



City of Lemon Grove
City Council Regular Meeting Agenda
Tuesday, December 6, 2016, 6:00 p.m.
Lemon Grove Community Center
3146 School Lane, Lemon Grove, CA

The City Council also sits as the Lemon Grove Housing Authority, Lemon Grove Sanitation District Board, Lemon Grove Roadway Lighting District Board, and Lemon Grove Successor Agency

Call to Order

Pledge of Allegiance

Changes to the Agenda

Presentations

Introduction of New Heartland Fire and Rescue, Chief Colin Stowell

Public Comment

(Note: In accordance with State Law, the general public may bring forward an item not scheduled on the agenda; however, the City Council may not take any action at this meeting. If appropriate, the item will be referred to staff or placed on a future agenda.)

1. Consent Calendar

(Note: The items listed on the Consent Calendar will be enacted in one motion unless removed from the Consent Calendar by Council, staff, or the public. Items that are pulled will be considered at the end of the agenda.)

- A. Approval of Meeting Minutes
November 15, 2016 – Regular Meeting
Members present: Sessom, Jones, Mendoza, and Vasquez
- B. City of Lemon Grove Payment Demands
Reference: Gilbert Rojas, Interim Finance Director
Recommendation: Ratify
- C. Waive Full Text Reading of All Ordinances on the Agenda
Reference: James P. Lough, City Attorney
Recommendation: Waive the full text reading of all ordinances included in this agenda; Ordinances shall be introduced and adopted by title
- D. FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06)

The City Council will consider a resolution awarding a contract to Miramar General Engineering with a project budget not to exceed \$48,293 for concrete repair and in various locations.

Reference: Mike James, Assistant City Manager/Public Works Director
Recommendation: Adopt Resolution

E. City Manager Employment Agreement Amendment- Lydia Romero

The City Council will consider a resolution amending the City Manager Employment Agreement with Lydia Romero to add a Tuition Reimbursement provision.

Reference: James P. Lough, City Attorney
Recommendation: Adopt Resolution

2. Ordinance No. 442: Amending Title II (Administration and Personnel), Chapter 2.04 (City Manager) Reorganizing Authority of City Officers

The City Council will consider an ordinance for management under the Council-Manager form of government applicable in the City of Lemon Grove and assigns management responsibilities of the Treasurer and City Clerk to the City Manager with clarification of the City Manager's role in intergovernmental arrangements.

Reference: James P. Lough, City Attorney
Recommendation: Conduct Second Reading and Adopt Ordinance

3. Letter of Support to Renew the City of San Diego's Variance Request Tentative Order No. R9-2017-0007

The Sanitation District Board will consider a letter of support for the City of San Diego's variance request and Pure Water program to United States Environmental Protection Agency, Region IX.

Reference: Mike James, Assistant City Manager / Public Works Director
Recommendation: Provide Direction to Staff

4. Amendment to the Heartland Communication Facility Authority Joint Powers Agreement

The City Council will consider a resolution approving the amended and restated Heartland Communication Facility Authority Joint Powers Agreement.

Reference: Lydia Romero, City Manager
Recommendation: Adopt Resolution

City Council Oral Comments and Reports on Meetings Attended at the Expense of the City.

(GC 53232.3 (d) states that members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.)

Department Director Reports (Non-Action Items)

Adjournment

In compliance with the Americans with Disabilities Act (ADA), the City of Lemon Grove will provide special accommodations for persons who require assistance to access, attend and/or participate in meetings of the City Council. If you require such assistance, please contact the City Clerk at (619) 825-3800 or email sgarcia@lemongrove.ca.gov prior to the meeting. A full agenda packet is available for public review at City Hall.

**MINUTES OF A MEETING OF
THE LEMON GROVE CITY COUNCIL**

November 15, 2016

The City Council also sits as the Lemon Grove Housing Authority, Lemon Grove Sanitation District Board, Lemon Grove Roadway Lighting District Board, and Lemon Grove Successor Agency

Call to Order

Members present: Mayor Mary Sessom, Councilmember Jerry Jones, Councilmember Jennifer Mendoza, and Councilmember Racquel Vasquez.

Members absent: Mayor Pro Tem George Gastil.

City Staff present: Lydia Romero, City Manager, David De Vries, Development Services Director; Daryn Drum, Division Fire Chief; Tim Gabrielson, City Engineer; James P. Lough, City Attorney; Mike James, Public Works Director; Lt. May, Sheriff's Department; and Corinne Russell, HR Manager.

Changes to the Agenda

Mayor Sessom noted that item No. 4 Ordinance No. 442: Amending Title II (Administration and Personnel), Chapter 2.04 (City Manager) Reorganizing Authority of City Officers will be continued to the next City Council meeting.

Presentations

David De Vries introduction of Mike Viglione, Assistant Planner.

Public Comment

Lani Stacks commented on animal rights and treatment of birds in pet stores.

1. Consent Calendar

- A. Approval of City Council Minutes**
November 1, 2016 Regular Meeting
- B. Ratification of Payment Demands**
- C. Waive Full Text Reading of All Ordinances and Resolutions on the Agenda**
- D. Amendment No. 1 of the Professional Services Agreement with Dudek for the Preparation of a Program Environmental Impact Report for the General Plan Update**
- E. Amendment No. 1 to the Transnet Local Street Improvement Program of Projects for FY 2017-21**
- F. Determination of Disability for Disability Retirement**

Action: Motion by Councilmember Jones, seconded by Councilmember Mendoza, to approve the Consent Calendar passed, by the following vote:

Ayes: Sessom, Jones, Mendoza, Vasquez
Absent: Gastil

Resolution No. [2016 – 3475]: Resolution of the City Council of the City of Lemon Grove Approving Amendment No. 1 of the Professional Services Agreement with Dudek for the Preparation of a Program Environmental Impact Report for the General Plan Update

Resolution No. 2016 – 3476: Resolution of [the City Council of the City of Lemon Grove] Approving an Amendment to the Transnet Local Street Improvement Program of Projects for Fiscal Years 2017 through 2021

Resolution No. 2016-3477: Resolution of the Lemon Grove [City Council] Certifying its Determination of Incapacity to the Board of Administration of the California Public Employees' Retirement System Pursuant to California Government Code Section 2116

2. Wastewater Rate Case Study and Request for District Board Direction to Notice Public Hearings for Sanitation District Board Meetings

Mike James reported that on May 3, 2015, the Sanitation District Board (Board) adopted a resolution maintaining the equivalent dwelling unit rate at \$553.17 through Fiscal Year 2016-2017 (FY 2016-17). That decision was based on cost estimates provided by the City of San Diego which included an estimated 20-year timeline to design and construct a San Diego Pure Water Program (Pure Water) program that would yield at least 83 million gallons of potable water by December 31, 2035.

However, in October 2016, the City of San Diego's City Council approved an accelerated Pure Water design and construction schedule that increased capital expenditures impacting the current four year wastewater rate study that is being finalized by NBS Government Finance Group (NBS.)

The District makes up approximately 3.6% of the participating agencies portion of 33.5%. While these costs provided in September were for preliminary planning purposes only, in October 2016, the City of San Diego's City Council approved two engineering design contracts that support an accelerated Pure Water schedule that will advance expenditures into the next four years. These unanticipated costs equal \$3,728,012 and staff recommends that the costs are accounted for in the District's wastewater rate study.

On August 16, 2016, the Board directed staff to continue to work with NBS to complete the five year wastewater rate study (through FY 2020-21) to include a connection fee analysis. The wastewater rate study is complete. Staff will continue to work with NBS to prepare and finalize the connection fee analysis and will be available for final review later this fiscal year.

Mr. James noted that the study recommends two changes. First, that the operating reserve requirement established by the Board is increased from 40% to 55%. The increase is recommended because the District experiences high peaks and valleys in its cash position throughout the year due to semi-annual revenue collection. Second, creating a capital rehabilitation and replacement reserve. This will serve as a starting point for addressing long-term capital system replacement needs by saving 3 percent of the net depreciable capital assets to assist in a 33-year replacement cycle for capital assets.

To establish a separate fund to maintain connection fee revenue pursuant to California Government Code, the connection fee analysis is currently being performed by NBS and will be presented later this fiscal year. Those fees will be deposited into this separate fund.

Due to limited number of capital improvement projects completed by the District the reserve balance is greater than the two established safeguards in place. The reserve fund is proposed to be utilized to minimize the amount and duration of rate increases to the District. Beginning in FY 2016-17 the reserve balance is estimated at \$16,507,541. At the conclusion of FY 2020-21 the reserve balance will decrease to \$9,455,605.

The discussion of new reserve funds does not restrict the use of reserve funds. The Board still has the ability move funds between reserve accounts, if needed.

Pay As You Go – With the current cash balance in the District's reserve fund there is not a need to seek any financing to support future District capital improvement program projects. By paying cash for projects the District avoids any interest costs and/or fees associated with funding mechanisms that could be utilized for capital projects.

A critical expenditure that still remains outstanding from the current rate study is the requirement that secondary treatment construction costs may still be required in the future, even if the modified permit is approved for the next five year period. While those costs will fall outside of the next four year rate study, the total impact to the District may be significant. The last cost estimate provided by the City of San Diego for secondary treatment totaled approximately \$3.6 billion. The PA's portion equals 33.5% (or \$1.2 billion) of which the District would be responsible for funding 1.2% (or \$43.4 million).

Staff will continue to work with the other participating agencies to reduce the costs for future secondary treatment by searching for better ways to integrate the Pure Water Program into the existing wastewater program. But if the District and PA's are unsuccessful, and the City of San Diego continues to act unilaterally, the future cost of \$3.6 billion for secondary treatment could become a reality.

If the Board accepts the study as presented, staff recommends that the Board authorize staff to follow the timeline, shown below, to comply with Proposition 218 requirements. In order to adopt the recommended rate structure the Board must first hold two public hearings that are noticed at least 45 days prior to the public hearing. Following the hearings, the Board may proceed to adopt the recommended rates for implementation with the FY 2017-18 tax rolls.

- November 15, 2016 Board Meeting – Wastewater rate study presentation
- March 4, 2017 No later than date to provide notices to all District members
- April 18, 2017 Board Meeting – Public hearing to introduce ordinance
- May 2, 2017 Board Meeting – Second reading and adoption of ordinance
- July 1, 2017 No sooner than July 1st the new rates will take effect

As in years past, staff will continuously monitor the cost assumptions provided by the City of San Diego in addition to District expenditures. Should any assumption or District expenditures significantly increase or decrease, staff will return to the Board to re-evaluate the recommended rate structure.

As noted in the timeline above, it is recommended that the Board implement a rate increase one year before it would have been necessary. As such, staff requests that the Board approve an amendment with NBS to provide all noticing requirements to satisfy Proposition 218 as it relates to the proposed wastewater rate increases. The amendment, which will be Amendment No. 2 to the current agreement, will increase the total agreement cost by \$18,000.00. The new total contract amount payable to NBS will not exceed \$43,630.27. Staff recommends that the duration of the NBS agreement is extended from January 5, 2017 through June 30, 2017. This additional time will allow NBS and District staff to finalize the connection fees analysis as well as satisfy the noticing requirements that will also include two public hearings that NBS staff will present.

Mayor Sessom expressed concern with the unknowns and with the possibility of secondary treatment costs. She recommended that when this item comes back to the Board that different scenarios are presented for consideration. Those scenarios include the difference in rates for 40% to 55% in operational reserves between a constant rate for the remaining study and an escalated rate structure that starts low and increases.

Councilmember Jones recommended an operating reserve and environmental reserve funds along with reserving the \$3.7 million in a dedicated account.

Mike James noted the direction given to staff, is to reserve the \$3.7 million dollars in a dedicated account for pure water, increase the operation reserves, create a capital rehabilitation reserve fund, create a new connection fee fund, evaluate the difference between 40% and 55% in operational reserves, and proceed with Amendment No. 2 to the existing NBS agreement to notice and manage the public hearing process for future Sanitation District Board Public Hearings.

Public Speaker(s)

There were no requests from the public to speak.

3. Ordinance No. 441 - Zoning Amendment ZA1-600-0002, Amending the Buildings and Construction Regulations (Title 15 of the Lemon Grove Municipal Code)

On November 1, 2016, the City Council introduced Ordinance No. 441 This ordinance amends Lemon Grove Municipal Code Title 15, Buildings and Constructions, to meet state-mandated 2016 updates to Title 24 of the California Government Code (aka California Building Standards Code or CBSC) this ordinance becomes effective on January 1, 2017.

Public Speaker(S)

There were no requests from the public to speak.

Action: Motion by Councilmember Jones, seconded by Councilmember Mendoza, to adopt the resolution passed, by the following vote:

Ayes: Sessom, Gastil, Jones, Mendoza, Vasquez

Ordinance No. 441: An Ordinance of the City Council of the City of Lemon Grove, California Rescinding Chapters 15.04, 15.06, 15.08, 15.10, 15.12, 15.20, 15.24, 15.28, 15.32, 15.34, 15.36, 15.38, and 15.40 of Title 15 of the Lemon Grove Municipal Code, Entitled "Buildings and Construction", in their Entirety, and Adopting New Chapters 15.04, 15.06, 15.08, 15.10, 15.14, 15.18, 15.20, 15.22, 15.24, 15.26, 15.28, 15.30, 15.32, and 15.38 Adopting the 2016 California Building Standards Code, Including The 2016 California Administrative Code, The 2016 California Building Code, The 2016 California Residential Code, The 2016 California Electrical Code, The 2016 California Mechanical Code, The 2016 California Plumbing Code, The 2016 California Energy Code, The 2016 California Historical Building Code, The 2016 California Existing Building Code, The 2016 California Green Building Code and The 2016 California Reference Standards Code, and Local Amendments and Related Findings and Adopting The 1997 Uniform Code for the Abatement of Dangerous Buildings and Local Amendments

City Council Oral Comments and Reports on Meetings Attended at the Expense of the City. (GC 53232.3 (d))

Councilmember Jones attended SANDAG's transportation committee meeting.

Councilmember Mendoza attended the East County Chamber of Commerce's first Friday breakfast, Heal Zone meeting, the Council on American Islamic Relations, and an American Cancer Society meeting. She added that there will be a homeless taskforce meeting tomorrow at the El Cajon Police Department.

Mayor Sessom attended Airport Authority meetings and the League of California Cities luncheon.

City Manager and Department Director Reports

David De Vries reported that the Downtown Village Specific Plan Expansion community workshop will be held on December 10 between 10:00 a.m. and 12:00 p.m.

Mike James noted the Fall Turkey Camp will be November 21 – 25 and the Annual Community Bonfire will be held on December 2.

James Lough commented on the San Diego County Registrar of Voters process to certify the election results along with possible City Council meeting dates to present those results.

Closed Session

Pursuant to Government Code Section 54957: Public Employee Performance Evaluation
Title: City Manager

Closed Session Report: No reportable action was taken.

Adjournment

There being no further business to come before the City Council, Housing Authority, Sanitation District Board, Lemon Grove Roadway Lighting District Board, and the Lemon Grove Successor Agency the meeting was adjourned at 7:14 p.m.

