



# CITY OF ARCADIA

## CITY COUNCIL REGULAR MEETING AGENDA

**Tuesday, October 20, 2026, 7:00 P.M.**

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

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 ensure accessibility to the meeting.

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.

**How to Submit Public Comment:**

Members of the Public who wish to submit public comment may do so using one of the following methods. Generally, the allotted time is determined by the number of speakers, in accordance with the following format: **5 speakers or less – 5 minutes each**; between **6 and 20 speakers – 3 minutes each**; between **21 and 50 speakers – 2 minutes each**; and more than **50 speakers – 1 minute each**.

1. **In-Person:** Complete a Speaker Card, indicate the agenda item number and place it in the Public Comment Drop Box, or simply come to the podium when the Mayor asks for those who wish to speak.
2. **Remote Participation:** Click on the link or join using the Webinar/Meeting ID. To provide public comment, select the **"Raise Hand"** feature in Zoom during public comment.

Web Link:

<https://us06web.zoom.us/j/82181334548?pwd=sk3icr9kXtsYSLO9y8yLM1FSXqY4Zh.1>

Webinar/Meeting ID: 389875

A conference line has been established for public comment. To provide public comment, press **\*9** to **"raise your hand"**.

Conference Line: 1 (669) 444-9171

Meeting ID: 821 8133 4548#

Participant ID: Press the # symbol

Meeting Passcode: 389875#

When it is your turn to speak, your microphone will be unmuted, and you will be asked to state your name for the record before providing your comments.

3. **Electronic Submissions:** 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. Your comments must be received at least 30 minutes prior to the posted meeting time. Please submit your comments electronically in the following manner:

Online public comment form at [ArcadiaCA.gov/comment](http://ArcadiaCA.gov/comment).

Via email to [CityClerk@ArcadiaCA.gov](mailto:CityClerk@ArcadiaCA.gov).

1. **CALL TO ORDER**

2. **INVOCATION**

Terrence Shay, Arcadia Police Department Chaplain

3. **PLEDGE OF ALLEGIANCE**

Terrence Shay, Arcadia Police Department Chaplain

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

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

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

6. **PRESENTATIONS**

- a. Presentation of the 73<sup>rd</sup> Annual Arcadia Festival of Bands Proclamation.
- b. Presentation of Mayor's Certificate of Commendation to Peter (Pete) L. Costantino for his support as a Little League Umpire for over 40 years.

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

Any person wishing to speak before the City Council may do so using one of the following methods. Generally, the allotted time is determined by the number of speakers, in accordance with the following format: **5 speakers or less – 5 minutes each**; between **6 and 20 speakers – 3 minutes each**; between **21 and 50 speakers – 2 minutes each**; and more than **50 speakers – 1 minute each**. Under the Brown Act, the City Council is prohibited from discussing or taking action on any item not listed on the posted agenda.

1. **In-Person:** Complete a Speaker Card, indicate the agenda item number and place it in the Public Comment Drop Box, or simply come to the podium when the Mayor asks for those who wish to speak.
2. **Remote Participation:** Click on the link or join using the Webinar/Meeting ID. To provide public comment, select the **“Raise Hand”** feature in Zoom during public comment.

Web Link:

<https://us06web.zoom.us/j/82181334548?pwd=sk3icr9kXtsYSLO9y8yLM1FSXqY4Zh.1>

Webinar/Meeting ID: 389875

A conference line has been established for public comment. To provide public comment, press **\*9** to **“raise your hand”**.

Conference Line: 1 (669) 444-9171

Meeting ID: 821 8133 4548#

Participant ID: Press the # symbol

Meeting Passcode: 389875#

## 8. **CONSENT CALENDAR**

- a. Regular Meeting Minutes of October 6, 2026.  
CEQA: Not a Project  
Recommended Action: Approve
- b. Professional Services Agreement with Sladden Engineering for material testing services in the amount of \$92,100.  
CEQA: Exempt  
Recommended Action: Approve
- c. Contract with MDJ Management, LLC for the Upper City Hall Green Room and Human Resources Department Offices Soundproofing Project in the amount of \$79,704.87, with a 10% contingency.  
CEQA: Exempt  
Recommended Action: Approve
- d. Contract with MDJ Management, LLC for the Library Trellis Repair Project in the amount of \$82,110.89, with a 10% contingency.  
CEQA: Exempt  
Recommended Action: Approve
- e. Agreement with TrueBill Solutions LLC for annual hosting and support services for utility billing software, in an amount not to exceed \$362,974.  
CEQA: Not a Project  
Recommended Action: Approve

- f. Accept all work performed by Ramona, Inc. for the Sewer Main Replacement Program as complete.

CEQA: Exempt

Recommended Action: Approve

- g. Accept all work performed by Onyx Paving Company, Inc. for the First Avenue Arterial Pavement Rehabilitation Project as complete.

CEQA: Exempt

Recommended Action: Approve

## **9. CITY MANAGER**

- a. Report on City Council Rules of Procedure and Decorum (Resolution No. 7652).

CEQA: Not a Project

Recommended Action: Receive and File

- b. Discussion of Council Member Kwan's involvement with a private energy company.

CEQA: Not a Project

Recommended Action: No Staff Recommendation

- c. 6.6 Amp series street lighting update.

CEQA: Not a Project

Recommended Action: Receive and File

## **10. AB 1234 REPORTS FROM MAYOR AND CITY COUNCIL (*limited to legally required reports*).**

## **11. REQUEST FOR FUTURE ITEMS**

## **12. ADJOURNMENT**

The City Council will adjourn this meeting to Tuesday, November 17, 2026, at 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 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 participate-on 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. Any person wishing to speak before the City Council may do so using one of the following methods.

1. **In-Person:** Complete a Speaker Card, indicate the agenda item number and place it in the Public Comment Drop Box, or simply come to the podium when the Mayor asks for those who wish to speak.
2. **Remote Participation:** Click on the link or join using the Webinar/Meeting ID or call the established conference line.

**PUBLIC COMMENTS:** Should be presented during the time designated as "PUBLIC COMMENTS", for all matters on the agenda or not on the agenda. **By State law, the City Council may not discuss or vote on items not on the agenda. The matter may be referred to staff for appropriate action or response or will be placed on the agenda of a future meeting except for public hearing items.**

**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), the allotted speaking time is generally determined by the number of speakers, in accordance with the following format: **5 speakers or less – 5 minutes each; between 6 and 20 speakers – 3 minutes each; between 21 and 50 speakers – 2 minutes each; and more than 50 speakers – 1 minute each.** 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 or a majority of the Councilmembers, 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.



## City of Arcadia

### PROCLAMATION

*WHEREAS*, the Arcadia Music Club is proud to sponsor the 73rd Annual Arcadia Festival of Bands, the longest running Band Review in the State of California; and

*WHEREAS*, this year's theme is *Background Leads* and;

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

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

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

*WHEREAS*, the Arcadia Festival of Bands will take place on Saturday, November 21, 2026, as a signature event of our community, open to all who love marching bands and music.

*NOW, THEREFORE*, I, Paul P. Cheng, Mayor of the City of Arcadia, do hereby proclaim the month of November 2026 as:

### ARCADIA FESTIVAL OF BANDS MONTH

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



*Dated this  
20th Day of October, 2026*

*Paul P. Cheng, Mayor*

**ARCADIA CITY COUNCIL  
REGULAR MEETING MINUTES  
TUESDAY, OCTOBER 6, 2026**

---

**CALL TO ORDER** – Mayor Cheng called the Study Session to order at 6:30 p.m.

**ROLL CALL OF CITY COUNCIL MEMBERS**

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

ABSENT: None

**PUBLIC COMMENTS**

Jim Crouch participated remotely and expressed concerns regarding the proposed removal of 34 native oak trees at Santa Anita Park; and he emphasized their environmental value and the significant amount of time required to replace their ecological benefits.

**STUDY SESSION**

- a. Report, discussion, and direction regarding the community honorary wall.

Library and Museum Services Director Alba provided a PowerPoint presentation.

After discussion, the City Council directed staff to incorporate their recommendations into a proposed Honorary Wall Policy and bring back the policy for consideration at a future meeting.

The Study Session ended at 6:47 p.m.

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

1. **CALL TO ORDER** – Mayor Cheng called the Regular Meeting to order at 7:01 p.m.
2. **INVOCATION** - Reverend John Scholte, Journey Community Church
3. **PLEDGE OF ALLEGIANCE** – Reverend John Scholte, Journey Community Church
4. **ROLL CALL OF CITY COUNCIL MEMBERS**

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

ABSENT: None

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

City Attorney Maurer reported that prior to the Regular Meeting, the City Council met in a Study Session to review and discuss the proposed Community Honorary Wall; he indicated that no formal action was taken and that City Staff was directed to bring back an Honorary Wall Policy for consideration at a future meeting.

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

City Manager Lazzaretto requested that Consent Calendar 9.I, Contract with West Coast Arborists, Inc. for annual tree trimming services, tree removal, and replacement in the amount of \$451,547, be pulled from the agenda due to the number of public comment emails received, and to allow City Staff additional time to review available options.

## **7. PRESENTATIONS**

- a. Presentation of an adoptable dog by Michelle McGraw of the Pasadena Humane Society.
- b. Presentation of the 2026 Fire Prevention Week Proclamation and the theme, "Charge into Fire Safety: Safe Charging is a Superpower."
- c. Presentation of Mayor's Certificate of Commendation to Jonathan Ung of Monarch Donuts for his years of service to the community.
- d. Presentation of Mayor's Certificate of Commendation to the Wong Family in appreciation for their years of ownership and operation of the Moon Palace restaurant in Arcadia.

## **8. PUBLIC COMMENTS**

The following speakers appeared and expressed their opposition to the proposed removal of 34 protected Oak trees at Santa Anita Park for the LA28 Games equestrian cross-country course:

|                  |              |
|------------------|--------------|
| Suzanne Lukather | Anne Cleary  |
| Mia Davidson     | Deborah Cadd |
| Arman Ahmed      |              |

In response to the public comments on the proposed removal of 34 oak trees at Santa Anita Park for the LA28 Games, City Manager Lazzaretto stated that updated information and documents are available on the City's website or may be obtained from the City Clerk's Office.

Sabrina Chang participated remotely and expressed frustration over political accusations as Election Day approaches; she stated that the federal charges against former Mayor Eileen Wang predated her election to the City Council; and she noted that City Manager Lazzaretto had clarified that no City staff or financial resources were involved.

Alpha Biz participated remotely and expressed concerns regarding political mailers circulated in District 5 that attempted to associate Council Member Cao with the actions of former Mayor Eileen Wang; and he referenced City Manager Lazzaretto's confirmation that no City staff or resources were involved.

Amanda Darion participated remotely and commented on Steve Rhee's candidacy for District 5 after previously running for District 4 in 2024; she expressed concerns regarding Mr. Rhee seeking office in different districts; and she stated that candidates should demonstrate a commitment to serving in the district they seek to represent.

Lesley Fu, participated remotely and commented on Steve Rhee's candidacy for District 5 after previously running for District 4 in 2024; and she questioned his commitment to District 5.

Peter Amundson, former Arcadia Mayor and resident, appeared and spoke about the City's governance during his tenure on the City Council; he expressed concerns regarding the City's current leadership, political influences, and governance; and he emphasized the importance of electing Council Members who prioritize the interests of the community.

Steven Dai, Arcadia resident, appeared and thanked the City Council and City Staff for their efforts to keep the community safe; he expressed concerns regarding political mailers and negative statements directed toward City Council Members and City staff; and he encouraged residents to contact City staff or City Council Members directly to address their concerns rather than engage in negative political rhetoric.

Terry Noriega, Arcadia resident and owner of Mariposa Landscapes, Inc., appeared and expressed concerns regarding the City's use of a piggyback contract for tree trimming services rather than a competitive bidding process; he thanked the City for pulling the item from consideration and urged the City Council to pursue a competitive bidding process.

Dom Tallerico, Arcadia resident, appeared and expressed concerns regarding an alleged lack of transparency in City operations; he requested that the City Council conduct a forensic audit; and provided his reasons for the request.

Grace Lee, Arcadia resident and District 3 Candidate, appeared and spoke about the positive change she would bring to the City.

Burton Brink, Arcadia resident and District 2 Candidate, appeared and spoke about the importance of effective governance, public safety, and fiscal responsibility; he emphasized

the need for effective leadership during challenging times; and he shared his reasons for seeking election to the City Council.

## **9. CONSENT CALENDAR**

- a. Regular Meeting Minutes of September 15, 2026.  
CEQA: Not a Project  
Recommended Action: Approve
- b. Resolution No. 7714 approving and adopting an amended Conflict of Interest Code pursuant to the Political Reform Act of 1974.  
CEQA: Not a Project  
Recommended Action: Adopt
- c. Cancellation of the November 3, 2026, Regular City Council Meeting.  
CEQA: Not a Project  
Recommended Action: Approve
- d. Authorize payment to the Rio Hondo/San Gabriel River Watershed Management Joint Powers Authority for Arcadia's cost share of the fifth amendment to the current Watershed Management Program agreement with Craftwater Engineering, Inc. for multi-benefit stormwater project concept reports in the amount of \$64,824.02.  
CEQA: Not a Project  
Recommended Action: Approve
- e. Professional Services Agreement with Baker Tilly for a Total Compensation Study in the amount of \$54,400, with an additional \$15,600 for contingency work arising out of the survey process.  
CEQA: Not a Project  
Recommended Action: Approve
- f. Professional Services Agreement with Willdan Engineering for the 2026 Engineering and Traffic Survey in the amount of \$39,800.  
CEQA: Not a Project  
Recommended Action: Approve
- g. Professional Services Agreement with JL Group for confidential employment matters in an amount not to exceed \$46,000.  
CEQA: Not a Project  
Recommended Action: Approve
- h. Professional Services Agreement with SDI Presence Inc. for Information Technology Support Services.

CEQA: Not a Project  
Recommended Action: Approve

- i. Contract with GRBCON, Inc. for the Sewer Main Replacement Program in the amount of \$1,054,543, with a 10% contingency.  
CEQA: Exempt  
Recommended Action: Approve
- j. Contract with ILB Electric for the Traffic Signal Upgrades and Fiber Network Extensions Project in the amount of \$709,478, with a 10% contingency.  
CEQA: Exempt  
Recommended Action: Approve
- k. Contract with South West Pump & Drilling, Inc. for the Goldring Well Drilling Project in the amount of \$2,274,647, with a 10% contingency.  
CEQA: Mitigated Negative Declaration/Notice of Determination Filed  
Recommended Action: Approve
- l. Contract with West Coast Arborists, Inc. for annual tree trimming services, tree removal, and replacement in the amount of \$451,547.  
CEQA: Not a Project  
Recommended Action: Approve
- m. Purchase 2,469.99 acre-feet of Imported Cyclic Storage Water from the Main San Gabriel Basin Watermaster in the amount of \$2,684,879.13.  
CEQA: Not a Project  
Recommended Action: Approve
- n. Contract with UKG Kronos Systems, LLC for UKG Telestaff Cloud Based Staffing program for a three-year term, with the option to renew for three one-year extensions.  
CEQA: Not a Project  
Recommended Action: Approve
- o. Change Order to increase the Purchase Order with Amazon Business to \$250,000 and approve a new Purchase Order in the amount of \$250,000 annually, with the option to renew for three (3) additional years.  
CEQA: Not a Project  
Recommended Action: Approve

Council Member Cao requested that Consent Calendar Item 9.e, Professional Services Agreement with Baker Tilly for a Total Compensation Study in the amount of \$54,400, with an additional \$15,600 for contingency work arising out of the survey process, be pulled for separate discussion.

It was moved by Mayor Pro Tem Fu, seconded by Council Member Cao, and carried on a roll call vote to approve Consent Calendar Items 9.a through 9.d, 9.f through 9.k, and 9.m through 9.o.

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

NOES: None

ABSENT: None

Council Member Cao requested that City Manager Lazzaretto explain the purpose of conducting a total compensation study.

City Manager Lazzaretto explained that a total compensation study is typically conducted to gather market information and assess an organization's competitive position relative to other employers; he stated that the study provides valuable data to assist the City in evaluating its compensation practices and making informed decisions regarding employee recruitment and retention; and he indicated that the City hires a third-party to conduct the compensation study.

In response to Council Member Cao's inquiries, City Manager Lazzaretto further explained that the City also utilizes a total compensation study to assist with labor negotiations; and he confirmed that there were no current Police Officer or Firefighter vacancies. He further explained that compensation studies reflect data at a specific point in time and that comparisons with previous studies may not be meaningful due to ongoing labor negotiations and changing market conditions.

Council Member Kwan raised a point of order, and City Attorney Maurer requested that the discussion remain focused on the compensation study.

In response to Council Member Kwan's inquiry regarding when the vacancies were filled, City Manager Lazzaretto stated that the Firefighter position had been fully staffed for approximately six months and that he would provide information regarding when the Police Officer vacancy was filled in the City Manager's Weekly Report.

Mayor Pro Tem Fu also raised a point of order, and City Attorney Maurer reiterated that the discussion should remain focused on the compensation study.

A motion was made by Mayor Pro Tem Fu, seconded by Council Member Cao, and carried on a roll call vote to approve item 9.e Professional Services Agreement with Baker Tilly for a Total Compensation Study in the amount of \$54,400, with an additional \$15,600 for contingency work arising out of the survey process.

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

NOES: None

ABSENT: None

## 10. CITY MANAGER

- a. Report from independent legal counsel regarding internal controls for City Council check requests.

CEQA: Not a Project

Recommended Action: Receive and File

City Attorney Maurer presented the Staff Report.

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

- b. Resolution No. 7713 acknowledging receipt of a report made by the Fire Chief of the Arcadia Fire Department regarding inspections of certain occupancies required by Sections 13146.2 and 13146.3 of the California Health and Safety Code.

CEQA: Not a Project

Recommended Action: Adopt

Fire Marshal Krikorian and Fire Chief Suen presented the Staff Report.

After discussion, Mayor Pro Tem Fu requested City Council support to place an item on a future agenda to bring back a report on Target Hazards (difficult structure to defend in fire situations). Council Members Cao and Han concurred.

A motion was made by Council Member Cao, seconded by Council Member Han, and carried on a roll call vote to adopt Resolution No. 7713 acknowledging receipt of a report made by the Fire Chief of the Arcadia Fire Department regarding inspections of certain occupancies required by Sections 13146.2 and 13146.3 of the California Health and Safety Code.

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

NOES: None

ABSENT: None

## 11. **AB 1234 REPORTS FROM MAYOR AND CITY COUNCIL (*limited to legally required reports*).**

Council Member Cao reported that on September 23, he attended the League of California Cities Annual Conference.

Council Member Han reported that on September 23, he attended the League of California Cities Annual Conference.

Mayor Cheng reported that on October 3, he attended the USC Arcadia Hospital Foundation Crystal Ball.

Council Member Kwan had nothing to report.

Mayor Pro Tem Fu had nothing to report.

## **12. REQUEST FOR FUTURE ITEMS**

Council Member Kwan requested City Council support to place an item on a future agenda to discuss the ongoing streetlight outage. Mayor Pro Tem Fu and Council Member Han concurred.

Mayor Pro Tem Fu reported ongoing telephone service interruptions affecting approximately 800 Frontier customers in the Oakdale Drive hillside area of District 1 for the past six months; he requested that City staff investigate the matter and explore options to address the service disruptions with Frontier. Council Members Cao and Han concurred.

Council Member Kwan requested City Council support to place an item on a future agenda to discuss former Mayor Eileen Wang's vote on a labor contract from 2024, specifically her initial opposition and subsequent change in position shortly after.

City Attorney Maurer explained that City Council Member's votes are protected under deliberative process privilege; he stated that there is no established mechanism to question an individual Council Member's vote, indicating that such discussion would not be appropriate. As such, sufficient support was not received for Council Member Kwan's future agenda item request.

## **13. ADJOURNMENT**

The City Council adjourned in memory of David Freeman, long-time Arcadia resident, at 10:01p.m. to Tuesday, October 20, 2026, at 6:00 p.m., in the City Council Chambers.

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



---

PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** October 20, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager/Public Works Services Director  
By: Jan Balanay, Assistant Engineer

**SUBJECT:** PROFESSIONAL SERVICES AGREEMENT WITH SLADDEN ENGINEERING  
FOR MATERIAL TESTING SERVICES IN THE AMOUNT OF \$92,100  
**CEQA: Exempt**  
**Recommendation: Approve**

**SUMMARY**

The Public Works Services Department ("PWSD") oversees numerous projects that require professional materials testing to ensure compliance with applicable specifications, standards, and quality requirements. To obtain qualified services at competitive rates, the PWSD issued a formal Request for Proposals ("RFP") for material testing services.

Based on the evaluation results, it is recommended that the City Council approve and authorize the City Manager to execute a Professional Services Agreement with Sladden Engineering to provide material testing services, in an amount not to exceed \$92,100.

**BACKGROUND**

The PWSD is responsible for a variety of projects that require material testing services. The material testing needed encompasses subgrade and asphalt concrete pavement compaction as well as percolation tests that determine infiltration of surface water. Some of the projects that require material testing include pavement rehabilitation, sewer and water main replacement, slurry sealing, and water treatment projects. The services for material testing include:

- Attending pre-construction meetings and coordinating work daily on an as-needed basis with the assigned construction inspector;
- Observation and testing of compaction for subgrade, asphalt concrete pavement;
- Obtaining coring samples to determine AC, base, and native thickness;
- Performing percolation tests and reports;
- Construction field observation, testing and recommendations during the backfill, and subgrade, asphalt, and concrete pavement compaction efforts by the contractor;
- Complete documentation from all testing; and
- Other related services.

## **DISCUSSION**

On July 13, 2026, a Request for Proposals for professional material testing services was published in the City's adjudicated newspaper and sent to certified contractors who provide material testing services; four proposals were received. All proposals received were evaluated based on their experience, qualifications, understanding of the needs of the City, quality of service approach, and cost. The results of the evaluation along with the proposed costs are as follows:

| <b>Firm Name</b>                   | <b>Rank</b> | <b>Score</b> | <b>Cost Proposal</b> |
|------------------------------------|-------------|--------------|----------------------|
| Sladden Engineering                | 1           | 97.0         | \$92,100             |
| Certerra RMA Group                 | 2           | 93.7         | \$120,750            |
| GeoTek CA, Inc.                    | 3           | 84.0         | - *                  |
| Giles Engineering Associates, Inc. | 4           | 77.3         | - *                  |

**\* GeoTek CA, Inc. and Giles Engineering Associates, Inc. provided hourly rates for material testing and did not include a total contract cost in their proposal.**

After careful review and consideration of the proposals received, it was determined that Sladden Engineering is the most qualified firm to perform the required material testing services. Sladden Engineering has successfully completed material testing for projects for the Cities of Arcadia, Anaheim, La Puente, Monrovia, Montebello, Pasadena, Rosemead, and West Covina.

### **ENVIRONMENTAL ANALYSIS**

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

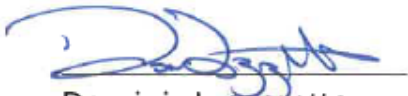
### **FISCAL IMPACT**

Funding for material testing services is budgeted within each Capital Improvement Program project that requires materials testing.

### **RECOMMENDATION**

It is recommended that the City Council determine that this item is exempt under the California Environmental Quality Act ("CEQA"); and approve, authorize, and direct the City Manager to execute a Professional Services Agreement with Sladden Engineering for material testing services in an amount not to exceed \$92,100.

Approved:



Dominic Lazzaretto  
City Manager

Attachment: Proposed Professional Services Agreement

**CITY OF ARCADIA  
PROFESSIONAL SERVICES AGREEMENT REGARDING  
MATERIAL TESTING SERVICES FOR  
MISCELLANEOUS PUBLIC WORKS PROJECTS**

This Agreement is made and entered into as of \_\_\_\_\_ 20\_\_\_\_ by and between the City of Arcadia, a municipal corporation organized and operating under the laws of the State of California with its principal place of business at 240 West Huntington Drive, Arcadia, California 91066 ("City"), and **Sladden Engineering**, a California Corporation, with its principal place of business at **6782 Stanton Avenue, Suite C, Buena Park, CA 90621** (hereinafter referred to as "Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

**RECITALS**

A. City is a public agency of the State of California and is in need of professional services for the following project: **Material Testing Services for Miscellaneous Public Works Projects** (hereinafter referred to as "the Project").

B. Consultant is duly licensed and has the necessary qualifications to provide such services.

C. The Parties desire by this Agreement to establish the terms for City to retain Consultant to provide the services described herein.

**AGREEMENT**

**NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

1. Services.

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

2. Compensation.

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

b. In no event shall the total amount paid for services rendered by Consultant under this Agreement exceed the sum of **NINETY-TWO THOUSAND, ONE HUNDRED DOLLARS AND NO CENTS (\$92,100.00)**. This amount is to cover all printing and related costs, and the City will not pay any additional fees for printing expenses. Periodic payments shall be made within 30 days of receipt of an invoice which includes a detailed

description of the work performed. Payments to Consultant for work performed will be made on a monthly billing basis.

3. Additional Work.

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

4. Maintenance of Records.

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

5. Term

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

6. Delays in Performance.

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

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

7. Compliance with Law.

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

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

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

8. Standard of Care

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

9. Assignment and Subconsultant

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

10. Independent Contractor

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

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

a. Commercial General Liability

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

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

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

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

- (1) Bodily Injury and Property Damage
- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability **Consultant shall procure and submit evidence of insurance for at least five (5) years from the time that all work under this Agreement is completed.**
- (5) Aggregate Limits that Apply per Project
- (6) Explosion, Collapse and Underground (UCX) exclusion deleted
- (7) Contractual Liability with respect to this Agreement
- (8) Property Damage
- (9) Independent Consultants Coverage

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

(v) The policy shall give City, its officials, officers, employees, agents and City designated volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage. Consultant may provide blanket endorsements to meet the Additional Insured requirement in this written contract. However, all subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable.

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

b. Automobile Liability

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

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

(iii) The policy shall give City, its officials, officers, employees, agents and City designated volunteers additional insured status. Consultant may provide blanket endorsements to meet the Additional Insured requirement in this written contract. However, all subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable.

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

c. Workers' Compensation/Employer's Liability

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

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

d. Professional Liability (Errors and Omissions) – **INTENTIONALLY OMITTED.**

f. Minimum Policy Limits Required

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

Combined Single Limit

|                              |                                                                                                           |
|------------------------------|-----------------------------------------------------------------------------------------------------------|
| Commercial General Liability | \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury, and property damage |
| Automobile Liability         | \$1,000,000 per occurrence for bodily injury and property damage                                          |
| Employer's Liability         | \$1,000,000 per occurrence                                                                                |
| Professional Liability       | \$1,000,000 per claim and aggregate (errors and omissions)                                                |

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

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

g. Evidence Required

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

h. Policy Provisions Required

(i) Consultant shall provide the City at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the

Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the City at least ten (10) days prior to the effective date of cancellation or expiration. Consultant may provide blanket endorsements to meet the Additional Insured requirement in this written contract. However, all subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable.

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

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

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

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

i. Qualifying Insurers

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

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

j. Additional Insurance Provisions

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

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

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

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

k. Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the City that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the City as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. All subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable. If requested by Consultant, City may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

12. Indemnification.

a. To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action,

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

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

### 13. California Labor Code Requirements.

a. Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects ("Prevailing Wage Laws"). If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$15,000 or more for maintenance or \$25,000 or more for construction, alteration, demolition, installation, or repair, Consultant agrees to fully comply with such Prevailing Wage Laws. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1).

b. If the services are being performed as part of an applicable "public works" or "maintenance" project and if the total compensation is \$15,000 or more for maintenance or \$25,000 or more for construction, alteration, demolition, installation, or repair, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all

subconsultants performing such services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements.

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

14. Verification of Employment Eligibility.

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

15. City Material Requirements.

Consultant is hereby made aware of the City's requirements regarding materials, as set forth in **Request for Proposals**, which are deemed to be a part of this Agreement.

16. Laws and Venue.

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

17. Termination or Abandonment

a. City has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, City shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. City shall pay Consultant the

reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by City and Consultant of the portion of such task completed but not paid prior to said termination. City shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

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

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

19. Organization

Consultant shall assign **Brett Anderson, President**, as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the City.

20. Limitation of Agreement.

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

21. Notice

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

CITY:

City of Arcadia  
240 West Huntington Drive  
Arcadia, CA 91066  
Attn: Tiffany Lee  
Principal Civil Engineer

CONSULTANT:

Sladden Engineering  
6782 Stanton Avenue, Suite C  
Buena Park, CA 90261  
Attn: Brett Anderson

and shall be effective upon receipt thereof.

22. Third Party Rights

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

23. Equal Opportunity Employment.

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

24. Entire Agreement

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

25. Severability

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

26. Successors and Assigns

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

27. Non-Waiver

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

28. Time of Essence

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

29. City's Right to Employ Other Consultants

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

30. Prohibited Interests

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

**[SIGNATURES ON FOLLOWING PAGE]**

**SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE CITY OF ARCADIA  
AND SLADDEN ENGINEERING**

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

**CITY OF ARCADIA**

**SLADDEN ENGINEERING**

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

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

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

ATTEST:

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

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

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

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

APPROVED AS TO FORM:

CONCUR:

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

\_\_\_\_\_  
Paul Cranmer  
Assistant City Manager / Public Works  
Services Director

## EXHIBIT A

### Scope of Services

The Scope of Services for the **Material Testing Services for Miscellaneous Public Works Project**, shall include, but are not limited to the following:

- Perform Material Testing for pavement rehabilitation projects, Peck Well PFAS treatment system project, Orange Grove PFAS treatment system and facility improvement project, sewer main replacement project, storm drain replacement project, and other miscellaneous soils reporting

The City of Arcadia has the following projects:

#### **Pavement Rehabilitation Project:**

Pavement Rehabilitation Project shall be to grind and overlay various streets within the City of Arcadia. Test the contractor's compliance to the specifications relative to compaction of subgrade and asphalt pavement. The project will include various concrete (PCC) repairs, various thickness asphalt concrete (AC) grinding of asphalt pavements, 2-inch thick asphalt conventional overlay, 2-inch thick asphalt rubberized hot mix overlay, and 6-inch thick crushed aggregate base. In particular, staff is seeking the assistance in verifying that subgrade and asphalt meet compaction required pursuant to the Standard Specifications for Public Works Construction. Plans and specs are enclosed for your reference. The specified contract time is 60 working days.

