

City of Lemon Grove
City Council Regular Meeting Agenda
Tuesday, June 7, 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

Presentation

26th Annual Treganza Third Grade History Essay Awards

Changes to the Agenda

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

May 17, 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 Demands

C. Waive Full Text Reading of All Ordinances on the Agenda

Reference: Jim 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 only

D. Purchase of a 2017 Chevrolet City Express Cargo Van and Mavron Animal Transport Van Conversion

The City Council will consider a resolution authorizing the purchase of a 2017 Chevrolet City Express Cargo Van and Mavron Animal Transport Van Conversion.

Reference: Mike James, Public Works Director

Recommendation: Adopt Resolution

E. Sewer Service Charges for Fiscal Year 2016-2017

The Lemon Grove Sanitation District Board will consider a resolution approving the Engineer's report detailing sewer service charges for Fiscal Year 2016-17 and file the required certification with the San Diego County Auditor and Controller.

Reference: Mike James, Public Works Director
Recommendation: Adopt Resolution

F. Zone L Assessments for Fiscal Year 2016-2017

The Lemon Grove Roadway Lighting District Board will consider a resolution approving the Engineer's report detailing Zone L Assessments for Fiscal Year 2016-17 and file the required certification with the San Diego County Auditor and Controller.

Reference: Mike James, Public Works Director
Recommendation: Adopt Resolution

G. 2015 CIP Street Rehabilitation Project, New Jersey Avenue Deep Grind, Dig Out and Root Removal from San Miguel to Broadway

The City Council will consider a resolution awarding a contract for the 2015 CIP Street Rehabilitation Project, New Jersey Avenue deep grind, dig out and root removal from San Miguel to Broadway.

Reference: Mike James, Public Works Director
Recommendation: Adopt Resolution

H. Acceptance of the 2015 CIP Street Rehabilitation Project – Concrete Repairs and Upgrade

The City Council will consider a resolution accepting the 2015 CIP Street Rehabilitation Project: Concrete Repairs and Upgrade.

Reference: Mike James, Public Works Director
Recommendation: Adopt Resolution

I. Notice of a General Municipal Election in the City of Lemon Grove for the Election the Mayor and Two Members of the City Council and Regulations for Candidate Statements

The City Council will consider a resolution directing the City Clerk to provide notice of a General Municipal Election in the City of Lemon Grove on Tuesday, November 8, 2016, and resolution adopting Regulations for Candidates Statements

Reference: Susan Garcia, City Clerk
Recommendation: Adopt Resolutions

J. Request for General Municipal Election Services from the County of San Diego

The City Council will consider a resolution that requests the San Diego County Registrar of Voters provide election services to the City of Lemon Grove for the November 8, 2016, General Municipal Election.

Reference: Susan Garcia, City Clerk
Recommendation: Adopt Resolution

K. Fiscal Year 2016-17 City Calendar

The City Council will consider approving the proposed Fiscal Year 2016-17 City Calendar and City Hall Holiday Schedule.

Reference: Corinne Russell, Human Resources Manager

Recommendation: Approve City Calendar

2. 2016-17 Draft Budget Discussion

The City Council will consider the draft 2016-17 budget and provide direction in preparing the final consolidated budget to be presented on June 21, 2016..

Reference: Lydia Romero, City Manager and Gilbert Rojas, Interim Finance Director

Recommendation: Discuss and Provide Direction to the City Manager

3. Lease Agreement with CHIP/Heal Zone at the Senior Center

The City Council will consider a resolution approving a lease agreement between the City and Community Health Improvement Partners for use of the Senior Center.

Reference: Mike James, Public Works Director

Recommendation: Adopt Resolution

4. Third Party Administrator for Worker's Compensation Claims Management Services

The City Council will consider a resolution approving an agreement between AdminSure Inc. and the City for Workers' Compensation Third-Party Administration (TPA) and Claims Review.

Reference: Corinne Russell, Human Resources 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**

May 17, 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 DeVries, Development Services Director; Miranda Evans, Assistant Planner; Michael H. Wapner, Deputy City Attorney; Mike James, Public Works Director; Sheriff's Department; Rick Sitta, Fire Chief; and Lauren Ryan Ojeda, Administrative Analyst.

Presentations

Mayor Sessom presented the National Public Works Week proclamation.

Public Comment

John L. Wood commented on a truck that is continuously parked on Massachusetts Avenue, traffic lights that need to be fixed, and bus shelters that are in need of repair, and he noted that the Toyota dealership is closed on Sunday.

Monica Emanuel, San Diego County Fair, provided an overview of the 2016 County Fair.

1. Consent Calendar

- A. Approval of City Council Minutes**
May 3, 2016 Regular Meeting
- B. Ratification of Payment Demands**
- C. Waive Full Text Reading of All Ordinances and Resolutions on the Agenda**
- D. USAI Grant Acceptance**
- E. Authorization of Application Submittal for the CalRecycle Beverage Container Recycling City/County Payment Program**
- F. Community Development Block Grant (CDBG) 2016 Street Rehabilitation and ADA Pedestrian Curb Ramps Project**
- G. Levy and Collection of Assessments within the Lemon Grove Wildflower Landscape Maintenance Assessment District 97-1 for Fiscal Year 2016-2017**

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. 2016-3412: Resolution of the City Council of the City of Lemon Grove, California Accepting Fiscal Year 2015 Urban Area Security Initiative Training Attendance and Participation Grant Funds

Resolution No. 2016-3413: Resolution of the Lemon Grove City Council Approving the Authorization of Application Submittal for the Calrecycle Beverage Container Recycling City/County Payment Program

Resolution No. 2016-3414: Resolution of the City Council of the City of Lemon Grove, California, Awarding a Contract for the Community Development Block Grant (CDGB) 2016 Street Rehabilitation and ADA Pedestrian Curb Ramps Project

Resolution No. 2016-3415: Resolution of the City Council of the City of Lemon Grove, California Approving the Levy and Collection of Assessments with the Lemon Grove Wildflower Landscape Maintenance Assessment District 97-1 for Fiscal Year 2016-2017

2. Bee Keeping Ordinance

Miranda Evans stated that at the April 5, 2016 City Council Meeting, the City Council directed staff to amend the draft beekeeping ordinance to simplify regulations and encourage beekeeping. This staff report provides an overview of the proposed amendments which include provisions relating to locational requirements (setbacks), permit fees, bee species, registration, firefighting material, and public nuisance requirements.