Susan Garcia

Susan Garcia, City Clerk

City of Lemon Grove Demands Summary

Approved as Submitted:

Gilbert Rojas, Interim Finance Director
For Council Meeting: 12/06/16

ACH/AP Checks 11/09/16-11/22/16 **1,175,890.52**

Payroll - 11/08/16 **116,829.28**

Payroll - 11/22/16 **120,922.42**

Total Demands 1,413,642.22

Check No	Vendor No	Vendor Name	Check Date	Vendor Name	Check Amount	Check Amount
CHECK NO	INVOICE NO	VENDOR NAME	CHECK DATE	Description	INVOICE AMOUNT	CHECK AMOUNT
ACH	Nov8 16	Employment Development Department	11/10/2016	State Taxes 11/8/16	6,282.32	6,282.32
ACH	Oct16	Wells Fargo Bank	11/14/2016	Bank Service Charge - Oct'16	687.37	687.37
ACH	Nov8 16	US Treasury	11/15/2016	Federal Taxes 11/8/16	27,817.81	27,817.81
ACH	Oct16	Home Depot Credit Services	11/15/2016	Home Depot Purchases - Oct'16	670.03	670.03
ACH	Refill 11/16/16	Pitney Bowes Global Financial Services LLC	11/17/2016	Postage Usage 11/16/16	250.00	250.00
ACH	789540	Aflac	11/17/2016	AFLAC Insurance 11/15/16	656.50	656.50
ACH	Oct16	Colonial Life	11/17/2016	Colonial Optional Insurance -Oct16	740.86	740.86
ACH	Oct26-Nov8 16	Calpers Supplemental Income 457 Plan	11/17/2016	457 Plan 10/26/16-11/8/16	4,267.34	4,267.34
ACH	Oct17-Nov8 16	California Public Empl Retirement System	11/18/2016	Pers Retirement 10/12/16-11/08/16	65,092.19	65,092.19
6652	5475	Aguirre & Associates	11/09/2016	2395 Bonita - Street Dedication - Oct '16	275.00	275.00
6653	L1072895QK	American Messaging	11/09/2016	Pager Replacement Program - 11/1/16 - 11/30/16	40.70	40.70
6654	8724427 10/22/2016 8770703	AT&T	11/09/2016	Fire Telephone - 9/13/16-10/12/16 Backup City Hall Internet-9/23/16-10/22/16 Fire Backup Phone Line- 9/22/16-10/21/16	79.20 148.00 37.73	264.93
6655	5656512609 5656515389	AutoZone, Inc	11/09/2016	Long Life Mini Bulbs, Wiper Blades, Inflator Gauge- PW Streets Diesel Exhaust Fluid	28.86 27.00	55.86
6656	727362-9 732386-9 733903-9	BJ's Rentals	11/09/2016	Propane Propane Propane	20.79 7.56 23.81	52.16
6657	82008057-00	Bridgestone Hosepower LLC	11/09/2016	Replacement Hose for Skid Steer - PW - 10/24/16	231.66	231.66
6658	16644832	Canon Financial Services Inc.	11/09/2016	Canon Copier Contract Charge - Nov'16 Basement	81.35	81.35
6659	020D507642	Cintas Corp 2	11/09/2016	Fire Extinguishers Annual Inspection	76.50	76.50
6660	694272149	Cintas Corporation #694	11/09/2016	Janitorial Supplies- Fire - 10/27/16	320.88	320.88
6661	FR50000023	City of El Cajon	11/09/2016	OT Reimbursement-Royer,Belloli,Diaz,Smylie,Dozier 9/24/16	5,391.48	5,391.48
6662	18870	City of La Mesa	11/09/2016	2017 Shift Calendar - Lemon Grove Share	135.98	135.98
6663	1000181273	City of San Diego	11/09/2016	Municipal Sewer Transportation - 1st Qtr 7/1/16-9/30/16	6,908.34	6,908.34
6664	1096 1098 1099 1100 1101 1102 1103	Clark Telecom & Electric Inc	11/09/2016	Street Light Maintenance- Sep '16 Street Light Dig Alert Mark Outs- Sep '16 Traffic Signal Maintenance- Sep '16 Traffic Signal Repairs- Sep '16 Traffic Signal Dig Alert Mark Outs- Sep '16 Monthly PM Repairs - Sep'16 Street Light Knock Down - Rec Center Parking Lot 9/19/16	141.76 476.18 1,170.00 2,109.00 500.00 768.74 954.00	6,119.68
6665	81745016	Corelogic Information Solutions Inc	11/09/2016	RealQuest Graphics Package- Oct '16	300.00	300.00
6666	17CTOFLGN04	County of San Diego- RCS	11/09/2016	800 MHZ Network - Oct '16	2,887.50	2,887.50
6667	10/30/16	Cox Communications	11/09/2016	Peg Circuit Svc - 10/30/16-11/29/16	2,919.35	2,919.35
6668	11/07/16	CPRS District 12	11/09/2016	CPRS Workshop Registration- Gonzalez 11/9/16	25.00	25.00
6669	3337	D- Max Engineering Inc	11/09/2016	Mallard Crt SWQMP 5th Review & Erosion Control Plan-thru 11/2	1,073.75	1,073.75
6670	1104162305	Domestic Linen- California Inc	11/09/2016	Shop Towels & Safety Mats 11/4/16	96.40	96.40
6671	10/31-11/03	Esjil Corporation	11/09/2016	75% Building Fees- 10/31/16-11/03/16	3,423.11	3,423.11
6672	95841	Fire Etc	11/09/2016	E6000+ with Laser Range Finder (Truck Kit)	7,830.00	7,830.00
6673	8425	G & G Backflow Plumbing Service	11/09/2016	Backflow Assemblies- Repaired & Tested Backflow- Berry St Park	155.09	155.09

6674	107764387	Globalstar USA, Inc.	11/09/2016	Satellite Service 9/16/16-10/15/16	95.71	95.71
6675	28820301	Hawthorne Machinery Co	11/09/2016	Equipment Rental - Skid Steer 10/22-10/24/16	588.47	588.47
6676	8/25-10/25	Helix Water District	11/09/2016	Water Services- 8/25/16-10/25/16	21,283.23	21,283.23
6677	118051	Knoit's Pest Control, Inc	11/09/2016	Interior & Exterior Ant Control - Fire Station - 10/26/16	95.00	95.00
6678	206964	Law Offices of Burke, Williams & Sorensen, L	11/09/2016	Sexual Harassment Training for Employees- 9/14/16 - 9/15/16	4,789.56	4,789.56
6679	201613	Lemon Grove Car Wash	11/09/2016	Full Service Oil Change - Chevy Silverado & Colorado 10/27/16	73.74	73.74
6680	07-2199	Lemon Grove School District	11/09/2016	Fuel Services-PW: Oct '16	2,036.10	2,036.10
6681	Oct 16 Oct 16 Oct 16 Oct 16 Oct 16 Oct 16 Oct 16 Oct 16 Oct 16	Lounsberry Ferguson Altona & Peak LLP	11/09/2016	General 01163-00002 - Oct '16 Code Enforcement 01163-00003 - Oct '16 DOF 01163-00017 - Oct '16 Cost-Share Agreement 01163-00023 - Oct '16 7741 Broadway 01163-00028 - Oct '16 Guillen v Valencia 01163-00026 - Oct '16 Taylor-Illegal Dump 01163-00032 - Oct '16 1440 San Altos Pl 01163-00033 - Oct '16 Johnson Citations 01163-00031 - Oct '16 Lesse Lane, minor v LG 01163-00034 - Oct '16	11,007.79 345.76 182.60 2,133.74 3,027.95 49.80 1,328.28 1,342.30 99.60 1,697.31	21,215.13
6682	228	Metro Wastewater JPA	11/09/2016	CLG Share of Metro JPA 2016-17 Annual Budget	4,713.00	4,713.00
6683	5153083	Omega Industrial Supply Inc	11/09/2016	Insecticides	417.62	417.62
6684	123082 123092 123115	Orange Commercial Credit- Best Tire Buy	11/09/2016	New Tire - LGPW Facilities Vehicle #19 3 New Tires - LGPW Code Enforcement Truck #14 4 New Tires - LGPW #20 -'08 GMC	167.40 320.24 617.76	1,105.40
6685	141712	Pacific Sweeping	11/09/2016	Street Sweeping - 3232 Main St - 10/22/16	360.00	360.00
6686	FSA 2016	Sessom, Mary	11/09/2016	FSA 2016- Sessom	600.00	600.00
6687	78229016 78229037	SiteOne Landscape Supply, LLC	11/09/2016	Mulch - 7800 Lester Ave Mulch - PW Yard- 2873 Skyline Dr	535.69 535.69	1,071.38
6688	4258-6	The Sherwin-Williams Co.	11/09/2016	5 5-Gallon Red Curb Paint	152.03	152.03
6689	3006820-CA	US HealthWorks Medical Group, PC	11/09/2016	Medical Exam - 10/7/16	125.00	125.00
6690	Nov8 16	Vantage Point Transfer Agents-457	11/09/2016	ICMA Deferred Compensation Pay Period Ending 11/8/16	580.77	580.77
6691	9773977643 9773994527	Verizon Wireless	11/09/2016	EOC Router/Emerg Phone Lines/Tablets- 9/21/16-10/20/16 MDC Engine Tablets- 10/21/16-11/20/16	362.45 190.05	552.50
6692	119905	West Coast Arborists, Inc.	11/09/2016	Tree Maintenance - 9/16/16-9/30/16	4,727.10	4,727.10
6693	B9789	A-Pot Rentals	11/16/2016	Portable Restroom Rental/Re-issue/Orig Pymt Never Received	132.20	132.20
6694	Aspire	Aspire Enterprises, LLC	11/16/2016	Refund/Aspire Enterprises/Overpaid Business License Fees	31.75	31.75
6695	1333	Badawi & Associates	11/16/2016	FY 2016 Audit - Progress Billing #2	11,250.00	11,250.00
6696	734303-9	BJ's Rentals	11/16/2016	Equipment Rental - Gas Weed Wacker - Ensenada St	42.00	42.00
6697	1138255-IN	Boot World Inc	11/16/2016	Work Boots - Rodriguez	125.00	125.00
6698	2474591	Certified Laboratories	11/16/2016	Spill Shark Water-Based Spill Absorbent	277.93	277.93
6699	0200019214 0200507578 0200507636	Cintas Corp 2	11/16/2016	Fire Extinguishers & Emerg Exit Lights Annual Inspctn - CityHall Fire Extinguishers & Emerg Exit Lights Annual Inspctn - CommCtr Fire Extinguishers & Emerg Exit Lights Annual Inspctn-Fire Stn	287.55 227.25 255.36	770.16
6700	694274682	Cintas Corporation #694	11/16/2016	Janitorial Supplies - 11/3/16	229.49	229.49
6701	ACSERV-11/07 ACSERV-11/07 ACSERV-11/07 ACSERV-11/07	City of Chula Vista	11/16/2016	After Hours Calls- Sep'16 After Hours Calls- Oct'16 Mileage & Fuel for Animal Control Veh- Sep'16 Mileage & Fuel for Animal Control Veh- Oct'16	746.82 587.46 698.82 698.82	2,731.92
6702	81746275	Corelogic Information Solutions Inc	11/16/2016	San Diego CA Sale Doc - Image Requests - Oct '16	22.00	22.00
6703	HIRT-2016-011 UDC 2016-010	County of San Diego- Treasurer/OES	11/16/2016	FY16-17 (7/1/16-6/30/17) HIRT Membership Fee FY16-17 Unified SD County Emergency Svc Membership Fee	19,321.00 738.00	20,059.00
6704	11/1/16 Fire	Cox Communications	11/16/2016	Main Phone/Fire- 11/1/16-11/30/16	438.06	438.06
6705	010160560	DAR Contractors	11/16/2016	Animal Disposal- Oct '16	162.00	162.00
6706	11/07-10/16	Esgil Corporation	11/16/2016	75% Building Fees- 11/07/16-11/10/16	3,288.45	3,288.45

6707	Gateway	Gateway Marketing	11/16/2016	Refund/Gateway Marketing/Overpaid Business License Fees	16 00	16 00
6708	1067	JPW Communications	11/16/2016	Prof Svc - External Communications Audit for CLG	1,500 00	1,500 00
6709	Nov 16 Nov 16	Knott's Pest Control, Inc	11/16/2016	Monthly Bait Stations- Civic Ctr Park - Nov 16 Monthly Bait Stations- Sheriff - Nov 16	60 00 45 00	105 00
6710	6870466	LEAF	11/16/2016	Ricoh C3502 Copier System- PW Yard - Oct '16	174 74	174 74
6711	07-2198	Lemon Grove Sheriff District	11/16/2016	Fuel Services-Fire Stn- Oct '16	1,002 00	1,002 00
6712	INV15226	Logiccopy	11/16/2016	Ricoh C3502 Copier Contract Charge- PW Yard- 11/7/16-12/6/16	51 61	51 61
6713	Outerwall	Outerwall, Inc	11/16/2016	Refund/Outerwall Inc /Overpaid Business License Fee	37 50	37 50
6714	Postal	Postal, Patricia	11/16/2016	Refund/Postal,Patricia/Cancellation - LBIH - 3/4/17	200 00	200 00
6715	Resolve RE	Resolve RE Investments LLC	11/16/2016	Refund/Resolve RE Investments/Overpaid Business Lic Fees	31 75	31 75
6716	Oct 16	SDG&E	11/16/2016	Gas & Electric 9/20/16-10/20/16	21,001 53	21,001 53
6717	15050	Shamrock Press & Graphics	11/16/2016	AP Checks	288 62	288 62
6718	110316	Seropternists International of Lemon Grove	11/16/2016	Donation: Lemon Grove 2016 Holiday Giving Program	2,500 00	2,500 00
6719	198410	State of California- Department of Justice	11/16/2016	Fingerprint Apps - Oct '16	256 00	256 00
6720	STMT 10/22/20	US Bank Corporate Payment Systems	11/16/2016	Corelogic RealQuest Reports 2015 Intl Property Maintenance Code Book 1997 Uniform Admin Code & 1988 Uniform Housing Code Sanitation Vehicle- Brake Repair - '14 Western Star SSCSC & CWEA Wkshop Reg/Wilkens/Dumas/Briseno/Rodriguez SSCSC & CWEA Wkshop Reg/Refund Sit Stand Workstation Work Desk Dishwasher Soap Carpet Cleaning - Fire Station Fire/Training/Airfare-Fresno/Hales- 11/6-11/10/16 Fire/Training/Rental Car-Fresno/Hales- 11/6-11/10/16 MMASC Conference Registration - James 12/6-12/9/16 Lodging- MMASC Conference - James 12/6-12/9/16 MMASC Region 8 Lunch & Learn Event - Boyce 10/19/16 MMASC Region 8 Lunch and Learn Event - Evans 10/19/16 CPRS Membership - Huey CPRS Membership - Gonzalez 2017 CPRS Conference Registration & Expo- Huey 2/28-3/3/17 2017 CPRS Conference Registration & Expo- Gonzalez 2/28-3/3/17 Airfare - CPRS Conference- Gonzalez 2/27-3/2/17 Sacramento Airfare - CPRS Conference- Huey 2/27-3/2/17 Sacramento Supplies for Volunteer Project- 10/22/16 Water for Volunteer Project- 10/22/16 MotoMix Fuel for Small Tools - Fire Stn Leaf Blower E210 Igloo Cooler Replacement Part Fire Station Supplies - Glue Gun/Saw Blades/Glue/Metal Hooks Red Ribbon Luncheon- Mayor Pro Tem Gastil 10/6/16 Office Supplies 2016 Legislative Briefing Webinar - Romero 11/7/16 Parking for EMS Commission Meeting - 9/21/16 Towels for Rehab and Station Oil Change for Vehicle 4305 Wiper Blades and Glass Cleaner for Vehicle 4305 Data Analysis & Statistics Course - Drum 11/14-16/16 Batteries for Video Downlink Monitor Peer Support Training - Angelillo External Hard Drives - Fire Stn Wireless Keyboard - Fire Stn Storage Boxes 10' Shade Canopies for Incident Support and Training Fire/Narcissistik/Disputed Charge Credited Twice in Error US Bank Fee - 10/24/16	8 00 43 20 105 00 268 39 180 00 -45 00 716 03 378 66 21 58 239 00 439 70 100 19 355 00 189 00 15 00 15 00 170 00 170 00 405 00 405 00 151 96 151 96 110 54 25 00 121 41 160 92 11 13 35 32 37 00 36 93 25 00 5 00 141 49 47 91 20 49 650 00 470 00 100 00 161 98 26 94 43 45 496 78 145 94 2 00	7,357 90
6721	92509 92542	Vinyard Doors, Inc	11/16/2016	Sectional Door Repair - Fire Station Windsor Sectional Door Repair - Fire Stn	1,333 00 335 00	1,668 00
6722	71284073 71287593 71290209	Vulcan Materials	11/16/2016	Asphalt Asphalt Asphalt	217 04 92 66 93 53	403 23
6723	C2103	A-Pot Rentals	11/22/2016	Portable Restroom Rental 11/9/16-12/8/16	132 20	132 20
6724	Reimb11/10/16	Angelillo, Nicholas	11/22/2016	Reimb: Food and Lodging for Peer Support Training Conf-9/7-9/16	451 51	451 51
6725	Bareno	Bareno, Blanca	11/22/2016	Refund/Bareno, Blanca/Deposit - L0H-11/12/16	300 00	300 00
6726	82250721	Boundtree Medical LLC	11/22/2016	Medical Supplies - Nitrile Gloves/Tubing/EKG Pads/EKG Paper	2,354 54	2,354 54
6727	AF072627	Cal Poly Corporation	11/22/2016	CLG General Plan Update- Final Pyrrt - Amendment to Agreement	2,700 00	2,700 00
6728	1611025	California Aquatics	11/22/2016	Fountain Repair Service - Oct '16	140 00	140 00

