

# CITY OF ARCADIA

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## City Council Regular Meeting Agenda



**Tuesday, December 3, 2024, 7:00 p.m.**

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

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

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

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

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

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### How to Submit Public Comment:

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

1. **In-Person:** Complete a Speaker Card, indicating the agenda item number and submit it to the City Clerk prior to the meeting, or simply come to the podium when the Mayor asks for those who wish to speak. Speakers 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](https://ArcadiaCA.gov/comment). Your comments must be received at least 30 minutes prior to the posted meeting time.
2. **Email:** Please submit your comments via email to [CityClerk@ArcadiaCA.gov](mailto:CityClerk@ArcadiaCA.gov). Your comments must be received at least 30 minutes prior to the posted meeting time.

**如何提交公众评论意见：**

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

1. **亲自出席：**填写一张发言人卡片，注明议程项目编号，然后在会议开始前提交给市书记官，或者在市长询问公众发言时，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](http://ArcadiaCA.gov/comment)。必须在公布的会议时间前至少提前 30 分钟提交评论意见。
2. **电子邮件：**请将您的评论意见通过电子邮件发送至：[CityClerk@ArcadiaCA.gov](mailto:CityClerk@ArcadiaCA.gov)。必须在公布的会议时间前至少提前 30 分钟提交评论意见。

**1. CALL TO ORDER**

**2. INVOCATION**

Secretary Riaz Khan, Mosque of San Gabriel

**3. PLEDGE OF ALLEGIANCE**

Raymond Cheung, U.S. Marine Corps Veteran and Arcadia Resident

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

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

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

**6. CITY CLERK**

- a. Resolution No. 7607 reciting the facts of the General Municipal Election in Arcadia on Tuesday, November 5, 2024, declaring the results and such other matters as provided by law.  
CEQA: Not a Project  
Recommended Action: Adopt

**7. PRESENTATIONS TO OUTGOING CITY COUNCIL MEMBER**

**Presentation to outgoing Council Member April A. Verlato**

Presentation by Maile Plan on behalf of U.S. Congresswoman Judy Chu

Presentation by Fion Lam on behalf of Assemblymember Mike Fong

Presentation by Vicky Paul on behalf of Supervisor Kathryn Barger

Presentation by Mayor Kelly Kriebs on behalf of the City of Sierra Madre

Presentation by Vice Mayor Katherine Lee on behalf of the City of Alhambra

Presentation by Shannon Currie, John Griffin, Joan Schmidt, Linda Sells, and Michelle Wright on behalf of the Monrovia Arcadia Duarte Town Council

Presentation by Raymond Cheung and Dr. David Vannasdall on behalf of the Arcadia Unified School District

Presentation by Alton Wang on behalf of the Pasadena City College Board of Trustees

Presentation by Brian Greene and Karen MacNair on behalf of the Arcadia Chamber of Commerce

Presentation by Brian Greene on behalf of USC Arcadia Hospital

Presentation by Donna Choi on behalf of the Downtown Arcadia Improvement Association

Presentation by Cheryl Alberg on behalf of Arcadia Woman's Club

Presentation by Angela Hui on behalf of the Arcadia Performing Arts Foundation

Presentation by Mayor Michael Cao, M.D. on behalf of the City of Monrovia

Presentation by Mayor Michael Cao, M.D. on behalf of the City of Arcadia – Gavel Plaque

**Remarks by outgoing Council Member April A. Verlato**

**8. ADMINISTRATION OF THE OATH OF OFFICE AND CITY COUNCIL TRANSITION**

- a. Administration of the oath of office to newly elected members of the City Council.
- b. Remarks by newly elected members of the City Council.
- c. City Council Transition.
  - 1. Comments by Members of the City Council

**9. 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.

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

**11. 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. Special and Regular Meeting Minutes of November 19, 2024.  
CEQA: Not a Project  
Recommended Action: Approve

- b. Agreement with PaintCare Inc. for participation in the Paint Recycling Program.  
CEQA: Not a Project  
Recommended Action: Approve
- c. Biller Agreement with Invoice Cloud, Inc. for Full-Service, Integrated Electronic Bill Payment Software for Utility Billing in an amount not to exceed \$200,000 annually.  
CEQA: Not a Project  
Recommended Action: Approve
- d. Approve the Annual Development Impact Fee Report for Fiscal Year 2023-24 pursuant to Government Code Section 66006.  
CEQA: Not a Project  
Recommended Action: Approve
- e. Purchase Order with Haaker Equipment Company for the purchase of one 2025 Elgin CNG Crosswind Street Sweeper in the amount of \$574,543.62.  
CEQA: Not a Project  
Recommended Action: Approve
- f. Purchase Order with Sierra Chevrolet of Monrovia for the purchase of one 2025 Chevrolet Silverado 1500 pickup truck in the amount of \$56,881.14.  
CEQA: Not a Project  
Recommended Action: Approve
- g. Purchase Order with Flock Safety for renewal of the Automated License Plate Reader ("ALPR") camera subscription ("Phase 1") for Fiscal Year 2024-25 in an amount not to exceed \$60,000.  
CEQA: Not a Project  
Recommended Action: Approve
- h. Purchase Order with SDI Presence for the development of a five-year Information Technology Strategic Plan in an amount not to exceed \$60,000.  
CEQA: Not a Project  
Recommended Action: Approve

## 12. ADJOURNMENT

The City Council will adjourn this meeting in memory of longtime Arcadia resident Dora Fowler to Tuesday, December 17, 2024, 6:00 p.m. in the City Council Conference Room.

## Welcome to the Arcadia City Council Meeting!

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

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

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

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

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

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

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

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

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

# 欢迎参加阿凯迪亚市议会会议！

市议会鼓励公众参与，并邀请您分享对城市管理的看法。

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

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

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

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

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

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

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

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



# STAFF REPORT

Office of the City Clerk

**DATE:** December 3, 2024

**TO:** Honorable Mayor and City Council

**FROM:** Dominic Lazzaretto, City Manager  
By: Linda Rodriguez, City Clerk

**SUBJECT:** RESOLUTION NO. 7607 RECITING THE FACTS OF THE GENERAL MUNICIPAL ELECTION IN ARCADIA ON TUESDAY, NOVEMBER 5, 2024, DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW  
**CEQA: Not a Project**  
**Recommendation: Adopt**

## SUMMARY

On June 4, 2024, the City Council called a General Municipal Election to be held on Tuesday, November 5, 2024, for the purpose of electing City Council Members representing Electoral Districts 1 and 4. As of the filing deadline, a total of four City Council Member candidates were qualified for the November 5, 2024, General Municipal Election:

District 1	District 4
David Fu	Steve Rhee
David Arvizu	Paul P. Cheng

On December 3, 2024, the Los Angeles County Registrar-Recorder/County Clerk is expected to certify the results of the November 5, 2024, General Municipal Election. The results of the election are reflected in the attached Resolution No. 7607.

Based on the certified election results, David Fu was elected to District 1 and Paul P. Cheng was elected to District 4, to serve four-year terms as members of the Arcadia City Council.

Resolution No. 7607 declaring the results of the November 5, 2024, General Municipal Election is attached for City Council adoption. The Resolution will be distributed to the City Council during the December 3, 2024, Meeting and provides the number of votes cast in Districts 1 and 4, and the number of votes cast for each candidate.

**ENVIRONMENTAL ANALYSIS**

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

**FISCAL IMPACT**

There is no fiscal impact resulting from the adoption of this Resolution declaring the 2024 General Municipal Election results.

**RECOMMENDATION**

It is recommended that the City Council find that the proposed action does not constitute a project under the California Environmental Quality Act (“CEQA”); and adopt Resolution No. 7607 reciting the facts of the General Municipal Election in Arcadia on Tuesday, November 5, 2024, declaring the results and such other matters as provided by law.

Attachment: Resolution No. 7607

RESOLUTION NO. 7607

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, RECITING THE FACTS OF THE GENERAL MUNICIPAL ELECTION IN ARCADIA ON TUESDAY, NOVEMBER 5, 2024, DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW

WHEREAS, an All Mail Ballot General Municipal Election was held and conducted in the City of Arcadia, California, on Tuesday, November 5, 2024, as required by law; and

WHEREAS, notice of the election was given in time, form and manner as provided by law; in all respects the election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the Elections Code of the State of California for the holding of elections in charter cities; and

WHEREAS, pursuant to Resolution No. 7567, dated June 4, 2024, the County Elections Department canvassed the returns of the election and has certified the results, and the results are received and included herein.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, DOES FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The whole number of ballots cast in District 1 was \_\_\_\_\_, and District 4 was \_\_\_\_\_.

SECTION 2. The names of persons voted for at the election for Member of the City Council and the number of votes given for the respective offices for which the persons were candidates are as follows:

District 1:

David Fu \_\_\_\_\_

David Arvizu \_\_\_\_\_

District 4:

Steve Rhee \_\_\_\_\_

Paul P. Cheng \_\_\_\_\_

SECTION 3. The City Council does declare and determine that:

David Fu was elected as Member of the City Council for the full term of four (4) years in District 1; and

Paul P. Cheng was elected as Member of the City Council for the full term of four (4) years in District 4.

SECTION 4. The City Clerk shall enter on the records of the City Council of the City, the results of the election, showing: (1) the whole number of ballots cast in District 1 and District 4; (2) the names of the persons voted for; (3) for what office each person was voted for; and (4) the number of votes given in each District to each person.

SECTION 5. The City Clerk shall immediately make and deliver to each of the persons so elected a Certification of Election signed by the City Clerk and authenticated, and the City Clerk shall administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons so elected shall then be inducted into the respective office to which they have been elected.

SECTION 6. The City Clerk shall certify to the adoption of this Resolution.

[SIGNATURES ON THE NEXT PAGE]


Passed, approved and adopted this 3rd day of December, 2024.

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

ATTEST:

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

APPROVED AS TO FORM:

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

**ARCADIA CITY COUNCIL  
SPECIAL MEETING MINUTES  
TUESDAY, NOVEMBER 19, 2024**

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**CALL TO ORDER** - Mayor Cao called the Special Meeting to order at 5:05 p.m.

**ROLL CALL OF CITY COUNCIL MEMBERS**

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

**ELARA AFFORDABLE HOUSING PROJECT LOCATED IN THE UNINCORPORATED PORTION OF LOS ANGELES COUNTY AT 4217 E. LIVE OAK AVENUE**

**1. WELCOME AND OPENING REMARKS**

Dominic Lazzaretto, City Manager

**2. STUDY SESSION/PROJECT QUESTION & ANSWER**

Representatives from Affirmed Housing, Shonda Herold and Jaime Albarelli, presented a PowerPoint on the Elara Affordable Housing Project.

Following the presentation, Ms. Herold, Ms. Albarelli, and Gianna Richards from Solari Property Management addressed questions and comments from members of the public on the Elara Project.

Mayor Pro Tem Kwan arrived at 6:55 p.m.

**3. PUBLIC COMMENTS**

At the conclusion of Agenda Item 2. Study Session/Project Question & Answer, Mayor Cao opened Public Comment and members of the public addressed the City Council regarding the Elara Affordable Housing Project.

A total of 29 members of the public appeared and spoke in opposition to the project.

Following Public Comment, Mayor Cao requested that the Developer consider attending a subsequent meeting of the City Council, to discuss the Elara Project with Arcadia residents. No further action was taken by the City Council.

**4. ADJOURNMENT**

The Special Meeting ended at 7:05 p.m.



\_\_\_\_\_  
Linda Rodriguez  
City Clerk

**ARCADIA CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, NOVEMBER 19, 2024**

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1. **CALL TO ORDER** – Mayor Cao called the Regular Meeting to order at 7:14 p.m.
2. **INVOCATION** – Pastor Terrence Shay, Arcadia Police Department Chaplain
3. **PLEDGE OF ALLEGIANCE** – Gary Brewer, Army Veteran and Arcadia Resident
4. **ROLL CALL OF CITY COUNCIL MEMBERS**

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

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 held a Special Meeting to discuss the Elara Affordable Housing Project, located in the unincorporated portion of Los Angeles County; the Project Developer provided a presentation; and Public Comment was offered. No action was taken by the City Council, as the project is outside of the City's jurisdiction.

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

City Manager Lazzaretto announced that prior to the Special Meeting, a letter was received by Supervisor Kathryn Barger's office, in response to Mayor Cao and Council Member Cheng's letters on the Elara Affordable Housing Project; he further announced that the letters would be posted on the City's website for viewing.

7. **PRESENTATIONS**

- a. Presentation of 71<sup>st</sup> Annual Arcadia Festival of Bands Proclamation.
- b. Informational update from the San Gabriel Valley Council of Governments Executive Director, Marisa Creter, and Regional Housing Trust Manager Brielle Acevedo.

8. **PUBLIC COMMENTS**

Jessica Alvarenga, Public Affairs Manager, introduced herself as Arcadia's new liaison with the Southern California (SoCal) Gas Company.

Kevin Mak, Arcadia resident, appeared and encouraged the City Council to create a career event to introduce students to government jobs and offer job placement assistance.

Winnie Li-Mei Chan, through an interpreter, appeared and provided a copy of her claim to City Council along with information pertaining to the Civil Rights Act of 1964; and she expressed her concerns regarding a claim she has submitted to the City.

The following members of the public appeared in opposition to the Elara Affordable Housing Project, located in the unincorporated portion of Los Angeles County at 4217 E. Live Oak Avenue. They raised concerns about the project's impact on the surrounding community, including issues

related to safety, insufficient parking, management of the facility, privacy, its location, and the size and scale of the development:

- Fang Yan Fan
- Linda
- Ricky Lau
- Michelle Wu
- Lucy Zhang
- Jeff Chang
- Susan Guo
- Frank Romero
- Carol Poh
- Feng Lam Lin
- Shaohua Liang
- Hui Zhun
- Daisy Guo
- Qiuyun Huang
- Belinda Xu
- Angela Hui
- Elizabeth Lau
- John Song
- Wang Yuxin Dong

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

Mayor Pro Tem Kwan provided a report on the various events that she attended or will be attending as a representative of the City.

Council Member Verlato provided a report on the various events that she attended or will be attending as a representative of the City; she encouraged the public to utilize the renovated Arcadia Women’s Club for special events; she remarked on the new Military Banners along Huntington Drive and Baldwin Avenue; and discussed the delivery of Project Gratitude boxes to the veterans at Arcadia Gardens Assisted Living Facility. Council Member Verlato congratulated Congresswomen Judy Chu and Council Member Paul Cheng on their re-election to office, as well as incoming Council Member David Fu; she further read a statement regarding the Elara Project and proposed the City Council compose a letter to State legislators about Arcadia’s concerns with Senate Bill 330, inquiring with City Attorney Maurer about potential legal options.

In response to Council Member Verlato’s question, City Attorney Maurer reported that there is no litigated path for the City to pursue to prevent developments like the Elara Project in Arcadia, as it is State Law that enables these projects.

Council Member Verlato continued her report and expressed concerns over a recent Brown Act violation regarding the Elara Project, emphasizing the importance of taking precautionary measures in the future; she shared the importance of Council Members being united when issues of this nature impact the community; and asked City Attorney Maurer to speak about the purpose of the Brown Act and how to resolve any violations that occurred.

City Attorney Maurer announced that the Brown Act is the State’s Open Meeting Law, which requires elected officials to hold a meeting and follow the posted agenda, whenever three or more City Council Members are present; and he spoke about exceptions to the Brown Act like social gatherings and events hosted by an outside party. City Attorney Maurer indicated that the Council Members who attended the Elara Project community meeting did not take any action, as it is a County project, and the meeting was hosted by an outside party; he further announced that any potential violation has since been cured with the City Council holding its own Special Meeting on the same topic earlier in the evening.

Mayor Cao provided a report on the various events that he attended or will be attending as a representative of the City; and he asked City Attorney Maurer to clarify the actions needed to cure an inadvertent Brown Act violation through Council Member attendance at a community meeting.

In response to Mayor Cao’s question, City Attorney Maurer explained that the Brown Act is a “Sunshine Law”; he responded that the cure is transparency; and further explained that the way

to address any type of violation is to redo whatever was done, but in an open setting that follows an agenda, just like the one provided for the Special Meeting this evening. Thus, any potential Brown Act violations regarding the Elara Project have been cured through the public meetings held by the City Council tonight.

Council Member Wang announced November is Native American Heritage Month; she congratulated the re-elected and newly elected Council Members; she provided a report on the various events that she attended or will be attending as a representative of the City; she explained how she came to attend the community meeting on the Elara Project; she thanked all the residents that attended the City Council Meeting and remarked on the impact the Elara project will have on the City.

Council Member Cheng expressed his disappointment with the elimination of local control by the California State Legislature; he announced that City has an informational page on its website regarding the Elara Affordable Housing Project; he expressed his gratitude to all veterans for their service; he thanked his Council Member colleagues, especially Council Member Verlato for all her years of service to the City; and he wished the community Happy Holidays.

