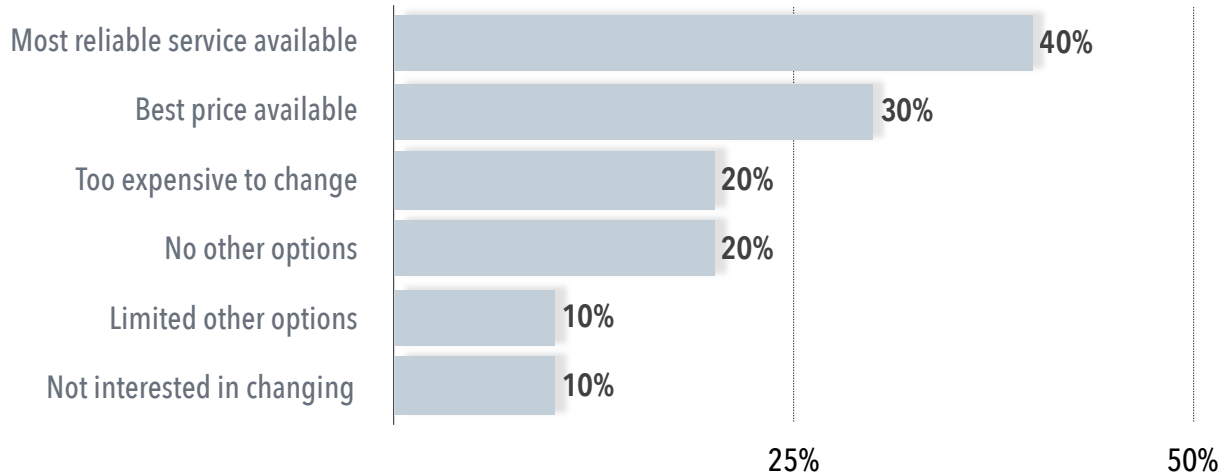
Other types of Internet

- SD WAN service, cable modem, cellular wireless failover

10. Who is your Internet service provider?

Spectrum	6	60%
Giggle	2	20%
AT&T	1	10%
Verizon	1	10%

11. Based on the type of Internet you selected above, why do you still have it?



Respondents could choose more than one option.

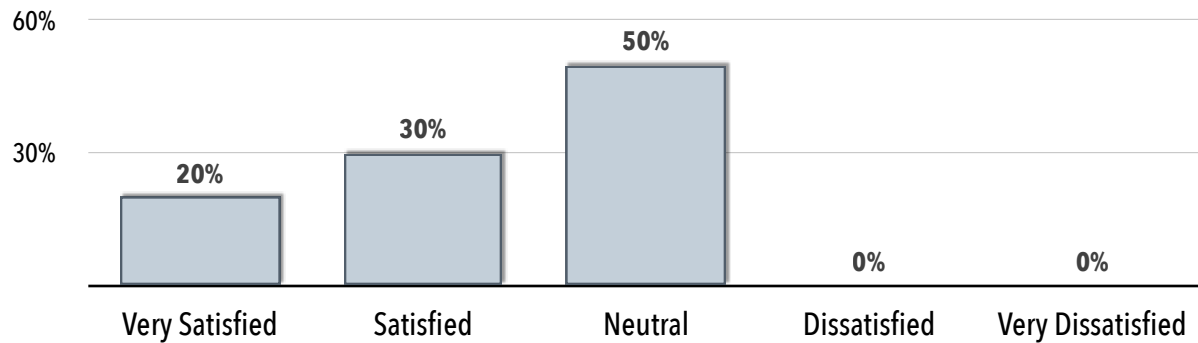
12. What is the download speed of your Internet connection? (A Gigabit is 1000 Megabits (Mbps))

1-10 Mbps	10 - 50 Mbps	50-100 Mbps	100 - 1,000 Mbps	1,000+ Mbps (Gigabit)	I don't Know
0	2	1	2	1	4
0%	20%	10%	20%	10%	40%

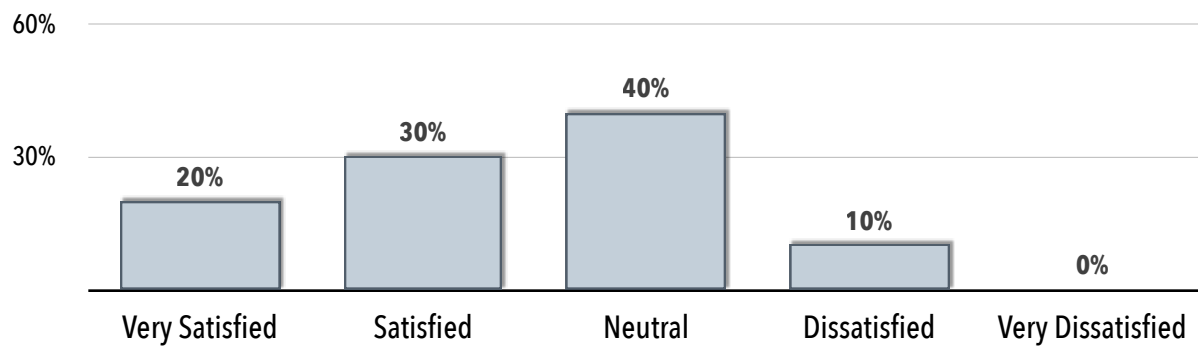
13. What is the upload speed of your Internet connection? (A Gigabit is 1000 Megabits (Mbps))

Less than 1 Mbps	1 - 3 Mbps	3 - 100 Mbps	100+ Mbps	I don't Know
0	0	4	2	4
0%	0%	40%	20%	40%

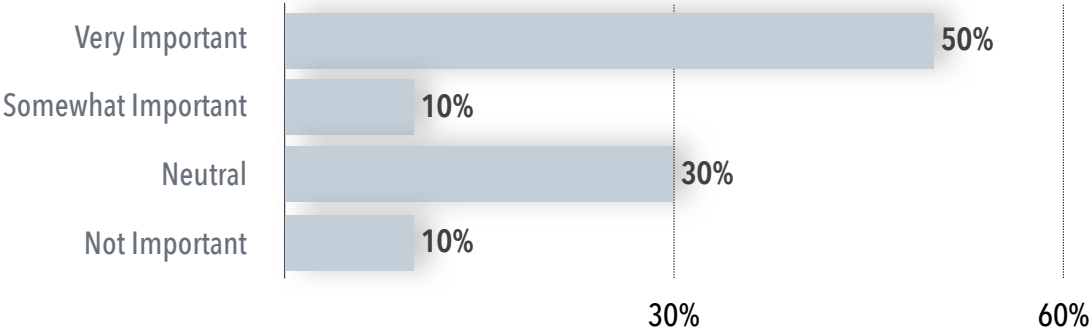
14. How satisfied are you with the speed of your Internet service?



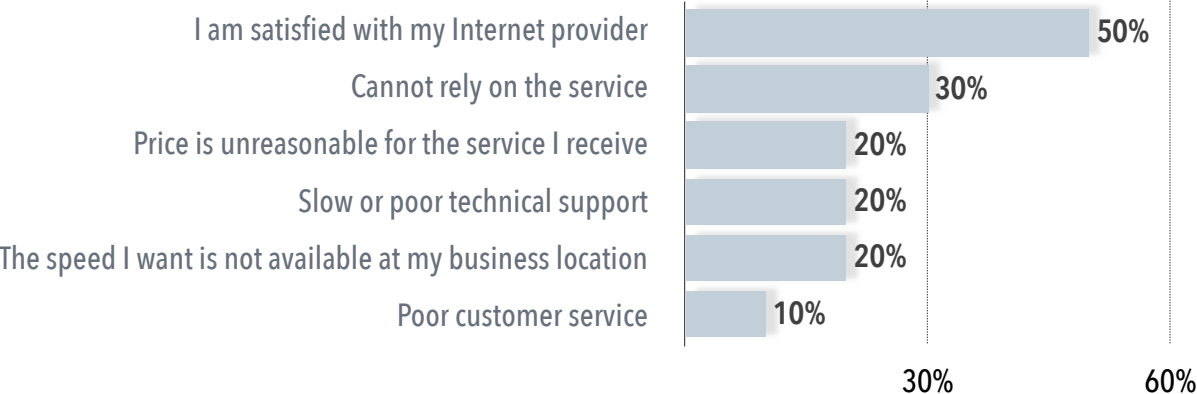
15. How satisfied are you with the reliability of your Internet service?



16. How important is a redundant or second Internet connection to your business?



17. Please select all that apply to your current Internet provider



18. Select all the items you use the Internet for now (Select all that apply)

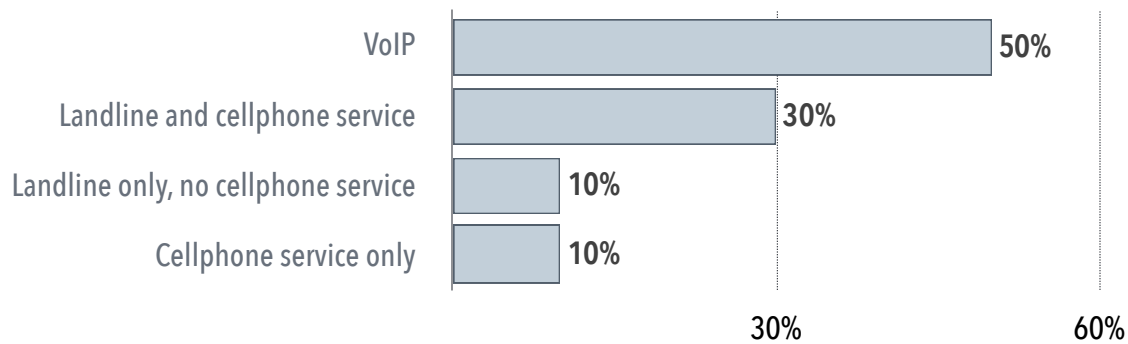
Monitor / control security, alarms, health, processes, etc.	8	80%
Videoconferences (Zoom, Webex, Teams, GoToMeeting)	7	70%
Online Backup (files, photos, music, company data)	7	70%
Processing credit card / debit card transactions	6	60%
Social Media (Facebook, LinkedIn, Twitter, Instagram)	6	60%
VoIP Internet phone(Vonage/Skype, etc.)	6	60%
Ordering / managing inventory	5	50%
Receiving and processing online orders	5	50%

Offer customers free WiFi service while shopping	5	50%
Cloud-based business, accounting or other services	4	40%
Other	1	10%

Other uses for the Internet

- Website design and editing videos

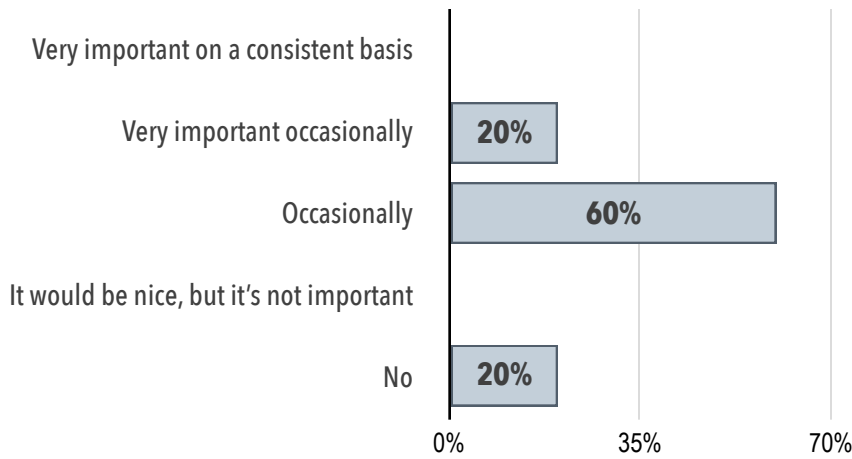
19. What kind of telephone service do you have?



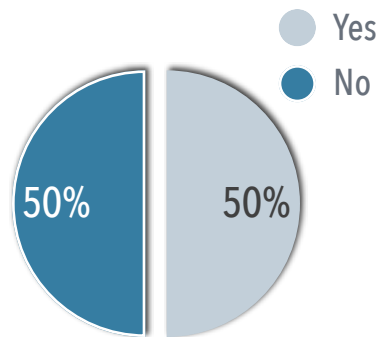
20. Do you or your employees use a VPN (Virtual Private Network) to obtain remote access for your work or to a company network?

Yes	No	I Don't Know
2	7	1
20%	70%	10%

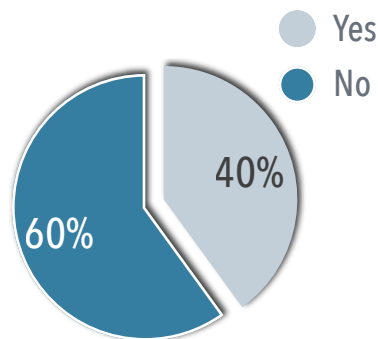
21. How important is it for your employees to be able to work from home?



22. Does limited Internet access at employees' residences impact your business?



23. Does the availability or pricing of existing Internet options impact your business's decision to relocate or stay in the city?

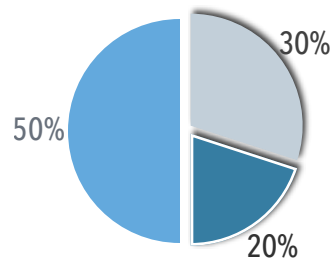


If yes, briefly state why:

- Being a website designer and video producer, internet and the quality and speed of internet service is vital ... imperative ... highly important to the success of my business and mental well-being
- I moved my business to Downtown Arcadia in December. But internet availability dictated where I could move. The original space I was interested in was in the next block and internet was not good there, so I couldn't take that space
- Spectrum Internet is not reliable. I have to pay for a SD WAN service and cellular service as a backup to maintain reliable internet connectivity.
- That's the least of the problems with Arcadia!!
- We could not move to another city that does not have fiber internet

24. Are you interested in Gigabit (high speed) fiber Internet Service?

- Yes
- No
- Maybe, but I need to know more about fiber Internet first



25. Should the county government have a role in facilitating better and more affordable broadband services?

Yes	No
7	3
70%	30%

26. Any Other Comments

- The government should be involved only if helps the business and the city together. Thank you for this survey and thank you for your concern.

6 GAP ANALYSIS

A broadband study kick-off meeting was held with Arcadia management personnel on 12/6/22. Present at the meeting were Tim Schwehr (former Arcadia ECD Director), Jason Kruckeberg (Arcadia Asst. City Manager.), Alana Bautista (Arcadia Management Analyst), Andrew Cohill (Design Nine CEO), Dave Sobotta (Design Nine Marketing Director) and Jack Maytum (Design Nine Senior Broadband Analyst).

This study was initiated by the Arcadia Downtown Business Improvement District. Arcadia management wanted to evaluate high-level options regarding improvements to broadband services in the city. Should the city build out its own system? An impetus for the broadband study was a proposal to the city by SiFi, a British company, offering to construct an open-access, fiber-optic network in downtown Arcadia at no cost to the city. An evaluation of the SiFi proposal is included in this report.

Initial stakeholder meetings were held on 12/15/22. A briefing with Tim Schwehr and Jack Maytum was followed by meetings with members of the Downtown Arcadia Improvement Association and later by a meeting with Karen MacNair, CEO of the Arcadia Chamber of Commerce.

On 2/9/23 Jack Maytum met with the board of directors from the Downtown Arcadia Improvement Association to explain the goals of the broadband study and to discuss the board members' broadband issues. In all cases, the primary complaints concerning Arcadia's broadband services for local small businesses centered on the lack of high-speed fiber-optic based systems and little competition among providers which leads to high Internet costs for businesses in downtown Arcadia.

On 3/16/23 Jack Maytum attended the online meeting for those companies providing utility services to Arcadia. This meeting was one of the regularly scheduled quarterly meetings hosted by the Arcadia Engineering Department. Kevin Merrill, City Engineer, introduced the participants and lead a discussion of the city's plans for economic development and infrastructure improvement. The intention was to provide a forum for a discussion of broadband expansion with the incumbent broadband providers but none of them were present at the meeting. Nevertheless, the meeting provided a useful overview of the many plans and projects for municipal improvement already underway in Arcadia.

6.1 GAPS IN THE INFRASTRUCTURE

Gaps in the existing broadband infrastructure within Downtown Arcadia, particularly for small businesses, can be described as follows.

Limited Coverage

Certain areas of Downtown Arcadia may have limited or no access to broadband services. This could be due to the absence of internet service providers (ISPs) in those areas or insufficient infrastructure to provide reliable and high-speed connections.

Slow Internet Speeds

Even if broadband services are available, there might be issues with slow internet speeds. This could be a result of outdated infrastructure or network congestion due to a high number of users in the area.

Lack of Fiber-Optic Connectivity

Fiber-optic cables offer high-speed and reliable internet connections. However, some areas in Downtown Arcadia do not have a proper fiber-optic network, limiting the availability of high-speed broadband services.

Limited Competition

Although there are a relatively large number of ISPs servicing the broadband market in Downtown Arcadia there is limited competition among ISPs in each specific neighborhood. This is a common circumstance by design; ISPs seldom overbuild a neighborhood containing an existing service provider. This lack of competition can result in higher prices and fewer incentives for ISPs to invest in infrastructure improvements.

Unequal Access

There might be disparities in broadband access across different demographics or socioeconomic groups within Downtown Arcadia. This digital divide can result in certain communities or individuals having limited access to broadband services and the opportunities they provide.

6.2 HOW MUCH BROADBAND IS ENOUGH?

Bandwidth needs for the past several years have been growing by an estimated 30% per year and show no sign of slowing.

This means residential and business bandwidth needs are doubling every three years.

As computers and associated hardware (e.g. video cameras, audio equipment, and VoIP phones) become more powerful and less expensive, new applications and services are continually emerging that drive demand for more bandwidth.

“Next-generation” is the term used to describe future planning for network connectivity and infrastructure. Next-generation broadband reaps substantial benefits. There are several key benefits of Next-generation broadband:

- Dramatically faster file transfer speeds for both uploads and downloads.
- The ability to transmit streaming video, transforming the Internet into a more visual medium.
- The means to engage in true-real time collaboration.
- The ability to use many applications simultaneously.
- The ability to maintain flexible work schedules by being able to work from home on a part-time or full-time basis.
- The ability to obtain health-related services for an occasional illness and/or long term medical services for chronic illnesses.

Clearly, consumers have a strong interest in a visual medium from when and wherever they are. YouTube is the second most popular search engine after Google, which demonstrates the need to support the infrastructure to transmit streaming video. In addition to video streaming, true real-time collaboration also provides an effective way for people to interact from wherever they are. People can engage in a two-way real-time collaboration so that fruitful, visual conversations can be held between friends, family, business associates from the state, country, or internationally.

Because of fiber networks, employees have the capability of working from home. Findings suggest that if all Americans had fiber to the home, this would lead to a 5% reduction in gasoline use, a 4% reduction in carbon dioxide emissions, \$5B in lower road expenditures, and \$1.5B commute hours recaptured.

In Arcadia today, many residents and businesses are still relying on copper-based services. The bandwidth tables on the following pages show what is likely to be needed over the the next several years in terms of bandwidth. The existing copper infrastructure is going to become a limiting factor in economic development.

6.3 JOB AND WORKFORCE CHALLENGES

Arcadia can be attractive to an emerging new group of businesspeople and entrepreneurs that typically are well-educated, own their own businesses or work for large global corporations, and are making choices about where they lived based on family needs and interests rather than business interests.

This new breed of entrepreneurs and workers places a high value on the kinds of amenities that contribute to a good quality of life, such as traditional neighborhoods, vibrant downtown areas, a wide range of cultural and recreation opportunities, good schools, and a sense of place.

These businesspeople and their families make relocation decisions based on quality of life only where there is abundant and affordable broadband, because broadband enables this new approach to personal and work life.

However, what has become painfully clear during the Covid pandemic is that this definition of “fully served” is not adequate to support many kinds of work and business activities.

If the goal is to enhance business access to broadband, there can be no upper limit on the definition of broadband. Saying that broadband (as an example) is 5 Megabits/second of bandwidth or 10 Megabits/second is to tell the residents and businesses in Arcadia that there will be limits on their work and job opportunities.

Broadband is a community and economic development issue, not a technology issue. The essential question is not, “What system should we buy?” or “Is 5G wireless better or cheaper than fiber?” Instead, the question is:

“What do businesses of Arcadia need to be able to compete globally over the next thirty years?”

In short, Arcadia’s downtown area today has “little broadband” in the form of DSL and cable modem service, along with a very limited amount of “big broadband” in the form of fiber to some businesses.

Two key concepts that should drive City investments in telecom are:

“Broadband” is not the Internet

Bandwidth is not a fixed number

Broadband and “the Internet” are often used interchangeably, but this has led to much confusion. Broadband refers to a delivery system, while “the Internet” is just one of many services that can be carried on a broadband network. The challenge for the City is to ensure that businesses have **affordable** access to a choice of broadband providers and services with **sufficient bandwidth** to deliver all the services that will be needed and expected within the next three to four years, including but not limited to “the Internet.”

The economic impact can include the following effects:

- Difficulty retaining some existing businesses. As business bandwidth needs continue to increase over the next several years, some businesses may need to move out of the area to ensure that they have the right bandwidth to support their business operations.
- Difficulty attracting new businesses. New businesses interested in some of the advantages of the city, like low cost of living, good recreational opportunities, and good workforce ethic, may be deterred by the cost and limited bandwidth available, and therefore choose other areas to locate.
- Difficulty keeping younger workers and families in the city. Younger workers and families tend to be heavy users of Internet services, and real-estate agents are reporting that younger house buyers are reluctant to live in areas with poor Internet service.
- Reductions in real estate value. Commercial office buildings and retail business spaces with poor Internet service are more difficult to rent, leading to lower prices and negatively impacting City income from property taxes.

6.4 BUSINESS BANDWIDTH NEEDS

The table below shows bandwidth consumption for several types of businesses and a projection of the bandwidth needed 5 and 10 years out. The Covid pandemic has had the effect of dramatically increasing the number of home-based works and has also affected business travel decisions. More and more businesses will invest in high definition (HD) quality business videoconference systems to reduce the need for travel and to maintain high quality communications with a dispersed workforce. These HD systems require substantial bandwidth; a two-way HD video conference requires 20-25 Mbps during the conference, and a three-way conference requires 30-35 Mbps during the conference.

Business Bandwidth Needs

DESCRIPTION	LARGE BUSINESS		SMALL BUSINESS		HOME BASED WORKER	
	Concurrent Use	Mbps	Concurrent Use	Mbps	Concurrent Use	Mbps
	A larger business with about 50 workstations		A small business with 10 to 15 employees, and 7-10 workstations		One or two people working from home	
Telephone	20	5	5	1.5	2	0.5
Credit Card Validation	4	4	1	1		0
Security System	1	5	1	2	2	2
Internet	50	500	7	10.5	2	20
VPN Connection	20	100	5	50	2	5
Data Backup	5	7.5	1	10	2	10
Web Hosting	1	2		0		0
Workforce Training (online classes)	5	20	1	10	2	10

	LARGE BUSINESS		SMALL BUSINESS		HOME BASED WORKER	
HD Video-conferencing	20	125	2	20	2	10
Totals		768.5		105.0		57.5
5 YEARS FROM NOW	3-10 Gbps		250-500 Mbps		100-200 Mbps	
10 YEARS FROM NOW	10 + Gbps		2-4 Gbps		500-750 Mbps	

As more workers are moved to home-based offices, the business location must provide network access (Virtual Private Network (VPN)) to employees working from home. These home-based workers will make extensive use of videoconferencing to attend routine office meetings remotely and to enhance communications with co-workers, including videoconferences with other home-based workers in the company. A VPN network providing remote access to just two or three home-based employees could require 50 Mbps of bandwidth during normal work hours.

7 ISP ENGAGEMENT STRATEGY

The following ISPs operate in Arcadia:

Spectrum

Spectrum is a prominent ISP in Arcadia, offering cable-based Internet services to both residential and business customers. They provide a range of plans with varying speeds to cater to different user requirements.

AT&T

AT&T delivers connectivity in Arcadia through its fiber-optic network. Their fiber plans offer ultra-fast speeds and reliable connections, primarily targeting businesses and tech-savvy users.

Frontier Communications

Frontier Communications provides DSL-based Internet services to Arcadia residents and businesses. While DSL speeds may not match those of cable or fiber, Frontier offers cost-effective options for users seeking more affordable Internet plans. The current president of Frontier Communications recently stated that a fiber-optic network replacement for the current DSL system will take at least five years to implement.

Giggle Fiber

Giggle Fiber claims to cover 75% of Arcadia with its "giggle Gig" fiber-optic service with up to 5Gb/sec speeds.

Satellite Providers

Satellite Internet providers, such as HughesNet and Viasat, offer connectivity options to areas where wired connections may be limited. These services are more suitable for rural or remote areas.

There are additional ISPs offering certain services in Arcadia, and more detail on their service offerings are provided in Appendix A of this report.

7.1 ENGAGING WITH BROADBAND PROVIDERS

A variety of strategies are available to improve interaction and engagement with local service providers.

Learn More About Local ISPs

Use the data in the report to understand more about the local internet service providers (ISPs) that operate in Arcadia, especially the downtown area. Meet with the providers to ask their opinion on how the City could support expanded fiber access in the downtown portions of the City.

Publicly Available Broadband Maps

Some local governments maintain or provide convenient access to publicly available broadband maps or databases (e.g. the National Broadband Map) that provide information about broadband service providers and their coverage areas. The City of Arcadia economic development information on the City Web site should make it easy to find information about broadband availability in various parts of the City. Note that fiber to the home availability can be very attractive to relocating workers and families, especially the Millennial generation.

Engage with Community Forums and Groups

Promote the results of this broadband study in online forums, social media groups, or neighborhood associations focused on Downtown Arcadia. Local residents or businesses might have insights or recommendations regarding broadband service providers and infrastructure.

Coverage Maps

Obtain or create coverage maps that display the areas where broadband services are available. Ask ISPs offering services in the city to provide this data. Note that they may claim the information is “proprietary,” but data on any fiber cable that uses public right of way should be available to the City. The ISPs do not have to indicate what customers are connected to the fiber, but they are obligated to provide route maps of their fiber cables that are in the right of way.

Comparative Analysis

Compare gathered information to identify locations in the downtown area that are well-served, underserved, and unserved, noting that based on the FCC data in this report, most downtown areas are not well-served.

Understand Provider Objectives

During the engagement process, seek to understand the objectives and priorities of the broadband providers. Identify their expansion plans, areas of interest, and any potential challenges they may face in deploying infrastructure in Downtown Arcadia.

Highlight City's Broadband Objectives

Clearly communicate the City's broadband objectives, including the desired level of coverage, speed, and service quality. Emphasize the benefits of improved broadband infrastructure, such as economic development, enhanced education, healthcare, and public safety.

Identify Mutual Benefits

Identify areas of mutual benefit between the City and broadband providers. Highlight how improved broadband infrastructure can support the providers' business growth, customer base expansion, or revenue generation. Emphasize the potential for public-private partnerships and collaboration to achieve shared goals.

Collaborative Planning

Engage in collaborative planning with the broadband providers to identify opportunities for infrastructure deployment, including leveraging existing assets, such as conduit, rights-of-way, or public facilities. Explore possibilities for joint investment, resource sharing, or access to existing networks.

Streamlined Permitting and Regulatory Processes

Work with the broadband providers to streamline permitting and regulatory processes for infrastructure deployment. Simplify procedures, expedite approvals, and create clear guidelines to facilitate efficient deployment while maintaining necessary oversight.

Incentives and Support

Assess the feasibility of providing incentives or support to broadband providers to encourage additional deployment. This could include expedited access to city assets, fee reductions, tax incentives, or assistance in navigating local regulations. Tailor incentives based on the specific needs and priorities of the providers.

Regular Communication and Relationship Building

Maintain regular communication and foster ongoing relationship-building efforts with broadband providers. Establish a dedicated point of contact within the City to address their concerns, provide updates on the progress of broadband initiatives, and seek input on potential improvements.

Collaboration in Community Engagement

Encourage broadband providers to actively engage with the community. Encourage their participation in public meetings, workshops, or outreach programs to address concerns, educate residents about available services, and gather feedback on service quality and coverage.

7.2 SHARED INFRASTRUCTURE

The high cost of adding broadband conduit, handholes, and dark fiber in the downtown areas of Arcadia are very likely the key reason that downtown businesses are either underserved with fiber Internet or pay excessively expensive fees for fiber Internet services.

The most straightforward approach to solving this problem would be for the City to invest in a shared broadband infrastructure system in most of the downtown area. The City, by defraying the cost of the infrastructure for ALL providers, would make it inexpensive and simple for multiple providers to offer a wide variety of affordable, high speed Internet and IP-based services.

The City would not be an Internet provider. Rather, it would lease dark fiber and/or conduit to providers that want to offer fiber services to business customers. By passing most business and commercial buildings with conduit, fiber, and handholes, ISPs could install inexpensive fiber drops from the nearest handhole to a commercial building, and provide fiber services to tenants within that building.

Conduit, handholes, and dark fiber are passive infrastructure, meaning there are no network electronics. The City would be responsible for the cost of locates (a minor expense and could be done by City employees) and for routine and emergency break-fix, which is relatively rare for underground infrastructure.

ISPs would be responsible for selling services, all interior cabling in office buildings, and for all network electronics. A single modest pre-fab shelter would provide all of the rack space needed for multiple ISPs.

A detailed pre-engineering design and cost estimate for a downtown shared broadband infrastructure is described in Section 8.

8 RECOMMENDATIONS

Arcadia can pursue several strategies to improve broadband accessibility and affordability in the downtown area of the city. These strategies are described below, and the Broadband Connectivity Project, described in more detail in the rest of this chapter, has the most potential to get businesses in the downtown area better pricing and improved service levels.

Broadband Connectivity Project

A conduit and dark fiber network in the downtown area of Arcadia would bring improved broadband Internet speeds and a wider choice of Internet providers. The increased competition for business customers would also help lower the cost of business class Internet for downtown retail, professional, and enterprise businesses. The improved access and lower costs for Internet would also help retain existing businesses in the downtown area and help attract new businesses and jobs. The conduit and dark fiber would be leased to interested Internet Service Providers who want to expand their service area in downtown. The project would remove the most significant barrier to better Internet downtown, which is the high capital cost of broadband infrastructure in the urban downtown environment. A single conduit and fiber network, open to multiple providers, can bring more providers downtown at less cost to each provider—creating competition, lower prices, and better service.

The City government should not become an Internet provider

Instead, it could focus on developing public/private partnerships by making targeted investments in passive broadband infrastructure like towers and dark fiber. These assets have long life spans of forty years or more and can be leased out to private sector ISPs (passive infrastructure leasing is not a telecommunications service). While the revenue from the lease agreements will be modest, the funds generated can be used to support maintenance of this infrastructure.