Staff recommends that the City Council adopt an ordinance amending the current beekeeping regulations as follows:

- Include a fee of \$75 for a beekeeping permit. This fee would be added to the Master Fee Schedule for Fiscal Year 2016-2017;

- Amend locational requirements for beehives to encourage beekeeping within the City;

- Add requirements for sensitive sites (e.g., schools, playgrounds, picnic areas, senior centers, etc.);

- Add a requirement for the maximum beehive size; based upon conservative industry standards, an apiary shall be no larger than three square feet in area and four and one-half feet in height;

- Add a requirement for firefighting materials near a hive;

- Add that the types of bee species allowed are required to be docile and nonaggressive;

- Require registration of the apiaries with the County of San Diego Department of Agriculture, Weights, and Measures (currently free for less than 10 apiaries on a site).

- Add the public nuisance provisions of Section 6.04.430 to the general provisions of the City's animal keeping regulations (Section 18.16.020) allowing the City to abate any type of animal keeping if it becomes a public nuisance.

- Correct subsection A under exotic animals to reference Section 6.04.420 instead of 6.04.430. This is incorrectly cited

Upon adoption of the proposed changes, staff recommends implementing a six-month amnesty period for all current beekeepers with existing hives. During the proposed six-month amnesty period, the beekeeper would be able to apply for the permit at no cost. Thereafter, staff recommends that existing hives, including those located near a sensitive site, can be deemed a legal non-conforming use with opportunities to apply for a beekeeping permit.

Other requirements were considered as a part of the proposed amendments.

Public Speaker(s):

Carlos Richardson
Mark Kukuch
Rebecca Wolniewicz
Daryl Hern
Neyl Montesano

After discussion, the public hearing was continued to June 21, 2016.

3. Extension of the Joint Use Agreement between the City of Lemon Grove and the Lemon Grove School District

Lydia Romero reported that on November 3, 2015, the City Council approved a Joint Use Agreement with the Lemon Grove School District for the newly constructed outdoor recreation facilities at Lemon Grove Academy Middle School, including the softball field, blacktop courts, open fields, and running/walking track. The Agreement allows for priority scheduling of the facilities first by the School District, then by the City for programmed recreation uses. When not otherwise in use by these agencies, the field will be open for public use on Saturdays. The initial agreement was for a six-month trial period, ending May 12, 2016. The City and School District agree that this has been a successful partnership for both entities and are actively looking for ways to open the fields for Sunday use.

As stipulated in the original agreement, if both entities wish, the agreement can be extended for a five-year period by a written addendum.

Public Speaker(s)

There were no requests from the public to speak.

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

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

Resolution No. 2016-3416: Resolution of the City Council of the City of Lemon Grove, California Approving a Five-Year Extension of the Joint Use Agreement between the City of Lemon Grove and the Lemon Grove School District for Use of the Recreation Facilities on The Lemon Grove Middle School Campus

4. Amendment to Option Agreement between City of Lemon Grove and the San Diego Community Land Trust for 8084 Lemon Grove Way

David DeVries stated that in September 2014, the City and San Diego Community Land Trust (SDCLT) entered into a Purchase Option Agreement for the eventual sale of 8084 Lemon Grove Way, Lemon Grove Housing Authority owned land. The Purchase Option Agreement required SDCLT to complete certain milestones by specified dates. The fourth milestone—securing building and site improvement permits and securing, as to form, the 99-year ground lease proposed to be used as the conveyance of Affordable Unit interests—was to be completed by May 19, 2016.

These milestones ensure that SDCLT has progressed towards the purchase of 8084 Lemon Grove Way. The applicant is working with city staff towards completing this milestone, however, will be unable to meet the specified deadline.

Jean Diaz, San Diego Community Land Trust, was available to answer questions.

Public Speaker(s)

There were no requests from the public to speak.

Action: Motion by Councilmember Jones, seconded by Councilmember Mendoza, to close the public hearing, direct the City Manager to draft a letter for the Helix Water District Board President, and adopt the resolution passed, by the following vote:

Ayes: Sessom, Jones, Mendoza, Vasquez

Absent: Gastil

Resolution No. 2016-3417: Resolution of the City Council of the City of Lemon Grove, California Approving an Amendment to an Option Agreement with the San Diego Community Land Trust for the Parcel Identified as 8084 Lemon Grove Way (APN 475-450-19-00)

5. Transnet Local Street Improvement Program of Projects for FY 2017-2021

Mike James reported that the City is anticipating it will receive \$3.8 million in TransNet funds during the next five years. During the next five year period, staff recommends programming \$5 million amongst the seven projects related to streets, storm drains and traffic projects. The difference between the anticipated allocation and programmed amount is made up of \$1 million in TransNet LSI (carry over) and \$186,000 in Regional Transportation Congestion Improvement Program funds. Two projects are grant funded projects that are managed by SANDAG. The last project is a grant project that has been completed yet is still shown on this report. All projects allocated by and managed by SANDAG are automatically reflected in the ProjectTrak report.

A brief summary of the project numbers and descriptions are listed below.

CAL 266 – Lemon Grove – Schools (Completed): Grant funds to support outreach, interaction, workshops, and trainings that support walking and bicycling to school throughout the City.

LG 13 - Lemon Grove Avenue Realignment Project: A key project in the redevelopment of the city's downtown village specific plan, this project will realign the Lemon Gove Avenue at SR-94 adding traffic lanes and improving access to and from SR-94, reducing motorist delays and vehicle emissions.

LG 14 – Traffic Improvements (Preventative Maintenance): Support various traffic related projects scheduled throughout the year that may include traffic loop replacements, traffic signal upgrades, speed survey, streets striping improvements, traffic calming studies, and the repair or replacement of street signs.

LG 15 – Storm Drain Rehabilitation (Preventative Maintenance): Repairs to multiple storm drain facilitates such as sport repairs to existing pipes, berms or other division devices.

LG 16 – Storm Drain Rehabilitation (Congestion Relief): Evaluate, prioritize, and implement improvement to the City's storm drain system by identifying deteriorated or problematic portion of the storm drain system, perform risk assessments to prioritize need and perform the necessary construction repairs or replacements to avoid roadway flooding.