## **CONSENT CALENDAR**

- a. Regular Meeting Minutes of October 15, 2024.  
CEQA: Not a Project  
Recommended Action: Approve
- b. Resolution No. 7603 amending the Fiscal Year 2024-25 Capital Improvement Program Budget and authorizing a budget appropriation for the Police Department Cooling Tower Project in the amount of \$213,788.40, offset by a reduction in the Capital Outlay Fund; and contract with Carrier Corporation for refurbishment of the Police Department Cooling Tower in the amount of \$193,798.40.  
CEQA: Exempt  
Recommended Action: Adopt and Approve
- c. Resolution No. 7604 amending the Fiscal Year 2024-25 Equipment Replacement Budget and authorizing a budget appropriation for the purchase of vehicle outfitting supplies and services in the amount of \$346,153.17, offset by a reduction in the Equipment Fund; and Purchase Order with Black & White Emergency Vehicles, LLC for vehicle outfitting supplies and services in the amount of \$346,153.17.  
CEQA: Not a Project  
Recommended Action: Adopt and Approve
- d. Professional Services Agreement with Willdan Engineering for Community Development Block Grant ("CDBG") Housing Rehabilitation Program Management and Administrative Services in the amount of \$49,150, plus a 10% contingency.  
CEQA: Not a Project  
Recommended Action: Approve
- e. Professional Services Agreement with Friedman Imaging for Records Scanning and Digitization Services in an amount not to exceed \$90,000.  
CEQA: Not a Project  
Recommended Action: Approve

- f. Professional Services Agreement with Revize, LLC for Website Design and Content Management System Services in an amount not to exceed \$53,900.  
CEQA: Not a Project  
Recommended Action: Approve
- g. Master Services and Purchasing Agreement with Axon Enterprise, Inc. for Evidence.com and Axon Capture Subscription Services, for a five-year period in an amount not to exceed \$111,329.  
CEQA: Not a Project  
Recommended Action: Waive the Formal Bid Process and Approve
- h. Extension to the Contract with West Coast Arborists, Inc. for annual tree trimming, tree removal and replacement services in the amount of \$437,080.  
CEQA: Not a Project  
Recommended Action: Approve
- i. Participation in the Energized Communities Program by Clean Power Alliance.  
CEQA: Not a Project  
Recommended Action: Approve
- j. Purchase Order with Amazon for equipment and supplies in the amount of \$160,000, with the option to renew for two (2) additional years.  
CEQA: Not a Project  
Recommended Action: Approve
- k. Change Order to increase the Purchase Order with Ingram for Library materials in the amount of \$75,000.  
CEQA: Not a Project  
Recommended Action: Approve
- l. City Water and Sewer Rates for Calendar Year 2025.  
CEQA: Not a Project  
Recommended Action: Receive and File
- m. Accept all work performed by Carrier Corporation for the installation of HVAC Split Systems at the Police Department as complete.  
CEQA: Exempt  
Recommended Action: Approve
- n. Accept all work performed by Carrier Corporation for the Police Department Chiller Replacement Project as complete.  
CEQA: Exempt  
Recommended Action: Approve

Council Member Verlato pulled Item 10.c for separate discussion.

It was moved by Council Member Verlato, seconded by Mayor Pro Tem Kwan, and carried on a roll call vote to approve Consent Calendar Items 10.a, 10.b, and items 10.d through 10.n.

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

ABSTAIN: Verlato (Item 10.h only due to accepting a campaign donation from an involved party)

Regarding Consent Calendar Item 10.c, Council Member Verlato inquired about why the cost of outfitting police vehicles is significantly higher this year compared to previous years.

City Manager Lazzaretto explained that, due to the pandemic, the Public Works Services Department experienced a backlog in acquiring police vehicles; he noted that manufacturers were not producing vehicles during the pandemic, which led to supply chain delays and the subsequent purchase of 14 vehicles this year, which represents three fiscal years' worth of needed vehicles; he further explained that these vehicles also need to be outfitted before being placed in service, resulting in higher costs for outfitting supplies and services, which ultimately impact the Equipment Replacement Fund.

It was moved by Council Member Verlato, seconded by Mayor Pro Tem Kwan, and carried on a roll call vote to approve Consent Calendar Item 10.c.

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

NOES: None

ABSENT: None

## 10. ADJOURNMENT

The City Council adjourned at 9:21 p.m. to Tuesday, December 3, 2024, at 7:00 p.m. in the City Council Chambers.



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Linda Rodriguez  
City Clerk



# STAFF REPORT

Public Works Services Department

**DATE:** December 3, 2024

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Public Works Services Director  
By: Briget Arndell, Environmental Services Manager

**SUBJECT:** AGREEMENT WITH PAINTCARE INC. FOR PARTICIPATION IN THE PAINT RECYCLING PROGRAM  
**CEQA:** Not a Project  
**Recommendation:** Approve

## **SUMMARY**

As part of the City's Environmental Program, the Public Works Services Department ("PWSD") collects and properly disposes of hazardous waste that is found throughout the community. Paint cans and paint are common items that are illegally dumped and collected by the PWSD. The PWSD stores paint until the items can be properly disposed of. There is a high cost to dispose of paint due to its hazardous content. After researching cost effective ways to dispose of the paint products, staff found that, through PaintCare Inc. ("PaintCare"), the City is able have paint collected free of cost. The paint that is collected is recycled, processed into fuel, made into other products, or is properly disposed of if no other beneficial use exists. To participate in this Paint Recycling Program, the City must enter into an agreement with PaintCare.

It is recommended that the City Council approve, authorize, and direct the City Manager to enter into an agreement with PaintCare Inc. for participation in the Paint Recycling Program.

## **BACKGROUND**

As part of the City's Environmental Program, the PWSD collects and properly disposes of hazardous waste that is found throughout the City. Paint and paint cans are a common and expensive hazardous waste material that are often found illegally dumped, requiring proper disposal. Currently, the City collects and stores paint waste in a hazardous waste shed until a pick-up is scheduled with Waste Management. The cost for proper paint disposal can be significant, with charges up to \$2,079 for a single latex paint can disposal. This cost includes fees for testing the material, proper handling, and disposal of the material. After researching alternatives for properly disposing of hazardous material, staff

found that, through PaintCare, the City can have any paint or paint cans properly disposed of for no cost.

## **DISCUSSION**

PaintCare is a non-profit 501(c)(3) organization that represent paint producers, who plan and operate paint stewardship programs for leftover paint in the United States, including jurisdictions that pass paint stewardship laws. PaintCare has been active in California since 2012, and their Paint Care Program provides a network of nearly 800 drop-off sites where households and businesses can take leftover paint. Sites include paint retailers, local government waste collection facilities, material reuse stores, and recycling centers. PaintCare partners with waste processors to ensure collected paint is reused as-is, recycled into new paint, or put to some other beneficial use whenever possible. The Program has managed 35 million gallons of leftover architectural paint to date.

The PaintCare Program offers a new life for paint prior to disposal by hosting recycling events for the community and painted murals for participating locations. Participation in the Program includes outreach and education about buying the right amount of paint, tips for using remaining paint, and setting up convenient recycling locations throughout the state. Across the nation, PaintCare has collected an estimated 72.4 million gallons of paint and hosted 376 paint drop-off events.

To participate in the PaintCare Program in California, the City of Arcadia must enter into an agreement to keep a bin on City property, to collect and store cans for PaintCare pick-up. PaintCare is part of California's Paint Stewardship Program and has been entrusted to ensure leftover paint that is collected from program partners is reused, recycled, and/or properly disposed. CalRecycle oversees the program and PaintCare operates the program; the City of Arcadia would be a participating partner of the California Paint Stewardship Program.

## **ENVIRONMENTAL ANALYSIS**

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

## **FISCAL IMPACT**

There is no cost associated with participation in the PaintCare program. PaintCare is funded by a fee paid by paint manufacturers for each can of paint sold in the state of California. By participating in the Paint Recycling Program, the City will save thousands of dollars on paint disposal costs each year.

**RECOMMENDATION**

It is recommended that the City Council determine this action is not a project under the California Environmental Quality Act ("CEQA"); and approve, authorize, and direct the City Manager to enter into an agreement with PaintCare Inc. for participation in the Paint Recycling Program.

Approved:

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

Attachment: PaintCare Agreement



901 New York Ave NW, Suite 300W  
Washington, DC 20001  
(855) PAINT09 [paintcare.org](http://paintcare.org)

## **California Architectural Paint Recovery Program Large Volume Site Paint Management Agreement**

**Between**

**PaintCare Inc.**

**and**

**City of Arcadia**

**CALIFORNIA ARCHITECTURAL PAINT RECOVERY PROGRAM  
LARGE VOLUME SITE WASTE PAINT MANAGEMENT AGREEMENT**

This Agreement (“Agreement”) is made by and between the City of Arcadia, located at 11800 Goldring Rd, Arcadia, CA 91006 ("Generator") and PaintCare Inc., a Delaware corporation having its office at 901 New York Ave NW, Suite 300W, Washington DC 20001. (“PaintCare”).

**RECITALS**

**WHEREAS:**

- A.** PaintCare is the representative organization of the California Architectural Paint Recovery Program (the “Program”), as set forth by Cal. Public Resources Code §§ 48700-48706 (2010), that is organized to develop and implement a recovery program to reduce the generation of post-consumer architectural paint, to promote the direct reuse of post-consumer architectural paint, and to negotiate and execute agreements to collect, transport, directly reuse, recycle, and dispose of paint using environmentally sound management practices;
- B.** Generator routinely generate large volumes of leftover paint as part of its normal business operations and desires PaintCare to arrange for that paint to be picked up, transported, and processed/disposed of pursuant to the Program; and
- C.** The parties wish to enter into this Agreement, which describes the terms and conditions of their contractual relationship.

**NOW, THEREFORE**, for and in consideration of the terms of this Agreement and the mutual promises and covenants contained herein, the parties hereto agree as follows:

**1.0 DEFINITIONS:**

- 1.1 **“Agreement”** means this executed document setting forth the obligations of the parties, including all attachments.
- 1.2 **“CESQG”** means a business or organization that qualifies as a “Conditionally Exempt Small Quantity Generator” under state and federal (40 CFR 261.5) hazardous waste generator rules that, among other criteria, require that that the business/organization (1) generates no more than 100 kilograms (about 25 gallons or 220 pounds) of hazardous waste per calendar month, (2) generates no more than 1 kilogram of acute hazardous waste per calendar month, and (3) accumulates no more than 1,000 kilograms of hazardous waste or 1 kilogram of acute hazardous waste at any given time.
- 1.3 **“Collection Bins”** are containers provided by or approved for use by PaintCare or its contractors to hold Program Products.

- 1.4 **“Haulers”** mean independent contractors hired by PaintCare to transport Program Products from the Large Volume Sites.
- 1.5 **“Including”** (whether or not capitalized) means “including but not limited to.”
- 1.6 **“Large Volume Sites”** are those sites owned and/or operated by Generator, as specifically identified in Article 2.0 below, as may be amended from time-to-time through the mutual written agreement of the parties.
- 1.7 **“Law”** means all existing and future federal, state, and local statutes, laws, codes, ordinances, decrees, rules, regulations, requirements, and orders, of any governmental authority, entity, or agency whether federal, state, municipal, local, or other government body or subdivision, including those relating to unemployment compensation, worker’s compensation, disability, taxes, worker and public health and safety, the environment, and the Program.
- 1.8 **“Non-Program Products”** mean products not covered by the Program.
- 1.9 **“Program Guidelines”** mean the California Architectural Paint Recovery Program Large Volume Site Guidelines incorporated herein as Attachment A, as may be revised or updated by PaintCare from time-to-time by providing advanced written notice to Generator.
- 1.10 **“Program Products”** mean the materials described in Section 3 of the Program Guidelines.
- 1.11 **“State”** means the State of California.
- 1.12 **“Written” or “In Writing”** (whether or not capitalized) means in a written communication in hardcopy or electronic form, including email.

**2.0 LARGE VOLUME SITE(S)**

The following location(s) are the Large Volume Site(s) covered by this Agreement:

<b>Site Name</b>	<b>Address</b>	<b>Phone</b>	<b>Site ID <i>[Provided Internally]</i></b>
Arcadia Public Works Yard	11800 Goldring Rd, Arcadia, CA 91006	626-254-2720 626-254-2705	LVPKA09885

**3.0 TERM AND TERMINATION**

- 3.1 This Agreement will commence on the date of the later signature below and, unless terminated under this Article, will remain in full force and effect for a period of two (2) years.
- 3.2 This Agreement will automatically renew each year for additional one (1) year terms, unless either party notifies the other in writing at least sixty (60) days in advance of the renewal term commencement date that the Agreement will not be renewed.
- 3.3 Upon any expiration or termination of this Agreement, Generator shall assemble all Collection Bins supplied by PaintCare whether or not full, and shall make them available for pick up by a Hauler at one of the Large Volume Sites.
- 3.4 Either party may terminate this Agreement upon prior written notice if the other party:
  - a. has breached any material provision of this Agreement, and has failed to cure such breach within thirty (30) days of receiving written notification of such breach; or
  - b. has violated applicable Law.
- 3.5 Any notice of termination must specify the date of termination and the reasons for termination.
- 3.6 Either Party may terminate this Agreement at any time without cause upon sixty (60) days' written notice to the other party.

#### **4.0 PAINTCARE OBLIGATIONS**

- 4.1 PaintCare shall:
  - a. Provide Generator with the current Program Guidelines and updated versions when available;
  - b. Arrange for Haulers to drop off empty Collection Bins at each Large Volume Site;
  - c. Arrange for Haulers to pick up full Collection Bins from the Large Volume Site within five (5) business days of Generator submitting a pickup request to the Hauler (for Large Volume Sites located in urban areas) or within ten (10) business days (for Large Volume Sites located in rural areas); and
  - d. Arrange for appropriate end-of-life processing and disposal pursuant to the Program of all Program Products collected from the Large Volume Sites.
- 4.2 If PaintCare or a Hauler causes any damage to Generator's property, PaintCare shall, at no expense to Generator, either (i) promptly replace the damaged property or repair it to the condition existing before the damage, or (ii) require

the Hauler to replace the damaged property or repair it to the condition existing before the damage.

## **5.0 PAINTCARE REPRESENTATIONS AND WARRANTIES**

5.1 PaintCare covenants, represents and warrants to the Generator that:

- a. PaintCare is a non-profit corporation validly existing under the laws of Delaware;
- b. PaintCare has the corporate power, capacity and authority to enter into and complete this Agreement; and
- c. The execution and delivery of this Agreement has been validly authorized by all necessary corporate action by PaintCare.
- d. This Agreement does not contradict with any other agreements of PaintCare.

## **6.0 GENERATOR'S OBLIGATIONS**

6.1 Generator shall:

- a. Comply with the Program Guidelines, as well as any other communications or instructions from PaintCare relating to Program Products under this Agreement;
- b. Ensure staff is trained so that the on-site accumulation of Program Products is conducted in accordance with the Program Guidelines;
- c. Take all reasonable measures to secure and maintain the integrity of the Collection Bins, which will remain the property of PaintCare or its contractors;
- d. Assist the Hauler in loading and unloading of full and empty Collection Bins and the completion of the required shipping documentation;
- e. Place in Collection Bins only those leftover Program Products that Generator generates in the course of its normal business operations (e.g., Generator may not accept any Program Products or materials from other parties for the purpose of facilitating transportation, processing, and/or disposal of those third-party materials under this Agreement); and
- f. Follow the emergency procedures in the Program Guidelines immediately if any of the following occurs at a Large Volume Site: (i) a spill of Program Products; or (ii) a health and safety incident related to the Program; and immediately notify PaintCare of any such spills or incidents.

6.2 Generator shall ensure that oil-based Program Products are managed according to applicable hazardous waste management requirements and Law. Under the Program, PaintCare and its Haulers accept oil-based Program Products only from Large Volume Sites that (i) qualified as CESQGs when the oil-based

Program Product waste was generated, and (ii) qualify as CESQGs on the date of pickup.

- a. If a Large Volume Site does not qualify as a CESQG, Generator shall not place any oil-based or solvent-based Program Products generated at that Large Volume Site in the Collection Bins.
  - b. If a Large Volume Site qualifies as a CESQG, Generator may place oil-based Program Products generated at that Large Volume Site in Collection Bins, provided that (i) the Large Volume Site qualified as a CESQG at the time it generated those particular oil-based Program Products, and (ii) Generator signs the LVS Certification Log (included in Appendix A to the Program Guidelines) on the day of each pick-up of such Program Products and before such Program Products are accepted by the Hauler.
  - c. If a Large Volume Site qualifies as a CESQG and places oil-based Program Products in the Collection Bins, Generator shall to the greatest extent practicable at the Large Volume Site place oil-based Program Products in a separate Collection Bin from other Program Products.
- 6.3 Generator (and not PaintCare) is responsible for making day-to-day and critical decisions regarding its performance under this Agreement and its operation of the Large Volume Sites, including the collection, identification, handling, and sorting of Program and Non-Program Products at the Large Volume Sites.
- 6.4 Generator shall take reasonable precaution and care to protect all public and private property during its performance under this Agreement and its operation of the Large Volume Sites. If Generator's personnel or equipment causes any damage to PaintCare's or one of its contractor's property, Generator, at its sole expense, shall promptly replace the damaged property or repair it to the condition existing before the damage.
- 6.5 Generator shall provide PaintCare and its representatives with reasonable access, as provided in Article 9 ("Audit and Inspection Rights of PaintCare"), to the Large Volume Sites in order for PaintCare to fulfill its rights under Article 9 ("Audit and Inspection Rights of PaintCare").
- 6.6 Generator shall ensure that only Program Products are placed in Collection Bins. If Generator contaminates a Collection Bin with any Non-Program Products, PaintCare may, at its sole discretion, invoice the Generator for reimbursement of any costs that PaintCare incurs in connection with the management of those

Non-Program Products. Generator shall pay such invoices within thirty (30) days of receipt of said invoice.