Develop partnerships with ISPs

Foster public-private partnerships to leverage the expertise and resources of private broadband providers. This can include joint investment initiatives, shared infrastructure deployments, or collaboration on community broadband projects.

Streamline Permitting Processes

Simplify and expedite the permitting processes for broadband infrastructure deployment. This can include creating a dedicated broadband team within the City's permitting department, establishing clear guidelines and timelines for approvals, and implementing online application systems. Cost: Moderate to high, depending on administrative changes and system upgrades required.

Adopt a "Dig Once" Policy

Implement a "dig once" policy that requires the installation of conduit or fiber-optic infrastructure during planned excavation or construction projects. This approach reduces future costs by minimizing the need for disruptive and expensive excavation work. Cost: Low to moderate, depending on coordination efforts with construction projects and potential infrastructure investments.

Identify Revenue Generation Opportunities

Explore potential revenue generation opportunities related to broadband deployment, such as leasing access to City assets or rights-of-way, offering expedited permitting for a fee, or exploring partnerships

with service providers that provide revenue-sharing arrangements. Cost: Low to moderate, depending on the administrative and legal work involved in identifying and implementing revenue opportunities.

Develop Community Development and Planning Guidelines

Integrate broadband infrastructure requirements into community development and planning guidelines. This ensures that new developments include provisions for broadband infrastructure, supporting future connectivity needs. Cost: Low to moderate, primarily involving updates to planning guidelines and coordination with developers.

8.1 THE DOWNTOWN CONNECTIVITY PROJECT

The City of Arcadia dark downtown fiber and conduit network would be operated as city-owned project. The network would bring the downtown area several benefits:

- It would address the shortcomings of Internet availability in downtown Arcadia (high prices, limited availability of high performance fiber-delivered Internet.
- A single, shared network infrastructure available for use by multiple providers would eliminate the capital costs that each provider currently faces if they want to expand service downtown. It is inefficient and costly to expect multiple providers to each build duplicated infrastructure to each downtown building.
- Because capital costs are sharply reduced for each provider, smaller providers could compete effectively with larger providers. The City-owned infrastructure will introduce true competition in the downtown area, which should lower prices, bring higher speeds, and higher quality customer service.
- As a city-owned project, the network would be vested in the community and can be operated on behalf of the business community and economic development needs of the businesses of Arcadia.
- It would generate a modest revenue stream for the City, which would be used to maintain the infrastructure.

The network will be operated as a dark (unlit) fiber optic and telecom conduit network available to any and all service providers, including incumbent providers who want access to the significant market opportunity represented by the residents and businesses of the City.

The City would have a limited number of essential roles:

- Contract Management - The City will hold contracts for outsourced network repairs and maintenance and outsourced construction of network extensions. The City will also manage service provider contracts for the fiber and/or conduit leases offered on the network. The limited scope of the network should minimize internal staff requirements.
- Financial Management - The City will provide the financial oversight of the network. Most routine bookkeeping and accounting would not require full time staff and can be handled easily with existing City accounting resources.
- Public Awareness - The City will need to maintain a modest, ongoing public awareness campaign to ensure that local businesses are aware of the opportunity to obtain higher performance, broadband services from local providers using the City infrastructure. While service providers

would be responsible for their own sales, billing and customer management, the City would focus on availability awareness in the community.

- Project Development/Management - As funding sources are developed for portions of the conduit/dark fiber system, the City will provide financial and project oversight of these projects during the implementation and construction phase.

8.2 DARK FIBER AND LIT FIBER

About Dark Fiber

Dark fiber is installed in conduit underground and/or hung on utility poles. It is called “dark” because no network electronics are installed to “light” the fiber (using small lasers in a fiber switch). For small municipal/local government fiber installations, dark fiber has a significant advantage in terms of management—very little ongoing operational responsibility is required.

Dark fiber is leased out to service providers, who install their own network electronics in cabinets or shelters attached to the fiber cables. The providers typically lease fiber pairs between the cabinet and their customers, and are responsible for all equipment-related management and maintenance. Dark fiber networks can be used by service providers to provision either Active Ethernet or GPON services to their customers.

Dark fiber networks do not generate large amounts of revenue, but this is offset by very low maintenance costs—primarily an emergency break-fix arrangement with a local or regional firm qualified to splice fiber. Emergency break-fix contracts are usually based on a time and materials basis, so there is little or no expense if there are no fiber breaks.

Other costs include “locates,” which are called in to California 811 service (Miss Utility Hotline) and are performed by either the local Public Works department or a private sector contractor. For small fiber networks, locate costs are generally modest.

About Lit Fiber

A “lit” fiber network includes the network electronics needed to transmit data over the fiber (using the small lasers in a fiber switch, hence there is light traveling over the fiber cable). In a lit network, “lit circuits” are leased out to service providers rather than fiber pairs. The muni/local government/community network provides the network electronics, which reduces costs for the service provider—meaning they are able to pay higher lease fees for the circuits they use to deliver services (like Internet) to their customers. Lit networks generate more revenue, but also have higher expenses because the network electronics have to be monitored and managed on a 24/7/365 basis (this task can usually be outsourced at reasonable cost). However, very small fiber deployments often do not pass enough homes or businesses to generate sufficient revenue to cover the higher costs.

Like dark fiber, a lit network incurs break-fix and locate costs as well.

8.3 THE MEET-ME SHELTER CONCEPT

In downtown Arcadia, a single “meet me” shelter could be installed, and while it could be a freestanding cabinet, a small pre-fab shelter might be a better choice. A meet me shelter is a telecom cabinet or shelter with fiber cables installed between the cabinet and nearby office buildings, commercial buildings, and retail spaces. Providers only have to reach the meet-me shelter location,

lowering their costs. The City would provide a conduit and dark fiber system between the meet me shelter and downtown business and office spaces.

This approach dramatically reduces the upfront costs that providers must spend to reach business customers. It allows smaller providers to affordably enter the downtown Arcadia marketplace and compete with the larger, more expensive incumbents.

The dark fiber approach minimizes operational costs. Service providers would install their own equipment in the shelter and would pay a modest monthly lease fee for the fiber strands they use to connect customers to their services.



8.4 OVERVIEW OF THE CONDUIT/FIBER SYSTEM

The conceptual design of a telecom and broadband infrastructure is typically completed during the planning process. A conceptual design provides a high level road map used to further develop a specific implementation project. A conceptual design usually includes:

- Network architecture at a high level, including the amount of fiber and wireless connectivity and how it can be deployed.
- Early areas of deployment (e.g business parks, downtowns, residential, schools, and/or other areas) tied to broader community and economic development plans).
- Pre-design estimates of the cost of construction of the initial network investments, usually using cost studies developed in the initial deployment areas. These estimates include identification of major network costs and components.

The architecture for the Sandpoint Network is based upon a dark fiber and passive infrastructure architecture.

Network Core

In Arcadia the system will be comprised of the initial conduit/fiber network and any future expansion. Service Provider equipment will be located at the provider cabinet. The City will provide and manage a centrally located patch panel for allocating and managing the leased fiber strands.

Distribution and Access Networks

Arcadia would invest in passive network elements which will consist of conduit, dark fiber, splice closures, and handholes. A single pre-fab shelter will be the termination point for the downtown fiber

and conduit. The last mile fiber infrastructure (fiber drops to buildings and network electronics) would be provided by service providers.

Service Provider Attachment

Service Providers will be able to connect to Arcadia fiber at any handhole or splice closure on the network. Access to splice closures is managed by the City. Any IRU/lease holder who needs a splice in an existing handhole or splice closure must place an order with the City and will be charged for the actual cost, plus 20%.

Service Delivery & Provisioning

Service providers will be responsible for installing their own equipment and configuring and managing their own services over the fiber.

8.5 SERVICE OFFERINGS

Service offerings are created by the providers who lease the infrastructure. With the right equipment installed the dark fiber can deliver Voice, Video, Internet, and almost any other broadband service known today.

A variety of services are likely to be offered, including:

- Business triple play (voice, TV, Internet).
- Internet Protocol services (e.g. Internet access)
- VoIP
- Layer 3 IP VPNs
- Layer 2 VPNs
- Data back up services
- Video on demand

8.6 EQUIPMENT

A downtown dark fiber network would benefit both existing ISPs and new ISPs by providing affordable high performance transport in downtown Arcadia.

This network would not offer any telecommunications services. It would provide only dark fiber leases and Indefeasible Right of Use (IRU) agreements to qualified telecommunications companies.

The City would not be selling any telecommunications services. That would continue to be the domain of the private sector providers. The network could also improve access to City facilities in the downtown area.

Broadband Construction Timetable

Project Type	Project Execution Planning	Project Procurement	Project Engineering and Construction	Total Estimated Timeline
Fiber to the business projects	4-6 months	4-6 months	6-12 months	14-24 months

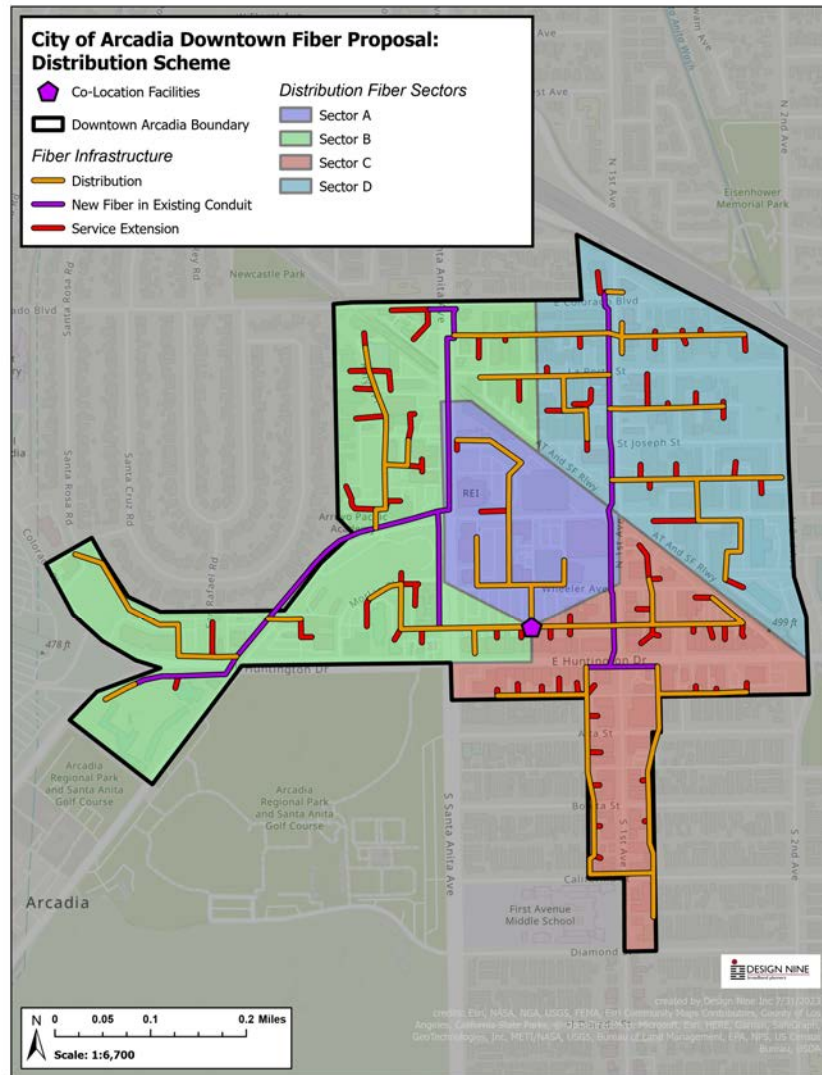
8.7 CONDUIT AND DARK FIBER DESIGN

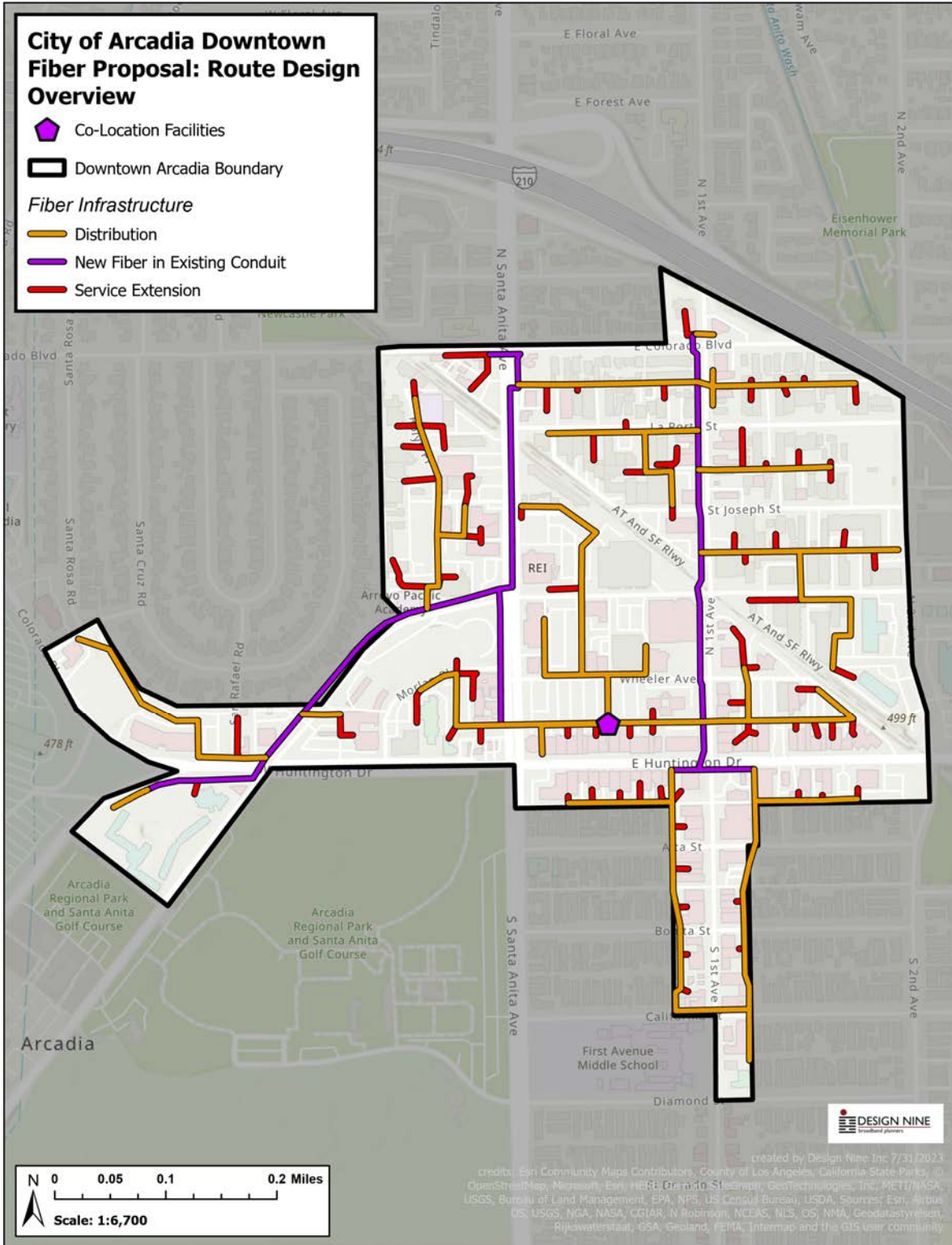
The Arcadia network would include only passive network items, including conduit, dark fiber, a single shelter, and patch panels. The City would not own or have any responsibility for network electronics (e.g. fiber switches, routers, power supplies, etc.). In the downtown core, the City will be deploying multi-path conduit for use by providers.

Multi-path conduit - For all current and future conduit expansions in the downtown core, the City should standardize on 22/16 7-way Dura-Line FuturePath or equivalent. In most cases there will be 2x 7-way conduits in all distribution locations and a single 7-way conduit in most handholes.

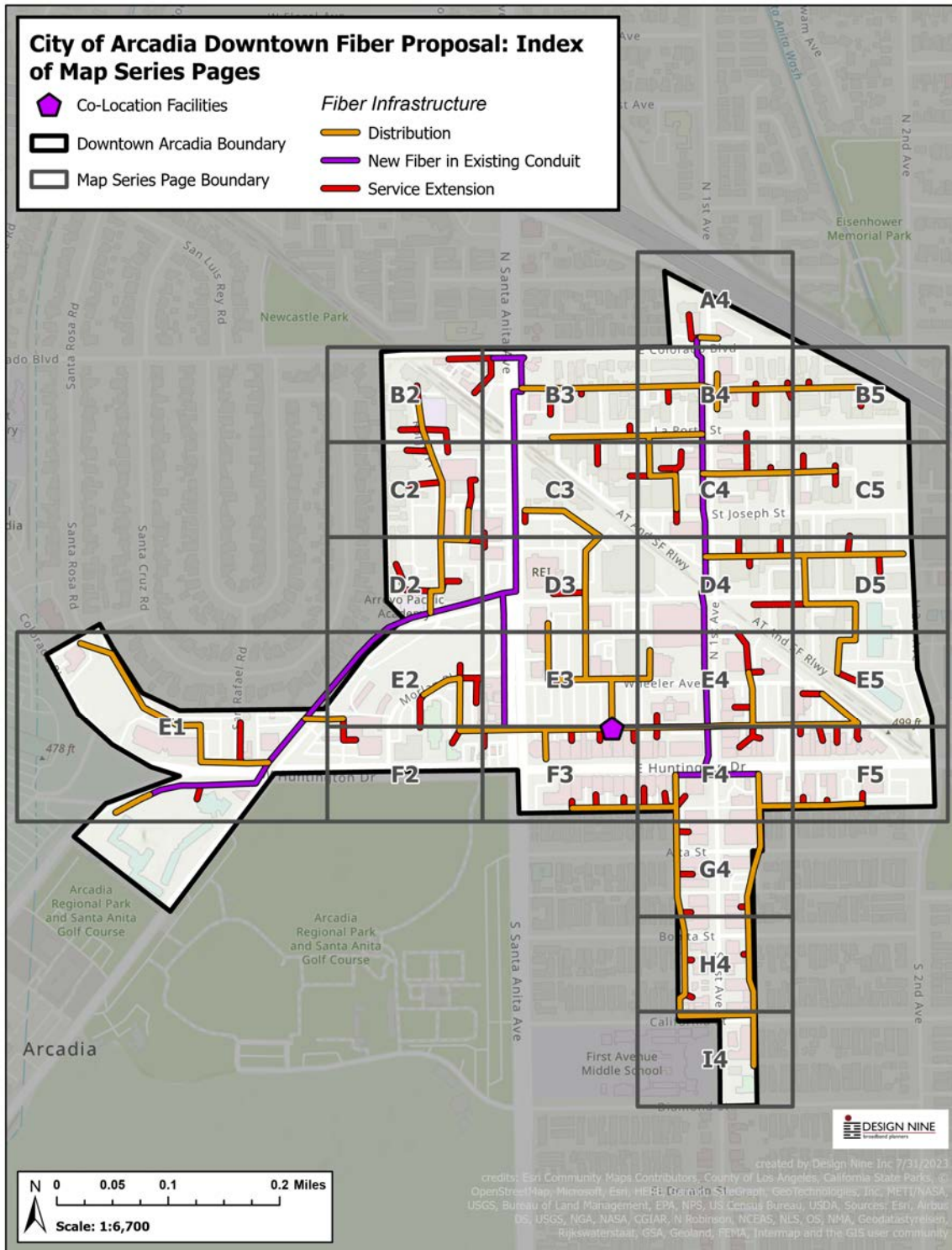
Oversized Vaults - In the downtown core the City should standardize on 36" x 48" x 36" double lidded maintenance holes. These oversized vault will allow multiple providers to store slack and place splice enclosures in the vaults.

Conduit and handhole installation and construction times can be dependent on weather and on procurement. Most grant-funded projects require careful attention to a public procurement process, which can add 90 to 180 days to the timeline.





This map illustrates individual section maps contained in Appendix B.



8.8 CONDUIT AND DARK FIBER COST ESTIMATE

The tables in this section provide a projected estimate of the cost to build out the entire conduit, handhole, and dark fiber system as proposed in the previous section. It is not necessary to build out the entire system at one time, and the distribution scheme as designed in the first map in Section 8.6 illustrates one possible deployment scheme in four parts. Other build out schedules are also possible.

The full build is approximately six miles of conduit. In the urban conditions in downtown Arcadia, all of the work could easily be completed in less than one year.

Fiber construction times can be dependent on weather (more weather related delays are likely in late fall through early spring) and on procurement. The time of year that requests for proposals are issued can affect the cost of a project. If possible, fiber construction bids are likely to be most favorable when bid out in the fall.

Most grant-funded projects require careful attention to a public procurement process, which can add 90 to 180 days to a typical construction timeline. Costs for the project have been estimated based on current market prices observed on similar projects. Supply chain delays that were common eighteen to twenty-four months ago have eased, but some materials may still have long lead times (several months). The costs provided here should remain reliable for three to six months. Actual construction costs cannot be fully ensured until formal quotes have been received from fiber contractors.

Arcadia Fiber Route Overview

0	ITEM/PROJECT	VALUE
1	Miles of Fiber / Conduit Installed	5.99
2	Number of Handholes Installed	223
3	Splice Closures Installed	150
4	Cabinets Installed	0
5	Number of Buildings Connected	235
6	Take Rate - Percentage of the Buildings Passed who are connected	50%
7	Aerial - Percentage of construction expected to be installed on utility poles.	0%
8	Trenching - Percentage of construction installed by trenching	0%
9	Boring - Percentage of construction installed by horizontal drilling.	96.25%
10	Slot Cutting - Conduit installed in street by special methods.	5%
11	Rock Saw - Required where rock prevents the use of other methods.	5%
12	Direct Bury - Conduit installed by direct bury methods (plow, vibratory plow)	0%
13	Aerial Info	0% Aerial is estimated to account for water body crossings and other obstacles to construction.
14	Other Notes	Estimated labor rates are based upon common rates seen for recent medium sized rural projects.

Arcadia Fiber Cost Summary

0	ITEM/PROJECT	ESTIMATED
1	Construction Materials	\$418,643
2	Distribution Labor	\$1,329,569
3	Structures, Cabinets, and Equipment	\$195,306
4	Drop Construction	\$922,375
5	Network Construction Subtotal	\$2,865,892
6	Project Mgmt, Network Engineering, Integration, and Testing	\$358,237
7	Misc Fees, Advertising, Technical Services	\$4,299
8	Bookkeeping and Administration	\$7,500
9	Engineering, Permitting	\$214,942
10	Legal Costs	\$4,299
11	Other Costs Subtotal	\$589,276
12	Project Total	\$3,455,169
13	Contingency at 5%	\$172,758
14	Project Total (with contingency)	\$3,627,927

1	ITEM/PROJECT	UNITS	UNIT COST	UNIT COST	TOTAL (AVERAGE)
2	Aerial Construction	0	\$4	\$6	\$0
3	Trenching	0	\$17	\$24	\$0
4	Boring	24,107	\$26	\$35	\$735,257
5	Slot Cutting	1,252	\$10	\$14	\$15,028
6	Rock Saw	1,252	\$22	\$43	\$40,700
7	Direct Bury / Vibratory Plow	0	\$12	\$12	\$0
8	Make Ready Heavy	0	\$800	\$1,200	\$0
9	Make Ready Light	0	\$350	\$500	\$0
10	Pole Replacement	0	\$3,000	\$6,000	\$0
11	Handhole Installation - Soft Surfaces	34	\$625	\$840	\$24,905
12	Handhole Installation - Hard Surfaces	189	\$1,600	\$2,350	\$373,275
13	FOSC Assembly and Installation	150	\$450	\$600	\$78,750
14	Splicing (per splice estimate)	2,090	\$24	\$35	\$61,655
15	Total:				\$1,329,568.9
16					
17	Construction labor based on past project experience. Bidding environment can have a significant affect on labor pricing, especially for small projects.				

1	ITEM/PROJECT	UNITS	UNIT COST LOW	UNIT COST HIGH	TOTAL (AVERAGE)
2	Duraline 1.5" HDPE - 2 way divided reel	7273	\$0.86	\$0.96	\$6,618
3	Duraline 7-Way with Pinpoint Trace Wire	17773	\$2.50	\$2.80	\$47,098
4	Buried Fiber Marker Posts/Medallions	140	\$20.00	\$25.00	\$3,150
5	288 Strand Fiber Optic Cable (avg strand count)	17773	\$1.75	\$2.80	\$40,434
6	Slack Fiber (50' per hand hole)	11200	\$1.75	\$2.80	\$25,480
7	Large Handhole - 24x36x36 Concrete Polymer (incl. Lid)	235	\$850.00	\$1,000.00	\$217,375
8	Handhole Installation Materials (Gravel, Straw, etc.)	223	\$15.00	\$30.00	\$5,018
9	Fiber Splice Closure (Type D) with Trays/Basket	158	\$445.00	\$485.00	\$73,470
10	RR Crossings - Added Permitting & Engineering Costs	0	10,000.00	25,000.00	\$0
11	Total:				\$418,643
12					
13	Construction materials estimated with 5% overage for waste & slack. Contractor responsible for furnishing OSP materials. Recent lead times on fiber optic cable have been 90 days or more. Conduit, mule tape, tracer, and other linear foot items are often ordered as a single product on a single reel. Coordinate material ordering with contractors to match contractors' installation preferences.				

Equipment / Drops

1	ITEM/PROJECT	UNITS	UNIT COST LOW	UNIT COST HIGH	TOTAL (AVERAGE)
2	12x20 Pre-fabricated Telecom Shelter	1	\$97,767	\$115,000	\$106,384
3	Shelter Shipping	1	\$9,844	\$12,500	\$11,172
4	Site Prep and Shelter Installation	1	\$19,500	\$25,000	\$22,250
5	Generator	1	\$12,500	\$17,500	\$15,000
6	Electrical Fit-up, Generator, and service	1	\$10,000	\$12,500	\$11,250
7	Building Fit-up (Racks, Cable Management, etc.,)	1	\$6,500	\$10,000	\$8,250
8	FieldSmart 288F Patch Panel	4	\$5,000	\$5,500	\$21,000
9	Total:				\$195,306
10					

1	ITEM/PROJECT	UNITS	UNIT COST LOW	UNIT COST HIGH	TOTAL (AVERAGE)
2	Drop Construction - Service Location Handholes are being placed close to the buildings in most situations. This work will vary widely and will include some concrete/ pavement cutting, surface mount conduit on buildings, and could include inside work into telecom closets etc.,	235	\$2500	\$5000	\$881,250
3	Patch Cables, NID, Mounting Hardware, and Materials	235	\$150	\$200	\$41,125
4	Total:				\$922,375
5					

8.9 COST ESTIMATE ASSUMPTIONS

The cost estimate for the conduit and dark fiber networks are based on current prices for materials and labor. Material prices have been somewhat volatile for the past eighteen to twenty-four months, but supply chain issues that were creating substantial price increases in 2021 and 2022 have moderated, but the pace of fiber deployment continues to increase, which can affect materials pricing.

Labor costs have also been increasing over the past two years, again because of the increased pace of fiber to the premises deployments. Weather and the time of year that the bid is released can have a significant effect on the cost fiber construction. Construction bids released in early to mid fall will typically attract better pricing than bids released in the winter and spring.

The costs projected in this estimate can be affected by several factors. The costs have been conservatively estimated, but it should be assumed that this estimate only reflects market pricing for ninety days from the date of this report (late spring 2023). The true cost of fiber construction project has to be determined by bidding the labor and materials and getting binding quotes.

Once dark fiber cable and/ existing or new towers have space available to lease to WISPs, there are policy and contract decisions that must be evaluated.

8.10 DARK FIBER LEASE CONSIDERATIONS

Passive fiber infrastructure (i.e. no electronics) can include conduit, fiber cable, splice closures, and cabinets. Because all powered network equipment would be provided by the lessee (i.e. the ISP), there is no day to day management responsibilities and only occasional routine maintenance. Emergency break-fix for situations like a cable broken by a construction firm working in the right of way can be outsourced to a qualified private sector provider. Local governments routinely manage much more complex water and sewer systems. Some guidelines for leasing dark fiber include:

- There should be a single public price list for the cost of leasing fiber strands.
- A standard master agreement should be used for leases. This agreement will typically require an SLA (Service Level Agreement) that specifies repair times for emergency break-fix (i.e. the fiber cable has been damaged and a qualified break-fix repair firm must be on call to make repairs).
- It will also be important to have Indefeasible Right of Use (IRU) pricing. Fiber strand leases are typically for periods of 10 years or less. IRUs are long term leases and are typically 20 to 30 years in length. IRU fees have two parts: a single upfront payment that usually reflects some portion of the construction cost for the fiber route. As an example, if a lease will include 12 strands of fiber on a 10 mile route of 144 strand fiber that cost \$100,000 to construct, the one time fee might be $12/144 * \$100,000 = \$8,333$. Most IRUs also have a modest annual maintenance fee that reflects the cost of maintenance and repairs; this would also be pro-rated to reflect the number of fibers assigned to the IRU agreement.
- Splice points and who is allowed to open handholes to perform splicing must be identified in the master agreement.

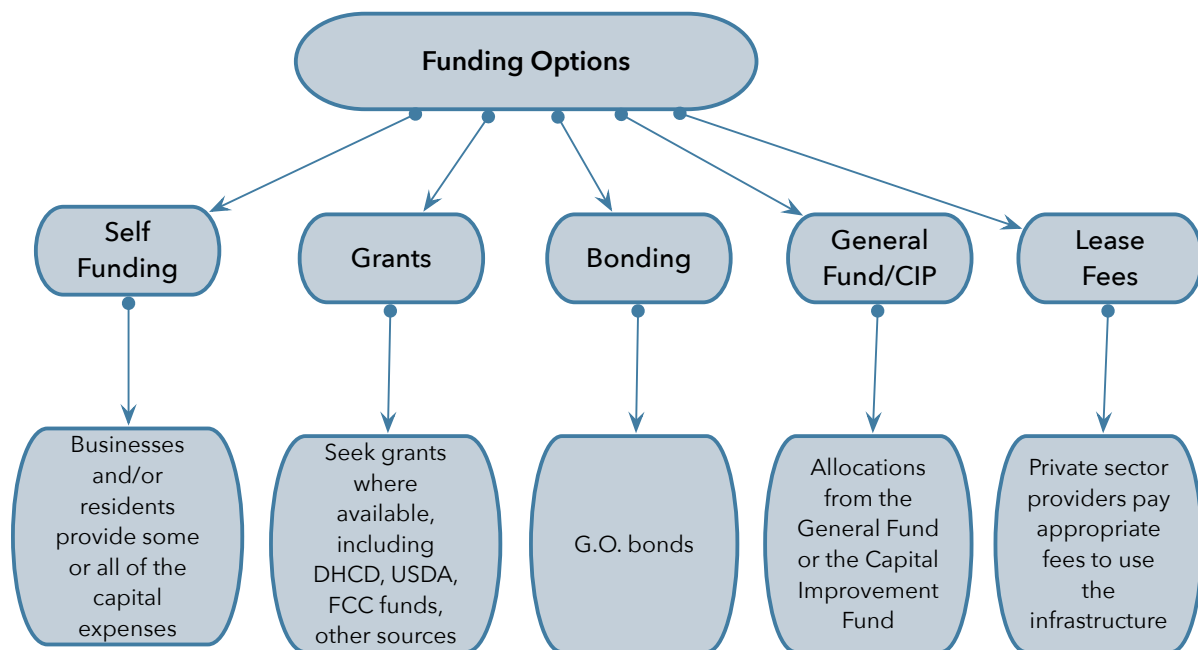
9 INFRASTRUCTURE FUNDING AND GRANT OPPORTUNITIES

There are a wide variety of state and Federal grant programs, and one outcome of the COVID crisis is a widespread recognition that access to affordable, high performance broadband for homes and businesses is both an economic and community development issue.