LG 17 – Street Improvements (Preventative Maintenance): Maintain city streets and funds costs to survey all streets as part of the pavement management system.

LG 18 – Traffic Improvements (Congestion Relief): Provide multiple types of projects that may include median installation for safety improvement or left turn movement, new traffic signals, passive permissive left turn installation, signal removal for congestion relief reasons, traffic signal upgrades, intersection lighting, traffic signal coordination, and traffic signal interconnection/optimization.

LG 20 – Street Improvements (Congestion Relief): Identifies streets throughout the City to repair, remove and replace sidewalks/curb ramps, provides matching funds for grant programs, and funds the pavement management program update/study.

LG 21 – Main Street Promenade Extension Planning Project: Use existing public rights-of-way to support and enhance the north/south movement of pedestrians and bicyclists through shared circulation of bicycles, pedestrians, and vehicles and encourage interaction, improve health and create pedestrian and bicycle amenities.

LG 22 – Lemon Grove Avenue Realignment Project: Realigns and reconstructs segments of Lemon Grove and North Avenues, trolley/railroad crossing, and the Lemon Grove Avenue State Route 94 entrance/exit.

LG 23 – Broadway Downtown Village Specific Plan (DSVP) Expansion: The expansion would consider promoting mixed-use with increased residential densities and commercial intensities within the proposed boundaries consistent within the adopted Downtown Village Specific Plan.

In FY 2015-16, the City Council directed staff to focus on completing the Lemon Grove Avenue Realignment project as well as citywide street improvements. Staff created a funding plan that will support the realignment project and the street rehabilitation program in keeping with the current pavement management program.

San Diego Community Land Trust

Public Speaker(s)

There were no requests from the public to speak.

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

Ayes: Sessom, Jones, Mendoza, Vasquez

Absent: Gastil

Resolution No. 2016-3418: Resolution of the City Council of the City of Lemon Grove, California Adopting the Transnet Local Street Improvement Program of Projects for Fiscal Years 2017 through 2021

6. Ordinance No. 27 – Maintaining the Current Wastewater Rates for Fiscal Year 016-2017

On May 3, 2016, the Board introduced and conducted the first reading of Ordinance No. 27. Relying on a technical memorandum prepared by NBS Government Finance Group, staff recommended to the Board to maintain the existing FY 2015-16 wastewater rates for FY 2016-17.

Public Speaker(s)

There were no requests from the public to speak

Action: Motion by Board Member Jones, seconded by Board Member Vasquez, to conduct the second reading, by title only, and adopt Ordinance No. 27 passed, by the following vote:

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

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

Councilmember Jones reported on recent Metro Wastewater and IROC meetings.

Councilmember Mendoza attended SANDAG's Planning Committee and HealZone Committee meetings, Relay for Life event, along with HealZone leadership training in Pasadena.

Councilmember Vasquez attended an East County Mayoral luncheon, a human trafficking prevention event, paint out at the Main Street Promenade, and the HealZone leadership training in Pasadena.

Mayor Sessom reported on recent SANDAG, SCAG, Airport Authority meetings and she participated in the Relay for Life event.

City Manager and Department Director Reports

Mike James thanked the City Council for recognizing the Public Works Department.

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 7:35 p.m.



Susan Garcia, City Clerk

City of Lemon Grove Demands Summary

Approved as Submitted:

Gilbert Rojas, Interim Finance Director

For Council Meeting: 06/07/16

ACH/AP Checks 05/05/16-05/25/16

1,355,356.23

Payroll - 5/10/16

119,330.30

Payroll - 5/24/16

119,983.63

Total Demands

1,594,670.16

Check No	Vendor No	Vendor Name	Check Date	Vendor Name	Check Amount	Check Amount
CHECK NO	INVOICE NO	VENDOR NAME	DATE	Description	INVOICE AMOUNT	CHECK AMOUNT
ACH	Refill 5/4/16	Pitney Bowes Global Financial Services LLC	05/05/2016	Postage Usage 5/4/16	250.00	250.00
ACH	Mar16	San Diego County Sheriff's Department	05/05/2016	Law Enforcement Services - Mar'16	410,838.87	410,838.87
ACH	4154920380 3568860625	SDG&E	05/10/2016	Electric Usage: St Light 3/31/16-4/30/16 Electric Usage: St Light 3/31/16-4/30/16	2,774.26 1,245.91	4,020.17
ACH	14746396	California Public Empl Retirement System	05/10/2016	Fees for GASB-68 Reports & Schedules	3,250.00	3,250.00
ACH	Mar30-Apr26	California Public Empl Retirement System	05/11/2016	Pers Retirement 3/30/16-4/26/16	60,932.48	60,932.48
ACH	Apr16	Wells Fargo Bank	05/11/2016	Bank Service Charge - Apr'16	625.25	625.25
ACH	May10 16	Employment Development Department	05/12/2016	State Taxes 5/10/16	6,892.06	6,892.06
ACH	Apr16	Home Depot Credit Services	05/16/2016	Home Depot Purchases - Apr'16	1,592.21	1,592.21
ACH	May10 16	US Treasury	05/17/2016	Federal Taxes 5/10/16	28,705.50	28,705.50
ACH	Refill 5/17/16	Pitney Bowes Global Financial Services LLC	05/18/2016	Postage Usage 5/17/16	250.00	250.00
ACH	1000165150	City of San Diego	05/19/2016	Metro Sewer System FY16 - QTR 4	575,490.00	575,490.00
ACH	Apr28 16 May12 16	Southern CA Firefighters Benefit Trust	05/19/2016	LG Firefighters Benefit Trust 4/28/16 LG Firefighters Benefit Trust 5/12/16	876.85 876.85	1,753.70
ACH	SpCompUni	California Public Empl Retirement System	05/20/2016	Employee Share Special Comp Uniform FY13/14 Employer Share Special Comp Uniform FY13/14	2,826.91 7,846.35	10,673.26
ACH	Refill 5/24/16	Pitney Bowes Global Financial Services LLC	05/25/2016	Postage Usage 5/24/16	250.00	250.00
5708	L1072895QE	American Messaging	05/11/2016	Pager Replacement Program- 5/1/16-5/31/16	40.71	40.71
5709	05/12/16	California State Disbursement Unit	05/11/2016	Wage Withholding Pay Period Ending 5/10/16	267.00	267.00
5710	AR136365	City of Chula Vista	05/11/2016	Animal Control Services- Jan16	12,793.10	12,793.10
5711	18514	City of La Mesa	05/11/2016	HHW Event- 12/12/15	930.00	930.00
5712	00002686 00002790	Clark Telecom & Electric Inc	05/11/2016	Buena Vista Under Bridge Lighting Upgrade Back Up Battery Replacement at Mt Vernon & Massachusetts	3,945.36 1,778.00	5,723.36
5713	5/2-5/16	Esgil Corporation	05/11/2016	75% Building Fees- 5/2/16-5/5/16	2,472.19	2,472.19
5714	7275656	Globalstar USA, Inc	05/11/2016	Satellite Service- 3/16/16-4/15/16	85.32	85.32
5715	IVC16275	Goodwill Industries of SD County	05/11/2016	Document Destruction Services 4/26/16	75.00	75.00
5716	IN1007569 IN1016867	Municipal Emergency Services Inc	05/11/2016	SCBA Repairs SCBA Repairs	115.00 210.00	325.00
5717	44571	NVS, Inc	05/11/2016	LGA Realignment-Final Design/Amend No5- 3/1/16-3/26/16	16,690.59	16,690.59
5718	31507	Paul, Plevin, Sullivan & Connaughton LLP	05/11/2016	Services Rendered thru Mar31, 2016 - CLG	10,165.88	10,165.88
5719	Apr16	Russell, Corinne	05/11/2016	Mileage Reimbursement- Russell - Apr'16	59.22	59.22
5720	0249496	The Light House	05/11/2016	Halogen Bulbs	19.53	19.53
5721	98311	Tristar Risk Management	05/11/2016	Losses Paid- 4/1/16-4/30/16	1,431.45	1,431.45
5722	420160384	Underground Service Alert	05/11/2016	New Ticket Charges- Apr16	66.00	66.00
5723	May10 16	Vantage Point Transfer Agents-457	05/11/2016	ICMA Deferred Compensation Pay Period Ending 5/10/16	580.77	580.77
5724	75936704	Waxie Sanitary Supply	05/11/2016	Cleaning Supplies	1,043.06	1,174.04