- 6.7 Generator will operate the Large Volume Sites and perform its obligations in a diligent, safe, health-protective, and environmentally-protective manner and in accordance with all applicable Law. Generator (and not PaintCare) is responsible for providing any personal protective equipment or safety training that may be required by the Occupational Safety and Health Administration (OSHA) or under applicable Law.

## **7.0 GENERATOR REPRESENTATIONS AND WARRANTIES**

7.1 Generator covenants, represents and warrants that:

- a. Generator is an incorporated and/or an otherwise validly existing business, institution or municipality in good standing and qualified to carry on business in California and has the corporate or other power, capacity and authority to carry on its business and to enter into and complete this Agreement;
- b. Generator's employees and agents are qualified and trained to fully perform its obligations under this Agreement;
- c. Generator possesses and will maintain throughout the term of the Agreement all licenses, permits, and any other authorizations necessary to fulfil its obligations under this Agreement;
- d. Generator consents to PaintCare's referencing in reports Generator's participation in the Program; and
- e. This Agreement does not in any way conflict with any other agreements of Generator.

## **8.0 TITLE AND RISK OF LOSS**

- 8.1 Generator has title to and risk of loss and liability for any and all Program Products and Non-Program Products at each Large Volume Site. Notwithstanding the foregoing, once a Hauler accepts for transportation any Program Products at a Large Volume Site under this Agreement, title to and risk of loss for those Program Products will transfer to that Hauler. PaintCare at no time takes title to or assumes liability for Program Products or Non-Program Products; however, PaintCare shall require in its contracts with its Haulers that the Haulers accept such title and risk of loss immediately upon accepting any Program Products for transportation from a Large Volume Site.
- 8.2 PaintCare is not responsible for any damage to persons or property as a result of the use, misuse, or failure of any equipment used by Generator, or by any of Generator's employees or contractors, including the Collection Bins, even if such equipment is furnished, rented, or loaned to Generator by PaintCare.

## **9.0 AUDIT AND INSPECTION RIGHTS**

- 9.1 PaintCare and its representatives may (a) monitor and verify that Generator has complied with this Agreement and the applicable Law; and (b) consult with Generator about such compliance; provided, however, that PaintCare has no authority or ability to control, supervise or manage (i) the employees of Generator; (ii) the activities undertaken by Generator in the performance of this Agreement; and (iii) the means by which Generator meets all requirements under this Agreement, including compliance with applicable Law.
- 9.2 PaintCare may visit and inspect, with full access, the Large Volume Sites during the Large Volume Sites' hours of operation.
- 9.3 Generator will maintain and make available to PaintCare or its representative, during regular business hours, accurate books and records relating to this Agreement. Generator will permit PaintCare or its representative to audit, examine, and make excerpts and transcripts, for any books or records, and to make audits of materials, records and other data related to all other matters covered by this Agreement. Generator shall maintain such data and records in an accessible location and condition for a period of not less than three (3) years from the date produced under this Agreement or until after final audit has been resolved, whichever is later.
- 9.4 Generator shall maintain records detailing:
- a. The quantity of paint given to Haulers, in the form of a bill of lading or any other documentation that Generator or the Large Volume Site must complete under applicable Law. The shipping document shall include:
    - i. The name, address, and telephone number of the originating Large Volume Site, the Hauler, and the destination of the Program Products.
    - ii. The quantity of Program Products being transported.
    - iii. The date on which the Hauler accepts the Program Products from the Large Volume Site.
    - iv. The signatures of both the Hauler and a representative of the Large Volume Site.
  - b. Records of any inspections required by Law;
  - c. The Employee Training records in Appendix B of the Program Guidelines.
  - d. Signed LVS Certification Logs (included in Appendix A to the Program Guidelines) that Generator must complete as a condition for a Hauler to accept oil-based Program Products from any Large Volume Site.

## **10.0 INSURANCE**

- 10.1 Generator at its own expense shall carry throughout the term of this Agreement appropriate commercial general liability insurance with limits for each of not less than \$1 million for each occurrence, as well as any other insurance, such as, for example and without limitation, worker's compensation, and automobile insurance, to the extent and in the amounts required by applicable Law.
- 10.2 To the extent Generator's commercial general liability insurance includes a blanket provision adding additional insured where required by contract, this Agreement is deemed to require that PaintCare and its officers, agents, and employees are named as additional insured on Generator's commercial general liability insurance. Generator does not need to comply with this paragraph if its commercial general liability insurance does not include such a blanket provision.

## **11.0 INDEMNIFICATION**

- 11.1 Generator and its successors and assigns, agree to defend, indemnify, and hold harmless PaintCare and its sole member (as identified in PaintCare's Certificate of Incorporation), and their member companies, officers, directors, stockholders, employees, successors, assigns, attorneys, agents, and invitees (collectively, "Indemnified Parties") from and against all claims, suits, demands, obligations, losses, damages (including punitive or exemplary damages), liabilities, expenses (including legal fees, expenses of litigation, court costs, and reasonable costs of investigation), and causes of action of every kind whatsoever, whether based in contract, tort, statute, common law, or strict liability, which are claimed in any way to result from, arise out of, or be connected with Generator's performance under this Agreement or Generator's operation of the Large Volume Sites. This indemnification obligation does not apply to the extent any claims, suits, demands, obligations, losses, damages, liabilities, expenses, or causes of action are proven to result from the negligence, wilful misconduct, or breach of this Agreement attributable to PaintCare. The foregoing indemnity includes reasonable fees of attorneys, consultants and experts, any related costs, and the costs of investigating any claims made against an Indemnified Party.
- 11.2 NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES, WHETHER BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR ANY OTHER LEGAL THEORY, EVEN IF ADVISED OF SUCH POTENTIAL DAMAGES; HOWEVER, NOTHING IN THIS PARAGRAPH CONSTITUTES A LIMIT OF THE INDEMNIFICATION OBLIGATIONS IN THIS ARTICLE 11 ("INDEMNIFICATION").

## **12.0 ASSIGNMENT**

- 12.1 Generator may not assign, novate, or otherwise transfer (including transfer by operation by law) this Agreement or the obligations and rights hereunder without the express written consent of PaintCare, which consent shall not be

unreasonably withheld. Any change of control of Generator constitutes an assignment that requires prior written consent. A “change of control” includes, among other items, any merger, consolidation, sale of all or substantially all of the assets or sale of a substantial block of stock of Generator. Any attempted assignment, novation, or other transfer made in violation of this Article is void and has no effect.

### **13.0 FORCE MAJEURE**

13.1 Any delay or failure of either party to perform its obligations hereunder shall be suspended if, and to the extent, caused by an occurrence of Force Majeure. In the event that either party intends to rely upon the occurrence of a force majeure to suspend or to terminate its obligations, such party shall notify the other party in writing immediately, or as soon as reasonably possible, setting forth the particulars of the circumstances. Written notices shall likewise be given after the effect of such occurrence has ceased.

13.2 An occurrence of “Force Majeure” means (i) riots, wars, civil disturbances, insurrections, acts of terrorism, epidemics, acts of nature (or a threat of any such items) whose effects prevent safe passage of vehicles upon state or federal highways for a continuing period of not less than fourteen (14) days, or(ii)federal or state government orders, any of which is beyond the reasonable anticipation of the applicable party and which prevents performance of this Agreement, but only to the extent that due diligence is being exerted by the applicable party to resume performance at the earliest possible time.

### **14.0 NOTICES**

14.1 Except where otherwise expressly authorized, notice will be by email, facsimile, first -class certified or registered mail, or by commercial delivery service issuing a receipt for delivery and addressed as set forth below. Notice is effective upon delivery, or if delivery is refused, when delivery is attempted.

To: PaintCare Inc.  
Attn: PaintCare General Counsel  
Fax: (855) 385-2020  
Email: [Legal@paintcare.org](mailto:Legal@paintcare.org)  
Address: 901 New York Ave NW, Suite 300W  
Washington DC 20001

To: City of Arcadia Public Works Services Department  
Attn: Paul Cranmer  
Fax: (626) 359-7028  
Email: pcranmer@arcadiaca.gov  
Address: 11800 Goldring Rd  
Arcadia, CA 91066

## **15.0 DISPUTE RESOLUTION**

- 15.1 Both parties shall, in good faith, attempt to negotiate resolutions to all disputes arising out of this Agreement.
- 15.2 Subject to the conditions and limitations of this Article, any controversy or claim arising out of or relating to this Agreement shall be exclusively settled by arbitration under the laws of the State, in accordance with the rules of the American Arbitration Association.
- 15.3 The parties agree to consolidation of any arbitration between them with any other arbitration involving, arising from, or relating to this Agreement.
- 15.4 Each party hereto accepts the jurisdiction of the courts of the State for the purposes of commencing, conducting and enforcing an arbitration proceeding pursuant to this Article. Each party will accept service of notice of the other party's intent to proceed with arbitration, and of any other step in connection therewith or enforcement thereof, if such notice is in writing and sent by certified letter addressed to said party in compliance with Article 14, and such notice will have the same effect as if the party had been personally served within the State.
- 15.5 Any decision of an arbitrator engaged under this Article is final, binding and enforceable upon both parties.
- 15.6 Absent any termination of the Agreement, both parties shall continue performing their respective responsibilities under this Agreement during any dispute.
- 15.7 Each party hereto shall bear the costs and expenses incurred by it in connection with such arbitration processes. The cost of any independent decision maker shall be shared equally between the parties.

## **16.0 MISCELLANEOUS**

- 16.1 **Confidentiality.** Generator shall not disclose any details in connection with this Agreement to any person or entity without PaintCare's prior written authorization, except as may be otherwise provided hereunder or required by law.
- 16.2 **No Waiver.** The failure at any time to enforce any provision of this Agreement or failure to exercise any right herein granted does not constitute a waiver of such provision or of such right thereafter to enforce any or all of the provisions of this Agreement.

- 16.3 **Selective Waiver.** Either party may waive any default by the other party under this Agreement by an instrument in writing to that effect, and any such waiver will not extend to any subsequent or other default by the other party. No failure or delay on the part of either party to exercise any right hereunder operates as a waiver thereof. Either party may elect to selectively and successively enforce its rights hereunder, such rights being cumulative and not alternative.
- 16.4 **Entire Contract / Order of Precedence.** This Agreement and all attachments hereto constitute the entire agreement between the parties with respect to the matters herein, and integrates, merges, and supersedes all prior negotiations, representations, or agreements relating thereto, whether written or oral, except to the extent they are expressly incorporated herein. Except as expressly provided for in this Agreement, each party disclaims any representations, express or implied, relating to the content of this Agreement. The provisions of this Agreement and the accompanying document shall be construed and interpreted as consistent whenever possible. In the event of any conflict between the terms of this Agreement and the Program Guidelines, the terms of this Agreement take precedence.
- 16.5 **Amendment or Modification.** Unless otherwise provided herein, no amendments, changes, alterations, variations, or modifications to this Agreement will be effective unless in writing and signed by authorized representatives of the parties hereto.
- 16.6 **Governing Law.** This Agreement is executed and intended to be performed in the State, and the laws of that State shall govern its interpretation and effect. Any legal proceedings regarding this Agreement initially shall be brought before a court of jurisdiction prescribed by law in the State.
- 16.7 **Severability.** If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof will remain in full force and effect and will in no way be affected, impaired, or invalidated thereby.
- 16.8 **Calendar Days.** Any reference to the word “day” or “days” herein means calendar day or calendars days, respectively, including weekends and Federal Holidays unless otherwise expressly provided. To the extent a deadline falls on a weekend or Federal Holiday, the next business day is the applicable deadline.
- 16.9 **Independent Contractor Status.** This Agreement is not intended and may not be construed to create the relationship between the parties of agent, servant, employee, partnership, joint venture, or association.
- 16.10 **No Third-Party Beneficiary.** This Agreement is intended solely for the benefit of the parties hereto, and no third party has any right or interest in any provision of this Agreement or as a result of any action or inaction by any party in connection therewith.

16.11 **Authorization.** Each party represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations set forth herein. The representative(s) signing this Agreement on behalf of each party represents that he/she has the authority to execute this Agreement on behalf of the applicable party and to bind it to its contractual obligations hereunder.

16.12 **Survivability.** The obligations, rights, and remedies of the parties set forth in the following Articles will survive any expiration or termination of this Agreement: Article 8 (“Title and Risk of Loss”), Article 9 (“Audit and Inspection Rights”), Article 11 (“Indemnification”), Article 15 (“Dispute Resolution”), and Article 16 (“Miscellaneous”)

**TO EVIDENCE THEIR AGREEMENT**, the parties have each caused this Agreement to be executed by its duly authorized representative on the day and year set forth below.

By:

\_\_\_\_\_  
Authorized Signatory  
**PaintCare Inc.**

\_\_\_\_\_  
Authorized Signatory  
**City of Arcadia**

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Title

\_\_\_\_\_  
Print Title

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

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

**ATTACHMENT A: CALIFORNIA ARCHITECTURAL PAINT RECOVERY  
PROGRAM LARGE VOLUME SITE GUIDELINES**

**(attached separately)**



# STAFF REPORT

Public Works Services Department

**DATE:** December 3, 2024

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Public Works Services Director  
By: Henry Chen, Interim Administrative Services Director  
Anabel Carrillo, Public Works Customer Service/Administrative Supervisor

**SUBJECT:** BILLER AGREEMENT WITH INVOICE CLOUD, INC. FOR FULL-SERVICE, INTEGRATED ELECTRONIC BILL PAYMENT SOFTWARE FOR UTILITY BILLING IN AN AMOUNT NOT TO EXCEED \$200,000 ANNUALLY

**CEQA:** Not a Project

**Recommendation:** Approve

## SUMMARY

The Public Works Services Department (“PWSD”) is responsible for the billing, invoicing, and collection of approximately 15,000 water and sewer accounts as well as 4,700 backflow records, as required by the State of California. The PWSD currently utilizes a proprietary utility billing software system developed and solely supported by TruePoint Solutions. Online payment functionality is a vital part of the City’s Utility Billing business model. The PWSD has long been interested in improving the billing interface and enhancing the customer online portal that is currently available. Invoice Cloud, Inc. is a sole source Electronic Bill Payment Partner (“EBPP”) with TruePoint Solutions and can replace the City’s current credit card processor, Elavon, as well as the electronic check consolidator for water bill payments. Invoice Cloud will allow customers to pay with credit cards, debit cards, or E-Check via a variety of means, including online SMS text messaging.

It is recommended that the City Council approve a three-year Biller Agreement with Invoice Cloud, Inc. for Full-Service, Integrated Electronic Bill Payment Software for Utility Billing in an amount not to exceed \$200,000 annually.

## BACKGROUND

The PWSD serves approximately 15,000 water and sewer connections, a majority of which are based on a tiered rate structure, billed on a bi-monthly basis, generating approximately \$15.5 million in revenue annually. On December 1, 2020, the City Council approved, authorized, and directed the City Manager to execute a Software Service

Agreement with TruePoint Solutions for implementation of the TrueBill utility billing software system. The TrueBill utility billing software system replaced DataNow, the City's antiquated utility billing and customer information system.

For some time, staff has been interested in further improving the billing interface and enhancing the customer online portal that is currently available. Invoice Cloud, Inc. is a sole source Electronic Bill Payment Partner ("EBPP") with TruePoint Solutions and can replace the current credit card processor, Elavon, as well as the City's electronic check consolidator for water bill payments. Invoice Cloud can improve the billing process by allowing customers to pay with credit cards, debit cards, or E-Check, including a web interface and SMS text messaging. Furthermore, all credit card payments, ACH bank draft payments, and electronic check payments will be processed through Invoice Cloud, which will streamline reconciliation.

## **DISCUSSION**

For several years, the City has utilized Elavon for credit card processing. The average cost for Elavon credit card processing has been \$100,000 to \$125,000 annually. This amount fluctuates depending on how many residents utilize credit cards to pay their water bills. Although the City has utilized Elavon for some time, Elavon does not provide any customer engagement features that can assist residents with paying their bills. For example, Elavon only provides a credit card processor where customers can go online to make online payments. Residents who want to sign up for ACH autopayments (electronic money transfers) must complete a paper form and provide a voided check. The current options do not allow for paperless adoption, and therefore, yield a low utilization rate, which continues to cost the City high printing and mailing costs.