Funding opportunities vary from state to state. The American Rescue Plan Act of 2021 (ARPA) allowed states and local governments to use some ARPA funds for broadband infrastructure improvements. Many localities chose to simply pass their ARPA funds directly to local and regional ISPs, with varying results. Some ISPs that received funds had little or no experience building fiber to the home networks, and their construction efforts have been slow and/or more costly than projected. Some areas have received excellent fiber to the home and fiber to the business services.

It is important to note that any investment by the City in broadband infrastructure should be focused on passive infrastructure. Passive infrastructure can be leased to private sector service providers, generating long term revenue for maintenance and expansion. Leasing passive infrastructure like towers and dark fiber is not a telecommunications service.

These assets will have a conservative life span of 30 years or more (e.g. wireless towers, conduit, fiber cable). These types of infrastructure investments create hard assets that have tangible value and can then be leveraged for additional borrowing. The demand for services and the associated fees paid for those services will provide the revenue that will pay back loans over time. There is ample time to recoup not only the initial capital investment, but also to receive regular income from the infrastructure.



The financing of local government and/or community-owned telecommunications infrastructure faces several challenges with respect to funding.

- Not all local governments are willing to commit to making loan guarantees from other funding sources like property taxes, because the idea of community-owned telecom infrastructure has a limited track record and therefore a higher perceived risk.
- Similarly, citizens are not always willing to commit to the possibility of broadband fees or higher taxes that may be needed to support a telecom infrastructure initiative, for many of the same reasons that local governments are still reluctant to make such commitments: perceived risk and a lack of history for such projects.
- Finally, banks and investors are also more skeptical of community telecom projects because of the relative newness of the phenomenon. By comparison, there are decades of data on the financial performance of water and sewer systems, so the perceived risk is lower.

Somewhat paradoxically, the cost of such a community digital road system is lower when there is a day one commitment to build to any residence or business that requests service. This maximizes the potential marketplace of buyers and attracts more sellers to offer services because of the larger potential market. This is so because:

- Service providers are reluctant to make a commitment to offer services on a network without knowing the total size of the market. A larger market, even if it takes several years to develop, is more attractive.
- Funding agencies and investors that may provide loans and grants to a community network project want to know how the funds will be repaid and/or that grants will contribute to a financially sustainable project. Knowing that the size of the customer base is the maximum possible for a service area helps reduce the perceived risk for providing loans and grants.

9.1 CALIFORNIA FUNDING OPPORTUNITIES

The California Advanced Services Fund has played a crucial role in supporting broadband infrastructure development and promoting equitable access to high-speed internet services in California. By addressing the needs of unserved and underserved communities, the CASF aims to bridge the digital divide and foster economic growth, education, healthcare, and improved quality of life for all Californians.

Broadband Infrastructure Grant Program (BIGP)

The California Department of Housing and Community Development (HCD) administers the Broadband Infrastructure Grant Program. It offers grants to local governments, tribal entities, and nonprofit organizations for broadband infrastructure projects in unserved and underserved areas of California. The funding for the program can vary depending on the budget allocated by the California Department of Housing and Community Development (HCD) and other factors. The program aims to expand broadband access, bridge the digital divide, and promote equitable connectivity across the state. Here are some key details about the Broadband Infrastructure Grant Program (BIGP):

Funding: The BIGP provides funding through grants to support broadband infrastructure projects. The specific amount of funding available can vary depending on the program budget allocated by the California Department of Housing and Community Development. Funding may come from various sources, including federal grants, state funds, and other funding streams.

Eligibility: Eligible applicants for the BIGP grants include local governments, tribal entities, and nonprofit organizations. These entities can apply for funding to implement broadband infrastructure projects in unserved and underserved areas of California. The program prioritizes projects that demonstrate a clear need for broadband access and propose sustainable and scalable solutions.

Project Types: The BIGP supports a wide range of broadband infrastructure projects, including the deployment of broadband networks, upgrading existing infrastructure, and other related initiatives. Projects can involve different technologies such as fiber optics, fixed wireless, satellite, or other suitable broadband technologies that meet the program's goals.

Unserved and Underserved Areas: The BIGP focuses on addressing the needs of unserved and underserved areas in California. Unserved areas are defined as those lacking access to broadband speeds of at least 6 Mbps (download) and 1 Mbps (upload). Underserved areas are those with access to speeds below 25 Mbps (download) and 3 Mbps (upload). The program targets these areas to expand broadband connectivity and bridge the digital divide.

Application Process: Interested entities must submit a grant application to the California Department of Housing and Community Development during designated application periods. The application typically requires detailed information about the proposed project, including project plans, budget, timeline, community impact, and other relevant details. The HCD evaluates the applications based on program criteria and priorities to determine funding recipients.

Matching Funds: The BIGP may require applicants to provide matching funds or demonstrate additional sources of funding to supplement the grant. The matching requirements may vary depending on the project and its scope. The purpose of matching funds is to ensure a shared investment in expanding broadband access and encourage collaboration among stakeholders.

Reporting and Oversight: Recipients of BIGP grants are typically required to submit periodic reports to the California Department of Housing and Community Development, detailing the progress of the project, expenses, outcomes, and other relevant information. The HCD monitors the projects to ensure compliance, proper use of funds, and the achievement of program objectives.

The Broadband Infrastructure Grant Program (BIGP) plays a vital role in supporting broadband infrastructure development in unserved and underserved areas of California. By providing financial assistance through grants, the program aims to improve broadband access, foster digital inclusion, and promote economic growth and community development. For the most up-to-date information about the program, it is advisable to visit the official website of the California Department of Housing and Community Development.

California Teleconnect Fund (CTF)

The California Teleconnect Fund is administered by the California Public Utilities Commission (CPUC) and provides discounted broadband and telephone services to eligible schools, libraries, hospitals, community-based organizations, and nonprofits. It aims to enhance digital access for these entities and improve connectivity in their respective communities. The program provides financial assistance through discounts rather than direct funding allocations. The CTF discounts are typically 50% off the cost of eligible services, and in some cases, the discount can be as high as 70% for qualifying entities. The specific funding available through the CTF program is not a fixed amount but rather depends on the total cost of eligible telecommunications services utilized by the participating entities. To obtain the most up-to-date information on the funding availability and discounts offered by the California

Teleconnect Fund (CTF), it is recommended to visit the official website of the California Public Utilities Commission (CPUC), which administers the CTF program. Here are some key details about the California Teleconnect Fund (CTF):

Eligibility: The CTF is available to eligible entities in California, including K-12 schools, libraries, community colleges, universities, hospitals, healthcare clinics, rural health care providers, community-based organizations, and nonprofits. Eligibility criteria may vary for different types of entities, and specific guidelines are provided by the CPUC.

Discounts: The CTF offers discounts on eligible telecommunications services. The standard discount is 50% off the cost of eligible services. However, for qualifying entities serving specific populations, such as schools with a high percentage of students eligible for the National School Lunch Program or rural health care providers, the discount can be as high as 70%.

Eligible Services: The CTF discounts apply to a wide range of eligible telecommunications services, including broadband internet access, voice services, and data transmission. These services can be obtained from participating telecommunications service providers who have entered into an agreement with the CPUC.

Application Process: Eligible entities interested in participating in the CTF program need to submit an application to the CPUC. The application process typically involves providing information about the entity, its needs, and the services it intends to utilize. The CPUC reviews the applications and determines eligibility based on the program guidelines.

Funding Source: The CTF is funded through a surcharge on intrastate telecommunications services in California. The surcharge is collected from telecommunications service providers and is used to provide the discounts to eligible entities. The exact surcharge rate and funding availability may vary over time based on CPUC decisions and program requirements.

Program Oversight: The CPUC oversees the CTF program and is responsible for establishing and implementing program guidelines, eligibility criteria, discount rates, and other program details. The CPUC also reviews and approves telecommunications service provider agreements to ensure compliance and participation in the program.

California Advanced Services Fund Broadband Adoption Account (CASF BAA)

Within the broader California Advanced Services Fund, the CASF Broadband Adoption Account focuses on promoting broadband adoption and digital literacy. The CASF is administered by the CPUC. It supports projects that address barriers to broadband access and help underserved communities take advantage of available broadband services. The CASF has a broader focus on broadband deployment and adoption. The CASF aims to expand broadband infrastructure and increase broadband adoption in unserved and underserved areas of California. While the CASF primarily focuses on infrastructure deployment, it also supports projects and initiatives that address barriers to broadband adoption and promote digital literacy.

These efforts to promote broadband adoption may involve partnerships with community-based organizations, educational institutions, and other entities working to improve digital inclusion. By addressing the challenges related to adoption and digital literacy, the CASF aims to ensure that communities have the necessary resources and skills to fully utilize broadband connectivity.

Governor's Broadband Initiative

The Governor's Broadband Initiative is an ongoing effort by the state government to bridge the digital divide in California. It encompasses various funding programs, policy initiatives, and partnerships aimed at expanding broadband infrastructure, improving access, and promoting digital equity across the state. This legislation, signed on July 15, 2021 in partnership with legislative leaders, advances the statewide broadband plan with expanded infrastructure prioritizing unserved and underserved areas. The California legislation includes:

- \$3.25 billion to build, operate and maintain an open access, state-owned middle mile network – high-capacity fiber lines that carry large amounts of data at higher speeds over longer distances between local networks.
- \$2 billion to set up last-mile broadband connections that will connect homes and businesses with local networks. The legislation expedites project deployment and enables Tribes and local governments to access this funding.
- \$750 million for a loan loss reserve fund to bolster the ability of local governments and nonprofits to secure financing for broadband infrastructure.

Creation of a broadband czar position at the California Department of Technology, and a broadband advisory committee with representatives from across state government and members appointed by the Legislature.

9.2 BEAD FUNDING

The BEAD (Broadband Equity, Access, and Deployment) Program has been allocated \$42.5 billion to expand Internet access. The funds will be distributed to individual states, based on the number of unserved households in each state. The BEAD program is part of the Infrastructure Investment and Jobs Act (IIJA) passed by Congress in 2021, with a total of \$46.2 billion in funds for broadband.

Funding will be distributed state by state based on the number of locations that fall below the 25/3 threshold. The program will allow some overbuilding (i.e. fiber deployment in areas that exceed the 25/3 threshold) but cannot be more than 20% of the total locations to be served. Areas that already have federal, state, or local funding allocated are not eligible; RDOF areas need to be examined as part of the application process, as they would not qualify.

Funds can be spend for:

- Broadband mapping, planning, and data collection.
- New or upgraded broadband infrastructure (i.e. materials and equipment).
- Cost of installation, labor, engineering, and related expenses.
- Workforce training and development.

An interesting requirement of acceptance of grant funds is that no data caps will be allowed. This is an excellent requirement that protects customers from a common type of “hidden” price increase in the future after the initial build is completed.

One billion of the \$42.5 billion has been allocated specifically for middle mile projects that will be operated as open access (non-discriminatory use by any and all providers and users). Partnerships are encouraged.

9.3 DIGITAL EQUITY ACT OF 2021

The Digital Equity Act of 2021 provides \$2.75 billion to establish three grant programs that promote digital equity and inclusion. These programs will fund projects that help ensure U.S. communities have the information technology capacity needed for full participation in society, democracy, and economy by promoting a diverse array of digital advancement projects.

These projects may range from providing digital literacy and digital skills education to low-income populations, improving the online accessibility of social services for individuals with disabilities, or more accurately measuring broadband access and adoption in rural communities.

Awards to the states were made in 2022. Local governments should check with the state agency administering these funds to determine if funds are still available.

The three programs are:

- The State Digital Equity Planning Grant Program is a \$60M formula grant program for states, territories and tribal governments to develop digital equity plans. This program is administered by allocating funds to each state, and the governor of each state will appoint an administering agency responsible for distributing the funds. No cost sharing or matching funds are required to apply for this program.
- The Digital Equity Capacity Building Grant Program is a \$1.44 billion formula grant program for states, territories, and tribal governments. As of late spring, 2023, this Federal program has not released a NOFA (Notice of Funds Availability).
- The Digital Equity Competitive Grant Program is a \$1.25 billion grant program. It will fund annual grant programs for five years to implement digital equity projects. As of late spring, 2023, this Federal program has not released a NOFA (Notice of Funds Availability).

9.4 MIDDLE MILE BROADBAND INFRASTRUCTURE PROGRAM

The Federal Middle Mile (MM) program allocated \$1 billion for high speed Internet access. The goal of the program is to expand middle mile infrastructure in unserved and underserved areas. “Middle mile” is defined as the mi-section of Internet infrastructure that transports high volume data at high speed over long distances. Middle mile investments can also assist with the development of redundant fiber routes, which are important for economic development, public safety, education, and health care.

Both states and local governments were eligible to apply, and collaborations were also eligible (e.g. city government and one or more ISP partners). For the final round of funding, grant applications were due in the fall of 2022. Over 235 applications were submitted, and as of early spring, 2023, awards have not yet been announced.

Grants can be used for the construction, improvement, or acquisition of middle mile infrastructure, including:

- Construction, improvement, or acquisition of facilities and equipment
- Engineering design, permitting and work related to project reviews
- Personnel costs, incl. salaries and benefits for staff and consultants
- Other costs necessary to programmatic activities

9.5 HUD COMMUNITY DEVELOPMENT BLOCK GRANTS

The U.S. Housing and Urban Development (HUD) Community Development Block Grant (CDBG) State Program allows the California state government to award grants to smaller units of general local government (e.g. counties, towns) that develop and preserve decent affordable housing, to provide services to the most vulnerable in a community, and to create and retain jobs. In recent years, CDBG funds have been successfully used for broadband infrastructure development where the local government applicant can show the improvements meet the general guidelines of the program—so grant funds have to spent in low and moderate income areas.

Over a one, two, or three-year period, as selected by the grantee, not less than 70% of CDBG funds must be used for activities that benefit low- and moderate-income persons. In addition, each activity must meet one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available. More information is available here (https://www.hud.gov/program_offices/comm_planning/communitydevelopment/programs).

9.6 OPPORTUNITY ZONES

An Opportunity Zone is an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as Opportunity Zones if they have been nominated for that designation by the state and has been approved by the Internal Revenue Service (IRS). Opportunity Zones are designed to create tax incentives for private investors to make investments that can encourage economic development and job creation in distressed communities. Opportunity Zones would be of most use for Internet Service Providers (ISPs) who could use the tax benefits to make a business case to improve Internet access in a qualifying area (zone).

Opportunity Zones are defined by census tract, and the Census Bureau’s Geocoder online tool can provide census tract ID numbers. A link to the list of currently qualified census tracts can be found on this page (<https://www.cdfifund.gov/opportunity-zones>). Arcadia does not appear to have any designated Opportunity Zones.

9.7 BONDING

Revenue bonds are repaid based on the expectation of receiving revenue from the network, and do not obligate the local government or taxpayers if financial targets are not met. In that respect, they are different from general obligation bonds. Many kinds of regional projects (water, sewer, solid waste, etc.) are routinely financed with revenue bonds. We believe many community projects will eventually finance a significant portion of the effort with revenue bonds, but at the present time, the limited financing history of most community-owned broadband networks has limited using revenue bonds.

Selling revenue bonds for a start up municipal network can be more challenging because there is no financial or management history for the venture. Bond investors typically prefer to see two or three years of revenue and expenses and a track record of management success. It would be advisable for the city to have an early conversation with qualified municipal bond counsel to assess the viability of this approach. **However, the Covid crisis and the subsequent increase in demand for better**

broadband seems to encouraged the bond market to regard muni broadband financing as less risky than in past years.

Obtaining funding using revenue bonds requires an excellent municipal credit rating and an investment quality financial plan for the operation and management of the network. Revenue bonds must be used carefully, and a well-designed financial model is required to show investors that sufficient cash flow exists to pay back the loans.

General obligation bonds are routinely used by local governments to finance municipal projects of all kinds. G.O. bonds are guaranteed by the good faith and credit of the local government, and are not tied to revenue generated by the project being funded (i.e. revenue bonds). G.O. bonds obligate the issuing government and the taxpayers directly, and in some cases could lead to increased local taxes to cover the interest and principal payments.

In discussions with bond underwriters, it has been suggested that it would be easier to obtain bond funds for telecom if the telecom bonding amount was rolled into a larger water or sewer bond, or some other type of bond request that are more familiar to the bond market (e.g. adding \$1M in telecom funds to a \$10M bond initiative for other improvements).

9.8 LEASE FEES

Initiatives like tower access and access to local government-owned conduit and fiber can create long term revenue streams from lease fees paid by service providers using that infrastructure. The City of Danville, Virginia has recovered their entire initial capital investment from lease fees paid by providers on the Danville fiber network.

9.9 COMMUNITY REINVESTMENT ACT

The Community Reinvestment Act (CRA) was developed forty years ago to encourage banks and savings institutions to help meet the credit needs of their local communities, with a focus on low and moderate income areas of those communities. The Federal agencies that oversee private banks assign a CRA rating to each institution. Banks are often looking for well-planned community efforts that need loans. Such loans can improve a bank's CRA rating.

The CRA was revised in 2016 to encourage banks to support community broadband efforts. A community broadband project may be able to get some loan financing from a local bank that wants to get credit for their CRA work.

9.10 CONNECTION FEES

Tap fees, pass by fees, and connection fees are already commonly used by local governments for utilities like water and sewer. The revenue share model can be strengthened from additional sources of revenue, including one time pass by fees, connection fees and sweat equity contributions. It is important to note that the Co-op Membership Fee can be treated as a connection fee in whole or in part.

Pass By Fees – Pass by fees could be assessed once the fiber passes by the property, just as some communities assess a pass by fee when municipal water or sewer is placed in the road or street-and the fee is assessed whether or not the premise is connected, on the basis that the value of the property has been increased when municipal water or sewer service passes by. At least one study has indicated

that properties with fiber connections have a higher value by \$5,000 to \$7,000 than similar properties without fiber access.

One Time Connection Fees - A one time connection fee can be assessed to property owners (e.g. residents and businesses) when the fiber drop from the street to the premise is installed. This is similar to the kinds of connection fees that are typically charged when a property is connected to a municipal water or sewer system. The fee is used to offset the cost of the fiber drop and the Customer Premise Equipment (CPE) needed to provide the operational access to the network. The connection fee can be modest (e.g. \$100) or it can be a larger percentage of the actual cost of the connection. Fiber CPE may range from \$250 to \$350 and a fiber drop may cost from \$200 for a premise very close to the distribution fiber passing along the property to \$1,000 or more if the premise is hundreds of feet from the road. One variant would be to charge a minimum connection fee for up to some distance from the road (e.g. \$100 for up to 75' and \$2 for each additional foot).

There is already some data that indicates that residential property values increase by as much as \$5,000 to \$7,000 if fiber broadband services are available, so pass by fees can be justified on the basis of increased property values accruing to the property owner. Given the novelty of this approach, pass by fees may need more time to become an accepted finance approach, but tap fees (for installing the fiber cable from the street or pedestal to the side of the home or business) may be easier to use, especially for businesses that may need improved broadband access. Tap fees have the potential of reducing the take rate in the early phases of deployment, but as the value of the network becomes established, it is likely that there will be much less resistance to paying a connection fee.

9.11 NEW MARKETS TAX CREDIT

New markets tax credits are a form of private sector financing supported by tax credits supplied by the Federal government. The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). The CDEs apply to the Federal government for an allotment of tax credits, which can then be used by private investors who supply funds for qualifying community projects. Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities.

The credit provided to the investor totals 39% of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to 5% of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six % annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.

Throughout the life of the NMTC Program, the Fund is authorized to allocate to CDEs the authority to issue to their investors up to the aggregate amount of \$19.5B in equity as to which NMTCs can be claimed.

These tax credits can be quite useful, and there may be some areas that qualify. However, it can take up to a year or more to apply and then finally receive NMTC-related cash. This can be a useful long term source of funds.

9.12 SPECIAL ASSESSMENT/SERVICE DISTRICT/TIF

Communities like Bozeman, Montana and Leverett, Massachusetts have been funding broadband infrastructure improvements with special assessments (in Leverett, \$600/year for five years), and in Bozeman, TIF (Tax Increment Funding) is being used in some areas to add telecom conduit, handholes, and dark fiber. In some localities, it is possible to levy a special assessment in a service district designated for a particular utility (like broadband) or other kind of public service.

Charlemont, Massachusetts is adding an \$11/month assessment to every household to build a town-owned Gigabit fiber network that will pass every household in the community. A town-wide vote supported this funding approach. Put in perspective, the average cost of a large, single topping pizza in the U.S. is currently \$9 to \$12.

Tax Increment Financing (TIF)

Consider establishing a Tax Increment Financing district or utilizing an existing TIF district to capture future increases in property tax revenue resulting from broadband infrastructure improvements. The additional revenue can then be allocated towards funding broadband initiatives.

Special Purpose Local Option Sales Tax (SPLOST)

If applicable, consider using a portion of the revenue generated from a local sales tax dedicated to specific infrastructure projects, such as broadband deployment. This can provide a reliable funding source for broadband initiatives within the designated timeframe of the sales tax program.

Utility Fees and Special Assessments

Some local governments have evaluated the potential of a \$10-12 utility tax levied on every household and business to finance a full fiber to the premises build out, including a modest “free” Internet service that would be adequate for email and light Web use. Most households will probably choose to select a higher performance Internet package from a private provider on the network. A \$10/month special assessment (the average cost of one large pizza) on every business in the downtown area in Arcadia could raise as much as \$960,000 for broadband over 20 years—enough to pass nearly all downtown buildings with conduit and dark fiber.

The table below shows the kind of funds that could be generated over several time periods. If \$10 per month were collected from each household for 30 years, it would easily finance the immediate build out of Gigabit fiber that would pass nearly all homes and businesses in the downtown portions of Arcadia. A lesser amount (e.g. \$2/month over 20 years) would easily finance the immediate build out of a comprehensive telecom conduit and dark fiber system in the downtown area..

Arcadia Special Assessment Examples		
Monthly Assessment Amount	Twenty Year Assessment	Thirty Year Assessment
Number of Premises/Businesses	400	
\$1	\$96,000	\$144,000
\$2	\$192,000	\$288,000
\$5	\$480,000	\$720,000

Arcadia Special Assessment Examples		
Monthly Assessment Amount	Twenty Year Assessment	Thirty Year Assessment
Number of Premises/Businesses	400	
\$10	\$960,000	\$1,440,000

9.13 GRANT APPLICATION ACTIVITIES

Activity	Description	Discussion	Tasks
Develop a grant application	The grant application process, from start to award announcement, can be nine to 12 months.	Broadband grant application requirements have become more stringent over time, with more grant agency oversight and review. Careful planning is essential to develop a successful application.	<ul style="list-style-type: none"> • Once a grant opportunity has been identified, review grant requirements to determine if the project can qualify. For example, some grants require two years of financial history. • Identify regional agency that will assist. • Begin contacting potential ISP partners. • If the project qualifies, identify at least two people to take the lead to prepare application. • Prepare a task list of all grant materials requirements and identify data needed. • Develop a timeline for developing sections of the grant. • Identify requirements for letters of support and matching funds and develop timeline to solicit and collect commitments. • Complete all sections of grant application with assistance from public and private partners. • Submit grant application.

Typical Timeline	Months											
	1	2	3	4	5	6	7	8	9	10	11	12
Determine grant qualifications	█											
Identify regional council partner	█											
Identify ISP partner if needed		█										
Appoint grant team	█											
Create grant task list		█										
Prepare timeline and assign tasks to partners		█										
Identify matching fund requirements and letters of support to solicit and collect as needed		█	█	█								
Complete all sections of the grant application			█	█	█							
Submit grant					█							
Grant agency review						█	█	█	█			
Awards announcement										█		

10 OBSTACLES TO BROADBAND DEPLOYMENT

When considering obstacles to broadband deployment in downtown Arcadia, several factors may come into play. Here are some potential obstacles that can hinder broadband deployment:

Physical Infrastructure Challenges

The physical infrastructure of downtown Arcadia can pose obstacles to broadband deployment. This includes difficulties in accessing utility poles, lack of available conduit or ducts for fiber optic cable installation, or the need for significant trenching or construction work to lay infrastructure. The cost of installing underground conduit and fiber in built up urban areas (i.e. downtown Arcadia) can be significantly higher than in residential neighborhoods—part of the reason many residential areas of the city already have fiber service when large portions of the downtown area do not.

Rights-of-Way and Permitting

Securing rights-of-way for deploying broadband infrastructure in public spaces can be a complex and time-consuming process. Obtaining necessary permits, dealing with regulatory requirements, and navigating through local zoning and land-use regulations may create obstacles to timely deployment. The City should ensure that the City engineering and permitting processes and construction requirements are reasonable. A frequent complaint from fiber contractors throughout the U.S. is that some municipalities are very slow in processing telecom infrastructure permits.

Cost and Financing

The financial burden of deploying broadband infrastructure can be a significant obstacle. The upfront costs of network deployment, including equipment, materials, labor, and ongoing maintenance expenses, can be substantial. Limited funding or difficulty in securing financing options may impede deployment efforts. The City could help offset private sector capital costs by constructing a shared conduit/fiber system in the downtown area.

Regulatory Barriers

Regulatory frameworks at the local, state, or federal level can pose obstacles to broadband deployment. These may include outdated or restrictive regulations, permitting delays, or requirements that increase the cost and complexity of infrastructure deployment.

Limited Competition

Lack of competition among broadband service providers can hinder deployment efforts. In areas where a single provider dominates, there may be less incentive for investment and innovation. Encouraging competition can spur infrastructure development and drive improvements in service quality and affordability. A shared conduit/fiber system would likely bring new providers who are interested in serving the downtown businesses, and new ISP entrants to an existing market usually brings lower prices, better service, and higher speeds for businesses.

Stakeholder Engagement and Community Support

Lack of business awareness, engagement, or support for broadband initiatives can be an obstacle. It is important to educate and engage businesses, the Chamber of Commerce, and any local merchant associations to build understanding, support, and participation in broadband deployment efforts

APPENDIX A: BROADBAND PROVIDER ANALYSIS

This report section includes information which shows what Internet services are available to The City of Arcadia businesses and residents and how much business and residents pay for the services they chose. Appendix A contains more detail on provider services, prices, and packages.

Pricing information is often difficult to obtain because many providers intentionally do not want the local government, businesses, or residential customers to be able to do comparison shopping.

The true cost of a package of Internet is often hidden behind promotional pricing and hidden taxes and fees, making it difficult for a customer to decipher or it requires a phone call to a sales representative. Business pricing is even more difficult to assess because many ISPs will refuse to provide any pricing without a site survey.

Our data is assembled from several public sources that provide data on Internet use, including FCC data, social media data, and commercial Web sites that provide Internet use data. The best information utilizes zip codes but those boundaries are not aligned with local government jurisdictions, and some zip code data as we discuss later includes areas have no information. Adjustments are noted.

The information in these charts and tables is current as of late March 2023, and shows the **areas where service providers claim to provide service**. Percentages of customers being offered different kinds of service do change as equipment is upgraded or new neighborhoods are reached. Because of rapid changes that can take place with pricing and available services, this report should be only viewed as a snapshot of the information when the report was written. It would be very unusual for service provider data to remain the same even one or two months later. Changes are happening quickly in Arcadia.

This report also provides estimates of pricing, services and speeds received by households in a particular zip code. Actual pricing, services, and speeds are more discoverable in survey responses which document what services customers actually have. We have included business information that is available without a site survey.

Nationally, Consumer Reports found in their Summer 2021 Broadband Survey, "Fifteen percent of American households only have access to the internet through their smartphone data plan and one in 20 use DSL or dial-up to access the internet. Three percent of Americans say their household does not have access to the internet."¹ These are good metrics to compare coverage in your City. We estimate that about 9% of The City of Arcadia residents use DSL and less than one half a percent use dial-up.

An initial estimate is that 9% of The City of Arcadia residents access the Internet only with their smartphone and another 5% only have satellite Internet access. These services are more expensive than fixed wireless (FW) or fiber. Consumer Reports recently stated that 84% of their members in March 2022, agreed that Internet service is "as important as water or electricity." National surveys mirror those numbers with the latest number there being an April 2020 survey showing 80% of all surveyed consumers saying the same thing.²

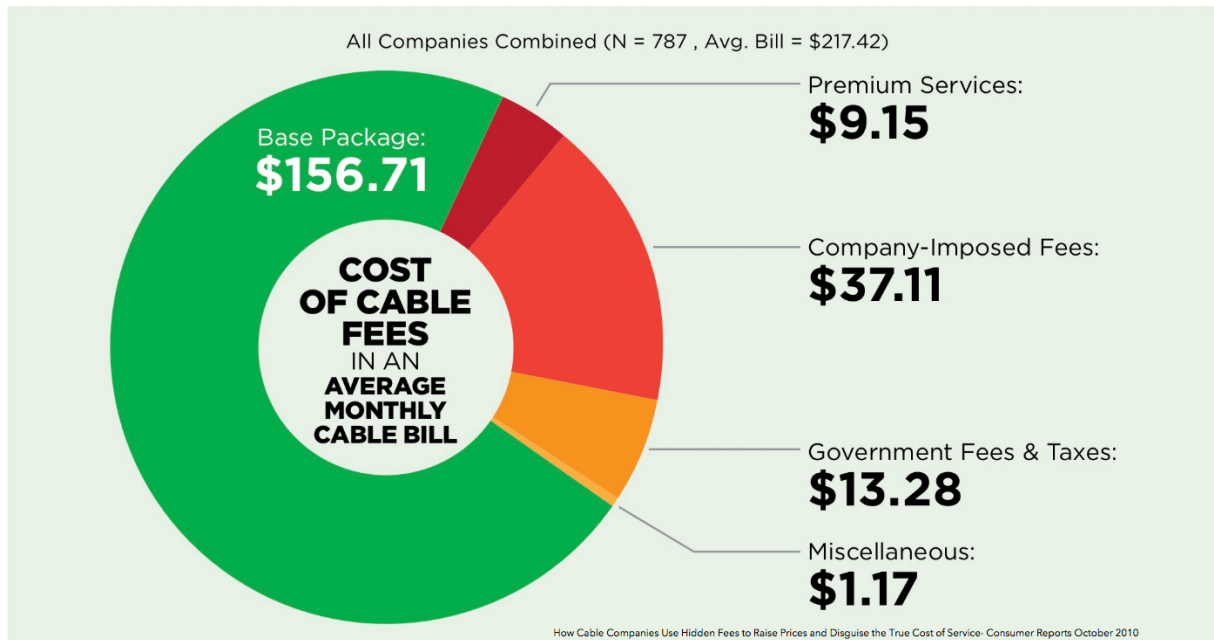
¹ Broadband Survey, Consumer Reports, July 2021

² Best and Worst Home Internet Providers of 2022, By James K. Willcox, November 7, 2022, page 1

According to a 2019 Consumer Reports study³, the national average advertised price for standard triple play services of Internet, television, and telephone across the country is \$156.17. Because of fees and taxes, the actual national average cable bill was \$217.42. Nationally, consumers got an average of 24% added to their bill. Our information shows those prices have not gone down. Data caps which were turned off early in the pandemic are back⁴ in many areas.