	75938683		Cleaning Supplies		130 98	
5725	900227399	Zep Sales and Service	05/11/2016	Cleaning Supplies	484.24	484 24
5726	1911302	American Fence Company Inc.	05/18/2016	Replacement Fence- Damaged Panel- North Ave & Olive	735.00	735.00
5727	55612	Anthem Blue Cross EAP	05/18/2016	Employee Assistance Program - May'16	165.00	165 00
5728	4/30/2016 5/1/2016	AT&T	05/18/2016	Fire Backup Phone Line- 4/1/16-4/30/16 Phone Service - May'16	34 21 414 55	448.76
5729	4476341	Bearcom	05/18/2016	Portable Radios Monthly Contract 4/22/16-5/21/16	150 00	150 00
5730	Jun16	California Dental Network Inc.	05/18/2016	California Dental Insurance - Jun'16	324.42	324.42
5731	16034134	Canon Financial Services Inc.	05/18/2016	Canon Copier Contract Charge- May'16 Basement	81 35	81 35
5732	18522 18523	City of La Mesa	05/18/2016	HHW Event 1/23/16 HHW Event 3/19/16	494 00 712.00	1,206 00
5733	1000166146	City of San Diego	05/18/2016	Municipal Sewer Transportation - 3rd Qtr 1/1/16-3/31/16	6,860 57	6,860.57
5734	00002926 00002928 00002929	Clark Telecom & Electric Inc.	05/18/2016	Traffic Signal Maintenance- Apr16 Street Light Repairs- Jan-Mar16 Street Light Repairs- Apr16	1,170.00 942.94 431 50	2,544.44
5735	81687455 81687767	Corelogic Information Solutions Inc.	05/18/2016	RealQuest Graphics Package- Apr16 Image Requests-Apr16	300.00 11.00	311.00
5736	16CTOFLGN10	County of San Diego- RCS	05/18/2016	800 MHZ Network - Apr16	2,896 67	2,896.67
5737	5/6/2016 5/1/2016 5/6/2016 5/1/2016 4/29/2016 4/29/2016 5/4/2016	Cox Communications	05/18/2016	Calsense Modem Line:2259 Washington 5/6/16-6/5/16 Main Phone/Fire- 5/1/16-5/31/16 Calsense Modem Line:7071 Mt Vernon 5/6/16-6/5/16 Phone/City Hall- May16 Internet/Community Ctr- 4/30/16-5/29/16 Peg Circuit Svc- 4/30/16-5/29/16 Phone/Rec Ctr/ 3131 School Ln - 5/4/16-6/3/16	21.08 394.24 19 97 828 36 75 00 2,941.15 97 71	4,377.51
5738	051016	CPRS District 12	05/18/2016	UT Joint Summer Camp Ad (Apr9, 30 & May27, 2016)	332.50	332.50
5739	13107	Custom Auto Wrap Inc.	05/18/2016	Daycamp 2-Sided Banners 15'x3'	1,285.20	1,285.20
5740	04160560	DAR Contractors	05/18/2016	Animal Disposal- Apr16	162.00	162.00
5741	0506162305	Domestic Linen- California Inc.	05/18/2016	Shop Towels & Safety Mats 5/6/16	96 40	96.40
5742	L0515368384	Employment Development Department	05/18/2016	Unemployment Insurance - Jan-Mar'16	321.00	321.00
5743	5/9-12/16	Esgil Corporation	05/18/2016	75% Building Fees- 5/9/16-5/12/16	8,728 55	8,728 55
5744	367993	EW Truck & Equipment Company, Inc.	05/18/2016	Lamp - GapVax #32	11.65	11.65
5745	42969	Global Power Group, Inc.	05/18/2016	Station Generator Repair	367.00	367.00
5746	Hernandez	Hernandez, Luis	05/18/2016	Refund/Hernandez,Luis/Deposit- LBH 4/30/16	200.00	200.00
5747	16-3967	I love a Clean San Diego	05/18/2016	ILACSD Presentations- Apr16	750.00	750.00
5748	394691	J.P. Cooke Company	05/18/2016	Dog License Tags	212.32	212.32
5749	201612	Lemon Grove Car Wash	05/18/2016	Full Service Car Wash- 4/26/16	8 00	8 00
5750	07-2099 07-2098	Lemon Grove School District	05/18/2016	Fuel Services-PW: Apr'16 Fuel Services- Fire Stn- Apr16	2,189 53 1,246 69	3,436 22
5751	050916-01	MIC Construction	05/18/2016	Skyline Storm Drain Inlets	3,000 00	3,000.00
5752	416000108	NBS	05/18/2016	Sanitation District Rate Study- thru Apr30, 2016	5,101 25	5,101.25
5753	WO-27646-1 WO 28112	Office Advantage, Inc	05/18/2016	Office Supplies Fire Office Supplies	8 40 177 78	186 18
5754	3010228031	Parkhouse Tire Inc	05/18/2016	E210-Repair	1,830 29	1,830 29
5755	31719	Paul, Plevin, Sullivan & Connaughton LLP	05/18/2016	Services Rendered thru Apr30, 2016 - CLG	14,285 77	14,285 77
5756	Uni-5/4/16 Uni-5/8/16	Pepin, Matt	05/18/2016	Uniform Allowance- Pepin 5/4/16 Uniform Allowance- Pepin 5/8/16	194 37 26.00	220 37