#### **Peck Well PFAS Treatment System Project**

The project includes construction of concrete foundation pads for PFAS treatment vessels, prefilters, pipe supports, and the backwash tank; cut/fill of native material; and furnishing an installation of 5-inch-thick asphalt concrete (AC) over 8-inch-thick crushed aggregate base. The specified contract time is 90 working days.

#### **Orange Grove PFAS Treatment System and Facility Improvement Project**

The project includes construction of concrete foundation pads for PFAS treatment vessels, prefilters, pipe supports, and the backwash tank; cut/fill of native material; furnishing and installation of 6-inch-thick asphalt concrete (AC) over a 6-inch-thick crushed aggregate base; and furnishing and installation of 6-inch-thick concrete pavement over a 6-inch-thick crushed aggregate base. The specified contract time is 90 working days.

**Storm Drain Improvement Project:**

New Storm Drain Improvement Project shall be replacing the existing storm drain pipe, approx.. 230 ft, on Fallen Leaf Road with a new 18-inch RCP pipe. The existing road surface will be restored at the end of the project. Test the contractor's compliance to the specifications relative to compaction of subgrade and asphalt pavement. Percolation tests will also need to be performed at the intersection of Kardashian Avenue/Goldring Road and Goldring Road/Peck Road to determine infiltration of surface water. The specific contract time is 30 calendar days.

**Sewer Main Replacement Project:**

Sewer Main Replacement Project shall be in-ground pipe bursting will be used to replace the existing 10-inch pipe with a 12-inch sewer pipe on Santa Anita Avenue from Duarte Road to Camino Real Avenue, in order to reduce the excavation required to replace the existing sewer pipe as well as to reduce the disruption to traffic. Test the contractor's compliance to the specifications relative to compaction of subgrade and asphalt pavement. In particular, staff is seeking the assistance in verifying that subgrade and asphalt meet compaction required pursuant to the Standard Specifications for Public Works Construction. The specific contract time is 90 calendar days.

## EXHIBIT B

### Schedule of Charges/Payments

Consultant will invoice City on a monthly cycle. Consultant will include with each invoice a detailed progress report that indicates the amount of budget spent on each task. Consultant will inform City regarding any out-of-scope work being performed by Consultant. This is a time-and-materials contract.

Compensation shall be based on time and materials spent in accordance with the following tasks, not to exceed the total compensation listed below:

The schedule of prices is attached as attachment "A" to this Exhibit "B".

|                                                                      |   |             |
|----------------------------------------------------------------------|---|-------------|
| Material Testing Services for Miscellaneous<br>Public Works Projects | - | \$92,100.00 |
|----------------------------------------------------------------------|---|-------------|

|                           |   |             |
|---------------------------|---|-------------|
| <b>Total Compensation</b> | - | \$92,100.00 |
|---------------------------|---|-------------|

The total compensation shall not exceed the total listed without written authorization in accordance with Section 2 (b) of the agreement.

## EXHIBIT C

### Activity Schedule

All work shall be completed in accordance with the following schedule:

The term of this Agreement shall be for one (1) year from the date of execution. All tasks under Exhibit "A" shall be adhered to and executed accordingly.



---

PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** October 20, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager/Public Works Services Director  
By: Carlos Aguilar, General Services Superintendent

**SUBJECT:** CONTRACT WITH MDJ MANAGEMENT, LLC FOR THE UPPER CITY HALL GREEN ROOM AND HUMAN RESOURCES DEPARTMENT OFFICES SOUNDPROOFING PROJECT IN THE AMOUNT OF \$79,704.87, WITH A 10% CONTINGENCY

**CEQA: Exempt**  
**Recommendation: Approve**

**SUMMARY**

The Fiscal Year 2025-26 Capital Improvement Program ("CIP") Budget includes funding for soundproofing improvements to the Upper City Hall Conference Room (Green Room) and Human Resources ("HR") Department Offices. These improvements are intended to enhance privacy and support a more secure and confidential environment for meetings and sensitive personnel-related discussions. Utilizing Sourcewell, a national cooperative purchasing program, enables the City to streamline the process of procuring soundproof installation services, and receive the best price possible.

It is recommended that the City Council approve, authorize, and direct the City Manager to execute a contract with MDJ Management, LLC for the Upper City Hall Green Room and Human Resources Department Offices Soundproofing Project in the amount of \$79,704.87, with a 10% contingency.

**BACKGROUND**

The Fiscal Year 2025-26 CIP Budget provides for the soundproofing of the Upper City Hall Conference Room (Green Room) and Human Resources Department Offices.

The Green Room, the HR Director's Office, and the HR Conference Room currently lack adequate soundproofing. While the Green Room serves as a general-purpose conference room, it also hosts many interview panels and personnel-related discussions. These conditions result in reduced privacy during meetings and discussions involving sensitive, confidential, or personnel-related matters, especially within the Human Resources Director's Office and Conference Room, where confidential matters are routinely discussed. Currently, the conversations and meetings held in these spaces can be heard by staff in adjacent work areas. Soundproofing these areas will enhance privacy for confidential discussions, improve the functionality of these meeting spaces, and minimize noise impacts on surrounding staff work areas.

## **DISCUSSION**

The Upper City Hall Green Room and Human Resources Department Offices Soundproofing Project will improve sound isolation by enhancing the existing ceiling and door assemblies, reducing sound transmission between these spaces and adjacent offices and hallways. Ceiling improvements will include replacing existing ceiling tiles with acoustic-rated ceiling panels, installing unfaced sound attenuation batt insulation above the suspended ceiling grid throughout each room, and extending partition walls to create a continuous acoustic barrier above the ceiling. The project will also include sealing gaps, penetrations, and wall-to-ceiling intersections with acoustic sealant to further reduce sound transmission. Existing doors will be replaced with acoustic-rated materials, framed to ensure proper fit and operation, and will be outfitted with new door closers. Any door frames and adjacent wall surfaces disturbed during construction will be patched, repaired, and finished before project completion.

The California Government Code authorizes public agencies to participate in cooperative purchasing agreements, such as those established by Sourcwell, while remaining within the City's adopted rules and procedures for the procurement of goods and services. By utilizing a cooperative purchasing program, the City can streamline the procurement process for these services at a lower cost than the traditional competitive bidding process. Sourcwell awarded a contract to MDJ Management, LLC for general building services, including those needed for the Upper City Hall and Human Resources Department Offices Soundproofing Project. A copy of the agreement between Sourcwell and MDJ Management, LLC is attached. The bidding process and the contract have been reviewed by the Public Works Services

Department and have been determined to meet the City's procurement requirements.

### **ENVIRONMENTAL ANALYSIS**

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

### **FISCAL IMPACT**

The total cost for the Upper City Hall Green Room and Human Resources Department Offices Soundproofing Project is \$79,704.87. In addition, a standard 10% contingency of \$7,970.49 is recommended to cover potential unforeseen costs or circumstances, bringing the potential total project cost to \$87,675.36. Funds in the amount of \$100,000 have been budgeted in the Fiscal Year 2025-26 Capital Improvement Program Budget for this Project.

### **RECOMMENDATION**

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act ("CEQA"); and approve, authorize, and direct the City Manager to execute a contract with MDJ Management, LLC for the Upper City Hall Green Room and Human Resources Department Offices Soundproofing Project in the amount of \$79,704.87, with a 10% contingency.

Approved:



Dominic Lazzaretto  
City Manager

Attachments: Sourcewell Contract  
Proposed Short Form Construction Contract



## Indefinite Delivery-Indefinite Quantity Construction Contract

Contract Number: **CA-R8-GB-101723-MDJ**

Service Type: **General Building**

This Indefinite Delivery-Indefinite Quantity Construction Contract (Contract) is between **Sourcewell**, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 and **MDJ Management, LLC, 531 Main St, Suite 611, El Segundo, CA 90245** (Contractor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to federal, state and municipal governmental entities, K-12 and higher education entities, nonprofit entities, tribal governments, and other public entities located within the United States.

The Contractor desires to contract with Sourcewell to provide construction services to entities that access Sourcewell's indefinite delivery-indefinite quantity (IDIQ) construction contracts within the Service Region.

### I. TERM OF CONTRACT

A. **EFFECTIVE DATE**. This Contract, including the General Terms and Conditions incorporated by reference, is effective upon the later of December 6, 2023 or the date of the final signature below.

B. **EXPIRATION DATE AND EXTENSION**. This Contract expires **December 5, 2024**, unless it is terminated sooner pursuant to Article XX of the General Terms and Conditions, which are incorporated into this Contract by reference. This Contract allows up to five additional one-year extensions upon the request of Sourcewell and written agreement with Contractor. Sourcewell retains the right to consider additional extensions beyond six years as required under exceptional circumstances.

### II. REGION AND SERVICES

The Contractor's Region is: Region 8. The Contractor's IDIQ construction service type is: General Building. The Contractor **has** agreed to perform work outside the Region.

### III. ADJUSTMENT FACTORS

The Contractor will perform any or all Tasks in the Construction Task Catalog for the Unit Price appearing therein multiplied by the following Adjustment Factors. See the General Terms and Conditions for additional information.

A. **Normal Working Hours – Prevailing Wage Rate Projects**: Work performed from 7:00 a.m. until 4:00 p.m. Monday to Friday, except Holidays. The Contractor will perform Tasks during Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: **1.1500**.

B. **Other Than Normal Working Hours – Prevailing Wage Rate Projects:** Work performed from 4:00 p.m. to 7:00 a.m. Monday to Friday, and any time Saturday, Sunday and Holidays. The Contractor will perform Tasks during Other Than Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 1.2000.

C. **Secured Facilities/OSHPD Prevailing - Wage Rate Projects:** Work performed from 7:00 a.m. until 4:00 p.m. Monday to Friday, except Holidays. The Contractor will perform Tasks during Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 1.1500.

D. **All Union Wage Projects:** Work performed from 7:00 a.m. until 4:00 p.m. Monday to Friday, except Holidays. The Contractor will perform Tasks during Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 1.1500.

E. **Non pre-priced Adjustment Factor:** To be applied to Work determined not to be included in the CTC but within the general scope of the work: 1.2800.

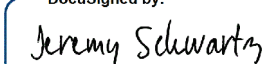
## VI. AUTHORIZED REPRESENTATIVE

A. Sourcewell's Authorized Representative is its Chief Procurement Officer.

B. The Contractor's Authorized Representative is Matthew McMillon. If the Contractor's Authorized Representative changes at any time during this Contract, Contractor must promptly notify Sourcewell in writing.

Sourcewell

MDJ Management, LLC

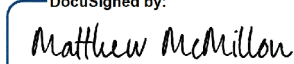
DocuSigned by:  
  
C0FD2A139D06489...

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

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 12/1/2023 | 2:56 PM CST

DocuSigned by:  
  
524C8C2D808444C...

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

Matthew McMillon

Title: President

Date: 12/1/2023 | 11:49 AM CST

**AGREEMENT TO  
MODIFY AND EXTEND  
SOURCEWELL CONTRACT #CA-R8-GB-101723-MDJ**

THIS AGREEMENT TO MODIFY AND EXTEND, Sourcewell Contract #CA-R8-GB-101723-MDJ, is effective upon the date of the last signature below.

Sourcewell and MDJ Management, LLC (“Contractor”) have entered into an Indefinite Delivery-Indefinite Quantity Construction Contract, Contract Number **CA-R8-GB-101723-MDJ**, with an initial term ending December 5, 2024, and five bilateral options to extend for an additional one-year term (“Contract”). The parties agree to modify and extend the Contract as stated below.

CONTRACT MODIFICATION

The following is adopted as the new CTC for the Contract effective December 6, 2024:

[Sourcewell California - Region 8](#)

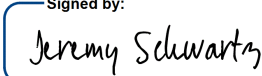
Pursuant to the Contract, Contractor’s Adjustment Factors remain fixed for the duration of the contract term and are unaffected by this modification.

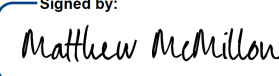
EXERCISE OF OPTION: EXTENSION

Contractor and Sourcewell hereby desire and agree to extend the Contract, with the above modification, for the period of December 6, 2024 through December 5, 2025.

Sourcewell

MDJ Management, LLC

Signed by:  
  
By: C0ED2A139D06489  
Jeremy Schwartz  
Title: Chief Procurement Officer  
Date: 11/14/2024 | 8:46 PM CST

Signed by:  
  
By: 524C8C2D808444C  
Matthew McMillon  
Title: President  
Date: 11/14/2024 | 8:26 PM CST

**AGREEMENT TO  
MODIFY AND EXTEND  
SOURCEWELL CONTRACT #CA-R8-GB-101723-MDJ**

THIS AGREEMENT TO MODIFY AND EXTEND, Sourcewell Contract #CA-R8-GB-101723-MDJ is effective upon the date of the last signature below.

Sourcewell and MDJ Management, LLC (“Contractor”) have entered into an Indefinite Quantity Construction Contract, Contract Number CA-R8-GB-101723-MDJ with an initial term ending December 5, 2024, and five bilateral options to extend for an additional one-year term (“Contract”). This contract has previously been extended by the parties for the term ending December 5, 2025. The parties agree to modify and extend the Contract as stated below.

CONTRACT MODIFICATION

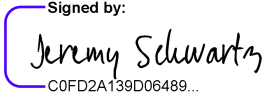
The updated CTC will appear in the eGordian software upon receipt of the executed extension document.

Pursuant to the Contract, Contractor’s Adjustment Factors remain fixed for the duration of the contract term and are unaffected by this modification.

EXERCISE OF OPTION: EXTENSION

Contractor and Sourcewell hereby desire and agree to extend the Contract, with the above modification, for the period of December 6, 2025 through December 5, 2026.

Sourcewell

Signed by:  
  
C0FD2A139D06489...

By: \_\_\_\_\_  
Jeremy Schwartz  
Title: Chief Procurement Officer

Date: 10/29/2025 | 3:16 PM CDT

MDJ Management, LLC

Signed by:  
  
524C8C2D808444C...

By: \_\_\_\_\_  
Matthew McMillon  
Title: President

Date: 10/30/2025 | 6:21 PM CDT

**CITY OF ARCADIA  
CONSTRUCTION CONTRACT  
UPPER CITY HALL GREEN ROOM AND  
HUMAN RESOURCES DEPARTMENT OFFICES SOUNDPROOFING**

**1. PARTIES AND DATE.**

This Contract is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2026 by and between the City of Arcadia, a public agency of the State of California (“City”) and **MDJ Management, LLC**, a California Partnership, with its principal place of business at **531 Main Street, #611, El Segundo, CA 90245** (“Contractor”). City and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Contract.

**2. RECITALS.**

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

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

2.3 Project. City desires to engage Contractor to render such services for the **Upper City Hall Green Room and Human Resources Department Offices Soundproofing Project** (“Project”) as set forth in this Contract.

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

**3. TERMS**

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

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

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

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

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

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

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

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

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

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

**3.3 Period of Performance and Liquidated Damages.** Contractor shall perform and complete all Work under this Contract within **One Hundred and Eighty (180) working days**, beginning the effective date of the Notice to Proceed (“Contract Time”). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones developed by the City. Such schedules or milestones may be included as part of Exhibits “A” or “B” attached hereto, or may be provided separately in writing to Contractor. Contractor agrees that if such Work is not completed within the aforementioned Contract Time and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the Contract, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages the sum of **One Thousand, Two Hundred Dollars and No Cents (\$1,200.00)** per day for each and every calendar day of delay beyond the Contract Time or beyond any completion schedule, construction schedule or Project milestones established pursuant to the Contract.

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

3.5 Control and Payment of Subordinates; Contractual Relationship. City retains Contractor on an independent contractor basis and Contractor is not an employee of City. Any additional personnel performing the work governed by this Contract on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance under this Contract and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

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

3.7 Compensation and Payment.

3.7.1 Amount of Compensation. As consideration for performance of the Work required herein, City agrees to pay Contractor the Total Contract Price of **SEVENTY-NINE THOUSAND, SEVEN HUNDRED FOUR DOLLARS AND EIGHTY-SEVEN CENTS (\$79,704.87)** ("Total Contract Price") provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the City.

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

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

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

**3.7.5 Other Retentions.** In addition to Contract retentions, the City may deduct from each progress payment an amount necessary to protect City from loss because of: (1) liquidated damages which have accrued as of the date of the application for payment; (2) any sums expended by the City in performing any of Contractor's obligations under the Contract which Contractor has failed to perform or has performed inadequately; (3) defective Work not remedied; (4) stop notices as allowed by state law; (5) reasonable doubt that the Work can be completed for the unpaid balance of the Total Contract Price or within the scheduled completion date; (6) unsatisfactory prosecution of the Work by Contractor; (7) unauthorized deviations from the Contract; (8) failure of Contractor to maintain or submit on a timely basis proper and sufficient documentation as required by the Contract or by City during the prosecution of the Work; (9) erroneous or false estimates by Contractor of the value of the Work performed; (10) any sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Contract; and (11) any other sums which the City is entitled to recover from Contractor under the terms of the Contract or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

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

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

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

**3.7.9 Prevailing Wages.** Contractor is aware of the requirements of California Labor Code Section 1720 et seq., and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects.

Since the Services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$25,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Contract. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at Contractor’s principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. Contractor and any subcontractor shall forfeit a penalty of up to \$200 per calendar day or portion thereof for each worker paid less than the prevailing wage rates.

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

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

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

3.7.13 Contractor and Subcontractor Registration. If the Total Contract Price exceeds \$25,000, then pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work. Contractor is directed to review, fill out and execute the Public Works Contractor Registration Certification attached hereto as Exhibit "E" prior to contract execution. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

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

### 3.8 Performance of Work; Jobsite Obligations.

#### 3.8.1 Water Quality Management and Compliance.

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

3.8.1.2 Compliance with the Statewide Construction General Permit. Contractor shall comply with all conditions of the most recent iteration of the National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Construction Activity, issued by the California State Water Resources Control Board ("Permit"). It shall be Contractor's sole responsibility to file a Notice of Intent and procure coverage under the Permit for all construction activity which results in the disturbance of more than one acre of total land area or which is part of a larger common area of development or sale. Prior to initiating work, Contractor shall be solely responsible for preparing and implementing a Storm Water Pollution Prevention Plan (SWPPP) as required by the Permit. Contractor shall be responsible for procuring, implementing and complying with the provisions of the Permit and the SWPPP, including the

standard provisions, and monitoring and reporting requirements as required by the Permit. The Permit requires the SWPPP to be a “living document” that changes as necessary to meet the conditions and requirements of the job site as it progresses through different phases of construction and is subject to different weather conditions. It shall be Contractor’s sole responsibility to update the SWPPP as necessary to address conditions at the project site.

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

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

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

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

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

3.8.2 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and lifesaving equipment; adequate illumination for underground and night

operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. Furthermore, Contractor shall prominently display the names and telephone numbers of at least two medical doctors practicing in the vicinity of the Project, as well as the telephone number of the local ambulance service, adjacent to all telephones at the Project site.

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

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

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

**3.8.6 Hazardous Materials and Differing Conditions.** As required by California Public Contract Code Section 7104, if this Contract involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, Contractor shall promptly, and prior to disturbance of any conditions, notify City of: (1) any material discovered in excavation that Contractor believes to be a hazardous waste that is required to be removed to a Class I, Class II or Class III disposal site; (2) subsurface or latent physical conditions at the site differing from those indicated by City; and (3) unknown physical conditions of an unusual nature at the site, significantly

different from those ordinarily encountered in such contract work. Upon notification, City shall promptly investigate the conditions to determine whether a change order is appropriate. In the event of a dispute, Contractor shall not be excused from any scheduled completion date and shall proceed with all Work to be performed under the Contract, but shall retain all rights provided by the Contract or by law for making protests and resolving the dispute.

**3.8.7 Underground Utility Facilities.** To the extent required by Section 4215 of the California Government Code, City shall compensate Contractor for the costs of: (1) locating and repairing damage to underground utility facilities not caused by the failure of Contractor to exercise reasonable care; (2) removing or relocating underground utility facilities not indicated in the construction drawings; and (3) equipment necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay caused by failure of City to provide for removal or relocation of such utility facilities.

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

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

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

**3.10 Claims; Government Code Claim Compliance.**

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

**3.10.2 Claims.** For purposes of this Section, “Claim” means a separate demand by the Contractor, after a change order duly requested in accordance with the terms of this Contract has been denied by the City, for (A) a time extension, (B) payment of money or damages arising from Work done by or on behalf of the Contractor pursuant to the Contract, or (C) an amount the payment of which is disputed by the City. Claims governed by this Section may not be filed unless and until the Contractor completes all procedures for giving notice of delay or change and for the requesting of a time extension or change order, including but not necessarily limited to the change order procedures contained herein, and Contractor’s request for a change has been denied in whole or in part. Claims governed by this Section must be filed no later than fourteen (14) days after a request for change has been denied in whole or in part or after any other event giving rise to the Claim. The Claim shall be submitted in writing to the City and shall include on its first page the following in 16 point capital font: “THIS IS A CLAIM.” Furthermore, the claim shall include the documents necessary to substantiate the claim. Nothing in this Section is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims, including all requirements pertaining to compensation or payment for extra Work, disputed Work, and/or changed conditions. Failure to follow such contractual requirements shall bar any claims or subsequent lawsuits for compensation or payment thereon.

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

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

3.10.3.2 List of documents relating to claim:

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

3.10.3.3 Chronology of events and correspondence

3.10.3.4 Analysis of claim merit

3.10.3.5 Analysis of claim cost

3.10.3.6 Time impact analysis in CPM format

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

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

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

3.10.4.1 If City needs approval from its governing body to provide the Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, City shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the Contractor a written statement identifying the disputed portion and the undisputed portion.

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

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

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

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

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

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

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

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

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

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

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

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

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

3.10.9 Government Code Claims. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work,

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

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

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

3.12 Indemnification.

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

3.12.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against City or its officials, employees, agents and authorized volunteers. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Contractor shall also

reimburse City for the cost of any settlement paid by City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Contractor shall reimburse City and its officials, employees, agents and authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its officials, employees, agents and authorized volunteers.

### 3.13 Insurance.

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

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

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

3.13.2.2 Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) General Liability: \$5,000,000 per occurrence and \$5,000,000 aggregate for bodily injury, personal injury and property damage; (2) Automobile Liability: \$5,000,000 per accident for bodily injury and property damage; and (3) Workers' Compensation and Employer's Liability: Workers' compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 each accident, policy limit bodily injury or disease, and each employee bodily injury or disease. Defense costs shall be available in addition to the limits. Notwithstanding the minimum limits specified herein, any available coverage shall be provided to the parties required to be named as additional insureds pursuant to this Contract.

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

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

3.13.3.2 Automobile Liability. (1) Such policy shall give the City, its officials, employees, agents and authorized volunteers additional insured status with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by Contractor or for which Contractor is responsible. **Contractor may provide blanket endorsements to meet the Additional Insured requirement in this written contract. However, all subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable;** (2) all policies shall waive or shall permit Contractor to waive all rights of subrogation which may be obtained by the Contractor or any insurer by virtue of payment of any loss or any coverage provided to any person named as an additional insured pursuant to this Contract, and Contractor agrees to waive all such rights of subrogation; and (3) the insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and authorized volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, employees, agents and authorized volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it in any way.

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

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

3.13.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such

insurance shall not contain any special limitations on the scope of protection afforded to the City, its officials, employees, agents and authorized volunteers.

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

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

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

3.13.8 Subcontractors. All subcontractors shall meet the requirements of this Section before commencing Work. Contractor shall furnish separate certificates and endorsements for each subcontractor. Subcontractor policies of General Liability insurance shall name the City, its officials, employees, agents and authorized volunteers as additional insureds using form ISO 20 38 04 13 or endorsements providing the exact same coverage. All subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable. All coverages for subcontractors shall be subject to all of the requirements stated herein except as otherwise agreed to by the City in writing.

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

### 3.14 Bond Requirements.

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

3.14.2 Performance Bond. If specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Performance Bond in an amount required by the City and in a form

provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

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

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

3.15 Warranty. Contractor warrants all Work under the Contract (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Contract or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Contract, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Contract. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Contract, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the

replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

### 3.16 Employee/Labor Certifications.

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

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

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

### 3.17 General Provisions.

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

3.17.2 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the City ("Contractor's Representative"). Following approval by the City, Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Contract. Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the City, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the City, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the City's written approval.

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

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

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

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

**CONTRACTOR:**

MDJ Management, LLC  
531 Main Street, #611  
El Segundo, CA 90245  
Attn: Matt McMillon, Project Manager

**CITY:**

City of Arcadia  
240 West Huntington Drive  
Arcadia, California 91066  
Attn: Leo Martin, Project Manager

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

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

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

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

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

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

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

3.17.13 [Reserved]

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

3.17.15 Conflict of Interest. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Contract, no official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom. In addition, Contractor agrees to file, or to cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Work.

3.17.16 Certification of License.

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

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

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

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

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

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

**[SIGNATURES ON NEXT PAGE]**

**SIGNATURE PAGE FOR CONSTRUCTION CONTRACT  
BETWEEN THE CITY OF ARCADIA  
AND MDJ MANAGEMENT, LLC**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

**CITY OF ARCADIA**

**MDJ MANAGEMENT, LLC**

By: \_\_\_\_\_  
Dominic Lazaretto  
City Manager

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

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

APPROVED AS TO FORM:

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

## EXHIBIT “A”

### SERVICES / SCHEDULE

The project plan and proposal, **MDJ Management, LLC EZIQC Contract No. CA-R8-GB-101723-MDJ and Work Order No. 155157.00**, are incorporated into this Contract. (see Attachment “A”).

DRAFT



## Work Order Signature Document

EZIQC Contract No.: CA-R8-GB-101723-MDJ

☒

New Work Order



Modify an Existing Work Order

Work Order Number.: 155157.00

Work Order Date: 05/12/2026

Work Order Title: Arcadia HR Offices Soundproofing

Owner Name: City of Arcadia Public Works Services Dept. Contractor Name: MDJ Management

Contact: Leonel Martin

Contact: Matt McMillon

Phone: (626) 254-2707

Phone: 310-490-1521

**Work to be Performed**

Work to be performed as per the Final Detailed Scope of Work Attached and as per the terms and conditions of Sourcewell EZIQC Contract No CA-R8-GB-101723-MDJ.

Brief Work Order Description:

Soundproofing improvements to multiple offices within the Human Resources department and the Green Conference Room

**Time of Performance**

Estimated Start Date:

Estimated Completion Date:

**Liquidated Damages**Will apply: ☐Will not apply: ☒**Work Order Firm Fixed Price: \$79,704.87**

Owner Purchase Order Number:

**Approvals**

City of Arcadia Public Works Services Department \_\_\_\_\_ Date

MDJ Management \_\_\_\_\_ Date

## Detailed Scope of Work

**To:** Matt McMillon  
MDJ Management  
531 Main St #611  
El Segundo, CA 90245  
310-490-1521

**From:** Leonel Martin  
City of Arcadia Public Works Services Department  
11800 Goldring Rd.  
Arcadia, CA 91066  
(626) 254-2707

**Date Printed:** May 12, 2026

**Work Order Number:** 155157.00

**Work Order Title:** Arcadia HR Offices Soundproofing

**Brief Scope:** Soundproofing improvements to multiple offices within the Human Resources department and the Green Conference Room

☐

Preliminary

☐

Revised

☒

Final

The following items detail the scope of work as discussed at the site. All requirements necessary to accomplish the items set forth below shall be considered part of this scope of work.

DSOW attached.

Subject to the terms and conditions of ezIQC Contract **CA-R8-GB-101723-MDJ**.

\_\_\_\_\_  
MDJ Management

\_\_\_\_\_  
Date

\_\_\_\_\_  
City of Arcadia Public Works Services Department

\_\_\_\_\_  
Date

Contractor's Price Proposal - Summary

Date: May 12, 2026

Re: IQC Master Contract #: CA-R8-GB-101723-MDJ  
Work Order #: 155157.00  
Owner PO #:  
Title: Arcadia HR Offices Soundproofing  
Contractor: MDJ Management  
Proposal Value: \$79,704.87

|                |             |
|----------------|-------------|
| Section - 01   | \$10,272.47 |
| Section - 06   | \$1,376.09  |
| Section - 08   | \$37,557.38 |
| Section - 09   | \$30,498.93 |
| Proposal Total | \$79,704.87 |

This total represents the correct total for the proposal. Any discrepancy between line totals, sub-totals and the proposal total is due to rounding.