In their 2022 study of 22,000 bills Consumer Reports found companies imposed “junk fees”—under names such as “network enhancement fee,” “internet infrastructure fee,” “deregulated administration fee,” and “technology service fee.” These are not government required fees. They only improve the company’s profits and sometimes used to raise costs for customers without breaking contracts.⁵ Dealing with data caps can also be expensive for consumers, often adding \$30 or more per month.

Figure A: Cost of Cable Fees in an Average Monthly Cable Bill (2018)



³ Cord Cutting Continues, Fueled By High Cable Pricing, Consumer Reports' Survey Finds 9/17/2019

⁴ Consumer Reports -Get Ready for Cable TV and Internet Price Hikes and Data Caps in the New Year 12/21/20

⁵ What Consumer Reports Learned From 22,000 Internet Bills.- Dec. 17, 2022, page 4

This rate card is typical of the complexity of fees that consumers face when they are trying to bundle services.

Digital Services

All pricing below is monthly unless otherwise indicated

PREMIUM MOVIE SERVICES

HBO Max, Cinemax, Starz/Encore	\$19 each
HBO Stand Alone	\$19
Showtime/TMC	\$10.99
Add Showtime/TMC to any single Premium service or any two or three Premium services	\$10.99
Any two Premium Movie Services	\$32
Any three Premium Movie Services	\$42
Hispanic Tier	\$6
Digital Value Pack	\$16
TV Plus	\$12

EQUIPMENT RATES

Wired/Wireless EMTA	\$12.50
Wired or Wireless Docsis 3.1 Modem	\$12.50
Modem	\$10.50

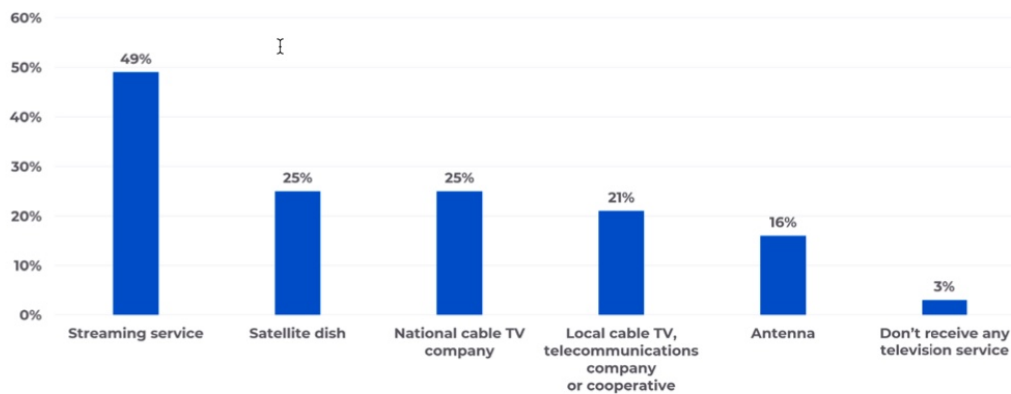
OTHER SERVICES & FEES

2nd Phone Line	\$20
Caller ID, Voice Mail & Voice Mail to Email	\$7
International Calling	Varies
Cable Service Guard	\$5
Installation (call for details)	\$0 - \$90
Activation Fees (call for details)	\$0 - \$100
Equipment Deposits	May apply
Sports Surcharge	\$9.20
Broadcast TV Surcharge (varies by area. call for details)	\$14.44 - \$30.54
Broadcast TV Delivery Surcharge (where applicable, call for details)	\$3.95
Internet Surcharge (where applicable, call for details)	\$2.75
Unlimited Data	\$30
Regulatory Cost Recovery Fee (Phone Customers only)	\$5.62

“Nearly half (47 percent) of U.S. TV viewers state they do not subscribe to “traditional cable,” and among those that do, 44 percent are planning to drop cable or cut back services over the next year.”⁶

This chart from Innovative Systems’ study of rural broadband users⁷ shows how streaming is becoming an important delivery mechanism even in rural areas. We would expect Arcadia residents to have an even greater dependence on streaming. Streaming is just one of the factors that increases the demand for greater bandwidth across the full spectrum of broadband users. Streaming can be problematic with services that have high latency.

How Are You Receiving TV Service?



- Just about half of rural residents identify streaming as a source for video.
- DBS satellite accounts for 25% of rural TV subscribers, and another 25% subscribe to a national cable TV provider.
- Just about 1 in 5 households (21%) get TV from a local provider or cooperative.
- Local broadcast television via an antenna reaches 16% of rural residents.

OpenVault recently reported “average per-household consumption was 586.7 GB at the end of 2022, an increase of nearly 10% over the prior year. The percentage of subscribers on gigabit tiers reached 26% in 4Q22, more than double the 12.2% during the same period in 4Q21. They also reported average speeds for US household was 415 Mbps down and 25 Mbps up.”⁸

⁶ July 20, 2021, The Future of TV Report: Connected TV and Linear TV Move Closer Together

⁷ Rural Video and Broadband Industry Study - 2021, page 4, by Innovative Systems

⁸OpenVault, Broadband Insights Report (OVBI) 4Q22, page 8,9,17, fall 2022

The Pandemic has also had a major impact on the amount of work done from home even in rural areas.⁹ The recent Census Bureau's Household Pulse Survey¹⁰ showed that 43% of Californians reported working from home from one to five days in the past week.

Survey results presented in November 2021, by Kyle Rosner, Deputy Broadband Advisor for the Commonwealth of Virginia, indicate that the number of people working from home (among those who can) has jumped from a pre-pandemic level of 20% to 71% who are currently working from home.

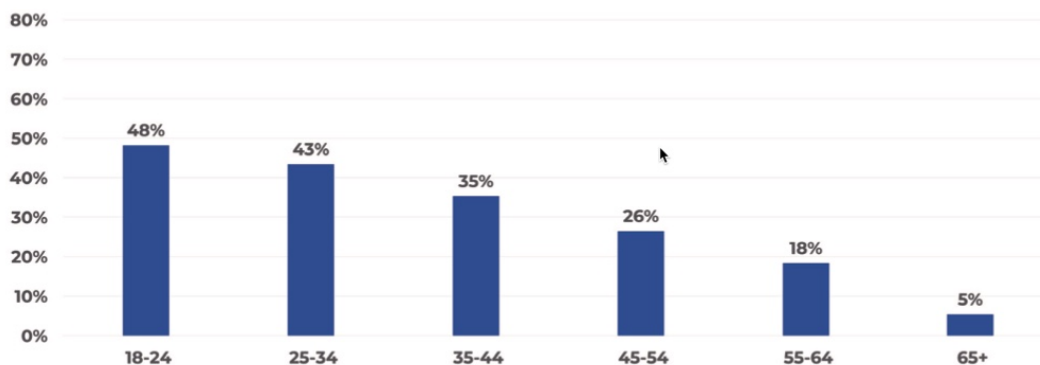
Pandemic Impact

The pandemic impacted just about every aspect of life, including video and internet usage. The following data reveals some of that impact on rural consumers.

Does someone in your household work from home who did not prior to the pandemic? (n=726)

Note: Represents those answering yes.

Growth in Working From Home by Age



- For rural consumers, the younger you are, the more apt you are to have been working from home as a direct result of the pandemic.

Those who would like to work from home after the pandemic now stand at 54%.¹¹

The City of Arcadia's residents are seeing increasing access to the Internet through more modern fiber connections. Our survey will provide more information. Having access to fiber means that working from home in a job that requires significant Internet access is easier as more fiber connections are made.

⁹ Rural Video and Broadband Industry Study - 2021, page 13, by Innovative Systems

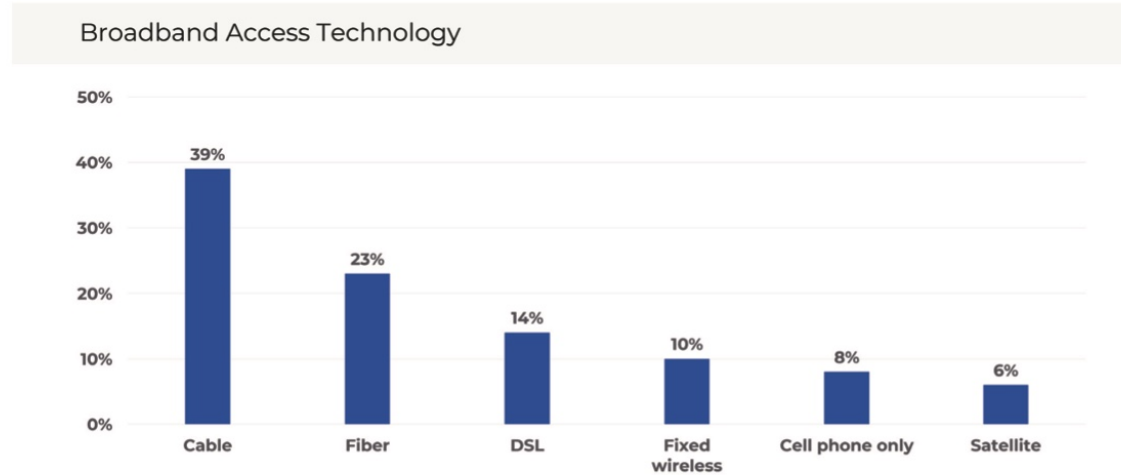
¹⁰ Week 54 Household Pulse Survey: February 1 - February 13, 2023, Table 7a

¹¹ Connect Commonwealth Presentation by Kyle Rosner to NC Broadband Matters, November 15, 2021, slide 16

Broadband Access and Satisfaction

The following data explores how rural subscribers receive internet service and their overall satisfaction with it.

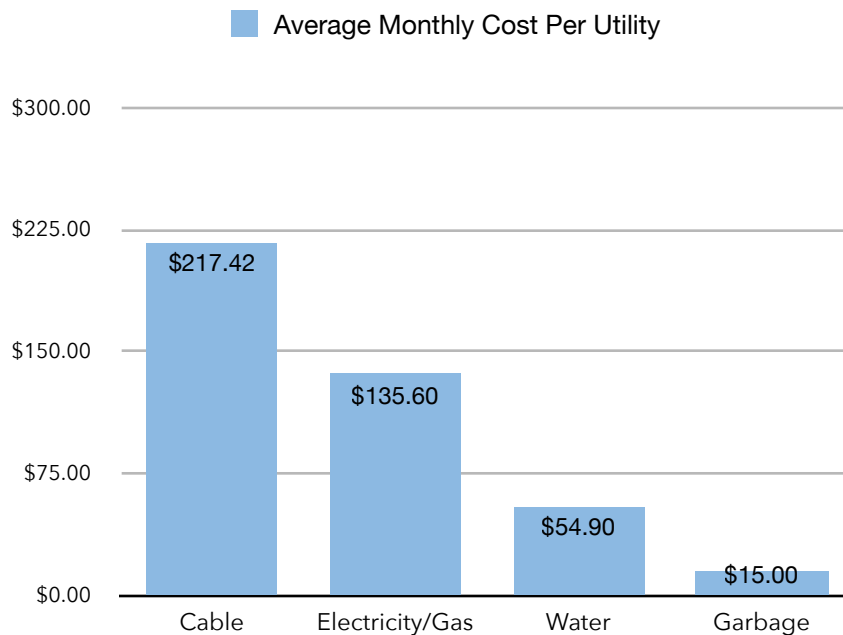
Which of the following best describes how internet is delivered to your home? (n=756)



- Cable broadband takes the lead for rural broadband access at 39%.
- Fiber broadband penetration for rural America stands at 23%.

It is important to understand how significant broadband bills have become for all households. When faced with limited broadband choices driven by lack of competition there are few ways for a household, especially a small one, to lower broadband costs significantly. The increasing dependence of households on broadband services makes this even more critical.

Sources: Municipal utility reporting, Consumer Reports 2019 study, energystar.gov
Nationwide, Circle of Blue



Those houses purchasing a traditional cable package at or above average national costs now find that their cable package costs more than all their other utilities put together.

“One important thing we found in our research was how relatively expensive a cable bill is compared to other utilities for smaller households. The average cable bill stays relatively similar across household sizes, whether it’s one person living in a small apartment or a family of ten living in a large house. This is not true of utilities like electricity or water, with much wider scales for their average bill size depending on household size.”¹²

Our pricing information includes all the service providers that have been discovered with services offered to 5% or more residents living in zip codes with at least 5% or more of their population in The City of Arcadia. Two zip codes, 91732 and 91780, were eliminated due to their Arcadia population being only two tenths of one percent. We also cannot analyze zip codes which are just post office boxes because there is no way to accurately determine where those people using the post office boxes receive their Internet services. Two zip codes, 91066 and 91077, were excluded as post office box only locations.

While our online reports showed substantial availability of fiber in the City, we believe that there may be more fiber available than online reports indicate. While online reports showed Giggle Fiber as a cable only provider, we were able to take the signup process to the last step on several Arcadia locations for a fiber connection from Giggle. From the spread of the locations and conversations with customer representatives, it appears that Giggle is converting customers to fiber when they request it. AT&T and Frontier on the other hand appear to be building out neighborhoods. While EarthLink is listed as a fiber provider, we were unable to verify any locations. However, EarthLink does not build their own fiber so their absence has little to do with the amount of fiber available in Arcadia.

We question the accuracy of the Census reported number of 2,693 households in Arcadia receiving Internet services by satellite. Based on areas similar to Arcadia we would expect it to be under 1,000 households which is similar to DSL usage. Survey data will help pinpoint this.

We also do not include services in the pricing comparisons when we estimate the service is available to less than 5% of the City’s population. Satellite prices are also not considered in median cost comparisons since they are available everywhere and would distort local pricing. We also exclude Earthlink 5G and T-Mobile 5G home Internet services for the same reason.

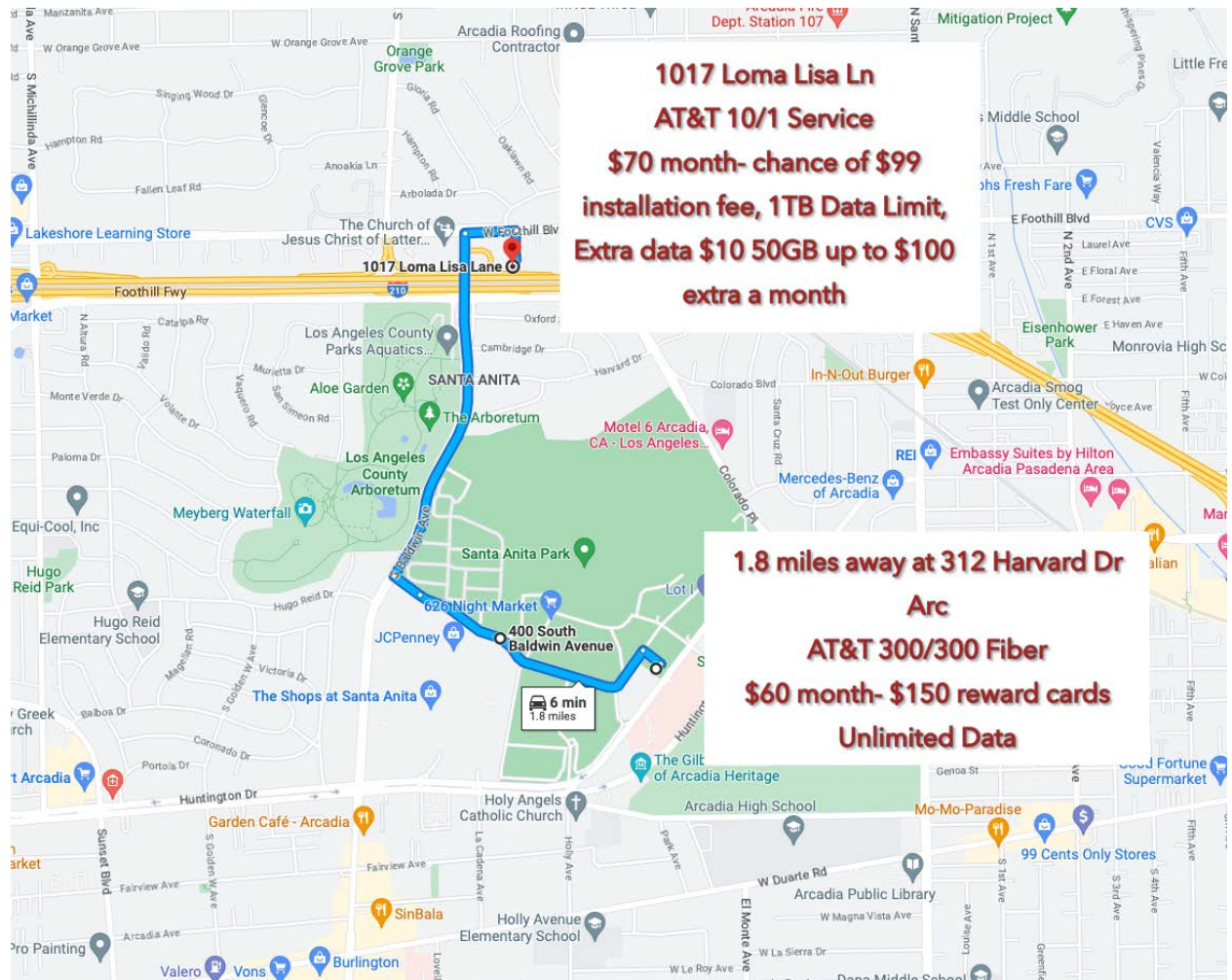
With those considerations, median price of a 25/3 Internet connection in The City of Arcadia is \$60 which is 19% lower than \$73.98 median price we have calculated across our last dozen studies.

However, bundled triple-play (Internet-TV-Phone) services for The City of Arcadia citizens are hard to compare to other places we have studied since the only triple-play provider Arcadia has is Spectrum. The lowest price of a Spectrum triple-play package with at least 25/3 connectivity is \$169.91. The median triple-play service cost across our last nine counties studied (four in Pennsylvania, four in Texas and one in Minnesota) was \$139.07. If we assumed all of the estimated 11,471 City of Arcadia households on cable are using Spectrum’s lowest cost triple-play services, they are paying \$353,766 month more than those other counties’ residents. Annually that number is \$4,245,188.

Some counties in those nine have competing cable service providers with the result that we have seen cable triple play bundles similar to the Spectrum one priced as low as \$110 monthly.

¹² Report: The average cable bill now exceeds all other household utility bills combined, AllConnect 6/22/2020

Competition lowers prices, but some neighborhoods close to each other in Arcadia end up paying more than their neighbors for Internet service that is far less capable. An example is pictured below. The same provider is charging more for poor service less than two miles away. We mostly recently saw something similar in studies that we did in Texas. As you can see from the pricing tables that follow AT&T charges \$70 for their hybrid copper service no matter how slow the speed is.



Summary of Service Provider Data - City of Arcadia, CA

	Least Expensive Internet Only Service	Least Expensive Internet Only Service Meeting 25/3	Least Expensive Triple Pay Package Meeting 25/3
AT&T IPBB	\$70	\$70	N/A
Frontier DSL	\$54.99	N/A	N/A
Giggle Cable	\$44.95	\$44.95	N/A
Spectrum Cable	\$99.95	\$99.95	\$169.91
AT&T Fiber	\$60	\$60	N/A
EarthLink Fiber		Unable to verify location	
Frontier Fiber	\$54.99	\$54.99	N/A
Giggle Fiber	\$39.95	\$39.95	N/A
Towerstream FWA	\$75	\$150	N/A
T-Mobile Lite Home Internet	\$50	\$50	N/A
EarthLink 5G	\$64.95	\$64.95	N/A
T-Mobile 5G Internet	\$50	\$50	N/A
HughesNet	\$64.99	\$64.99	N/A
Viasat	\$69.99	\$99.99	N/A
Starlink	\$120	\$120	N/A

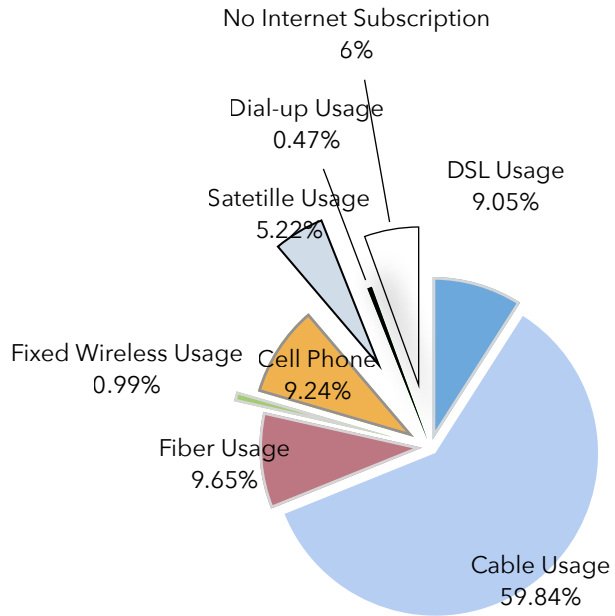
The table below illustrates the estimated telecom expenditures, public and private, over the next thirty years. Over that time period, **over \$486 Million** is put in envelopes and much of it leaves both the City and the state. Redirecting a fraction of those expenditures could build a complete conduit/dark fiber system throughout the downtown area of the City.

Telecom Expenditures - City of Arcadia, CA

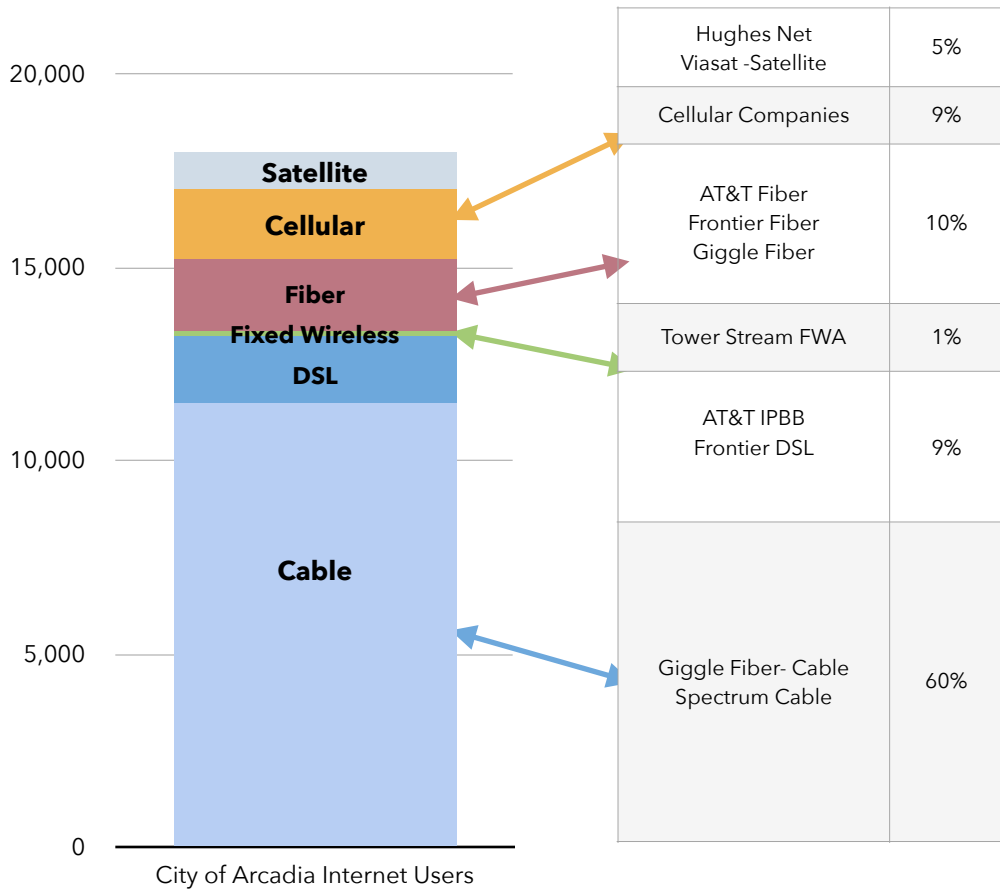
Households	19,189							
Businesses	2,496							
Household Internet Access Type Estimates	Cell Phone / 5G	Fixed Wireless	DSL	Satellite	Cable	No Internet Access	Fiber	Dial-up
Household Percentage	9%	1%	9%	5%	60%	6%	9.64%	0.47%
Households	1,772	190	1,734	1,000	11,471	1,063	1,849	90
Average monthly telecom expenditures	Cell Phone for Voice/ Internet \$160 Satellite TV: \$100	Cell Phone \$127 Fixed Wireless \$50 Satellite TV: \$100	Cell Phone \$127 Phone: \$15 Satellite TV: \$100, DSL Internet : \$55	Cell Phone \$127 Satellite TV: \$100, Satellite Internet: \$100	Cell Phone \$127 Phone \$40 TV: \$70 Cable Internet \$80	Cell Phone \$127, no Internet, Satellite TV \$100	Cell Phone \$127, Fiber Internet \$65, Streaming TV \$45	Cell phone \$127, Dial-up Internet \$12.95, Satellite TV:\$100
Monthly cost of Services	\$260	\$277	\$297	\$327	\$317	\$227	\$237	\$240
Annual household cost	\$3,120	\$3,324	\$3,564	\$3,924	\$3,804	\$2,724	\$2,844	\$2,879
Annual cost all households	\$5,528,640	\$631,560	\$6,179,976	\$3,924,000	\$43,635,684	\$2,895,612	\$5,258,556	\$259,146
30 year expenditures	\$165,859,200	\$18,946,800	\$185,399,280	\$117,720,000	\$1,309,070,520	\$86,868,360	\$157,756,680	\$7,774,380
Total residential expenditures	\$165,859,200							
Estimated Hidden Fees	\$140,859,292							
Total Business Costs	\$179,712,000							
<i>Total expenditures</i>	\$486,430,492							

Estimated Internet Access by Type- The City of Arcadia, CA

Information from surveys often does not total 100% because some respondents choose more than one answer even when requested to pick only one.



6% No Internet Subscription



Business Service Provider Data - City of Arcadia, CA

	Non-promo Pricing	Promo pricing	Speed	Includes	Comments
<i>Spectrum</i>	\$93	\$73	300/10	Internet only	\$99 Installation
<i>Spectrum</i>	\$93	\$73	600/35	Internet only	\$99 Installation
<i>Spectrum</i>	\$142.98	\$122.98	1000/35	Internet only	\$99 Installation
<i>Spectrum</i>	\$117.97	\$77.97	300/10	Internet, One phone line	
<i>Spectrum</i>	\$97.97	\$77.97	600/35	Internet, One phone line	
<i>Spectrum</i>	\$147.97	\$127.97	1000/35	Internet, One phone line	
Spectrum's wireless, battery-powered LTE modem can keep your business running during a power outage thanks to its automatic backup connection and unlimited data to support up to four devices for more than eight hours. No pricing available					
<i>Frontier Fiber</i>		Could not confirm a business location with Frontier available			
<i>Giggle Fiber Cable</i>	\$59.95		350/10	Internet only	
<i>Giggle Fiber Cable</i>	\$99.95		500/10	Internet only	
<i>Giggle Fiber Cable</i>	\$159.95		1000/15	Internet only	
<i>Giggle Fiber Cable</i>	Symmetrical Enterprise Internet is quoted individually and requires a site survey. Business Phone available at \$25/mo				
<i>One Ring Network</i>		No public information			
<i>Crown Castle</i>		No public information			
<i>GTT Communications</i>		No public information			
<i>Verizon Business</i>	\$79	\$69	200/200	Internet only	30-day money back guarantee
<i>Verizon Business</i>	\$139	\$129	500/500	Internet only	30-day money back guarantee
<i>Verizon Business</i>	\$259	\$249	940/880	Internet only	30-day money back guarantee

	Non-promo Pricing	Promo pricing	Speed	Includes	Comments
Verizon Business	All Offers: Offers available to new business customers only, subject to credit review. Not available in all areas/locations. Depending on speed tier purchased, promotional pricing for Internet and voice guaranteed for 12 consecutive months (\$10 increase starting month 13 with 2 year contract), or 24 consecutive months (\$10 increase starting month 25 with 2 year contract), or 36 consecutive months (\$10 increase starting month 37 with 2 year contract) or 60 consecutive months (\$10 increase starting month 61 with 2 year contract) (60 month guarantee not available in all areas where Fios is sold) \$49 activation fee may apply. Offers may be fulfilled via bill credit(s); other taxes, fees & terms apply. Early termination fees for a 2 year contract: 35% of base monthly charges for unexpired term. 2 year term automatically renews at then-current term rates unless canceled within 30 days prior to or 60 days after the term is renewed. Phone equipment purchase required with VoIP, starting at \$85. Equipment must be returned within 30 days of cancellation. Equipment restocking fee may apply if order is canceled or service is terminated within 30 days. MBG and/or promotional offers do not apply to service ordered for temporary, short term or special events. Firm Price Quote is valid for 5 business days and is an estimate based on current pricing, promotions and taxes that are subject to change.				
Spectrotel	No public information				
CyberNet	Asymmetric Services Start at \$59.95 monthly	Fiber Services Start at \$199 monthly			
Fusion Connect	Asymmetrical Ethernet up to 10.0 M	Cable up to 600M			
Tower Stream	Dedicated Internet Access with speeds from 5Mbps to 10Gbps.				
Sonic	Unable to locate a verifiable address				

Typical Business Internet Provide Site- Pricing requires a real address and most likely a site survey.