5757	42516	Pro Drain & Plumbing Service Inc.	05/18/2016	Plumbing Service - Sheriff Stn	335.00	335.00
5758	30789082 30813279	RCP Block & Brick, Inc	05/18/2016	Yard Class II Road Base Dirt Tamp 10X10	128.30 52.87	181.17
5759	Phase7	San Altos Lemon Grove LLC	05/18/2016	Refund/ San Altos LG/ Diversion Deposit Phase 7	5,500.00	5,500.00
5760	11-82945825	Sharp Grossmont Hospital	05/18/2016	Medical Examination - 4/10/16	1,966.00	1,966.00
5761	9410582808	Shred-It USA	05/18/2016	Shredding Services 5/5/16	55.38	55.38
5762	479986	South Coast Emergency Vehicle Services	05/18/2016	E10- Repair	41.97	41.97
5763	164033	State of California- Department of Justice	05/18/2016	Fingerprint Apps - Apr'16	96.00	96.00
5764	Reissue/Altman	Sunrun Installation Inc.	05/18/2016	Re-issue-Stale CK#4529/Sunrun-Altman/Plan Check Ovrpymnt	70.51	70.51
5765	41838	The East County Californian	05/18/2016	41838 Transnet Article Publishing 5/5/16	105.00	105.00
5766	9764803453 9764071773	Verizon Wireless	05/18/2016	Models- Cardiac Monitors- 4/4/16-5/3/16 EOC Router/Emerg Phone Lines/Tablets- 3/21/16-4/20/16	14.36 294.59	308.95
5767	VivintSolar	Vivint Solar Inc	05/18/2016	Refund/Vivint Solar/B15-000-0717/ Withdrew Permit	183.47	183.47
5768	75936211	Waxie Sanitary Supply	05/18/2016	Cleaning Supplies	172.63	172.63
5769	Wesley	Wesley, Douglas	05/18/2016	Refund/Wesley,Douglas/Deposit-CommCtr 5-7-16	200.00	200.00
5770	Uni-5/4/16	Wilson, Christopher	05/18/2016	Uniform Allowance- Wilson 5/4/16	161.13	161.13
5771	189981	Alistar Fire Equipment Inc.	05/25/2016	Gas Cylinder	243.89	243.89
5772	032316-b	American General Life Insurance Company	05/25/2016	Life Insurance Balance Due - L Romero	91.00	91.00
5773	5656261316 5656299978	AutoZone, Inc	05/25/2016	Diesel Exhaust Fluid Battery	28.06 54.35	82.41
5774	692009-9 692220-9	BJ's Rentals	05/25/2016	Propane Propane	13.99 15.50	29.49
5775	16080565	Canon Financial Services Inc.	05/25/2016	Canon Copier Contract Charge 6/1/16	642.60	642.60
5776	AR136454 AR136455	City of Chula Vista	05/25/2016	Animal Control Services- Feb16 Animal Control Services- Mar16	15,962.00 16,062.00	32,024.00
5777	89 90 94	CityPlace Planning, Inc	05/25/2016	Staff Report/Resolutions- Vista Azul/Mallard Court Circulate San Diego/GP Update Policy Review/RFQ - Mar16 Circulate San Diego/Mobility Element Policies- Apr16	5,000.00 6,855.00 7,292.50	19,147.50
5778	201600361	County of San Diego/Assessor/Recorder	05/25/2016	Document Recording - 4/6/16	2.00	2.00
5779	6/4/16	CPRS District 12	05/25/2016	2016 Rec Leader Workshop 6/4/16	75.00	75.00
5780	3086	D- Max Engineering Inc.	05/25/2016	Mallard Court SWQMP 3rd Review - thru 2/17/16	1,187.95	1,187.95
5781	Dawson	Dawson, Christina	05/25/2016	Refund/Dawson, Christina/ Deposit-Rec Ctr- 5/15/16	200.00	200.00
5782	30127 30127 30128	Dokken Engineering	05/25/2016	Map Reviews- Cascio Ct/8084 LGW - Apr'16 Dedication for Realignment - Apr'16 Sewer Main Rehab Proj - Mar1, 2016 to Apr30, 2016	1,362.50 470.00 2,500.00	4,332.50
5783	5/16-19/16	Esgil Corporation	05/25/2016	75% Building Fees- 5/16/16-5/19/16	2,627.82	2,627.82
5784	May25 16	Evans, Miranda	05/25/2016	Mileage Reimbursement- CTAC /SDAPA Mtgs- May'16	54.11	54.11
5785	5-416-11664	Federal Express	05/25/2016	Shipping Charges - CUES West 5/9/16	345.82	345.82
5786	400082945825	Grossmont Emergency Medical Group	05/25/2016	First Aid - 4/10/16	374.00	374.00
5787	0025418-IN	Hinderliter De Uamas & Associates	05/25/2016	Sales Tax Audit Services - Qtr 4 2015	3,833.97	3,833.97
5788	00036648 00036725	Hudson Safe-T- Lite Rentals	05/25/2016	Step N Drop Sign Stand Street Resurfacing Signs/Type 1 Barricades	520.80 412.30	933.10
5789	115063 115064	Knott's Pest Control, Inc	05/25/2016	Monthly Bait Stations- Civic Ctr Park- May16 Monthly Bait Stations- Sheriff- May16	60.00 45.00	105.00
5790	8088571/72/73	LandCare	05/25/2016	Landscape Maintenance- Apr16	9,479.00	9,479.00
5791	07-2064	Lemon Grove School District	05/25/2016	Fuel Services- Fire Stn - Jan16	525.00	525.00
5792	Apr16 Apr16	Lounsberry Ferguson Altona & Peak LLP	05/25/2016	General 01163-00002 - Apr'16 Code Enforcement 01163-00003 - Apr'16	7,270.80 1,438.92	12,399.03