The Percentage of NPP on this Proposal: %

# Contractor's Price Proposal - Detail

Date: May 12, 2026

Re: IQC Master Contract #: CA-R8-GB-101723-MDJ  
 Work Order #: 155157.00  
 Owner PO #:  
 Title: Arcadia HR Offices Soundproofing  
 Contractor: MDJ Management  
 Proposal Value: \$79,704.87

| Sect. | Item   | Mod.     | UOM        | Description | Line Total |
|-------|--------|----------|------------|-------------|------------|
| Labor | Equip. | Material | (Excludes) |             |            |

## Section - 01

|   |                       |  |              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |            |
|---|-----------------------|--|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| 1 | 01 22 16 00 0002      |  | EA           | Reimbursable FeesReimbursable Fees will be paid to the contractor for eligible costs as directed by Owner. Insert the appropriate quantity to adjust the base cost to the actual Reimbursable Fee. If there are multiple Reimbursable Fees, list each one separately and add a comment in the "note" block to identify the Reimbursable Fee (e.g. sidewalk closure, road cut, various permits, extended warranty, expedited shipping costs, etc.). A copy of each receipt, invoice, or proof of payment shall be submitted with the Price Proposal. | \$1,791.70 |
|   |                       |  | Installation | Quantity<br>1,558.00 x Unit Price<br>1.00 x Factor<br>1.1500 = Total<br>1,791.70                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            |
|   |                       |  |              | \$77,913 x 2% Bond                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |            |
| 2 | 01 22 20 00 0006      |  | HR           | CarpenterFor tasks not included in the Construction Task Catalog® and as directed by owner only.                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$5,235.72 |
|   |                       |  | Installation | Quantity<br>40.00 x Unit Price<br>113.82 x Factor<br>1.1500 = Total<br>5,235.72                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |            |
|   |                       |  |              | Framing: 20 man hours (2-man crew, 2 hrs/day for 5 days)<br>Drywall: 20 man hours (2-man crew, 2 hrs/day for 5 days)<br>For lost time due to existing circumstances. Crew needs to work up above and around existing TBar grid system to install new framed wall above grid to deck above.                                                                                                                                                                                                                                                          |            |
| 3 | 01 22 20 00 0006 0001 |  | MOD          | For Foreperson, Add                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | \$130.87   |
|   |                       |  | Installation | Quantity<br>20.00 x Unit Price<br>5.69 x Factor<br>1.1500 = Total<br>130.87                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |            |
| 4 | 01 56 16 00 0008      |  | SF           | 6 Mil, Plastic Sheeting, Applied To FloorsIncludes removal after use.                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$512.07   |
|   |                       |  | Installation | Quantity<br>1,012.00 x Unit Price<br>0.44 x Factor<br>1.1500 = Total<br>512.07                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |            |
|   |                       |  |              | Floor Protection During Work                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |            |
| 5 | 01 56 16 00 0009      |  | SF           | 6 Mil, Plastic Sheeting, Applied To WallsIncludes removal after use.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | \$1,625.64 |
|   |                       |  | Installation | Quantity<br>2,480.00 x Unit Price<br>0.57 x Factor<br>1.1500 = Total<br>1,625.64                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            |
|   |                       |  |              | Wall Protection During Work                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |            |
| 6 | 01 74 19 00 0016      |  | EA           | 40 CY Dumpster (5 Ton) "Construction Debris"Includes delivery of dumpster, rental cost, pick-up cost, hauling, and disposal fee. Non-hazardous material.                                                                                                                                                                                                                                                                                                                                                                                            | \$976.47   |
|   |                       |  | Installation | Quantity<br>1.00 x Unit Price<br>849.10 x Factor<br>1.1500 = Total<br>976.47                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |            |
|   |                       |  |              | Dumpster for Debris                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |            |

**Subtotal for Section - 01** **\$10,272.47**

## Section - 06

|   |                  |  |              |                                                                                |            |
|---|------------------|--|--------------|--------------------------------------------------------------------------------|------------|
| 7 | 06 11 16 00 0061 |  | SF           | 2" x 4" At 16" On Center, Wood Wall Framing Assembly                           | \$1,376.09 |
|   |                  |  | Installation | Quantity<br>620.00 x Unit Price<br>1.93 x Factor<br>1.1500 = Total<br>1,376.09 |            |
|   |                  |  |              | wall framing to extend walls above drop ceiling                                |            |

**Subtotal for Section - 06** **\$1,376.09**

## Section - 08

## Contractor's Price Proposal - Detail Continues..

Work Order Number: 155157.00

Work Order Title: Arcadia HR Offices Soundproofing

### Section - 08

|    |                       |              |                                                                                                                                                                 |            |        |   |           |  |             |
|----|-----------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------|---|-----------|--|-------------|
| 8  | 08 34 73 13 0003      | EA           | 3' x 7', 16 Gauge, STC 50, Steel Acoustical Door, UnratedExcludes steel acoustical doorframe See CSI section 08 34 73 13-0013 for steel acoustical door frames. |            |        |   |           |  | \$5,253.90  |
|    |                       |              | Quantity                                                                                                                                                        | Unit Price | Factor | = | Total     |  |             |
|    |                       | Installation | 1.00 x                                                                                                                                                          | 4,361.45 x | 1.1500 | = | 5,015.67  |  |             |
|    |                       | Demolition   | 1.00 x                                                                                                                                                          | 207.16 x   | 1.1500 | = | 238.23    |  |             |
|    |                       |              | Room 4 Exterior Hallway Door STC 50 with seals                                                                                                                  |            |        |   |           |  |             |
| 9  | 08 34 73 16 0006      | EA           | 3' x 7' x 1-3/4" Thick, STC 35-36, Wood Acoustical Door System, UnratedIncludes the prefinished door, frame, hinges and seals.                                  |            |        |   |           |  | \$30,775.96 |
|    |                       |              | Quantity                                                                                                                                                        | Unit Price | Factor | = | Total     |  |             |
|    |                       | Installation | 7.00 x                                                                                                                                                          | 3,500.84 x | 1.1500 | = | 28,181.76 |  |             |
|    |                       | Demolition   | 7.00 x                                                                                                                                                          | 322.26 x   | 1.1500 | = | 2,594.19  |  |             |
|    |                       |              | Interior Room Doors with seals                                                                                                                                  |            |        |   |           |  |             |
| 10 | 08 34 73 16 0006 0507 | MOD          | For 20 Minutes Fire Rated, Add                                                                                                                                  |            |        |   |           |  | \$402.50    |
|    |                       |              | Quantity                                                                                                                                                        | Unit Price | Factor | = | Total     |  |             |
|    |                       | Installation | 7.00 x                                                                                                                                                          | 50.00 x    | 1.1500 | = | 402.50    |  |             |
| 11 | 08 71 11 00 2576      | EA           | Removal And Reinstallation Of Door Lockset, Entrance                                                                                                            |            |        |   |           |  | \$794.14    |
|    |                       |              | Quantity                                                                                                                                                        | Unit Price | Factor | = | Total     |  |             |
|    |                       | Installation | 8.00 x                                                                                                                                                          | 86.32 x    | 1.1500 | = | 794.14    |  |             |
|    |                       |              | 8 Total Doors                                                                                                                                                   |            |        |   |           |  |             |
| 12 | 08 71 11 00 2582      | EA           | Removal And Reinstallation Of Kick Plate                                                                                                                        |            |        |   |           |  | \$66.17     |
|    |                       |              | Quantity                                                                                                                                                        | Unit Price | Factor | = | Total     |  |             |
|    |                       | Installation | 2.00 x                                                                                                                                                          | 28.77 x    | 1.1500 | = | 66.17     |  |             |
|    |                       |              | Room 4 Exterior Door                                                                                                                                            |            |        |   |           |  |             |
| 13 | 08 71 11 00 2584      | EA           | Removal And Reinstallation Of Surface Mounted Door Closer Or Holder                                                                                             |            |        |   |           |  | \$264.71    |
|    |                       |              | Quantity                                                                                                                                                        | Unit Price | Factor | = | Total     |  |             |
|    |                       | Installation | 2.00 x                                                                                                                                                          | 115.09 x   | 1.1500 | = | 264.71    |  |             |
|    |                       |              | Room 4 Exterior, Conf Rom Ent Door and reinstall                                                                                                                |            |        |   |           |  |             |

Subtotal for Section - 08

**\$37,557.38**

### Section - 09

|    |                       |              |                                                                                 |            |        |   |          |  |            |
|----|-----------------------|--------------|---------------------------------------------------------------------------------|------------|--------|---|----------|--|------------|
| 14 | 09 01 90 52 0014      | SF           | Hand Wash, Minor Repair And Light Sanding Drywall Surfaces, Surface Preparation |            |        |   |          |  | \$197.06   |
|    |                       |              | Quantity                                                                        | Unit Price | Factor | = | Total    |  |            |
|    |                       | Installation | 272.00 x                                                                        | 0.63 x     | 1.1500 | = | 197.06   |  |            |
|    |                       |              | Prep and Repair around door frames                                              |            |        |   |          |  |            |
| 15 | 09 01 90 52 0014 0327 | MOD          | For >250 To 500, Add                                                            |            |        |   |          |  | \$50.05    |
|    |                       |              | Quantity                                                                        | Unit Price | Factor | = | Total    |  |            |
|    |                       | Installation | 272.00 x                                                                        | 0.16 x     | 1.1500 | = | 50.05    |  |            |
| 16 | 09 01 90 61 0002      | SF           | "Spot" Paint Drywall, Plaster, Wood And Concrete Surfaces, Per Coat             |            |        |   |          |  | \$466.07   |
|    |                       |              | Quantity                                                                        | Unit Price | Factor | = | Total    |  |            |
|    |                       | Installation | 272.00 x                                                                        | 1.49 x     | 1.1500 | = | 466.07   |  |            |
|    |                       |              | Paint Repair around door frames                                                 |            |        |   |          |  |            |
| 17 | 09 23 13 00 0018      | SF           | Smooth Finish Two Coats Gypsum Plaster On Walls                                 |            |        |   |          |  | \$2,177.09 |
|    |                       |              | Quantity                                                                        | Unit Price | Factor | = | Total    |  |            |
|    |                       | Installation | 272.00 x                                                                        | 6.96 x     | 1.1500 | = | 2,177.09 |  |            |
|    |                       |              | Prep and Repair around door frames                                              |            |        |   |          |  |            |
| 18 | 09 23 13 00 0018 0037 | MOD          | For >100 To 500, Add                                                            |            |        |   |          |  | \$516.12   |
|    |                       |              | Quantity                                                                        | Unit Price | Factor | = | Total    |  |            |
|    |                       | Installation | 272.00 x                                                                        | 1.65 x     | 1.1500 | = | 516.12   |  |            |

## Contractor's Price Proposal - Detail Continues..

Work Order Number: 155157.00

Work Order Title: Arcadia HR Offices Soundproofing

### Section - 09

|    |    |    |    |    |      |      |                                                                                  |                                                                                                              |            |        |        |       |           |  |  |  |  |  |             |
|----|----|----|----|----|------|------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|------------|--------|--------|-------|-----------|--|--|--|--|--|-------------|
| 19 | 09 | 29 | 10 | 00 | 0035 | SF   | 5/8" Noise Reducing Gypsum Board (National Gypsum SoundBreak)                    |                                                                                                              |            |        |        |       |           |  |  |  |  |  | \$4,171.05  |
|    |    |    |    |    |      |      | Installation                                                                     | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      |                                                                                  | 620.00                                                                                                       | 5.85       | x      | 1.1500 |       | 4,171.05  |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Extend wall above drop ceiling                                                   |                                                                                                              |            |        |        |       |           |  |  |  |  |  |             |
| 20 | 09 | 29 | 10 | 00 | 0035 | 0051 | MOD                                                                              | For Horizontal Installation >10' High, Add                                                                   |            |        |        |       |           |  |  |  |  |  | \$491.97    |
|    |    |    |    |    |      |      |                                                                                  | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Installation                                                                     | 620.00                                                                                                       | 0.69       | x      | 1.1500 |       | 491.97    |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Wall extension above drop ceiling                                                |                                                                                                              |            |        |        |       |           |  |  |  |  |  |             |
| 21 | 09 | 29 | 10 | 00 | 0038 |      | SF                                                                               | Up To 10' High, Walls, Tape, Spackle And Finish Gypsum Board                                                 |            |        |        |       |           |  |  |  |  |  | \$570.40    |
|    |    |    |    |    |      |      |                                                                                  | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Installation                                                                     | 620.00                                                                                                       | 0.80       | x      | 1.1500 |       | 570.40    |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Wall extension above drop ceiling                                                |                                                                                                              |            |        |        |       |           |  |  |  |  |  |             |
| 22 | 09 | 29 | 10 | 00 | 0038 | 0048 | MOD                                                                              | For ASTM C840 Level 5 High Quality Finish, Add                                                               |            |        |        |       |           |  |  |  |  |  | \$420.67    |
|    |    |    |    |    |      |      |                                                                                  | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Installation                                                                     | 620.00                                                                                                       | 0.59       | x      | 1.1500 |       | 420.67    |  |  |  |  |  |             |
| 23 | 09 | 51 | 13 | 00 | 0009 |      | SF                                                                               | 2' x 2' x 1" Thick, Square Edge, Fiberglass Acoustical Ceiling Panel (Armstrong Lyra™)                       |            |        |        |       |           |  |  |  |  |  | \$12,569.04 |
|    |    |    |    |    |      |      |                                                                                  | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Installation                                                                     | 1,012.00                                                                                                     | 10.23      | x      | 1.1500 |       | 11,905.67 |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Demolition                                                                       | 1,012.00                                                                                                     | 0.57       | x      | 1.1500 |       | 663.37    |  |  |  |  |  |             |
|    |    |    |    |    |      |      | high-performance fiberglass ceiling tiles designed for superior sound absorption |                                                                                                              |            |        |        |       |           |  |  |  |  |  |             |
| 24 | 09 | 51 | 13 | 00 | 0009 | 0099 | MOD                                                                              | For Individual Room Quantities <495, AddFor use with projects >500 SF. Other quantity discounts would apply. |            |        |        |       |           |  |  |  |  |  | \$1,571.13  |
|    |    |    |    |    |      |      |                                                                                  | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Installation                                                                     | 1,012.00                                                                                                     | 1.35       | x      | 1.1500 |       | 1,571.13  |  |  |  |  |  |             |
| 25 | 09 | 81 | 16 | 00 | 0015 |      | SF                                                                               | 3-1/2" Thick, Unfaced Sound Attenuation Batt                                                                 |            |        |        |       |           |  |  |  |  |  | \$2,234.50  |
|    |    |    |    |    |      |      |                                                                                  | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Installation                                                                     | 1,012.00                                                                                                     | 1.92       | x      | 1.1500 |       | 2,234.50  |  |  |  |  |  |             |
|    |    |    |    |    |      |      | reduces sound traveling through plenum                                           |                                                                                                              |            |        |        |       |           |  |  |  |  |  |             |
| 26 | 09 | 93 | 23 | 13 | 0008 |      | EA                                                                               | Stain Wood Door, 1 Coat Stain With Brush And Wipe Off Wood Door (Per Face)                                   |            |        |        |       |           |  |  |  |  |  | \$2,753.10  |
|    |    |    |    |    |      |      |                                                                                  | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Installation                                                                     | 42.00                                                                                                        | 57.00      | x      | 1.1500 |       | 2,753.10  |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Wood Door Stain 3 coats, 2 faces                                                 |                                                                                                              |            |        |        |       |           |  |  |  |  |  |             |
| 27 | 09 | 93 | 23 | 53 | 0012 |      | EA                                                                               | Varnish Or Polyurethane Wood Door, 3 Coats Shellac, With Light Sanding Between Coats (Per Face)              |            |        |        |       |           |  |  |  |  |  | \$2,021.52  |
|    |    |    |    |    |      |      |                                                                                  | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Installation                                                                     | 14.00                                                                                                        | 125.56     | x      | 1.1500 |       | 2,021.52  |  |  |  |  |  |             |
|    |    |    |    |    |      |      | sealer for stained doors                                                         |                                                                                                              |            |        |        |       |           |  |  |  |  |  |             |
| 28 | 09 | 93 | 23 | 53 | 0012 | 0381 | MOD                                                                              | For >10 To 20, Add                                                                                           |            |        |        |       |           |  |  |  |  |  | \$289.16    |
|    |    |    |    |    |      |      |                                                                                  | Quantity                                                                                                     | Unit Price | Factor | =      | Total |           |  |  |  |  |  |             |
|    |    |    |    |    |      |      | Installation                                                                     | 14.00                                                                                                        | 17.96      | x      | 1.1500 |       | 289.16    |  |  |  |  |  |             |

Subtotal for Section - 09

\$30,498.93

Proposal Total

\$79,704.87

This total represents the correct total for the proposal. Any discrepancy between line totals, sub-totals and the proposal total is due to rounding.

The Percentage of NPP on this Proposal: %

**Subcontractor Listing**

---

**Date:** May 12, 2026

**Re:** IQC Master Contract #: CA-R8-GB-101723-MDJ  
Work Order #: 155157.00  
Owner PO #:  
Title: Arcadia HR Offices Soundproofing  
Contractor: MDJ Management  
Proposal Value: \$79,704.87

| Name of Contractor | Duties                                                                 | Amount      | %     |
|--------------------|------------------------------------------------------------------------|-------------|-------|
| Trim Tech Inc.     | Replacing doors only, MDJ responsible for hardware, stain, paint, etc. | \$31,795.00 | 39.89 |



MDJ Management, LLC  
License # 1044711  
DIR # 1000061313  
531 Main St. #611 El Segundo CA 90245  
310-490-1521

Job Name: Arcadia HR Offices Soundproofing  
Location: 240 W Huntington Dr • Arcadia, CA 91007  
Customer: City of Arcadia

Submission Date: 05/07/2026

### **Detailed Scope of Work**

The project consists of soundproofing improvements to multiple offices within the Human Resources department, along with the Green Conference Room. Work will focus on improving the existing drop ceiling conditions and door assemblies to help reduce sound transfer between offices and adjacent hallway areas, providing better speech privacy within the spaces.

#### **Ceiling Soundproofing**

- Access the existing drop ceiling system in each room to perform soundproofing improvements.
- Replace existing 24" x 24" ceiling tiles with new acoustic-rated ceiling panels.
- Provide and install 3-1/2" unfaced sound attenuation batt insulation above the ceiling grid for full coverage within each room.
- Extend partition walls approximately 2 feet above the existing ceiling line as required to create a continuous acoustic seal at the top of wall and reduce sound transfer through the ceiling plenum.
- Seal gaps, penetrations, and intersections above the ceiling with acoustic sealant as required.

#### **Door Improvements**

- Remove existing doors and prepare openings for new installation.
- Provide and install new solid core 3' x 7' interior doors at offices requiring improved speech privacy.
- Provide and install one acoustic-rated 3' x 7' door assembly at the Room 4 hallway entrance.
- Install door closers at Room 4 and the Green Conference Room.
- Adjust, align, and secure all doors and frames to ensure proper fit and operation.
- Reinstall existing hardware where applicable.
- Provide minor patching, repair, and touch-up at door frames and adjacent finishes disturbed by construction activities.

Notes:

- Any additional add on items will be at the request of Customer. Any adjustment shall be an additional cost.
- MDJ to supply executed construction contract, payment and performance bonds, and insurance certificates.
- Price includes all labor (**Normal Working Hours - Prevailing Wage**), materials, equipment to complete this scope of work.
- EXCLUSIONS:
  - full room repainting beyond localized touch-up work

**CLARIFICATIONS AND EXCLUSIONS:**

- Warranty
  - One year warranty against workmanship
  - Manufacturer's warranty varies
- Plans, permits, permit fees, related fees, testing and/or testing fees, inspection fees, survey or survey fees, and engineering fees unless specified above to be paid for by client
- MDJ reserves the right to review, change, and/or delete any provisions of any prime contract or subcontract, which results from this quotation
  - Any such change and/or delete to be submitted in writing to be approved by the city engineer
- All terms to be net 30 days in full upon receipt of invoice. Interest will be charged at the rate of 2% monthly on the unpaid balance.

**BID PRICE: See Price Proposal**

All work to be completed in a substantial and workmanlike manner according to standard practices for the sum of **See Price Proposal**. Any additional add on items will be at the request of Customer. Any adjustment shall be an additional cost.

Bid price is good for thirty (30) days only.

Any controversy or claim based on, arising out of, or relating to this agreement, or breach thereof, including any claim based on the work performed pursuant to this agreement, shall be submitted to the American Arbitration Association for binding arbitration in accordance with its rules. If any arbitration, legal action is brought to enforce this agreement, or arising out of or relating to the agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorney fees and costs incurred, in addition to any and all other relief to which that party may be entitled.

Submitted by:



**Matthew McMillon**  
**President MDJ**  
**310.490.1521**  
**matt@buildwithmdj.com**

## **EXHIBIT “B”**

### **PLANS AND SPECIFICATIONS**

All service and unit specifications are listed in Exhibit “A”.

## **EXHIBIT “C”**

### **SPECIAL CONDITIONS**

#### **ARTICLE 1. BONDS**

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

**EXHIBIT "D"**

**CERTIFICATION  
LABOR CODE - SECTION 1861**

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

**MDJ MANAGEMENT, LLC**

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

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Title (Print)

## EXHIBIT “E”

### PUBLIC WORKS CONTRACTOR REGISTRATION CERTIFICATION

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

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

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

Name of Contractor:\_\_\_\_\_

DIR Registration Number:\_\_\_\_\_

DIR Registration Expiration:\_\_\_\_\_

Small Project Exemption: \_\_\_\_ Yes or \_\_\_\_ No

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

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

Name of Contractor\_\_\_\_\_

Signature\_\_\_\_\_

Name and Title\_\_\_\_\_

Dated\_\_\_\_\_

---

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

**EXHIBIT “F”**

**PAYMENT AND PERFORMANCE BONDS**

## PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Arcadia (hereinafter referred to as "City") has awarded to **MDJ MANAGEMENT, LLC**, (hereinafter referred to as the "Contractor") an agreement for **Upper City Hall Green Room and Human Resources Department Offices Soundproofing Project / Contract No. \_\_\_\_\_** (hereinafter referred to as the "Project").

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

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

NOW, THEREFORE, we, \_\_\_\_\_, the undersigned Contractor and \_\_\_\_\_ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of **SEVENTY-NINE THOUSAND, SEVEN HUNDRED FOUR DOLLARS AND EIGHTY-SEVEN CENTS (\$79,704.87)**, said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

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

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

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

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

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

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

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project, including but not limited to the provisions of sections 2819 and 2845 of the California Civil Code.

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

(Corporate Seal)

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

By \_\_\_\_\_

Title \_\_\_\_\_

(Corporate Seal)

\_\_\_\_\_  
Surety

By \_\_\_\_\_  
Attorney-in-Fact

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

(Attach Attorney-in-Fact Certificate) Title \_\_\_\_\_

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

**THIS IS A REQUIRED FORM**

Any claims under this bond may be addressed to:

(Name and Address of Surety) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

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

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

## Notary Acknowledgment

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

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

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

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

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

WITNESS my hand and official seal.

Signature of Notary Public

### OPTIONAL

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

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual  
☐ Corporate Officer

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

- ☐ Partner(s)      ☐ Limited  
                                 ☐ General

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

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

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

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

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

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

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

## PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Arcadia (hereinafter designated as the "City"), by action taken or a resolution passed October 20, 2026 has awarded to **MDJ Management, LLC** hereinafter designated as the "Principal," a contract for the work described as follows: **Upper City Hall Green Room and Human Resources Department Offices Soundproofing Project / Contract No. \_\_\_\_\_** (the "Project"); and

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

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

NOW THEREFORE, we, the Principal and \_\_\_\_\_ as Surety, are held and firmly bound unto the City in the penal sum of **SEVENTY-NINE THOUSAND, SEVEN HUNDRED FOUR DOLLARS AND EIGHTY-SEVEN CENTS (\$79,704.87)** lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

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

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

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

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

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

(Corporate Seal)

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

By \_\_\_\_\_

Title \_\_\_\_\_

(Corporate Seal)

\_\_\_\_\_  
Surety

By \_\_\_\_\_

Attorney-in-Fact

Title \_\_\_\_\_

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

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

## Notary Acknowledgment

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

STATE OF CALIFORNIA

COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

Signature of Notary Public

### OPTIONAL

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

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

☐ Individual

☐ Corporate Officer

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

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

☐ Partner(s)

☐ Limited

☐ General

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

☐ Attorney-In-Fact

☐ Trustee(s)

☐ Guardian/Conservator

☐ Other:

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

Signer is representing:

Name Of Person(s) Or Entity(ies)

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

**EXHIBIT “G”**

**FEDERAL REQUIREMENTS**

Not Applicable.



# CITY OF ARCADIA

## STAFF REPORT

---

### PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** October 20, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager/Public Works Services Director  
By: Leonel Martin, Public Works Project Manager

**SUBJECT:** CONTRACT WITH MDJ MANAGEMENT, LLC FOR THE LIBRARY TRELLIS  
REPAIR PROJECT IN THE AMOUNT OF \$82,110.89, WITH A 10%  
CONTINGENCY  
**CEQA: Exempt**  
**Recommendation: Approve**

#### **SUMMARY**

The Public Works Services Department ("PWSD") is responsible for the maintenance and repair of City-owned facilities, including exterior maintenance improvements. The existing trellis at the main entrance of the Arcadia Library exhibits signs of deterioration. Repairing the support beams and the rafters will extend the life of the trellis. In addition to the trellis repairs, the entire trellis will be repainted.

It is recommended that Sourcewell, a national cooperative purchasing program, be utilized to procure the contractor to complete the work. The use of a cooperative purchasing contract provides a competitive and efficient procurement method that is consistent with the City's purchasing policies and allows the City to obtain favorable pricing.

It is further recommended that the City Council approve, authorize, and direct the City Manager to execute a contract with MDJ Management, LLC, for the Library Trellis Repair Project in the amount of \$82,110.89, with a 10% contingency.

## **BACKGROUND**

The PWSD is responsible for the maintenance and repair of all City facilities, including exterior improvements. The trellis at the Arcadia Library has not undergone repairs in several years and is exhibiting signs of deterioration due to prolonged weather exposure and insect-related damage. Specifically, the trellis at the Library's main entrance has faded paint and its support beams and rafters showing signs of sagging, cracking, and wood rot.

The proposed project will address these deficiencies by repairing portions of the trellis with minor damage and replacing sections that are severely deteriorated or decayed. In addition, the entire trellis will be repainted to restore its appearance and provide further protection against the elements. These improvements will help preserve City assets, enhance the appearance of the Library's main entrance, and maintain the structural integrity and longevity of the trellis.

## **DISCUSSION**

To procure the required services, it is recommended that the City utilize Sourcewell, a national cooperative purchasing program that enables public agencies to obtain competitively procured goods and services through an efficient and cost-effective process. California Government Code authorizes public agencies to participate in cooperative purchasing agreements, including those established by Sourcewell, in accordance with applicable laws and the agencies adopted purchasing policies and procedures.

Sourcewell competitively awarded an indefinite delivery/indefinite quantity ("IDIQ") construction contract to MDJ Management, LLC, for structural repairs and related construction services. The proposed Library Trellis Repair Project falls within the scope of this contract. A copy of the Sourcewell contract with MDJ Management, LLC, is attached to this staff report for reference.

PWSD staff reviewed Sourcewell's solicitation, procurement process, and contract documents, and determined that they meet the City's procurement requirements. Utilizing the Sourcewell cooperative purchasing program will expedite project delivery, eliminate the need for a separate formal bidding process, and provide access to competitively procured services at favorable pricing. This approach offers

an efficient procurement method while ensuring compliance with the City's established purchasing requirements.

### **ENVIRONMENTAL ANALYSIS**

The proposed project is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15301(a) (Class 1 – Existing Facilities). This exemption applies to the operation, repair, maintenance, or minor alteration of existing public facilities involving negligible or no expansion of existing use.

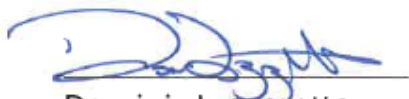
### **FISCAL IMPACT**

A total of \$100,000 has been budgeted in the Fiscal Year 2026-27 Capital Improvement Program ("CIP") Budget for the Library Trellis Repair Project. The total project cost is \$82,110.89, and with a 10% contingency, the total would be \$90,321.98, which is within the approved budget.

### **RECOMMENDATION**

It is recommended that the City Council determine that this project is exempt under the California Environmental Quality Act ("CEQA"); and approve, authorize, and direct the City Manager to execute a contract with MDJ Management, LLC for the Library Trellis Repair Project in the amount of \$82,110.89, with a 10% contingency.

Approved:



Dominic Lazzaretto  
City Manager

Attachments: Sourcewell Contract  
Proposed Construction Contract



## Indefinite Delivery-Indefinite Quantity Construction Contract

Contract Number: **CA-R8-GB-101723-MDJ**

Service Type: **General Building**

This Indefinite Delivery-Indefinite Quantity Construction Contract (Contract) is between **Sourcewell**, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 and **MDJ Management, LLC, 531 Main St, Suite 611, El Segundo, CA 90245** (Contractor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to federal, state and municipal governmental entities, K-12 and higher education entities, nonprofit entities, tribal governments, and other public entities located within the United States.

The Contractor desires to contract with Sourcewell to provide construction services to entities that access Sourcewell's indefinite delivery-indefinite quantity (IDIQ) construction contracts within the Service Region.

### I. TERM OF CONTRACT

A. **EFFECTIVE DATE**. This Contract, including the General Terms and Conditions incorporated by reference, is effective upon the later of December 6, 2023 or the date of the final signature below.

B. **EXPIRATION DATE AND EXTENSION**. This Contract expires **December 5, 2024**, unless it is terminated sooner pursuant to Article XX of the General Terms and Conditions, which are incorporated into this Contract by reference. This Contract allows up to five additional one-year extensions upon the request of Sourcewell and written agreement with Contractor. Sourcewell retains the right to consider additional extensions beyond six years as required under exceptional circumstances.

### II. REGION AND SERVICES

The Contractor's Region is: Region 8. The Contractor's IDIQ construction service type is: General Building. The Contractor **has** agreed to perform work outside the Region.

### III. ADJUSTMENT FACTORS

The Contractor will perform any or all Tasks in the Construction Task Catalog for the Unit Price appearing therein multiplied by the following Adjustment Factors. See the General Terms and Conditions for additional information.

A. **Normal Working Hours – Prevailing Wage Rate Projects**: Work performed from 7:00 a.m. until 4:00 p.m. Monday to Friday, except Holidays. The Contractor will perform Tasks during Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: **1.1500**.

B. **Other Than Normal Working Hours – Prevailing Wage Rate Projects:** Work performed from 4:00 p.m. to 7:00 a.m. Monday to Friday, and any time Saturday, Sunday and Holidays. The Contractor will perform Tasks during Other Than Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 1.2000.

C. **Secured Facilities/OSHPD Prevailing - Wage Rate Projects:** Work performed from 7:00 a.m. until 4:00 p.m. Monday to Friday, except Holidays. The Contractor will perform Tasks during Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 1.1500.