The screenshot shows the Fusion Connect website's 'Internet Services' page. At the top, there are navigation links for 'Microsoft Services', 'Managed Services', 'Resources', 'Support', and 'About', along with a 'Let's Connect' button. Below the navigation, there are two main categories: 'Internet Services' and 'Communications & Security'. The 'Internet Services' section is highlighted and contains two main service cards: 'Ethernet & Fiber' and 'Cable'. The 'Ethernet & Fiber' card is available up to 10.0M and lists various speed options. The 'Cable' card is available up to 600.0M and lists various speed options. A 'Get a Service Quote >' button is located between the two cards. The page also features a location pin for 'Norman, Oklahoma' and a 'City' dropdown menu.

If there is no information in the “One-time Fees,” it does not necessarily mean there are no one-time fees. It just means that information on the one-time fees could not be found on the company’s public website. **NOTE: Many ISPs do not provide upload speeds. This table indicates that no upload speed was discoverable by the abbreviation ‘NA’ (Not Available)**

Wireline Internet service provider comparison for City of Arcadia, CA

Provider	Monthly Cost	Promo Rate & Contract Length	Other Monthly Fees	Download /Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees	Services & Incentives
AT&T IPBB	\$70	\$55 includes \$5 month AutoPay and paperless discount, \$10 discount for 12 months	Extended Wi-Fi \$10	0.768/0.4	1,000 \$10 charge each additional 50GB (up to \$100/mo.). Unlimited data allowance may also be purchased separately for an additional \$30/mo.	Taxes & Fees: Up to \$99 installation fee may apply. Monthly cost recovery surcharges, not government-required, apply in TX, OH and NV	Internet Only
AT&T IPBB	\$70	\$55 includes \$5 month AutoPay and paperless discount, \$10 discount for 12 months	Extended Wi-Fi	3/1			

Provider	Monthly Cost	Promo Rate & Contract Length	Other Monthly Fees	Download /Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees	Services & Incentives
AT&T IPBB	\$70	\$55 includes \$5 month AutoPay and paperless discount, \$10 discount for 12 months	\$10	5 / 1	1,000 \$10 charge each additional 50GB (up to \$200/ mo.). Unlimited data allowance may also be purchased separately for an additional \$30/mo.	Taxes & Fees: Up to \$99 installation fee may apply, Monthly cost recovery surcharges, not government-required, apply in TX, OH and NV	Internet Only
AT&T IPBB	\$70	\$55 includes \$5 month AutoPay and paperless discount, \$10 discount for 12 months	Extended Wi-Fi \$10	10/1	1,000 \$10 charge each additional 50GB (up to \$100/ mo.). Unlimited data allowance may also be purchased separately for an additional \$30/mo.	Taxes & Fees: Up to \$99 installation fee may apply, Monthly cost recovery surcharges, not government-required, apply in TX, OH and NV	Internet Only

Provider	Monthly Cost	Promo Rate & Contract Length	Other Monthly Fees	Download /Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees	Services & Incentives
AT&T IPBB	\$70	\$55 includes \$5 month AutoPay and paperless discount, \$10 discount for 12 months	Extended Wi-Fi \$10	100/10	1,000 \$10 charge each additional 50GB (up to \$100/mo.). Unlimited data allowance may also be purchased separately for an additional \$30/mo.	Taxes & Fees: Up to \$99 installation fee may apply, Monthly cost recovery surcharges, not government-required, apply in TX, OH and NV	Internet Only
Frontier DSL	\$54.99	\$49.99 with a \$5 discount for autopay		10/1			Internet only, router included. Free service activation. Router Included
Giggle Fiber (Cable)	\$44.95	\$5 Auto Pay Discount Available No Contract	WiFi \$9.95	500/25	Unlimited	Order online free \$60 installation	Internet Only Modem included
Giggle Fiber (Cable)	\$54.90	\$5 Auto Pay Discount Available No Contract	WiFi \$9.95	500/25	Unlimited	Order online free \$60 installation	Internet and Phone Modem included
Giggle Fiber (Cable)	\$69.95	\$5 Auto Pay Discount Available No Contract	WiFi \$9.95	940/40	Unlimited	Order online free \$60 installation	Internet Only Modem included
Giggle Fiber (Cable)	\$79.90	\$5 Auto Pay Discount Available No Contract	WiFi \$9.95	940/40	Unlimited	Order online free \$60 installation	Internet and Phone Modem included

Provider	Monthly Cost	Promo Rate & Contract Length	Other Monthly Fees	Download /Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees	Services & Incentives
Spectrum	\$99.99	\$39.99 (\$60 discount) for two years.		500/20	Unlimited	Free installation Free Activation	Internet Only \$50 one time credit Free modem
Spectrum	\$119.99	\$59.99 (\$60 discount) for two years.		940/35	Unlimited	Free installation Free Activation	Internet Only Free modem
Spectrum	\$169.91	\$94.92 (\$75 discount) for two years.	Includes \$22.20 Broadcast fee	500/20	Unlimited	Free installation Free Activation	Internet, Choose 15 TV Channels, Home Phone, \$50 one time credit Free modem
Spectrum	\$189.91	\$114.92 (\$75 discount) for two years.	Includes \$22.20 Broadcast fee	940/35	Unlimited	Free installation Free Activation	Internet, Choose 15 TV Channels, Home Phone, \$50 one time credit Free modem
Spectrum	\$237.80	\$152.80 (\$85 discount) for two years.	Includes \$22.20 Broadcast fee \$6.00 Sports fee	500/20	Unlimited	Free installation Free Activation	Internet, 125+ TV Channels, 23+ Sports Channels, Home Phone, Free modem
Spectrum	\$253.17	\$168.17 (\$85 discount) for two years.	Includes \$22.20 Broadcast fee \$6.00 Sports fee	940/35	Unlimited	Free installation Free Activation	Internet, 125+ TV Channels, 23+ Sports Channels, Home Phone, Free modem
AT&T Internet 300 Fiber	\$60	\$55 includes \$5 month AutoPay & Paperless discount	Extended Wi-Fi \$10	300/300	Unlimited	Taxes & Fees: Credit for \$99 standard installation	Internet Only-Free \$100 Reward Card, also additional \$50 Reward Card for Internet sign up. Will pay ETF from previous service-see note

Provider	Monthly Cost	Promo Rate & Contract Length	Other Monthly Fees	Download /Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees	Services & Incentives
AT&T Internet 500 Fiber	\$70	\$65 includes \$5 month AutoPay & Paperless discount	Extended Wi-Fi \$10	500/500	Unlimited	Taxes & Fees: Credit for \$99 standard installation	Internet Only-Free \$100 Reward Card, also additional \$50 Reward Card for Internet sign up. Will pay ETF from previous service-see note
AT&T Internet 1 Gig Fiber	\$85	\$80 includes \$5 month AutoPay & Paperless discount	Extended Wi-Fi \$10	1000/1000	Unlimited	Taxes & Fees: Credit for \$99 standard installation	Internet Only-Free \$100 Reward Card, also additional \$50 Reward Card for Internet sign up. Will pay ETF from previous service-see note
Frontier Fiber	\$59.99	\$49.99 with Auto Pay		500/500	Unlimited	Installation \$50 (\$35 discount)	Internet Only Amazon eero 6+ router included, \$10/mo off YouTube TV for one year
Frontier Fiber	\$79.99	\$69.99 with Auto Pay		1000/1000	Unlimited	Installation \$50 (\$35 discount)	Internet Only Amazon eero 6+ router included, \$10/mo off YouTube TV for one year
Frontier Fiber	\$109.99	\$99.99 with Auto Pay		2000/2000	Unlimited	Installation \$50 (\$35 discount)	Internet Only Amazon eero 6+ router included, \$10/mo off YouTube TV for one year \$200 Visa Rewards Card
Frontier Fiber	\$109.99	\$99.99 with Auto Pay		5000/5000	Unlimited	Installation \$50 (\$35 discount)	Internet Only TP-Link Archer AXE300 6E router included, \$10/mo off YouTube TV for one year
Giggle Fiber	\$39.95	No promo rate	Optional Router \$9.95	500/500	Unlimited		Internet Only
Giggle Fiber	\$64.95	No promo rate	Optional Router \$9.95	1000/1000	Unlimited		Internet Only

.....

Wireless Internet service provider comparison for City of Arcadia, CA

Provider	Monthly Cost	Promo & Contract Length	Other Monthly Fees	Download/ Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees	Services & Incentives
Towerstream FWA	\$75	12 Months		10/5	Unlimited	\$300 Installation Fee	Internet Only
Towerstream FWA	\$100	12 Months		15/5	Unlimited	\$300 Installation Fee	Internet Only
Towerstream FWA	\$64.99	12 Months		20/5	Unlimited	\$300 Installation Fee	Internet Only
Towerstream FWA	\$74.99	12 Months		25/10	Unlimited	\$300 Installation Fee	Internet Only
EarthLink	\$64.95			Unknown uses either 4G LTE or 5G depending on closest tower	50 GB	Activation fee \$79.95	Internet Only
EarthLink	\$79.95			Unknown uses either 4G LTE or 5G depending on closest tower	75 GB	Activation fee \$79.95	Internet Only
EarthLink	\$99.95			Unknown uses either 4G LTE or 5G depending on closest tower	100 GB	Activation fee \$79.95	Internet Only
EarthLink	\$149.95			Unknown uses either 4G LTE or 5G depending on closest tower	150 GB	Activation fee \$79.95	Internet Only
T-Mobile Lite Home Internet	\$50		\$14.95 router	35/3			Internet Only - Plan costs will vary by location

Provider	Monthly Cost	Promo & Contract Length	Other Monthly Fees	Download/ Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees	Services & Incentives
T-Mobile 5G	\$50	Auto Pay Required - \$50 includes \$10 credit for autopay	None	182/33 (Varies by location)	None		Internet Only- \$100 back when you switch to T-Mobile Home Internet via virtual Prepaid Mastercard® in 8 weeks- will pay to \$500 to terminate another contract
<p>T- MobileHome Internet General Terms: During congestion, Home Internet customers may notice speeds lower than other customers due to data prioritization. Not available in all areas. \$35 assisted support or device connection charge due at sale. Plus taxes & fees for accounts currently paying for a T-Mobile wireless line with additional taxes & fees: Monthly Regulatory Programs (RPF) & Telco Recovery Fee (TRF) totaling \$1.40 per data only line (\$0.12 for RPF & \$1.28 for TRF) apply; taxes/fees approx. 3-12% of bill. Credit approval required. For use only with T-Mobile Gateway for in-home use at location provided at activation. If canceling service, return gateway or pay up to \$370</p>							
Verizon LTE Home	\$60.00	\$50 with Auto Pay Two year price lock	None	50/4	None	None	Internet only ,WiFi 6 Router included. 30-Day Satisfaction Guarantee. Will cover the cost of early termination fees with up to \$500 when you switch

Satellite Internet service provider comparison for City of Arcadia, CA

Provider	Monthly Cost	Promo & Contract Length	Other Monthly Fees	Download /Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees
HughesNet	\$64.99	24 month commitment required. Up to \$400 ETF	\$14.99 equipment lease if you don't purchase	25/3	After 15 GB (speeds drop to 1-3 Mbps)	Internet Only- Purchase pricing is \$249.99 to purchase or \$99 lease activation- instant lease savings of \$99- limited time- Users can add unlimited phone service for \$22.95 a month

Provider	Monthly Cost	Promo & Contract Length	Other Monthly Fees	Download /Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees
HughesNet	\$74.99	\$49.99 for first six months. 24 month commitment required. Up to \$400 ETF	\$15 equipment lease if you don't purchase	25/3	After 30 GB (speeds drop to 1-3 Mbps)	Internet Only - Equipment pricing is \$450 to purchase. \$100 discount for Internet orders. \$15 monthly after \$99 lease activation- free installation - Users can add unlimited phone service for \$22.95 a month
HughesNet	\$99.99	\$74.99 for first six months. 24 month commitment required. Up to \$400 ETF	\$15 equipment lease if you don't purchase	25/3	After 50 GB (speeds drop to 1-3 Mbps)	Internet Only - Equipment pricing is \$450 to purchase. \$100 discount for Internet orders. \$15 monthly after \$99 lease activation- free installation- Users can add unlimited phone service for \$22.95 a month
HughesNet	\$174.99	\$149.99 for first six months. 24 month commitment required. Up to \$400 ETF	\$15 equipment lease if you don't purchase	25/3	After 100 GB (speeds drop to 1-3 Mbps)	Internet Only - Equipment pricing is \$450 to purchase. \$100 discount for Internet orders. \$15 monthly after \$99 lease activation- free installation -Users can add unlimited phone service for \$22.95 a month
Viasat	\$69.99	\$49.99 for first three months 24 month contract	\$12.99/ month (modem)	12/3	60 GB priority data	Internet Only - Setup/ Installation could be up to \$75 -equipment purchase instead of lease \$299.99-
Viasat	\$99.99	\$69.99 for first three months 24 month contract	\$12.99/ month (modem)	25/3	100 GB priority data	Internet Only - Setup/ Installation could be up to \$75 -equipment purchase instead of lease \$299.99-
Viasat	\$149.99	\$99.99 for first three months 24 month contract	\$12.99/ month (modem)	30/3	60 GB priority data	Internet Only - Setup/ Installation could be up to \$75 -equipment purchase instead of lease \$299.99-
Viasat	\$199.99	\$149.99 for first three months 24 month contract	\$12.99/ month (modem)	30/3	300 GB priority data	Internet Only - Setup/ Installation could be up to \$75 -equipment purchase instead of lease \$299.99-
Viasat	\$299.99	\$199.99 for first three months 24 month contract	\$12.99/ month (modem)	30/3	500 GB priority data	Internet Only - Setup/ Installation could be up to \$75 -equipment purchase instead of lease \$299.99- \$300 prepaid Visa card

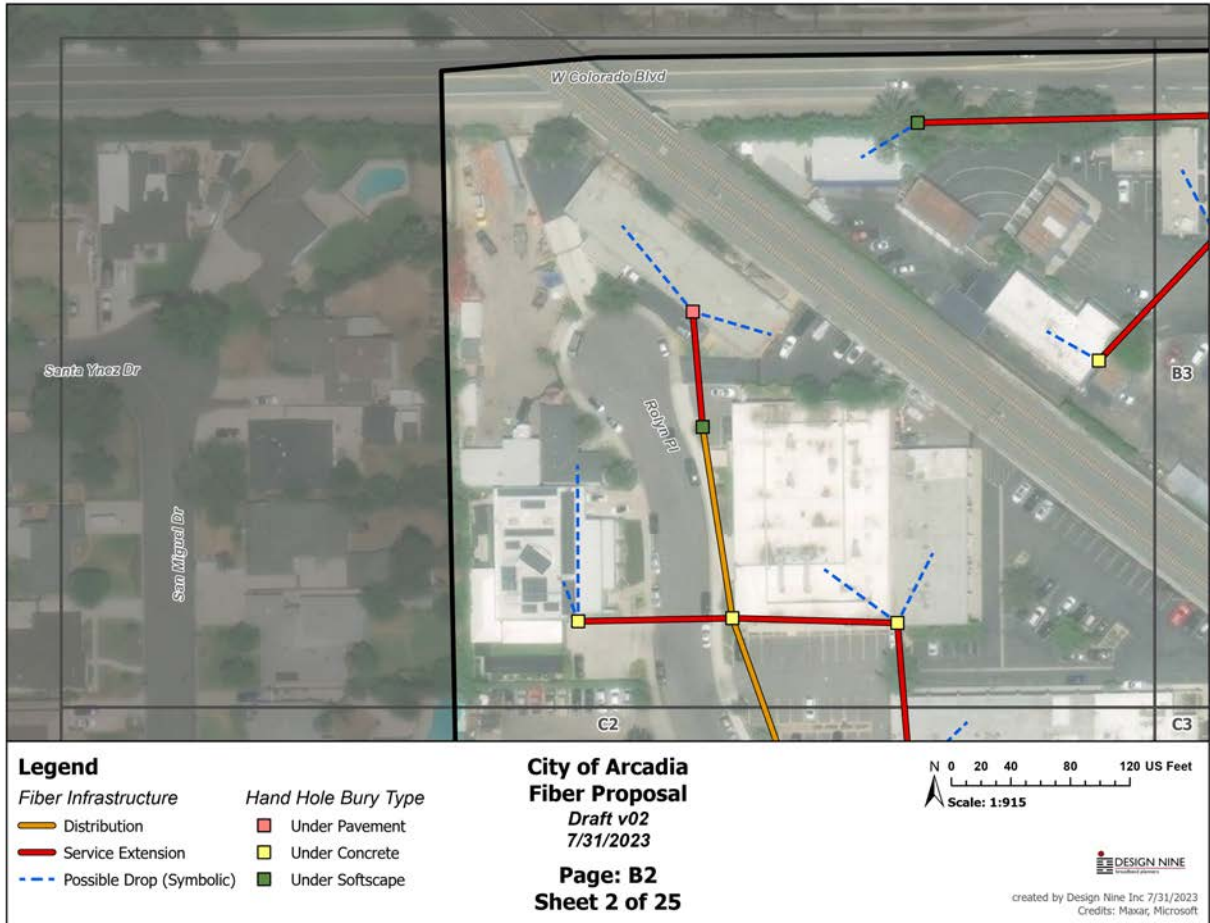
Provider	Monthly Cost	Promo & Contract Length	Other Monthly Fees	Download /Upload Speed (Mbps)	Data Cap (GB/ Month)	One-Time Fees
Starlink	\$120	No contracts- 30 Day trial	\$50 shipping cost and \$53.55 estimated tax for equipment	100/40	None	\$599 for Hardware, shipping \$50, Tax \$66.53 Total due at order time \$715.53 Shipping times 1-2 weeks
Starlink	\$120	No contracts- 30 Day trial	\$50 shipping cost and \$53.55 estimated tax for equipment	100/40	None	\$2,500 for Hardware, shipping \$50, Tax \$261.38 Total due at order time \$2,811.38 Shipping times 1-2 weeks
Starlink Installation	You are responsible for installation of the Starlink Kit in a location that has a clear field of view, per the Install Guide available in the Starlink Customer Portal. It is your responsibility to ensure compliance with all applicable building codes, zoning, ordinances, business district or association rules, covenants, conditions, restrictions, lease obligations and landlord/owner approvals and requirements for the installation of the Starlink Kit, to pay any associated fees or other charges, and to obtain any permits and other authorizations necessary for the Services and the installation of the Starlink Kit. Should use of the Services require any construction or alteration to your property, Starlink is not obliged to reimburse any expenses or restore your property to the same physical state as prior to delivery of Services. If you require a permanent roof mount installation, you acknowledge the potential risks associated with this type of installation, including, without limitation, with respect to any warranty that applies to your roof or penetration of your roof membrane. Follow the Install Guide. If you cannot safely install the Starlink Kit, do not install it.					

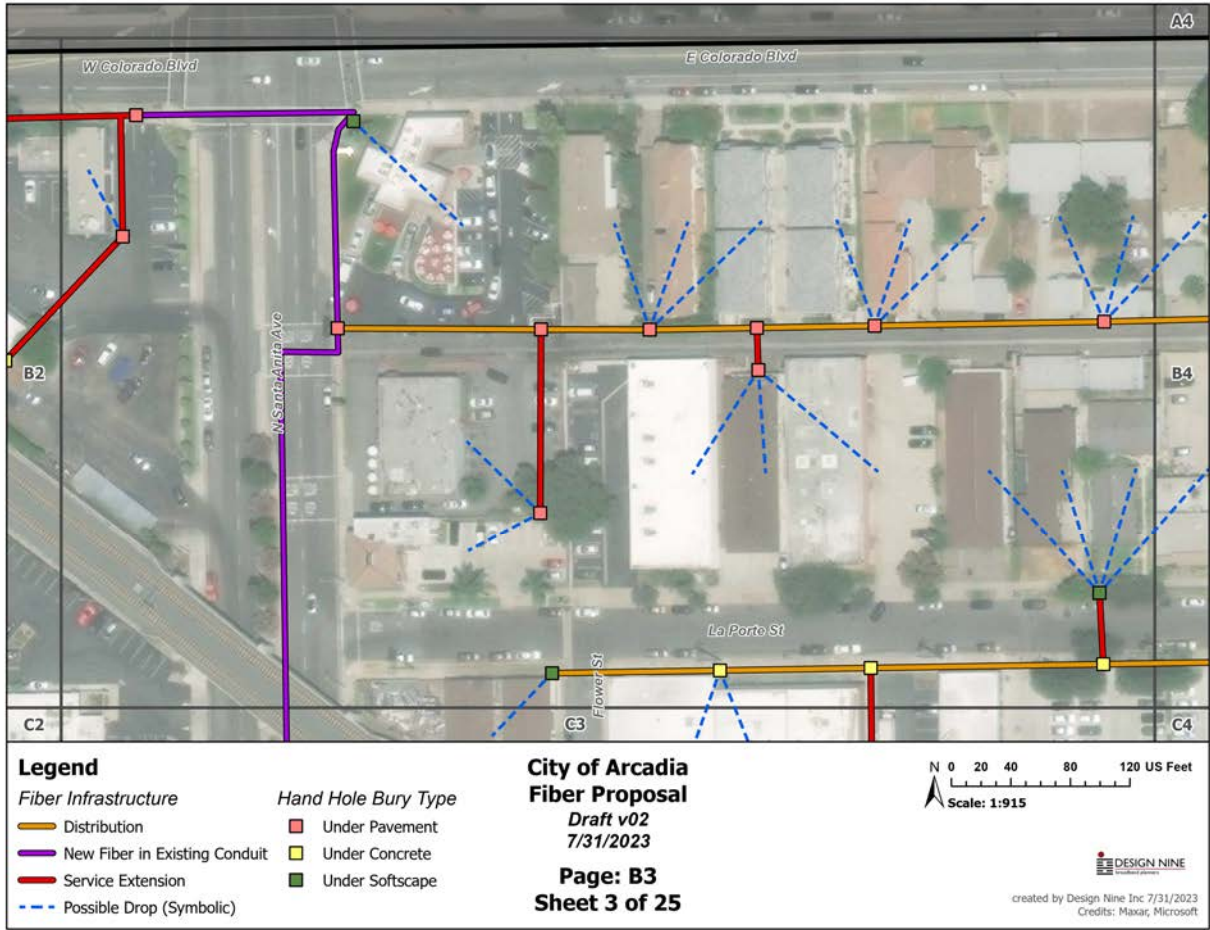
StarLink is available in Arcadia.

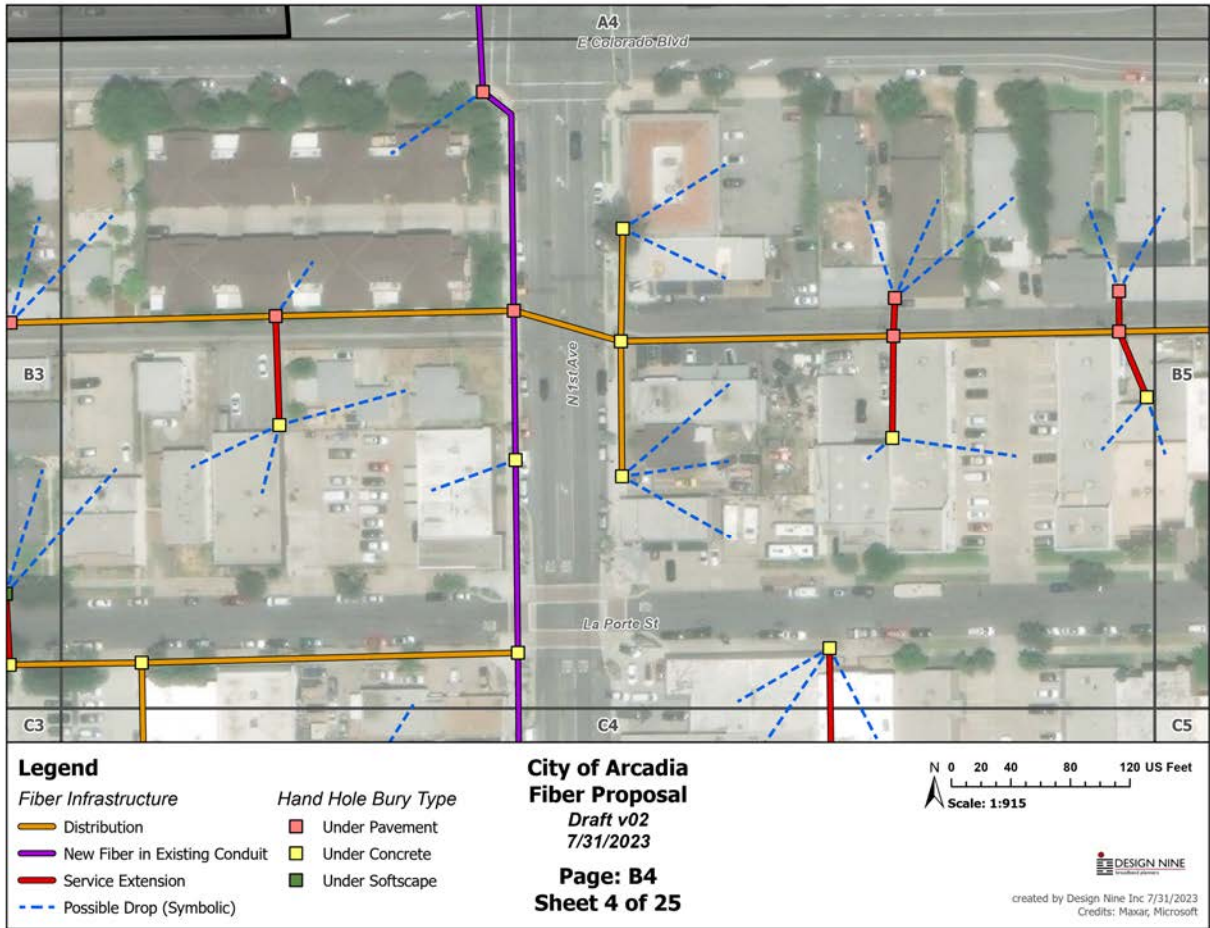
- * Early reports from beta testers have been generally positive. Latency is much lower than traditional geostationary satellite services like HughesNet and Viasat, but latency is still much higher than terrestrial fiber Internet connections.
- * If pricing remains similar to what is being charged for early users, Starlink could be a very significant improvement for some residents and businesses. It is targeted for the The City of Arcadia area in 2023.