	Apr16			7973 North Avenue- 01163-00025 - Apr'16	664.00	
	Apr16			Guillen Vs Valencia 01163-00026 - Apr'16	1,713.91	
	Apr16			7870 Broadway 01163-00027 - Apr'16	1,311.40	
5793	Manautou	Manautou, Dayan	05/25/2016	Refund/Manautou,Dayan/Deposit- LeeHouse- 5/14/16	200.00	200.00
5794	Mar-May16	Molina, Karlin	05/25/2016	Cell Phone Reimbursement- Mar-May16	60.00	60.00
5795	198293	Ninyo & Moore	05/25/2016	Inspection Services - Citrus Heights thru Apr 29, 2016	741.50	4,336.75
	198294			Inspection Services- Mt Vernon thru Apr29, 2016	1,014.50	
	198295			Inspection Services- Golden Ave Row Homes thru Apr29, 2016	812.50	
	198296			Materials Testing Services- Concrete Repair thru Apr29, 2016	354.25	
	198297			Inspection Services- SRTS Palm & Golden thru Apr29, 2016	1,414.00	
5796	131191	Pacific Sweeping	05/25/2016	Street Sweeping/Power Washing- Apr16	6,051.28	6,051.28
5797	6/2/16	San Diego County Fire Chief's Association	05/25/2016	Installation of Officers Breakfast- Drum 6/2/16	30.00	30.00
5798	Apr16	SDG&E	05/25/2016	Gas & Electric 3/22/16-4/21/16	18,999.40	18,999.40
5799	75595302	SiteOne Landscape Supply, LLC	05/25/2016	Playground Mulch	2,648.48	2,648.48
5800	479977	South Coast Emergency Vehicle Services	05/25/2016	E10- Hydraulic Leak	148.41	148.41
5801	784525	Superior Ready Mix Concrete LP	05/25/2016	Recycled Class II	252.80	252.80
5802	STMT 4/22/16	US Bank Corporate Payment Systems	05/25/2016	Color Ink Cartridges/4 pack	220.95	4,393.62
				TV/ Mount Replacement	825.78	
				Fire Chief's Summit Conference- Hayward	500.00	
				Car Rental Refund-EMS Conference- Hayward	-112.00	
				Parking for CSAC Health Workshop- Russell 3/22/16	19.95	
				Associate/Senior Planner Job Ad	25.00	
				Light Ballast for Map Light	22.57	
				Seat Repair for Engine E210	45.00	
				PW Specification Books 3qty	322.63	
				Annual Egg Hunt Flyers	134.73	
				Volunteer Project Supplies	175.40	
				Postage for Dosimeter Repair	4.03	
				Airfare- Sacramento- JAC Conf- Duenez,Schroeder 5/25/16	429.92	
				E10- Dosimeter Repair & Calibration	79.97	
				Dewalt 18Volt Batteries	380.14	
				Step Stools x6 for Engines	389.94	
				NFPA PPE Course- Wilson,Maxfield 4/11/16	300.00	
				E10- Pump Repair	26.64	
				Quick Books Renewal	137.95	
				Copies for General Plan	32.63	
				General Plan Meeting	42.06	
				ICSC Membership-De Vries	100.00	
				Sunscreen Refillable Bottles	186.22	
				Station/Gym Hand Towels	61.02	
				Fire Training Books	43.09	
5803	May24 16	Vantage Point Transfer Agents-457	05/25/2016	ICMA Deferred Compensation Pay Period Ending 5/24/16	580.77	580.77

1,355,356.23 1,355,356.23

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.D
Mtg. Date June 7, 2016
Dept. Public Works

Item Title: **Purchase of a 2017 Chevrolet City Express Cargo Van and Mavron Animal Transport Van Conversion**

Staff Contact: [Mike James, Public Works Director]

Recommendation:

Adopt a resolution (**Attachment A**) authorizing the purchase of a 2017 Chevrolet City Express Cargo Van and Mavron Animal Transport Van Conversion.]

Item Summary:

[On April 5, 2016, the City Council approved an allocation totaling \$60,000 to purchase a new animal control vehicle (**Attachment A – Exhibit 1**). In accordance with Section 3.24.100(B), the procurement of this type of good or service is exempt from the provision of Chapter 3.24 because Mavron is the sole source for this type of conversion and has recently converted vans for the City of El Cajon, La Mesa and Oakland. Mavron has partnered with Quality Chevrolet as the local provider for this type of van conversion.

The new van will replace the current non-functioning animal control vehicle. The new vehicle will be a midsize van conversion, specifically designed and outfitted for animal transport. This vehicle is built on a Chevy City Express Chassis. The vehicle is then outfitted with four rear kennels that are independently air conditioned. The vehicle has a low profile step, which will allow for animals to step right into the cages, increasing the safety of our animal control officer and eliminating the officers need to lift animals into the kennels. The vehicle will also be equipped with a large pass through kennel located between the two sliding doors. The passenger compartment of the vehicle will be separated by a bulkhead which allows, for noise and smells to remain in the kennel area.

Staff recommends that the City Council adopt a resolution (**Attachment A**) authorizing the purchase of a 2017 Chevrolet City Express Cargo Van and Mavron Animal Transport Van Conversion in an amount not-to-exceed \$43,903.51.]

Fiscal Impact:

[In Fiscal Year 2015-16, \$60,000 was budgeted from the General Fund to replace the current animal control vehicle. It is anticipated that cost of the new vehicle will not exceed \$43,903.51.]