D. **All Union Wage Projects:** Work performed from 7:00 a.m. until 4:00 p.m. Monday to Friday, except Holidays. The Contractor will perform Tasks during Normal Working Hours for the Unit Price set forth in the CTC multiplied by the Adjustment Factor of: 1.1500.

E. **Non pre-priced Adjustment Factor:** To be applied to Work determined not to be included in the CTC but within the general scope of the work: 1.2800.

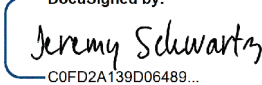
## VI. AUTHORIZED REPRESENTATIVE

A. Sourcewell's Authorized Representative is its Chief Procurement Officer.

B. The Contractor's Authorized Representative is Matthew McMillon. If the Contractor's Authorized Representative changes at any time during this Contract, Contractor must promptly notify Sourcewell in writing.

Sourcewell

MDJ Management, LLC

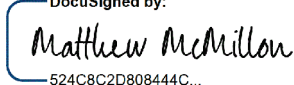
DocuSigned by:  
  
C0FD2A139D06489...

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

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 12/1/2023 | 2:56 PM CST

DocuSigned by:  
  
524C8C2D808444C...

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

Matthew McMillon

Title: President

Date: 12/1/2023 | 11:49 AM CST

**AGREEMENT TO  
MODIFY AND EXTEND  
SOURCEWELL CONTRACT #CA-R8-GB-101723-MDJ**

THIS AGREEMENT TO MODIFY AND EXTEND, Sourcewell Contract #CA-R8-GB-101723-MDJ, is effective upon the date of the last signature below.

Sourcewell and MDJ Management, LLC (“Contractor”) have entered into an Indefinite Delivery-Indefinite Quantity Construction Contract, Contract Number **CA-R8-GB-101723-MDJ**, with an initial term ending December 5, 2024, and five bilateral options to extend for an additional one-year term (“Contract”). The parties agree to modify and extend the Contract as stated below.

CONTRACT MODIFICATION

The following is adopted as the new CTC for the Contract effective December 6, 2024:

[Sourcewell California - Region 8](#)

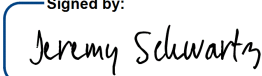
Pursuant to the Contract, Contractor’s Adjustment Factors remain fixed for the duration of the contract term and are unaffected by this modification.

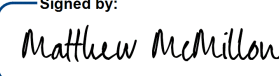
EXERCISE OF OPTION: EXTENSION

Contractor and Sourcewell hereby desire and agree to extend the Contract, with the above modification, for the period of December 6, 2024 through December 5, 2025.

Sourcewell

MDJ Management, LLC

Signed by:  
  
By: C0ED2A139D06489  
Jeremy Schwartz  
Title: Chief Procurement Officer  
Date: 11/14/2024 | 8:46 PM CST

Signed by:  
  
By: 524C8C2D808444C  
Matthew McMillon  
Title: President  
Date: 11/14/2024 | 8:26 PM CST

**AGREEMENT TO  
MODIFY AND EXTEND  
SOURCEWELL CONTRACT #CA-R8-GB-101723-MDJ**

THIS AGREEMENT TO MODIFY AND EXTEND, Sourcewell Contract #CA-R8-GB-101723-MDJ is effective upon the date of the last signature below.

Sourcewell and MDJ Management, LLC (“Contractor”) have entered into an Indefinite Quantity Construction Contract, Contract Number CA-R8-GB-101723-MDJ with an initial term ending December 5, 2024, and five bilateral options to extend for an additional one-year term (“Contract”). This contract has previously been extended by the parties for the term ending December 5, 2025. The parties agree to modify and extend the Contract as stated below.

CONTRACT MODIFICATION

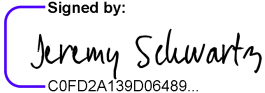
The updated CTC will appear in the eGordian software upon receipt of the executed extension document.

Pursuant to the Contract, Contractor’s Adjustment Factors remain fixed for the duration of the contract term and are unaffected by this modification.

EXERCISE OF OPTION: EXTENSION

Contractor and Sourcewell hereby desire and agree to extend the Contract, with the above modification, for the period of December 6, 2025 through December 5, 2026.

Sourcewell

Signed by:  
  
C0FD2A139D06489...

By: \_\_\_\_\_  
Jeremy Schwartz  
Title: Chief Procurement Officer

Date: 10/29/2025 | 3:16 PM CDT

MDJ Management, LLC

Signed by:  
  
524C8C2D808444C...

By: \_\_\_\_\_  
Matthew McMillon  
Title: President

Date: 10/30/2025 | 6:21 PM CDT

**CITY OF ARCADIA  
CONSTRUCTION CONTRACT  
LIBRARY TRELLIS REPLACEMENT PROJECT**

**1. PARTIES AND DATE.**

This Contract is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2026 by and between the City of Arcadia, a public agency of the State of California (“City”) and **MDJ Management, LLC**, a California Partnership, with its principal place of business at **531 Main Street, #611, El Segundo, CA 90245** (“Contractor”). City and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Contract.

**2. RECITALS.**

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

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

2.3 Project. City desires to engage Contractor to render such services for the **Library Trellis Replacement Project** (“Project”) as set forth in this Contract.

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

**3. TERMS**

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

- Services/Schedule (Exhibit “A”)
- Plans and Specifications (Exhibit “B”)
- Special Conditions (Exhibit “C”)
- Contractor’s Certificate Regarding Workers’ Compensation (Exhibit “D”)
- Public Works Contractor Registration Certification (Exhibit “E”)
- Payment and Performance Bonds (Exhibit “F”)
- Federal Requirements (Exhibit “G”)
- Addenda
- Change Orders executed by the City
- **Current** Edition of the Standard Specifications for Public Works Construction (The Greenbook), Excluding Sections 1-9

- Notice Inviting Bids, if any
- Instructions to Bidders, if any
- Contractor's Bid

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

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

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

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

The City has the complete and sole discretion to determine if a material, process or article is an "or equal" material, process or article that may be substituted. Data required to substantiate requests for substitutions of an "or equal" material, process or article data shall include a signed affidavit from Contractor stating that, and describing how, the substituted "or

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

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

**3.3 Period of Performance and Liquidated Damages.** Contractor shall perform and complete all Work under this Contract within **One Hundred and Eighty (180) days**, beginning the effective date of the Notice to Proceed (“Contract Time”). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones developed by the City. Such schedules or milestones may be included as part of Exhibits “A” or “B” attached hereto, or may be provided separately in writing to Contractor. Contractor agrees that if such Work is not completed within the aforementioned Contract Time and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the Contract, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages the sum of **Two Thousand, Eight Hundred Dollars and No Cents (\$2,800.00)** per day for each and every calendar day of delay beyond the Contract Time or beyond any completion schedule, construction schedule or Project milestones established pursuant to the Contract.

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

**3.5 Control and Payment of Subordinates; Contractual Relationship.** City retains Contractor on an independent contractor basis and Contractor is not an employee of City. Any additional personnel performing the work governed by this Contract on behalf of Contractor shall at all times be under Contractor’s exclusive direction and control. Contractor shall pay all wages,

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

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

3.7 Compensation and Payment.

3.7.1 Amount of Compensation. As consideration for performance of the Work required herein, City agrees to pay Contractor the Total Contract Price of **EIGHTY-TWO THOUSAND, ONE HUNDRED TEN DOLLARS AND EIGHTY-NINE CENTS (\$82,110.89)** ("Total Contract Price") provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the City.

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

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

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

3.7.5 Other Retentions. In addition to Contract retentions, the City may deduct from each progress payment an amount necessary to protect City from loss because of: (1) liquidated damages which have accrued as of the date of the application for payment; (2) any sums expended by the City in performing any of Contractor's obligations under the Contract which Contractor has failed to perform or has performed inadequately; (3) defective Work not remedied;

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

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

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

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

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

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

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

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

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

**3.7.13 Contractor and Subcontractor Registration.** If the Total Contract Price exceeds \$25,000, then pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted

nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work. Contractor is directed to review, fill out and execute the Public Works Contractor Registration Certification attached hereto as Exhibit "E" prior to contract execution. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

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

### 3.8 Performance of Work; Jobsite Obligations.

#### 3.8.1 Water Quality Management and Compliance.

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

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

construction and is subject to different weather conditions. It shall be Contractor's sole responsibility to update the SWPPP as necessary to address conditions at the project site.

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

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

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

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

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

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

or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. Furthermore, Contractor shall prominently display the names and telephone numbers of at least two medical doctors practicing in the vicinity of the Project, as well as the telephone number of the local ambulance service, adjacent to all telephones at the Project site.

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

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

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

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

with all Work to be performed under the Contract, but shall retain all rights provided by the Contract or by law for making protests and resolving the dispute.

3.8.7 Underground Utility Facilities. To the extent required by Section 4215 of the California Government Code, City shall compensate Contractor for the costs of: (1) locating and repairing damage to underground utility facilities not caused by the failure of Contractor to exercise reasonable care; (2) removing or relocating underground utility facilities not indicated in the construction drawings; and (3) equipment necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay caused by failure of City to provide for removal or relocation of such utility facilities.

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

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

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

3.10 Claims; Government Code Claim Compliance.

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

3.10.2 Claims. For purposes of this Section, "Claim" means a separate demand by the Contractor, after a change order duly requested in accordance with the terms of this Contract has been denied by the City, for (A) a time extension, (B) payment of money or damages arising from Work done by or on behalf of the Contractor pursuant to the Contract, or (C) an amount the payment

of which is disputed by the City. Claims governed by this Section may not be filed unless and until the Contractor completes all procedures for giving notice of delay or change and for the requesting of a time extension or change order, including but not necessarily limited to the change order procedures contained herein, and Contractor's request for a change has been denied in whole or in part. Claims governed by this Section must be filed no later than fourteen (14) days after a request for change has been denied in whole or in part or after any other event giving rise to the Claim. The Claim shall be submitted in writing to the City and shall include on its first page the following in 16 point capital font: "THIS IS A CLAIM." Furthermore, the claim shall include the documents necessary to substantiate the claim. Nothing in this Section is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims, including all requirements pertaining to compensation or payment for extra Work, disputed Work, and/or changed conditions. Failure to follow such contractual requirements shall bar any claims or subsequent lawsuits for compensation or payment thereon.

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

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

3.10.3.2 List of documents relating to claim:

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

3.10.3.3 Chronology of events and correspondence

3.10.3.4 Analysis of claim merit

3.10.3.5 Analysis of claim cost

3.10.3.6 Time impact analysis in CPM format

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

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

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

3.10.4.1 If City needs approval from its governing body to provide the Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, City shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the Contractor a written statement identifying the disputed portion and the undisputed portion.

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

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

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

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

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

3.10.6.2 For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the Parties in dispute resolution through

negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

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

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

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

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

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

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

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

3.10.9 Government Code Claims. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Contractor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited

to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the City. A Government Code claim must be filed no earlier than the date the work is completed or the date the Contractor last performs work on the Project, whichever occurs first. A Government Code claim shall be inclusive of all unresolved claims unless a new unrelated claim arises after the Government Code claim is submitted.

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

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

3.12 Indemnification.

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

3.12.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against City or its officials, employees, agents and authorized volunteers. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse City for the cost of any settlement paid by City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness

fees. Contractor shall reimburse City and its officials, employees, agents and authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its officials, employees, agents and authorized volunteers.

### 3.13 Insurance.

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

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

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

3.13.2.2 Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) General Liability: \$5,000,000 per occurrence and \$5,000,000 aggregate for bodily injury, personal injury and property damage; (2) Automobile Liability: \$5,000,000 per accident for bodily injury and property damage; and (3) Workers' Compensation and Employer's Liability: Workers' compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 each accident, policy limit bodily injury or disease, and each employee bodily injury or disease. Defense costs shall be available in addition to the limits. Notwithstanding the minimum limits specified herein, any available coverage shall be provided to the parties required to be named as additional insureds pursuant to this Contract.

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

3.13.3.1 General Liability. (1) Such policy shall give the City, its officials, employees, agents and authorized volunteers additional insured status using ISO endorsements CG20 10 10 01 plus CG20 37 10 01, or endorsements providing the exact same coverage, with respect to the Work or operations performed by or on behalf of Contractor, including

materials, parts or equipment furnished in connection with such work. **Contractor may provide blanket endorsements to meet the Additional Insured requirement in this written contract. However, all subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable;** (2) all policies shall waive or shall permit Contractor to waive all rights of subrogation which may be obtained by the Contractor or any insurer by virtue of payment of any loss or any coverage provided to any person named as an additional insured pursuant to this Contract, and Contractor agrees to waive all such rights of subrogation; and (3) the insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and authorized volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, employees, agents and authorized volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it.

3.13.3.2 Automobile Liability. (1) Such policy shall give the City, its officials, employees, agents and authorized volunteers additional insured status with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by Contractor or for which Contractor is responsible. **Contractor may provide blanket endorsements to meet the Additional Insured requirement in this written contract. However, all subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable.;** (2) all policies shall waive or shall permit Contractor to waive all rights of subrogation which may be obtained by the Contractor or any insurer by virtue of payment of any loss or any coverage provided to any person named as an additional insured pursuant to this Contract, and Contractor agrees to waive all such rights of subrogation; and (3) the insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and authorized volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, employees, agents and authorized volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it in any way.

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

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

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

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

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

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

3.13.8 Subcontractors. All subcontractors shall meet the requirements of this Section before commencing Work. Contractor shall furnish separate certificates and endorsements for each subcontractor. Subcontractor policies of General Liability insurance shall name the City, its officials, employees, agents and authorized volunteers as additional insureds using form ISO 20 38 04 13 or endorsements providing the exact same coverage. All subcontractors' endorsements shall specifically name the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives as additional insureds and blanket endorsements are not acceptable. All coverages for subcontractors shall be subject to all of the requirements stated herein except as otherwise agreed to by the City in writing.

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

### 3.14 Bond Requirements.

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

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

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

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

**3.15 Warranty.** Contractor warrants all Work under the Contract (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Contract or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Contract, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Contract. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Contract, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

### 3.16 Employee/Labor Certifications.

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

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

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

### 3.17 General Provisions.

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

3.17.2 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the City ("Contractor's Representative"). Following approval by the City, Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Contract. Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the City, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the City, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the City's written approval.

3.17.3 Termination. This Contract may be terminated by City at any time, either with or without cause, by giving Contractor three (3) days advance written notice. In the event of termination by City for any reason other than the fault of Contractor, City shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by

Contractor, City may terminate the Contract immediately without notice, may reduce payment to Contractor in the amount necessary to offset City's resulting damages, and may pursue any other available recourse against Contractor. Contractor may not terminate this Contract except for cause. In the event this Contract is terminated in whole or in part as provided, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, City may require Contractor to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by Contractor in connection with its performance of this Contract.

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

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

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

**CONTRACTOR:**

MDJ Management, LLC  
531 Main Street, #611  
El Segundo, CA 90245  
Attn: Matt McMillon, Project Manager

**CITY:**

City of Arcadia  
240 West Huntington Drive  
Arcadia, California 91066  
Attn: Leo Martin, Project Manager

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

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

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

revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

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

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

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

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

3.17.13 [Reserved]

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

3.17.15 Conflict of Interest. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Contract, no official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom. In addition, Contractor agrees to file, or to cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Work.

3.17.16 Certification of License.

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

3.17.16.2 Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date

of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

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

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

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

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

**[SIGNATURES ON NEXT PAGE]**

**SIGNATURE PAGE FOR CONSTRUCTION CONTRACT  
BETWEEN THE CITY OF ARCADIA  
AND MDJ MANAGEMENT, LLC**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the \_\_\_\_\_  
day of \_\_\_\_\_, 2026.

**CITY OF ARCADIA**

**MDJ MANAGEMENT, LLC**

By: \_\_\_\_\_  
Dominic Lazaretto  
City Manager

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

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

APPROVED AS TO FORM:

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

## EXHIBIT "A"

### SERVICES / SCHEDULE

The project plan and proposal, **MDJ Management, LLC EZIQC Contract No. CA-R8-GB-101723-MDJ and Work Order No. 153945.00**, are incorporated into this Contract. (see Attachment "A").

DRAFT



## Work Order Signature Document

EZIQC Contract No.: CA-R8-GB-101723-MDJ

☒

New Work Order



Modify an Existing Work Order

Work Order Number.: 153945.00

Work Order Date: 03/31/2026

Work Order Title: Arcadia Library Trellis Replacement

Owner Name: City of Arcadia Public Services Dept.

Contractor Name: MDJ Management

Contact: Leonel Martin

Contact: Matt McMillon

Phone: (626) 254-2707

Phone: 310-490-1521

**Work to be Performed**

Work to be performed as per the Final Detailed Scope of Work Attached and as per the terms and conditions of Sourcewell EZIQC Contract No CA-R8-GB-101723-MDJ.

Brief Work Order Description:

Trellis replacement

**Time of Performance**

Estimated Start Date:

Estimated Completion Date:

**Liquidated Damages**Will apply: ☐Will not apply: ☒**Work Order Firm Fixed Price: \$82,110.89**

Owner Purchase Order Number:

**Approvals**

City of Arcadia Public Works Services Department \_\_\_\_\_ Date \_\_\_\_\_

MDJ Management \_\_\_\_\_ Date \_\_\_\_\_

**Detailed Scope of Work**

---

**To:** Matt McMillon  
MDJ Management  
531 Main St #611  
El Segundo, CA 90245  
310-490-1521

**From:** Leonel Martin  
City of Arcadia Public Works Services Department  
11800 Goldring Rd.  
Arcadia, CA 91066  
(626) 254-2707

**Date Printed:** March 31, 2026

**Work Order Number:** 153945.00

**Work Order Title:** Arcadia Library Trellis Replacement

**Brief Scope:** Trellis replacement

☐**Preliminary**☐**Revised**☒**Final**

---

The following items detail the scope of work as discussed at the site. All requirements necessary to accomplish the items set forth below shall be considered part of this scope of work.

See attached.

Subject to the terms and conditions of EZIQC Contract **CA-R8-GB-101723-MDJ**.

---

MDJ Management

---

Date

---

City of Arcadia Public Works Services Department

---

Date

Contractor's Price Proposal - Summary

Date: March 31, 2026

Re: IQC Master Contract #: CA-R8-GB-101723-MDJ  
Work Order #: 153945.00  
Owner PO #:  
Title: Arcadia Library Trellis Replacement  
Contractor: MDJ Management  
Proposal Value: \$82,110.89

|                |             |
|----------------|-------------|
| Section - 01   | \$21,671.86 |
| Section - 06   | \$37,595.41 |
| Section - 09   | \$20,336.79 |
| Section - 26   | \$2,506.83  |
| Proposal Total | \$82,110.89 |

This total represents the correct total for the proposal. Any discrepancy between line totals, sub-totals and the proposal total is due to rounding.

The Percentage of NPP on this Proposal: %

# Contractor's Price Proposal - Detail

Date: March 31, 2026

Re: IQC Master Contract #: CA-R8-GB-101723-MDJ  
 Work Order #: 153945.00  
 Owner PO #:  
 Title: Arcadia Library Trellis Replacement  
 Contractor: MDJ Management  
 Proposal Value: \$82,110.89

| Sect.               | Item                  | Mod.     | UOM          | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Line Total |
|---------------------|-----------------------|----------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Labor               | Equip.                | Material | (Excludes)   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |            |
| <b>Section - 01</b> |                       |          |              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |            |
| 1                   | 01 22 16 00 0002      |          | EA           | Reimbursable FeesReimbursable Fees will be paid to the contractor for eligible costs as directed by Owner. Insert the appropriate quantity to adjust the base cost to the actual Reimbursable Fee. If there are multiple Reimbursable Fees, list each one separately and add a comment in the "note" block to identify the Reimbursable Fee (e.g. sidewalk closure, road cut, various permits, extended warranty, expedited shipping costs, etc.). A copy of each receipt, invoice, or proof of payment shall be submitted with the Price Proposal.                                                                                             | \$1,766.60 |
|                     |                       |          | Installation | Quantity<br>1,606.00 x Unit Price<br>1.00 x Factor<br>1.1000 = Total<br>1,766.60                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |            |
|                     |                       |          |              | Bond \$ 80,344x 2%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |            |
| 2                   | 01 22 20 00 0006      |          | HR           | CarpenterFor tasks not included in the Construction Task Catalog® and as directed by owner only.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | \$8,377.15 |
|                     |                       |          | Installation | Quantity<br>64.00 x Unit Price<br>113.82 x Factor<br>1.1500 = Total<br>8,377.15                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |            |
|                     |                       |          |              | 4 guys, 2 days, to infield cut and install beams                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |            |
| 3                   | 01 22 20 00 0006 0001 |          | MOD          | For Foreperson, Add                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$104.70   |
|                     |                       |          | Installation | Quantity<br>16.00 x Unit Price<br>5.69 x Factor<br>1.1500 = Total<br>104.70                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |            |
| 4                   | 01 22 23 00 0053      |          | WK           | 17' Electric, Scissor Platform Lift                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$1,676.79 |
|                     |                       |          | Installation | Quantity<br>4.00 x Unit Price<br>364.52 x Factor<br>1.1500 = Total<br>1,676.79                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |            |
|                     |                       |          |              | (2) Lifts required to remove and install large heavy beams for two weeks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |            |
| 5                   | 01 56 26 00 0144      |          | LF           | Temporary 8' High Chain Link Fence Panels (Portable), Up To 6 Months                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | \$2,932.50 |
|                     |                       |          | Installation | Quantity<br>200.00 x Unit Price<br>12.75 x Factor<br>1.1500 = Total<br>2,932.50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |            |
|                     |                       |          |              | Temp Fencing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            |
| 6                   | 01 56 26 00 0144 0075 |          | MOD          | For Each LF Shade Cloth, Add                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$828.00   |
|                     |                       |          | Installation | Quantity<br>200.00 x Unit Price<br>3.60 x Factor<br>1.1500 = Total<br>828.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            |
| 7                   | 01 56 26 00 0158      |          | BAG          | Temporary Chain Link Fence Panels (Portable) SandbagIncludes placement and removal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$514.26   |
|                     |                       |          | Installation | Quantity<br>58.00 x Unit Price<br>7.71 x Factor<br>1.1500 = Total<br>514.26                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |            |
|                     |                       |          |              | 2 bags every 8LF                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |            |
| 8                   | 01 71 13 00 0004      |          | EA           | First 25 Miles, Equipment Delivery, Pickup, Mobilization And Demobilization Using A Tractor Trailer With Up To 53' BedIncludes loading, tie-down of equipment, delivery of equipment, off loading on site, rigging, dismantling, loading for return and transporting away. For equipment such as bulldozers, motor scrapers, hydraulic excavators, gradalls, road graders, loader-backhoes, heavy-duty construction loaders, tractors, pavers, rollers, bridge finishers, straight mast construction forklifts, telescoping boom rough terrain construction forklifts, telescoping and articulating boom man lifts with >40' boom lengths, etc. | \$3,518.93 |
|                     |                       |          | Installation | Quantity<br>2.00 x Unit Price<br>1,529.97 x Factor<br>1.1500 = Total<br>3,518.93                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |            |
|                     |                       |          |              | for delivery of 2 lifts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |            |

## Contractor's Price Proposal - Detail Continues..

Work Order Number: 153945.00

Work Order Title: Arcadia Library Trellis Replacement

### Section - 01

|   |                  |                    |                                                                                                                                                           |            |          |   |          |  |            |
|---|------------------|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------|---|----------|--|------------|
| 9 | 01 74 19 00 0016 | EA                 | 40 CY Dumpster (5 Ton) "Construction Debris" Includes delivery of dumpster, rental cost, pick-up cost, hauling, and disposal fee. Non-hazardous material. |            |          |   |          |  | \$1,952.93 |
|   |                  |                    | Quantity                                                                                                                                                  | Unit Price | Factor   | = | Total    |  |            |
|   |                  | Installation       | 2.00                                                                                                                                                      | x 849.10   | x 1.1500 | = | 1,952.93 |  |            |
|   |                  | Removal of Trellis |                                                                                                                                                           |            |          |   |          |  |            |

### Subtotal for Section - 01

**\$21,671.86**

### Section - 06

|    |                  |                                                              |                                                                                           |            |          |   |           |  |             |
|----|------------------|--------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------|----------|---|-----------|--|-------------|
| 10 | 06 05 23 00 0015 | EA                                                           | 5-7/8" x 5-7/8" x 1-1/2" Wide, 18 Gauge Galvanized Angle Anchor (Simpson Strong Tie® A66) |            |          |   |           |  | \$2,417.76  |
|    |                  |                                                              | Quantity                                                                                  | Unit Price | Factor   | = | Total     |  |             |
|    |                  | Installation                                                 | 240.00                                                                                    | x 8.76     | x 1.1500 | = | 2,417.76  |  |             |
|    |                  | R&R Metal Brackets on wood members. Removed Material from LI |                                                                                           |            |          |   |           |  |             |
| 11 | 06 05 23 00 0245 | EA                                                           | #12 x 2-1/2" Galvanized Steel Screw                                                       |            |          |   |           |  | \$5,387.52  |
|    |                  |                                                              | Quantity                                                                                  | Unit Price | Factor   | = | Total     |  |             |
|    |                  | Installation                                                 | 1,920.00                                                                                  | x 2.44     | x 1.1500 | = | 5,387.52  |  |             |
|    |                  | 8 Screws for 240 brackets                                    |                                                                                           |            |          |   |           |  |             |
| 12 | 06 18 13 00 0006 | LF                                                           | 3-1/2" x 10-1/2" Glue Laminated Straight Beam                                             |            |          |   |           |  | \$24,835.86 |
|    |                  |                                                              | Quantity                                                                                  | Unit Price | Factor   | = | Total     |  |             |
|    |                  | Installation                                                 | 1,260.00                                                                                  | x 17.14    | x 1.1500 | = | 24,835.86 |  |             |
|    |                  | 60 21' Wood Members                                          |                                                                                           |            |          |   |           |  |             |
| 13 | 06 18 13 00 0036 | LF                                                           | 6-3/4" x 12" Glue Laminated Straight Beam                                                 |            |          |   |           |  | \$4,954.27  |
|    |                  |                                                              | Quantity                                                                                  | Unit Price | Factor   | = | Total     |  |             |
|    |                  | Installation                                                 | 114.00                                                                                    | x 37.79    | x 1.1500 | = | 4,954.27  |  |             |
|    |                  | 2 57' Wood Members                                           |                                                                                           |            |          |   |           |  |             |

### Subtotal for Section - 06

**\$37,595.41**

### Section - 09

|    |                       |                         |                                                                                                         |            |          |   |           |  |             |
|----|-----------------------|-------------------------|---------------------------------------------------------------------------------------------------------|------------|----------|---|-----------|--|-------------|
| 14 | 09 01 90 52 0042      | SF                      | Sanding Wood Paneling, Boards, Doors Or Other Wood Surfaces, Surface Preparation                        |            |          |   |           |  | \$3,141.25  |
|    |                       |                         | Quantity                                                                                                | Unit Price | Factor   | = | Total     |  |             |
|    |                       | Installation            | 3,104.00                                                                                                | x 0.88     | x 1.1500 | = | 3,141.25  |  |             |
|    |                       | Sanding wood for paint  |                                                                                                         |            |          |   |           |  |             |
| 15 | 09 91 13 00 0451      | SF                      | 1 Coat Paint, Sprayed, Per Side, Paint Wood Lattice Or Trellis                                          |            |          |   |           |  | \$5,568.58  |
|    |                       |                         | Quantity                                                                                                | Unit Price | Factor   | = | Total     |  |             |
|    |                       | Installation            | 3,104.00                                                                                                | x 1.56     | x 1.1500 | = | 5,568.58  |  |             |
|    |                       | Primer for new trellis. |                                                                                                         |            |          |   |           |  |             |
| 16 | 09 91 13 00 0452      | SF                      | 2 Coats Paint, Sprayed, Per Side, Paint Wood Lattice Or Trellis                                         |            |          |   |           |  | \$10,351.84 |
|    |                       |                         | Quantity                                                                                                | Unit Price | Factor   | = | Total     |  |             |
|    |                       | Installation            | 3,104.00                                                                                                | x 2.90     | x 1.1500 | = | 10,351.84 |  |             |
|    |                       | 2 Coat Paint Trellis    |                                                                                                         |            |          |   |           |  |             |
| 17 | 09 91 13 00 0493      | SF                      | 1 Coat Alkyd Anticorrosive Metal Primer, Brush/Roller Work, Paint Exterior Miscellaneous Metal Surfaces |            |          |   |           |  | \$400.20    |
|    |                       |                         | Quantity                                                                                                | Unit Price | Factor   | = | Total     |  |             |
|    |                       | Installation            | 240.00                                                                                                  | x 1.45     | x 1.1500 | = | 400.20    |  |             |
|    |                       | 240 brackets primed     |                                                                                                         |            |          |   |           |  |             |
| 18 | 09 91 13 00 0493 0244 | MOD                     | For Epoxy Paint, Add                                                                                    |            |          |   |           |  | \$52.44     |
|    |                       |                         | Quantity                                                                                                | Unit Price | Factor   | = | Total     |  |             |
|    |                       | Installation            | 240.00                                                                                                  | x 0.19     | x 1.1500 | = | 52.44     |  |             |

## Contractor's Price Proposal - Detail Continues..

**Work Order Number:** 153945.00

**Work Order Title:** Arcadia Library Trellis Replacement

### Section - 09

|    |    |    |    |    |      |              |                                                                                            |                      |            |   |        |   |        |  |  |          |
|----|----|----|----|----|------|--------------|--------------------------------------------------------------------------------------------|----------------------|------------|---|--------|---|--------|--|--|----------|
| 19 | 09 | 91 | 13 | 00 | 0495 | SF           | 2 Coats Alkyd Enamel Paint, Brush/Roller Work, Paint Exterior Miscellaneous Metal Surfaces |                      |            |   |        |   |        |  |  | \$739.68 |
|    |    |    |    |    |      |              | Quantity                                                                                   |                      | Unit Price |   | Factor | = | Total  |  |  |          |
|    |    |    |    |    |      | Installation | 240.00                                                                                     | x                    | 2.68       | x | 1.1500 | = | 739.68 |  |  |          |
|    |    |    |    |    |      |              | 240 brackets painted                                                                       |                      |            |   |        |   |        |  |  |          |
| 20 | 09 | 91 | 13 | 00 | 0495 | 0244         | MOD                                                                                        | For Epoxy Paint, Add |            |   |        |   |        |  |  | \$82.80  |
|    |    |    |    |    |      |              | Quantity                                                                                   |                      | Unit Price |   | Factor | = | Total  |  |  |          |
|    |    |    |    |    |      | Installation | 240.00                                                                                     | x                    | 0.30       | x | 1.1500 | = | 82.80  |  |  |          |

### Subtotal for Section - 09

**\$20,336.79**

### Section - 26

|    |    |    |    |    |      |     |                                                                                                                                                                                                                                                            |      |            |        |        |        |       |          |  |            |
|----|----|----|----|----|------|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------------|--------|--------|--------|-------|----------|--|------------|
| 21 | 26 | 05 | 33 | 13 | 0004 | CLF | 1/2" Electrical Metallic Tubing (EMT) Conduit Assembly With 3 #12 Copper THHN And 1 #12 Copper Insulated Grounding ConductorIncludes conduit, set screw connectors, set screw couplings, straps, wire as indicated. Not for use where detail is available. |      |            |        |        |        |       |          |  | \$1,603.30 |
|    |    |    |    |    |      |     | Quantity                                                                                                                                                                                                                                                   |      | Unit Price |        | Factor | =      | Total |          |  |            |
|    |    |    |    |    |      | X   | Installation                                                                                                                                                                                                                                               | 1.14 | x          | 905.93 | x      | 1.1500 | =     | 1,187.67 |  |            |
|    |    |    |    |    |      | X   | Demolition                                                                                                                                                                                                                                                 | 1.14 | x          | 317.03 | x      | 1.1500 | =     | 415.63   |  |            |
|    |    |    |    |    |      |     | Remove and Reinstall Existing Conduit. Removed Material from LI                                                                                                                                                                                            |      |            |        |        |        |       |          |  |            |
| 22 | 26 | 51 | 19 | 00 | 0303 | EA  | 6" Diameter, 993 Lumens, Low Profile Surface Mount, LED Fixture (RP Lighting - 8538-90)                                                                                                                                                                    |      |            |        |        |        |       |          |  | \$903.53   |
|    |    |    |    |    |      |     | Quantity                                                                                                                                                                                                                                                   |      | Unit Price |        | Factor | =      | Total |          |  |            |
|    |    |    |    |    |      | X   | Installation                                                                                                                                                                                                                                               | 8.00 | x          | 65.47  | x      | 1.1500 | =     | 602.32   |  |            |
|    |    |    |    |    |      | X   | Demolition                                                                                                                                                                                                                                                 | 8.00 | x          | 32.74  | x      | 1.1500 | =     | 301.21   |  |            |
|    |    |    |    |    |      |     | Remove and Reinstall Existing Light Fixtures. Removed Material from LI                                                                                                                                                                                     |      |            |        |        |        |       |          |  |            |

### Subtotal for Section - 26

**\$2,506.83**

### Proposal Total

**\$82,110.89**

This total represents the correct total for the proposal. Any discrepancy between line totals, sub-totals and the proposal total is due to rounding.