6729	Dec 2016	California Dental Network Inc.	11/22/2016	California Dental Insurance - Dec16	324.42	324.42
6730	16691291	Canon Financial Services Inc	11/22/2016	Canon Copier Contract Charge 12/1/16	642.60	642.60
6731	Castillo	Castillo, Marina	11/22/2016	Refund/Castillo, Marina/Deposit - LBH-31/5/16	200.00	200.00
6732	0200019220 0200507576	Cintas Corp 2	11/22/2016	6V Batteries Fire Extinguisher & Emerg Exit Lights Annual Inspectn - Sheriff	110.16 484.47	594.63
6733	694277221 694279725	Cintas Corporation #694	11/22/2016	Janitorial Supplies - 11/10/16 Janitorial Supplies - 11/17/16	168.74 168.74	337.48
6734	FRS0000027	City of El Cajon	11/22/2016	Overtime Reimbursement - Mayfield 10/13/16	1,091.80	1,091.80
6735	201600761	County of San Diego/Assessor/Recorder	11/22/2016	Recording Services- 10/5/16	18.00	18.00
6736	11/6/2016 11/6/2016 11/1/2016 10/30/2016 11/6/2016 11/4/2016	Cox Communications	11/22/2016	Calsense Modem Line:2259 Washington Ave 11/6/16-12/5/16 Calsense Modem Line:7071 Mt Vernon- 11/6/16-12/5/16 Phone/City Hall- 11/1/16-11/30/16 Internet/Community Ctr- 10/30/16-11/29/16 BJU Phone/Fire /7853 Central- 11/7/16-12/6/16 Phone/Rec Ctr/ 3131 School Ln - 11/4/16-12/3/16	20.96 19.85 974.11 75.00 31.33 97.57	1,218.82
6737	3355	D- Max Engineering Inc.	11/22/2016	8321 Mt Vernon Erosion Control Plan 1st Review- thru 11/15/16	60.00	60.00
6738	Reimb11/17/16	De Vries, David	11/22/2016	Cell Phone Reimbursement- Jan - Oct '16	350.00	350.00
6739	11/14-17/16	Esgill Corporation	11/22/2016	75% Building Fees- 11/14/16-11/17/16	2,616.82	2,616.82
6740	24925	Excell Security, Inc	11/22/2016	Senior Center Security Guard - 11/12/16	234.00	234.00
6741	0022877-IN	HDL Coren & Cone	11/22/2016	Contract Services Property Tax- Jul-Sep 2016	2,073.06	2,073.06
6742	40197	Hudson Safe-T- Lite Rentals	11/22/2016	Parking Lot Resurfacing Signs & Barricades	520.80	520.80
6743	16-215	Lemon Grove Historical Society	11/22/2016	Holiday Decor & Lighting- Lee House/Parsonage - Dec Bonfire	150.00	150.00
6744	1853V 1868V	Lemon Grove Truck Body & Equipment, Inc	11/22/2016	LGPW Roller Trailer- Plug Replacement LGPW #14/Code Enforcement/Replace & Paint Rt Front Fender	257.50 350.00	607.50
6745	202940 202941 202942	Ninyo & Moore	11/22/2016	Hilltop Condo Project Inspection Svcs thru 10/28/16 Lincoln Homes Project Inspection Svcs thru 10/28/16 Starbucks Project Inspection Svcs thru 10/28/16	541.00 441.00 1,382.00	2,364.00
6746	54538	NVS, Inc	11/22/2016	LGA Realignment-Final Design/Amend No 5 - 10/1/16-10/31/16	9,065.00	9,065.00
6747	14764 14833	Penske Ford	11/22/2016	LGPW16- Oil/Filter Change- '14 Ford F150 LGPW01- Oil/Filter Change- '12 Ford F350	58.78 73.53	132.31
6748	PD-33156	Plumbers Depot Inc	11/22/2016	3" Y Strainer Cap and Basket Gaskets	14.28	14.28
6749	232708	Rancho Chrysler Jeep Dodge	11/22/2016	LGPW#26-'05 Dodge Sprinter-Replace Powertrain Control Module	2,674.35	2,674.35
6750	Reimb10/10/16	Richardson, Shaun	11/22/2016	CSFM Fire Inspector I Taskbook - State Fire Training - Richardson	65.00	65.00
6751	17546B(6) 17546B(6) 17546B(6)	Rick Engineering Company	11/22/2016	Prof Svc:City Engr Svcs/Signal Timing/Lansing 10/1/16-10/28/16 Prof Svc:Sanitation District Services 10/1/16-10/28/16 Prof Svc:LGA Realignment Proj Mgmt Svcs 10/1/16-10/28/16	20,199.99 1,100.00 8,264.70	29,564.69
6752	Reimb11/14/16 Reimb11/16/16	Russell, Corinne	11/22/2016	Cell Phone Reimbursement- Russell/Jun-Oct '16 Mileage Reimbursement- Russell/Sep-Nov '16	100.00 129.60	229.60
6753	LG11162016	SD Sports Medicine and Family Health Ctr	11/22/2016	Medical Fitness Evaluation - 11/16/16	902.30	902.30
6754	78393316	SiteOne Landscape Supply, LLC	11/22/2016	E-Z Reachers	44.17	44.17
6755	481884 481899	South Coast Emergency Vehicle Services	11/22/2016	Pneumatic Springs Threaded Anodes	79.80 178.95	258.75
6756	13400	Statewide Stripes, Inc	11/22/2016	Street Striping & Legend Painting - Citywide	40,900.70	40,900.70
6757	46507 46954 46955	The East County Californian	11/22/2016	Ordinance No 440 - Vista Azul- 10/27/16 Ordinance No 441 Uniform Building & Fire Codes 11/10/16 Ordinance No 442 Reorganize City Manager Duties 11/10/16	63.00 73.50 70.00	206.50
6758	5501003509	VCEs Lakeside	11/22/2016	Multiple Repairs for '05 Paver	15,498.28	15,498.28
6759	9774721679 9775258183	Verizon Wireless	11/22/2016	Models- Cardiac Monitors - 10/4/16-11/3/16 City Phone Charges- 10/13/16-11/12/16	14.28 369.36	383.64
6760	N501000738 N501000739	Volvo Construction Equipment & Services	11/22/2016	Stanley Hydraulic Breaker for Skid Steer Loader w/Moif P Core Drilling Equipment 10" DMS240 Core Rig w/4" Wet Diamond C	8,041.40 2,604.42	10,645.82
6761	71290210 71297144 71298586 71298587	Vulcan Materials	11/22/2016	Asphalt Asphalt Asphalt 551H 4.5 Gallon Bucket	140.18 135.00 138.46 37.80	451.44
6762	1089	West Coast General Corporation	11/22/2016	LGA Realignment Project- 10/1/16- 10/31/16	759,306.79	759,306.79
6763	15749	Western Door	11/22/2016	Sheriff Station Back Door Repair - 3232 Main St 11/9/16	200.00	200.00
					1,175,890.52	1,175,890.52

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.D
Mtg. Date December 6, 2016
Dept. Public Works

Item Title: **FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06)**

Staff Contact: Mike James, Assistant City Manager / Public Works Director

Recommendation:

Adopt a resolution (**Attachment B**) awarding a contract for the FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06).

Item Summary:

In support of the City's Five-Year Capital Improvement Program, the City invited sealed bids for the "FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project" (Contract No. 2017-06) in October 2016.

On November 10, 2016, the City received six sealed bids. Staff determined that of the bids received, Miramar General Engineering was the lowest responsive and responsible bidder at \$43,903.

Staff recommends awarding a contract (Contract No. 2017-06) to Miramar General Engineering, and establishing a project budget not to exceed \$48,293

Fiscal Impact:

TransNet funds were budgeted for this project as part of the Five-Year Capital Improvement Program.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section 15304 | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Resolution

Attachment A

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 1.D

Mtg. Date December 6, 2016

Item Title: **FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06)**

Staff Contact: Mike James, Assistant City Manager / Public Works Director

Discussion:

In October 2016, the City advertised on eBidboard and invited sealed bids for the "FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project" (Contract No. 2017-06) to repair, remove and replace concrete in various locations throughout the City.

On November 10, 2016, the City received six sealed bids. Each company is listed below with its location and project bid total.

Bidder's Name	Location	Amount
Miramar General Engineering	San Diego, CA	\$43,903.00
LC Paving	San Marcos, CA	\$45,544.00
Crest Equipment, Inc.	El Cajon, CA	\$48,272.00
Quality Construction and Engineering, Inc.	San Diego, CA	\$48,458.00
SC Services, Inc.	Santee, CA	\$48,812.00
Ramona Paving and Construction Corp.	Ramona, CA	\$51,533.75
Average Bid Amount		\$47,775.79

The project's cost estimate was \$45,000. The lowest responsive and responsible bid was submitted by Miramar General Engineering (Miramar) in the amount of \$43,903.00.

Staff reviewed Miramar's project work history, references, and construction license. Its project work history and reference checks were positive. Miramar has successfully performed similar work for other local governments (e.g. City of La Mesa and City of El Cajon) to include prior work with the City. Miramar's contractor's license is current and in good standing with the State of California.

Therefore, staff concluded that Miramar is both a responsive and responsible bidder, and recommends the award of this contract (**Attachment B – Exhibit 1**). Based on the project scope of work, staff recommends the following project budget:

Description	Amount
Construction Costs	\$43,903
Contingency (10%)	\$3,903
Total	\$48,293

Attachment A

It is important to note that the project budget does not include material testing or inspection services that historically have been included in prior public works construction projects. Due to the relatively smaller scope of work and simplistic, routine roadway construction work, City staff will manage all material testing and inspection services in-house.

Conclusion:

Staff recommends that the City Council adopts a resolution (**Attachment B**) awarding the “FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project” (Contract No. 2017-06) to Miramar General Engineering and establish a project budget not to exceed \$48,293 (**Attachment B – Exhibit 1**).

RESOLUTION NO. 2016 - _____

**RESOLUTION OF THE LEMON GROVE CITY COUNCIL
AWARDING A CONTRACT FOR THE FY 2016-17 CIP CONCRETE REPAIR AND UPGRADE
PROGRAM, VARIOUS LOCATIONS, PROJECT (CONTRACT NO. 2017-06)**

WHEREAS, the City of Lemon Grove's Five-Year Capital Improvement Program earmarks funding for the FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06) project; and

WHEREAS, bids were solicited and six sealed bids were received for the "FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06); and

WHEREAS, bids were opened and read aloud and the lowest responsive and responsible bidder was Miramar General Engineering; and

WHEREAS, the City Council finds it in the public interest that a contract for said services be awarded.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Awards a contract to Miramar General Engineering in the amount of \$43,903 and establishes a project budget not to exceed \$48,293; and
2. Authorizes the City Manager or designee to execute said contract (**Exhibit 1**).

/////
/////

Attachment B – Exhibit 1

CONTRACT (Page 1 of 4)

FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06)

THIS CONTRACT, made and entered into on the date of the last signature, by and between the City of Lemon Grove, California, herein after designated as the "City", and Miramar General Engineering hereinafter designated as the "Contractor".

WITNESSETH: that the parties hereto do mutually agree as follows:

1. For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by the City, the Contractor agrees with the City to furnish all materials and labor for the FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06) and to perform and complete in a good and workmanlike manner all the work pertaining thereto shown on the plans and specifications therefore; to furnish at his own proper cost and expense all tools, equipment, labor and materials necessary therefore; and to do everything required by this agreement and the said plans and specifications.
2. For furnishing all said materials and labor, tools and equipment, and doing all the work contemplated and embraced in this Contract, also for all loss and damage arising out of the nature of the work aforesaid, 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 its acceptance by the City and for all risks of every description connected with the work; also, for all expenses incurred by or in consequence of the suspension or discontinuance of work, except such as in said specifications are expressly stipulated to be borne by the City and for well and faithfully completing the work and the whole thereof, in the manner shown and described in the said plans and specifications, the City will pay and the Contractor shall receive in full compensation therefore the sum of forty-three thousand nine hundred three dollars and zero cents (\$43,903).
3. The City hereby promises and agrees to employ, and does hereby employ said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to for the price aforesaid and hereby conditions set forth in the specification; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.
4. The Notice Inviting Bids, Instructions To Bidders, Bid Forms, Agreement and Bond Forms, Construction Administration Forms, Completion of the Project Forms, General Requirements and General Conditions, Drawings, Plans and Specifications, Addenda, Allowances, and all amendments thereof, are hereby incorporated in and made part of this Contract.

Attachment B - Exhibit 1

CONTRACT (Page 2 of 4)

FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06)

5. The City, the City's representative, City Consultants and authorized volunteers shall not be answerable or accountable in any manner for any loss or damage that may happen to the work or any part thereof, or for any of the materials or other things used or employed in performing the work, or for injury or damage to any person or persons, either workers, employees of Contractor or its subcontractors or the public, or for damage to adjoining or other property, from any cause whatsoever arising out of or in connection with the performance of the work. The Contractor shall be responsible for any damage or injury to any person or property resulting from defects or obstructions or from any cause whatsoever arising out of or in connection with the performance of the work, provided, however, that the Contractor shall not be liable for the sole established negligence, willful misconduct or active negligence of the City, its representatives, employees, agents and authorized volunteers who are directly responsible to the City.
 - ii. Contractor shall indemnify the City, City Council, City officials, City employees, City representatives, and authorized volunteers against and will hold and save them and each of them harmless from any and all actions, claims, damages to persons or property, penalties, obligations or liabilities that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of or in connection with the work, operation or activities of Contractor, its agents, employees, subcontractors or invitees, provided for herein, whether or not there is concurrent passive or active negligence on the part of the City, City Council, City officials, City employees, City representatives, and authorized volunteers, but excluding such actions, claims, damages to persons or property penalties, obligations or liabilities arising from the sole established negligence, willful misconduct or active negligence of the City, City Council, City officials, City employees, City representatives, authorized volunteers, or those who are directly responsible to them; and in connection therewith:
 - I) Contractor will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations or liabilities and will pay all costs and expenses, including attorney's fees incurred in connection therewith.
 - II) Contractor will promptly pay any judgment rendered against Contractor, the City, City Council, City officials, City employees, City representatives, and authorized volunteers covering such claims, damages, penalties, obligations and liabilities arising out of or in connection with such work, operations, or activities of Contractor hereunder and Contractor agrees to save and hold the City, City Council, City officials, City employees, City representatives, and authorized volunteers harmless there from.