Invoice Cloud, Inc., the sole source EBPP of TruePoint Solutions, can replace the City's current credit card processor and provide an easier payment experience for customers. Invoice Cloud is mobile-ready with a user-friendly interface that provides a Single-Sign-On solution, with real-time payments/integration. The platform can store customer payment information (with customer approval), even if the customer is not registered for autopay. Additional features include two automated reminders sent to customers each month (with links to pay included), automated notification of credit card expiring (with link to update), and the addition of an e-check payment option. Invoice Cloud is fully integrated with TruePoint and the payment page is embedded within the TruePoint customer portal. Customers can also choose when to pay by scheduling payments, or use the "pay by text" notification on bills to pay through text message. Invoice Cloud will streamline operations and deliver an exceptional customer experience while providing real-time interfaces with the City's utility billing system. Additionally, Invoice Cloud is able to provide the City with a lower rate for credit card processing fees.

Overall, Invoice Cloud will provide a much easier payment experience for customers, which will drive more self-service and adoption. Invoice Cloud is able to simplify the ACH autopayment process and convert existing ACH autopay customers to Invoice Cloud. This will allow those customers to sign up for paperless billing, edit account information, and begin receiving notifications. All these payments are then automatic and integrated right into Truepoint. Customers will also be able to easily sign up for Autopay online using ACH or a credit card. Invoice Cloud is compliant with National Automated Clearing House Association (“NACHA”) protocols and provides an interactive voice response automated phone line for customers to be able to make payments over the phone. This will cut down dramatically on customer service calls, allowing staff to focus on other water-related customer service functions. The service also provides intelligent reminders for those that have an email on file, which will be critical in reducing the number of late payments. All forms of modern payments will be accepted (e.g., Apple Pay, Google Pay, Venmo, PayPal, all major credit cards, and bank information). The City of Arcadia will also have access to premade and custom reporting through Invoice Cloud.

### **ENVIRONMENTAL ANALYSIS**

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

### **FISCAL IMPACT**


The total cost of this agreement is determined by the number of customer transactions, which can increase significantly each year. As a result, the agreement provides a ‘not to exceed’ amount of \$200,000 annually. Although the City has typically paid approximately \$100,000 to \$125,000 annually with the current credit card processor, it is likely that the new system will be more popular with ratepayers, resulting in greater costs. This increase will be at least partially offset by a reduction in printing and mailing costs each month, and will cut down dramatically on customer service calls allowing staff to focus on other water related customer service functions. Sufficient funds for annual hosting and support fees are budgeted in the City’s Water and Sewer Operating Budget.

### **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 three-year Biller Agreement with Invoice Cloud, Inc. for Full-Service, Integrated Electronic Bill Payment Software for Utility Billing in an amount not to exceed \$200,000 annually.

Invoice Cloud, Inc. Biller Agreement  
December 3, 2024  
Page 4 of 4

Approved:



Dominic Lazzaretto  
City Manager

Attachment: Biller Agreement

June 11, 2024  
City of Arcadia CA  
Attention: Procurement  
204 W. Huntington Drive  
Arcadia, CA 91066



RE: Sole Source provider of Full-Service EBPP with the TrueBill CIS

Dear Procurement Department,

This letter is to express our endorsement for InvoiceCloud, Inc. as a best in breed sole source provider of a full-service, integrated EBPP solution for the City of Arcadia. Over the past year, InvoiceCloud and TruePoint have invested our resources heavily into a partnership and real-time CIS integration. Our teams have worked closely to architect and deliver a seamless, Single Sign On (SSO) integration with TrueBill.

In addition, InvoiceCloud is TruePoint's preferred Electronic Bill Payment partner whose platform is built on SaaS (Software as a Service) for all aspects of the payment communication process, including presentment, payment processing, real-time reporting, and post-transaction response process. This means the city will always be on the latest and greatest edition of InvoiceCloud, avoiding costly customization requests or upgrades. Their platform has proven to be the best-in-class for driving digital e-payment adoption, reducing the time of implementations, and creating 'paperless' savings - all of which will benefit the city in saving both time and money.

The combined solution, incorporating our CIS and InvoiceCloud's modern, future proof platform, delivers the experience our customers and billers expect. Features include:

- Omni Channels – EBPP/IVR/Pay by Text/CloudPay
- Real-time balance refresh and connectivity to TrueBill
- Level One PCI Security for all payment data including sensitive ACH (bank) Autopay
- Payment Processing/Remittance Data (Real-Time Updates to CIS)
- AutoPay Settings (Flags to CIS – Data Pump)
- Paperless Billing Settings (Flags to CIS – Data Pump)

- Embedded Single Sign-On (SSO) with real-time portal integration
- Billing and Payment History – Two Years Available Online

Our team has a close relationship with the InvoiceCloud executive team and trusts them to do the right thing for our mutual clients. They are committed to maintaining their technology lead and they have my highest recommendation.

Sincerely,

A handwritten signature in black ink that reads "Don Hunsinger". The signature is written in a cursive, flowing style.

Don Hunsinger

Manager, Software Development and Customer Service

916-259-1293

## Biller Agreement

**1. License Grant & Restrictions.** Subject to execution by Biller of the Invoice Cloud Biller Order Form incorporating this Agreement, Invoice Cloud hereby grants Biller a non-exclusive, non-transferable, worldwide right to use the Service described on the Biller Order Form until termination as provided herein, solely for the following purposes, and specifically to bill and receive payment from Biller's own customers, for Services that are referenced in the Biller Order Form. All rights not expressly granted to Biller are reserved by Invoice Cloud and its licensors.

Biller will provide to Invoice Cloud all Biller Data generated for Biller's Customers. Unless otherwise expressly agreed to in writing by Invoice Cloud to the contrary, Invoice Cloud will process all of Biller's Customers' Payment Instrument Transactions requirements related to the Biller Data and will do so via electronic data transmission according to our formats and procedures for each electronic payment type selected in the Biller Order Form. In addition, Biller will execute all third-party applications and enter into all agreements required for the Service without unreasonable delay, including without limitation Payment Processing Agreements and merchant agreements that may be required upon implementation, or later at such time as the Service operates with different or multiple payment processors. Throughout the Term of this Agreement, for "Invoice Types" listed on the Biller Order Form (e.g., real estate taxes, utility bills, parking tickets, insurance premium, loans, etc.), Biller will not use the credit card processing, ACH or check processing of any bank, payment processor, entity, or person, other than Invoice Cloud via electronic data transmission or the authorization for processing of Biller's Customers' Payment Instrument Transactions, for each electronic payment method selected in the Biller Order Form.

Biller shall not: (i) license, sublicense, sell, resell, transfer, assign, distribute or otherwise commercially exploit or make available to any third party the Service in any way; (ii) modify or make derivative works based upon the Service; (iii) recreate, "frame" or "mirror" any portion of the Service on any other server or wireless or Internet-based device; (iv) reverse engineer or access the Service; or (v) copy any features, functions or graphics of the Service.

**2. Privacy & Security.** Invoice Cloud's privacy and security policies may be viewed at <http://www.invoicecloud.com/privacy.html>. Invoice Cloud reserves the right to modify its privacy and security policies in its reasonable discretion from time to time which modification shall not materially adversely impact such policies. Invoice Cloud will maintain compliance with current required Payment Card Industry (PCI) standards and Cardholder Information Security standards.

**3. Account Information and Data.** Invoice Cloud does not and will not own any Customer Data, in the course of providing the Service. Biller, not Invoice Cloud, shall have sole responsibility for the accuracy, quality, integrity, legality, and reliability of, and obtaining the intellectual property rights to use and process all Customer Data. In the event this Agreement is terminated, Invoice Cloud will make available to Biller a file of the Customer Data (to the extent that Invoice Cloud is permitted to provide pursuant to applicable law and PCI-DSS standards), within 30 days of termination of this Agreement (or at a later time if required by applicable law), if Biller so requests at the time of termination. Invoice Cloud will retain Customer Data for a period from its creation for the time frame that is listed in the Biller Order under "Data Retention", and reserves the right to remove and/or delete remaining Customer Data no less than 60 days after termination or expiration except as prohibited by applicable law or in the event of exigent circumstances.

**4. Confidentiality / Intellectual Property Ownership.** Invoice Cloud agrees that it may be furnished with or otherwise have access to Customer Data that the Biller's customers consider confidential. Invoice Cloud agrees to secure and protect the Customer Data in a manner consistent with the maintenance of Invoice Cloud's own Confidential Information, using at least as great a degree of care as it uses to maintain the confidentiality of its own confidential information, but in no event use less than commercially reasonable measures. Invoice Cloud will not sell, transfer, publish, disclose, or otherwise make available any portion of the Customer Data to third parties, except as permitted under this Agreement or required to perform the Service or otherwise required by applicable law.

Invoice Cloud (and its licensors, where applicable) owns all right, title and interest, including all related Intellectual Property Rights, in and to the Invoice Cloud Technology, the Content and the Service and any enhancement requests, feedback, integration components, suggestions, ideas, and application programming interfaces, recommendations or other information provided by Biller or any other party relating to the Service. In the event any such intellectual property rights in the Invoice Cloud Technology, the Content or the Service do not fall within the specifically enumerated works that constitute works made for hire under applicable copyright laws or are deemed to be owned by Invoice Cloud, Biller hereby irrevocably, expressly and automatically assigns all right, title and interest worldwide in and to such intellectual property rights to Invoice Cloud. The Invoice Cloud name, the Invoice Cloud logo, and the product names associated with the Service are trademarks of Invoice Cloud or third parties, and no right or license is granted to use them.

Biller agrees that during the course of using or gaining access to the Service (or components thereof) it may be furnished with or otherwise have access to information that Invoice Cloud considers to be confidential including but not limited to Invoice Cloud Technology, the Agreement, customer and/or prospective customer information, product features and plans, the marketing/sales collateral, pricing and financial information of the parties which are hereby deemed to be Invoice Cloud Confidential Information, or any other information that by its very nature constitutes information of a type that any reasonable business person would conclude was intended by Invoice Cloud to be treated as proprietary, confidential, or private (the "Confidential Information"). Biller agrees to secure and protect the Confidential Information in a manner consistent with the maintenance of Invoice Cloud's rights therein, using at least as great a degree of care as it uses to maintain the confidentiality of its own confidential information, but in no event use less than reasonable efforts. Biller will not sell, transfer, publish,

## Biller Agreement

disclose, or otherwise make available any portion of the Confidential Information of the other party to third parties (and will ensure that its employee and agents abide by the requirements hereof), except as expressly authorized in this Agreement or otherwise required by applicable law.

**5. Billing.** Invoice Cloud fees for the Service are provided on the Biller Order Form. Invoice Cloud's fees are exclusive of all taxes, levies, or duties imposed by taxing authorities. Invoice Cloud may assess and/or collect such taxes, levies, or duties against Biller and Biller shall be responsible for payment of all such taxes, levies, or duties, excluding only United States (federal or state) taxes based solely on Invoice Cloud's income. All payment obligations are either auto debited from the Biller Bank Account or payable on receipt of invoice from Invoice Cloud, and are non-cancellable, and all amounts or fees paid are non-refundable. Unless Invoice Cloud in its discretion determines otherwise, all fees will be billed in U.S. dollars. If Biller believes Biller's bill or payment is incorrect, Biller must provide written notice to Invoice Cloud within 60 days of the earlier of the invoice date, or the date of payment, with respect to the amount in question to be eligible to receive an adjustment or credit; otherwise such bill or payment is deemed correct. Invoice Cloud reserves the right to modify pricing with respect to applicable fees to be paid under this Agreement, at any time upon thirty days written notice to Biller: a) based on increases incurred by Invoice Cloud on Network Fees from credit card processors, bank card issuers, payment associations, ACH and check processors; or b) if, during the Term, the average credit card payment processed by Invoice Cloud for any three (3) consecutive month period exceeds 110% of the Average Credit Card Transaction \$ specified on the corresponding Invoice Parameter Sheet(s), to the extent that Invoice Cloud incurs increases in Network Fees. Invoice Cloud, on at least 30 days written notice to Biller, may also increase any or all fees referenced in the Biller Order Form (including any Invoice Parameter Sheets), by no more than the greater of CPI for the preceding period or 5%, provided, however, that such increase may not apply during the first year after the execution date of the Biller Order Form and may not occur more than once per year thereafter.

The total fees directly incurred by Biller hereunder shall not exceed two hundred thousand dollars (\$200,000.00) per calendar year (the "Maximum Annual Biller Fee"). If, during any calendar year of the Term, Biller is approaching and may exceed the Maximum Annual Biller Fee, Biller shall seek additional funding from its funding source and provide prompt written notice to Invoice Cloud. Following such notice, the parties may mutually agree to increasing the Maximum Annual Biller Fee amount or to a different pricing structure. In the event Biller reaches the Maximum Annual Biller Fee, Invoice Cloud may suspend provision of the Services until Biller secures additional funding or the parties agree to a new pricing structure.

**6. Term and Termination.** The initial term of this Agreement shall commence as of the execution date of the Biller Order Form and continue for a period of three (3) years after the Go Live Date ("Initial Term"), and will automatically renew for each of additional successive three (3) year terms ("Renewal Term") unless terminated as set forth herein. "Term" as used herein shall mean the Initial Term and any Renewal Term. This Agreement may be terminated by either party effective at the end of the Initial Term or any Renewal Term by such party providing written notice to the other party of its intent not to renew no less than ninety (90) days prior to the expiration of the then-current term. Additionally, this Agreement may be terminated by either party with cause in the event of a material breach of the terms of this Agreement by the other party and the breach remains uncured for a period of 30 days following receipt of written notice by the breaching party. Upon any early termination of this Agreement by Invoice Cloud as a result of breach, Biller shall remain liable for all fees and charges incurred, and all periodic fees owed through the end of the calendar month following the effective date of termination. Upon any termination or expiration of this Agreement, Biller's password and access will be disabled and Biller will be obligated to pay the balance due on Biller's account. Biller agrees that Invoice Cloud may charge such unpaid fees to Biller's Debit Account or credit card or otherwise invoice Biller for such unpaid fees.

**7. Invoice Cloud Responsibilities.** Invoice Cloud represents and warrants that it has the legal power and authority to enter into this Agreement. Invoice Cloud warrants that the Service will materially perform the functions that the Biller has selected on the Biller Order Form and the Statement of Work, attached hereto and incorporated herein by reference (the "Statement of Work"), under normal use and circumstances, and that Invoice Cloud shall use commercially reasonable measures with respect to Customer Data to the extent that it retains such, in the operation of the Service; provided, that the Biller shall maintain immediately accessible backups of the Customer Data (to the extent that Biller is permitted pursuant to applicable law and PCI-DSS standards). In addition, Invoice Cloud will, at its own expense, as the sole and exclusive remedy with respect to performance of the Service, correct any Transaction Data to the extent that such errors have been caused by Invoice Cloud or by malfunctions of Invoice Cloud's processing systems.

**8. Limited Warranty.** EXCEPT AS PROVIDED IN SECTION 7, THE SERVICE AND ALL CONTENT AND TRANSACTION DATA IS PROVIDED WITHOUT ANY EXPRESS, OR IMPLIED WARRANTY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER WARRANTIES ARE HEREBY DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW BY INVOICE CLOUD AND ITS LICENSORS AND PAYMENT PROCESSORS. INVOICE CLOUD AND ITS LICENSORS AND PAYMENT PROCESSORS DO NOT REPRESENT OR WARRANT THAT (A) THE USE OF THE SERVICE WILL BE UNINTERRUPTED OR ERROR-FREE, OR OPERATE IN COMBINATION WITH ANY OTHER HARDWARE, SOFTWARE, SYSTEM OR DATA, (B) THAT THE SERVICE WILL NOT EXPERIENCE DELAYS IN PROCESSING OR PAYING, OR (C) THE SERVICE WILL MEET REQUIREMENTS WITH RESPECT TO SIZE OR VOLUME. Invoice Cloud's service may be subject to limitations, delays, and other problems inherent in the use of the internet and electronic communications. Invoice cloud is not responsible for any delays, delivery failures, or other damage resulting from such problems.

**9. Biller's Responsibilities.** Biller represents and warrants that it has the legal power and authority to enter into this Agreement. Biller is responsible for all activity occurring under Biller's accounts and shall abide by all applicable laws, and regulations in connection with Biller's

## Biller Agreement

and/or its customers' and/or any payers' use of the Service, including those related to data privacy, communications, export or import of data and the transmission of technical, personal or other data. Biller represents and warrants that Biller has not falsely identified itself nor provided any false information to gain access to the Service and that Biller's billing information is correct. Biller shall: (i) notify Invoice Cloud immediately of any unauthorized use of any password or account or any other known or suspected breach of security; (ii) report to Invoice Cloud and immediately stop any copying or distribution of Content that is known or suspected to be unauthorized by Biller or Biller's Users; and (iii) obtain consent from Biller's customers and payers to receive notifications and invoices from Invoice Cloud. Invoice Cloud is not responsible for any Biller postings in error due to delayed notification from credit card processors, ACH, bank and other related circumstances. Biller agrees and acknowledges that in the event that Biller has access to, receives from, creates, or receives protected health information, or Biller has access to, creates, receives, maintains or transmits on behalf of electronic protected health information (as those terms are defined under the privacy or security regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and Subtitle D of the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009 ("ARRA"), during the performance under this Agreement, it will comply with all such law, regulations and rules related thereto.