**The Percentage of NPP on this Proposal:** %



MDJ Management, LLC  
License # 1044711  
DIR # 1000061313  
531 Main St. #611 El Segundo CA 90245  
310-490-1521

Job Name: Arcadia Library Trellis Replacement  
Location: 20 W Duarte Rd, Arcadia, CA 91007  
Customer: City of Arcadia

Submission Date: 3/31/26

#### Detailed Scope of Work

##### **Trellis Replacement**

- **Protection**
  - Demolish and dispose of existing trellis members.
  - Preserve and protect all existing metal brackets/hardware intended for reuse.
  - Preserve and protect existing electrical conduit and lights attached to or routed through the trellis.
  - Supply and install temp fencing around perimeter of project
- **Surface Preparation**
  - Sand wood surface in preparation for paint
  - Prepare existing metal brackets for paint.
  - Prime and paint existing metal brackets
- **Trellis Install**
  - (2) Scissor Lifts required to remove and install large heavy beams
  - Furnish, cut and install new trellis members to match existing layout and dimensions with newly painted brackets
  - Painting of the entire completed trellis assembly, including all preparation, primer, and finish coats
    - Paint color to match near by trellis
- **Completion**
  - Remove masking and protection materials
  - Remove temp fencing around perimeter of project
  - Clean work area and dispose of debris

##### Notes:

- Any additional add on items will be at the request of Customer. Any adjustment shall be an additional cost.

- Price includes all labor (**Normal Working Hours - Prevailing Wage**), materials, equipment to complete this scope of work.
- Asbestos and Lead Report not included in plans
  - If area is found to be contaminated additional costs to be incurred
- Construction Exclusions:
  - Excludes removal of all vegetation from trellis
  - All existing lighting to be removed and reinstalled

#### **CLARIFICATIONS AND EXCLUSIONS:**

- Warranty
  - One year warranty against workmanship
  - Manufacturer's warranty varies
- We exclude plans, permits, permit fees, related fees, testing and/or testing fees, inspection fees, survey or survey fees, and engineering fees unless specified above
- We exclude utilities and hazardous or contaminated material
- Construction water, power, and sanitary facilities available on site for MDJ's use at no cost
- We exclude premium time unless specified above
- We exclude anything not specifically mentioned above
- MDJ reserves the right to review, change, and/or delete any provisions of any prime contract or subcontract, which results from this quotation
- All terms to be net 30 days in full upon receipt of invoice. Interest will be charged at the rate of 2% monthly on the unpaid balance.

#### **BID PRICE: See Price Proposal**

All work to be completed in a substantial and workmanlike manner according to standard practices for the sum of **See Price Proposal**. Any additional add on items will be at the request of Customer. Any adjustment shall be an additional cost.

Bid price is good for thirty (30) days only.

Any controversy or claim based on, arising out of, or relating to this agreement, or breach thereof, including any claim based on the work performed pursuant to this agreement, shall be submitted to the American Arbitration Association for binding arbitration in accordance with its rules. If any arbitration, legal action is brought to enforce this agreement, or arising out of or relating to the agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorney fees and costs incurred, in addition to any and all other relief to which that party may be entitled.

Submitted by:



**Matthew McMillon**  
**President MDJ**  
**310.490.1521**  
**matt@buildwithmdj.com**

## **EXHIBIT “B”**

### **PLANS AND SPECIFICATIONS**

All service and unit specifications are listed in Exhibit “A”.

## **EXHIBIT “C”**

### **SPECIAL CONDITIONS**

#### **ARTICLE 1. BONDS**

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

**EXHIBIT "D"**

**CERTIFICATION  
LABOR CODE - SECTION 1861**

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

**MDJ MANAGEMENT, LLC**

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

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Title (Print)

## EXHIBIT “E”

### PUBLIC WORKS CONTRACTOR REGISTRATION CERTIFICATION

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

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

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

Name of Contractor:\_\_\_\_\_

DIR Registration Number:\_\_\_\_\_

DIR Registration Expiration:\_\_\_\_\_

Small Project Exemption: \_\_\_\_ Yes or \_\_\_\_ No

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

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

Name of Contractor\_\_\_\_\_

Signature\_\_\_\_\_

Name and Title\_\_\_\_\_

Dated\_\_\_\_\_

---

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

**EXHIBIT “F”**

**PAYMENT AND PERFORMANCE BONDS**

## PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Arcadia (hereinafter referred to as "City") has awarded to **MDJ MANAGEMENT, LLC**, (hereinafter referred to as the "Contractor") an agreement for **Library Trellis Replacement Project / Contract No. \_\_\_\_\_** (hereinafter referred to as the "Project").

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

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

NOW, THEREFORE, we, \_\_\_\_\_, the undersigned Contractor and \_\_\_\_\_ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of **EIGHTY-TWO THOUSAND, ONE HUNDRED TEN DOLLARS AND EIGHTY-NINE CENTS (\$82,110.89)**, said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

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

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

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

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

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

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

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project, including but not limited to the provisions of sections 2819 and 2845 of the California Civil Code.

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

(Corporate Seal)

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

By \_\_\_\_\_

Title \_\_\_\_\_

(Corporate Seal)

\_\_\_\_\_  
Surety

By \_\_\_\_\_  
Attorney-in-Fact

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

(Attach Attorney-in-Fact Certificate) Title \_\_\_\_\_

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

**THIS IS A REQUIRED FORM**

Any claims under this bond may be addressed to:

(Name and Address of Surety) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

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

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

## Notary Acknowledgment

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

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

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

Signature of Notary Public

### OPTIONAL

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

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual  
☐ Corporate Officer

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

- ☐ Partner(s)      ☐ Limited  
                         ☐ General

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

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

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

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

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

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

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

## PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Arcadia (hereinafter designated as the "City"), by action taken or a resolution passed October 20, 2026 has awarded to **MDJ Management, LLC** hereinafter designated as the "Principal," a contract for the work described as follows: **Library Trellis Replacement Project / Contract No. \_\_\_\_\_** (the "Project"); and

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

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

NOW THEREFORE, we, the Principal and \_\_\_\_\_ as Surety, are held and firmly bound unto the City in the penal sum of **EIGHTY-TWO THOUSAND, ONE HUNDRED TEN DOLLARS AND EIGHTY-NINE CENTS (\$82,110.89)** lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

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

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

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

seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or City and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 9100 of the Civil Code, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned and the provisions of sections 2819 and 2845 of the California Civil Code.

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

(Corporate Seal)

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

By \_\_\_\_\_

Title \_\_\_\_\_

(Corporate Seal)

\_\_\_\_\_  
Surety

By \_\_\_\_\_

Attorney-in-Fact

Title \_\_\_\_\_

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

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

## Notary Acknowledgment

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

STATE OF CALIFORNIA

COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

Signature of Notary Public

### OPTIONAL

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

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual  
☐ Corporate Officer

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

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

- ☐ Partner(s)      ☐ Limited  
                         ☐ General

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

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

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

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

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

## **EXHIBIT “G”**

### **FEDERAL REQUIREMENTS**

Not Applicable.



---

PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** October 20, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager, Public Works Services Director  
By: Anabel Carrillo, Public Works Customer Service/Administrative Supervisor

**SUBJECT:** AGREEMENT WITH TRUEBILL SOLUTIONS LLC FOR ANNUAL HOSTING AND SUPPORT SERVICES FOR UTILITY BILLING SOFTWARE, IN AN AMOUNT NOT TO EXCEED \$362,974  
**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. To support these operations, the PWSD utilizes a proprietary utility billing software system, developed, hosted, and supported exclusively by TrueBill Solutions LLC, formerly known as TruePoint Solutions. The Subscription License and Services Agreement ("Agreement") between the City and TrueBill Solutions LLC expired June 30, 2026.

Based on the quality of service provided and the City's ongoing operational needs, it is recommended that the City Council authorize a five-year Purchase Order with TrueBill Solutions LLC for annual hosting and support services for the utility billing software, in an amount not to exceed \$362,974, with the option to exercise two additional two-year extensions. It is further recommended that the City Council authorize the City Manager to approve the optional extensions of the Agreement without further City Council approval, provided that any adjustments to the financial terms remain within established inflationary limits.

## **BACKGROUND**

The PWSD serves approximately 15,000 water and sewer connections, a majority of which are based on a tiered rate structure that are billed monthly, generating approximately \$15.5 million in annual revenue. On December 1, 2020, the City Council approved, authorized, and directed the City Manager to execute a Software Service Agreement with TruePoint Solutions, now known as TrueBill Solutions LLC, 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. The purchase and implementation of the TrueBill utility software was the first phase of a two-phase update, intended to modernize the City's utility billing function.

In late 2021, the PWSD enacted the second phase of the software update and executed a Change Order to the original Purchase Order with TruePoint Solutions (now TrueBill Solutions LLC), for the purchase and implementation of TrueBill's backflow testing module and Vendor Contractor Portal ("TrueVCP"). These two modules allow contractors to directly upload backflow testing information. The new backflow testing module integrated the City's former testing database into the TrueBill Utility Billing System, expanding the functionality of TrueBill and effectively integrating two historically separate programs.

The subscription fees to host both the software and provide ongoing support services were included in the Agreement, to be renewed on an annual basis. The term of the Subscription License and Agreement expired on June 30, 2026.

## **DISCUSSION**

The Agreement with TruePoint Solutions, now known as TrueBill Solution LLC, awarded by the City Council on December 1, 2020, was for a five-year term and included a 3% annual price increase for Years 4 and 5. While industry-standard increases for licensing agreements have since exceeded 10%, in addition to cumulative increases implemented in prior years, the PWSD successfully negotiated a new five-year term Agreement with TrueBill Solutions LLC that limits the pricing increase to 8% each year. This agreement provides greater cost predictability, with the following cost breakdown per year:

| <b>Term Year</b>       | <b>Total Cost</b> |
|------------------------|-------------------|
| Year One               | \$61,871          |
| Year Two               | \$66,821          |
| Year Three             | \$72,167          |
| Year Four              | \$77,940          |
| Year Five              | \$84,175          |
| <b>Five-Year Total</b> | <b>\$362,974</b>  |

The annual hosting services and support fees pay for ongoing product development, cloud-based hosting of the utility billing software, as well as licensing and technical support services. These support services include access to the support hotline, installation of updates when available, and database backups. Based on the excellent service provided by TrueBill Solutions LLC, it is recommended that the City Council approve a five-year Agreement for annual hosting and support services, with the option of up to two additional two-year extensions.

### **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**

Sufficient funds for the annual software hosting and support fees are budgeted in the City's Water and Sewer Operating Budget annually.

### **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 five-year Agreement with TrueBill Solutions LLC for annual hosting and support services for the utility billing software in an amount not to exceed \$362,974, with the option of two two-year extensions. It is further recommended that the City Council delegate the authority to approve any future optional extensions under this Agreement to the City Manager, without having to return to the City Council for

subsequent approval, provided that any changes to the financial terms stay within standard inflationary limits.

Approved:



Dominic Lazzaretto  
City Manager

Attachment: Proposed Agreement

## CITY OF ARCADIA

### SOFTWARE AS A SERVICE AND PROFESSIONAL SERVICES AGREEMENT

This Software as a Service and Professional Services Agreement (hereinafter referred to as "**Agreement**") is made by and between the CITY OF ARCADIA, a municipal corporation (herein "City"), and Govineer Solutions LLC, a Delaware limited liability company doing business as TrueBill Solutions, having a principal place of business at 1656 S. East Bay Blvd. Suite 100, Provo, Utah (herein "Provider") on [REDACTED], 2026 ("Effective Date"). City and Provider may be individually referred to as "Party" and collectively as the "Parties".

#### RECITALS

A. Provider represents that it owns, or possesses all rights necessary to provide and license, the proprietary hosted utility-billing software selected by City, together with all required modules, interfaces, documentation, and related services (collectively, the "Software").

B. Provider shall provide City access to the hosted Software, related services, documentation, interfaces, and functionality described in Exhibit "A" (collectively, the "Hosted Services"). The Hosted Services shall conform in all material respects to Exhibit "A" and the Documentation (collectively, the "Functional Requirements"). During the Term, Provider grants City and its authorized Users a nonexclusive, nontransferable, non-sublicensable right to access and use the Hosted Services for City's internal operations, subject to the terms of this Agreement. City acknowledges that City subscribes to the Hosted Services and that no copy of the Software is delivered to, or licensed for installation by, City under this Agreement. No invoice, hyperlink, online policy, or other Provider term shall modify this Agreement unless incorporated through a written amendment executed by the Parties.

#### AGREEMENT

#### NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Use of the Software. Provider shall provide City with access to the hosted Software and the services described in the Provider's Proposal and attached hereto as Exhibit "A" and incorporated herein by reference ("Software"). The specifications, performance and functionality of the Software shall conform in all material respects to the requirements set forth in the Provider Proposal and the Documentation for the Software ("Functional Requirements"). Subject to City's payment of the subscription fees set forth in Exhibit "A," City shall have a nonexclusive, nontransferable, non-sublicensable right to access and use the hosted Software for City's internal operations during the Term. City is not granted, and Provider does not convey, any perpetual, fully paid, or irrevocable license, any copy of the Software, or any right to the Software's source code, and no source-code escrow is required or contemplated under this Agreement. Ownership of the Software and the Hosted Services is governed by Section 20.
2. Services. Provider shall further provide City with implementation, installation, project management, and training services in connection with the implementation of the Software as further described in Exhibit "A" ("Services").
3. Term. The Term of this Agreement will commence on the effective date and continue for five (5) years. The parties may agree to two (2) additional two-year extensions upon execution of a written amendment signed by the Parties.

4. Document Format and Accessibility Requirements. In accordance with the Americans with Disabilities Act, the user interfaces of the Hosted Services made available to City under this Agreement will substantially conform to the W3C Web Content Accessibility Guidelines 2.1 Level AA ("WCAG 2.1 AA") as in effect on the Effective Date, subject to the exceptions and remarks disclosed in Provider's then-current Accessibility Conformance Report (ACR/VPAT), which Provider will furnish to City. For any area of non-conformance, Provider will describe planned remediation efforts and interim workarounds to enable access by individuals with disabilities. Without limiting the foregoing, for customer-facing materials generated through the Hosted Services (such as utility bills, notices, and customer-portal pages), Provider will provide City with reasonable interim workarounds (such as alternative accessible formats) upon City's request until the applicable non-conformance is remediated. Provider agrees to use commercially reasonable efforts to provide ongoing remediation as part of the Services in accordance with a remediation plan mutually agreed by the Parties. Provider's accessibility obligations do not extend to content, documents, configurations, templates, or third-party components created, selected, or supplied by City or its other vendors, to City's own web pages or mobile applications, or to conformance with any accessibility standard adopted after the Effective Date, which shall be addressed under Section 9.

The City retains responsibility for ensuring that its web functionality, web pages, mobile applications, and web-accessible documents comply with WCAG 2.1 AA or higher. Subject to Section 34, Provider agrees to indemnify and defend the City against third-party claims, lawsuits, complaints, challenges, and legal actions brought against the City to the extent arising from Provider's failure to provide the Hosted Services in substantial conformance with WCAG 2.1 AA as required by this Section, excluding any claim arising from City Data, City-created or City-configured content, City's own web properties, or City's failure to implement a remediation or workaround made available by Provider, or any accessibility standard adopted after the Effective Date..

5. Project Schedule. Provider shall perform in accordance with the detailed implementation schedule, milestones, deliverables, and acceptance criteria set forth in Exhibit "A." Any change to the Project Schedule must be approved in writing by City and, if it changes compensation, scope, or a material completion date, processed under Section 9. Delays are governed by Section 12.

6. Compensation.

a Subject to subsection 6(b), City shall pay for accepted Software and Services in accordance with the fixed fees and milestone schedule in Exhibit "A." Payment is conditioned on receipt of a correct, itemized invoice and does not constitute acceptance.

b In no event shall total compensation for the initial five (5) year Term of this Agreement exceed Three Hundred Sixty-Two Thousand Nine Hundred Seventy-Six Dollars (\$362,976.00), inclusive of implementation, subscription, Support, maintenance, travel, data conversion, interfaces, and training, unless an increased amount is authorized by a written amendment under Section 9. The foregoing not-to-exceed amount excludes (i) third-party payment gateway, payment-processing, interchange, and bank fees, which are passed through to City at Provider's cost, (ii) fees for any extension term under Section 3, and (iii) any Extended Support or additional work authorized in advance under Section 9.

c Compensation includes all personnel, materials, hosting, third-party software licenses embedded in the Hosted Services, supplies, taxes, expenses, and equipment necessary for complete performance.. No additional or "Extended Support" fee is payable unless approved in advance through Section 9.

d City's failure to discover or object to unsatisfactory work or billing before payment is not a waiver. City may withhold amounts disputed in good faith upon written notice delivered within thirty (30) days of the invoice date specifying the basis of the dispute, while paying all undisputed amounts. Undisputed amounts not paid within thirty (30) days after the due date shall bear interest at the lesser of one percent (1%) per month or the maximum rate permitted by law. Provider shall not suspend Support, Hosted Services, access to City Data, or critical functionality because of a good-faith billing dispute properly noticed under this subsection, and may suspend for an undisputed delinquency only after at least thirty (30) days' written notice and a reasonable opportunity to cure.

7. Maintenance and Support Services. Maintenance, updates, security patches, corrections, backups, disaster recovery, and Support are included throughout the Term at the prices in Exhibit "A." Provider may modify, update, and improve the Hosted Services from time to time, provided that Provider shall not materially reduce the overall core functionality, security, or service levels of the Hosted Services used by City during the Term without City's prior written consent. Optional services require prior written authorization under Section 9.

8. Contract Documents; Order of Precedence. The following documents shall govern the performance of the Scope of Work and the terms and conditions for the provision of the Software and Services (collectively, the "Contract Documents"):

- a This Agreement;
- b The final City-approved Scope of Services, implementation plan, pricing schedule, service levels, security requirements, and Provider Proposal attached as (Exhibit "A"); and
- c City Insurance Requirements (Exhibit "B").

In the event of conflict, the Contract Documents control in the foregoing order, with this Agreement as the master agreement. No Order, invoice, website, portal, click-through term, privacy policy, or other Provider document will amend or override this Agreement unless expressly incorporated through a written amendment signed by authorized representatives of both Parties.

9. Additional Work. No change in scope, price, schedule, functionality, hosting, security, data use, or other material term is binding on City unless described in a written amendment or City authorized change order executed before the additional work begins. An Order, quote, invoice, email, or online term does not authorize additional compensation. Any amendment requiring City Council approval is ineffective until such approval is obtained.

10. Maintenance of Records. Provider shall maintain complete books, invoices, security and access logs, audit reports, configuration records, data-processing records, and other evidence relating to performance and costs during the Term and for at least four (4) years after final payment, or longer if required by law, litigation hold, audit, or City records-retention requirements. Records shall be available to City and its auditors at reasonable times. This provision does not limit the public-records obligations in Exhibit "A."

11. Notice to Proceed. The obligations of Provider to commence performance shall be triggered by Provider's receipt of notice from the City to proceed. Thereafter, Provider shall proceed in accordance with the Project Schedule. The Notice to Proceed shall set forth the date of commencement of the Project Schedule.

12. Delays in Performance.

a Neither the City nor Provider shall be considered in default of the Contract Documents for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to: abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint; pandemics or epidemics; failures or outages of the internet, telecommunications carriers, or third-party cloud hosting providers; cyberattacks or denial-of-service attacks by third parties; and acts or orders of governmental authority.

b Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance under the Contract Documents. It is not intended by the parties that any such delay shall extend for a period in excess of sixty (60) days.

13. Confidentiality. "Confidential Information" means nonpublic City Data, security information, credentials, and other information identified as confidential or reasonably understood to be confidential. Provider shall use City's Confidential Information solely to perform this Agreement; apply safeguards at least as protective as those required by Exhibit "A"; disclose it only to authorized personnel and approved Subprocessors with a need to know; and remain responsible for their compliance. Provider shall not sell, monetize, mine, profile, advertise from, or otherwise use City's Confidential Information for its own purposes, provided that Provider may create and use De-Identified Data as permitted by Exhibit "A." Confidential Information also includes Provider's software, source code, security architecture and assessments, Documentation, pricing and discount structures, product roadmaps, and other nonpublic technical or business information of Provider or its licensors, which City shall protect using at least the same measures it uses to protect its own confidential information and in no event less than reasonable measures, and which City shall disclose only to personnel, auditors, and advisors with a bona fide need to know who are bound by confidentiality obligations no less protective than these. Provider shall promptly notify City of any legally compelled disclosure of City's Confidential Information and cooperate in seeking protection, unless notice is prohibited by law. City may disclose Provider information as required by the California Public Records Act, subpoena, audit, or other law, and does not guarantee confidentiality of Provider materials; provided that City shall, to the extent permitted by law, give Provider prompt written notice of any request that would require disclosure of Provider's Confidential Information and a reasonable opportunity to seek protection before disclosure. These obligations survive termination.

14. Compliance with Law.

a Provider shall comply with all applicable federal, state, and local laws, regulations, and binding standards, including accessibility, privacy, cybersecurity, records-retention, consumer-notification, employment, and tax requirements.

b Provider shall obtain and maintain, at its expense, all licenses, permits, registrations, and approvals required for its performance and shall reasonably assist City with regulatory compliance.

c Without limiting the foregoing, Provider shall comply with California Civil Code sections 1798.29, 1798.81.5, and 1798.82 to the extent applicable to its maintenance of City Data, support City's compliance with the California Public Records Act, comply with the accessibility requirements in Section 4, and maintain PCI DSS compliance for any payment-card function within Provider's control.

15. Warranty

- a. Software Warranty. Provider warrants that, throughout the Term, the Hosted Services will conform in all material respects to the Functional Requirements and the Documentation. City's remedy, and Provider's entire liability, for breach of this warranty is for Provider to use commercially reasonable efforts, at no additional charge to City, to correct or replace the nonconforming item so that it conforms; if Provider is unable to do so within a reasonable period, City may terminate the affected Services and receive a pro-rata refund of prepaid, unused fees for the terminated Services. This warranty does not apply to the extent a nonconformity is caused by (i) modification, configuration, or use of the Hosted Services other than by Provider or other than in accordance with the Documentation, (ii) City Data or City's source data, (iii) City's or a third party's hardware, software, infrastructure, network, or interfaces, or (iv) City's failure to implement an update, patch, or workaround made available by Provider.
- b. Malware. Provider warrants that the Software shall not contain any lock, counter, CPU reference, virus, worm, or other malware or device capable of halting operations or erasing or altering data or programs. Provider further warrants that neither it, nor its agents, employees, or subcontractors shall insert any shutdown device following delivery of the Software (or any hardware) or Services.
- c. Service Warranty. Provider warrants that all Services will be performed in a professional and workmanlike manner in accordance with generally accepted software-industry practices by properly trained personnel. Notice of a breach of this warranty must be given in writing within ninety (90) days after the affected Service is completed, and City's primary remedy is re-performance of the nonconforming Service or, if Provider cannot re-perform it within a reasonable period, refund of the fees paid for that Service.
- d. Remedies. Provider shall respond to and correct malfunctions and nonconformities in accordance with the Service Levels in Section 7 of Exhibit "A." For a Severity 1 incident, Provider shall devote its most experienced available resources and provide continuous commercially reasonable efforts until restoration. The service credits set forth in Section 7 of Exhibit "A" are City's primary remedy for Provider's failure to meet a service level, except that if Provider fails to meet the monthly Availability commitment in any three (3) consecutive months, City may terminate the affected Hosted Services upon thirty (30) days' written notice and receive a pro-rata refund of prepaid, unused fees.
- e. Representations and Warranties of City. City represents and warrants that (i) it has the full right and authority to enter into, execute, and perform its obligations under this Agreement; (ii) it has had the opportunity to evaluate the suitability of the Hosted Services for its requirements and has relied on its own investigation and judgment in selecting them; (iii) its use of City Data complies with applicable Data Protection Laws; (iv) it has the legal right to use City Data and to allow Provider to process City Data as contemplated by this Agreement; and (v) it will use the Hosted Services in accordance with the Documentation and Section 4 of Exhibit "A."
- f. Services Disclaimers. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 15, THE HOSTED SERVICES AND THE SERVICES ARE PROVIDED "AS IS" AND "AS AVAILABLE," AND PROVIDER MAKES NO OTHER REPRESENTATION OR WARRANTY OF ANY KIND. ALL OTHER EXPRESS OR IMPLIED WARRANTIES,

INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ABSENCE OF HIDDEN OR LATENT DEFECTS, AND COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE, ARE SPECIFICALLY EXCLUDED AND DISCLAIMED. PROVIDER DOES NOT WARRANT THAT THE HOSTED SERVICES WILL MEET REQUIREMENTS NOT SET FORTH IN THE FUNCTIONAL REQUIREMENTS, WILL OPERATE WITHOUT INTERRUPTION OR ERROR, OR WILL BE FREE OF ALL DEFECTS, AND PROVIDER DOES NOT GUARANTEE ANY PARTICULAR RESULT FROM THE USE OF THE HOSTED SERVICES. THE OPERATION OF THE HOSTED SERVICES MAY BE INTERRUPTED DUE TO MAINTENANCE, UPDATES, SYSTEM OR NETWORK FAILURES, OR FAILURES IN THE SYSTEMS OF PROVIDER'S THIRD-PARTY SERVICE PROVIDERS, AND, EXCEPT FOR PROVIDER'S EXPRESS OBLIGATIONS UNDER THIS AGREEMENT, PROVIDER DISCLAIMS LIABILITY FOR DAMAGES CAUSED BY SUCH INTERRUPTIONS. PROVIDER DOES NOT REPRESENT OR WARRANT THAT THE HOSTED SERVICES WILL OPERATE OR BE COMPATIBLE WITH ANY THIRD-PARTY SERVICE, APPLICATION, OR HARDWARE NOT IDENTIFIED IN THE FUNCTIONAL REQUIREMENTS. NOTHING IN THIS SUBSECTION LIMITS PROVIDER'S OBLIGATIONS UNDER SECTIONS 21 AND 23.

- g. Risk of Exposure. CITY RECOGNIZES AND AGREES THAT HOSTING DATA ONLINE INVOLVES RISKS OF UNAUTHORIZED DISCLOSURE OR EXPOSURE. PROVIDER SHALL MAINTAIN THE SECURITY PROGRAM AND CONTROLS REQUIRED BY SECTION 6 OF EXHIBIT "A," BUT DOES NOT REPRESENT, WARRANT, OR GUARANTEE THAT CITY DATA WILL NOT BE EXPOSED OR DISCLOSED THROUGH THE ACTS OR OMISSIONS OF THIRD PARTIES OR THROUGH MEANS NOT REASONABLY PREVENTABLE BY THOSE CONTROLS.