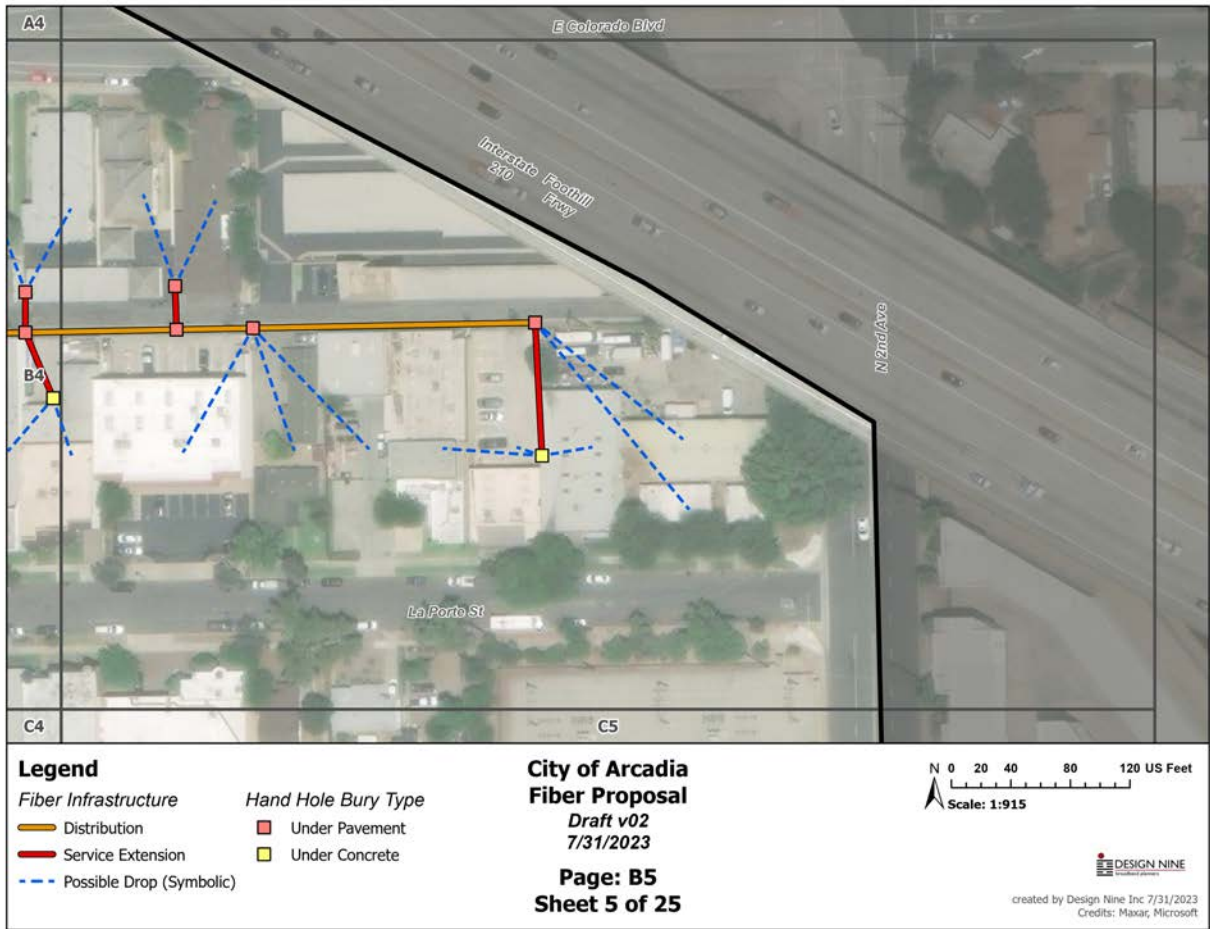
APPENDIX B: CONDUIT DESIGN DETAIL

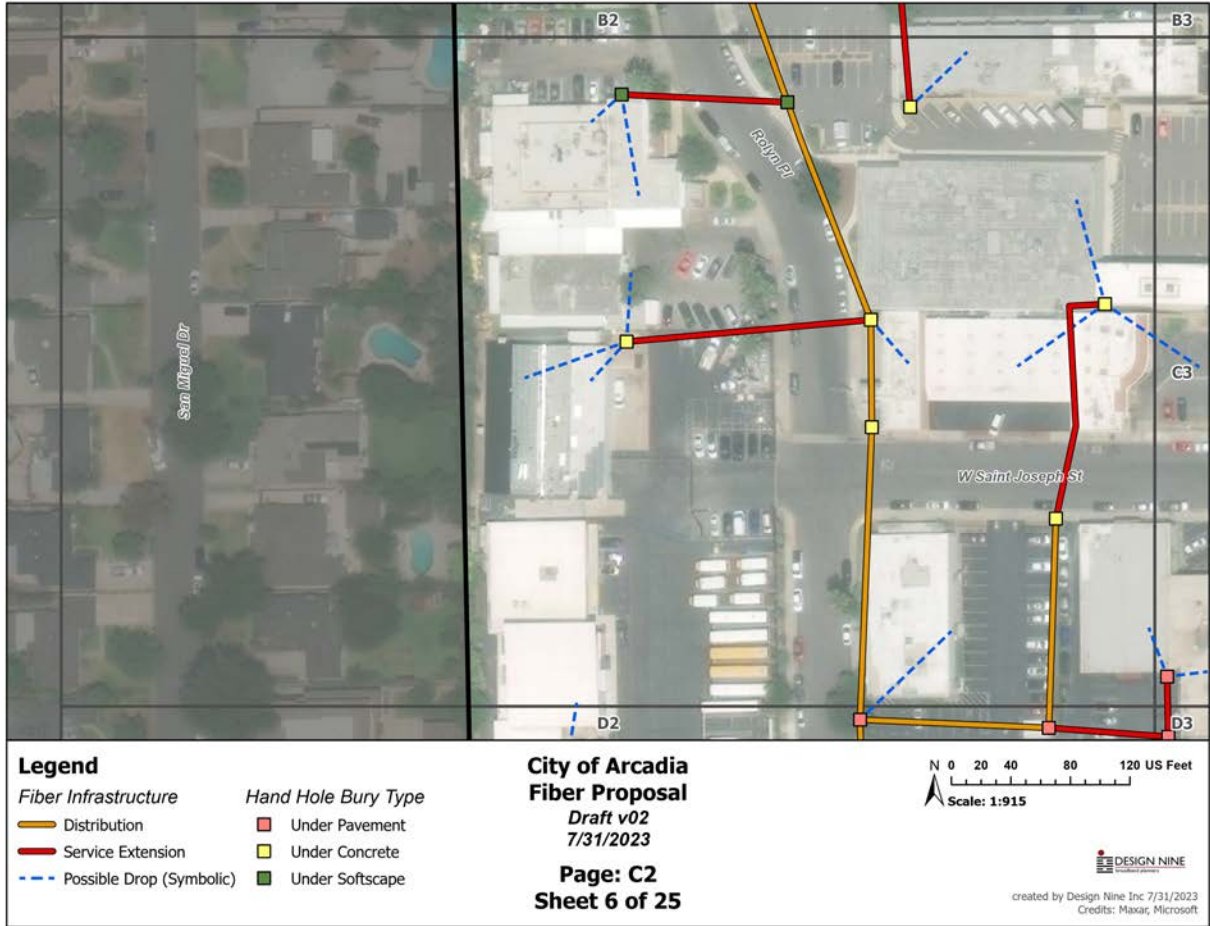


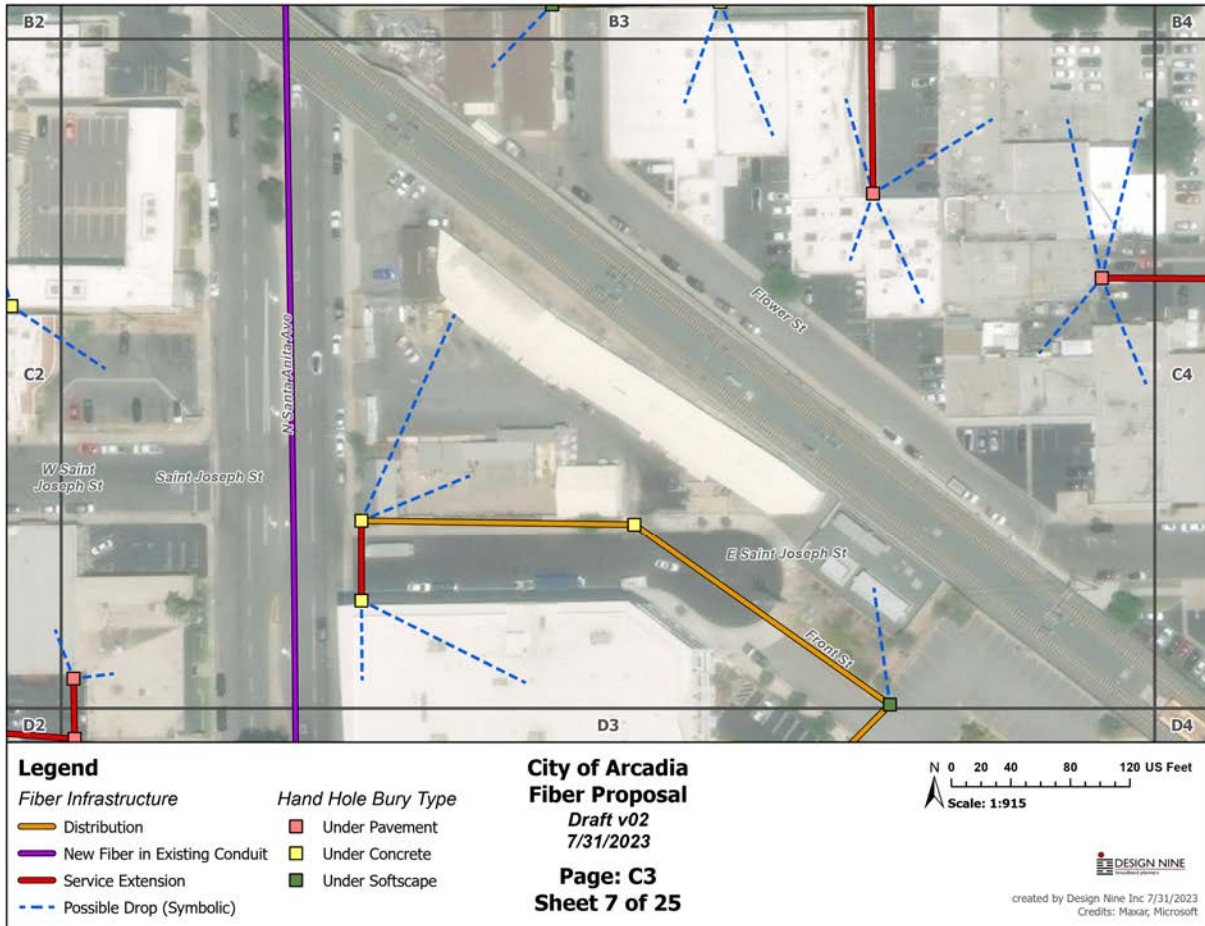


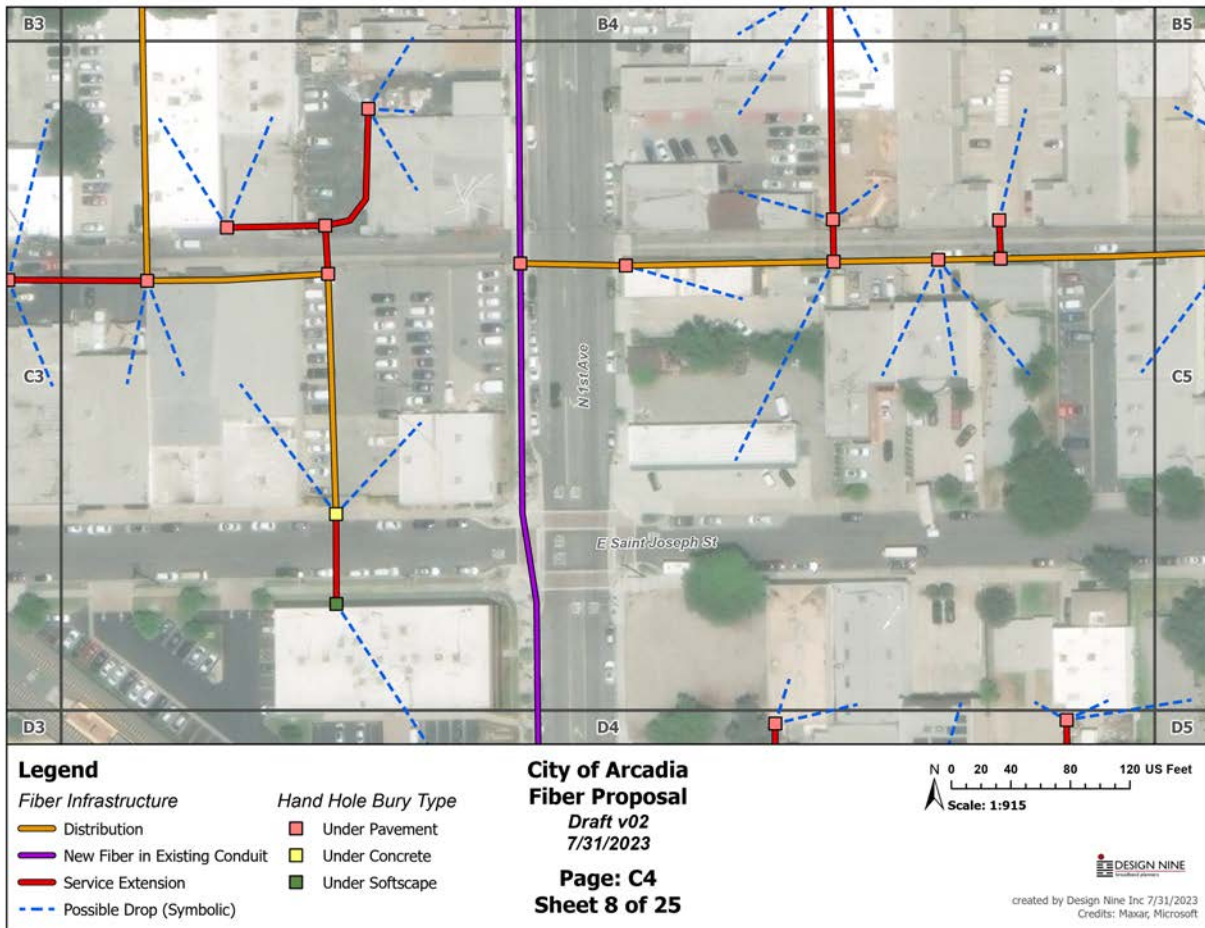


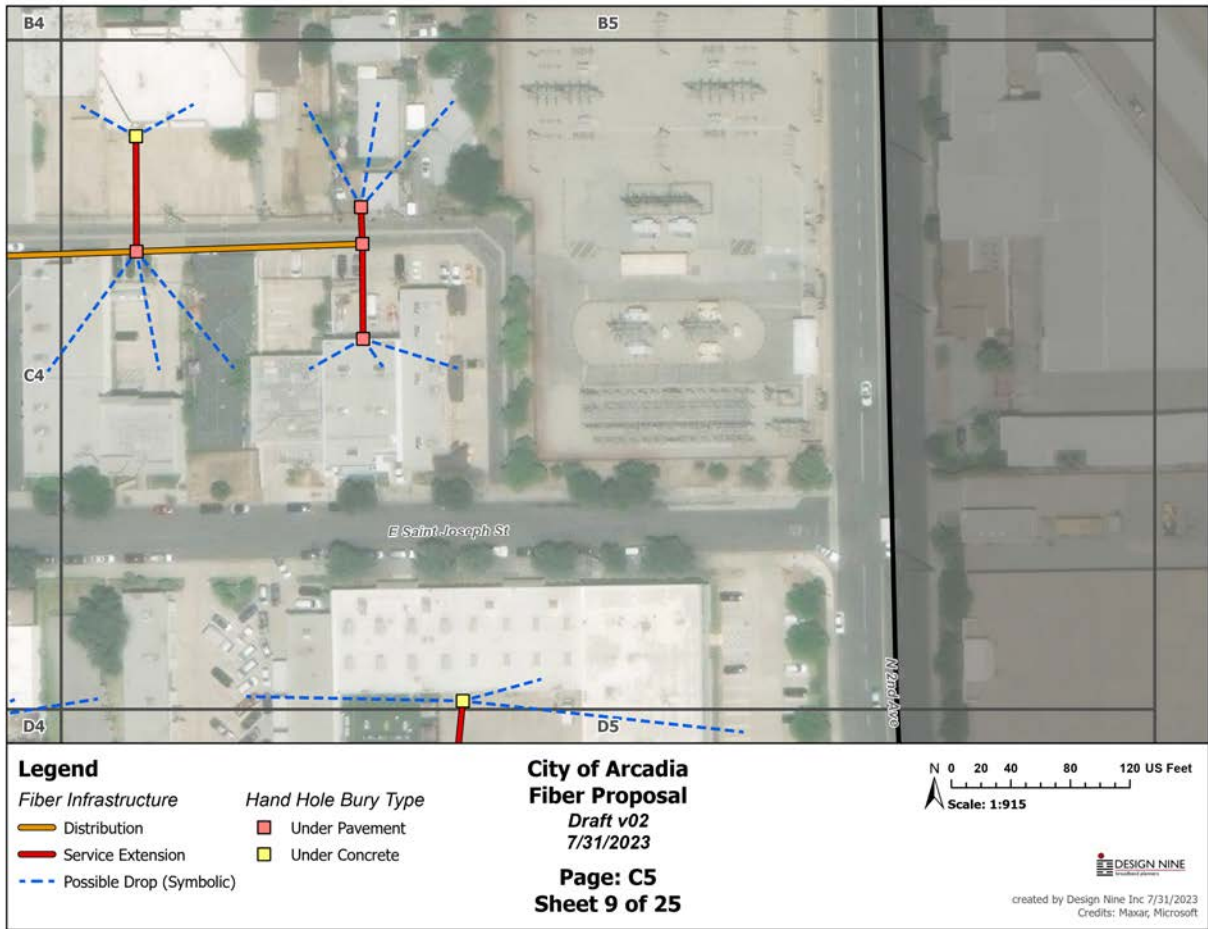


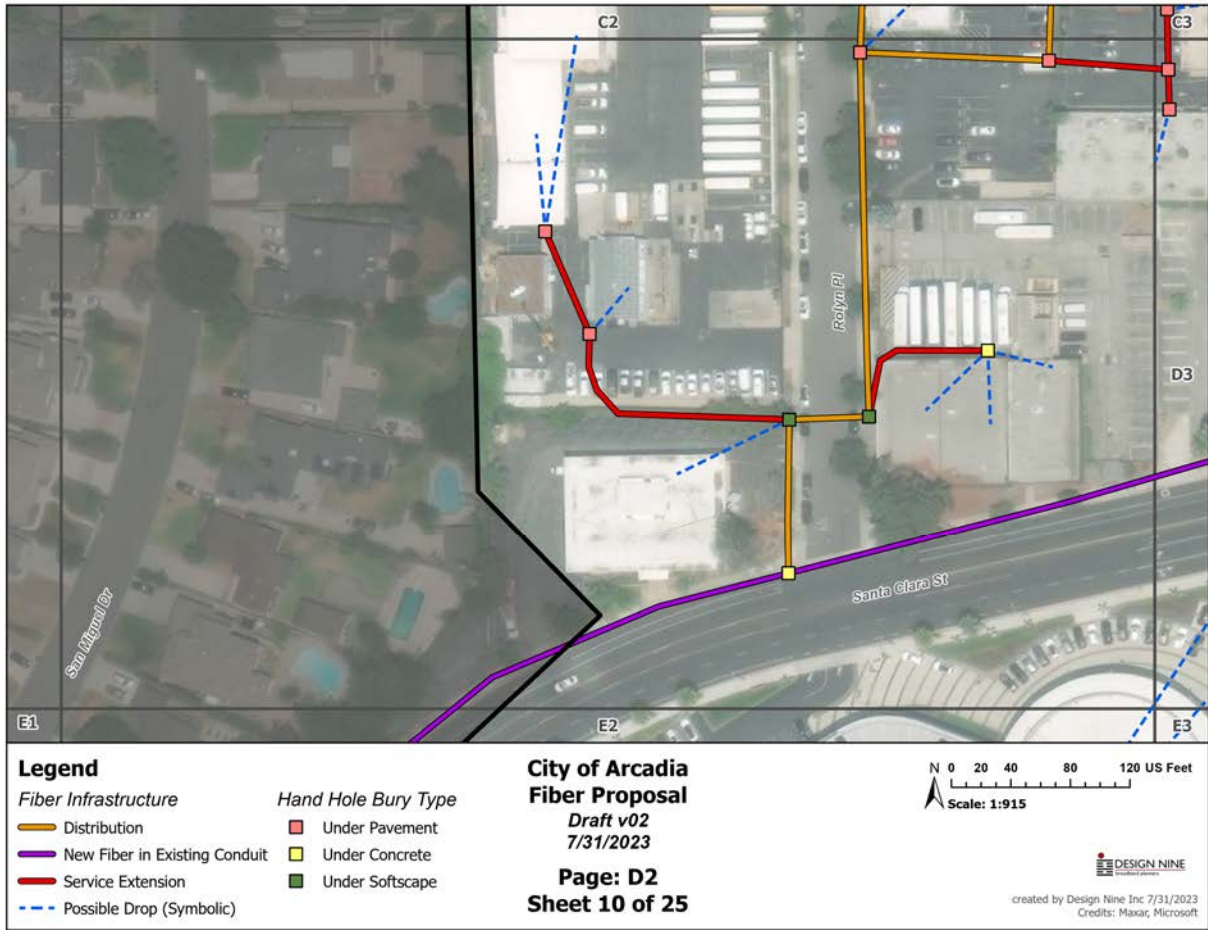


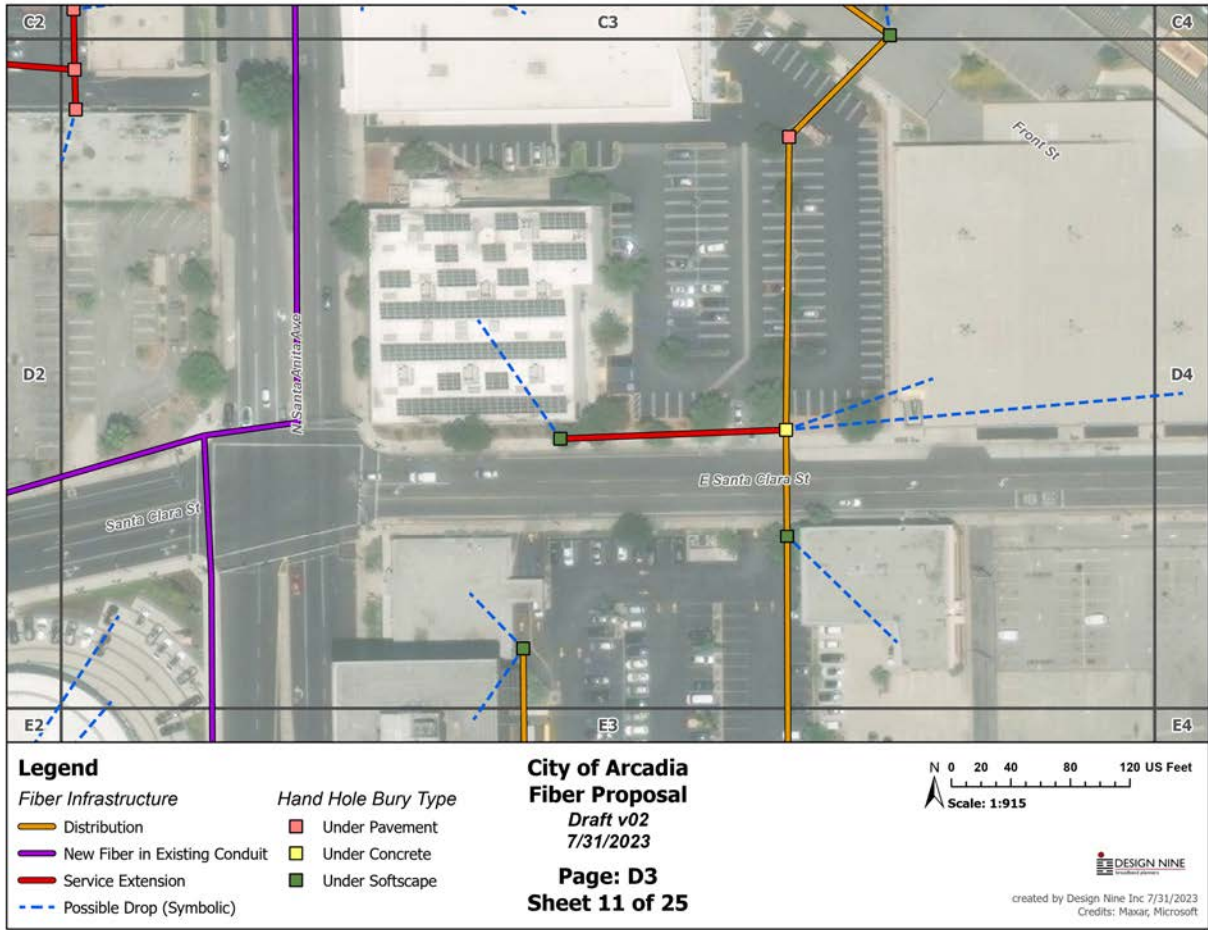


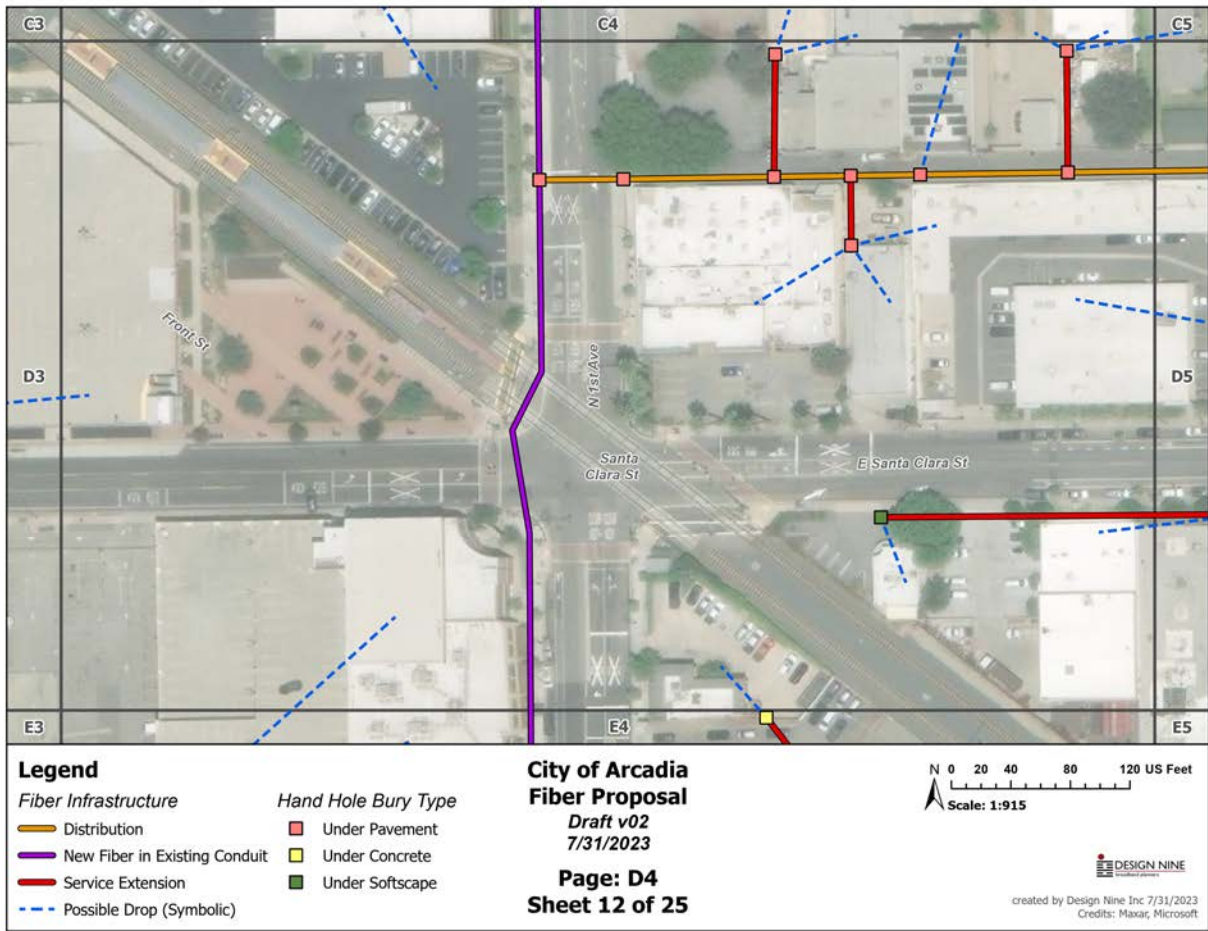


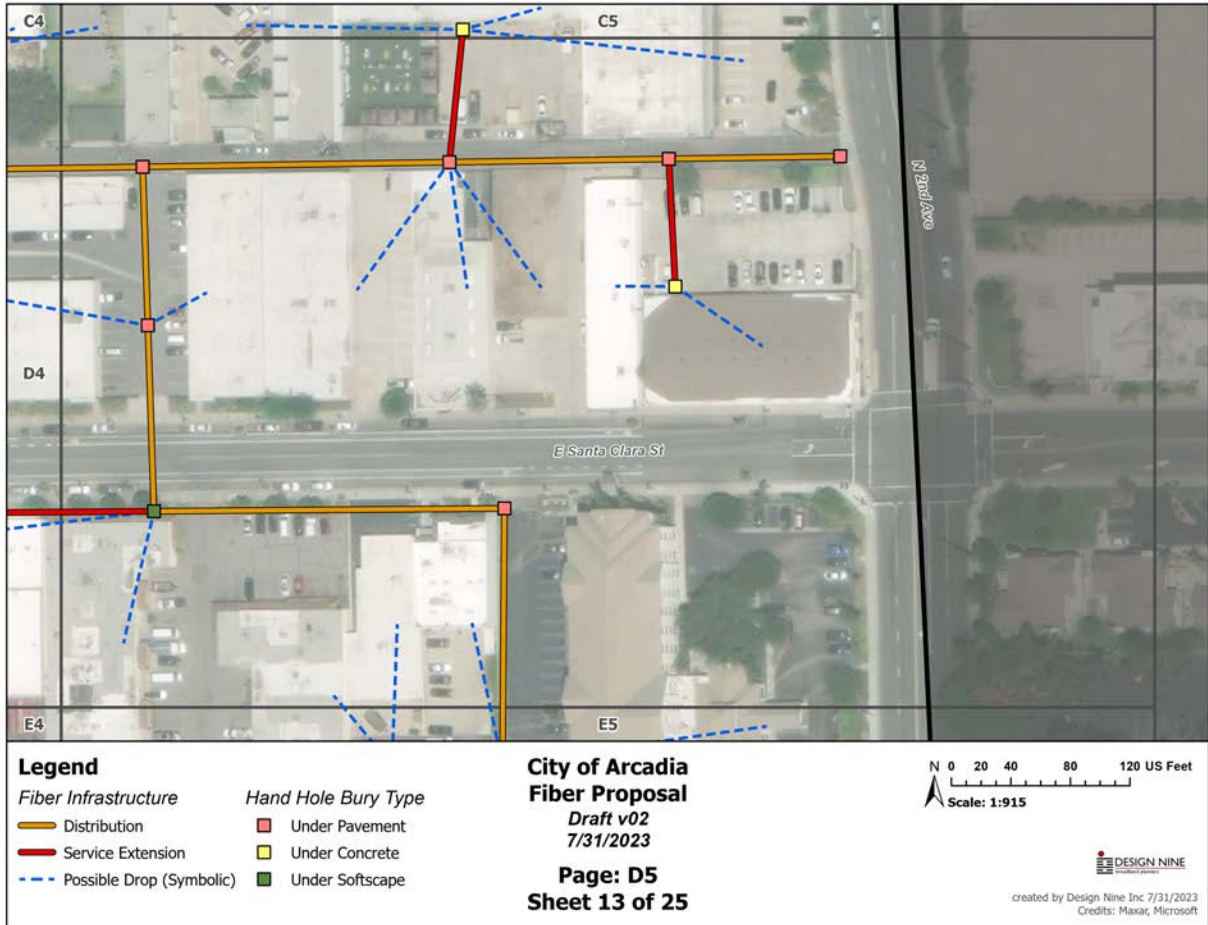


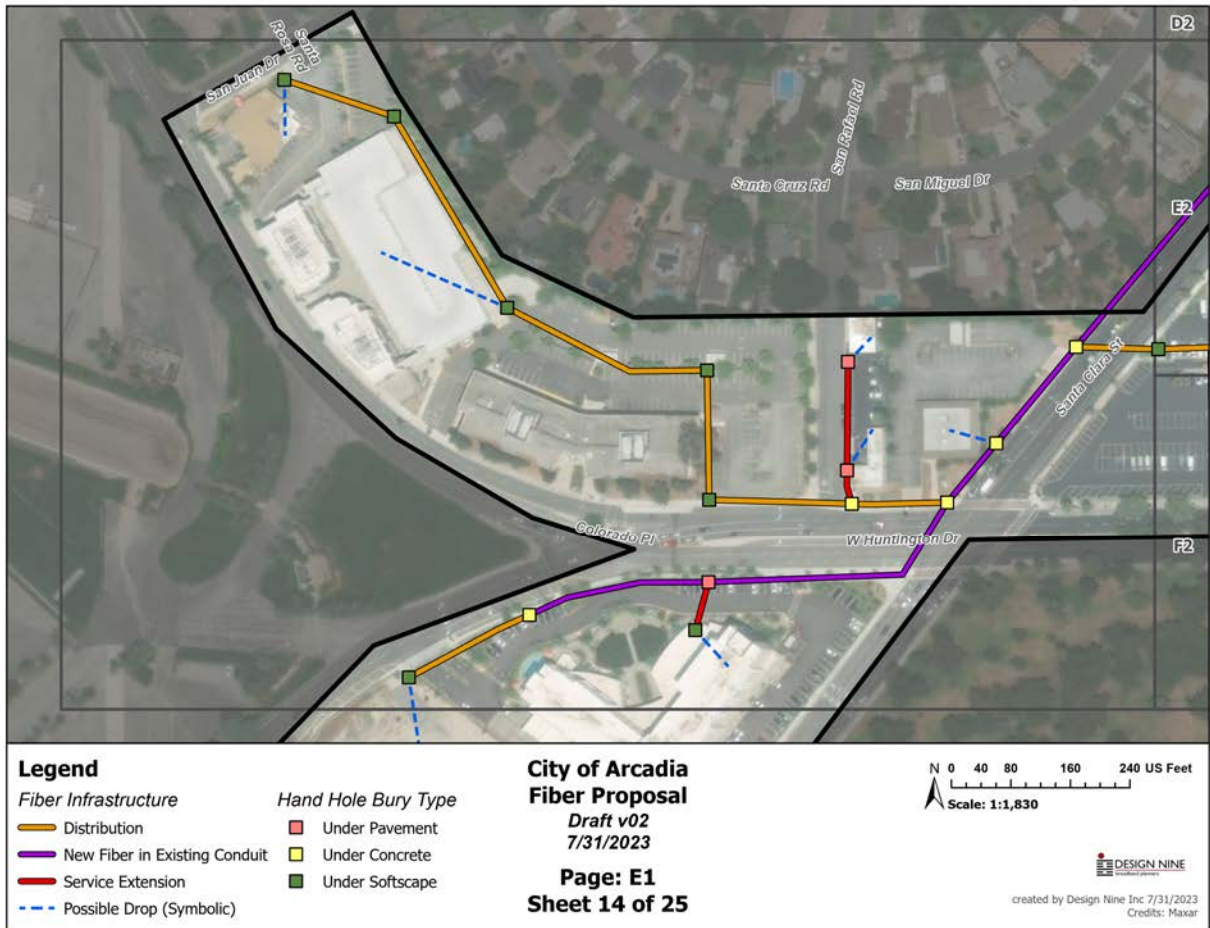


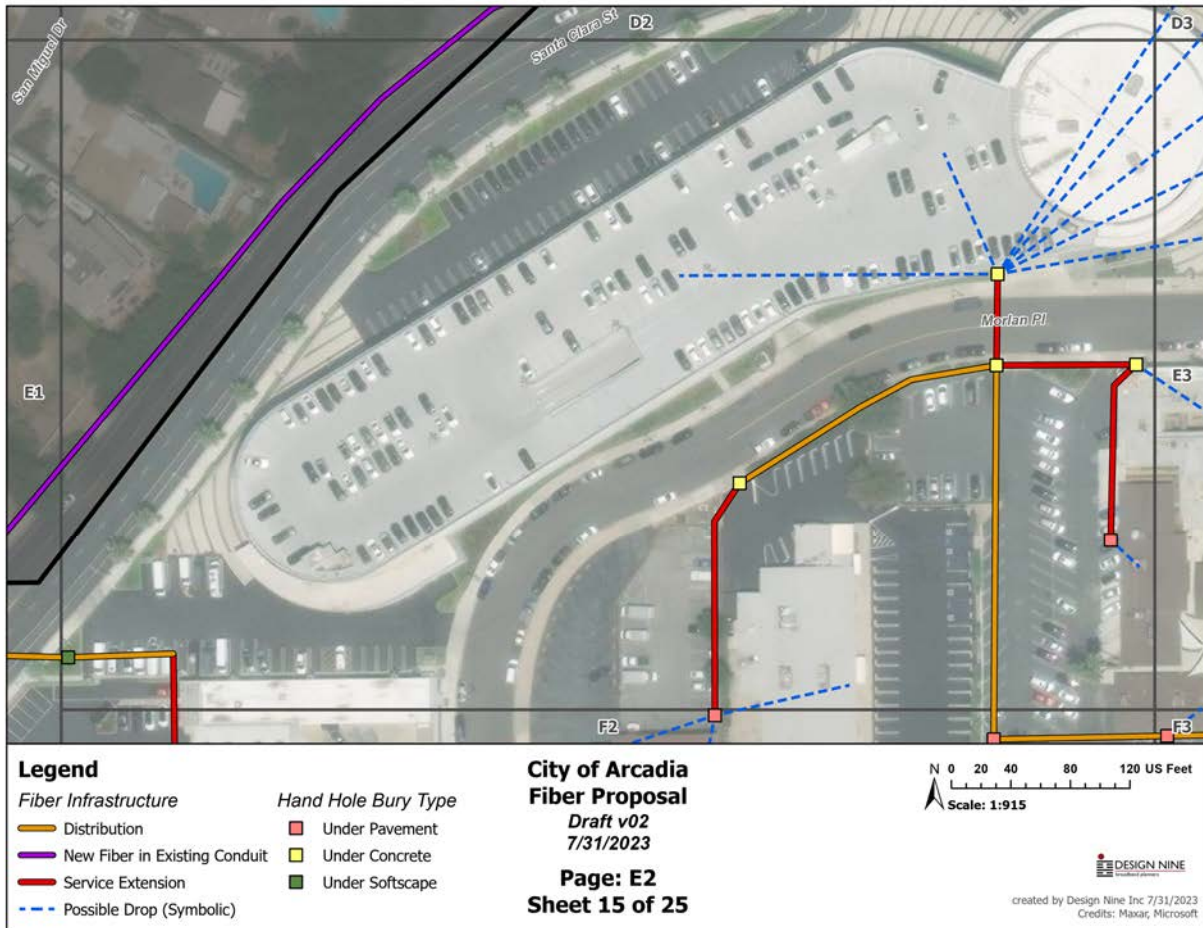


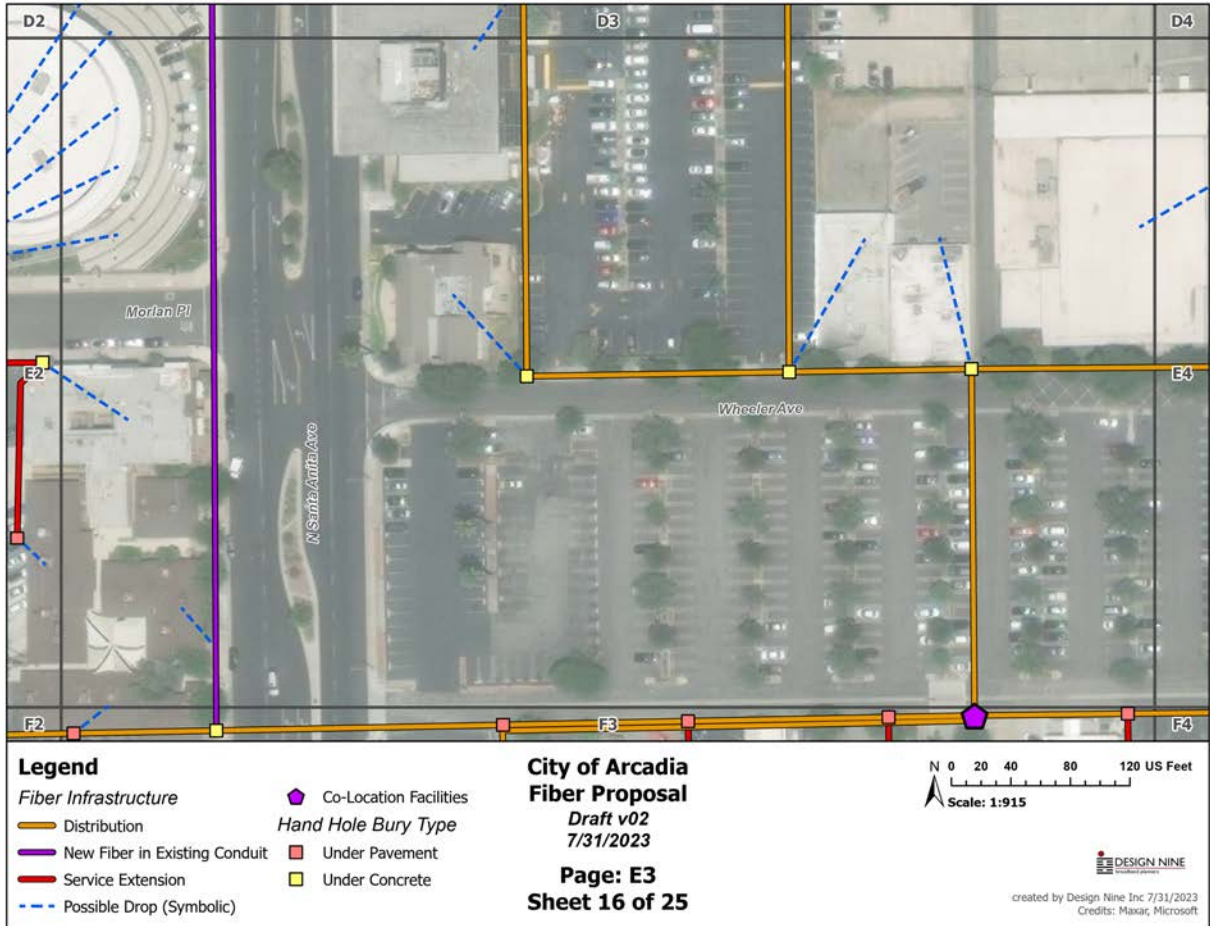


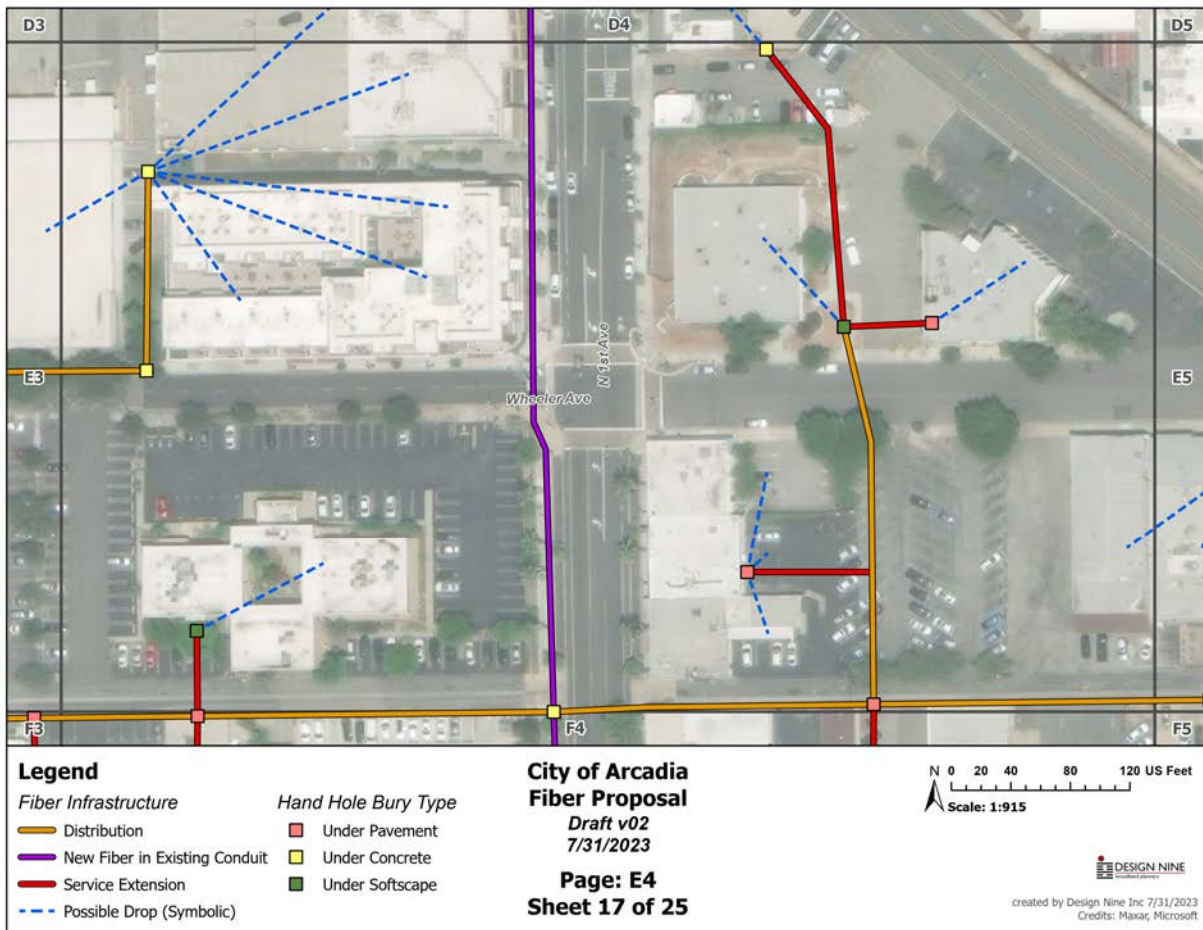