Attachment B – Exhibit 1

CONTRACT (Page 3 of 4)

FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06)

- III) In the event the City, City Council, City officials, City employees, City representatives, and authorized volunteers are made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the Work, or operation or activities of Contractor hereunder, Contractor agrees to pay to the City, City Council, City officials, City employees, City representatives, and authorized volunteers any and all costs and expenses incurred by the City, City Council, City officials, City employees, City representatives, and authorized volunteers in such action or proceeding together with reasonable attorney's fees.
 - IV) The City may retain, to the extent it deems necessary, the money due to the Contractor under and by virtue of the Contract Documents until disposition has been made of such actions or claims for damages as specified herein above.
6. Claims, disputes and other matters in question between the parties to this Contract, arising out of or relating to this Contract or the breach thereof, may be decided by arbitration if both parties to this Contract consent in accordance with the rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration arising out of or relating to this Contract, shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Contract except by written consent containing a specific reference to this Contract and signed by CONTRACTOR, CITY, and any other person sought to be joined. (Any Consent to arbitration involving an additional person or persons shall not constitute consent of any dispute not described therein or with any person not named or described therein.) This agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Contract shall be specifically enforceable under the prevailing arbitration law.
- Notice of the demand for arbitration is to be filed in writing with the other party to this Contract and with the American Arbitration Association. The demand is to be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event is the demand for arbitration to be made after the date when institution of legal or equitable proceedings based on such claim; dispute or other matter in question would be barred by the applicable statute of limitations. The award rendered by the arbitrators shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.
7. The Contractor agrees to comply with all Local, State and Federal regulations and with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 1857 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) as amended.
8. If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorney's fees.

Attachment B - Exhibit 1

CONTRACT (Page 4 of 4)
FY 2016-17 CIP Concrete Repair and Upgrade Program, Various Locations, Project (Contract No. 2017-06)

9. Each and every provision of law and clause required to be inserted in this Contract shall be deemed to be inserted herein and this Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted or is not inserted correctly, then upon application of either party the Contract shall forthwith be physically amended to make such insertion or correction.
10. In accordance with Government Code, Section 8546.7, records of both the City and the Contractor shall be subject to examination and audit for a period of three (3) years after final payment.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in three counterparts, each of which shall be deemed an original the day and year first above written.

CONTRACTOR:

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

Federal ID Number: _____

CITY:

By: _____

Title: City Manager, City of Lemon Grove

Date: _____

ATTEST:

By: _____

Title: City Clerk, City of Lemon Grove

(Notaries acknowledgement of execution by all PRINCIPALS OF CONTRACTOR shall be attached.)

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.E
Mtg. Date December 6, 2016
Dept. City Attorney's Office

Item Title: City Manager Employment Agreement Amendment- Lydia Romero

Staff Contact: James P. Lough, City Attorney

Recommendation:

Adopt a resolution (**Attachment B**) approving the Employment Agreement (**Attachment C**) with Lydia Romero, as the City's new City Manager, effective January 1, 2017.

Item Summary:

In Closed Session, the City Council gave direction to the City Attorney to negotiate an Amendment to the City Manager's Employment Agreement to add a Tuition Reimbursement provision. Because of the direction given, the attached Agreement (**Attachment C**) is presented for City Council consideration. All other provisions remain the same.

Adoption of the Attached Resolution (**Attachment B**) will authorize the Mayor to sign the Agreement. Ms. Romero agrees with the terms that are presented.

Fiscal Impact:

Approval of this Contract will not require a change in current budgeted amounts for the City Manager Department. Any use of the tuition reimbursement will be done within current budget allocations.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Resolution No. 2016-
- C. 2016 Amended City Manager Contract

LEMON GROVE CITY COUNCIL
STAFF REPORT

Item No. 1.E

Mtg. Date December 6, 2016

Item Title: **2016 Amended City Manager Employment Agreement- Lydia Romero**

Staff Contact: James P. Lough, City Attorney

Discussion:

On January 1, 2016, Lydia Romero began service as the City Manager of Lemon Grove. Under the City Manager's employment agreement, the City Council was required to review her performance prior to January 1, 2017. On November 1, 2016, the City Council met in Closed Session to consider her performance. Because of that review, the Council directed the Mayor to meet with Ms. Romero and provide feedback based on the Council discussions.

The Council determined that Ms. Romero's performance merited a compensation increase. However, during discussions between the Mayor and the City Manager, it was jointly determined that the budgetary concerns should be considered and both recommended that the City Council not consider a salary increase.

At its meeting of November 15, 2016, the Mayor reported her discussions with the City Manager. The City Council determined to consider, in open session, a possible Tuition Reimbursement clause to be added to the City Manager's contract. The Mayor and the City Attorney were directed to meet with the City Manager and make a recommendation to the City Council at its December 6, 2016 meeting.

The City Attorney has prepared the attached Resolution and new contract for City Council consideration. The attached contract replaces the City Manager Employment Agreement of January 1, 2016. The only substantive change is the addition of subsection 7.10 (pages 10-11 herein). This change adds the Tuition Reimbursement option for the City Manager.

Tuition Reimbursement pays the actual cost paid for tuition, fees, books and required technical supplies and equipment, to a maximum of \$3,700.00 per fiscal year for classes attended by the City Manager. The City Manager would be refunded to her for professional and technical courses in accredited educational institutions.

In order to be eligible, the City Manager must receive at least a satisfactory rating on her last performance evaluation. The subject matter of the course work has to relate directly to and contributes toward the performance of the CITY MANAGER's position. Programs in Public, Business Administration or equivalent are examples of qualified programs.

The City Manager submits a Request for Tuition Reimbursement form to the Finance Department, who must consult with the City Attorney and/or the City Council if there are questions about whether the classes qualify for reimbursement under this 2016 Amended Agreement. Before receiving reimbursement, the City Manager must furnish proof of payment and evidence that he/she has completed the course with a grade of "B" in graduate work. A grade of "C" or better will be accepted for graduate work from institutions where an average grade of "C" is acceptable

Attachment A

for graduation, or "pass" or "credit" for those classes where a pass/fail or credit/no credit grading system is used.

Except for changes to add 7.10, no other substantive changes are made to the Agreement. There is language that chronicles the findings made to replace a salary increase with the Tuition Reimbursement clause. Also, language is added to the Agreement to reflect that this Agreement supersedes any previous agreements between the parties, either written or oral. With the adoption of the attached resolution, the previous agreement, effective on January 1, 2016, is no longer in effect. The end date of the new contract is the same as the previous agreement, January 1, 2019.

Conclusion:

The City Attorney recommends that the City Council adopt the attached Resolution (Attachment B), which authorizes the Mayor to sign the 2016 Amended City Manager Employment Agreement.

RESOLUTION NO. 2016-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA
AUTHORIZING THE MAYOR TO SIGN THE 2016 AMENDED CITY MANAGER
EMPLOYMENT AGREEMENT WITH CITY MANAGER LYDIA ROMERO**

WHEREAS, the City of Lemon Grove operates a Council-Manager form of government and the City Council desires to retain a highly qualified City Manager to perform the duties set out under Chapter 2.04 of the Lemon Grove Municipal Code; and

WHEREAS, the City Council approved an Initial Employment Agreement with City Manager Lydia Romero, effective January 1, 2016; and

WHEREAS, the City Council held a performance review of City Manager Lydia Romero at its City Council meetings of November 1st and 15th, 2016; and

WHEREAS, after careful review and consideration, the City Council determined that Ms. Romero's performance justified consideration of a salary increase and directed the Mayor to meet with her and discuss the results of the City Council's performance review held at its meeting of November 1, 2016; and

WHEREAS, the Mayor conferred with Ms. Romero and both agreed that, for budgetary reasons, no salary increase would be recommended to the City Council and that other methods should be explored to compensate Ms. Romero for her performance during 2016; and

WHEREAS, after conferring and considering methods of recognizing Ms. Romero's performance, the City Council directed the City Attorney to work with the Mayor to place an amended agreement on the next City Council Agenda a potential amendment that would allow Ms. Romero to pursue educational efforts that would be a benefit to the City of Lemon Grove; and

WHEREAS, the City Council has determined it is in the best interests of the citizens of Lemon Grove to approve the attached agreement and authorize the Mayor to sign on behalf of the City of Lemon Grove.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Declares that the foregoing findings are true and correct; and
2. Approves the attached 2016 Amended Employment Agreement (Attachment C) to amend the terms and conditions of employment of Ms. Romero as City Manager of the City of Lemon Grove; and
3. Authorizes the Mayor to sign the attached Agreement.

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2016 AMENDED CITY OF LEMON GROVE CITY MANAGER EMPLOYMENT

AGREEMENT WITH LYDIA ROMERO

THIS 2016 Amended Agreement, effective on the 6th day of December 2016, by and between THE CITY OF LEMON GROVE, hereinafter referred to as "CITY" and LYDIA ROMERO, hereinafter referred to as "CITY MANAGER", hereinafter referred to as the "2016 Amended Agreement", which shall continue to employ the CITY MANAGER under new terms and conditions effective on January 1, 2017.

THIS 2016 AMENDED AGREEMENT is entered into based on the following facts:

A. The City Council has determined that CITY MANAGER has performed to a level that warrants an upward salary adjustment for her 2016 performance; and

C. Because of budgetary concerns, CITY MANAGER desires to forgo any salary adjustment for budgetary reasons and the City Council desires to provide a benefit to CITY MANAGER to reimburse her for expenditures made to further her education in a manner that would mutually benefit the CITY MANAGER and City of Lemon Grove; and

D. City Council and CITY MANAGER mutually agree to terms and conditions set forth in this 2016 Amended City Manager Agreement that supersedes any previous agreements both written and oral, including the January 1, 2016 Agreement between the parties.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations set forth herein, the parties do now agree as follows:

1. EMPLOYMENT.

1.1. The City Council appointed and employed CITY MANAGER, as its City Manager, which employment commenced on January 1, 2016.

1.2. This Agreement replaces the Agreement entered into between the parties, effective on January 1, 2016. Upon the subsequent written agreement of the CITY MANAGER and the CITY, the terms and conditions of this Agreement may be amended from time to time.

1.3. CITY MANAGER agrees that she is employed with the CITY as an "at will" CITY MANAGER. The City Council may terminate her employment in its sole discretion, without cause. There has been no express or implied promise made to CITY MANAGER concerning continued employment and such a promise can arise in the future, if at all, only by a resolution in writing, adopted by the City Council.

1.4. This Agreement and Chapter 2.04 of the Lemon Grove Municipal Code are the sole and exclusive bases for the employment relationship between CITY and CITY MANAGER.

2. TERM OF EMPLOYMENT

2.1. The term of employment of CITY MANAGER under this Agreement shall continue until this Agreement is terminated in accordance with the provisions of this Agreement or this Agreement is amended, whichever shall first occur.

2.2. CITY MANAGER shall be retained as the City Manager of CITY, subject to the terms and conditions of this Agreement, until January 1, 2019.

2.3. If the CITY and CITY MANAGER desire to extend CITY MANAGER's term of employment beyond the term expressed in this Agreement, CITY and CITY MANAGER shall

2016 AMENDED CITY OF LEMON GROVE CITY MANAGER EMPLOYMENT

AGREEMENT WITH LYDIA ROMERO

commence negotiations to extend CITY MANAGER's employment term on or before March 15, 2018.

2.4. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of CITY MANAGER at any time, subject only to the provisions set forth in Sections 8 and 9 of this Agreement.

2.5. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of CITY MANAGER to resign at any time her position with CITY, subject only to the provisions set forth in Section 10 of this Agreement.

3. CITY MANAGER'S DUTIES

3.1. CITY MANAGER shall perform the functions and duties specified by the general laws of the State of California, the Lemon Grove Municipal Code, and the ordinances, resolutions, motions and directions established by the City Council, as from time to time may be given.

3.2. Chapter 2.04 of the Lemon Grove Municipal Code relating to the position of the City Manager is incorporated herein by this reference as though fully set forth at length herein and made a part of this Agreement as constituted on the effective date of this Agreement.

3.3. CITY MANAGER shall perform the duties associated with the position of City Manager in accordance with the highest professional and ethical standards of the profession, and in accordance with the rules and regulations established by the City Council.

3.4. As a condition of this Agreement, CITY MANAGER shall file an annual Statement of Economic Interests in accordance with California Law.

3.5. CITY MANAGER shall not engage in any activity, which is, or may become incompatible with the office of City Manager as defined by California law.

3.6. During the term of this Agreement, CITY MANAGER shall not accept any other employment and shall be exclusively employed by CITY, unless prior authorization is received from the City Council, which will not be unreasonably withheld.

4. EVALUATION OF CITY MANAGER'S PERFORMANCE

4.1. At least annually, beginning in 2017, on or before January 1, the City Council shall review and evaluate the performance of CITY MANAGER. Said review and evaluation shall be in accordance with specific criteria developed jointly by the City Council and CITY MANAGER. Said criteria may be added to or deleted from as the City Council may from time to time determine, in consultation with CITY MANAGER. Further, the City Council shall provide CITY MANAGER with a summary written statement of the findings of the City Council and provide an adequate opportunity for CITY MANAGER to discuss her evaluation with the City Council unless the parties agree to otherwise during the evaluation process.

4.2. The City Council and CITY MANAGER shall periodically define such goals and performance objectives, which they determine necessary for the proper operations of CITY and in the attainment of the City Council's policy objectives, and shall further establish a relative priority among those various goals and objectives, said goals and objectives to be reduced to writing. Such goals shall be reasonably attainable within the time limitations as specified in the annual operating and capital budgets and appropriations provided.

2016 AMENDED CITY OF LEMON GROVE CITY MANAGER EMPLOYMENT

AGREEMENT WITH LYDIA ROMERO

4.3. In effecting the provisions of this Section 4, City Council and CITY MANAGER mutually agree to abide by the provisions of applicable California law.

5. SALARY

5.1. CITY shall pay to CITY MANAGER for her services rendered under this agreement at an annual rate of One Hundred and Seventy-five Thousand Dollars (\$175,000.00) per year, which shall be CITY MANAGER's base salary, payable in equal installments at the same time as other CITY MANAGERS of CITY are paid. The salary shall be subject to applicable state, local and federal withholdings.

5.2. Subject to a performance evaluation, CITY may, on the beginning of each Calendar Year (January 1st), revise CITY MANAGER's base salary by a resolution amending CITY's budget. Upon adoption of a resolution amending the CITY MANAGER's salary, the salary listed in the latest adopted budget resolution shall act as an amendment to 5.1 , above, as of the effective date listed in the applicable resolution.

5.3. For the purpose of defining "base pay" under Section 8.3.1, herein, the salary established under Section 5.1, above, shall be adjusted by two and one-half percent (2 1/2%) annually. The automatic cost of living adjustment, for the purpose of establishing severance amounts, shall not apply in any calendar year in which CITY MANAGER receives a salary increase.