16. Acceptance Testing; Final Acceptance. City acknowledges that the Hosted Services identified in Exhibit "A" are in production use by City as of the Effective Date and are accepted as of the Effective Date. This Section applies only to new modules, interfaces, or other deliverables first made available to City under an Order after the Effective Date. Before testing begins, the Parties shall approve a written test plan containing objective, mutually agreed pass/fail criteria. City will have thirty (30) business days after delivery of each complete deliverable to test it and to deliver written notice of any material nonconformity, specifying the failed criteria in reasonable detail. A deliverable is deemed accepted upon the earlier of (i) City's written acceptance, or (ii) City's failure to deliver a written notice of material nonconformity within the testing period, or (iii) City's use of the deliverable in production.. If City timely rejects a deliverable for material nonconformity, Provider shall correct it at no charge and resubmit it for a testing period of equal length limited to the previously failed criteria. Acceptance does not waive Provider's express warranties in Section 15.

17. Assignment and Subcontractors. City shall not assign, transfer, or delegate this Agreement or any rights or obligations under it without Provider's prior written consent, which shall not be unreasonably withheld. Provider shall not assign or transfer this Agreement without City's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed; provided, however, that Provider may assign or transfer this Agreement, in whole or in part, without City's consent, to an affiliate or in connection with a merger, acquisition, reorganization, internal restructuring, change of control, or sale of all or substantially all of the assets or equity of Provider or of the business line to which this Agreement relates, upon written notice to City delivered no later than thirty (30) days after the effective date of such assignment or transfer, so

long as the assignee assumes Provider's obligations under this Agreement. A change in the direct or indirect ownership or control of Provider shall not constitute an assignment requiring City's consent and shall not give rise to any right of termination. Provider shall give City written notice of any such change in ownership or control no later than thirty (30) days after its closing. Provider may engage subcontractors and Subprocessors to perform portions of the Services, subject to Section 6 of Exhibit "A." Provider shall disclose the hosting providers and Subprocessors that store or process City Data, their functions, and data locations, and each shall be bound by written obligations at least as protective of City Data as this Agreement. Provider remains responsible for the performance of its personnel and subcontractors.

18. Independent Contractor.

a Provider enters into this Agreement as an independent contractor and not as an employee of the City. The Provider shall have no power or authority by this Agreement to bind the City in any respect. Nothing in this Agreement shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Provider are employees, agents, contractors or subcontractors of the Provider and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Provider by any such employees, agents, contractors subcontractors, or any other person resulting from performance of this Agreement.

b Provider agrees it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Agreement is based on such independent investigation and research.

19. Integration. The Contract Documents represent the entire understanding of the City and Provider as to those matters contained herein and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties hereto. This is an integrated Agreement.

20. Title to Software; Ownership; No Escrow. Provider represents and warrants that it is the sole owner of the Software or, if not the owner, that it has received all legally required authorizations from the owner to provide the Software as contemplated herein, has the full power to grant the rights required by this Agreement, and that neither the Software, nor its use in accordance with the Contract Documents, will violate or infringe upon any patent, copyright, trade secret, or other intellectual property right of another person or of City. The rights of access and use granted to City under this Agreement are nonexclusive, nontransferable (except as permitted in Section 17), non-sublicensable, revocable in accordance with this Agreement, and limited to City's internal operations. All rights not expressly granted to City are reserved by Provider and its licensors. All ownership and other proprietary interests in and to the Software, the Hosted Services, the Documentation, and all fixes, upgrades, updates, modifications, derivative works, and other Services, and all patents, copyrights, trade secrets, trademarks, and other intellectual property rights embodied in or associated with the same, are and shall remain with Provider and/or its licensors. Neither this Agreement nor City's access to the Hosted Services shall be construed as transferring title or any ownership right or interest in the foregoing to City, and City acquires no right to any source code. No source-code escrow is required or contemplated under this Agreement, and Provider has no obligation to deposit source code with any escrow agent or to make source code available to City under any circumstances. Upon expiration or termination of this Agreement, City's rights of access and use terminate, subject to Section 22(d). If City provides any feedback, enhancement requests, recommendations, comments, or suggestions regarding the Services ("Feedback"), Provider may freely use such Feedback without obligation, attribution, or compensation to City, provided that Provider shall not identify City as the source

without City's consent. Ownership of City Data is governed by Exhibit "A" and is not affected by this Section.

21. Infringement Remedies. If it is claimed that the Software or Hosted Services furnished by Provider infringes any third-party patent, copyright, trade secret, or other intellectual property right, Provider agrees to defend or settle any such claim or suit at Provider's expense and to indemnify and hold the City harmless from any losses, damages, or harm, including reasonable attorney's fees and legal expenses, incurred as a result of such claim. Without the City's prior written approval, Provider shall not accept any liability on the City's behalf for the infringement, nor shall Provider reach a settlement that from the City perspective impairs the value or usefulness of the work that is the subject of the infringement claim. Provider will also pay all damages and costs that by final judgment or settlement are assessed against the City due to such proven or settled infringement. Should Provider find, or be found, to have infringed on any intellectual property rights, Provider will, at its option and expense, procure (i) a right for the City to continue using the applicable Software or Hosted Services, (ii) a modification that avoids the infringement while continuing to satisfy the Functional Requirements, or (iii) a replacement that provides substantially equivalent functionality and complies with the Functional Requirements, in each case at no additional cost to City. If none of the foregoing remedies is commercially or technically feasible using commercially reasonable efforts, Provider may terminate the affected Services upon written notice and shall refund prepaid, unused fees for the terminated Services together with City's reasonable, documented migration costs, subject to Section 34. Provider has no obligation under this Section to the extent a claim arises from (a) City Data, (b) City's combination of the Software or Hosted Services with products or services not provided or recommended by Provider, (c) modification of the Software other than by Provider, or (d) City's use of the Software or Hosted Services other than in accordance with the Documentation or this Agreement. City shall give Provider prompt written notice of any such claim and tender sole control of its defense and settlement to Provider, with City's reasonable cooperation at Provider's expense.

22. Termination

- a. Termination for Default. Subject to subsection 22(b), City may terminate this Agreement, in whole or in part, if Provider materially defaults and fails to cure as provided in subsection 22(b). Termination is effective on the date in City's written notice. If Provider fails to cure, it shall reimburse City's reasonable, documented, actual incremental costs of substitute performance, migration, restoration, and remediation for the remainder of the then-current annual subscription period, in addition to other remedies, in each case subject to Section 34. Provider may terminate this Agreement if City materially breaches this Agreement, including any failure to pay undisputed amounts when due, and fails to cure as provided in subsection 22(b). Termination is effective on the date in Provider's written notice.
- b. Cure. The defaulting Party shall have a period of thirty (30) days following a written notice of default specifying the default in reasonable detail to cure such default or, if such default cannot reasonably be cured within such period, to provide the non-defaulting Party with a written plan reasonably satisfactory to the non-defaulting Party to cure the default and thereafter to pursue such plan diligently to completion; provided, however, that a failure to pay undisputed amounts when due must be cured within such thirty (30) day period.
- c. Termination for Non-Appropriation. City's payment obligation under this Agreement extends only to funds appropriated annually by City's governing body for the purpose of this Agreement. For each succeeding fiscal period covered by this Agreement,

City's applicable department responsible for this Agreement agrees to include in its budget request appropriations sufficient to cover the annual financial obligations under this Agreement. However, City's governing body has no obligation to make appropriations for the Agreement in lieu of appropriations for new or other contracts. If City appropriates insufficient funds to continue annual payments under this Agreement, City may terminate this Agreement effective upon the last day of the fiscal year for which funds were appropriated. Upon termination under this paragraph, Provider shall be entitled to compensation for all services rendered prior to the effective termination date. Provider's assumption of risk of possible non-appropriation is a part of the consideration for the Agreement. City shall notify Provider in writing promptly, and in no event later than thirty (30) days, after the governing body's action resulting in insufficient appropriation, and shall not continue to use the Hosted Services after a termination under this subsection. This Section controls against any and all other provisions of the Agreement.

- d. Continued Access and Transition. If City so requests in writing at least sixty (60) days before expiration or termination (other than a termination by Provider for City's failure to pay undisputed amounts), Provider shall continue the Hosted Services for up to six (6) months following expiration or termination at the then-current rates, prorated monthly, and shall provide City Data in Provider's standard export formats at no additional charge together with reasonable transition cooperation, without withholding City Data.. Transition assistance beyond Provider's standard exports and reasonable cooperation, including custom formats, custom extracts, or configuration of City Data on other systems, will be provided at Provider's then-current time-and-materials rates as authorized under Section 9. Provider shall retain and not delete City Data during the transition period and for sixty (60) days thereafter, and shall thereafter return or securely destroy City Data as provided in Section 6 of Exhibit "A."

23. Indemnification. Provider shall indemnify, defend (with counsel reasonably acceptable to City), and hold harmless the City, its officers, officials, agents, and employees (collectively, the "Indemnitees") from and against any and all claims, damages, demands, liability, costs, losses and expenses (all of the foregoing collectively "Claims"), including without limitation court costs and reasonable attorneys' fees, to the extent arising out of (i) bodily injury to or death of persons, or damage to tangible property, caused by Provider's negligence or willful misconduct; (ii) Provider's gross negligence or willful misconduct in performing the Services; or (iii) a Security Incident to the extent caused by Provider's gross negligence, willful misconduct, or material breach of its express security obligations in Section 6 of Exhibit "A." Provider's indemnification obligation for third-party claims that the Software or the Hosted Services infringe intellectual property rights is set forth in Section 21. Provider's obligations under this Section do not apply to the extent a Claim is caused by the negligence or willful misconduct of the Indemnitees, by City Data, or by City's use of the Hosted Services other than as permitted by this Agreement. City shall give Provider prompt written notice of any Claim, tender sole control of the defense and settlement to Provider, and provide reasonable cooperation at Provider's expense; Provider shall not enter into any settlement that imposes a non-monetary obligation on an Indemnitee or that does not fully release the Indemnitees without City's prior written consent. City does not waive any rights against Provider under this Section because of Provider's provision of insurance policies required by this Agreement. Provider's obligations to defend and indemnify the City survive the expiration or termination of this Agreement. To the extent permitted by applicable law, City shall indemnify, defend, and hold harmless Provider and its officers, employees, and agents from and against third-party Claims to the extent caused by (i) the negligence or willful misconduct of City or its officers, officials, employees, or agents, (ii) City's lack of rights or consents in City Data provided by City, (iii) unauthorized use of the Hosted Services through City's accounts or credentials to the extent enabled by City as described in Section 4 of Exhibit "A," or (iv) City's

violation of applicable law, in each case except to the extent caused by Provider's negligence, willful misconduct, or breach of this Agreement. City shall have no obligation to indemnify Provider for any Claim to the extent arising from the Software, the Hosted Services, or the Services as provided by Provider. Provider shall give City prompt written notice of any Claim for which it seeks indemnification and reasonable cooperation in its defense. Except for Claims described in Section 34(c), this Section is subject to Section 34.

24. Conflicts of Interest.

- a. Provider covenants that neither it, nor any of its employees, agents, contractors, or subcontractors has any present interest, nor shall they acquire any interest, direct or indirect, in the subject of the Agreement, nor any other interest which would conflict in any manner or degree with the performance of its Services hereunder.
- b. Provider shall make all disclosures required by the City's conflict of interest code in accordance with the category designated by the City, unless the City's Contract Administrator determines in writing that Provider's duties are more limited in scope than is warranted by the category designated by the City code and that a narrower disclosure category should apply. Provider also agrees to make disclosure in compliance with the City conflict of interest code if, at any time after the execution of this Agreement, City determines and notifies Provider in writing that Provider's duties under this Agreement warrant greater disclosure by Provider than was originally contemplated. Provider shall make disclosures in the time, place and manner set forth in the conflict-of-interest code and as directed by the City.

25. Liability of Contractor. Provider shall be responsible for performing the services under this Agreement in a manner which is consistent with the generally accepted standards of the Provider's profession and shall be liable for its own negligence and the negligent acts of its employees, agents, contractors and subcontractors. The City shall have no right of control over the manner in which the work is to be done but only as to its outcome and shall not be charged with the responsibility of preventing risk to Provider or its employees, agents, contractors or subcontractors. Provider's liability under this Section is subject to Section 34.

26. Insurance.

- a. Provider will comply with the "Insurance Requirements" of City which are attached hereto as Exhibit "B" and included as a part of this Agreement.
- b. No limitation on liability contained in the Contract Documents shall apply to any third-party claim for personal injury or wrongful death arising from the negligent acts or willful misconduct of either party, its agents or assigns. All other liabilities of the Parties under the Contract Documents are subject to the limitations set forth in Section 34.

27. Laws and Venue. This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in a state or federal court situated in the County of Los Angeles, State of California.

28. Documents. Provider shall deliver to City no less than one (1) full set of documentation, manuals, and training materials for the Software. City shall have the right to copy such documents and materials for its own internal use of the Software.

29. Project Manager. Provider shall assign [REDACTED] as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the City.

30. Notice. Any notice or instrument required to be given or delivered by this Agreement may be given or delivered in person or sent via commercial overnight delivery or by certified mail, addressed to each party at the address set forth below or such other address for which a party has given notice in accordance with this section. Notice will be effective upon receipt, or within five (5) days of delivery.

**City:**

City of Arcadia  
240 W. Huntington Drive,  
Arcadia, California 91007

Attn: [INSERT NAME AND TITLE]

**Provider:**

[INSERT NAME]  
[INSERT ADDRESS]  
[INSERT ADDRESS]

Attn: [INSERT NAME AND TITLE]

31. City Not Obligated to Third Parties. City shall not be obligated or liable for payment hereunder to any party other than the Provider.

32. Non-Discrimination. Provider shall not discriminate in any way against any person on the basis of race, color, religious creed, national origin, ancestry, sex, sexual orientation, age, physical handicap, medical condition or marital status in connection with, or related to, the performance of this Agreement.

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

34. Limitation of Liability.

- a. Maximum Liability. EXCEPT FOR THE MATTERS EXPRESSLY EXCLUDED IN SUBSECTION (c) BELOW, AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, PROVIDER'S TOTAL AGGREGATE LIABILITY ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT, THE CONTRACT DOCUMENTS, THE SOFTWARE, OR THE SERVICES, FROM ANY CAUSE OF ACTION WHETHER IN CONTRACT, TORT, STATUTE, OR OTHERWISE, SHALL NOT EXCEED THE TOTAL AMOUNTS PAID BY CITY TO PROVIDER UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE FIRST EVENT GIVING RISE TO THE LIABILITY (THE "GENERAL CAP");

PROVIDED, HOWEVER, THAT (I) PROVIDER'S TOTAL AGGREGATE LIABILITY ARISING FROM PROVIDER'S FRAUD OR GROSS NEGLIGENCE SHALL NOT EXCEED THE APPLICABLE PER-OCCURRENCE OR PER-CLAIM LIMIT OF THE INSURANCE PROVIDER IS REQUIRED TO MAINTAIN UNDER EXHIBIT "B" FOR THE TYPE OF LIABILITY AT ISSUE (THE "INSURANCE CAP"), WHICH SHALL APPLY IN LIEU OF THE GENERAL CAP AND THE SECURITY CAP, AND (II) PROVIDER'S TOTAL AGGREGATE LIABILITY FOR A SECURITY INCIDENT SHALL NOT EXCEED TWO (2) TIMES THE GENERAL CAP (THE "SECURITY CAP"), AND THEN ONLY TO THE EXTENT THE SECURITY INCIDENT IS CAUSED BY PROVIDER'S MATERIAL BREACH OF ITS EXPRESS SECURITY OBLIGATIONS IN SECTION 6 OF EXHIBIT "A." THE FOREGOING SECURITY CAP DOES NOT APPLY, AND PROVIDER'S LIABILITY REMAINS SUBJECT TO THE GENERAL CAP, FOR ANY SECURITY INCIDENT TO THE EXTENT ARISING FROM (I) CITY DATA OR THE ACTS OR OMISSIONS OF CITY OR ANY USER, (II) USE OF THE SERVICES THROUGH CITY'S ACCOUNTS, CREDENTIALS, OR PASSWORDS, OR (III) HARDWARE, SOFTWARE, SYSTEMS, OR NETWORKS NOT CONTROLLED BY PROVIDER. MULTIPLE CLAIMS SHALL NOT ENLARGE THESE LIMITS.

- b. **Exclusion of Damages.** EXCEPT FOR THE MATTERS EXPRESSLY EXCLUDED IN SUBSECTION (c) BELOW, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY LOST REVENUE, LOSS OF BUSINESS, LOST OR ANTICIPATED PROFITS, LOST SAVINGS, LOSS OR CORRUPTION OF DATA, INTERRUPTION OF BUSINESS, LOSS OF GOODWILL OR REPUTATION, OR FOR ANY OTHER CONSEQUENTIAL, INDIRECT, INCIDENTAL, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES, REGARDLESS OF THE FORM OF ACTION AND EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS SUBSECTION DOES NOT LIMIT CITY'S OBLIGATION TO PAY FEES DUE UNDER THIS AGREEMENT.
- c. **Exclusions from the Limitations.** The limitations in subsections (a) and (b) do not apply to (i) Provider's indemnification obligations under Section 23 for third-party claims of personal injury, death, or damage to tangible property to the extent caused by Provider's negligence or willful misconduct; (ii) Provider's defense and indemnification obligations under Section 21 for third-party claims of intellectual property infringement; (iii) either Party's willful misconduct; and (iv) City's obligation to pay fees for Services rendered.
- d. **Basis of Bargain.** The limitations and exclusions in this Section are an essential element of the consideration for this Agreement, reflect the allocation of risk between the Parties and the fees charged, and will apply even if any limited remedy fails of its essential purpose. The insurance coverages required by Exhibit "B" are maintained in addition to, and do not enlarge, the limitations in this Section, except to the extent of insurance proceeds actually available and paid for a Claim described in subsection (c).
- e.

35. **Severability.** If any provision of this Agreement is held unenforceable, invalid, or illegal, that provision shall be enforced to the maximum extent permitted and the remaining provisions shall remain in full force and effect.

36. Counterparts. This Agreement and any exhibits, amendments or renewals hereto may be executed in a number of counterparts, and each counterpart signature, when taken with the other counterpart signatures, is treated as if executed upon one original of this Agreement or any amendment or renewal. A signature by any party to this Agreement provided by facsimile or electronic mail is binding upon that party as if it were the original.

[Signatures on following page]

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

**CITY OF ARCADIA**

**PROVIDER**

APPROVED BY:

**\*\*\*INSERT PROVIDER NAME\*\*\***

Dominic Lazzaretto  
City Manager

APPROVED BY:

ATTESTED BY:

**\*\*\*INSERT NAME\*\*\***  
**\*\*\*INSERT POSITION\*\*\***

Linda Rodriguez  
City Clerk

APPROVED AS TO FORM:

Best Best & Krieger LLP  
City Attorney

## EXHIBIT A SCOPE OF SERVICES AND TERMS

### 1. Definitions.

- a. "City Data" means all electronic data and information processed or stored through the Hosted Services by City or on City's behalf, but shall not include (a) payment records, credit cards, or other information City uses to pay Provider, or other information and records related to City's account, including without limitation identifying information related to City staff involved in payment or other management of such account, (b) the Software, the Hosted Services, the Documentation, or Provider's proprietary data models, standard configurations, or templates, or (c) De-Identified Data. Raw payment-card data processed exclusively by an approved third-party payment processor is excluded, and City transaction and reconciliation records maintained in the Hosted Services remain City Data.
- b. "Data Protection Laws" means all state, foreign, or federal laws, statutes, regulations, rules, executive orders, directives, or other official guidance, and any industry rules or self-regulatory codes of conduct relating to data protection, privacy, data security, electronic communications, or data security incidents that are applicable to City or Customer Data.
- c. "Documentation" means any user manuals and other documentation that Provider makes available to assist in the integration or use of the Hosted Services or On-Premise Software.
- d. "Hosted Services" means all cloud-based services, applications, modules, hosting, environments, interfaces, and third-party components that Provider furnishes or requires for City's use. Provider remains responsible for all third-party components and providers as if they were Provider's own.
- e. "On-Premise Software" means Provider's software products, if any, to be delivered as licensed software and deployed on City's premises in accordance with the terms of this Agreement. The Parties acknowledge that City subscribes to the Hosted Services only and that no On-Premise Software is licensed or delivered to City under this Agreement.
- f. "Order" means a statement of work or change order expressly authorized in writing under Section 9 of the Agreement. A quote, invoice, portal entry, purchase acknowledgment, or online term is not an Order and cannot modify the Agreement.
- g. "Personal Data" means any data that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular data subject, including without limitation, all information defined as "Personal Data," "Personal Information" or analogous definitions in applicable Data Protection Laws.
- h. "Services" means the Hosted Services and/or On-Premise Software (as applicable) and the installation, initial training, configuration, customization, data conversion, and other services, excluding Support.
- i. "Support" means the support services for the Hosted Services or On-Premise Software as set forth below.
- j. "User" means any person who is authorized by City to use the Hosted Services on City's behalf, including without limitation City's employees, officials, representatives, consultants, contractors, auditors, service providers, and agents.

### 2. Services.

- a. Subscription and License Types. Provider makes services available both in the

-15-

form of a subscription to Hosted Services and a limited license to On-Premise Software. Provider generally permits (upon request and with Provider prior approval) the transition during the term from On-Premise Software delivery to Hosted Services delivery. If City so requests, and Provider approves, City acknowledges and agrees that (a) City's acceptance of the Hosted Services constitutes City's agreement to the applicable terms of this Agreement, (b) City may incur an additional fee for transition as agreed upon by the parties in writing, subject to Section 9 of this Agreement.

- b. Authorization. Subject to the terms and conditions of this Agreement (including without limitation City's timely payment of all fees and compliance with all other obligations and restrictions set forth in this Agreement), Provider:
  - i. grants to City permission to access and use the functionality of the Hosted Services, for the limited purposes described in the Agreement, throughout City's applicable service period; and/or
  - ii. grants City a license, during City's applicable license period, to reproduce and use the On-Premise Software, solely in the form furnished by Provider to City, on City's own server(s) for the limited purposes described in the Documentation.
- c. Ownership; Reservation of Rights. Ownership of the Software, the Hosted Services, and the Documentation, and the absence of any source-code escrow obligation, are governed by Section 20 of the Agreement. All rights to the Software and Hosted Services not expressly granted to City are reserved by Provider and its licensors, and City acquires no right to any source code.
- d. Support. Provider will provide Support as set forth in Section 7 of this Exhibit. Provider will use reasonable efforts to make the Hosted Services available for City's authorized use twenty-four (24) hours per day, 365 days per year, subject to planned and unplanned downtime, and will use reasonable efforts to schedule planned downtime outside of the support hours stated below and to communicate unplanned downtime by email or through the Hosted Services. Support primarily consists of responses to system operational and configuration questions, troubleshooting assistance, and responses to how-to questions concerning the Services. Support will not include, and Provider will have no responsibility with regard to, any issues related to or arising from:
  - i. City's or a third party's hardware, infrastructure or network,
  - ii. any changes made other than by Provider or its representatives,
  - iii. format changes to any file used to import from, or export data to, a third party, or
  - iv. training of personnel.

Extended Support fees apply only to work outside the agreed scope that City authorizes in advance under Section 9 of the Agreement. Provider shall maintain staffed support from 7:00 a.m. to 5:00 p.m. Pacific Time (8:00 a.m. to 6:00 p.m. Mountain Time), Monday through Friday excluding Provider-designated holidays, plus after-hours on-call coverage for Severity 1 incidents. Provider shall perform encrypted backups of City Data at least once each business day, retain backups in accordance with Provider's standard retention schedule, maintain recovery copies in a separate availability zone or region, and test restoration procedures at least annually. In the event of any loss of or damage to City Data, City's remedy, and Provider's liability, will be for Provider to use commercially reasonable efforts to restore the lost or damaged City Data from the most recent available backup.

City may reproduce and use the Documentation solely as necessary to support Users' use of the Hosted Services or On-Premise Software, as the case may be.

3. Fees. City agrees to pay the fixed amounts stated below, subject to Section 6 of the Agreement and acceptance of applicable deliverables:

|            |             |
|------------|-------------|
| Year One   | \$61,871.00 |
| Year Two   | \$66,821.00 |
| Year Three | \$72,167.00 |
| Year Four  | \$77,940.00 |
| Year Five  | \$84,175.00 |

Invoices are payable net thirty (30) days after City receives a correct invoice. The annual amounts stated above are fixed for the initial five-year Term and may not be increased unilaterally, except that third-party payment gateway, payment-processing, interchange, and bank fees are passed through to City at Provider's cost.. Pricing for any extension term under Section 3 of the Agreement shall be the then-current annual fee for the immediately preceding year increased by not more than eight percent (8%) per year, to be confirmed by written amendment. Provider shall not suspend Support, Hosted Services, or access to City Data for an amount disputed in good faith and properly noticed, and shall comply with Section 6(d) of the Agreement before any permitted suspension.

4. Acceptable Use. The Services are for City governmental and utility operations use only, and City shall use the Services in accordance with the Documentation. City shall not, nor will City allow anyone else to, directly or indirectly without the authorization of Provider:
- use the Services for any purpose other than City's own internal business purposes including, without limitation use for service bureau or time-sharing purposes or in any other way sublicense or allow third parties to use or exploit the Services,
  - permit any third party, other than Users with appropriate access authority, to access or use the Services without Provider's consent, including without limitation providing Services passwords or other log-in information to any third party,
  - share all or any portion of the non-public Services features or content with any third party,
  - access the Services in order to build a competitive product or service, to build a product using similar ideas, features, functions or graphics of the Services, or to copy any ideas, features, functions or graphics of the Services,
  - engage in web scraping or data scraping on or related to the Services, including without limitation collection of information through any software that simulates human activity or any bot or web crawler,
  - knowingly upload or permit to be introduced to the Services any data or other information that contains any worms, vulnerabilities, viruses, Trojan horse, or any other code, routine, program or mechanism of a destructive or malicious nature that permits unauthorized access into, disables, partially or wholly erases, or otherwise adversely affects the Services or the systems on which the Services are hosted,
  - reverse engineer, disassemble, decompile, decode, or adapt the Services, or any part thereof, or otherwise attempt to derive or gain access to the source code

- of the Services,
- h. modify, correct, adapt, translate, enhance, or otherwise prepare derivative works of or improvements to the Services or part thereof,
  - i. interfere with or disrupt servers or networks connected to the Services, or bypass or breach any security device, license key or protection used for or contained in the Services,
  - j. use the Services in any manner or for any purpose that infringes, misappropriates, or otherwise violates any of Provider's or any other party's intellectual property rights or that violates any applicable law,
  - k. damage, destroy, disrupt, disable, impair, interfere with, or otherwise impede or harm in any manner the Services or Provider systems, including, without limitation, to conduct penetration or similar testing, or
  - l. remove any disclaimer, copyright, trademark, proprietary rights, or other notice on or in the Services,
  - m. use the Services, City Data accessed through the Services, or any output of the Services to develop, train, fine-tune, validate, benchmark, or improve any artificial intelligence, machine learning, or large language model, or to generate training or evaluation data for any such model, in each case without Provider's prior written consent,
  - n. access or interact with the Services by means of any artificial intelligence agent, autonomous agent, bot, script, or other automated process, other than through interfaces expressly documented or authorized in writing by Provider, or use any such tool in a manner that circumvents access controls, user-based licensing, or rate limits,
  - o. input into the Services any data that City does not have the right to input or that City is prohibited by law or contract from disclosing to Provider, or
  - p. use any output of the Services to create or improve a product or service that competes with the Services.

City is solely responsible for its use of, and for any output generated by, any artificial intelligence, machine-learning, or automated tool that City or its Users elect to use with the Services or with City Data, and Provider disclaims all liability for such use and output. Provider's own use of City Data is governed by Section 6 of this Exhibit.

Users. City is responsible and liable for: (a) the use of the Services by its Users, including any User conduct that would violate the requirements of this Agreement applicable to City; and (b) any unauthorized use of the Services through City's accounts or credentials to the extent enabled by the acts or omissions of City or its Users, including through City's failure to protect its passwords and log-in information or to timely deactivate the credentials of persons who cease to be Users. City is not responsible for unauthorized access to the Services to the extent caused by Provider's breach of its security obligations under Section 6 of this Exhibit. City shall take reasonable steps to prevent unauthorized access to the Services, including by protecting its passwords and other log-in information and by timely deactivating the credentials of persons who cease to be Users. City shall notify Provider timely of any known or suspected unauthorized use of the Services or breach of its security and shall use reasonable best efforts to stop the same. Nothing in this paragraph limits Provider's obligations under Section 6 of this Exhibit.

City Obligations. City assumes responsibility for its use of, and the results it obtains from, the Services, including its review and verification of billing calculations and outputs before relying on or issuing them. City acknowledges that certain third-party hardware, software, and services identified in the Functional Requirements are required to use the Services, and City is

responsible for obtaining and maintaining the same at its expense. For the Hosted Services, major upgrades and other significant modifications Provider makes to improve the performance of the Services may be installed with additional notice to the City, subject to Section 7 of the Agreement.