Biller is required to ensure that it maintains a fair policy with regard to the refund, return or cancellation of payment for services and adjustment of Transactions. Biller is also required to disclose all refund, return and cancellation policies to Invoice Cloud and any applicable payment processors and Biller's Customers, as requested. Any change in a return/cancellation policy must be submitted to Invoice Cloud, in writing, not less than 21 days prior to the effective date of such change. If Biller allows or is required to provide a price adjustment, or cancellation of services in connection with a Transaction previously processed, Biller will prepare and deliver to Invoice Cloud Transaction Data reflecting such refund/adjustment within 2 days of resolution of the request resulting in such refund/adjustment. The amount of the refund/adjustment cannot exceed the amount shown as the total on the original Transaction Data. Biller may not accept cash or any other payment or consideration from a Customer in return for preparing a refund to be deposited to the Customer's account; nor may Biller give cash/check refunds to a Customer in connection with a Transaction previously processed by credit card, debit card, ACH, or other electronic payment method, unless required by applicable law. Biller shall cooperate with Invoice Cloud to effect a timely Implementation by Biller allocating sufficient and properly trained personnel to support the implementation process and fully cooperating with Invoice Cloud and by securing the cooperation of Biller's software and service providers and providing to Invoice Cloud the information required to integrate with Biller's billing, CIS and other applicable systems.

**10. Indemnification.** Invoice Cloud shall indemnify and hold Biller and Biller's employees, attorneys, and agents, harmless from any losses, liabilities, and damages (including, without limitation, Biller's costs, and reasonable attorneys' fees) arising out of: (i) failure by Invoice Cloud to implement commercially reasonable measures against the theft of Customer Data; or (ii) its total failure to deliver funds processed by Invoice Cloud as required hereunder (which relates to payments due from Invoice Cloud for Transaction data). This indemnification does not apply to any claim or complaint relating to Biller's failure to resolve a payment dispute concerning debts owed to Biller or Biller's negligence or willful misconduct or violation of any applicable agreement or law.

### 11. Fees.

Invoice Cloud will charge the Biller and/or payer, payment transaction and other fees as provided in the Biller Order Form. In addition, Invoice Cloud will charge the fees set forth on the Biller Order Form for the initial platform setup, configuration, implementation and integration with Biller system(s) of its standard Service as set forth in the Statement of Work (the "Implementation"). Invoice Cloud reserves the right to also charge for changes and additions to the Implementation, and for any requests by Biller following the implementation which are agreed in writing by the parties, including without limitation for the following services, at its then standard rates:

- Custom development and features which are not stated in the Statement of Work and Biller Order Form, and change requests and modifications to existing platform functionality not stated in the Statement of Work and Biller Order Form;
- Additional integrations or integration modifications after the Go Live Date that are not provided for in the Biller Order Form or Statement of Work;
- Changes to bill presentment (web and PDF templates), billing system integrations, and other Service components coded or configured to Biller's specifications after Biller has signed off on the relevant specification or Service is live;
- Custom data extracts and file requests that are not part of the Implementation signed off on by both parties; and
- Data conversion not listed in the Statement of Work, or repetitive re-loading of data due to Biller error.

**12. Limitation of Liability.** EXCEPT FOR BILLER'S PAYMENT OBLIGATIONS, EACH PARTY'S AGGREGATE LIABILITY SHALL BE UP TO AND NOT EXCEED THE AMOUNTS ACTUALLY PAID BY AND/OR DUE FROM BILLER IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO SUCH CLAIM. IN NO EVENT SHALL EITHER PARTY AND/OR ITS LICENSORS BE LIABLE TO ANYONE FOR ANY INDIRECT, PUNITIVE, SPECIAL, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL (INCLUDING LOSS OF DATA, REVENUE, PROFITS, USE OR OTHER ECONOMIC ADVANTAGE) DAMAGES ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THE SERVICE, EVEN IF THE PARTY FROM WHICH SUCH DAMAGES ARE BEING SOUGHT OR SUCH PARTY'S LICENSORS HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Certain states and/or jurisdictions do not allow the exclusion of implied warranties or limitation of liability for incidental, consequential or certain other types of damages, so the exclusions set forth above may not apply to Biller.

## Billor Agreement

**13. Export Control.** The Biller agrees to comply with United States export controls administered by the U.S. Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, and other U.S. agencies.

**14. Notice.** Either party may give notice by electronic mail to the other party's email address (for Biller, that address on record on the Biller Order Form) or by written communication sent by first class mail or pre-paid post to the other party's address on record in Invoice Cloud's account information for Biller, and for Invoice Cloud, to Invoice Cloud, Inc., 30 Braintree Hill Office Park, Suite 101, Braintree, MA 02184 Attention: Client Services or [helpdesk@invoicecloud.com](mailto:helpdesk@invoicecloud.com). Such notice shall be deemed to have been given upon the expiration of 48 hours after mailing or posting (if sent by first class mail or pre-paid post) or 12 hours after sending (if sent by email).

**15. Assignment.** This Agreement may not be assigned by either party without the prior written approval of the other party, but may be assigned without such party's consent to (i) a parent or subsidiary, (ii) an acquirer of assets, or (iii) a successor by merger. Any purported assignment in violation of this section shall be void.

## 16. Insurance.

Invoice Cloud agrees to maintain in full force and effect during the Term of the Agreement, at its own cost, the following coverages:

- a. Commercial General or Business Liability Insurance with minimum combined single limits of One Million (\$1,000,000) each occurrence and Two Million (\$2,000,000) general aggregate.
- b. Umbrella Liability Insurance with minimum combined single limits of Five Million (\$5,000,000) each occurrence and Five Million (\$5,000,000) general aggregate.
- c. Automobile Liability Insurance with minimum combined single limits for bodily injury and property damage of not less than One Million (\$1,000,000) for any one occurrence, with respect to each of the Invoice Cloud's owned, hired or non-owned vehicles assigned to or used in performance of the Services.
- d. Errors and Omissions Insurance (Professional Liability and Cyber Insurance) with limits of liability of at least One Million Dollars (\$1,000,000) per claim and in the aggregate.

**17. Immigration Laws.** Invoice Cloud represents and warrants that it has complied and will comply with all applicable immigration laws with respect to the personnel assigned to the Biller.

**18. Beta Products.** In the event that there is any functionality labelled "Beta" on the Biller Order Form, such functionality is provided "AS IS" WITHOUT ANY EXPRESS, OR IMPLIED WARRANTY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER WARRANTIES ARE HEREBY DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW BY INVOICE CLOUD AND ITS LICENSORS AND PAYMENT PROCESSORS. INVOICE CLOUD'S AGGREGATE LIABILITY WITH RESPECT TO SUCH FUNCTIONALITY SHALL BE UP TO AND NOT EXCEED \$10.

## 19. General.

(a) With respect to agreements with municipalities, localities or governmental authorities, this Agreement shall be governed by the law of the state wherein such municipality, locality or governmental authority is established, without regard to the choice or conflicts of law provisions of any jurisdiction. With respect to Billers who are not with municipalities, localities or governmental authorities, this Agreement shall be governed by Massachusetts law and controlling United States federal law, without regard to the choice or conflicts of law provisions of any jurisdiction. No text or information set forth on any other purchase order, preprinted form or document (other than a Biller Order Form and any add on Biller Order Form, if applicable), and no documentation (including any implementation planning documents) except as specifically referenced in this Biller Agreement, shall modify, add to or vary the terms and conditions of this Agreement. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then such provision(s) shall be construed, as nearly as possible, to reflect the intentions of the invalid or unenforceable provision(s), with all other provisions remaining in full force and effect. No joint venture, partnership, employment, or agency relationship exists between Biller and Invoice Cloud as a result of this agreement or use of the Service. The failure of either party to enforce any right or provision in this Agreement shall not constitute a waiver of such right or provision unless acknowledged and agreed to by Invoice Cloud in writing. All rights and obligations of the parties in Sections 4, 6, 10, 12, 14, 18 and 19(a) and (b) shall survive termination of this Agreement. This Agreement, together with any applicable Biller Order Form, comprises the entire agreement between Biller and Invoice Cloud and supersedes all prior or contemporaneous negotiations, discussions or agreements, whether written or oral between the parties regarding the subject matter contained herein. Biller agrees that Invoice Cloud can disclose the fact that Biller is a paying customer and the version of the Service that Biller is using. Where this Agreement is incorporated into, embedded in or otherwise made a part of a separate agreement between Invoice Cloud, Biller and a third party service provider ("Third Party Agreement"), and such Third Party Agreement is terminated or expires, Biller and Invoice Cloud agree that the terms and conditions of this Agreement shall survive and remain in effect as between Biller and Invoice Cloud until this Agreement expires or is otherwise terminated by either Biller or Invoice Cloud in accordance with the terms herein.

## Biller Agreement

(b) Additional terms and conditions and definitions applicable to this Agreement and the Biller Order Form are found at [www.invoicecloud.com/biller-terms-and-conditions](http://www.invoicecloud.com/biller-terms-and-conditions) (the “Biller T+C”) and are agreed to by Invoice Cloud and the Biller.

# InvoiceCloud

## Statement of Work

### *City of Arcadia, CA*

#### **Overview**

The InvoiceCloud (IC) suite of services (The Service) will give **City of Arcadia, CA** (Biller) and its customers the ability to accept online payments for invoiced and non-invoiced items. The Service will allow **City of Arcadia, CA** to offer online payment processing in a securely hosted real-time environment. Customers will be able to locate, view and print bills or invoices and payment records online and pay using credit cards, debit cards, and electronic checks.

#### **Definitions:**

1. Biller – Merchant / **City of Arcadia, CA**
2. Payer – Client customer, resident, person paying a bill or invoice
3. EBPP – Electronic Bill Presentment & Payment
4. Bill – Bill and Invoice are used synonymously throughout this document
5. RTDR - Real-Time Data Refresh – collects and aggregates the data as soon as a user accesses a specific function
6. NTDR – Near-Time Data Refresh – integration that happens periodically; the data is collected immediately but it is not aggregated until later – data can be processed every day, every hour or even every few minutes

#### **1. Security and Industry Compliance**

InvoiceCloud maintains full compliance with current applicable Payment Card Industry (PCI) standards, Cardholder Information Security Program (CISP) regulations and National Automated Clearinghouse Association (NACHA) rules and guidelines. InvoiceCloud will abide by such guidelines for the security of all cardholder data that InvoiceCloud possesses.

- a. **PCI** - InvoiceCloud will provide compliant storage of Biller’s customer payment information that is certified by Visa/MasterCard. Data security measures are addressed during collection and transmission via SSL with our patent pending encryption technology. All confidential information will be treated in accordance with the PCI standards.
- b. **Software as a Service (SaaS) Architecture** – All Biller customer financial and payment information and the invoice presentment and payment processing application is housed offsite from Biller.
- c. **Browser Compatibility** - InvoiceCloud supports the most current version of the industry’s most common browsers. Browsers must support Transport Layer Security (TLS) version 1.2 or higher for connection.

#### **2. Data Integration**

InvoiceCloud does maintain an integration with **TruePoint Solutions**. The integration for **City of Arcadia, CA** will include the functionality found in Appendix B.

#### **3. Payer Portal**

The Payer Portal is an electronic bill presentment and online payment portal where a Biller’s customer (Payer) can view a bill and then proceed, within the same user interface, to make an online payment.

- a. InvoiceCloud will present bills electronically through a payer portal that is branded for Biller or via an email notification, if the Payer provides an email address.
- b. The electronic invoice presentment will simulate the paper invoice Biller uses and will be available in PDF and/or html format.

- c. The Service may provide the Payer the option of making a payment via credit card (Visa, MasterCard, American Express and Discover) or electronic check (also referred to as ACH, e-check, EFT).
- d. The Service provides the Payer a one-time online payment option without registration, and the capability to register to access Payer's account history, schedule a payment, or set up AutoPay payments.
- e. A Payer will have the ability to choose their payment date (also known as scheduled payments).
- f. The system will accept partial, full, or overpayments as defined by the Biller.
- g. The Payer will register with the Service using the authentication method designated by Biller.
- h. Linking Accounts - After registering with the Service, the Payer will be able to login into their account(s). If the Payer has multiple accounts and uses the same authentication information for all accounts, the Payer will be able to link their account and view from a single registration. The Payer will then have the option to choose which account they would like to pay or view in further detail.
- i. The Payer will receive an email confirmation of payment after any payment process.
- j. The Payer will have the ability to search and access historical bills once they register with the Service. The Service will store twenty-four (24) months of rolling history from the point of Biller's first invoice file upload to the Service. This includes invoice history and account history.
- k. Biller has the option of allowing the Payer to pay via different payment methods which include online, IVR, IC Biller Portal, Pay by Text, CloudCSRConnect and CloudPOSConnect.
- l. Payers who have scheduled a payment or registered for AutoPay will receive email notification from the Service of pending payments.
- m. The Service includes shopping cart functionality.
- n. The Service will allow the Payer the option to elect paperless billing.
- o. A Payer registered for paperless billing will be automatically placed back on paper billing if their email address is undeliverable; notification of the Payer's undeliverable email address will be sent to Biller via email.
- p. The Service complies with Federal E-Signature Act for paperless billing and AutoPay by providing a system in which a Payer must confirm enrollment in paperless billing and/or AutoPay by responding to an email sent after the Payer registers for paperless billing and/or AutoPay through online self-service.

#### 4. **Biller Portal**

The Biller Portal is an administrative portal where Biller staff will have access to reporting, search customers, search invoices, search payments, initiate payments or credits, login as a Payer, modify email templates, etc.

- a. Biller can log in as the Payer on either the Biller or Payer Portal and make a payment on behalf of the Payer. There is an audit trail for who made the payment, and the source of every payment (CSR, Pay by Text, AutoPay, Web, IVR, etc.).
- b. Biller will have the capability of blocking future payments by specific Payer and payment method type (i.e. Credit Card or E-Check (ACH)).
- c. **Permissions** – The Biller Portal includes a table of role based permissions, determined by the Biller's System Administrator. Each permission is applied to a user ID on an individual basis to maximize flexibility. The system administrator can allow or disallow access to functions such as viewing data, creating reports, resending email notices, processing payments, credits or refunds, editing email templates and more. Since it is controlled by Biller administrator, changes can be made quickly on an as needed basis.
- d. **Administrative Email Notifications** - Biller may set up the system to send several administrative notifications and request system notifications be sent to multiple staff members. This allows different departments to get the information they need in a timely manner. The notifications include:
  - ACH Reject Notifications
  - Batch Close Notifications
  - Daily Management Report
  - File Processing Notifications

- Month End Billing Invoice
  - Paperless Customer Email Bounce Daily Report
  - Request System Notifications (this is the ticketing system available in the InvoiceCloud payer portal).
  - Status Notifications (notifications of planned outages, new features, etc.)
- e. **Biller Controlled Configuration Options** – The Biller Portal includes several Biller controlled configurable options to customize the way payments and customer accounts are handled. The Biller will be able to configure for:
- allowing Auto-Pay and scheduled payments
  - allowing customers to update their phone or mailing address through the payer portal
  - allowing customers to pay less than, or more than the balance due based on receivable type
  - updating Refund Policy description
  - updating customer service phone number

## 5. **Reporting**

The reports listed below are available to Biller, out of the box. They do not require any customization and are available on demand. All reports can be scheduled by the user to be delivered by email.

- Please note that by selecting “All Rows” in any report, the user can schedule it to be delivered via email.
- User can customize the report name and frequency
- Multiple email address can be added to receive reports
- Also note, that all reports can be exported to Excel

### ***List of reports available:***

- 1) Autopay
- 2) Conveyance
- 3) Data Synch
- 4) Expiring cards
- 5) Pay by text registrations
- 6) Email change
- 7) Email do not send list
- 8) Email notification summary
- 9) Email statistics
- 10) Email tracking
- 11) Total outstanding invoices
- 12) Paperless Billing
- 13) Paperless bounce
- 14) Paperless registration history
- 15) Paperless
- 16) Daily payments received
- 17) Payments Monthly summary
- 18) Scheduled payments

### ***Custom reports than can be scheduled:***

- 19) Active Customers
- 20) Email click-through from current month
- 21) Email click-through from last month
- 22) Inactive customers
- 23) Outstanding invoices
- 24) Paperless customers with address
- 25) Paperless customers email address
- 26) Payment details from last month

27) Payment details from yesterday

***From Search Functions, the following reports are also available on demand or to be scheduled:***

- 28) All customers
- 29) Search Payments report can be pulled on demand with any or all of the following filters:
  - a) Payment Amount Range
  - b) Card number (masked)
  - c) Card type
  - d) Invoice type
  - e) Approval status
  - f) Payment type (example card or check/EFT)
  - g) Payment source (example web, IVR. Live agent)
  - h) Dates
  - i) Biller username
  - j) With or without fees

***Reports for Accounting and Finance:***

- 30) Open batches
- 31) Settled Batch history
- 32) Chargebacks
- 33) Chargeback retrievals requests
- 34) Deposit reconciliation
- 35) EFT Rejects

***Report by Subscription.***

These reports are designed for Biller users who want to receive updates, whenever the event is triggered.