6. DEFERRED COMPENSATION

6.1. CITY shall, in addition to base salary, and in regular installments, pay an annual total of Six Thousand Dollars (\$6,000) into a deferred compensation plan for the benefit of CITY MANAGER, for each calendar year in which CITY MANAGER is employed by CITY as City Manager.

7. ADDITIONAL BENEFITS

7.1. Vacation. CITY MANAGER shall receive one hundred fifty three (153) hours of paid vacation per year, which CITY MANAGER shall accrue proportionately for each month of employment.

Vacation days may be accrued and carried over on a calendar year subject to the limitations of Council Policy 92-1 adopted by Resolution No. 1422 which limits total accrued vacation time to eight (8) weeks.

7.1.1. Prior to taking more than three (3) consecutive days of vacation time, CITY MANAGER shall advise the City Council of the proposed dates of vacation at least ten days prior to the date of such vacation time, and give the opportunity to any member of the City Council to object thereto. Any City Council member who wishes to object, must do so within three days of receipt of such notice of the proposed dates of vacation. After such an objection, CITY MANAGER shall only take the proposed vacation time if a majority of the City Council approves such vacation time. When CITY MANAGER takes vacation time of three (3) days or less, she must notify the City Council, but approval is not required.

7.1.2. Vacation days may be converted into cash in accordance with the CITY's policy offered to other management CITY MANAGERS. Upon the termination of employment of

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CITY MANAGER, any remaining vacation days shall be converted into cash and paid to CITY MANAGER

7.2. Executive Leave. CITY MANAGER shall be entitled to take six (6) days of Executive Leave each calendar year in accordance with CITY policy relating to its management CITY MANAGERS, which shall accrue proportionately for each month of employment. However, prior to taking more than three (3) consecutive days of Executive Leave, CITY MANAGER must comply with Section 7.1.1. of this Agreement.

7.3. Sick Leave. CITY MANAGER shall be entitled to twelve (12) days of sick leave during each calendar year, accruing proportionately for each month of employment. Unused sick leave shall accrue in accordance with CITY policy relating to its management CITY MANAGERS.

7.4. Retirement Plan. CITY MANAGER shall be eligible to participate in the same retirement plan provided other management CITY MANAGERS of CITY. CITY MANAGER agrees to pay on her behalf, the annual CITY MANAGER contribution and other participant contributions required of an CITY MANAGER under the provisions of such retirement plan.

7.5. Automobile Allowance. CITY MANAGER will use her own personal automobile for official use while employed under the terms of this Agreement. CITY will provide CITY MANAGER with a monthly automobile allowance in the amount of Five Hundred Dollars (\$500). Such allowance is intended to cover the costs of automobile maintenance, gas, oil and insurance. CITY MANAGER shall be responsible for any and all liability for personal injury, property damage, and for operation, maintenance, and repair of said automobile arising out of CITY MANAGER's use of said automobile. CITY MANAGER shall be solely responsible for the payment of all income tax liability, whether federal or state, arising out of CITY MANAGER's receipt of said automobile allowance.

7.6. Other CITY MANAGER Benefits. CITY agrees to provide term life insurance in the amount of Two Hundred and Fifty Thousand Dollars (\$250,000.00) to CITY MANAGER, to be effective within thirty (30) days of the execution of this Agreement. CITY agrees to provide CITY MANAGER with the same holidays, health insurance, flexible benefit plan, dental, long-term disability insurance, and other benefits provided to other management CITY MANAGERS by the CITY. All actions taken by the City Council affecting the benefits of other management CITY MANAGERS of CITY shall be considered actions affecting benefits of CITY MANAGER, and such actions shall be deemed amendments to her Agreement to which CITY MANAGER agrees by execution of this Agreement.

7.7. Professional Membership and Conferences. CITY shall pay for the CITY MANAGER'S professional membership in the International City Manager's Association and in the California League of Cities. In addition, CITY shall pay for CITY MANAGER to attend the Annual Conference of each organization, annually.

7.8. Reimbursable Expenses. CITY shall reimburse CITY MANAGER for all expenses reasonably incurred by him in the discharge of her duties as CITY MANAGER.

7.9 Health Care. CITY shall pay seven hundred and seventy-five dollars (\$775.00) per month of health care costs for CITY MANAGER's personal or family health care coverage.

7.10 Tuition Reimbursement. The actual cost paid for tuition, fees, books and required

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technical supplies and equipment, to a maximum of \$3,700.00 per fiscal year, will be refunded to CITY MANAGER for professional and technical courses in accredited educational institutions provided that:

A. The CITY MANAGER has received at least a satisfactory rating on his/her last performance evaluation;

B. The subject matter of the course relates directly to and contributes toward the performance of the CITY MANAGER's position with the City Programs in Public, Business Administration or equivalent being examples of qualified programs;

C. The CITY MANAGER submits a Request for Tuition Reimbursement form to the Finance Department, who shall consult with the City Attorney and/or the City Council if there are questions about whether the classes qualify for reimbursement under this 2016 Amended Agreement.

D. Before receiving reimbursement, the CITY MANAGER shall furnish proof of payment and evidence that he/she has completed the course with a grade of "B" in graduate work. A grade of "C" or better will be accepted for graduate work from institutions where an average grade of "C" is acceptable for graduation, or "pass" or "credit" for those classes where a pass/fail or credit/no credit grading system is used.

E. The City Manager has received at least a satisfactory rating on her last performance evaluation.

8. TERMINATION OF CITY MANAGER BY CITY COUNCIL WITHOUT CAUSE.

8.1. The City Council may terminate CITY MANAGER's employment with CITY, in its sole discretion and without cause, at any time upon thirty (30) days' written notice to CITY MANAGER.

8.2. As of the date of termination, CITY MANAGER shall be paid for all accrued salary, leave and benefits as if she voluntarily terminated her employment, in accordance with CITY policy offered to other management CITY MANAGERS terminating employment with CITY.

8.3. If the City Council exercises its authority under this Section 8, of the Agreement, CITY shall pay to CITY MANAGER, a monthly severance benefit for a period of six (6) months from the date of termination, in the form of a monthly cash payment equal to:

8.3.1. The monthly installment of CITY MANAGER's current base salary; plus

8.3.2. Thirty percent (30%) of the monthly installment of CITY MANAGER's current annual base salary, in lieu of all other benefits listed in Section 7. of this Agreement [All benefits, including but not limited to, Deferred Compensation and each and every additional benefit listed in Section 7 of this Agreement shall cease when CITY MANAGER's employment is terminated with CITY]; minus

8.3.3. If City Manager begins employment after termination in a full time position with another employer, any income earned by CITY MANAGER from other full time employment (after the date of termination shall be used to reduce the severance paid on a dollar for dollar basis).

8.4. Payments under Section 8.3 of this Agreement to CITY MANAGER will be made in

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equal installments at the same time as other CITY MANAGERS of CITY are paid. No payment of severance benefits shall be made in any month until CITY MANAGER files with the City Treasurer a completed "Statement of Earnings," substantially in the form attached hereto as Exhibit "A"

8.5. At the end of the Six (6) month period during which CITY has an obligation to pay the monthly severance benefit to CITY MANAGER, CITY shall have no further financial obligation to CITY MANAGER.

9. TERMINATION BY CITY COUNCIL FOR CAUSE.

9.1. If this Agreement is terminated by the City Council "for cause", CITY shall have no further obligation to continue the employment of CITY MANAGER. CITY shall have no obligation to provide notice to CITY MANAGER prior to any "for cause" termination or to provide severance benefits to CITY MANAGER after such termination. All payments of salary and benefits provided in this Agreement shall cease, however, CITY MANAGER will be paid all salary and benefits accrued through the date of termination in accordance with CITY policy offered to other management CITY MANAGERS terminating employment with CITY.

9.2. The term "for cause" as used in this Agreement shall mean any of the following: (a) conviction of a felony; or (b) conviction of any illegal act involving moral turpitude or personal gain; or (c) a plea of nolo contendere to any felony or illegal act involving moral turpitude or personal gain; or (d) any act constituting a knowing and intentional violation of CITY's conflict of interest code; or (e) any abuse of office.

10. TERMINATION BY CITY MANAGER

10.1. CITY MANAGER may terminate this Agreement, in her sole discretion, by resigning from the position of the City Manager. CITY MANAGER agrees to provide written notice to CITY of at least Thirty (30) days prior to the effective date of her resignation. CITY shall have no further obligation for any payments of salary, benefits, or severance payments as provided in this Agreement, after CITY MANAGER's termination date. However, CITY MANAGER will be paid all salary and benefits accrued through the date of termination in accordance with CITY policy offered to other management CITY MANAGERS terminating employment with CITY.

11. INCENTIVES TO ACCEPT EMPLOYMENT AGREEMENT

11.1. CITY MANAGER is credited with seventy-six point five (76.5) hours of her one hundred and fifty three (153) hours of paid vacation leave, and, notwithstanding the management compensation plan, credited with a total of six (6) days of her twelve (12) days of sick leave immediately upon commencement of employment. This provision does not add additional hours of paid vacation or sick leave to the total hours of vacation and sick leave as provided under Sections 7.1 and 7.3 of this Agreement, but serves to accelerate CITY MANAGER's accrual of the designated vacation and sick time.

12. RENEGOTIATION PROVISION

2016 AMENDED CITY OF LEMON GROVE CITY MANAGER EMPLOYMENT

AGREEMENT WITH LYDIA ROMERO

12.1. Nothing shall preclude CITY MANAGER from renegotiating the terms and conditions of this Agreement. Such request shall be made in a confidential writing to the Mayor of the City of Lemon Grove. No request to renegotiate shall be made sooner than nine (9) months from the commencement of this Agreement.

13. GENERAL PROVISIONS

13.1. Notices. Notices given under this Agreement shall be in writing and shall be either:

A. served personally; or

B. sent by facsimile (provided a hard copy is mailed within one (1) business day); or

C. delivered by first-class United States mail, certified, with postage prepaid and a return receipt requested; or

D. sent by Federal Express, or some equivalent private mail delivery service.

Notice shall be deemed received at the earlier of actual receipt of three (3) days following deposit in the United States mail, postage prepared. Notice shall be directed to the addresses shown below, provided that a party may change such party's address for notice by giving written notice to the other party in accordance with this section.

CITY: Attn: Mayor Mary Teresa Sessom
City of Lemon Grove
3232 Main Street
Lemon Grove, CA 91945

Copy: James P. Lough
City Attorney
City of Lemon Grove
3232 Main Street
Lemon Grove, CA 91945

MANAGER: Attn: Lydia Romero
City of Lemon Grove
3232 Main Street
Lemon Grove, CA 91945

13.2 Entire Agreement. This Agreement constitutes the entire understanding and agreement between the parties as to those matters contained in it, and supersedes any and all prior or contemporaneous agreements, representations and understandings of the parties. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated, and signed by the parties and attached hereto.

13.3 Attorney's Fees. If any legal action or proceeding is brought to enforce or interpret this Agreement, the prevailing party, as determined by the court, shall be entitled to recover

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from the other party all reasonable costs and attorney's fees, including such fees and costs as may be incurred in enforcing any judgment or order entered in any such action.

Nothing in this subsection shall be read to prevent the parties from agreeing to some alternative method of dispute resolution. If such a method is agreed to, any final determination shall include an award of attorney's fees and costs by the presiding officer.

13.4 Severability. In the event any portion of this Agreement is declared void, such portion shall be severed from this Agreement and the remaining provisions shall remain in effect, unless the result of such severance would be to substantially alter this Agreement or the obligations of the parties, in which case this Agreement shall be immediately terminated.

13.5 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, signed and dated by the parties.

13.7 Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. CITY and CITY MANAGER agree that venue for any dispute shall be San Diego County, California.

13.8 Section Headings. The headings on each of the sections and subsections of this Agreement are for the convenience of the parties only and do not limit or expand the contents of any such section or subsection.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures as of the date and year first above written.

CITY OF LEMON GROVE

By: _____
Mary Teresa Sessom, Mayor

CITY MANAGER

By: _____
Lydia Romero

APPROVED AS TO FORM:

By: _____
James P. Lough, City Attorney

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EXHIBIT" A"

STATEMENT OF EARNINGS

During the period beginning _____ to _____, I have received income of \$ _____ from employers other than the City of Lemon Grove.

During that same period, I have received net income of \$ _____ from _____ business endeavors requiring my personal labor.

I declare under penalty of perjury that this statement is true and correct.

By: _____
Lydia Romero

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 2
Mtg. Date December 6, 2016
Dept. City Attorney

Item Title: **Ordinance No. 442: Amending Title II (Administration and Personnel), Chapter 2.04 (City Manager) Reorganizing Authority of City Officers**

Staff Contact: James P. Lough, City Attorney

Recommendation:

Conduct second reading, by title only, and adopt Ordinance No. 442 (**Attachment A**) amending the Title II, Chapter 2.04 of the Lemon Grove Municipal Code.

Item Summary:

On November 1, 2016, the City Council introduced Ordinance No. 442 (**Attachment A**), an ordinance amending Title II, Chapter 2.04 of the Lemon Grove Municipal Code. This Ordinance clarifies areas of responsibility for management under the Council-Manager Form of Government applicable in Lemon Grove. It assigns management responsibilities of the Treasurer and City Clerk to the City Manager. It also clarifies management responsibilities over intergovernmental relations.

Fiscal Impact:

None.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Exempt, Section _____ | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Tribal Government Consultation Request |
| <input type="checkbox"/> Notice published in local newspaper | | <input type="checkbox"/> Notice to property owners within 300 ft. |

Attachments:

A. Ordinance No. 442

Attachment A

ORDINANCE NO. 442

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA AMENDING SECTIONS 2.04.060 (POWER OF APPOINTMENT AND REMOVAL) AND 2.04.070 (INTERNAL RELATIONS AND COORDINATION OF INTERGOVERNMENTAL SERVICES) OF THE LEMON GROVE MUNICIPAL CODE)

WHEREAS, the City Council of the City of Lemon Grove has adopted the Council-Manager Form of Government; and

WHEREAS, the management of officers and employees under the Council-Manager Form of Government should be consistent across various employment positions to provide public accountability; and

WHEREAS, the role of intergovernmental institutions has increased dramatically since the formation of the City; and

WHEREAS, the City Council recognizes the expanded role that intergovernmental cooperation plays in the governance of the City of Lemon Grove and the San Diego region; and

WHEREAS, the City Council has determined to clearly delineate the roles and responsibilities of the City Manager in managing intergovernmental affairs on a day-to-day basis under the direction of the City Council; and

WHEREAS, the City Council has determined to clarify the roles of public safety personnel under the Council-Manager Form of Government.

WHEREAS, on November 1, 2016, the Lemon Grove City Council introduced and conducted the first reading of Ordinance No.442; and

NOW, THEREFORE, the City Council of the City of Lemon Grove hereby ordains as follows:

Amendments to Chapter 2.04.060, is hereby added to the City of Lemon Grove Municipal Code to read as shown in Exhibit A.

INTRODUCED by the City Council on November 1, 2016.

2nd Reading by the City Council on December 6, 2016.

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Attachment A

EXHIBIT A

2.04.060 Powers and duties.

The city manager shall be the administrative head of the government of the city under the direction and control of the city council except as otherwise provided in this chapter. He or she shall be responsible for the efficient administration of all the affairs of the city, which are under his or her control. In addition to his or her general powers as administrative head, and not as a limitation thereon, it shall be his or her duty and he or she shall have the powers set forth in the following subsections:

A. Law Enforcement. It shall be the duty of the city manager to enforce all laws and ordinances of the city and to see that all franchises, contracts, permits and privileges granted by the city council are faithfully observed.