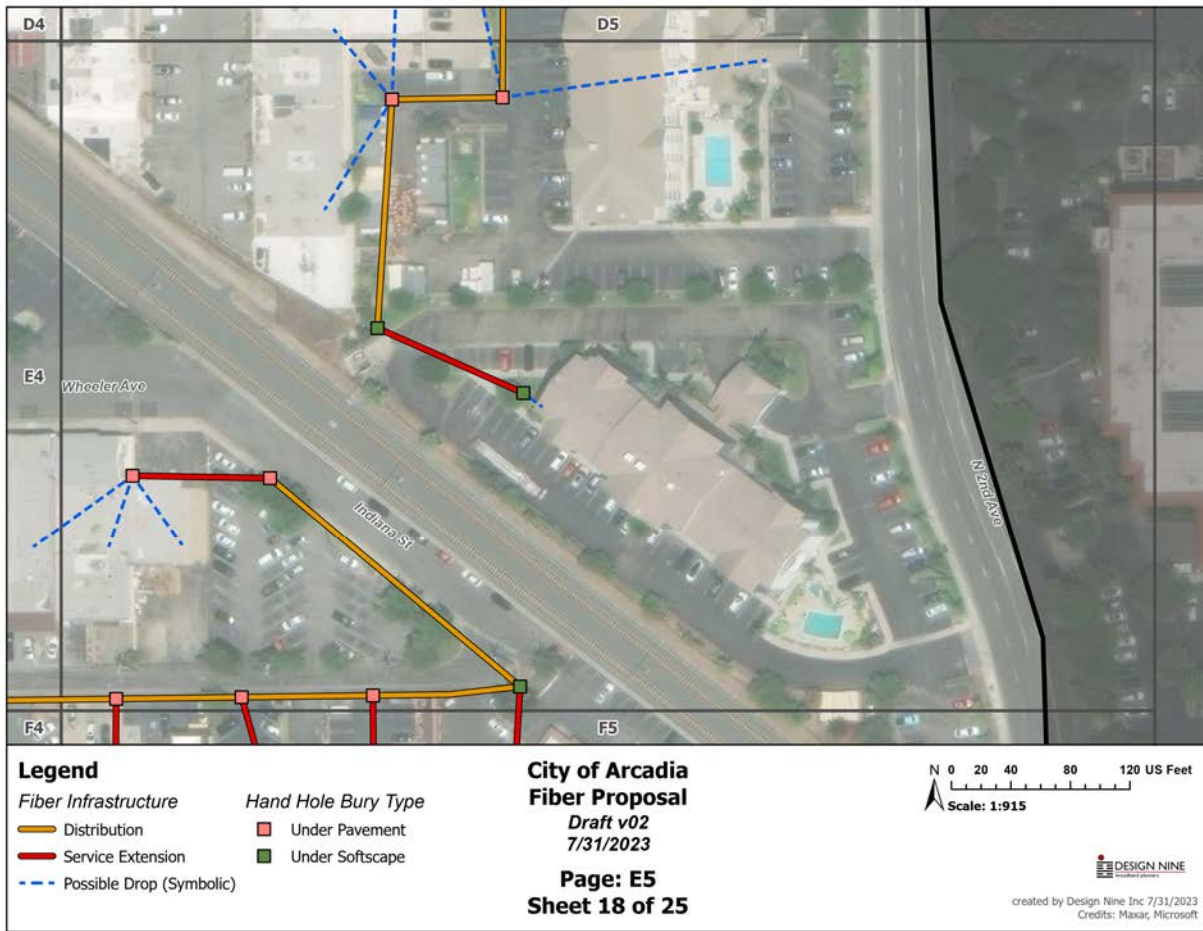


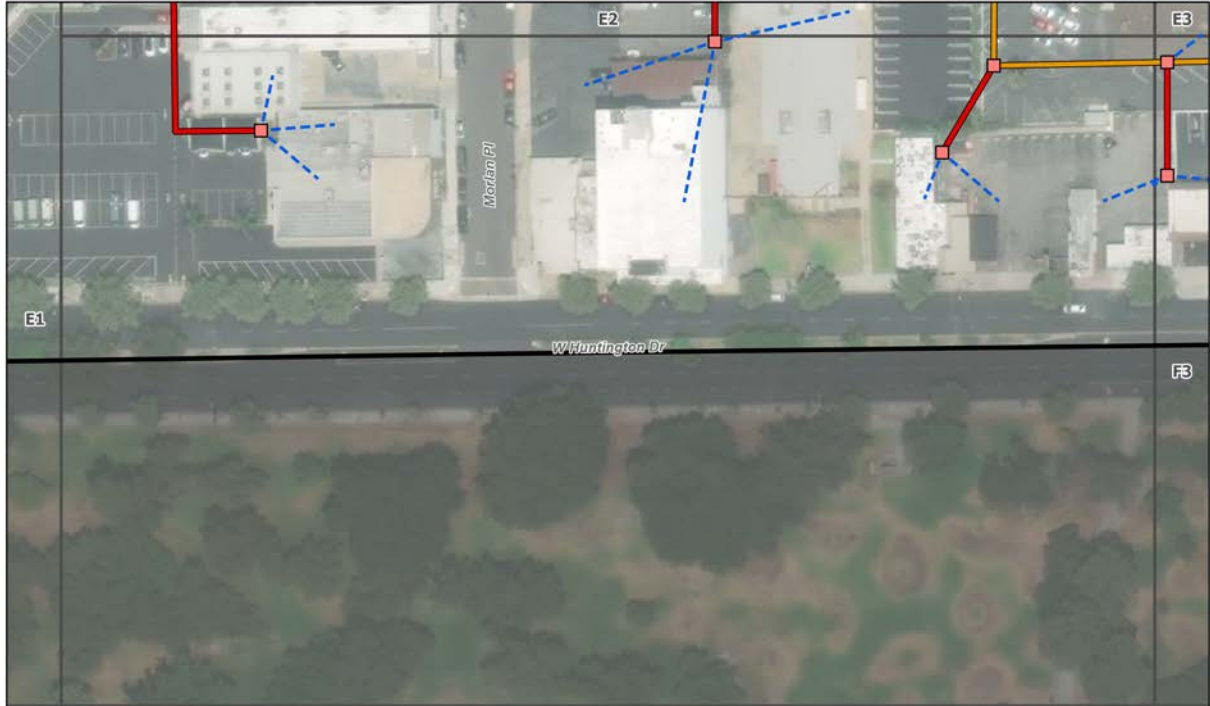












Legend

Fiber Infrastructure

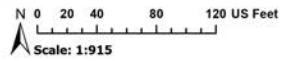
- Distribution
- Service Extension
- - - Possible Drop (Symbolic)

Hand Hole Bury Type

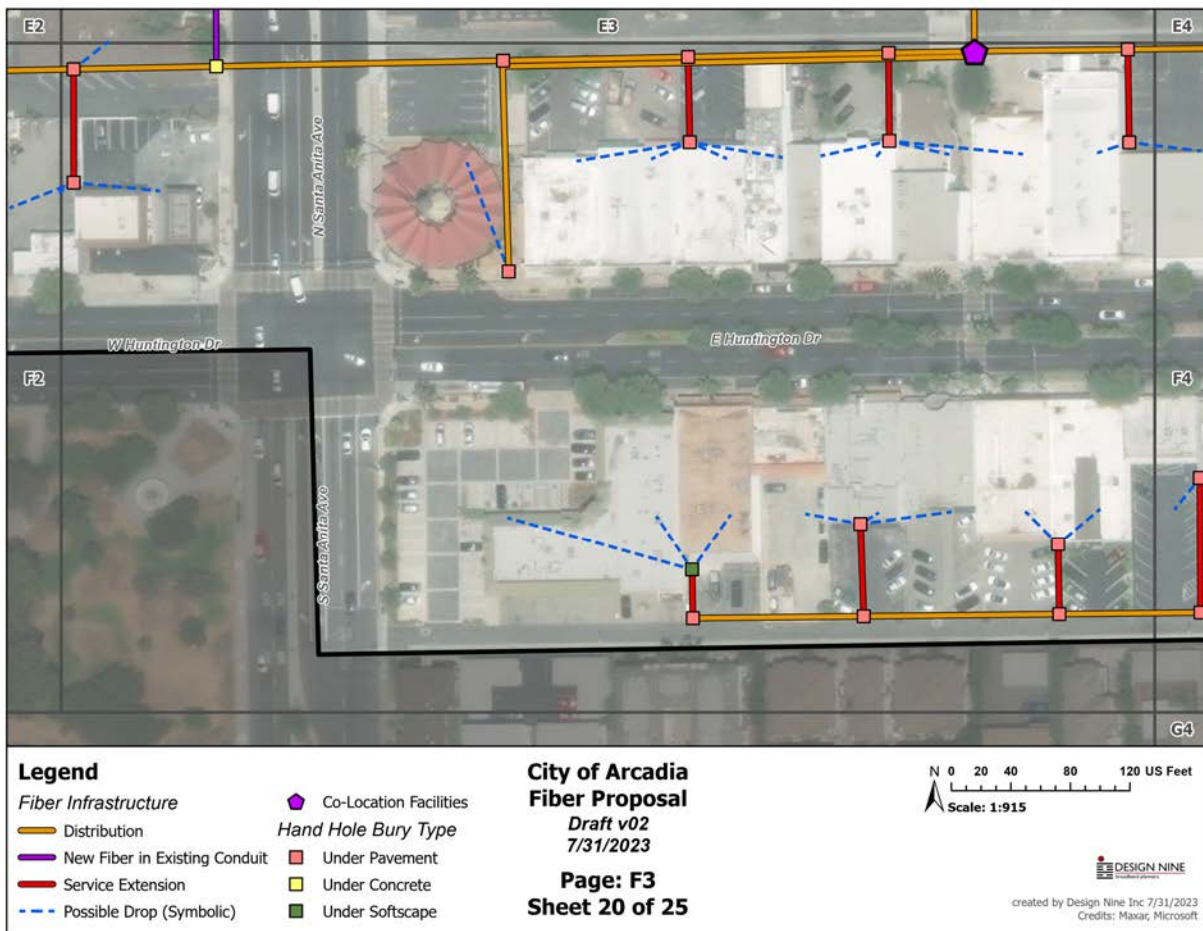
- Under Pavement

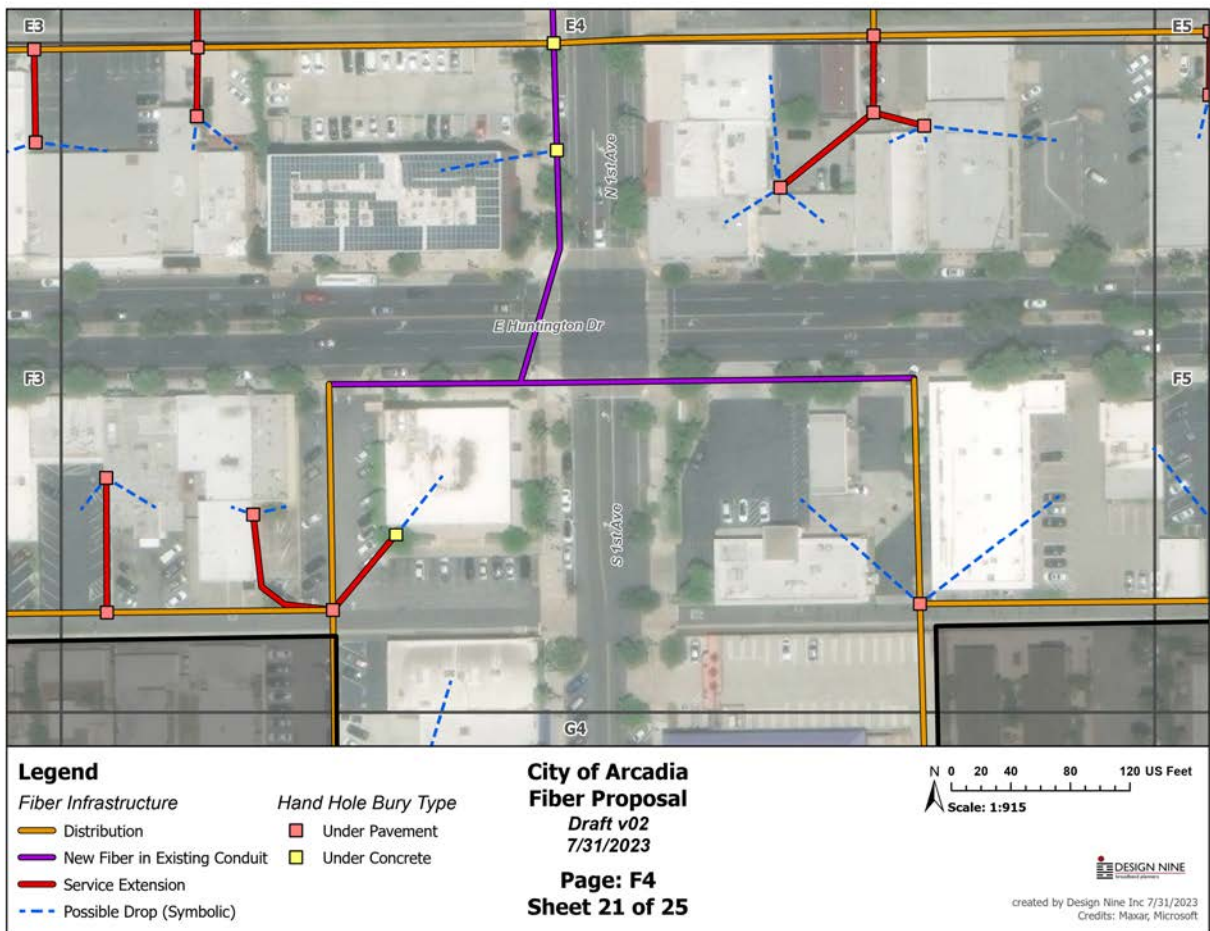
**City of Arcadia
Fiber Proposal
Draft v02
7/31/2023**

**Page: F2
Sheet 19 of 25**

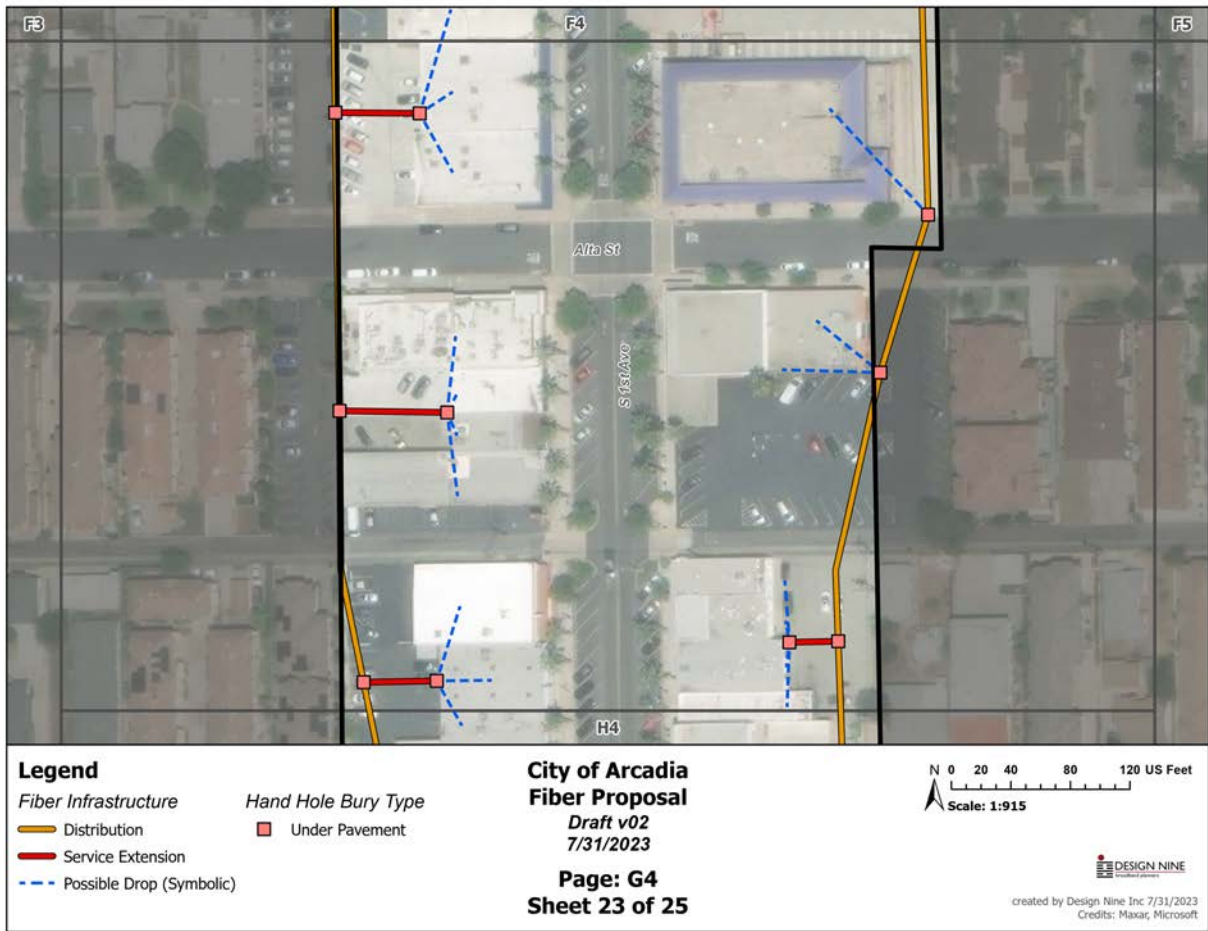


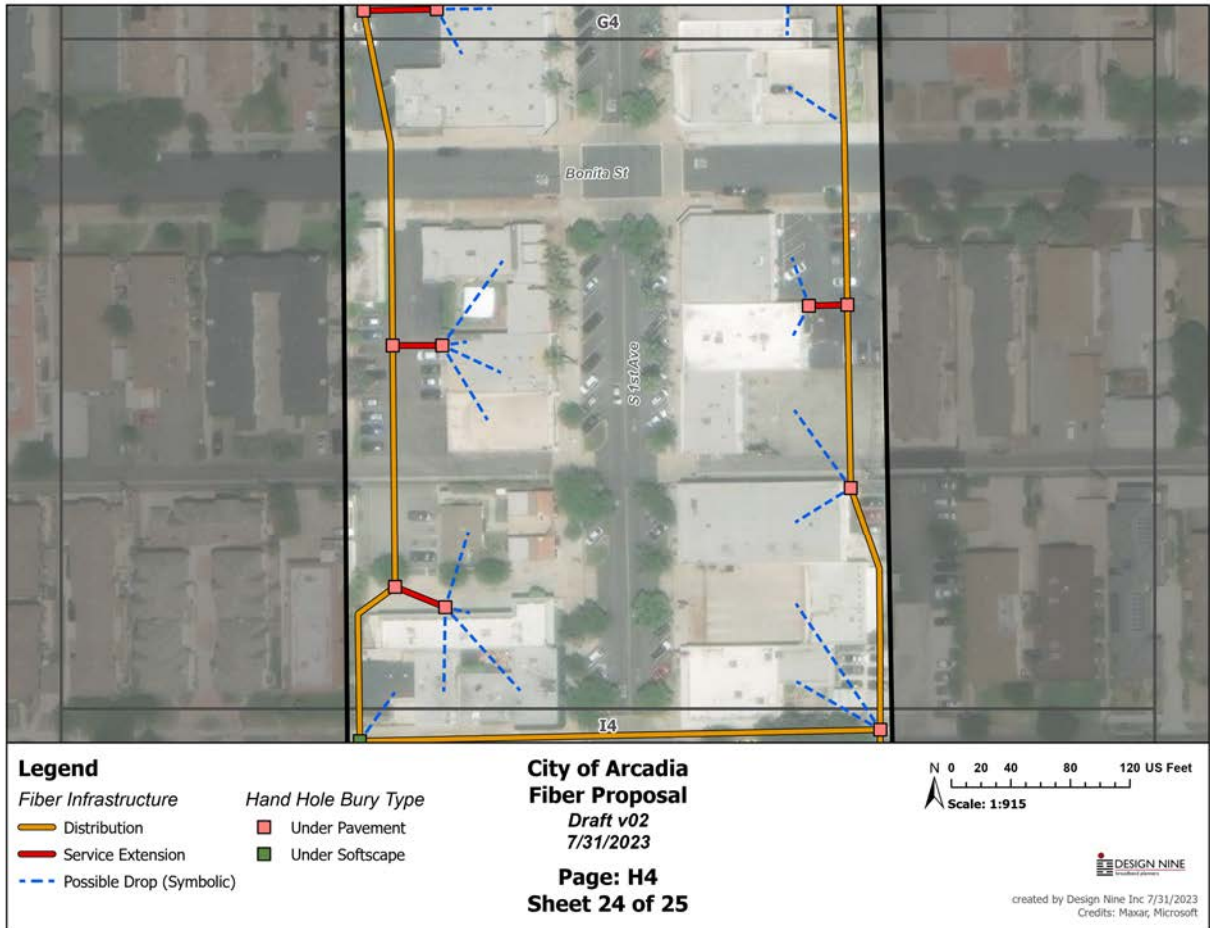
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Credits: Maxar, Microsoft