5. Compliance with Laws. Each Party shall comply with laws applicable to its own performance. Provider remains responsible for the , security, accessibility, and regulatory compliance of the Hosted Services and its processing of City Data.
6. Security. City owns all right, title, and interest in City Data, subject to the rights granted to Provider in this Agreement. Provider acquires no right in City Data except the rights described in this Section. Provider shall maintain a written information-security program aligned with generally accepted industry standards and shall, at minimum, use encryption in transit and at rest, multifactor authentication for privileged and remote access, least-privilege access controls, secure software-development practices, vulnerability and patch management, anti-malware controls, centralized logging and monitoring, annual third-party penetration testing (the summary results of which Provider will make available to City subject to Section 13 of the Agreement), personnel security training, tenant segregation, and tested incident-response and business-continuity procedures. Provider shall exercise commercially reasonable efforts to prevent unauthorized disclosure or exposure of City Data. Provider's security obligations do not extend to systems, networks, devices, or credentials controlled by City or its other vendors.
  - a. Use of City Data. City grants Provider a non-exclusive, royalty-free, worldwide right and license, during the Term and for the retention periods described in this Section, to access, host, copy, process, transmit, and display City Data (a) to provide, maintain, secure, and support the Hosted Services for City, (b) to share it with Provider's affiliates, service providers, and Subprocessors solely for the purpose of providing the Hosted Services, (c) to communicate with City regarding the Services, including service, security, billing, and product notices, and (d) as required by applicable law or by proper legal, governmental, or regulatory authority. City retains all right, title, and interest in City Data, subject to the rights granted in this Agreement. City is solely responsible for the accuracy, quality, integrity, reliability, legality, and right to use City Data submitted to Provider through the Services. Provider is not obligated to review City Data and is not liable or responsible for the content, accuracy, or appropriateness of City Data. Provider may retain third parties ("Subprocessors") to assist it in performing its obligations under this Agreement, provided that such Subprocessors are bound by obligations with respect to City Data no less protective than those set forth herein. Provider shall not sell City Data, share it for cross-contextual behavioral advertising, or combine Personal Data within City Data with data received from or on behalf of any third party, and shall not otherwise disclose City Data to any third party except as required or permitted by this Agreement or by City's written direction. To the extent City or its Users provide Personal Data in connection with the Services, City is responsible for and warrants that it will obtain the necessary rights and consents under applicable law to disclose such Personal Data to Provider and to allow Provider to collect, use, retain, and disclose it as contemplated by this Agreement.
  - b. De-Identified Data. Provider may create, and shall own all rights in, aggregated or de-identified data derived from City Data ("De-Identified Data"), and may use, transfer, and disclose De-Identified Data, including aggregated with data from other customers, to operate, secure, support, benchmark, analyze, and improve the Services and Provider's other products and services, provided that De-

Identified Data does not contain Personal Data and does not permit the identification of City or any person, household, account, or property. Provider shall not attempt to reidentify De-Identified Data, shall not sell City Data, and shall not use City Data that has not been de-identified to train or improve any generalized artificial-intelligence or machine-learning model without City's prior written consent. Nothing in this Section restricts Provider from using De-Identified Data, aggregate usage statistics, system telemetry, or Feedback, including through the use of machine-learning techniques, for the purposes described above. City retains ownership of City Data and of the City-specific configuration settings and report definitions it creates; Provider retains ownership of the Software, the Hosted Services, and Provider's standard configurations, templates, and data models. These obligations do not apply to De-Identified Data.

- c. Return, Export and Destruction. During the Term, City may export City Data at any time in Provider's standard export formats at no additional charge. Upon City's written request, or upon expiration or termination, Provider shall provide a complete copy of City Data in Provider's standard machine-readable export formats, including the associated field definitions and available metadata, at no additional charge. Exports in nonstandard or custom formats, custom extracts, and other extraordinary migration assistance will be provided at Provider's then-current time-and-materials rates as authorized under Section 9 of the Agreement. Provider shall continue the Services during any transition period established under Section 22(d) of the Agreement and shall preserve City Data until the earlier of City's written confirmation of successful transfer or sixty (60) days after the transition period ends. Provider shall not destroy City Data that Provider has been notified in writing is subject to a litigation hold, audit, public-records request, or retention requirement. Upon the later of sixty (60) days after expiration or termination or City's written authorization, Provider shall return or securely destroy all remaining City Data in its possession, shall destroy backup copies in the ordinary course as backup media are cycled, and upon City's request shall provide a written certificate of destruction. These obligations do not apply to De-Identified Data.
- d. Required Disclosure. Provider may disclose City Data only when legally required. Unless prohibited, Provider shall give City prompt written notice before disclosure, disclose only the minimum legally required, and reasonably cooperate with City's efforts to contest or limit disclosure. Provider bears its own compliance costs and all costs arising from its breach or unauthorized processing.
- e. Data Accuracy. City is responsible for the accuracy, completeness and legality of the source data it supplies and for reviewing and verifying converted data, billing calculations, and system outputs before relying on or issuing them. Provider is responsible for performing data conversion and migration in accordance with the conversion plan and reconciliation standards agreed by the Parties and for the Hosted Services processing City Data in conformance with the Functional Requirements and the Documentation. Provider's liability for data conversion, calculation, processing, interface, or output errors is subject to Sections 15 and 34 of the Agreement.
- f. Regulatory Compliance. Provider shall provide records, audit materials, technical assistance, and cooperation reasonably necessary for City to verify Provider's compliance with Data Protection Laws, accessibility requirements, security obligations, and public-records duties, at no additional charge. Provider may satisfy such requests by providing its then-current third-party audit reports, security questionnaire responses, penetration-test summaries, and accessibility conformance report. Provider shall promptly stop and remediate unauthorized or

noncompliant processing at its expense. On-site audits, if any, shall occur no more than once annually on at least thirty (30) days' written notice, during business hours, and subject to Provider's security and confidentiality requirements. City bears costs only for extraordinary assistance unrelated to Provider's duties and authorized in advance under Section 9.

- g. **Security Incidents.** Provider shall notify City's designated security contact in a timely manner and in any event no later than forty-eight (48) hours after Provider confirms any unauthorized access to, or acquisition, use, disclosure, alteration, loss, or destruction of, City Data in Provider's possession or control, or any ransomware event materially affecting the Services ("Security Incident"). Provider shall promptly contain and investigate the Security Incident; preserve relevant evidence; provide material updates as they become available; reasonably cooperate with City and, as appropriate, with law enforcement, regulators, insurers, and forensic specialists; restore affected City Data and Services in accordance with its incident-response and business-continuity procedures; and provide a root-cause and corrective-action summary. Provider shall not notify third parties of a Security Incident affecting City Data without City's approval unless legally required. City shall control, and the Parties will cooperate on, any legally required public or individual notifications in response to a Security Incident. To the extent a Security Incident is caused by Provider's breach of this Agreement or the negligence of Provider or its Subprocessors, Provider shall bear the reasonable and documented costs of investigation, restoration of City Data, and legally required notification of affected individuals, in each case subject to Section 34 of the Agreement. Except as expressly set forth in this Section, City is responsible for remedial measures it elects to undertake, including credit monitoring and call-center services.
- h. **Requests from Regulators and Individuals.** Provider shall promptly forward to City any request concerning Personal Data or City Data and shall not respond except as directed by City or required by law. Provider shall provide timely assistance needed for City's response. Provider bears costs attributable to its own processing, breach, or noncompliance; other extraordinary assistance requires advance City authorization.
- i. **Public Records and Legal Holds.** Provider shall preserve, search, segregate, export, and deliver records responsive to City requests in sufficient time for City to comply with the California Public Records Act, subpoenas, audits, and legal holds. Records shall be provided in the electronic formats in which maintained and, when requested, in a reasonably usable format with metadata. Provider shall not assert ownership of City Data or charge ordinary export fees to delay production.
- j. **Payment Security.** Provider shall identify all payment processors and integrations, maintain PCI DSS compliance for functions within its control, use tokenization and encryption, avoid storing sensitive authentication data, and remain responsible for the security and performance of Provider-selected integrations.
- k. **Subprocessors and Data Location.** Provider shall maintain and make available to City a current list of the Subprocessors that host or process City Data, together with their functions and the countries in which City Data is hosted and processed, and shall give City at least thirty (30) days' prior written notice before adding or replacing a Subprocessor that hosts or processes City Data. City may object to a proposed Subprocessor within that period on reasonable, documented information-security or legal-compliance grounds, in which case the Parties will work in good faith to identify a commercially reasonable alternative; if none is available, City may terminate the affected Hosted Services and receive a pro-rata

refund of prepaid, unused fees. City Data shall be hosted and processed in the United States unless City approves otherwise in writing. Provider shall flow down all applicable obligations to each Subprocessor and remains responsible for each Subprocessor's performance of those obligations.

7. Service Levels and Support.

- a. Availability. Provider shall use commercially reasonable efforts to make the production Hosted Services available at least 99.5% of each calendar month, measured at the external service interface, excluding (i) planned maintenance scheduled outside the support hours in Section 2 of this Exhibit or otherwise agreed with City, (ii) emergency maintenance reasonably necessary to preserve the security or integrity of the Services, (iii) unavailability caused by City, its Users, City Data, or systems, networks, devices, or third-party services not provided or controlled by Provider, (iv) failures of public internet or telecommunications infrastructure outside Provider's control, and (v) force majeure events described in Section 12 of the Agreement. If Availability in a calendar month falls below 99.5%, City may request, within thirty (30) days after the end of that month, a service credit against the next invoice equal to two percent (2%) of the monthly subscription fee if Availability is at least 99.0% but less than 99.5%; five percent (5%) if Availability is at least 97.0% but less than 99.0%; and ten percent (10%) if Availability is less than 97.0%. Service credits in any calendar month shall not exceed ten percent (10%) of the monthly subscription fee and, together with the termination right in Section 15(d) of the Agreement, are City's primary remedy for any failure to meet the Availability commitment.
- b. Severity 1 - Critical. A complete outage of the production Hosted Services, a confirmed material security event affecting City Data, or an inability to perform billing or payment functions for which no reasonable workaround exists. Provider shall acknowledge within one (1) hour during support hours and within two (2) hours outside support hours, devote continuous commercially reasonable efforts on a 24x7 basis, target delivery of a workaround within eight (8) hours of acknowledgment, and target restoration of critical functionality within twenty-four (24) hours of acknowledgment. The response and restoration times stated in this Section 7 are targets based on commercially reasonable efforts and are not guarantees or warranties.
- c. Severity 2 - High. Material degradation or failure of an important function without a reasonable workaround. Provider shall acknowledge within four (4) business hours, target a workaround within two (2) business days, and target resolution within ten (10) business days..
- d. Severity 3 - Standard. A noncritical defect, question, or enhancement request. Provider shall acknowledge within two (2) business days and shall resolve the item, provide a mutually acceptable plan, or address it in a future release..

## **EXHIBIT B INSURANCE REQUIREMENTS**

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

a. Additional Insured

The City of Arcadia, its officials, officers, employees, agents, and volunteers shall be named as additional insureds on Provider's and its subconsultants' policies of commercial general liability and automobile liability insurance using the endorsements and forms specified herein or exact equivalents.

b. Commercial General Liability

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

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

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

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

- (1) Bodily Injury and Property Damage
- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability
- (5) Aggregate Limits that Apply per Project
- (6) Contractual Liability with respect to this Contract
- (7) Broad Form Property Damage
- (8) Independent Consultants Coverage

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

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

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the City, and

provided that such deductibles shall not apply to the City as an additional insured.

c. Automobile Liability

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

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

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

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

d. Workers' Compensation/Employer's Liability

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

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

e. Professional Liability (Errors and Omissions)

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

f. Privacy/Network Security (Cyber)

At all times during the performance of the work under this Agreement, the Provider shall maintain privacy/network security insurance for: (1) privacy breaches, (2) system breaches, (3) denial or loss of service, and the (4) introduction, implantation or spread of malicious software code, in a form and with insurance companies acceptable to the City.

g. Minimum Policy Limits Required

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

|                              | <u>Combined Single Limit</u>                                                                             |
|------------------------------|----------------------------------------------------------------------------------------------------------|
| Commercial General Liability | \$2,000,000 per occurrence/\$4,000,000 aggregate for bodily injury, personal injury, and property damage |
| Automobile Liability         | \$1,000,000 per occurrence for bodily injury and property damage                                         |
| Employer's Liability         | \$1,000,000 per occurrence                                                                               |
| Professional Liability       | \$1,000,000 per claim and aggregate (errors and omissions)                                               |
| Cyber Liability              | \$1,000,000 per occurrence and aggregate                                                                 |

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

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

h. Evidence Required

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

i. Policy Provisions Required

(i) Provider shall provide the City at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Provider shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of the premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Provider shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the City at least ten (10) days prior to the effective date of cancellation or expiration. If such coverage is cancelled or reduced, Provider shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

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

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

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

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

j. Qualifying Insurers

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

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

k. Additional Insurance Provisions

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

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

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

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

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



# CITY OF ARCADIA

## STAFF REPORT

### PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** October 20, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager/Public Works Services Director  
By: Michael Kwok, Associate Civil Engineer

**SUBJECT:** ACCEPT ALL WORK PERFORMED BY RAMONA, INC. FOR THE SEWER  
MAIN REPLACEMENT PROGRAM AS COMPLETE  
**CEQA: Exempt**  
**Recommendation: Approve**

#### **SUMMARY**

On August 19, 2025, the City Council awarded a contract to Ramona, Inc., in the amount of \$865,000 for the Sewer Main Replacement Program. All work has been completed in accordance with the contract terms and conditions and to the satisfaction of the Project Manager. The final project cost is \$831,410, reflecting the original contract amount of \$865,000, less approved contract change orders totaling \$33,590, which represent a 3.9% reduction from the original contract amount.

It is recommended that the City Council accept the work performed by Ramona, Inc., for the Sewer Main Replacement Program as complete and authorize final payment in accordance with the contract documents, subject to the retention of \$41,570.50.

#### **BACKGROUND**

In 2006, the State Water Resources Control Board adopted the Waste Discharge Requirements for Sanitary Sewer Systems, which applies to publicly owned sanitary sewer collection systems in California with more than one mile of sewer pipeline. Under this program, the City was required to develop and implement a Sewer System Management Plan ("SSMP"). The SSMP establishes routine preventative operation and maintenance practices that supports the City's goal of achieving zero overflows. These practices include annual inspections, routine sewer line cleaning, repair of

damaged pipes, and replacement of sewer lines operating at or above their design capacity.

The City of Arcadia's 2022 Sewer Master Plan ("SMP") Study identified and prioritized sections of sanitary sewer system operating at or above their design capacity. The Study identified portions of the sanitary sewer line along Santa Anita Avenue as insufficient to accommodate existing high-demand flows. Anticipated development along the corridor is expected to generate additional wastewater flows, further increasing demand on the system and the potential risk of sewer overflows.

To address these capacity deficiencies, the existing 10-inch sewer main along Santa Anita Avenue, between Christina Street and Camino Real Avenue, was identified for replacement.

## **DISCUSSION**

On August 19, 2025, the City Council awarded a contract to Ramona, Inc. for the Sewer Main Replacement Program. The project involved replacing the existing 10-inch sewer main with a 12-inch sewer main along Santa Anita Avenue, between Christina Street and Camino Real Avenue. The work was completed using pipe bursting, a trenchless construction method that minimized the need for extensive excavation within the roadway, thereby reducing traffic impacts and disruptions to nearby businesses and residents.

During construction, contract adjustments resulted in credits to the City due to reduced quantities of materials required to complete the work. The following provides a summary of the contract change orders and associated cost adjustments.

| <b>CCO</b> | <b>Description</b>                                                          | <b>Amount</b>     |
|------------|-----------------------------------------------------------------------------|-------------------|
| 1.         | Deleted (6 EA) – Locate and Reconnect Existing Sewer Laterals               | (\$21,000)        |
| 2.         | Deleted (1 EA) – Repair Manhole Walls and Channel Affected by Pipe Bursting | (\$5,000)         |
| 3.         | Deleted (33 LF) – Pipe Burst 10" Pipe to 12" HDPE DR 17 Pipe                | (\$7,590)         |
|            | <b>Total</b>                                                                | <b>(\$33,590)</b> |

The contract change orders resulted in a net reduction of \$33,590, representing a 3.9% decrease from the original contract amount. All contract terms and conditions have been satisfied, and the work has been completed to the satisfaction of the Project Manager. Ramona, Inc. completed the project in accordance with the approved plans and specifications in an efficient and timely manner.

### **ENVIRONMENTAL ANALYSIS**

This project involved the replacement and minor alteration of an existing utility system with no expansion of the system and, therefore, qualifies as a Class 2 categorical exemption per Section 15302(2) of the California Environmental Quality Act ("CEQA").

### **FISCAL IMPACT**

Funding in the amount of \$1,350,000 has been budgeted for the Sewer Main Replacement Program, in the FY 2024-25 Capital Improvement Program. The total construction cost for this project is \$831,410. The total cost reflects the original contract amount of \$865,000, minus change orders totaling \$33,590, or 3.9% less than the original contract amount.

### **RECOMMENDATION**

It is recommended that the City Council determine this project constitutes a Class 2 categorical exemption under the California Environmental Quality Act ("CEQA"); and accept all work performed by Ramona, Inc. for the Sewer Main Replacement Program as complete; and authorize the final payment to be made in accordance with the contract documents, subject to the retention of \$41,570.50.

Approved:



Dominic Lazzaretto  
City Manager



# CITY OF ARCADIA

## STAFF REPORT

### PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** October 20, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager/Public Works Services Director  
By: Johnathan Doojphibulpol, Principal Civil Engineer

**SUBJECT:** ACCEPT ALL WORK PERFORMED BY ONYX PAVING COMPANY, INC. FOR THE FIRST AVENUE ARTERIAL PAVEMENT REHABILITATION PROJECT AS COMPLETE  
**CEQA: Exempt**  
**Recommendation: Approve**

#### **SUMMARY**

On May 5, 2026, the City Council awarded a contract to Onyx Paving Company, Inc. in the amount of \$1,428,000, with a 10% contingency, for the First Avenue Arterial Pavement Rehabilitation Project. The project has been completed in accordance with the contract terms and to the satisfaction of the Project Manager for a total cost of \$1,570,069.96. This amount reflects the approved contract amount of \$1,428,000, plus contract change orders totaling \$142,069.96, or 9.9% more.

It is recommended that the City Council accept all work performed by Onyx Paving Company, Inc. for the First Avenue Arterial Pavement Rehabilitation Project as complete and authorize the final payment to be made in accordance with the contract documents.

#### **BACKGROUND**

The City annually appropriates Proposition C funding for arterial street rehabilitation projects. A requirement for local jurisdictions to receive Federal, State, and County funding is to maintain an updated Pavement Management Program ("PMP"). The City's Pavement Management Program analyzes existing street pavement conditions through a full survey and rating of all roadways. The Pavement Condition Index ("PCI")

is used to indicate the general condition of pavement sections. The most recent PCI survey was conducted in 2021. Although the PCI averages of First Avenue and Second Avenue were in “fair” condition, the survey data identified First Avenue as the highest priority secondary collector, and Second Avenue as the highest priority primary collector, when compared to similar streets that have not already been planned for or recently completed in the City’s Capital Improvement Program.

In February 2023, HR Green Pacific, Inc., under the On-Call Engineering Design Services Contract, was tasked with providing the City with a design package that included plans, specifications, and estimates for the First Avenue and Second Avenue Arterial Pavement Rehabilitation. The proposed improvements included grinding and overlaying asphalt pavement, re-striping pavement markings, cutting new traffic loops, and removing and replacing concrete curb and gutter, sidewalk, driveway aprons, and Americans with Disabilities Act (“ADA”) compliant curb ramps.

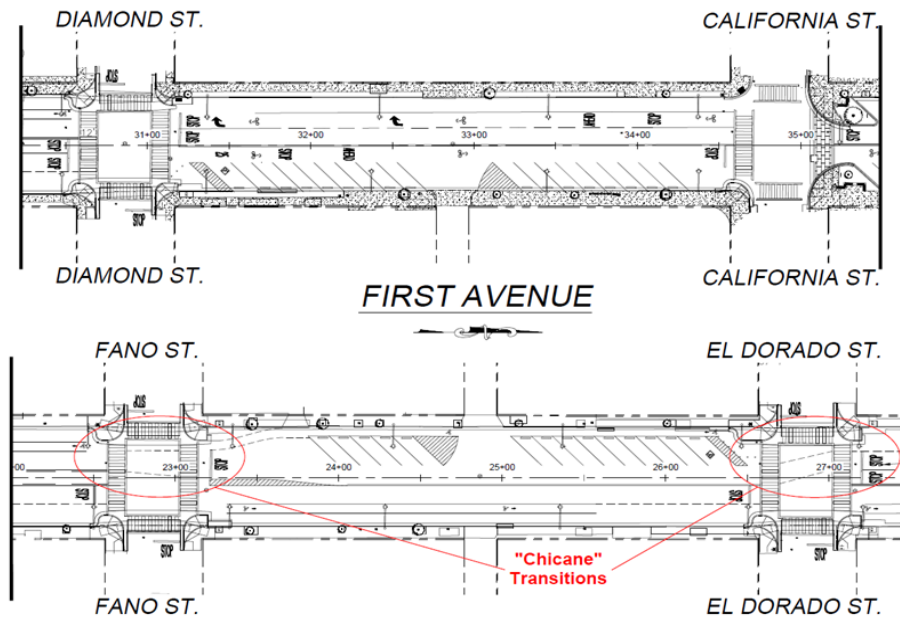
The design package was completed in July 2024. In it, First Avenue, from California Street to Duarte Road, was planned to be narrowed with curb extensions at the intersections; however, bike lanes, parallel parking, and two-way left-turn lanes would remain along the segment. In addition, the existing north-south stop signs at Diamond Street, which have been repeatedly struck by vehicles over the years, would be moved out of the center median of the street and placed behind new curb extensions on First Avenue.

Furthermore, over the years, the City has received requests for additional parking from businesses along the First Avenue corridor. The City contracted with Willdan Engineering to perform a traffic analysis for First Avenue, from California Street to Duarte Road, mostly analyzing the potential for more parking spaces and additional stop signs. The analysis showed that parking spaces could be gained on some blocks using a “chicane” design that provides diagonal parking on one side of the street, as shown in the image below.

## Accept First Avenue Arterial Pavement Rehabilitation Project

October 20, 2026

Page 3 of 5



To provide safety improvements and additional traffic calming measures for the new design, new stop signs were to be placed at El Dorado Street and Fano Street. The construction plans were adjusted to include the recommended changes from the study, and a bid package was prepared.

### **DISCUSSION**

On May 5, 2026, the City Council awarded a contract to Onyx Paving Company, Inc. in the amount of \$1,428,000, with a 10% contingency, for the First Avenue Arterial Pavement Rehabilitation Project. Construction began in June 2026 and was completed in August 2026, with final survey monuments re-established in September 2026.

During the completion of this project, it was determined that a change order for quantity adjustments was needed. A complete summary of the change order, including all contract deductions and additions, is provided below.

# Accept First Avenue Arterial Pavement Rehabilitation Project

October 20, 2026

Page 4 of 5

|     | Description                                                                                                                                                     | Amount              |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 1.  | Added 1,882 SF – Cold Mill Existing A.C. Pavement (2", Full Width)                                                                                              | \$526.96            |
| 2.  | Added 338 TN – Construct (2" Hot Mix Asphalt (C2 PG64-10) Overlay                                                                                               | \$43,264.00         |
| 3.  | Added 3,512 SF – Sawcut and Remove Existing Concrete Pavement, AC Pavement and Base Materials to a Depth of 12" and Reconstruct Pavement with 6" AC Over 6" CMB | \$36,876.00         |
| 4.  | Added 588 LF – Remove and Reconstruct 8" PCC Curb and Gutter                                                                                                    | \$65,268.00         |
| 5.  | Added 3,738 SF – Remove and Reconstruct 4" PCC Sidewalk                                                                                                         | \$48,594.00         |
| 6.  | Deleted 14 LF – Furnish and Install Galvanized Steel Checkered Plate Powder Coated Gray and Bolt Flush into Curb per Plan                                       | (\$6,300.00)        |
| 7.  | Deleted 1,222 SF – Remove and Reconstruct PCC Cross Gutter and Spandrel                                                                                         | (\$34,216.00)       |
| 8.  | Added 1 EA – Remove and Reconstruct PCC Curb Ramp (BCR to ECR, Including Curb Extensions)                                                                       | \$6,369.00          |
| 9.  | Added 4 EA – Remove Existing and Furnish and Install New Water Meter Box Per Std. 700                                                                           | \$3,108.00          |
| 10. | Deleted 510 SF – Remove, Grade, and Replace Pavers in kind                                                                                                      | (\$21,420.00)       |
|     | <b>Total</b>                                                                                                                                                    | <b>\$142,069.96</b> |

All terms and conditions of the contract have been complied with, and the work has been performed to the satisfaction of the Project Manager. Onyx Paving Company, Inc. completed the work as defined in the project plans and specifications in an efficient and timely manner.

## **ENVIRONMENTAL ANALYSIS**

Under the California Environmental Quality Act ("CEQA") Guidelines, this project is categorically exempt per Section 15301 as a Class 1, Existing Facility, and Section 15302 as a Class 2, Replacement or Reconstruction.

### **FISCAL IMPACT**

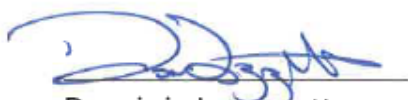
This project was budgeted in the Fiscal Year 2022-23 Capital Improvement Program for a total of \$2 million in Proposition C funds. After expenses for the design contract with HR Green Pacific, Inc., construction contract for the Second Avenue Arterial Pavement Rehabilitation Project, and various administrative costs, the current project balance was \$1,106,163.97. The low bid plus a 10% contingency would require a project budget balance of \$1,570,800 to complete the work.

To cover the remaining costs, the City Council authorized an additional appropriation in the amount of \$500,000 from Proposition C funds to cover the shortfall. The total cost for the First Avenue Arterial Pavement Rehabilitation Project is \$1,570,069.96. This amount reflects the approved contract amount of \$1,428,000, plus contract change orders totaling \$142,069.96, or 9.9% more than the approved contract amount. Therefore, the authorized funds are sufficient to close out this project.

### **RECOMMENDATION**

It is recommended that the City Council find the project categorically exempt under the California Environmental Quality Act ("CEQA"); and accept all work performed by Onyx Paving Company, Inc. for the First Avenue Arterial Pavement Rehabilitation Project as complete and authorize the final payment to be made in accordance with the contract documents.

Approved:



Dominic Lazzaretto  
City Manager



# CITY OF ARCADIA

## STAFF REPORT

---

### OFFICE OF THE CITY ATTORNEY

**DATE:** October 20, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Michael J. Maurer, City Attorney  
By: Justine Bruno, Deputy City Manager

**SUBJECT:** REPORT ON CITY COUNCIL RULES OF PROCEDURE AND DECORUM  
(RESOLUTION NO. 7652)  
**CEQA: Not a Project**  
**Recommendation: Receive and File**

#### **SUMMARY**

On September 2, 2025, the City Council adopted Resolution No. 7652, establishing Rules of Procedure and Decorum for the City Council. Under the Rules of Procedure and Decorum ("Rules"), longstanding meeting practices were formalized while establishing additional standards for meeting procedures, Council Member conduct, public participation, interactions with City staff, and enforcement of decorum. At the time of adoption, the City Council expressed its intent to revisit the policy after gaining sufficient experience operating under the new framework.

At the September 1, 2026, City Council meeting, Mayor Pro Tem Fu, with support from two additional Council Members, requested that the Rules of Procedure and Decorum return to the City Council for review. This item fulfills that request and provides the City Council with an opportunity to evaluate the policy after approximately one year of implementation, discuss its effectiveness, and identify any provisions or procedures that may warrant clarification or modification.

It is recommended that the City Council receive and file this report on its adopted Rules of Procedure and Decorum.

## **BACKGROUND**

For many years, the City Council generally looked to *Rosenberg's Rules of Order* for its parliamentary procedure; however, in the absence of an official framework, the City Council sought to establish its first Rules of Procedure and Decorum.

During the August 26, 2025, Special Meeting, the City Council established a subcommittee to work with the City Attorney to develop proposed rules and norms for City Council proceedings. At the September 2, 2025, Special Meeting, the City Council approved Resolution No. 7652, adopting Rules of Procedure and Decorum for the Arcadia City Council, detailed in "Exhibit A" of Attachment No. 1.

With the new framework in place, the City Council also committed to reviewing the Rules of Procedure and Decorum following its implementation. At the September 1, 2026, City Council Meeting, Mayor Pro Tem Fu requested, and received support from Mayor Cheng and Council Member Cao, to conduct a review of the adopted Rules of Procedure and Decorum. This agenda item is intended to fulfill that request and provide an opportunity to evaluate the Rules based on the City Council's experience.

## **DISCUSSION**

Under the Rules, the City Council formalized its proceedings and set standards for behavior and conduct among its members. The policy ratified many long-standing traditions and provided additional structure for City Council meetings, establishing clear roles, responsibilities, procedures, and standards of conduct, in accordance with the Ralph M. Brown Act and other applicable laws.

Changes to existing protocols consisted of the removal of "Council Comments" from the agenda and the addition of new sections like AB 1234 Reports and the Request for Future Items. Additionally, a sliding scale was established for public comment time limits, with speaking times ranging between 1 and 5 minutes. Importantly, the policy includes enforcement mechanisms for violations, including motions to restore order, removal from roles, and other disciplinary actions to ensure accountability within the body.

A major provision of the policy was the formal adoption of *Rosenberg's Rules of Order*, which provides a consistent framework for parliamentary procedure during City

Council meetings. Under this framework, the City Attorney serves as the City Council's Parliamentarian, providing clarification and procedural guidance on points of order raised by City Council Members. Recognizing that the Rules of Procedure and Decorum established a new framework for conducting meetings, the City Council committed to reviewing the policy following its implementation, to assess its effectiveness and identify any areas for improvement. This report is provided in response to the City Council's request to conduct a review of its adopted Rules of Procedure and Decorum.

### **ENVIRONMENTAL ANALYSIS**

The proposed review of the adopted Rules of Procedure and Decorum does not constitute a project under the California Environmental Quality Act ("CEQA"), as it can be seen with certainty that either item will not have an impact on the environment.

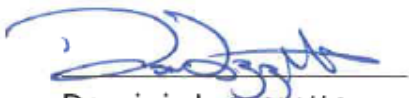
### **FISCAL IMPACT**

There is no fiscal impact associated with receiving this report and there have been no significant costs associated with implementing the Rules of Procedure and Decorum since their adoption in September 2025.

### **RECOMMENDATION**

It is recommended that the City Council determine that this action is not considered a project under the California Environmental Quality Act ("CEQA"); and receive and file this report.