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section [] | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☒ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

A. Resolution

B. Vehicle and Animal Conversion Quote

Attachment A

RESOLUTION NO. 2016 - _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE AUTHORIZING
THE PURCHASE OF 2017 CHEVROLET CITY EXPRESS CARGO VAN AND MAVRON
ANIMAL TRANSPORT VAN CONVERSION**

WHEREAS, the City currently contracts with the City of Chula Vista for animal control services; and

WHEREAS, as a part of the contract, the City is required to provide to a fully functional animal control vehicle for the City of Chula Vista personnel to utilize while performing work for the City of Lemon Grove; and

WHEREAS, in Fiscal Year 2015-2016 the City's current animal control vehicle became non-functional; and

WHEREAS, City staff has determined 2017 Chevrolet City Express Cargo Van and Mavron Animal Transports Van Conversion will meet the City's operational needs (**Exhibit 1**); and

WHEREAS, per Lemon Grove Municipal Code with Section 3.24.100(B), the procurement of this type of good or service is exempt from the provision of Chapter 3.24 because Mavron is the sole source for this type of conversation; and

WHEREAS, the City Council finds it in the public interest that said van and animal transport van conversion be purchased.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove hereby authorizes the City Manager or designee to issue a purchase order to Quality Chevrolet of Escondido in an amount not to exceed \$43,903.51 for the purchase of one 2017 Chevrolet City Express Cargo Van and one Mavron Animal Transport Van Conversion.]

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Attachment A – Exhibit 1



153936

2534 Auto Park Way
Escondido, Ca 92029

CITY OF LEMON GROVE
3232 MAIN STREET
LEMON GROVE, CA 91945
ATTN: MIKE JAMES
619-825-3814

QUOTE

QUOTE#:

STOCK# ORDER
DATE: MAY 18, 2016
PREPARED BY: JIM SINGER
PH: 760-532-0679
FAX: 760-746-0997
E-MAIL: JIM.SINGER@QUALITYCHEVY.COM

NEW 2017 CHEVROLET CITY EXPRESS CARGO VAN,
DESIGNER WHITE, 2.0 4 CYL, XTRONIC CVT
TRANSMISSION

MAVRON ATSV-G (MOD) ANIMAL TRANSPORT COMPACT
VAN CONVERSION (SPECIFICATIONS IN SEPARATE
ATTACHMENT

ORDER	AMOUNT
NEW 2017 CHEVROLET CITY EXPRESS CARGO VAN	#21,652.00
MAVRON ANIMAL TRANSPORT VAN CONVERSION	\$18,631.00
DOC FEE	\$80.00
SALES TAX (SAN DIEGO COUNTY LEMON GROVE 8.75%)	\$3531.76
TIRE TAX (5)	\$8.75
TOTAL ACQUISITION	\$43,903.51
VAN TO BE ORDERED AND DROP SHIPPED BY GM TO MAVRON, INC IN INDIANA AND TRANSPORTED FROM INDIANA WHEN COMPLETED	
SUBJECT TO AVAILABILITY	
FOB ESCONDIDO	

Attachment A – Exhibit 1



QUALITY CHEVROLET ISUZU

JIM SINGER | 760-796-4278 | JIM.SINGER@QUALITYCHEVY.COM

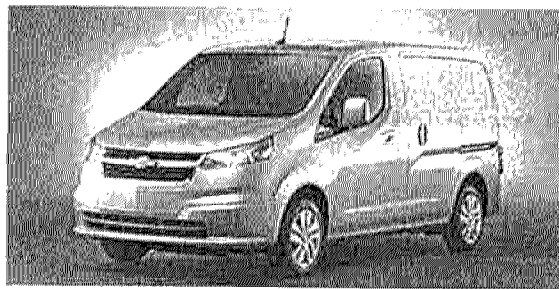
CITY OF LEMON GROVE

Prepared For: MIKE JAMES

619-825-3814

MJAMES@LEMONGROVE.CA.GOV

2016 Chevrolet City Express Cargo Van (15S60) FWD 115"



Attachment A – Exhibit 1



QUALITY CHEVROLET ISUZU

JIM SINGER | 760-796-4278 | JIM.SINGER@QUALITYCHEVY.COM

2016 Chevrolet City Express Cargo Van (15S60) FWD 115"

Window Sticker

SUMMARY

2016 Chevrolet City Express Cargo Van (15S60) FWD 115"

MSRP:\$21,955.00

Interior:No color has been selected

Exterior 1:Black Pipe

Exterior 2:No color has been selected

Engine 2.0L DOHC I4

Transmission, Xtronic Stepless Gear

OPTIONS

CODE	MODEL	MSRP
15S60	2016 Chevrolet City Express Cargo Van (15S60) FWD 115"	\$21,955.00
OPTIONS		
1LS	1LS Preferred Equipment Group	\$0.00
2QU	Black Pipe	\$0.00
93G	Medium Pewter, Custom Cloth seat trim	\$0.00
AS5	Seats, front bucket with Custom Cloth trim	\$0.00
FE9	Emissions, Federal requirements	\$0.00
L0A	Engine, 2.0L DOHC I4	\$0.00
MRA	Transmission, Xtronic Stepless Gear	\$0.00
U1B	Audio system, AM/FM stereo	\$0.00
ZW9	Body, standard	\$0.00
SUBTOTAL		\$21,955.00
Adjustments Total		\$0.00
Destination Charge		\$995.00
TOTAL PRICE		\$22,950.00

FUEL ECONOMY

Est City:24 (2015) MPG

Est Highway:26 (2015) MPG

Est Highway Cruising Range:377.00 mi

Current report content is based on Data Version 1288, May 17, 2016 9:14:00 PM PDT. Any performance-related calculations are offered solely as guidelines. Actual vehicle performance will depend on your operating conditions. All information, specifications and pricing in this application are based on the latest information available. Isuzu Commercial Truck of America reserves the right to discontinue or change, at any time, without prior notice, the pricing, specifications, options, materials, equipment, design and models.