- 36) ACH Rejects notification
- 37) Batch close notifications
- 38) System notifications
- 39) Files transmission (Stratus) notifications
- 40) Month end billing invoice
- 41) File processing updates/notifications
- 42) Paperless customers
- 43) Customers Bounced emails (daily report)
- 44) Service updates, system maintenance notifications
- 45) Cloud store receipts
- 46) Cloud Payments Receipts
- 47) Online Bank Direct notifications (Bank BillPay)
- 48) Data Pump errors (when attempting to post payments)
- 49) Chargeback retrievals
- 50) AutoPay
- 51) InvoiceCloud Newsletter

**6. Payer Email Notifications**

InvoiceCloud provides a set of customizable email notification templates for each invoice type that are delivered for numerous events surrounding electronic invoice presentment and payment activity. Email notifications may be customized through the Biller Portal using a Word style editor and options to insert secure hyperlinks to website, links to electronic documents such as newsletter or bill inserts, and/or variable fields selected from the Biller's data file.

- a. New Invoice Alerts: up to three email notifications will be sent per bill. The first notification is based on the number of days from the invoice due date. Second and third notifications will only be sent to Payers with an outstanding balance, not those with a scheduled payment, or Payers who have signed up for AutoPay, and within a threshold set by the Biller. Payers have the choice of opting out from the new invoice reminders.
- b. Automatic event-driven email templates that are utilized based on Biller's selection of products and configuration:
  - First Invoice Email Notification
  - Second Invoice Email Notification
  - Third Invoice Email Notification
  - Payment Transaction Receipt
  - Declined AutoPay Transaction
  - Late Fee Email Notification
  - Declined Scheduled Payment Notification
  - Registered Customer Welcome Email
  - AutoPay Registration Notification
  - Paperless Registration Notification
  - ACH Reject/Chargeback Notices (with reason codes and descriptors)
  - Credit Card Expiration Notification
  - Scheduled Payment Confirmation
  - AutoPay Reminder Notification
  - FlexPay Confirmation Notification
  - Scheduled Payment Reminder
  - Paperless Off Confirmation
  - Online Bank Direct Payment Receipt
  - Linked Accounts First Notice Notification
  - Linked Accounts Second Notice Notification
  - Linked Accounts Third Notice Notification
  - AutoPay Off Confirmation
  - Conveyed Customer Notification
  - Multiple Registered Customers Welcome Email
  - Recurring Scheduled Payment Confirmation
  - Recurring Scheduled Payment Canceled

## 7. **Business Rules**

The InvoiceCloud solution is designed for flexibility for customers and Billers. There are many rules currently available, and we will also undertake the creation of new business rules as we both agree. Each bill type operates independently and can accept different payment types as well as other business rules. At Biller's option, multiple business rules can be applied to each bill type. InvoiceCloud provides flexibility regarding business rules to support specific needs, including:

- a. Ability to allow partial payments, over payments, full balance only, or late fees.
- b. Ability to allow payments beyond the due date - The service is designed to accommodate Biller specific business rules like allowing payments beyond their due date.
- c. Ability to allow for multiple payment types for one customer for the same bill - The service allows multiple payment types from one customer for the same bill when partial payments are allowed. Credit/debit card and e-check (ACH) can be run separately and an unlimited number of remittance types can be used. For example, a customer can pay part of a bill with a checking account, another part with a credit card and the remainder with a second credit card of a different type.

## 8. **Implementation Process**

InvoiceCloud assigns an Implementations Manager (IM) to each Biller. The IM will be the Biller's primary contact during the implementation process and coordinates all necessary resources from Biller, Biller software company, InvoiceCloud, and any sub-contractors. The IM will provide the Biller with the following documents to facilitate the project:

- a. **New Biller Questionnaire & Questionnaire Key** – Documents critical information needed to setup and initiate the service including information on business rules and feature selection.
- b. **Project Timeline** – Details project schedule and milestones.
- c. **Testing & Training Plan** – This plan walks the Biller through a set of user acceptance testing criteria and facilitates training on the service.

## 9. **Support**

InvoiceCloud's Client Services team is available to assist you Monday – Friday from 7:00 am – 8:00 pm Eastern Time, excluding holidays. You may submit a ticket (at any time) via your Biller Portal, or, during these hours, speak to a Product Specialist who will answer questions, troubleshoot problems and assist as needed to enable you to get the most from your partnership with InvoiceCloud and your use of the EBPP platform. You will also be provided with a special telephone number that you can use should you encounter an emergency after hours. An answering service will gather relevant information and alert the on-duty Client Service team member who will contact you if action is required prior to the next business day. We use the following severity levels to guide our team:

- "Critical Severity" support issues are responded to within 1 hour and must be reported via phone so we can most quickly troubleshoot with you. Examples of these issues include unavailability of the InvoiceCloud portal, platform, integrations, or APIs, or a problem that is severely adversely impacting your ability to use the platform.
- "High Severity" support issues are responded to within 2 hours and should be reported via telephone or by emailing [helpdesk@invoicecloud.com](mailto:helpdesk@invoicecloud.com). Examples of these issues include degraded performance of the InvoiceCloud platform or APIs, although the portal and processing are still available.
- Other support issues are responded to by the next business day and should be reported via telephone or by emailing [helpdesk@invoicecloud.com](mailto:helpdesk@invoicecloud.com). Examples include general questions, feature requests, data pulls, multi-factor authentication resets, integration troubleshooting, etc.

**After Hours Support:** 800 number for weekends and after hour emergencies: **1-800-564-7519**

**Success Manager:** A Customer Success Manager will be assigned to the client as soon as the implementation starts. The CSM is there to help ensure the client receives the maximum value from the platform and has a senior advocate, support resource and point of escalation if/when needed.

## 10. **Biller Training**

Biller Training- Biller staff will be guided in how to use the system through in-house training, documentation, remote live sessions, and access to our client support team.

- All standard training will be done remotely. InvoiceCloud's training personnel will at minimum provide sessions for Payer Portal, Biller Portal, and Reconciliation.
- Separate training is conducted for Biller's technical staff regarding the uploading of bill files and any other applicable processes.

## 11. **Marketing**

InvoiceCloud provides marketing support that our Billers can use to promote the EBPP and IC payment solutions to its Payers, at no charge. InvoiceCloud's marketing group will schedule a 1-hour conference call to

review InvoiceCloud’s recommended best practices for promoting the service. Sample templates will be provided for each item and customizations can be made upon request; some examples include:

- Bill Inserts
- Newsletters
- Envelope Teasers
- Pay Button Link
- Posters with Acrylic Stands for Payment Counters
- Business card sized take-away cards with QR code
- Local cable/TV station announcement

## **12. IVR**

The IC CloudIVRConnect allows Billers to accept payments via our interactive voice response system. It provides payers with 24-hour access to account status and billing information. The following options are available:

- Provides for a toll-free call and a caller ID number set by the biller
- Supports messaging in both English and Spanish
- Provides for a customizable initial greeting (includes City/County/Company name) – all remaining prompts are standard
- Replays information with InvoiceCloud generated confirmation number

## **13. SMS (Text Messaging)**

The IC CloudSMSConnect allows Billers to accept payments via SMS text messaging. The following options are available:

- Provides interactive registration and service sign-up confirmation
- Sends notification when new bills are available for payment
- Ability to pay with credit card (Visa, MasterCard, Discover, American Express), debit card, or eCheck (ACH)
- Allows for payment utilizing a stored-payment method

## **14. CloudStore™**

The IC CloudStore allows Billers to accept payments for non-invoiced services like books, t-shirts, etc., fire, police, building permits, or activity programs. The following options are available:

- Accept electronic check and or credit/debit cards.
- Customer and Biller receive immediate email confirmation of payment.
- Ability to apply convenience fees, if required.
- Reporting by service type.
- Configurable consumer data fields, open text boxes, drop down, shopping cart.
- Linked to Biller branded payment portal.
- Can be setup to accept payments over the counter.

## **15. Online Bank Direct™**

The IC Online Bank Direct (OBD) allows Billers to electronically import e-check (ACH) payments initiated from consumer bank bill pay sites. IC’s exception handling process will match payments by account number or other matching criteria selected by the Biller.

This SOW contains many products, services, and payment methods. Only the specific products, services, and payment methods selected by **City of Arcadia, CA**, as outlined in the Biller Order Form, are included in the delivery of products, services, and payment methods.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement.

**City of Arcadia, CA**

**InvoiceCloud, Inc.**

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

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

Printed Name: Dominic Lazzaretto

Printed Name: Kevin W. O'Brien

Title: City Manager

Title: CEO

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

Date: 11/18/2024

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

Printed Name: Michael J Mauer

Title: City Attorney

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

## **Appendix A: System Modifications**

As outlined below, InvoiceCloud has agreed to make the following changes to the setup and functionality of our platform:

**NONE**

## Appendix B:

Modules & Features	TruePoint Solutions	
<b>PRODUCTS</b>		
Invoice Types	Utilities	
EBPP	Supported	
IVR	Supported	
Pay by Text	Supported	
Apple Pay	Supported	
Google Pay	Supported	
PayPal	Supported	
POS (EMV)	Supported	
<b>DATA EXCHANGE</b>	<b>Method</b>	<b>Frequency</b>
Invoices	SFTP	Each Billing Cycle
Account Balances	Web Services	Real-Time (RTDR)
Payment Records	Web Services	Near-Time (Data Pump)
AutoPay Flags	Web Services	Near-Time (Data Pump)
Paperless Flags	Web Services	Near-Time (Data Pump)
Block Payment Method (Credit/ACH)	Web Services	Real-Time (RTDR)
<b>INVOICE FILES</b>		
IC Translates File or IC BIF Format	Supported	
Historical Data (24 months)	Supported	
<b>BILL PRESENTMENT</b>		
PDF Extraction (Partial)	Supported	
Link to PDFs	Preferred	
<b>BATCH CLOSE</b>		
Standard or Custom	Custom	

## Appendix C: Biller Deliverables

<b>Deliverable</b>
Comply with P2PE Chain of Custody requirements for EMV terminal delivery/receipt and management
Ethernet connection available for each EMV terminal
Whitelist IP addresses and ports required for communication with InvoiceCloud
Sample Invoice File
Sample Adjustment File
Sample Payment File
Sample Images of Bills
AutoPay Conversion data if applicable
Paperless conversion data if applicable

**BILLER ORDER FORM  
INVOICE TYPE PARAMETER SHEET**

*Invoice Type Parameters must be completed for each invoice type*

Invoice Type	Utility	Pricing Model	Non-Submitter
Biller Pays Network Fees		Yes	

**CURRENT BILLING DETAILS**

Please indicate how many bills are sent monthly by placing the bill count for each month below:

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000

Avg CC Transaction \$	233.00	Max Invoice \$	125,000.00	Bill Frequency	Monthly	Avg. Bills Per Month	7000
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**PRODUCTS AND SERVICES**

Products and Services	[EBPP/SSO] [IVR] [ACH Migration]
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**TRANSACTIONAL PRICING (Paid by Biller)**

Payment Source Description	Payment Method	Fee Rate %	Fee Amount \$	Additional Fee \$
All Payment Sources	Credit/Debit/PayPal	.93%		
All Payment Sources	ACH/EFT		\$0.95	
IVR Surcharge	All Payment Methods		\$0.95	

**TRANSACTIONAL PRICING EXCEPTIONS**

**SERVICE FEES (Paid by Payer)**

Payment Source Description	Payment Method	Fee Amount	Calculation Type	Min. Fee (\$) per Transaction
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**SERVICE FEE EXCEPTIONS**

**MAX PAYMENT CAP**

Card and PayPal Max (\$)	125,000	ACH Max (\$)	125,000
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**BILLER BANK ACCOUNT (FOR DEPOSITS AND CHARGEBACKS)**

*Note: must include voided business check or bank letter for each unique account*

Routing #		Last 4 Acct #		Last 4 Acct # for OBD	
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**NOTES / SPECIAL HANDLING**

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SALES INFORMATION			
IC Sales Rep	Jack O'Neill	Vertical	Utility
Order Date	11/18/2024	Billing Software	TruePoint Solutions

BILLER INFORMATION			
Ownership Type	Government	Phone	626-574-5400 Fax (626) 359-7028
Legal Name	City of Arcadia, California	Website URL	https://www.arcadiaca.gov/
Address 1	240 W. Huntington Drive PO Box 60021	Bus. Open Date	
Address 2		Federal Tax ID	
City	Arcadia	<i>*Federal Tax ID and Legal Name must match on all documents</i>	
State	CA ZIP 91066-6021		

BILLER CONTACT	
Primary Contact Name	Carmen Masud
Phone	(626) 254-2720
Email Address	cmasad@arcadiaca.gov

SIGNING AUTHORITY			
Name	Dominic Lazzaretto	Title	City Manager
Phone	626-574-5401 Fax (626) 359-7028	Email Address	domlazz@arcadiaca.gov

BILLER BANK ACCOUNT (FOR INVOICE CLOUD AND NETWORK FEES, AND AS PROVIDED IN THE BILLER AGREEMENT)	
<b>Note: Must include voided business check or bank letter for each unique account</b>	
Billing Method	Direct Debit
Routing #	Last 4 Acct #

PAYMENT METHODS ACCEPTED	
Payment Methods	[American Express] [VISA/Mastercard/Discover] [PayPal] [ACH/EFT]

BILLER PRICING (see Invoice Type Parameter Sheet(s) for invoice-type-specific pricing)*			
Description	Interval	Cost Type	Cost
Billor Portal Access Fee	Monthly	Fixed (\$)	\$295.00
Credit Card - Chargeback Fee Non-Submitter	Per Transaction	Fixed (\$)	\$10.00
EFT - ACH Reject Fee Non-Submitter	Per Transaction	Fixed (\$)	\$10.00
PayPal Brands - Chargeback Fee (PayPal Brands)	Per Transaction	Fixed (\$)	\$10.00
Invoice Presentment For Paperless Customers	Per Transaction	Fixed (\$)	\$0.00

HARDWARE			
Card Reader Type	Quantity	Cost per Reader	
Card Reader		Billing Interval	Monthly

Shipping Address (if different than location address)	
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DATA RETENTION		
Months to Keep	24	*Additional Fees apply if greater than 24 months

IMPLEMENTATION CHARGES			
Description	Interval	Cost	
Implementation (per SOW)	One-Time	\$0.00 (WAIVED)	

NOTES/SPECIAL HANDLING

[signature page follows]

**CERTIFICATION AND AGREEMENT**

- A. By signing below, the Biller hereby ratifies its authorization for Invoice Cloud, Inc. ("Invoice Cloud") to execute debit/credit entries to the Biller Bank Account(s) indicated above at the depository financial institution(s) named above and to debit/credit the same such account(s). The Biller acknowledges that the origination of ACH transactions to its account(s) must comply with the provisions of U.S. law. This authority is to remain in full force and effect until (i) Invoice Cloud has received written notification (by electronic or U.S. mail) from the Biller of its revocation in such time and manner as to allow Invoice Cloud a reasonable opportunity to act on it, but not less than 10 business days notice; and (ii) all obligations of the Biller to Invoice Cloud that have arisen under this Agreement and all other agreements have been paid in full. The Biller must also notify Invoice Cloud, in writing, (by electronic or U.S. mail) when a change in Biller Bank Account account number(s) or bank has occurred at which time this authorization shall apply to such new/changed Biller Bank Account. This notification must be received no less than 10 business days in advance of any change. A fee will be charged for any returned or rejected ACH debits.
- B. By signing below, the Biller named: (1) has read, agreed to, ratifies the Biller Agreement, Biller T+Cs (referenced in the Biller Agreement) and other Order Forms previously executed by the Biller, and (2) certifies to Invoice Cloud that he/she is authorized to sign this Order Form; (3) certifies that all information and documents submitted in connection with this Order Form are true and complete; (4) authorizes Invoice Cloud or its agent to verify any of the information given, including credit references, and to obtain credit reports ; (5) agrees to pay the Monthly Access Fee through the last day of the month following the effective date of termination as provided in the Billing Agreement; (6) agrees that Biller and each transaction submitted will continue to be bound by the Order Form and the Biller Agreement in its entirety and any new agreement forms executed herewith; (7) agrees that Biller will submit transactions only in accordance with the information in this Biller Order Form and Biller Agreement and will immediately inform Invoice Cloud, by email (contracts@invoicecloud.com) if any information in this Order Form changes, and (8) In the event of non-payment of any sums due, Invoice Cloud reserves the right to withdraw such sums from the Biller Bank Account at any time to ensure payment of the same.
- C. Pay by Text: Standard data rates and text messaging rates may apply based on the payer's plan with their mobile phone carrier. Payer can opt out of text messaging at any time with Invoice Cloud. Partial payment or overpayment is not supported. Biller may not use the service for activities that violate any law, statute, ordinance or regulation.
- D. This Biller Order Form will become effective only when signed by Invoice Cloud.