Approved:



Dominic Lazzaretto  
City Manager

Attachment No. 1: Resolution No. 7652 – City Council Rules of Procedure and Decorum

RESOLUTION NO. 7652

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCADIA, CALIFORNIA, TO ADOPT A POLICY ESTABLISHING RULES OF PROCEDURE AND DECORUM

WHEREAS, the City of Arcadia values transparency, civility, and participation in the democratic process; and

WHEREAS, all proceedings of the City Council are subject to the Ralph M. Brown Act, which allow for the adoption of reasonable regulations to ensure orderly and efficient meetings; and

WHEREAS, the City Council recognizes that effective governance requires respect and professionalism among elected and appointed officials, City staff, and members of the public; and

WHEREAS, the City Council has a duty to foster respectful dialogue and prevent disruption, intimidation, or disorderly conduct during its meetings; and

WHEREAS, the City Council Chambers are a place of significance and must be preserved as a dignified environment that reflects Arcadia's heritage, professionalism, and commitment to responsible governance; and

WHEREAS, the City Council believes that City officials have a responsibility to lead by example by modeling ethical, respectful, and civil conduct during all public proceedings; and

WHEREAS, the City Council desires to adopt a policy that establishes Rules of Procedure and Decorum, setting clear expectations for meeting procedures and to promote the highest standards of conduct in Arcadia's governance.

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The Rules of Procedure and Decorum ("Policy") attached hereto as Exhibit "A", are hereby adopted in their entirety and incorporated herein by reference.

SECTION 3. The City Council will review the Rules of Procedure and Decorum ("Policy") within six months of its adoption for effectiveness, clarity, and continuation.

SECTION 4. The City Manager and City Attorney are authorized to take all necessary steps to implement this Policy and to provide guidance on its application, including any training or procedural adjustments.

SECTION 5. This Resolution is effective upon its adoption by the City Council.

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

[SIGNATURES ON THE NEXT PAGE]

Passed, approved, and adopted this 2nd day of September, 2025.

  
Mayor of the City of Arcadia

ATTEST:

  
City Clerk

APPROVED AS TO FORM:

  
Michael J. Maurer  
City Attorney

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

I, LINDA RODRIGUEZ, City Clerk of the City of Arcadia, hereby certifies that the foregoing Resolution No. 7652 was passed and adopted by the City Council of the City of Arcadia, signed by the Mayor and attested to by the City Clerk at a regular meeting of said Council held on the 2nd day of September, 2025 and that said Resolution was adopted by the following vote, to wit:

AYES:           Cao, Cheng, Fu, and Wang

NOES:           None

ABSTAIN:       Kwan

  
\_\_\_\_\_  
City Clerk of the City of Arcadia

## EXHIBIT "A"

### POLICY FOR RULES OF PROCEDURE AND DECORUM

#### **PREAMBLE**

#### **AUTHORITY**

Section 413 of the Arcadia City Charter provides that the City Council may establish rules for the conduct of its proceedings.

#### **PURPOSE**

The purpose of this Policy for Meeting Procedures and Decorum ("Policy") is to promote mutual respect, civility, and orderly conduct among elected and appointed City officials, City staff, and members of the public and to promote and maintain the highest standards of personal and professional conduct in the City's governance. While recognizing there are differing opinions and styles, and disagreement is a part of the public process, the City Council acknowledges and values its duty to model ethical and civil behavior for City staff and members of the public. City Council decisions and work, therefore, must meet the most demanding ethical standards and demonstrate the highest levels of achievement in following this Policy.

#### **SCOPE**

This Policy applies to the City Council and to the conduct of the City Councilmembers while serving on other committees, commissions, or City-appointed positions, as liaisons to such positions, or as otherwise formally representing the City. The City Council may extend this policy to any subordinate boards, committees and commissions.

### **ROLES OF OFFICERS**

The Mayor shall preside over City Council meetings and perform the duties set forth in this Policy in accordance with this Policy and in the good faith furtherance of the objectives stated herein. In the absence of the Mayor, the Mayor Pro Tem shall preside over City Council meetings and perform the duties and functions of the Mayor as contained in this Policy. In the absence of both the Mayor and Mayor Pro Tem, the remaining Councilmembers shall appoint a presiding officer for the meeting. Wherever this Policy refers to the Mayor, it is equally applicable to Mayor Pro Tem or any other official performing the duties of the Mayor.

The City Council, acting as a body, is ultimately responsible for all actions of this City. This Policy assigns duties to the Mayor for the sake of carrying out procedure and decorum. In no instance may the Mayor act without the support of the majority of the City Council present and voting, and all actions are subject to override or suspension upon a motion approved by a majority of the City Council.

## **SECTION 1: GENERAL STANDARDS AND PRINCIPLES OF DECORUM**

City Council meetings are an important function of representative democracy and of serving all residents, businesses, and other stakeholders of the City of Arcadia.

The appropriate conduct of such meetings is in the best interest of all involved, and helps to ensure that the focus is on the business of the City, responsiveness to the constituency, and good governmental practices. All City elected officials, appointed officials and employees, along with members of the public, are expected to adhere to the following standards of conduct:

- Treat everyone courteously;
- Listen to others respectfully;
- Exercise self-control and avoid threatening language and loud, insulting, demeaning, or offensive communications;
- Give open-minded consideration to all viewpoints;
- Focus on the issues and avoid personalizing debate; and
- Embrace respectful disagreement and dissent as democratic rights that are inherent components of an inclusive public process and tools for forging

sound decisions and allow all parties to speak without intimidation or interruption.

## **SECTION 2: CITY COUNCIL MEETING AGENDAS**

### **1. Preparation of Agendas**

The City Manager in coordination with City staff shall prepare all agendas for City Council meetings and shall determine the items to be included on the agendas. City Councilmembers shall only add items to the agenda in accordance with this Policy.

Agendas shall contain the following categories in the following order: (1) Call to Order, (2) Invocation, (3) Pledge of Allegiance, (4) Roll Call, (5) City Attorney Report, (6) Supplemental Information, (7) Presentations, (8) Public Hearings, (9) Public Comments, (10) Consent Calendar, (11) City Manager, (12) AB 1234 Reports, (13) Future Requests, and (14) Adjournment.

### **2. Ralph M. Brown Act**

All proceedings of the City Council are subject to the Ralph M. Brown Act (Government Code sections 54950 et seq.). The City Councilmembers shall each ensure that the meetings and their respective conduct are in strict compliance with the Brown Act. Councilmembers shall not discuss, or attempt to discuss, matters that are not listed on the agenda and shall not engage in any deliberations,

discussions, or actions involving a majority of the City Council outside of a properly noticed meeting.

### **3. Specific Rules for Agenda Categories**

In order to maintain meeting decorum, ensure that the City Council's important business may be conducted, and avoid potential violations of the Brown Act (even inadvertently), the City Council will adhere to the following specific rules in conducting meetings:

#### **a. Supplemental Information**

This is the portion of the agenda for the City Manager to inform the Council of information received after the posting of the agenda packet, or information that may result in a request for re-ordering of agenda items.

The Councilmembers may also make a request (or staff may propose) during Supplemental Information to add a late item to the agenda. Under the Brown Act, a late item may only be added if the need for the item arose after the posting of the agenda and if there is a need to take immediate action prior to the next City Council meeting. A late item may only be added with a two-thirds (2/3) vote of the Councilmembers present, or a unanimous vote if less than two-thirds are present.

**b. Presentations**

Presentations is the portion of the agenda for ceremonial items, such as where the City Council either receives a presentation from a community member or organization or presents a proclamation, commendation, or other recognition of a community organization, member, or other similar acknowledgment.

City staff will coordinate presentations. Councilmembers may request presentations at future meetings during the Future Requests portion of the agenda. Councilmembers, including the Mayor, may not unilaterally individually direct that presentations or other ceremonial items be added to the agenda.

**c. Public Hearings/Public Comments**

The Brown Act requires the City Council to receive public comments on all agenda items before taking action, and at regular meetings to receive public comments on all matters within the jurisdiction of the City Council.

No person shall address the City Council without first being recognized by the Mayor. Any person wishing to speak during Public Comments or on an

agenda item, shall first complete a Speaker Card and submit this to the City Clerk before the Mayor calls for Public Comments.

The City Council should balance the need to give each speaker sufficient speaking time, while also enabling each speaker to be heard and completing the business in a timely manner. As a general guideline, the City Council will endeavor to follow this format:

- If there are expected to be 5 or less speakers, then 5 minutes each;
- If there are expected to be between 5 and 20 speakers, then 3 minutes each;
- If there are expected to be between 20 and 50 speakers, then 2 minutes each; and
- If there are expected to be more than 50, then 1 minute each.

The Mayor or City Council may always modify the time allotted in accordance with the rules of procedure contained in this Policy. The time allotted shall apply equally to all speakers. Allotted time for public comment is non-transferable; no speaker will be allowed to yield part or all of their time to another, nor will a speaker be credited with time not used by another.

The City Council accepts electronic public comment for its regular and special meetings. Electronic public comment shall be submitted via email to the City Clerk, or through the appropriate form on the City's website. Electronic public comment submitted less than two hours before the start of the meeting is not guaranteed to be received by the City Council beforehand. Electronic public comments may be summarized by the City Manager during the Supplemental Information section of the agenda, excluding a verbatim reading of each comment.

Councilmembers should generally avoid responding to public comments and should not discuss items that are not on the agenda in response to public comments. Councilmembers may nonetheless refer matters raised to the City Manager for a brief response or referral to the appropriate staff member, and Councilmembers may give a brief response to matters of personal privilege, such as personal attacks, false information about a Councilmember, or offensive or hate-based speech.

Public hearings are specific items where the Council is legally required, or otherwise elects, to receive public testimony. Different rules should apply for public hearings depending on the nature of the hearing. For example, if the

hearing involves an application, the applicant would not be held to the general time allotments for public comments.

**d. AB 1234 Reports**

Assembly Bill 1234 (2005; Government Code Section 53232.3) allows Councilmembers to receive reimbursement for actual and necessary expenses incurred in performing City Council duties, provided that they make a brief report on meetings attended at the expense of the City at the next regular City Council meeting.

This item shall be limited to legally-required reports. The Councilmembers shall not use this item to report on their own activities that are not at City expense, or to discuss matters that are unrelated to the attendance at meetings at City expense.

Videos, pictures, and digital content in support of the City Council's AB 1234 activities shall be provided to the appropriate staff at least 6 hours in advance of the published meeting time to ensure technical compatibility and accessibility. Beyond is what is required under AB 1234, staff will not prepare content for display during this section of the agenda.

**e. Future Requests**

This is the item for Councilmembers to request that items be added to a future agenda. Councilmembers shall propose that an item be added, and upon the concurrence of at least two other Councilmembers, staff will bring forth the item at a future meeting. The proposal may be in a form of a motion.

The Brown Act specifically allows for Councilmembers to request, during a meeting, that items be added to future agendas. However, this exception must be balanced against the Brown Act's general prohibition of discussing non-agenda items. When making a request, Councilmembers shall therefore state plainly the item proposed, without providing argument or deliberation on the matter. The other Councilmembers shall merely state their concurrence, if any, in order to avoid a premature discussion of the merits. Councilmembers may ask limited clarifying questions to understand the scope of the request.

#### **4. Special Sessions**

The City Council from time-to-time may hold special sessions, such as study sessions and closed sessions. This Policy applies equally to special sessions.

Information provided in closed session, and discussions occurring in closed session, are strictly confidential. Councilmembers shall uphold this confidentiality and shall not provide closed session information to anyone who is not entitled to receive it. Other than information that the City Council is required to report out (which will be done through the City Attorney), Councilmembers shall not discuss closed session occurrences during any open session. Councilmembers shall not record any closed session discussions, nor allow anyone to listen in to closed session through electronic devices.

### **SECTION 3: RULES OF PROCEDURE**

#### **1. Basic Rules of Procedure**

The Mayor is generally responsible to:

- Maintain order and decorum at all City Council meetings.
- State (or cause to be stated) each question coming before the City Council.
- Determine all points of order subject to the right of any Councilmember to appeal to the City Council.
- Announce the decisions of the City Council on all subjects.

- Enforce the provisions of this Policy.

The Mayor shall make a determination of all questions of interpretation of these rules, points of order or other questions of procedure requiring rulings. Any such decision or ruling shall be final unless overridden or suspended by majority vote of the Councilmembers present and voting.

The City Attorney shall serve as the Parliamentarian to the City Council. The Mayor, or any City Councilmember, may request that the Parliamentarian advise on matters of procedures and the implementation of this Policy. The Parliamentarian's role is advisory and ultimate determination of procedural questions is within the discretion of the Mayor, with the concurrence or override of the City Council.

## **2. Adoption of Rosenberg's Rules of Order**

In considering matters of procedure, the City Council will utilize Rosenberg's Rules of Order, as made available by the California League of Cities and as updated from time-to-time, a copy of which is attached hereto. The Rules of Order shall be used for guidance, but the ultimate determination of questions of procedure shall remain within the discretion of the Mayor and the City Council. On any issue that is not addressed by Rosenberg's Rules of Order, the City Attorney, acting as

Parliamentarian shall recommend the proper procedure but shall endeavor to follow Rosenberg's Rules of Order.

### **3. Restoring Order**

Subject to an overriding motion, the Mayor may determine that a Councilmember is out of order for failing to act in accordance with this Policy or the Rules of Order. A Councilmember, who is out of order, shall no longer have the floor.

Any Councilmember may raise a point of order to determine whether the proceedings are out of order or whether the Mayor has failed to maintain order. If the Mayor repeatedly fails or refuses to maintain order, the City Council may make a motion to restore order by deputizing the Mayor Pro Tem, or another Councilmember, to take responsibility for the duties listed in Paragraph 1 of this Section, and to ensure that the meeting proceeds henceforth in accordance with this Policy.

### **4. Actions of the City Council**

In accordance with the law and Charter, no action of the City Council will be invalid or unenforceable due to a failure to comply with this Policy or any procedural rule.

## **SECTION 4: RULES OF DECORUM**

## **1. Decorum at Public Meetings**

Councilmembers' conduct at City Council meetings and other public meetings shall adhere to the following standards:

- (a) Councilmembers shall each preserve order and decorum. No Councilmember shall delay or interrupt the proceedings of the City Council or disturb any member of the public while he or she is properly recognized and addressing the City Council.
- (b) Councilmembers shall treat everyone with respect by actively listening to other viewpoints, and not interrupting, ignoring, or belittling the contributions of others. Councilmembers will use professional language.
- (c) Councilmembers shall not engage in any abusive or vulgar language and shall avoid personal attacks on any other member of the City Council, City staff or the public; nor shall they publicly impugn the integrity or honesty of such individuals.
- (d) Councilmembers desiring to speak shall address the Mayor and, upon recognition by the Mayor, shall confine themselves to the question under debate. The Mayor shall recognize Councilmembers in a fair

manner and shall not show favor or preference to or against any individual Councilmember.

- (e) Once recognized by the Mayor, a Councilmember shall not be interrupted when speaking unless called to order by the Mayor, unless a point of order or personal privilege is raised by another Councilmember, or unless the speaker chooses to yield to questions from another Councilmember.
- (f) If a Councilmember is called to order, that Councilmember shall cease speaking immediately until the question of order is determined. If ruled to be in order, the Councilmember shall be permitted to proceed. If ruled to not be in order, the Councilmember shall remain silent or shall alter their remarks so as to comply with the rules of the City Council.
- (g) Councilmembers desiring to question City staff shall address their question to the City Manager or City Attorney, in appropriate cases, who shall be entitled either to answer the inquiry themselves or designate some member of City staff for that purpose.

- (h) Councilmembers may ask each other questions during the debate of items, but no Councilmember is obligated to respond to another. Questions to each other should be posed in a respectful manner in order to understand the position of the other Councilmembers. Questions should not be used to embarrass or humiliate other Councilmembers.
- (i) Discussion by Councilmembers must relate to the subject matter at hand and shall be relevant and pertinent to allow for the expeditious disposition and resolution of the business before the City Council.
- (j) Councilmembers shall make impartial decisions in the best interest of the City, free of narrow political interests, financial, and other personal interests that impair independence of judgment or action, and are consistent with, but not limited to, the requirements of the Political Reform Act and other State and local laws.
- (k) Councilmembers must allow for adequate discussion of the minority point of view. Councilmembers shall recognize and accept legitimate differences of opinion. Councilmembers shall act with integrity in accepting, supporting, and defending the City Council. Once the City Council takes action, Councilmembers should commit to supporting

said action and not create barriers to the implementation of said action.

- (l) Councilmembers shall respect confidences and information designated as "confidential" and not disclose information received during any Closed Session of the City Council held pursuant to State law. Councilmembers shall also not discuss matters that are inappropriate to discuss publicly, such as personnel matters or matters involving individuals' private interests.
- (m) Any Councilmember may move to require the Mayor to enforce the rules of decorum and order, and the affirmative vote of a majority of the City Council shall require the Mayor to do so.
- (n) Councilmembers are prohibited from using cellular phones for calls, texting, or web browsing during City Council meetings. However, the use of phones, tablets, or similar devices is permitted for reading prepared remarks or referencing notes. If a Councilmember must use a phone for any other reason, they shall step away from the dais.

## **2. Decorum in Interactions with Staff at Public Meetings**

In addition to provisions in Paragraph 1 of this Section, the City Council shall ensure that it maintains decorum in:

- (a) Councilmembers are encouraged to ask questions of staff in order to generate information that is beneficial to the proceedings and the public. Questions should be posed to staff in a manner that is objective and that provides a fair opportunity for staff to respond in their best professional judgment.
- (b) In posing questions to staff, Councilmembers should avoid “gotcha” or “ambush” efforts that are designed to embarrass the staff member or make it appear as if the staff member failed to adequately perform their duties. Councilmembers shall ensure that staff has an opportunity to respond or to clarify their responses.
- (c) Councilmembers may be critical of the City’s performance and may ask questions or make comments that illustrate their displeasure in some approach or action taken by the City. Such questions and comments shall be made professionally and constructively and not in a manner involving personal attacks or involving innuendo of improper conduct.

- (d) Councilmembers shall not make comments that are intended to create an improper presumption that any member of staff is being dishonest or concealing information, and Councilmembers shall not make unfounded accusations against any staff members. This provision shall not be interpreted to limit the City Council's oversight of the City and critical efforts to ensure open and transparent information is conveyed.
- (e) Councilmembers shall comply with Section 406(b) of the City Charter, which prohibits the City Council from giving direct orders to administrative staff or from calling for the appointment or removal of any person to or from an administrative position within the City, whether publicly or privately.
- (f) Although Councilmembers are encouraged to ask staff questions during the City Council meeting, Councilmembers shall not inquire into staff unless it is on the agenda. Further, prior to inquiring with a City staff member, the Councilmember shall announce whether they have met with the City Manager or Department Director to inquire into this issue, before bringing it up at the City Council meeting.

### **3. Decorum in Interactions with the Public at Public Meetings**

- (a) Public participation and input is critical to the decision-making process in a representative democracy, and the Councilmembers should encourage public comments, including public comments that may be critical of the City Council or the City.
- (b) The appropriate level of direct interaction between the Councilmembers and the public shall depend on the nature of the proceeding. During general public comment periods, questions of the commenters should generally be limited. During public hearings, more robust questioning may be appropriate, particularly if the City Council is serving in a quasi-judicial role.
- (c) The Councilmembers should avoid arguments or back-and-forth encounters with the public. Both public comments and public hearings should proceed in an orderly manner, where Councilmembers speak or respond when given the floor. Councilmembers should avoid engaging with unruly audience members, except to call for order in the proceedings.

#### **4. Rules of Decorum for Councilmembers While in Office.**

Councilmembers have a duty to:

- (a) Prepare for meetings by understanding the background, purpose, and arguments for and against items of business.
- (b) Seek background information about agenda items and operational matters by contacting the City Manager and providing adequate notice of issues that arise before meetings, including, but not limited to, a potential conflict of interest with an agenda item.
- (c) Avoid making individual pronouncements and public conjectures outside of City Council meetings about the City on matters not yet decided by the City Council but is on an upcoming City Council agenda.
- (d) Abide by and defend all applicable laws and policies, especially the political campaign, lobbying, and conflict of interest laws enforced by the Fair Political Practices Commission, State laws, and the Procedures Handbook.
- (e) Safeguard the ability to make independent, objective, fair and impartial judgments by scrupulously avoiding financial and social relationships and transactions that may compromise, or give the appearance of compromising, objectivity, independence, and honesty.

- (f) Carefully consider if exceeding or appearing to exceed authority of office for personal or financial gain. When in doubt, avoid actions that create, in the mind of a reasonable observer, the appearance of impropriety, ethical lapses, legal violations, or actions inconsistent with this Policy.
- (g) Deter rumors and misunderstandings by making factual information available, answering questions directly, telling the truth, and admitting to a lack of knowledge, if necessary.
- (h) Refrain from making unauthorized commitments or promises of any kind purporting to bind the City. Refrain from any gratuitous comments that may harm the City's position in litigation or potential litigation.
- (i) Refer citizen complaints to the City Manager.
- (j) Refrain from using status as a public office holder to influence the outcome of a community meeting or purport to represent the City Council as a whole unless otherwise authorized to by the majority of the City Council. Remain a neutral observer, indicating when

expressing personal opinions, and referring questions related to City policies to the City Manager.

- (k) Refrain from contacting City staff directly, questions to City staff should be channeled through the City Manager so that appropriate lines of communication are open and effectively utilized.
- (l) Utilize City resources, including but not limited to, equipment, supplies, staff time, telephones, and computers in a manner consistent with City policies, the Political Reform Act, and State laws.

## **5. Rules of Decorum for Public Participation in Council Meetings.**

To facilitate effective participation in Council Meetings by the public, the following conditions shall be applied to audience members:

- (a) Members of the public shall mute electronic devices that are capable of emitting sound, including cellular telephones, digital tablets, laptops, and personal devices.
- (b) Cameras and recording equipment may be used during Council meetings as long as it does not impede walkways or otherwise disrupt the conduct of the meeting.

- (c) Members of the public may make oral communications but are not authorized to display content on City devices. Members of the public may provide printed materials to the City Clerk for transmission to the City Council during the meeting.
- (d) Members of the audience shall not engage in disorderly conduct, including loud, threatening, or abusive language; or other acts that would disturb, disrupt, or impede the orderly conduct of the City Council meeting. Following a warning, a member of the audience continuing to engage in disruptive conduct shall, at the discretion of the Mayor or a majority of the Council Members, be subject to removal from that meeting by the Sergeant at Arms. Threats or acts of violence will not be tolerated and will be subject to immediate removal.

## **SECTION 5: VIOLATIONS OF POLICY**

### **1. Motion to Enforce.**

Most violations of this Policy should be subject to simple corrections and continuing on with the proceedings in accordance with this Policy. The Mayor should generally enforce this Policy and correct violations as appropriate.

If the Mayor fails to enforce this Policy, any Councilmember may move the City Council to require the Mayor to do so, and an affirmative vote of a majority of the City Council shall require them to do so. If the Mayor of the City Council fails to carry out the will of a majority of the City Council, the majority of the City Council may make a motion to restore order as set forth in this Policy.

## **2. Formal Action**

If after receiving a warning from the Mayor or City Council, a Councilmember continues to fail to comply with this Policy, the City Council may agendize an item for the next meeting of the City Council to discuss the conduct and have the City Council determine if the conduct is in violation of this Policy. If a majority of the City Council by affirmative vote determines the conduct was in violation of this Policy, the majority of the City Council may impose by affirmative vote any of the following remedial actions:

- Issue a letter of warning from the City Council;
- Adopt a resolution expressing disapproval of the conduct of the Councilmember and censure by the City Council;
- Remove the Councilmember from their position on City committees or revoke their appointment to other agency committees;

- Take any other action that is within the City Council's discretion to impose as a censure; or
- Remove the Councilmember from their position as Mayor or Mayor Pro Tem by a four-fifths (4/5) vote, as applicable, and select a successor to such office pursuant to Resolution 7463.



# CITY OF ARCADIA

## STAFF REPORT

---

### OFFICE OF THE CITY MANAGER

**DATE:** October 20, 2026

**TO:** Honorable Mayor and City Council

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

**SUBJECT:** DISCUSSION OF COUNCIL MEMBER KWAN'S INVOLVEMENT WITH A PRIVATE ENERGY COMPANY  
**CEQA: Not a Project**  
**Recommendation: No Staff Recommendation**

#### **SUMMARY**

During the September 1, 2026, City Council Meeting, Council Member Kwan requested that her role and involvement with a private energy company be added to a future City Council agenda. Mayor Pro Tem Fu and Council Member Han supported Council Member Kwan's request.

As part of the request to have this discussion, Council Member Kwan indicated her intention to address concerns regarding foreign influence involving the private energy company, potential conflicts of interest between her City Council responsibilities and her relationship with the company, any financial benefits she may have received from the company, and whether the company exercises any influence over the City of Arcadia's affairs.

It is recommended that the City Council proceed with the desired discussion. There is no staff recommendation for this item.

#### **ENVIRONMENTAL ANALYSIS**

The proposed discussion 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 associated with having this discussion.

**RECOMMENDATION**

This is a City Council-initiated discussion that is within the City Council's discretion, and staff, therefore, are not making a recommendation.



---

PUBLIC WORKS SERVICES DEPARTMENT

**DATE:** October 20, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Paul Cranmer, Assistant City Manager/Public Works Services Director  
By: Carmen Masud, Deputy Public Works Services Director

**SUBJECT:** 6.6 AMP SERIES STREET LIGHTING UPDATE  
**CEQA: Not a Project**  
**Recommendation: Receive and File**

**SUMMARY**

At the October 6, 2026, City Council Meeting, Council Member Kwan asked for a future agenda item and discussion on the City's streetlights that were experiencing prolonged and repeated outages. Mayor Pro Tem Fu and Council Member Han concurred. This agenda item will allow for that discussion.

At the conclusion of the discussion, it is recommended that the City Council receive and file this report on Arcadia's 6.6 Amp series street lighting system.

**BACKGROUND**

The City of Arcadia's street lighting system is comprised of over 4,000 Southern California Edison ("SCE") and City owned streetlights. Approximately 64% of the streetlights are owned and maintained by SCE, with the remaining 36% owned and maintained by the City. Of these streetlights, there are about 400 antiquated 6.6 Amp series streetlights located in three neighborhoods in the City of Arcadia. Over the past year, the 6.6 Amp series streetlights have been experiencing shorts, and the system has become very difficult to maintain.

The 6.6 Amp series street lighting system was initially installed as part of the development of the three neighborhoods as shown in the Exhibit "A" attachment. The 6.6 Amp series lighting system was commonly used for street lighting because it

allowed a single lighting circuit to have between 25 to 100 streetlights. Today, this lighting system is inefficient and difficult to troubleshoot and repair. Most significantly, if one light goes out in the series, the entire circuit goes out, requiring technicians to individually inspect each light in the circuit, similar to old Christmas tree lights. Additionally, the underground wiring, conduit, mechanical switchgear, and internal lighting parts for the 6.6 Amp series streetlights have well surpassed their life expectancy. The underground wiring has become brittle, causing electrical shorts that are difficult to locate and expensive to repair. The circuit failures on these streetlights are much more complex than contemporary lighting and working on the system can be highly dangerous due to the escalating nature of the voltage utilized.

Adding to the complexity of repairs, SCE owns all of the transformers serving the 6.6 Amp series streetlight system. If a transformer breaks, which is a common failure point, SCE has to get a new transformer built, which can take six months to one year to acquire and re-install. In the past year, circuit failures have resulted in several neighborhoods without street lighting for extended periods of time. In addition, SCE is becoming more reluctant to service the system due to its outdated nature.

The City has been working on this problem intermittently since at least 2017. At that time, the Public Works Services Department ("PWSD") was able to identify a conversion kit to make the lights safer and more reliable. Unfortunately, these kits have grown increasingly less effective, and replacement parts are becoming more difficult to obtain.

### **DISCUSSION**

The PWSD is currently evaluating options to improve the reliability of the street lighting system. Options include replacing the existing 6.6 Amp series street lighting system with solar streetlights or converting the system to low-wattage 120/240 volts. Replacing or converting the system is estimated to cost anywhere from \$5 million to \$20 million, with more precise estimates available as feasibility is further researched and evaluated. After determining the best option for converting or replacing the 6.6 Amp street lighting system, staff will present their findings and recommendations to the City Council. At that time, staff's recommendations will address funding options to support the capital costs associated with the improvements. Although the City currently has an assessment district for the maintenance of streetlights, the lighting

district can only be used for streetlight maintenance, not for conversion or replacement.

The City's existing streetlights were originally funded by the neighborhoods they serve as part of the initial development process. The City's policy is to allow unlit neighborhoods to obtain lighting through the establishment of a benefits assessment district, such that the property owners in the area pay their fair share of the installation costs. When the City Council reviewed this issue in 2017, it directed staff to evaluate establishing a benefits assessment district to replace the outdated 6.6 Amp series system, which would be consistent with the City's traditional approach. If a benefit assessment district should be established for the conversion or replacement of the existing system, the City would obtain a consultant to complete a benefit analysis and engineering report that would allow the City to conduct a Proposition 218 ballot process to establish an annual assessment district.

### **ENVIRONMENTAL ANALYSIS**

This report 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**

Replacing or converting the 6.6 Amp series street lighting system is estimated to cost anywhere from \$5 million to \$20 million. Upon further research and evaluation of potential options, the anticipated cost to convert or replace the lighting system will be further refined and provided to the City Council.

### **RECOMMENDATION**

It is recommended the City Council determine that this action does not constitute a project under the California Environmental Quality Act ("CEQA"); and receive and file the report.

## 6.6 Amp Series Street Lighting Update

October 20, 2026

Page 4 of 4

Approved:



Dominic Lazzaretto  
City Manager

Attachment: Exhibit "A" – 6.6 Amp Series Map Location



CITY OF  
ARCADIA

## Exhibit "A"

### 6.6 kV STREET LIGHT AREA



NORTH