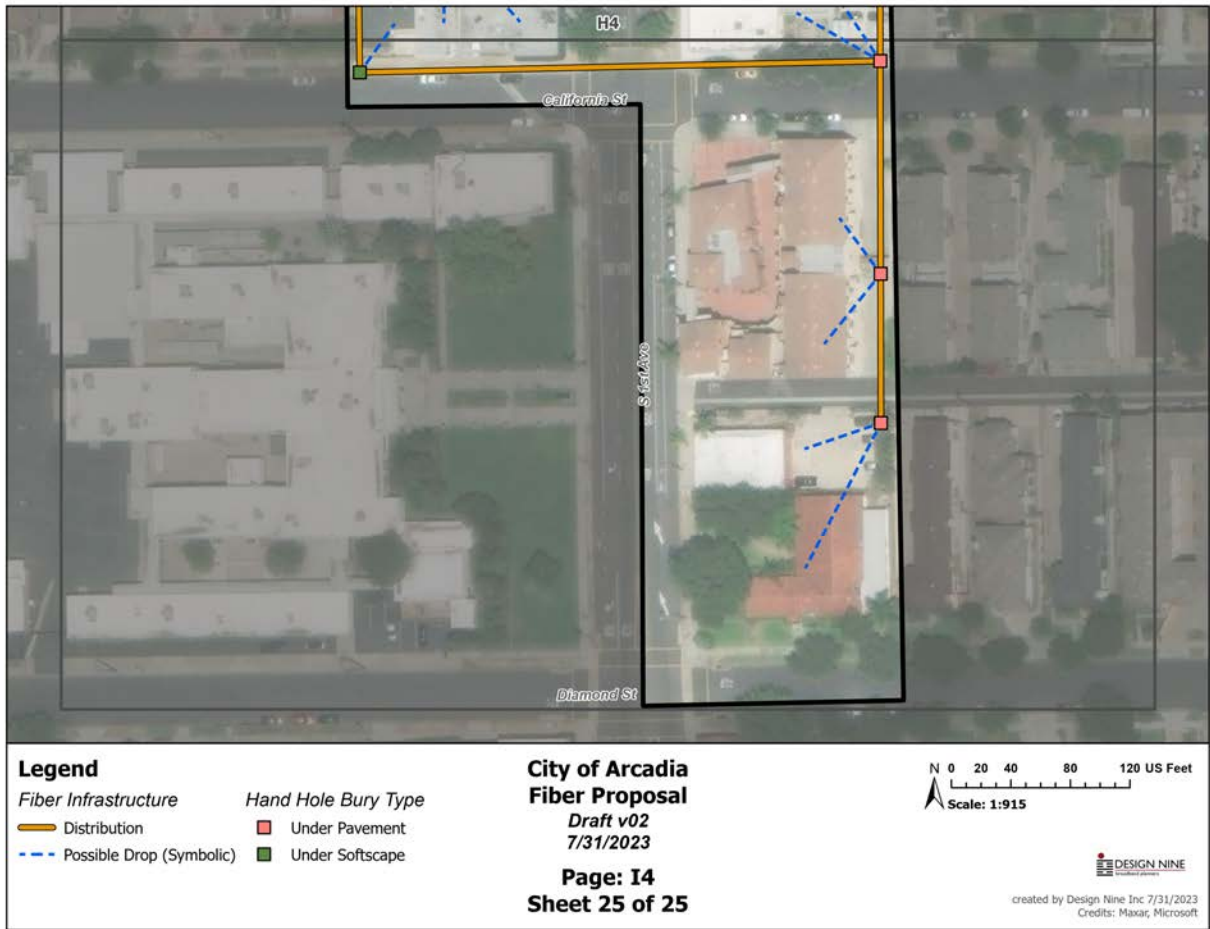












APPENDIX C: SIFI ANALYSIS

Design Nine has reviewed nine documents and articles comprising more than 140 pages of material related to SiFi fiber to the home activities. We have also researched additional materials available on the Web. The primary documents we have evaluated are:

1. Master License and Encroachment Agreement, City of San Buenaventura
2. Public Works Report on SiFi, City of Placentia
3. Smart City Managed Services Agreement, City of Placentia
4. Development Agreement, City of Placentia
5. Amendment #1, Construction Practices, City of Placentia
6. SiFi Shelter and Cabinet Specifications, SiFi
7. City of Arcadia SiFi Proposal
8. Staff Report on SiFi, City of Ventura
9. City of Salem, Massachusetts SiFi Project

Summary of Findings

The two agreements that we were able to review (Placentia, San Buenaventura) are substantially different. In our experience, we would expect a firm like SiFi to have a standard municipal agreement that it would use, and that only minor variations, additions, and changes would occur from one municipality to another. It is not clear why they are so dissimilar.

No financial commitments are required from the City. SiFi will finance the entire build out.

The Placentia agreement includes the provision that the City would assume ownership of the network if SiFi abandons the asset. We would note that this seems highly unlikely, and while it may seem advantageous to the City, if SiFi were to have financial problems that forced them out of business, the most likely outcome would be the sale of the network to another network operator.

While SiFi promotes their open access business model (network owner/operator rather than ISP), they do not appear to have a track record of attracting multiple ISPs. In Placentia, where construction appears to be nearly complete, only a single ISP is offering service, so there is no price competition, which is a key benefit of open access networks. Placentia is certainly large enough as a market for Internet to attract multiple providers. That suggests that SiFi does not offer sufficiently attractive partnerships to ISPs to bring additional providers onto the network, and/or so little of Placentia has been built out that the market is not large enough to attract a second provider. In our experience of more than fifteen years of developing municipal open access networks, we have never found it difficult to attract multiple providers.

Our research indicates that both AT&T and Frontier already offer Gigabit fiber services in some areas of Arcadia. This level of competition for fiber customers brings into question whether SiFi has really done adequate market research in Arcadia. As a general rule, it is prohibitively expensive for a second fiber to the home company to develop a sustainable business case in a market where there is already fiber services being offered. One possibility is that SiFi only plans to build fiber in neighborhoods where neither AT&T nor Frontier currently offer service. In any case, we would suggest that the probability of SiFi passing most homes and businesses in Arcadia is low. If SiFi does enter the Arcadia market, it is

very likely that Frontier and/or AT&T will both increase their efforts to pass more homes with fiber and will also lower prices in the short term—both strategies would affect SiFi’s ability to meet financial targets.

SiFi indicates that the company “...builds long term financially sustainable FTTP projects...”. However, most of the SiFi projects are still in the initial construction phase or have only been in operation for a year or two. It is not clear that the company’s claim of “financially sustainable” networks has been proven.

SiFi calls out the use of microtrenching as a primary construction method. As noted in the previous section of this report, the City should study the advantages and disadvantages of microtrenching prior to entering into an agreement with SiFi.

As discussed in Section Nine of this memo, the issues that SiFi has had with the City of Salem, Massachusetts and the SiFi fiber contractor represent a red flag that should be considered carefully. While it is not clear where to assign blame among the three parties (i.e. SiFi, the city, the fiber contractor), the cost overruns and confusion about Salem’s permitting, construction, and remediation requirements suggest, at a minimum, a lack of attention and/or experience in fiber to the home build outs.

We note that we can count at least ten California cities that SiFi claims it is building fiber to the home. We wonder if SiFi has the organizational capacity to manage that number of projects simultaneously, plus what other projects they may have made commitments for in other areas (like Salem, Massachusetts).

1. Master License and Encroachment Agreement, City of San Buenaventura

This document is an agreement between SiFi and the City of San Buenaventura. It is thirty-seven single-spaced pages that defines what SiFi is allowed to do in City right of way (ROW). It also includes numerous other provisions, including the term of the agreement for SiFi to operate in the City (thirty years with a thirty year extension). The terms and requirements are extensive, and include:

- The right to build in City ROW.
- Definition of “substantial completion” of the network by SiFi, and City rights if 95% completion is not met in the first five years.
- City requirements imposed on SiFi to identify work areas and work zones.
- Annual maintenance permits.
- Exemptions from City encroachment permitting as it relates to concrete repairs, trenching, and paving.
- Exemptions from City requirements for sidewalk, curb and gutter, and trench backfill.
- Requirements to notify the City of construction activities in a timely manner.
- Allowable changes to the SiFi network, including removal of graffiti from SiFi facilities.
- Relocation of SiFi network facilities if City infrastructure improvements are impacted.
- Restoration of right of way after construction.
- Construction techniques approved by the City.
- City obligations to facilitate timely cooperation of City departments with the SiFi activities.

- A commitment by SiFi to provide a lower wholesale rate to ISPs to provide affordable access to qualifying low income households.
- A requirement that SiFi maintain a balance of \$30,000 with the City, defined as a Regular Monthly Replenishment fund. These funds would be used by the City to pay for City staff costs and other expenses related to supporting the SiFi effort (e.g. a citywide fiber project can generate a large number of construction permits, which may require additional City staff to review and approve them, or for increased City inspection of completed construction work).
- A City obligation to provide timely and responsive permit review and approval.
- Typical indemnification and liability requirements.

We would note that many localities in the U.S. have relatively simple franchise agreements that are used to authorize fiber construction. These franchise agreements often simply reference relevant existing locality ordinances and specifications, rather than calling them out specifically in a particular agreement.

2. Public Works Report on SiFi, City of Placentia

This brief four page report by the City of Placentia Public Works Department provides a useful evaluation of the SiFi proposal to the City in 2019. The report highlights two City benefits:

- As part of the network agreement, SiFi agreed to provide a dedicated municipal fiber system to connect City-owned facilities. It is noted in the report that employees at various City locations would have much improved access to shared City systems and data.
- It was also noted that the Police Department's CCTV security camera system would benefit with improved fiber connectivity, and that the Fire Department could more efficiently dispatch equipment.

The dedicated City network is referenced in the Managed Services Agreement as "future demand points."

Similar to the San Buenaventura agreement, SiFi promised to pay the City \$75,000 per year to support the single point of contact (SPOC), up to a total of 42 months (i.e. the planned duration of the fiber construction).

The report also notes that initial term of the agreement is for twenty-five years, with two twenty-five year extensions.

Part of the agreement, as noted by City staff, is that the City has negotiated a fixed annual fee for access and use of the City fiber system. While the fee (\$20,000/year) seems reasonable now, the twenty year term seems excessive, as the cost of network access has dropped substantially over the past twenty years, and is likely to continue to drop for at least the next five to ten years.

3. Smart City Managed Services Agreement, City of Placentia

This document is an agreement between SiFi and the City of Placentia, executed in September, 2019. Some construction may still be underway, but some areas of the City do appear to have access to the network. GigabitNow seems to be the only provider, although the network is advertised as open access (more than one ISP can use the network to deliver Internet service). An open question would be why SiFi has not been able to attract more than one provider to the network? Microtrenching and micro duct has been used in Placentia.

The agreement is thirty-five pages, and differs substantially from the San Buenaventura agreement discussed in the previous section of this memo. Key sections of the report include the following:

- Placentia required SiFi to provide up to 300 “Future Demand Points” as part of the agreement. Future demand points are designated by the City as locations to receive fiber broadband service. The City is required to pay for the cost of the drops (the fiber cable from the street to the side of the building). The City also gets a 25% discount off the commercial rates offered in the city. The City also cannot use the demand points for any purpose that might compete with the SiFi network (e.g. offering demand point access to a competing network provider).
- The agreement also has a full page of KPI (Key Performance Indicators) that specify compliance with specified target service levels—that is, network performance and requirements in the Service Level Agreement (SLA).
- Unlike the San Buenaventura agreement, the Placentia agreement addresses right of way access and regulations with a one sentence requirement to abide by all Federal, state, and local laws and regulations.
- The agreement has typical indemnification and liability language.
- There is a section that addresses how SiFi confidential information is handled by the City.
- There are two sub-sections that address how SiFi and the City each transfer the agreement to a third party.
- There is a section that calls out what the City will pay SiFi for monthly fiber service to nine City locations and facilities.
- The City is obligated to provide a single point of contact (SPOC) to SiFi for all matters related to the construction and management of the network.
- There is an extensive discussion of breach and/or default by either the City or SiFi.
- There is a section on dispute resolution and mediation if there are disagreements between the City and SiFi.
- There is additional routine contract language addressing severability, governing law, contract modification, waivers, and related legal considerations.

The KPIs noted above and the SLAs noted above are addressed in more detail in appendices. The SLAs are entirely typical, but SLAs usually address the relationship between the service provider and the customer. The appendices provide a useful insight into the general customer service approach of SiFi, but are not necessarily binding.

4. Development Agreement, City of Placentia

This twenty-three page document includes more technical details about the network that SiFi planned to build. Some of the language and sub-sections are very similar to what is contained in the Managed Services Agreement in the previous section of this report, but other sections are entirely different. Some portions of the document seem to substantially duplicate portions of the Managed Services Agreement. It is not clear to us why two different documents were needed.

This agreement details SiFi and City permitting obligations (e.g. how quickly the City must review and approve permits, fees paid to the City by SiFi for a single point of contact (SPOC, \$75,000/year), discussion of various construction methods (e.g. microtrenching, open trenching, directional boring,

fiber placement in the sewer system), SiFi cabinet and Point Of Presence (POP) locations, and fiber drop cable terminations.

There are additional sections with typical contract language. We would note again that there is some duplication of sections and language with the Managed Services Agreement.

5. Amendment #1, Construction Practices, City of Placentia

This document is an amendment to the Development Agreement between SiFi and the City of Placentia (dated May, 2021). The document appears to make several changes to the Development Agreement, which brings into question why some of the changes were not addressed prior to signing the initial Development Agreement.

The document consists of ten single-spaced pages of primarily construction and technical specifications that were written by the City, and were probably developed by the City Engineer, the Planning Department, and/or the Public Works department.

In particular, several of the changes address various aspects of micro trenching and the use of micro duct. Note that a subsequent section of this memo (SiFi Shelter and Cabinet Specifications) discusses the use of micro duct and micro conduit in more detail.

Other portions of the agreement address topics including pavement and surface remediation, permitting, scheduling and phasing of construction, City obligations to SiFi (during construction), SiFi obligations to the City (during construction), work hours, approved activities during approved work hours, punch list management, handling of Stop Orders from the City, handling of non-compliance and safety issues, emergency repair work, coordination of SiFi construction activities with routine and emergency Public Works department activities, relocation of utilities, protection of SiFi installed infrastructure, curb and gutter repairs and/or replacement necessitated by SiFi construction, conflicts with City Capital projects, certain indemnification and liability requirements, and conflict resolution.

The individual sub-sections of the document that address construction practices can appear to be reasonable, but take as a whole, some of the City of Placentia requirements (e.g. what types of construction activities are allowed during a normal work day) are likely to increase the cost of construction for SiFi.

The City of Arcadia, if it moves forward with SiFi, should review the requirements in this document carefully. It is also preferable that the items included in this amendment be both discussed prior to signing the master Development Agreement but also be included in the Master Agreement rather than the more time-consuming and potentially more difficult process of negotiating these changes after the primary agreement has been signed.

6. SiFi Shelter and Cabinet Specifications, SiFi

This SiFi document, (Exhibit B) provides engineered drawings of various components of fiber networks that could be included as part of a SiFi "Fiber City" build out. The drawings include detail on handholds, cabinets, shelter, street crossings, fiber access boxes (recessed pedestals for drop connections).

Based on the material included in this document, SiFi appears to try to use micro conduit as part of their build out design. Five different drawings illustrate how they install micro conduit. Micro conduit can be installed in a wide variety of ways, and any agreement with SiFi should include a careful review of their micro conduit specifications.

- Micro conduit has often been a controversial fiber installation strategy. Some of the debate related to micro-conduit include:
- Micro conduit installation usually involves cutting a very narrow slot in the street or pavement. The width of the slot can vary between 1/2" and about three inches. The depth of the slot can also vary widely, from about two inches to twelve inches.
- The primary advantages of slot-cut micro conduit is avoidance of traditional trenching and/or horizontal directional drilling (HDD). In urban streets, slot cut micro conduit, even at 12" deep, typically avoids any interaction with other utilities (e.g. water, sewer, electric, telecom). Water line breaks are much less likely, as one example.
- Shallow slots (e.g. two inches) can create problems if the street is later designated for grinding and repaving. Deeper slots avoid this problem. SiFi's drawings specify a 12" slot, which should be entirely adequate for normal street grinding (typically the top 2-3").
- The slots do cut the existing pavement. Proper remediation can mitigate the negative effects of cutting the roadway, but careful patching of the slot is needed. Some Public Works departments have been categorically opposed to slot cutting because of the potential negative effects on the roadway.

If Arcadia moves forward with SiFi, the Public Works department should review SiFi's construction procedures, and if slot cutting is employed in Arcadia by SiFi, regular inspection of slot remediation to ensure conformance to specifications is strongly recommended.

Other components included in this document (e.g. pull boxes, shelters, cabinets) are ordinary and widely used in fiber to the home projects.

7. City of Arcadia SiFi Proposal

The sales document presented to the City of Arcadia by SiFi (Arcadia FiberCity) promises to construct more than three hundred miles of new fiber in the city, passing most homes and businesses with symmetrical Gigabit fiber. The proposed expenditure of \$70M is reasonable given the estimated construction mileage. SiFi is not requesting any City financial commitment. The SiFi business model is to be the network owner and operator, and not the ISP. SiFi will partner with one or more ISPs; the ISPs will actually provide the Internet service on the network. The promised competition would occur only if SiFi is able to attract more than one provider to the network. It is worth noting that in Placentia, only one ISP is offering Internet services.

SiFi and the City would enter into a Development Agreement that would outline the roles and responsibilities for each of the two parties.

SiFi discusses their FOCUS (tm) construction approach that determines the best construction method on a "case by case" basis, "...rather than being restricted to one construction technique and type of technology." This sounds forward thinking, but we know of no fiber to the home project that uses only one construction technique. Local conditions vary everywhere, and both the contractors and the network owner/manager for any given fiber to the home project will vary construction methods as needed to suit those local conditions and to keep costs as low as possible.

SiFi calls out the use of microtrenching as a primary construction method. As noted in the previous section of this report, the City should study the advantages and disadvantages of microtrenching prior to entering into an agreement with SiFi.

SiFi indicates that the company "...builds long term financially sustainable FTTP projects...". However, most of the SiFi projects are still in the initial construction phase or have only been in operation for a year or two. It is not clear that the company's claim of "financially sustainable" networks has been proven.

8. Staff Report on SiFi, City of Ventura

The City of Ventura evaluated a SiFi proposal, and the City Manager and the Public Works Director provided the City Council with a brief report. In 2019 the City issued an RFP to attract a fiber network provider, and received three proposals. The SiFi proposal was the only one that offered a "complete, underground, low cost citywide network." The began negotiations with SiFi in April, 2019. An agreement was reached with SiFi in February of 2020.

Little information is available on the project. The SiFi "Ventura FiberCity" Web site simply states, "...SiFi Networks has been granted access to Ventura's right of ways to build a state-of-the-art community wide, fiber optic network, known as the Ventura FiberCity®."

The report provides a concise summary of the proposal made to the City, which includes:

- SiFi provides the funding for the network, and no City financial subsidy is required.
- The City gets a discount on network access.
- SiFi planned to offer a low cost service to low income homes in the city.
- Micro-trenching was planned to be a primary construction method.
- The City Engineer would have final permit approval on the best construction process to use for each permitted area.
- SiFi would reimburse the City for costs related to permitting, including review, approvals, and construction inspection.
- SiFi was promising to complete 95% of the construction within five years.
- SiFi wanted an initial thirty year term with an option to extend for thirty additional years.

9. City of Salem, Massachusetts SiFi Project

Beginning with discussions starting in 2017, SiFi began negotiating with the City of Salem, Massachusetts to make Salem a "FiberCity." The SiFi Web site for the project (<https://sifinetworks.com/residential/cities/salem-ma/>) indicates that while a contract with the City has been signed and that a service provider has been selected, the network design is not complete, nor have construction permit approvals been completed—six years later.

A review of City documents and City Council minutes show very little mention of the project after 2021. In 2022, a contract dispute between SiFi and its fiber contract began to be reported in the local newspaper. A March, 2022 article in The Salem News provided details of the issue, with the contractor claiming that SiFi had not adequately advised the contractor on certain paving and permitting requirements of the City, which created projected cost overruns.

A June, 2022 article in The Salem News reported that SiFi had fired the contractor, and the contractor had filed a wrongful termination lawsuit against SiFi.

The Salem FiberCity Twitter account has not been updated since October, 2022, and the last tweet simply apologized for the delays without offering any additional information. Similarly, the Salem

FiberCity Facebook page has also not been updated since October, 2022, with the same apology that was posted on Twitter, with no other explanation.

As noted above, the City of Salem seems to have gone quiet on the project for at least a year or more. An examination of the Salem project makes it difficult not to conclude that SiFi has problems meeting its commitments. We would also note that nearly six years has past since the City of Salem began talking to SiFi, and as far as we can tell, no residents or businesses in Salem have received fiber to the home service.

APPENDIX D: GLOSSARY

Active network: Typically a fiber network that has electronics (fiber switches and CPE) installed at each end of a fiber cable to provide “lit” service to a customer.

Asymmetric connection: The upload and download bandwidth (speed) are not equal. Cable Internet and satellite Internet services are highly asymmetric, with upload speeds typically 1/10 of download speeds. Asymmetric services are problematic for home-based businesses and workers, as it is very difficult to use common business services like two way videoconferencing or to transfer large files to other locations.

Backhaul: Typically refers to a high capacity Internet path out of a service area or locality that provides connectivity to the worldwide Internet.

Colo facility: Colo is short for Colocation. Usually refers to a prefab concrete shelter or data center where network infrastructure converges. A colo or data center can also refer to a location where several service provider networks meet to exchange data and Internet traffic.

CPE: Customer Premises Equipment, or the box usually found in a home or business that provides the Internet connection. DSL modems and cable modems are examples of CPE, and in a fiber network, there is a similarly-sized fiber modem device.

Dark fiber: Dark fiber is fiber cable that does not have any electronics at the ends of the fiber cable, so no laser light is being transmitted down the cable.

Fiber switch: Network electronic equipment usually found in a cabinet or shelter

Fiber Optic Splice Closure: See **FOSC**.

FOSC: Fiber Optic Splice Closure. Typically a water and air tight cylindrical container where fiber cable is split open to allow splicing (connecting together) of fiber strands for a drop to a premises.

FTTH/FTTP/FTTx: Fiber to the Home (FTTH), Fiber to the Premises (FTTP), and Fiber to the X (FTTx) all refer to Internet and other broadband services delivered over fiber cable to the home or business rather than the copper cables traditionally used by the telephone and cable companies.

Handhole: Handholes are open bottom boxes with removable lids that are installed in the ground with the lids at ground level. The handholes provide access to fiber cable and splice closures that are placed in the handhole. Handholes are also called **pull boxes**.

IP video: Video in various forms, including traditional packages of TV programming, delivered over the Internet rather than by cable TV or satellite systems.

Latency: The time required for information to travel across the network from one point to another. Satellite Internet suffers from very high latency because the signals must travel a round trip to the satellite in stationary orbit (22,500 miles each way). High latency makes it very difficult to use services like videoconferencing.

Lit network: A “lit” network (or lit fiber) is the same as an active network. “Lit” refers to the fact that the fiber equipment at each end use small lasers transmitting very high frequency light to send the two way data traffic over the fiber.

MST: Multipoint Service Terminals are widely used in fiber to the home deployments to connect individual home drop cables to larger distribution cables on poles or in handholes. Pre-connectorized drop cables snap into the MST ports and do not require any splicing.

Passive network: Refers to infrastructure that does not have any powered equipment associated with it. Examples include wireless towers, conduit (plastic duct), handholes, and dark fiber.

Pull boxes: Pull boxes (also called handholes) are used to provide access to fiber cable and splice closures. They are called pull boxes because they are also used during the fiber cable construction process to pull the fiber cable through conduit between two pull boxes.

Splice closures: Splice closures come in a variety of sizes and shapes and are used to provide access to fiber cable that has been cut open to give installers access to individual fiber strands. Splice closures are designed to be waterproof (to keep moisture out of the fiber cable) and can be mounted on aerial fiber cable or placed underground in handholes. Also called **FOSCs**.

Splicing: The process of providing a transparent joint (connection) between two individual fiber strands so that laser light passes through. A common use of splicing is to connect a small "drop" cable of one or two fiber strands to a much larger (e.g. 144 fiber strand) cable to provide fiber services to a single home or business.

SCADA: Supervisory Control and Data Acquisition. Used by the electric utility industry and some other utilities (e.g. water/sewer) to manage their systems.

Symmetric connection: The upload and download bandwidth (speed) is equal. This is important for businesses and for work from home/job from home opportunities.

Virtual Private Network: A VPN creates a private, controlled access link between a user's computer and a corporate or education network in a different location. VPNs are often encrypted to protect company and personal data. VPNs usually require a symmetric connection (equal upload and download speeds) to work properly.



STAFF REPORT

Recreation and Community Services Department

DATE: November 7, 2023

TO: Honorable Mayor and City Council

FROM: Sara Somogyi, Director of Recreation and Community Services
Candice Cheung, Deputy Director of Recreation and Community Services
By: Ashley Marston, Management Analyst

SUBJECT: LOS ANGELES FOUND PROJECT LIFESAVER PROGRAM FOR INDIVIDUALS WITH COGNITIVE DISORDERS
CEQA: Not a Project
Recommendation: Receive and File

SUMMARY

The Los Angeles Found (“L.A. Found”) Project Lifesaver is a voluntary system of trackable bracelets for at-risk individuals provided through the Los Angeles County Aging and Disabilities Department. The program is available to all individuals in Los Angeles County, including City of Arcadia residents. It is recommended that the City Council receive and file the information provided related to the L.A. Found Project Lifesaver Program for individuals with cognitive disorders.

BACKGROUND

At the September 5, 2023, City Council meeting, the City Council voiced interest in hearing about programs that assist in locating individuals with fluctuating or limited cognitive ability, if they wander away from their home or other location.

Wandering is a common problem associated with Dementia, Alzheimer’s, and Autism. According to the Alzheimer’s Association, 60% of people with dementia will wander at some point; and a study by the Interactive Autism Network found that 49% of children with Autism will engage in wandering behavior. While many of these individuals who wander are recovered, wandering cases create risk and can end in tragedy.

In February 2018, the Los Angeles County Board of Supervisors unanimously approved the ‘Bringing Our Loved Ones Home’ initiative (now known as L.A. Found), a groundbreaking countywide initiative to help locate individuals with cognitive impairments who wander. L.A. Found is proud to partner with Project Lifesaver, a voluntary system of trackable bracelets for at-risk individuals. The bracelet works by

emitting a radio frequency signal every couple of seconds. Project Lifesaver bracelets are intended for individuals who have been diagnosed with Alzheimer's, Dementia, Autism, or other cognitive impairments, including some mental illnesses.

When an individual wearing a bracelet goes missing, the Los Angeles County Sheriff's Department deploys a specially equipped team to assist with search and rescue. Weather permitting, the Sheriff's Department can also deploy a helicopter with receivers to assist the ground search team and help expedite locating the missing person. When the individual wanders, caregivers are asked to quickly call 911 and advise the operator that the missing person is wearing a Project Lifesaver bracelet. The bracelet is not monitored until the person is reported missing.

DISCUSSION

The Recreation and Community Services Department has been advertising and promoting L.A. Found Project Lifesaver since its inception. To promote the program, the Department partners with L.A. Found Project Lifesaver by:

- Hosting informational seminars at the Arcadia Community Center
- Providing booth space for L.A. Found at the annual Senior Health Fair
- Displaying the resource in the 50+ Connection publication, senior newsletter
- Marketing the program through flyers and the electronic display board at the Arcadia Community Center, and on the City's website
- Including the program as an essential piece of the City's Information & Referral program

With this approach, the Department distributes L.A. Found Project Lifesaver applications to caretakers of at-risk Arcadians, promoting resources to combat and lessen the length of wandering incidences.

The applications for the Project Lifesaver bracelet in Los Angeles County can be located on the L.A. Found website: <https://lafound.lacounty.gov/project-lifesaver/>. Free bracelets are limited in supply and are also available for direct purchase for \$375. Once an application has been approved, the L.A. Found Unit within the Aging and Disabilities Department, will contact the individual to schedule distribution of the bracelet, train the caregiver on how to assemble the bracelet and how to test/replace batteries on the device.

Information on the required documentation, or more assistance with the application can be obtained by contacting L.A. Found at LAFound@ad.lacounty.gov, or by calling the L.A. Found Hotline at (833) 569-7651.

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. Thus, this matter is exempt under CEQA.

FISCAL IMPACT

There is no fiscal impact to the General Fund as a result of this program.

RECOMMENDATION

It is recommended that the City Council determine that this action is exempt under the California Environmental Quality Act ("CEQA"); and receive and file the information related to the Los Angeles Found Project Lifesaver Program for individuals with cognitive disorders.

Approved:



Dominic Lazzaretto
City Manager