In WITNESS WHEREOF, the parties have executed this Agreement as of this day

Accepted by Biller:

**X**

Corporate Officer/Authorized Official

**Dominic Lazzaretto**

Printed Name

**City Manager**

Title

Accepted by Invoice Cloud, Inc.:

**X**

Corporate Officer

**Kevin W. O'Brien**

Printed Name

**CEO**

Title

Accepted by Biller:



[Empty box for signature]

Corporate Officer/Authorized Official

Michael J Mauer

Printed Name

City Attorney

Title



# STAFF REPORT

Administrative Services Department

**DATE:** December 3, 2024

**TO:** Honorable Mayor and City Council

**FROM:** Henry Chen, Interim Administrative Services Director

**SUBJECT:** APPROVE THE ANNUAL DEVELOPMENT IMPACT FEE REPORT FOR FISCAL YEAR 2023-24 PURSUANT TO GOVERNMENT CODE SECTION 66006

**CEQA: Not a Project**

**Recommendation: Approve**

## SUMMARY

Pursuant to Resolution Nos. 6495, 6602, and 7492, the City has been collecting Transportation Impact Fees, Park Facilities Impact Fees, and Fire Protection Facilities Impact Fees. These fees are intended to provide funding for the City to maintain infrastructure service levels and make necessary improvements due to growth from development. The City is required to report certain information to the City Council and public annually pursuant to Government Code Section 66006. The attached documents satisfy the requirements of the Code. The City has been complying with all collection and expenditure requirements.

It is recommended the City Council approve the Annual Development Impact Fee Report for Fiscal Year 2023-24 pursuant to Government Code Section 66006.

## DISCUSSION

The City collects Impact Fees for Transportation, Park Facilities, and Fire Facilities purposes, which are fees associated with development projects. Government Code Section 66006 requires the City to prepare an annual report that describes certain information about the fees, such as the amount of fees collected, public improvements for which the fees were expended, fund balance, and other information. This information is attached hereto:

Exhibit "A": The Park Facilities Fee Impact Fund currently has a balance of \$9,740,282. Additional fund balance will be used in the coming years to continue implementation of the adopted Parks Master Plan: most notably, the completion of the renovations at Newcastle Park and new concession and bleachers at Bonita Park.

Exhibit “B”: The Transportation Fee Impact Fund currently has a balance of \$789,106. Funds are spent regularly from this account for various traffic improvements throughout the City. Staff is currently working on a Citywide traffic center and signal fiber optics upgrades, a portion of which will be funded by these funds.

Exhibit “C”: The Fire Facilities Impact Fund currently has a balance of \$310,486. Funds are spent from this account for capital projects to improve the service capacity of the Fire Department. Amongst the projects funded by the impact fee is a remodel of Fire Station 105 to increase the service capacity of the station.

### **ENVIRONMENTAL ANALYSIS**

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

### **FISCAL IMPACT**

Funds from these accounts make significant community improvement projects possible. Due to the variability of development activity in the community, the amount of revenue tends to fluctuate substantially in any given year. In Fiscal Year 2023-24, all three funds combined added over \$3.5 million in new revenue, including interest earned. Without these funds, the City would need to find other sources of revenue to offset the impacts caused by new development.

### **RECOMMENDATION**

It is recommended that the City Council determine that this action is not a project under the California Environmental Quality Act (“CEQA”); and approve the Annual Development Impact Fee Report for Fiscal Year 2023-24 pursuant to Government Code Section 66006.

Approved:

  
Dominic Lazzaretto  
City Manager

Attachments: Exhibit “A” Annual Park Facilities Impact Fee Report Fiscal Year 2023-24  
Exhibit “B” Annual Transportation Impact Fee Report Fiscal Year 2023-24  
Exhibit “C” Annual Fire Facilities Impact Fee Report Fiscal Year 2023-24

## Exhibit "A"

### City of Arcadia Annual Park Facilities Impact Fee Report Fiscal Year 2023-24

This annual report section has been prepared pursuant to the requirements of Government Code Section 66006.

#### Description of Fees

Pursuant to Resolution No. 6602, the Park Facilities Fee is collected to ensure that new development pays its fair share of costs associated with building new park facilities and infrastructure.

#### Amount of Fees

\$2.85 per square feet for single family projects

\$3.73 per square feet for multi-family projects

#### Beginning and Ending Balances of the Fund and Amount of Fees Collected and Interests Earned

Fiscal Year	Beginning Fund Balance	Fees Collected	Interest Earned	Expenditures	Other	Ending Balance
2022-23	\$ 8,517,942	\$ 1,814,156	\$ 430,654	\$ (1,022,470)	\$ -	\$ 9,740,282
2022-23	7,826,989	550,784	185,932	(45,763)	-	8,517,942
2021-22	7,421,829	570,486	(123,464)	(41,862)	-	7,826,989
2020-21	6,200,930	622,346	39,183	(278,380)	837,750	7,421,829
2019-20	11,841,628	883,959	281,397	(6,810,432)	4,378	6,200,930
2018-19	10,905,784	593,808	395,942	(53,906)	-	11,841,628
2017-18	9,962,795	916,233	53,122	(26,366)	-	10,905,784
2016-17	8,237,966	1,734,923	42,361	(52,455)	-	9,962,795
2015-16	6,151,955	2,096,641	90,231	(100,861)	-	8,237,966
2014-15	4,147,454	1,996,015	44,305	(35,819)	-	6,151,955
Before 2014	(264,045)	7,312,385	72,004	(2,623,057)	(349,833)	4,147,454
<b>Total</b>		<b>\$ 19,091,736</b>	<b>\$ 1,511,667</b>	<b>\$ (11,091,371)</b>	<b>\$ 492,295</b>	

#### An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees

Project	Years	Amount	% Funded by Fees
Museum Education Center	2008, 2014	\$ 984,884	49%
City Hall Soccer Field	2010-2012	1,275,111	100%
Wilderness Park Restroom	2013	148,482	100%
City Park Improvements	2013-14	62,931	100%
Community Center Backup Generator	2014	154,250	100%
Recreation and Parks Master Plan	2014-18	212,900	100%
Eisenhower Park	2019-21	6,940,727	100%
Newcastle Park	2020-24	1,237,832	100%
Baseball Bleachers	2022-24	74,254	100%
<b>Total</b>		<b>\$ 11,091,371</b>	

**Identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.**

The anticipated completion date for Newcastle Park is August 2025 and the baseball bleachers will be November 2024 and mid-2027 for the Bonita Park concession building.

**Description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.**

There were no interfund transfers or loans.

**Amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.**

There were no refunds nor allocations for some other purpose for which fees were collected.

## Exhibit “B”

### City of Arcadia Annual Transportation Impact Fee Report Fiscal Year 2023-24

This annual report section has been prepared pursuant to the requirements of Government Code Section 66006.

#### **Description of Fees**

Pursuant to Resolution Nos. 6495 and 7151, the Transportation Impact Fee is collected to help pay for needed traffic improvements to maintain certain intersections at a Level of Service “D” or better.

#### **Amount of Fees**

\$1,983 per PM Peak House vehicle trip

#### **Beginning and Ending Balances of the Fund and Amount of Fees Collected and Interests Earned**

<b>Fiscal Year</b>	<b>Beginning Fund Balance</b>	<b>Fees Collected</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Other</b>	<b>Ending Balance</b>
2023-24	\$ (85,023)	\$ 974,000	\$ 15,880	\$ (143,053)	\$ 27,302	\$ 789,106
2022-23	1,293,062	121,931	36,737	(1,536,753)	-	(85,023)
2021-22	1,558,252	146,497	(22,166)	(389,521)	-	1,293,062
2020-21	1,795,981	230,538	6,371	(655,121)	180,483	1,558,252
2019-20	2,574,038	155,861	75,033	(1,280,422)	271,471	1,795,981
2018-19	2,955,110	517,563	101,503	(1,066,970)	66,832	2,574,038
2017-18	3,047,632	196,819	17,163	(456,785)	150,281	2,955,110
2016-17	1,977,887	1,553,561	12,414	(496,230)	-	3,047,632
2015-16	1,672,534	335,883	21,746	(69,759)	17,483	1,977,887
2014-15	1,907,326	372,853	18,975	(920,723)	294,103	1,672,534
Before 2014	417,289	2,463,430	87,328	(3,128,397)	2,067,676	1,907,326
<b>Total</b>		<b>\$ 7,068,936</b>	<b>\$ 370,984</b>	<b>\$ (10,143,734)</b>	<b>\$ 3,075,631</b>	

**An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees**

<b>Project</b>	<b>Years</b>	<b>Amount</b>	<b>% Funded by Fees</b>
Sunset Blvd. Widening	2008	240,289	61.67%
Santa Anita Intersection Improvement	2008-12	1,972,009	90.28%
Huntington Drive Capacity Improvement	2012-15	1,524,342	73.04%
Duarte Road Intersection Widening	2012-17	539,725	98.22%
Transportation Impact Fee Study	2012-17	68,124	100.00%
Land Acquisition	2015-16	144,239	10.00%
Various Miscellaneous Traffic Signal Improvements	2017-24	979,275	100.00%
Duarte and Lovell Traffic Signalization	2018-19	343,381	100.00%
Huntington Arterial Rehabilitation	2018-21	751,677	38.00%
Santa Anita Corridor Traffic Signalization	2018-23	1,695,657	100.00%
Huntington Drive and Second Ave	2019	150,000	100.00%
Sunset and Fairview Traffic Signalization	2019-20	425,861	100.00%
Baldwin Ave Traffic Signal Fiber Optic Extension	2020-22	290,051	100.00%
Colorado Street - Complete Streets	2020-24	500,745	100.00%
Traffic Signal Fiber Optics Network Extension	2021-24	267,619	100.00%
Arterial Rehabilitation - Live Oak (Santa Anita to East City Limits)	2022	159,000	14.79%
Arterial Rehabilitation - Huntington Dr (Santa Clara to 5th)	2022	1,583	100.00%
Traffic Center Upgrades	2023-24	40,700	100.00%
Emergency Vehicle Preemption Signal Improvements	2023-24	49,457	100.00%
	<b>Total</b>	<b>\$ 10,143,734</b>	

**Identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.**

The City utilizes the impact fees to fund various traffic signalization improvements and arterial rehabilitation projects on an annual basis. The projects that remain incomplete at the end of the fiscal year and their anticipated completion dates are as follows:

<b>Project</b>	<b>Estimated Completion</b>
Various Miscellaneous Traffic Signal Improvements	June 2025
Traffic Signal Fiber Optics Network Extension	Summer 2025
Traffic Center Upgrades	June 2025

**Description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.**

There were no interfund transfers or loans.

**Amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.**

There were no refunds nor allocations for some other purpose for which fees were collected.

## Exhibit “C”

### City of Arcadia Annual Fire Facilities Development Impact Fee Report Fiscal Year 2023-24

This annual report section has been prepared pursuant to the requirements of Government Code Section 66006.

#### Description of Fees

Pursuant to Resolution No. 7492, the Fire Protection Facilities Development Impact Fee is collected to ensure that new development pays its fair share of capital and infrastructure costs associated with increased demand for fire services from the new developments.

#### Amount of Fees

- \$0.35 per square feet for residential dwelling units
- \$1.91 per square feet for commercial units
- \$2.92 per square feet for office units
- \$1.04 per square feet for industrial units

#### Beginning and Ending Balances of the Fund and Amount of Fees Collected and Interests Earned

Fiscal Year	Beginning Fund Balance	Fees Collected	Interest Earned	Expenditures	Other	Ending Balance
2023-24	\$ -	\$ 310,714	\$ 5,272	\$ (5,500)	\$ -	\$ 310,486
<b>Total</b>		<b>\$ 310,714</b>	<b>\$ 5,272</b>	<b>\$ (5,500)</b>	<b>\$ -</b>	

#### An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees

Project	Years	Amount	% Funded by Fees
Fire Training Facility	2023-24	\$ 5,500	100%
<b>Total</b>		<b>\$ 5,500</b>	

#### Identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.

The City has budgeted \$35,000 for fire station remodel and \$26,000 for a signal preemption project. The anticipated completion date for the station remodel is estimated to be May 2025 and December 2024 for the signal preemption project.

**Description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.**

There were no interfund transfers or loans.

**Amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.**

There were no refunds nor allocations for some other purpose for which fees were collected.



# STAFF REPORT

Public Works Services Department

**DATE:** December 3, 2024

**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 \$574,543.62  
**CEQA: Not a Project**  
**Recommendation: Approve**

## **SUMMARY**

The Fiscal Year 2024-25 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 \$574,543.62.

## **BACKGROUND**

The Fiscal Year 2024-25 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 121,135 miles.

Street sweeping is a vital service that keeps Arcadia’s roadways 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 weekly. 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 specifications. The bidding process and Sourcewell's contracts have been reviewed by the PWSD and meet the City's procurement requirements. A copy of Sourcewell's contract with Haaker Equipment Company 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.

### **FISCAL IMPACT**

The cost of the 2025 Elgin CNG Crosswind Street Sweeper is \$574,543.62. The cost for safety lighting and communication equipment for the sweeper will be approximately \$5,400 and will be acquired through a separate Purchase Order. Funds in the amount of \$760,500 have been budgeted in the Fiscal Year 2024-25 Equipment Replacement Budget to replace this sweeper; 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 \$574,543.62.

Approved:

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

Attachments: Haaker Equipment Company Proposal Contract  
Sourcewell Contract

# HAAKER

## EQUIPMENT COMPANY

2070 N. WHITE AVENUE, LA VERNE CA 91750

(909) 598-2706 ~ HAAKER.COM



**QUOTE**  
SEPTEMBER 3, 2024

**TO:** CITY OF ARCADIA  
11800 GOLDRING ROAD  
ARCADIA, CA 91066

**ATTN:** MR. Dave Thompson  
(626) 256-6574  
EMAIL: [dthompson@arcadia.gov](mailto:dthompson@arcadia.gov)

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.](#)

### **ONE (1) NEW ELGIN CNG CROSSWIND SWEEPER**

MOUNTED ON A 2025 FREIGHTLINER M2-112, 260 HP, CUMMINS L9N ENGINE, ALLISON 3500 RDS AUTOMATIC TRANSMISSION, DUAL AIR RIDE SEATS, POWER WINDOWS AND DOORS DUAL STEERING. EQUIPPED WITH ALL STANDARD AND OPTIONAL EQUIPMENT LISTED:

#### **STANDARD EQUIPMENT**

- 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 SUCTIONS 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:**

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> CHASSIS BATTERY DISCONNECT                      | <input type="checkbox"/> HOPPER VIBRATOR                     | <input type="checkbox"/> ALTERNATING FLASHING REAR LIGHTS |
| <input type="checkbox"/> LED STOP/TAIL/TURN                              | <input type="checkbox"/> 6" HOPPER DRAIN                     | <input type="checkbox"/> SLOW MOVING VEHICLE SIGN         |
| <input type="checkbox"/> SPARE CHASSIS KEY                               | <input type="checkbox"/> HOPPER DELUGE                       | <input type="checkbox"/> SWEEPER SERVICE MANUAL           |
| <input type="checkbox"/> RIGHT HAND BOSTROM 905 VINYL MID-BACK           | <input type="checkbox"/> LOW PRESSURE WASHDOWN               | <input type="checkbox"/> CHASSIS OPERATORS' MANUAL        |
| <input type="checkbox"/> SIDE BROOM TILT OPTION RIGHT HAND               | <input type="checkbox"/> AUXILIARY HYDRAULIC PUMP            | <input type="checkbox"/> CHASSIS PARTS MANUAL             |
| <input type="checkbox"/> SIDE BROOM TILT OPTION LEFT HAND                | <input type="checkbox"/> AUXILIARY ENGINE BATTERY DISCONNECT | <input type="checkbox"/> CHASSIS SERVICE MANUAL           |
| <input type="checkbox"/> LIFELINER HOPPER SYSTEM                         | <input type="checkbox"/> EXTRA KEY - AUXILIARY ENGINE        | <input type="checkbox"/> HYDRANT WRENCH                   |
| <input type="checkbox"/> RIGHT HAND INSPECTION DOOR WITH STEP AND HANDLE | <input type="checkbox"/> MIDWEST AUTO LUBE SWEEPER ONLY      | <input type="checkbox"/> SAFETY TRIANGLES                 |
|  | <input type="checkbox"/> REAR ARROW BOARD                    | <input type="checkbox"/> 5# FIRE EXTINGUISHER             |
|  | <input type="checkbox"/> REAR ARROW BOARD                    |   |

UNIT PRICE: .....\$ 529,855.00  
**SOURCEWELL DISCOUNT:** .....(-\$ 8,727.00)  
 SOURCEWELL SUBTOTAL: .....\$ 521,128.00  
 SALES TAX (10.25%).....\$ 53,415.62

**TOTAL UNIT PRICE, FOB: ARCADIA, CA:.....\$ 574,543.62**

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. ANY ADDITIONAL SURCHARGE COSTS, FOR CHASSIS OR VACTOR BODY, WILL

**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:** TO BE DETERMINED **TERMS:** NET TERMS

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: \_\_\_\_\_

**JOSE "CHUY" VALLEJO**  
**SALES REPRESENTATIVE**

**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

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## 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

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**Specifications****Table 1: Proposer Identity & Authorized Representatives**

**General Instructions** (applies to all Tables) Sourcwell 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. <a href="https://www.federalsignal.com/annual-quarterly-reports">https://www.federalsignal.com/annual-quarterly-reports</a>
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
<b>Addendum_2_Street_Sweepers_RFP_093021</b> Wed August 25 2021 07:12 PM	<input checked="" type="checkbox"/>	1
<b>Addendum_1_Street_Sweepers_RFP_093021</b> Fri August 13 2021 02:49 PM	<input checked="" type="checkbox"/>	2



# STAFF REPORT

Public Works Services Department

**DATE:** December 3, 2024

**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 2025 CHEVROLET SILVERADO 1500 PICKUP TRUCK IN THE AMOUNT OF \$56,881.14  
**CEQA: Not a Project**  
**Recommendation: Approve**

## **SUMMARY**

The Fiscal Year 2024-25 Equipment Replacement Budget provides for the replacement of one 1/2-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, a formal bid process was conducted. Sierra Chevrolet of Monrovia submitted the lowest responsive bid.