B. Authority Over Employees. It shall be the duty of the city manager, and he or she shall have the authority to control, order and give directions to all heads of departments and to subordinate officers and employees of the city under his or her jurisdiction through their department heads.

C. Power of Appointment and Removal. It shall be the duty of the city manager to, and he or she shall appoint, remove, promote and demote any and all officers and employees of the city, subject to all applicable personnel ordinances, rules and regulations except for the city attorney or who shall serve at the pleasure of the city council.

D. Administrative Reorganization of Offices. It shall be the duty and responsibility of the city manager to conduct studies and effect such administrative reorganization of offices, positions or units under his or her direction as may be indicated in the interest of efficient, effective and economical conduct of the city's business.

E. Ordinances. It shall be the duty of the city manager and he or she shall recommend to the city council for adoption such measures and ordinances as he or she deems necessary.

F. Attendance at Council Meetings. It shall be the duty of the city manager to attend all meetings of the city council unless at his or her request he or she is excused therefrom by the mayor individually or the city council.

G. Financial Reports. It shall be the duty of the city manager to keep the city council at all times fully advised as to the financial condition and needs of the city. The city manager shall retain the services of a finance director or person who has responsibility over city finances who shall also serve as the city's treasurer.

H. Budget. It shall be the duty of the city manager to prepare and submit the proposed annual budget and the proposed annual salary plan to the city council for its approval.

I. Expenditure Control and Purchasing. It shall be the duty of the city manager to see that no expenditures shall be submitted or recommended to the city council except on approval of the city manager or authorized representative. The city manager, or authorized representative, shall be responsible for the purchase of all supplies for all the departments or divisions of the city.

J. Investigations and Complaints. It shall be the duty of the city manager to make investigations into the affairs of the city and any department or division thereof, and any contract or the proper performance of any obligations of the city. Further, it shall be the duty of the city

Attachment A

manager to investigate all complaints in relation to matters concerning the administration of the city government and in regard to the service maintained by public utilities in the city.

K. Public Buildings. It shall be the duty of the city manager and he or she shall exercise general supervision over all public buildings, public parks, and all other public property, which are under the control and jurisdiction of the city council.

L. Contractors. It shall be the duty of the city manager, or designee, to exercise management and control over contractors providing city services.

M. Additional Duties. It shall be the duty of the city manager to perform such other duties and exercise such other powers as may be delegated to him or her from time to time by ordinance or resolution or other official action of the city council. (Ord. 10 § 7, 1977)

2.04.070 Internal relations and coordination of intergovernmental services.

A. Council-Manager Relations. The city council and its members shall deal with the administrative services of the city only through the city manager, except for the purpose of inquiry, and neither the city council nor any member thereof shall give orders or instructions to any subordinates of the city manager. The city manager shall take his or her orders and instructions from the city council only when sitting in a duly convened council meeting. No council member shall give any orders or instructions to the city manager.

B. Departmental Cooperation. It shall be the duty of all subordinate officers and the city attorney to assist the city manager in administering the affairs of the city efficiently, economically and harmoniously.

C. Subject to the direction and control of the City Council, the city manager, or designee, shall manage all intergovernmental contracts, grant agreements and joint powers agreements on behalf of the City of Lemon Grove, or its subsidiary agencies, with other governmental agencies. The city manager, or designee, shall manage contracts with agencies including, but not limited to, the State of California, County of San Diego, Heartland Communications Authority, Heartland Fire and Rescue, San Diego County Sheriff's Department, San Diego Metropolitan Wastewater Authority, and the San Diego Association of Governments. For the purposes of providing public safety services to the citizens of Lemon Grove, the city manager shall supervise the appointed Fire Chief of Heartland Fire and Rescue as to all matters involving the City of Lemon Grove. The city manager shall work with the commanding officer of the Lemon Grove substation of the county of San Diego Sheriff's department in the implementation of the contract providing police services to the City of Lemon Grove. All references to "police" services in this Municipal Code shall mean the services provided by the San Diego Sheriff's department to the City of Lemon Grove. The City Manager, or designee, shall also provide support and assistance to Council-appointed members of Joint Powers Authorities and Intergovernmental Agencies in the performance of their duties.

D. Attendance at Commission Meetings. The city manager may attend any and all meetings of any commission, board, task force, focus group or committee (collectively "advisory body") created by the city council, upon the manager's own volition or upon direction of the city council. At such meetings, which the city manager attends, he or she shall be heard by the advisory body as to all matters upon which the city manager wishes to address the members thereof, and shall inform said members as to the status of any matter being considered by the city council. The city manager shall cooperate fully with the members of all advisory bodies created by the city council. (Ord. 433 § 1, 2015; Ord. 10 § 8, 1977)

Attachment A

2.32.030 Definitions.

As used in this chapter, the following terms shall have the meanings indicated:

"Appropriate unit" means a unit established pursuant to Section 2.32.100.

"City" means the city of Lemon Grove, California, a municipal corporation, and where appropriate herein, "city" refers to the city council, the governing body of the city, or any duly authorized management employee as herein defined.

"Consult or consultation in good faith" means to communicate orally or in writing for the purpose of presenting and obtaining views or advising of intended actions.

"Day" means calendar day.

"Employee" means any person regularly employed by the city excluding persons elected by popular vote.

"Employee, confidential" means an employee who is privy to decisions of city management affecting employer-employee relations.

"Employee, management" means any employee having significant responsibility for formulating and administering city policies and programs, including but not limited to the following positions:

1. City manager;
2. Development services director;
3. Public works director;
4. Finance director;
6. City clerk; and
5. City attorney.

"Employee, professional" means employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including but not limited to attorneys, physicians, registered nurses engineers, architects, teachers and various types of physical, chemical and biological scientists.

"Employee organization" means any organization which includes employees of the city and which has as one of its primary purposes representing such employees in their employment relations with the city.

"Employer-employee relations" means the relationship between the city and its employees and their employee organization, or when used in a general sense, the relationship between city management and employees or employee organizations.

"Firefighter" means a uniformed employee of the fire department.

"Impasse" means:

1. A deadlock in the annual or periodic discussions between a majority representative and the city over any matters concerning which they are required to meet and confer in good faith, or over the scope of such subject matter; or
2. Any unresolved complaint by an affected employee organization, advanced in good faith, concerning a decision of the municipal employee relations officer made pursuant to Sections 2.32.090, 2.32.100 or 2.32.110.

Attachment A

“Majority representative” means an employee organization, or its duly authorized representative, that has been granted formal recognition by the municipal employee relations officer as representing the majority of employees in an appropriate unit.

“Mediation or conciliation” means the efforts of an impartial third person, or persons, functioning as intermediaries, to assist the parties in reaching a voluntary resolution to an impasse, through interpretation, suggestion and advice. Mediation and conciliation are interchangeable terms.

“Meet and confer in good faith” (sometimes referred to in this chapter as “meet and confer” or “meeting and conferring”) means performance by duly authorized city representatives and duly authorized representatives of an employee organization recognized as the majority representative of their mutual obligation to meet at reasonable times and to confer in good faith regarding matters within the scope of representation, including wages, hours and other terms and conditions of employment, in an effort to:

1. Reach agreement on those matters within the authority of such representatives;
2. Reach agreement on what will be recommended to the city council on those matters within the decision-making authority of the city council.

This does not require either party to agree to a proposal or to make a concession.

“Municipal employee relations officer” means the city’s principal representative in all matters of employer-employee relations designated pursuant to Section 2.32.120, or his duly authorized representative.

“Peace officer.” As this term is defined in Section 830 of the California Penal Code.

“Recognized employee organization” means an employee organization which has been acknowledged in writing by the municipal employee relations officer as an employee organization that represents employees of the city. The rights accompanying recognition are either:

1. “Formal recognition,” which is the right to meet and confer in good faith as the majority representative in an appropriate unit; or

2. “Informal recognition,” which is the right to consultation in good faith by all recognized employee organizations.

“Scope of representation” means all matters relating to employment conditions and employer-employee relations, including but not limited to wages, hours and other terms and conditions of employment. City rights (Section 2.32.050) are excluded from the scope of representation. (Ord. 327 § 1, 2004)

**LEMON GROVE SANITATION DISTRICT
AGENDA ITEM SUMMARY**

Item No. 3
Mtg. Date December 6, 2016
Dept. Public Works

Item Title: **Letter of Support to Renew the City of San Diego's Variance Request
Tentative Order No. R9-2017-0007**

Staff Contact: Mike James, Assistant City Manager / Public Works Director

Recommendation:

Approve the letter of support (**Attachment B**) and direct staff to submit the letter to the United States Environmental Protection Agency, Region IX.

Item Summary:

On November 1, 2016, District staff received a press release (**Attachment A**) issued by the United States Environmental Protective Agency (EPA) regarding the City of San Diego's variance request to renew its variance from the secondary treatment requirements contained in section 301(b)(1)(B) of the Clean Water Act for the E. W. Blom Point Loma Metropolitan Wastewater Treatment Plant and Ocean Outfall.

District staff prepared this agenda item to express support for the variance request and for the City of San Diego's Pure Water program as outlined in the variance request submitted to the EPA in January of 2015. The letter was prepared with Boardmember Jones' signature because he is currently the Board's designated representative to the Metro Commission / Metro Wastewater Joint Powers Authority.

Staff recommends that the Sanitation District Board approve the letter of support (**Attachment B**) and direct staff to submit the letter to the EPA, Region IX prior to the public comment period ending on December 21, 2016.

Fiscal Impact:

None.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- A. Press Release
- B. Letter of Support

U.S. EPA and California Propose Permit to Reduce San Diego Wastewater Discharges to the Ocean

Advanced treatment to reduce discharges, provide sustainable water source

SAN DIEGO - Today, the U.S. Environmental Protection Agency and the San Diego Regional Water Quality Control Board proposed a City of San Diego wastewater discharge permit to increase ocean water quality protection and water reuse. The proposed permit for the City's Point Loma Wastewater Treatment Plant would ensure that all federal and state water quality standards are met.

In 2014, the City and environmental organizations signed an agreement for the City to implement a potable water reuse plan. Known as Pure Water San Diego, this plan would eventually divert up to 83 million gallons of Point Loma wastewater per day from ocean discharges to an advanced water purification facility. Once built, the facility would send highly purified water to augment local drinking water reservoirs or other reuse projects.

"San Diego has made a commitment to reduce pollutant discharges through its ocean outfall," said Alexis Strauss, EPA's Acting Regional Administrator for the Pacific Southwest. "Today's proposal furthers EPA and the State's longstanding priority of taking action to protect Southern California's coastal waters."

"Building on previous work by the city, U.S. EPA and the San Diego Water Board, this permit and the Pure Water Program measures it includes represent a major step forward in protecting the health of our coastal waters while also increasing our community's drought resilience," said David Gibson, executive officer for the San Diego Water Board. "In terms of its development with the community, its goals, and specific requirements, this permit is a model for an outcome-based regulatory approach in California and the nation."

The Regional Water Board jointly issues National Pollutant Discharge Elimination System permits with EPA to ensure that all applicable water quality standards are met in federal and state waters. The proposed permit maintains requirements to meet water quality standards for the next five years and includes elements of the Pure Water San Diego program to reduce ocean discharges and increase water reuse.

Attachment A

During the past decade, flows and pollutant discharges from the Point Loma plant have decreased steadily. Sediment discharges, for example, declined 25%. Over the next 5 years, the new permit requires the City to complete the planning, design, and environmental review for the infrastructure to implement its Pure Water reuse project. Construction of advanced water treatment facilities will enable the City to begin reusing highly treated wastewater within 10 years.

The City of San Diego must apply for a permit renewal every five years and is required to meet secondary treatment levels. EPA may grant a modification of these standards for ocean discharges if federal and state water quality standards are met. The Point Loma plant has been operating under such a modification since 1995, consistently meeting or exceeding federal and state discharge requirements.

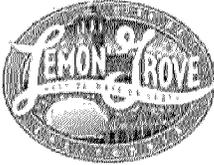
For the next 60 days, the agencies are seeking public comment on the draft permit, including EPA's tentative decision to continue waiving secondary wastewater treatment requirements for the City, based upon the plant's current performance and commitments to implement advanced treatment and water reuse.

The Pure Water San Diego program reflects an integrated water planning approach supported by EPA, the State of California, and members of the local community, businesses, and citizen groups. Under the program, the City will invest in an advanced water purification facility to turn wastewater into a resource that helps meet the water supply needs of the region, reduces the need for imported water, and helps address ocean water quality by reducing discharges.

To comment on the draft National Pollutant Discharge Elimination System permit, visit: <https://www.epa.gov/region9/water/npdes/pubnotices.html>

For more information on EPA Region 9's tentative decision on the Clean Water Act 301(h) waiver, visit: <https://www.epa.gov/region9/water/npdes/permits.html>

For more information on the San Diego Regional Water Quality Control Board's draft NPDES permit, visit: <http://www.waterboards.ca.gov/sandiego/>



LEMON GROVE SANITATION DISTRICT
City Manager's Department

December 6, 2016

United States Environmental Protection Agency
Region IX
75 Hawthorne Street
San Francisco, CA 94105

SUBJECT: Letter of Support to Renew the City of San Diego's Variance Request
Tentative Order No. R9-2017-0007

Dear Mr. Strauss:

I am writing this letter to you in full support of the City of San Diego's request to renew its variance from the secondary treatment requirements contained in section 301(b)(1)(B) of the Clean Water Act for the E. W. Blom Point Loma Metropolitan Wastewater Treatment Plant and Ocean Outfall.

I represent the Lemon Grove Sanitation District (District) on the Metro Commission / Metro Wastewater Joint Powers Authority (JPA). The JPA is a forward-looking coalition of municipalities and special districts that share in the use of the City of San Diego's regional wastewater system.

For the past several years I have been integrally involved in the JPA's partnership with the City of San Diego. I am excited to hear you issued a tentative decision to continue waiving secondary wastewater treatment requirements for the City based upon the plant's current performance and commitments to implement advanced treatment and water reuse (Pure Water). I too believe that the Pure Water program as outlined in the variance request application submitted in January 2015 will be extremely valuable to the region and to the State.

If you have any questions regarding this letter of support, please contact me any time at (619) 825-3819.

Sincerely,

Jerry Jones, Board Member
Lemon Grove Sanitation District

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 4
Mtg. Date December 6, 2016
Dept. City Manager's Office

Item Title: Amendment to the Heartland Communication Facility Authority Joint Powers Agreement

Staff Contact: Lydia Romero, City Manager

Recommendation:

Adopt a resolution (**Attachment B**) approving the Amended and Restated Joint Powers Agreement for Heartland Communications Facility Authority Agreement.

Item Summary:

The purpose of this agenda item is to present a resolution approving the Amended and Restated Joint Powers Agreement for Heartland Communications Facility Authority Agreement for City Council consideration. The staff report (**Attachment A**) provides background information, a description of the Agreement and a cost analysis.

Fiscal Impact:

No impact with approval of this amended agreement.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Resolution (including the Amended Joint Powers Agreement for Heartland Communications Facility Authority)

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 4

Mtg. Date December 6, 2016

Item Title: Amended and Restated Joint Powers Agreement for Heartland Communications Facility Authority Agreement

Staff Contact: Lydia Romero, City Manager

Background

The City of Lemon Grove is a member of the Heartland Communications Facility Authority, a joint powers authority (JPA) that provides fire and emergency medical dispatch services to member and contract agencies. The original agreement was entered into in 1986 and last amended in 2013.

The changes in the amended agreement were agreed to by the Management Advisory Committee and Board of Chiefs, and unanimously approved by the Heartland Communications Facility Commission at their meeting of November 3, 2016.