It is recommended that the City Council approve a Purchase Order with Sierra Chevrolet of Monrovia for the purchase of one 2025 Chevrolet Silverado 1500 pickup truck in the amount of \$56,881.14.

## **BACKGROUND**

The Fiscal Year 2024-25 Equipment Replacement Budget provides for the purchase of one 1/2-ton pickup truck for the PWSD. The vehicle that will be replaced meets the age and mileage criteria of the City’s Vehicle Replacement Program. The vehicle scheduled for replacement is a 2004 Ford F-150 with approximately 132,983 miles. The new 2025 Chevrolet Silverado will be used to manage the Streets Section’s programs and activities, including administering services for the maintenance and repair of streets, alleys, curbs, storm drains, street trees, sidewalks, and related capital improvements within the public right-of-way.

## **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. On November 12, 2024, the City Clerk received two bids with the following results:

<u>Bidder</u>	<u>Location</u>	<u>Bid Amount</u>
Sierra Chevrolet of Monrovia	Monrovia, CA	\$56,881.14
Mountain View Chevrolet	Upland, CA	\$57,443.42

Vendors that received bid packages but did not submit bids stated that they were unable to bid due to not having an applicable vehicle in stock or not having the ability to order one in a reasonable time frame.

All bid documents were reviewed for content and the vendor's background was investigated. Based on this review, it has been determined that Sierra Chevrolet of Monrovia is the lowest responsive bidder that met 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.

### **FISCAL IMPACT**

The total cost for the 2025 Chevrolet Silverado 1500 pickup truck is \$56,881.14. The Fiscal Year 2024-25 Equipment Replacement Budget includes \$70,000 for the purchase of this vehicle, providing sufficient funding for this purchase, as well as required aftermarket upfitting (lights, radios, etc.) to prepare the vehicle for service.

### **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 Sierra Chevrolet of Monrovia for the purchase of one 2025 Chevrolet Silverado 1500 pickup truck in the amount of \$56,881.14.

Approved:

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



# STAFF REPORT

Police Department

**DATE:** December 3, 2024

**TO:** Honorable Mayor and City Council

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

**SUBJECT:** PURCHASE ORDER WITH FLOCK SAFETY FOR RENEWAL OF THE AUTOMATED LICENSE PLATE READER ("ALPR") CAMERA SUBSCRIPTION ("PHASE 1") FOR FISCAL YEAR 2024-25 IN AN AMOUNT NOT TO EXCEED \$60,000  
**CEQA: Not a Project**  
**Recommendation: Approve**

## **SUMMARY**

The Arcadia Police Department presently utilizes a subscription-based system for Automated License Plate Reader ("ALPR") cameras. This subscription service, procured from Flock Safety, is renewed on an annual basis. A subscription-based system is the preferred model due to the ability to streamline maintenance, upgrades, and equipment, further enhancing the effectiveness of the cameras. Given the Department's satisfaction with this system, it is recommended that the City Council approve the Purchase Order with Flock Safety for the renewal of the ALPR camera subscription for Fiscal Year 2024-25, in an amount not to exceed \$60,000.

## **BACKGROUND**

In 2008, the Police Department implemented an ALPR system to combat criminal activity, enhance productivity, and improve officer safety. The ALPR system automatically captures license plates from passing vehicles as well as vehicles parked on 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 that is associated with the following criteria is identified: stolen vehicle, identification of vehicles connected to wanted felons, Amber Alerts, or any other public safety criteria determined by the Department.

In Arcadia, ALPR camera systems are located in fixed locations throughout the City. The ALPR system retains license plate data and vehicle photographs for a period of 30 days, which allows investigators time to review this data and 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, providing a digital photo of the vehicle and pinpoint mapping of its current or previous location.

The ALPR system captures more vehicle data than any single officer could produce on their own. The ALPR system has resulted in numerous recoveries of stolen vehicles and provides timely alerts of criminally wanted vehicles entering the City, leading to arrests.

## **DISCUSSION**

In 2021, with the City Council's approval, the Department replaced the original ALPR camera system due to age-based malfunctions, transitioning from a purchase/ownership option to a subscription-based platform. The new ALPR camera system that was secured from Flock Safety is the most efficient solution, with several distinct features:

- Extended warranty program and service plan.
- Camera monitoring for optimal performance.
- All-inclusive pricing for hardware, software, SIM card, data plan, warranty, monitoring, and upgrades.
- Latest ALPR technology to capture extensive vehicle data and increase intersection coverage.
- Solar powered, eliminating the need for electrical connections to traffic signals.
- Detecting vehicles with missing, temporary, or obscured plates, and accurately identifying states.
- Processes newer black Legacy plates without illuminating features.
- Covers two vehicle lanes, enhancing intersection coverage.
- Data hosted on a cloud-based Criminal Justice Information Services ("CJIS") system, reducing the need for in-house servers.
- Enables sharing intelligence with neighboring and national law enforcement agencies.

The transition to the subscription-based platform was implemented in FY 2021-22. This Purchase Order represents the fourth year that the subscription will be renewed. Flock Safety increased the cost per camera from \$2,000 to \$3,000 as of January 1, 2024. Since the City chose an annual renewal instead of a multi-year option, the new annual cost per camera of \$3,000 is applicable to this year's renewal. The overall increase compared to last Fiscal Year is 20% higher, from \$50,000 to \$60,000 for 20 cameras. This is the first time the cost per camera has increased in four years. Despite the cost increase, the subscription-based platform is still cost effective compared to the previous ownership model. Based on Arcadia's excellent experience with the Flock Safety service model, it is recommended that the subscription be renewed for another year.

Separate from the existing 20 cameras, as part of the Fiscal Year 2023-24 Budget, the ALPR camera project was expanded, and the City Council approved the purchase of an

additional 23 cameras (“Phase 2”). This brought the total number of Flock Safety ALPR cameras in Arcadia to 43 (Attachment “A”). Phase 2 ALPR cameras are due for subscription renewal in a few months and will be presented to City Council for approval at that time. This increase in surveillance infrastructure represents a significant investment in enhancing public safety and security within the community (see Attachment “A” for a map of camera locations).

### **ENVIRONMENTAL ANALYSIS**

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

### **FISCAL IMPACT**

Sufficient funds in the amount of \$60,000 have been allocated in the Fiscal Year 2024-25 General Fund Operating Budget for the annual subscription cost.

### **RECOMMENDATION**

It is recommended that the City Council determine this action is not a project under the California Environmental Quality Act (“CEQA”); and approve a Purchase Order with Flock Safety for the renewal of the Automated License Plate Reader (“ALPR”) camera subscription (“Phase 1”) for Fiscal Year 2024-25 in an amount not to exceed \$60,000.

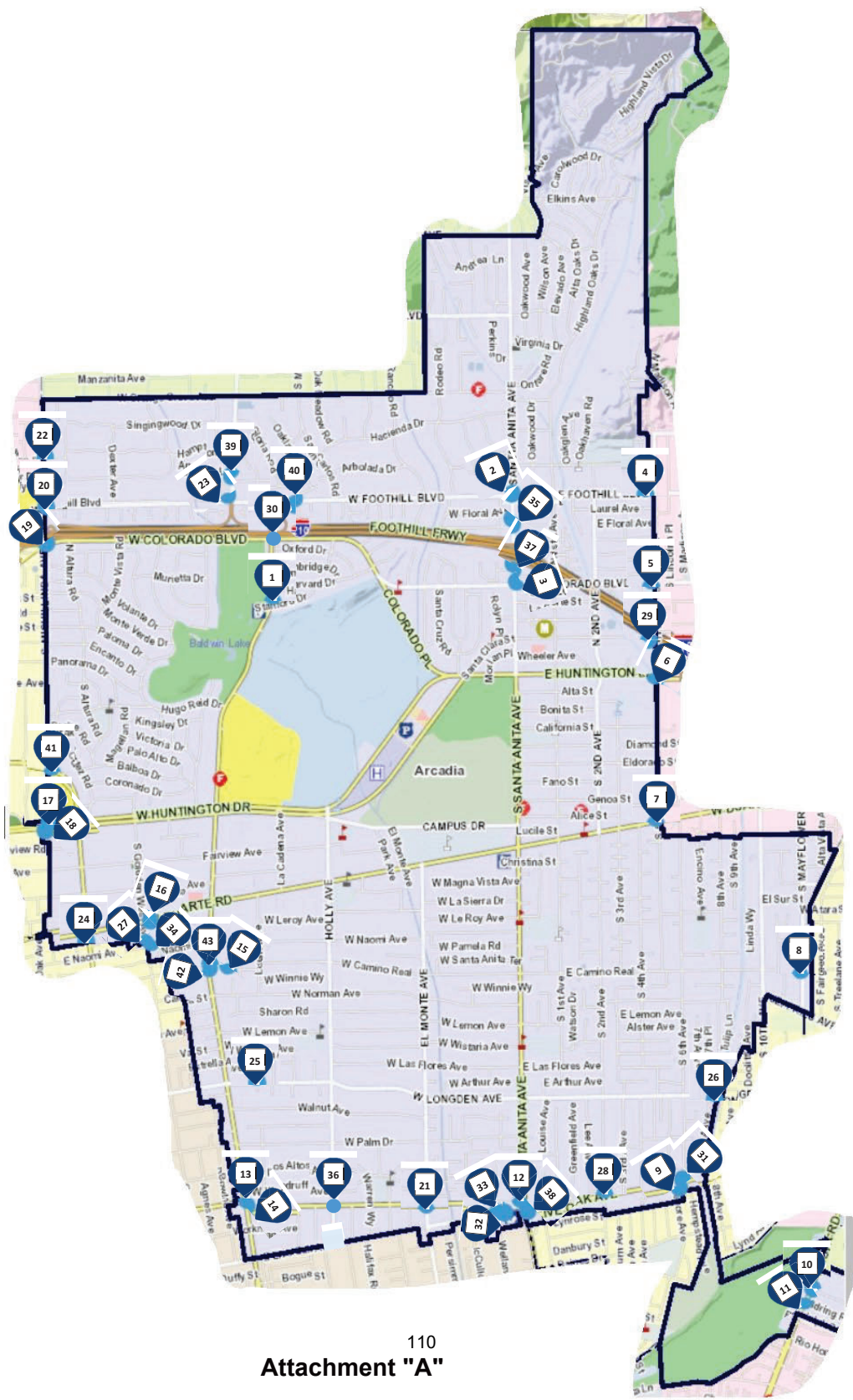
Approved:

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

Attachment “A”: Map of 43 ALPR Camera Locations

ALPR Camera - Intersection Locations

Camera No.	Street/Intersection Name	Camera No.	Street/Intersection Name	Camera No.	Street/Intersection Name	Camera No.	Street/Intersection Name
1	S/B Baldwin @ Arboretum Way	12	N/B Santa Anita @ Live Oak	23	W/B Foothill @ Baldwin	34	N/B Golden West @ Naomi
2	N/B Santa Anita @ Foothill	13	E/B Las Tunas @ Baldwin	24	N/B Sunset @ Duarte	35	N/B Santa Anita @ 210
3	S/B Santa Anita @ Colorado	14	N/B Baldwin @ Las Tunas	25	E/B Longden @ El Sereno	36	N/B Holly @ Las Tunas
4	W/B Foothill @ 5th	15	E/B Camino Real @ Baldwin	26	W/B Longden @ 8th	37	S/B Santa Anita @ 210
5	W/B Colorado @ 5th	16	E/B Duarte @ Golden West	27	E/B Naomi @ Golden West	38	E/B Live Oak @ Santa Anita
6	W/B Huntington @ 5th	17	E/B Huntington @ Michillinda (NCL)	28	N/B 2nd @ Live Oak	39	N/B Baldwin @ Arbolada
7	W/B Duarte @ 5th	18	E/B Huntington @ Michillinda (SCL)	29	W/B Santa Clara @ 5th	40	E/B Foothill @ Baldwin
8	W/B Camino Real @ Mayflower	19	E/B Colorado @ Michillinda	30	N/B Colorado Extension @ S/B Baldwin	41	E/B Sunset @ Michillinda
9	W/B Live Oak @ 6th	20	E/B Foothill @ Michillinda	31	N/B 6th @ Live Oak	42	S/B Baldwin @ Camino Real
10	E/B Clark @ Peck	21	N/B El Monte @ Las Tunas	32	W/B Live Oak @ Las Tunas	43	N/B Baldwin @ Camino Real
11	E/B Goldring @ Peck	22	E/B Hampton @ Michillinda	33	W/B Las Tunas @ Live Oak		





# STAFF REPORT

Administrative Services Department

**DATE:** December 3, 2024

**TO:** Honorable Mayor and City Council

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

**SUBJECT:** PURCHASE ORDER WITH SDI PRESENCE FOR THE DEVELOPMENT OF A FIVE-YEAR INFORMATION TECHNOLOGY STRATEGIC PLAN IN AN AMOUNT NOT TO EXCEED \$60,000  
**CEQA: Not a Project**  
**Recommendation: Approve**

## SUMMARY

An Information Technology (“IT”) Strategic Plan is designed as a long-term vision and roadmap for the City’s technology initiatives, ensuring alignment with the City’s overall goals. Critical areas such as network infrastructure and management, cybersecurity, data storage, and telecommunications will be covered in the plan. The Strategic Plan will be based on industry best practices related to system configuration, network security, and overall IT operations. The preparation of this plan will be overseen by SDI Presence (“SDI”), Arcadia’s current IT service provider, who is uniquely qualified to assist the City in this effort.

It is recommended that the City Council approve a Purchase Order with SDI Presence for the development of a five-year Information Technology Strategic Plan in an amount not to exceed \$60,000.

## DISCUSSION

Managing the ever-evolving digital landscape in technology and ensuring that the City remains adaptable and successful with its available IT resources, requires the development of a long-term plan to address IT issues and concerns. The development of an IT Strategic Plan is recommended as an industry best practice to outline a pathway for IT spending, enabling the procurement of effective IT solutions to address the City’s needs. The following areas will be addressed in the City’s strategic plan.

- Department Applications and Systems – The needs of each department will be reviewed with a focus on improving service capacity, enhancing integration with

other City systems, increasing transparency for residents, and achieving cost efficiencies.

- IT Infrastructure – Overall system infrastructure capacity, security setup, and future growth needs will be reviewed as part of this initiative. A holistic plan will be provided to address this growth and offer a roadmap for efficient investment to meet those needs. The security infrastructure will also be reviewed by SDI to improve disaster recovery capacity, including data backup and system redundancies.
- IT Operations – The current processes and procedures used by IT staff to maintain network and application operations will be reviewed to identify technological solutions that could enhance service while reducing costs.
- Telecommunication – The City’s business telephone system, mobile operations, remote work system, and inter-connectivity with other government agencies will be covered in this initiative.

The City’s current IT service provider, SDI, has been engaged to develop this IT Strategic Plan. Having served as the City’s IT provider for the last 6 years, they have gained an intimate knowledge of current systems and operations, making them well positioned to assist with the development of this plan.

SDI has a strong background in IT consulting as an IT solutions provider for many other local municipalities. They bring a well-balanced group of individuals with extensive IT experience with local government agencies. SDI has the resources and knowledge to complete this project, having conducted over 90 IT strategic plans within California. Their team of dedicated project managers are in the Los Angeles area and will be conducting much of the project on-site, tailoring the project timeline to the City’s needs and working with staff availability. Interviews and workshops will be conducted by SDI, face-to-face, to ensure a thorough understanding of concerns and priorities.

The five-year IT Strategic Plan will serve as a guiding document that not only aligns future IT initiatives with business objectives but also provides a structured approach to project management and risk mitigation. The plan will ensure the City’s future IT projects are planned thoughtfully, increasing the probability of success and ensuring a unified overall approach to IT operations.

## **ENVIRONMENTAL ANALYSIS**

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

**FISCAL IMPACT**

Carryover funds of \$30,000 budgeted in the previous Fiscal Year, along with an approved appropriation of \$30,000 in the current Fiscal Year's Capital Improvement Program, will cover the anticipated \$60,000 cost for the IT strategic plan. No additional appropriation is required.

**RECOMMENDATION**

It is recommended that the City Council determine this action is not a project under the California Environmental Quality Act ("CEQA"); and approve a Purchase Order with SDI Presence for the development of a five-year Information Technology Strategic Plan in an amount not to exceed \$60,000.

Approved:



Dominic Lazzaretto  
City Manager