Discussion:

While numerous insignificant changes to form, format, and wording were made, the most important elements of amended agreement are:

1. Member agencies are committing to a seven year term expiring June 30, 2023.
2. Introduction of a weighted voting system for "any CalPERS financial issue of the Authority."
3. The debt, liabilities, and obligations of the JPA are further defined. Withdrawing agencies are required to pay their pro rata share of all outstanding obligations.
4. To minimize the disproportionate administrative burden of small agencies, a minimum fee based on a threshold call volume (500 calls per year) will be assessed.
5. Clarification of quorum requirements to specify a majority of members, rather than those in attendance, is required for action.
6. Clarification of dissolution language to include "winding down" costs.

The amended agreement is included as an exhibit to the approving resolution.

Conclusion:

Staff recommends that the City Council adopt the resolution approving the amended and restated Heartland Communication Facility Authority Joint Powers Agreement.

Attachment B

RESOLUTION NO. 2016-_____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA
AUTHORIZING THE CITY OF LEMON GROVE TO APPROVE AND SIGN THE AMENDED
AND RESTATED HEARTLAND COMMUNICATION FACILITY AUTHORITY
JOINT POWERS AGREEMENT**

WHEREAS, the City of Lemon Grove is a participating agency in the Heartland Communication Facility Authority; and

WHEREAS, Council Member Vasquez is the City's appointed representative on the Heartland Communications Facility Commission; and

WHEREAS, the original Agreement was entered into 1986 and last amended in 2013; and

WHEREAS, the changes to the amended agreement were agreed to by the Management Advisory Committee and Board of Chiefs; and

WHEREAS, the revisions were unanimously approved by the Heartland Communications Facility Commission at their meeting on November 3, 2016.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Finds the above recitations are true and correct; and
2. Authorizes the City Manager to execute the Amendment (Exhibit 1) on behalf of the City of Lemon Grove.

/////
/////

**AMENDED AND RESTATED
JOINT EXERCISE OF POWERS AGREEMENT FOR
"HEARTLAND COMMUNICATIONS FACILITY AUTHORITY"**

A Joint Exercise of Powers Agreement was originally made and entered into on the 25th day of June, 1986, ("Original Agreement") amended at various times including on the 1st day of July, 2013, and most recently amended on the January 1, 2017 by and among the ALPINE FIRE PROTECTION DISTRICT, BONITA-SUNNYSIDE FIRE PROTECTION DISTRICT, CITY OF EL CAJON, CITY OF LA MESA, LAKESIDE FIRE PROTECTION DISTRICT, CITY OF LEMON GROVE, and the CITY OF SANTEE (collectively the "Member Agencies" and individually "Member Agency"), all of which are organized and existing under and by virtue of the laws of the State of California.

WITNESSETH:

WHEREAS, the Member Agencies desire to amend and restate the Original Agreement by this agreement ("Agreement"); and

WHEREAS, the Member Agencies are each empowered by law to acquire sites, construct, equip, staff, maintain, operate and lease public buildings and related facilities for the purpose of communications; and

WHEREAS, the Member Agencies desire to provide fire communication and related services, and equip, staff, and operate a regional public safety services communications facility, and to provide a vehicle for the accomplishment thereof; and

WHEREAS, the Member Agencies desire to accomplish the aforesaid purpose by jointly exercising their common powers in the manner set forth in this Agreement; and

WHEREAS, the Member Agencies are authorized to jointly exercise their powers pursuant to the provisions of Article 2, Chapter 4, Part 2, Division 2, Title 5, Sections 55631 through 55634, and Article 1, Chapter 5, Division 7, Title 1, Sections 6500 through 6530, of the Government Code of the State of California;

NOW, THEREFORE, the Member Agencies, for and in consideration of the mutual benefits, promises, and agreements set forth herein, AGREE as follows:

SECTION 1. Restatement and Purpose.

Except as otherwise provided in this Agreement, effective as of January 1, 2017 ("Effective Date"), this Agreement amends, restates, and supersedes in its entirety the Original Agreement.

This Agreement is made pursuant to California Government Code Section 6500, et seq., hereinafter referred to as the "Act," to permit the joint exercise of certain powers common to the Member Agencies. The purpose of this Agreement is to enable the Member Agencies to exercise these powers jointly by equipping, maintaining, operating and staffing a facility and providing emergency call receiving and dispatching services to the Member Agencies. Such purpose will be accomplished and common powers exercised in the manner set forth in this Agreement. This Agreement is not intended to impair obligations of the Member Agencies arising under the Original Agreement which exist as of the Effective Date of this Agreement. All pre-existing obligations, rights, and privileges of the Member Agencies shall continue hereunder, subject to the terms and conditions of this Agreement.

SECTION 2. Term.

This Agreement shall become effective as of the Effective Date hereof and shall continue indefinitely in full force and effect as long as the number of Member Agencies is not reduced below two (2), or until such time as the Member Agencies agree to amend, withdraw from, or terminate the Agreement, in the manner set forth in Section 8. In the event that the Member Agencies vote to merge or consolidate the Authority with another joint powers agency, and the Authority is not the surviving joint powers agency, this Agreement will terminate upon culmination of such merger or consolidation.

SECTION 3. Authority.

A. Creation of Authority.

Pursuant to Section 6506 of the Act, there is hereby created a public entity, separate and apart from the Member Agencies, to be known as the "Heartland Communications Facility Authority" ("Authority"). The Debt and Long Term Liabilities and Obligations of the Authority as defined in Sections 5(C)(5) and 5(C)(6) of this Agreement shall constitute the Debt and Long Term Liabilities and Obligations of the Member Agencies on a pro rata basis as set forth in Sections 5(C)(3) and 5(C)(4).

B. Commission.

The Authority shall be governed by a commission, which shall be called the "Heartland Communications Facility Commission" ("Commission") and which shall exercise the powers set forth in Section 4(B) of this Agreement. Each Member Agency shall have one seat on the Commission and may appoint one Primary Commissioner to fill that seat and one Alternate Commissioner to fill that seat in the absence of the Primary Commissioner. Such appointments shall be made from members of the governing body of the Member Agency in accordance with the Member Agency's policies and procedures. A Commissioner shall serve at the pleasure of the appointing Member Agency, except such appointee shall cease to be a Commissioner if he or she ceases to be a member of the governing body of the appointing Member Agency, or if

the appointing Member Agency ceases to be a party to this Agreement. Each appointing Member Agency shall notify the Secretary of their respective appointments. The Secretary shall notify each Member Agency of the appointments of the other parties.

C. Board of Chiefs.

Pursuant to Section 6508 of the Act, there is hereby created an administrative body, immediately subordinate to the Commission, to be known as the "Board of Chiefs" ("Board"), whose members are hereinafter referred to as "Chiefs", and which shall exercise the powers set forth in Section 4(C) of this Agreement. Each Member Agency shall have one primary Chief on the Board and one alternate Chief to fill that seat in the absence of the primary Chief. A Chief who represents more than one Member Agency shall have one vote for each agency he or she represents. A Chief, or his or her designee, shall serve at the pleasure of the Member Agency of which he or she is a representative, except he or she shall cease to be a Chief if he or she ceases to be the Fire Chief or the designee of the Fire Chief for the Member Agency, or if such Member Agency ceases to be a party to this Agreement. Each of the Member Agencies shall notify the Secretary of the names of its respective Chiefs, as applicable.

D. Management Advisory Committee

A Management Advisory Committee ("MAC") shall be made up of the City Managers of each of the member cities, and the Fire Chiefs of the member districts. A MAC representative shall serve at the pleasure of the Member Agency of which he or she is a representative, except he or she shall cease to be a MAC representative if he or she ceases to be the City Manager of the member city or Fire Chief of the member district, or if such Member Agency ceases to be a party to this Agreement. Each of the Member Agencies shall notify the Secretary of the names of its respective MAC representatives, as applicable.

E. Administration.

The Authority may employ a Director ("Director"). The Director shall be authorized to act on behalf of the Commission in all matters relating to the day to day operations of the Authority, implementation of the approved budget, and the direction of the personnel of the Authority under the general direction of the Board. The Director shall advise the Board and the Commission as requested in connection with any business relating to the Authority. The Director shall be hired by, report to, and serve at the pleasure of the Board, with the ratification of the Commission.

F. Attorney of the Authority.

The Attorney of the Authority shall be selected by the Commission and serve at the will of the Commission. The Attorney shall advise the Commission, the Board, and the HCFA Director as requested in connection with any business relating to the

Authority. The Commission may, as determined necessary, employ other counsel to represent and advise the Board and the Commission on business and/or other litigation.

G. Meetings of the Commission, the Board, and the MAC

(1) Regular and Special Meetings of the Commission.

The Commission shall provide for its regular meetings; however, it shall hold at least one regular meeting immediately prior to each April 30, at which meeting the Commission shall consider and adopt the preliminary budget for the Authority, with final adoption by July 31st, for the ensuing fiscal year. The Commission shall provide for such further special meetings as may be needed, depending upon the urgency of business, or as may reasonably be requested by any Commissioner. The date, hour, and location at which any regular meeting shall be held shall be fixed by resolution and a copy of such resolution shall be filed with each of the Member Agencies.

(2) Regular and Special Meetings of the Board.

The Board shall provide for its regular meetings; however, it shall hold at least one regular meeting each quarter. The Board may provide for further special meetings as may be needed, depending upon the urgency of business, or as may reasonably be requested of the Chair of the Board by a majority of the Chiefs. The date, hour, and location at which regular meetings shall be held shall be fixed by resolution and a copy of the resolution shall be filed with each of the Member Agencies.

(3) Meetings of the MAC

The MAC shall meet occasionally and as necessary but at least twice per year to review the proposed budget, financial performance, capital improvement program, financial reserves, and to provide advisement regarding operations and business matters to the Commission. One meeting shall be prior to budget adoption, a second meeting shall be a mid-year review. The role of the MAC shall be advisory only to the Commission. Meetings may be convened with reasonable notice to MAC members at the request of the MAC, Commission, Board, or Director at a reasonable time, date, and location. The MAC shall have no officers and because the role of the MAC shall be to provide review and advisement, no quorum shall be necessary for the MAC to conduct a meeting. A good faith effort will be made to contact all MAC members and to attain a majority of members to attend any scheduled meeting.

(4) Ralph M. Brown Act.

The Commission and the Board shall adopt rules for conducting their meetings and other business. All meetings of the Commission, the Board, and the MAC, including without limitation regular, adjourned regular, and special meetings, shall be called, noticed, and conducted in accordance with the provisions of the Ralph M. Brown

Act (commencing with Section 54950 of the Government Code of the State of California).

(5) Minutes.

The Secretary shall cause minutes of regular, adjourned regular, and special meetings to be kept, and shall, as soon as reasonably practicable after each meeting, provide a copy of the minutes to each Commissioner and each Chief, respectively, and to each of the Member Agencies.

(6) Quorum.

A majority of the Commission or Board shall constitute a quorum for the transaction of business by that body. A lesser number of each body may adjourn for lack of a quorum. No action shall be taken by either the Commission or the Board without an affirmative vote of approval by Commissioners or Board representing a simple majority of the total number of Member Agencies; provided, however, that voting on an action involving a CalPERS financial issue shall be by weighted voting as set forth in Section 5(C)(5) below.

H. Officers and Respective Duties.

(1) Chair and Vice Chair of the Commission.

The Commission shall elect a Chair and Vice Chair at its first regular meeting, and thereafter, at the first regular meeting held in each succeeding calendar year, the Commission shall elect or re-elect its Chair and Vice Chair. In the event the Chair or Vice Chair so elected ceases to be a Commissioner, the resulting vacancy shall be filled at the first meeting of the Commission held after such vacancy occurs. In the absence or inability of the Chair to act, the Vice Chair shall act as Chair. The Chair, or in his or her absence the Vice Chair, shall preside and conduct all meetings of the Commission.

(2) Secretary to the Commission.

The Director and/or designee shall be the Secretary to the Commission. The Secretary will keep minutes and will prepare an agenda for each meeting of the Commission and the Board. The Secretary will solicit agenda items for regular meetings at least fifteen working days in advance, and will distribute the agenda and supporting documentation in accordance with the provisions of the Ralph M. Brown Act. The Secretary will meet jointly with the Chair of the Board of Chiefs and Chair of the Commission at least ten working days in advance to develop the agenda. Agenda items will be supported by appropriate documentation and explanation. The Secretary will deliver the agenda and supporting documentation to each Commissioner, each officer of the Authority, and the Chair of the Board at least five working days prior to the scheduled meeting.

(3) Treasurer/Controller of the Authority.

The Treasurer/Controller shall be appointed by the Commission, attend the meetings of the Commission, and advise the Commission in connection with any accounting, budgetary, monetary, or other financial matters relating to the Authority. The duties and responsibilities of the Treasurer/Controller include, but are not limited to, those set forth in Government Code Sections 6505, 6505.5, and 6509.5, and shall include the following:

(a) Establish, with the Commission's approval, the annual budget format, accounts, and documentation pertaining thereto, which most nearly reflect the objectives of the Authority and the operation of the communications program;

(b) Establish and maintain the particular funds and accounts as required by generally accepted accounting practices and which most accurately and appropriately record and report the operations of the Authority as represented by the annual budget document;

(c) Enforce strict compliance with the approved annual budget and approve only expenditures authorized therein;

(d) Ensure that all available cash is at all times invested in a cash management program and investment portfolio pertaining thereto in accordance with the provisions of California Government Code Section 53600 et seq. He or she will further ensure that sufficient liquidity is maintained to meet the Authority's cash disbursement needs;

(e) Furnish quarterly revenue, expenditure, and funds status reports to the Chair of the Commission; coordinate an annual audit of the basic financial statements in accordance with generally accepted governmental auditing standards; and facilitate an annual agreed upon procedures review of the debts, liabilities, and obligations of the Authority according to each Member Agency's pro rata share of call volumes;

(f) Maintain an inventory of all property of the Authority with the power to designate the Authority Director as the custodian of such property;

(g) With advice from the Commission, obtain and maintain liability and casualty insurance for the Authority and for the property of the Authority, respectively; and

(h) Make all books and records of the Authority in his or her possession open to inspection at all reasonable times by representatives of the Member Agencies.

(4) Chair and Vice Chair of the Board.

The Board shall elect a Chair and Vice Chair at its first regular meeting of each calendar year. In the event that the Chair or Vice Chair so elected ceases to be a Chief, the resulting vacancy shall be filled at the first meeting of the Board held after such vacancy occurs. In the absence or inability of the Chair to act, the Vice Chair shall act as Chair. The Chair, or in his or her absence the Vice Chair, shall preside at and conduct all meetings of the Board.

- (5) Secretary of the Board.

The Director or such person designated by the Director shall be the Secretary of the Board. The Secretary will keep minutes and will prepare an agenda for each meeting of the Board.

SECTION 4. Powers and Duties.

A. Authority.

The Authority shall have the powers common to the Member Agencies set forth in recitals of this Agreement, to wit: the power to acquire sites and construct, equip, staff, maintain, operate and lease public buildings, and related facilities for the purpose of communications.

The Authority is hereby authorized in its own name to perform all acts necessary for the exercise of common powers, including, but not limited to, any or all of the following:

- (1) To make and enter into contracts;
- (2) To employ agents and employees;
- (3) To acquire, construct, manage, maintain and operate any buildings, works or improvements;
- (4) To acquire, hold, or dispose of property within the County of San Diego;
- (5) To incur Debt and Long Term Liabilities and Obligations as defined in Sections 5(C)(5) and 5(C)(6);
- (6) To receive gifts, contributions and donations of property and funds, services, and other forms of financial assistance, from persons, firms and corporations, and any governmental entity;
- (7) To rent or lease communications services to public or non-public agencies; and
- (8) To sue and be sued in its own name.

Such powers shall be exercised in the manner provided in the Act, and, except as expressly set forth herein, are subject only to such restrictions as are imposed upon the City of El Cajon in the exercise of similar powers, pursuant to Government Code Section 6509. The Debt and Long Term Liabilities and Obligations of the Authority shall also be the Debt and Long Term Liabilities and Obligations of each of the Member Agencies on a pro rata basis according to each Member Agency's respective percentage of call volumes.

The Authority shall exercise aforesaid powers as needed to implement the purpose of this Agreement. Pursuant to Section 6504 of the Act, the Authority is empowered, and by this Agreement required, to assess the Member Agencies to finance the entire operation of the Authority in the manner set forth in this Agreement. The Authority may contract indebtedness for capital items only in the manner otherwise permitted by law. However, long-term financing shall be limited to the projected life term of the equipment or facility being financed, or a ten-year period, whichever is less.

B. Commission.

The Commission, as governing body of the Authority, shall formulate and set policy, including budget and purchasing policies, and shall exercise the powers set forth in Section 4(A) of this Agreement to accomplish its purpose. While the Commission retains full control and is responsible for the affairs of the Authority, it shall rely upon the Board for actual program development, implementation, and operation. The normal vehicle by and through which this shall be accomplished is the annual budget in the manner set forth in this Agreement.

C. Board.

The Board is the administrative arm of the Commission and is authorized to act on behalf of the Commission as necessary for the ordinary conduct of business. The Board is responsible to the Commission for development of a consolidated regional public safety services communications program, and for the leasing of facilities, acquisition of equipment, personnel staffing, and full-time maintenance and operation of the communications program.

The Board shall exercise its authority and responsibilities by and through its Chair, whose appointment is set forth in Section 3(H)(4) of this Agreement.

SECTION 5. Fiscal Year, Financing and Annual Budget.

A. Fiscal Year.

The Authority's fiscal year shall be the twelve-month period commencing each July 1.

The Authority shall operate only under an approved fiscal year budget. The Authority may not operate at a deficit.

B. Budget Reserve.

The Member Agencies shall pay for the entire operation of the Authority, using the annual expenditure budget to determine the total amount of assessment required. Each annual budget shall include a minimum reserve for Contingency equal to ten percent (10%) of otherwise budgeted and approved expenditures ("Reserve"). Money may be expended from this Reserve only with the express approval of the Commission. Any unexpended balance of the Reserve shall roll over as the beginning balance of the subsequent fiscal year. The total assessment against the Member Agencies may be reduced by expected revenue from executed contracts for dispatch services to public and non-public agencies and by unexpended or unobligated monies available at the end of the fiscal year prior to the year for which the budget is applicable.

C. Assessments, Budget.

The Commission, in adopting an annual budget, thereby fixes the assessment against the Member Agencies and Contract Agencies, which is binding thereon, except as otherwise set forth in this Agreement regarding default or withdrawal. The amount of assessment against an individual Member Agency shall be determined, and specified in the budget, in accordance with criteria set forth in a budget policy established by Resolution.

The budget policy shall include, but need not be limited to, the following:

(1) Assessment.

Assessments shall be determined for both Member and Contract Agencies based on adopted assessment rate(s) and estimated call volume from the previous calendar year. Assessment rates shall be set by action of the Commission no less than six months in advance of the effective date, notwithstanding exceptional events as determined by the Commission. Rates shall be set on a per-call basis to address the agency's long-term operating and capital needs in a way to maximize rate stability.

(2) Payment of Assessment.

Upon adoption of the fiscal year budget by the Commission, and the forwarding thereof to the governing bodies of the Member Agencies by the Secretary, the assessments fixed therein are automatically due and payable without further notice as follows:

July 15:	35%	of total assessment
October 15:	25%	of total assessment
January 15:	25%	of total assessment
April 15:	15%	of total assessment

The Commission may set a different payment schedule to accommodate the purchase of capital items, if sufficient monies would not otherwise be on hand to pay for such purchases.

A five percent (5%) late charge shall be imposed upon assessment payments not received by the Authority within forty-five (45) calendar days following mailing of a notice of assessments. An additional five percent (5%) shall be imposed if payment is not made within an additional thirty (30) calendar days. If an assessment including late charges, if any, is not paid in full within seventy-five (75) calendar days following any scheduled due date, the Member Agency shall be in default and subject to termination as a member of the Authority as provided under Section 8 of this Agreement. Upon termination of a Member Agency in default, all outstanding obligations or assessments under this Section shall become immediately due and payable. Upon withdrawal by or termination of a Member Agency, payment of Debt incurred under this section shall be governed by Section 8 of this Agreement.

(3) Operation and Maintenance Expenses.

The costs of operating and maintaining a communications facility and the communications and computer equipment housed therein shall include, but are not limited to, personnel salaries and benefits, office and computer supplies and other consumables, payments to lease a facility, and replacement parts necessary to repair equipment due to normal wear and tear from ordinary usage.

(4) Capital Expenditures.

Capital expenditures shall include the cost of original purchase of communications and computer equipment, hardware and other fixed asset type items, typically having a useful life of more than two years, including equipment improvements and additions, as opposed to replacement parts for ordinary maintenance during the useful life of the capital items. All costs associated with such purchase, such as installation, shall be capitalized. Replacement of equipment at the end of its useful life shall be a capital item.

Assessment of Member Agencies for capital expenditures shall be in accordance with the formula for operating expenses set forth in subdivision (1), above. Capital expenditures incurred for and unique to a minority of the Member Agencies shall be equally shared by such minority. The Commission may set up special cost allocation for these purchases, but all members funding the purchase must approve of the allocation.

(5) Long Term Liabilities and Obligations.

"Long Term Liabilities and Obligations" shall be defined as obligations incurred through the conduct of business payable more than one year into the future, and therefore not within the current fiscal year and annual budget, and may include any unfunded or under-funded or termination funding of employee benefit related expenses, including but not limited to compensated employee absences, OPEB Health Cost, CalPERS Risk Pool Unfunded Liability and the CalPERS Net Unfunded Termination Liability. Each Member Agency recognizes that the Authority's CalPERS Net Unfunded Termination Liability may not be capable of precise calculation at the time a Member Agency withdraws or is terminated by the Commission. Nevertheless, each Member

Agency agrees that upon withdrawal or termination it shall be liable to the Authority for a period of 5 years from the date of its withdrawal or termination for payment of its pro rata share of such Net Unfunded Termination Liability as and when such liability becomes due and payable.

(6) Debt and Debt Financing.

"Debt" shall be defined as an obligation incurred by the use of borrowed monies to be repaid in the future to purchase facilities, equipment or to pay for operational obligations. On behalf of the Authority, the Commission may approve purchase of items or improvements using debt financing.

(7) Weighted Vote System.

Except as expressly provided for herein, the Commissioner and Board representative for each Member Agency shall have one vote of equal value when a vote by the Commission or the Board is taken. A Chief who represents more than one Member Agency shall have one vote for each agency he or she represents. However the "Weighted Vote System" shall be used by the Commission or the Board when voting upon any CalPERS *financial* issue of the Authority. Each Member Agency will not have the same amount of influence over the outcome of these specific matters.

When the Commission or Board takes a vote upon a CalPERS financial issue, the Commissioner or Board representative for each Member Agency shall have a weighted vote equal to the total number of Member Agencies times a fraction, the numerator of which is the total incident call volume attributable to the Member Agency represented by the Commissioner or Board representative during the prior calendar year, and the denominator of which shall be the Authority's total incident call volume for the same time period. This allocation is likely to result in a Commissioner or Board representative having a fractional vote, e.g., one Commissioner or Board representative may have 1.25 votes, while another may have 0.75 votes.

D. Budget Administration

The Board has the authority to fully implement the approved budget. The Director, with the approval of the Board, may recommend expenditures and budgetary transfers or adjustments. However, neither the Director nor the Board may authorize personnel staffing in excess of that authorized in the budget in number, position classification, or salary. In addition, neither the Director nor the Board may alter the capital budget, utilize the Reserve for contingency, or increase the total amount of the approved expenditure budget without Commission approval.

SECTION 6. Personnel.

A. The Authority may employ a Director and any other individuals deemed necessary to staff the communications program. The positions must be authorized and funded in the Authority's annual budget.

B. The Director, with oversight of the Board, is authorized to act on behalf of the Board in all matters of personnel administration given the positions and funding authorized by the Commission in the Authority's budget. This includes, but is not limited to, hiring, supervisory direction, performance evaluations, disciplinary matters, and terminations.

C. The Board, subject to approval by the Commission, may employ the Director and communications dispatchers, to be known as "Fire Communications Dispatchers," and individuals to fill any other positions deemed necessary. The positions must be authorized and funded in the Authority's annual budget.

SECTION 7. Dispatch Service to Other Agencies.

The Authority may provide dispatch service to public agencies and non-public agencies not a party to this Agreement, but only upon the majority vote of the Commission. Such service shall be by contract, executed by the Chair of the Board on behalf of the Authority. The Commission shall establish by contract, the amount of charge for the service.

SECTION 8. Withdrawal; Termination.

Each Member Agency shall remain a party to this Agreement, and share in the costs of operation of the communications center until June 30, 2023, and continuing thereafter until this Agreement is terminated or until the Member Agency ceases to be a party to this Agreement. If, in the interim, any Member Agency defaults on payment of any assessment as defined in Section 5(C)(5) and 5(C)(6), or otherwise breaches this Agreement, such Member Agency shall be subject to termination as a member of the Authority by vote of the Commission. The terminated Member Agency remains liable for the defaulted payment and late charges for the balance of the year's assessment and, in the event of termination prior to June 30, 2023, for assessments for years through June 30, 2023. Such subsequent assessments will be determined as if the terminated Member Agency is still a member of the Authority using the Member Agency's call volume for the preceding complete fiscal year in which it was a member; the assessment will be due and payable in full on July 30 of the fiscal year for which levied. Such terminated Member Agency shall also be liable for its pro rata share of Debt and Long Term Liabilities and Obligations as defined in Sections 5(C)(5) and 5(C)(6).

After June 30, 2023, any Member Agency defaulting on payment shall be subject to termination by a vote of the Commission and shall be liable for any defaulted payments, late charges, and its pro rata share of Debt and Long Term Liabilities and Obligations as defined in Sections 5(C)(5) and 5(C)(6).

A Member Agency may withdraw as a party to this Agreement without penalty commencing on June 30, 2023, or on any June 30 thereafter, with one hundred eighty (180) days' prior notice to the Authority. Such withdrawing Member Agency shall

perform all obligations under this Agreement until the noticed June 30 date of withdrawal.

Notwithstanding the above, any Member Agency which withdraws shall be obligated to pay to the Authority a sum equal to said Member Agency's assessment for the fiscal year ending on the date of withdrawal. Further, a withdrawing Member Agency shall pay its pro rata share of the remaining balance of such Debt and Long Term Liabilities and Obligations that exists on the date of withdrawal; payment of the full amount shall be made within 30 days of the withdrawal date.

The Authority retains the right to seek legal redress, if necessary, to obtain payment of amounts due. The Authority is entitled to recover costs and attorney's fees related to such legal redress. A terminated Member Agency or a Member Agency that withdraws forfeits any claim to any assets of the Authority.

SECTION 9. Dissolution.

This Agreement shall terminate and the Authority shall be dissolved if the number of parties to this Agreement becomes less than two, or if the parties unanimously agree to terminate this Agreement. In either instance, dissolution shall only be effective upon a June 30th, but shall in no event be effective until the requirements of Section 10 are satisfied. Should dissolution occur, all remaining members shall be responsible for winding down costs, including all required audits, notwithstanding other provisions in this Agreement.

SECTION 10. Disposition of Assets.

A. This Agreement may not be terminated and there shall be no disposition of assets made to parties to the Agreement until the Authority reasonably exhausts all means of collecting any monies due to the Authority. The Commission must formally accept a final accounting prepared by the Treasurer/Controller before any final disposition of net assets may be made and termination of this Agreement consummated.

B. If the cause for termination was reduction of the number of parties to the Agreement to less than two, all net assets of the Authority shall become the property of the sole remaining party to the Agreement.

C. If the cause for termination is mutual agreement, the total dollar amount of the net assets shall be apportioned among such parties according to the relative assessments paid by those parties during the entire term of the Agreement.

D. In no event shall assets be transferred to Member Agencies until all Debts, Long Term Liabilities and Obligations are retired.

SECTION 11. Amendment to Agreement.

This Agreement may only be amended by simple majority vote of all the Member Agencies. The Commission shall initiate any proposed amendment by requesting a formal recommendation from the Board. The Commission shall then forward the proposed amendment with the Board's recommendation to the governing body of each Member Agency. The proposal shall be accompanied by a copy of the proposed amendment to the Agreement, which shall be adopted, properly executed, and returned to the Commission if the Member Agency concurs with the amendment. The Secretary shall notify each party of the resultant action.

SECTION 12. Additional Parties to the Agreement.

Public agencies, as defined in the Act, which are not parties hereto, may become parties hereto only by amendment of this Agreement as provided in Section 11 hereof, and subject to the following terms and conditions, which shall be specified in the amendment:

A. A provision specifying that, for purposes of the calculation of assessment expense allocations as set forth in Section 5(C)(1) and 5(C)(2), a minimum of 500 calls shall be attributed to the new Member Agency for a specified number of years.

B. A buy-in fee to be paid by the new Member Agency in consideration of the existing equity in the Authority's assets.

Upon approval of the amendment by a majority of the Member Agencies as set forth in Section 11, the new Member Agency shall execute the amendment consenting to be bound by all terms of this Agreement as amended and, upon execution of the amendment by a duly authorized representative of the Commission attesting that the requisite vote of the Member Agencies approving the amendment has been obtained, the public agency shall become a Member Agency with all rights and privileges and subject to all obligations and liabilities thereof.

SECTION 13. Severability.

Should any part, term, portion, or provision of this Agreement or the application thereof to any person or in any circumstances, be in conflict with any State or Federal law, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions, or the application thereof to other persons or circumstances, shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to continue to constitute the Agreement that the parties intended to enter into in the first instance.

SECTION 14. Hold Harmless.

Each Member Agency shall defend, indemnify, and save all other individual Member Agencies and the Member Agency and Authority harmless from any and all claims arising out of that individual Member Agency's negligent performance of this Agreement. Any loss or liability resulting from the negligent acts, errors, or omissions of the Commission, Board, Director, or staff, while acting within the scope of their authority under this Agreement, shall be borne by the Authority exclusively. The provisions of this Section 14 shall survive the termination or expiration of this Agreement.

SECTION 15. Successors.

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto.

SECTION 16. Notice to State.

A notice of the creation of the Authority by this Agreement, and/or any amendments to this Agreement, shall be filed by the Authority with the Secretary of State pursuant to Section 6503.5 of the Act.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed as of the day and year first above written.

ALPINE FIRE PROTECTION DISTRICT

Attest:

By: _____

Its: _____

BONITA-SUNNYSIDE FIRE PROTECTION DISTRICT

Attest:

By: _____

Its: _____

CITY OF EL CAJON

Attest:

By: _____

Its: _____

CITY OF LA MESA

Attest:

By: _____

Its: _____

LAKESIDE FIRE PROTECTION DISTRICT

Attest:

By: _____

Its: _____

CITY OF LEMON GROVE

Attest:

By: _____

Its: _____

CITY OF SANTEE

Attest:

By: _____

Its: _____