May 18, 2016

Page 2

Attachment A – Exhibit 1

5/17/2016

Quotation_12300_1463508342614.html

MAVRON, INC.
152 S Zimmer Rd
Warsaw IN 46580-2369

Quotation

#12300

05/17/2016

of

Bill To

TOTAL

Jim Singer
Quality Chevrolet
1550 Auto Parkway
Escondido CA 92029

\$18,631.00

Expires: 08/15/2016

Terms	Memo	Estimated Completion	Sales Rep	Shipping Method
COD			Knisely, Richard J	ATA

Quantity	Item	Options	Rate	Amount
1	3M10048 ATSV-6 Animal Transport Van Conversion ATSV-6 Animal Transport Van Conversion		\$13,775.00	\$13,775.00
0	Description Installation, Carpeted & Sealed Bulkhead, Clear-View Polycarbonate Cage Doors, Cage Lights, 24,000 Btu Heat/AC Unit Ducted into Cages and Polymax Floor Grills			
1	MOD Conversion Modified to have 4 - Sloped & Drained Cages (2 - Small Rear Upper & 2 -Modified Large Front Cages) See Attached Drawing		\$500.00	\$500.00
1	MOD Delete Lower Rear Cage Assembly (Location of Dead Box Installation)		(\$1,560.00)	(\$1,560.00)
1	3M32026 Dead Box Dead Box		\$1,800.00	\$1,800.00
1	3M32012 Skunk Box Skunk Box		\$470.00	\$470.00
1	3M30001 Backup Alarm, Auto Adj. 87-112 DBA - Installed Backup Alarm, Auto Adj. 87-112 DBA - Installed		\$230.00	\$230.00
1	3M38000 Single Camera Backup System - Installed Single Camera Backup System 1- Monitor, 1 Backup Camera		\$1,081.00	\$1,081.00

file:///C:/Users/JimS/AppData/Local/Microsoft/Windows/Temporary%20Internet%20Files/Content.Outlook/BU1WSE1I/Quotation_12300_1463508342614.html 1/2

Attachment A – Exhibit 1

5/17/2016	Quotation_12300_1463508342614.html		
1	3M30007 Catch Pole Holder		
	Catch Pole Holder	\$110.00	\$110.00
0	Description		
	Accessible From the Rear of the Vehicle (Length to Be Determined at Time of Order)		
1	3M36005 LED Loading/Work Light		
	LED Loading/Work Light	\$250.00	\$250.00
0	LOCATION		
	Load Light Above Rear Cargo Doors		
0	Notes		
	1) This Cage System Designed for use in a Chevrolet City Express Cargo Van.		
1	Auto Transport Team ATA		
	Auto Transport Team	\$1,975.00	\$1,975.00
		Subtotal	\$18,631.00
		Tax (0%)	\$0.00
		Total	\$18,631.00

**LEMON GROVE SANITATION DISTRICT
AGENDA ITEM SUMMARY**

Item No. 1.E
Mtg. Date June 7, 2016
Dept. Public Works

Item Title: Sewer Service Charges for Fiscal Year 2016-2017

Staff Contact: Mike James, Public Works Director and Tim Gabrielson, District Engineer

Recommendation:

Adopt a resolution (**Attachment A**) approving the engineer's report detailing sewer service charges for Fiscal Year 2016-17.

Item Summary:

On May 17, 2016, the Sanitation District Board adopted Ordinance No. 27, which established the annual sewer service charges for Fiscal Year 2016-2017 (FY 2016-17). The service charge established for FY 2016-17 is \$553.17 per Equivalent Dwelling Unit (EDU.)

On May 25, 2016, Psomas prepared an engineer's report and provided a detailed list of each parcel within the Sanitation District with the applicable service charge (tax roll). Staff confirmed, through an internal quality assurance check, that the report and tax roll are accurate. Copies of the engineer's report and tax roll are available for viewing at the District Engineer's office. A letter certifying that all assessments are in compliance with Article XIII C and D of the Constitution of the State of California and that the 6,733 parcels equaling \$5,929,154.38 are subject to the Fixed Special Assessment, must be filed with the San Diego County Auditor and Controller by August 10, 2016 in order to be included in the FY 2016-17 property tax statements.

Staff recommends that the Board of Directors adopt a resolution (**Attachment A**) approving the engineer's report and direct the District Clerk to file the required certification document with the San Diego County Auditor and Controller on or before August 10, 2016.

Fiscal Impact:

The itemized roll list 6,816 parcels, 10,780.11 EDUs, and a total assessment of \$5,963,173.56.

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section _____ | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☒ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

A. Resolution

Attachment A

RESOLUTION NO. 2016-_____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANITATION DISTRICT APPROVING THE ENGINEER'S REPORT REGARDING THE SEWER SERVICE CHARGES FOR FISCAL YEAR 2016-2017

WHEREAS, pursuant to Section 5473 of the Health and Safety code, the Board has determined that the sewer service charges for Fiscal Year 2016-17 shall be collected on the tax roll in the same manner, and by the same persons, and at the same time as, together with and not separately from the general taxes and has caused to be prepared and filed with the District Clerk a written engineer's report containing a description of each parcel of property receiving service from the Sanitation District and the amount of charges for each parcel for the Fiscal Year 2016-17 computed in conformity with the charges prescribed by the applicable Resolution of the District; and

WHEREAS, on May 17, 2016 the Sanitation District Board adopted Ordinance No. 27, which established the annual sewer service charges for Fiscal Year 2016-2017 (FY 2016-17); and

WHEREAS, The service charge established for FY 2016-17 is \$553.17 per Equivalent Dwelling Unit (EDU); and:

WHEREAS, such report was prepared by Psomas and filed with the District Engineer.]

NOW, THEREFORE, BE IT RESOLVED that the Lemon Grove Sanitation District Board of Directors of the City of Lemon Grove, California hereby:

1. Approves, affirms and adopts the engineer's report, which contains every fee and charge set forth; and
2. Directs the Clerk of the Board to file an approved, affirmed, and adopted copy of the engineer's report and a statement endorsing the engineer's report with the County of San Diego Auditor and Controller on or before August 10, 2016.]

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**LEMON GROVE ROADWAY LIGHTING DISTRICT
AGENDA ITEM SUMMARY**

Item No. 1.F
Mtg. Date June 7, 2016
Dept. Public Works

Item Title: Zone L Assessments for Fiscal Year 2016-2017

Staff Contact: Mike James, Public Works Director and Tim Gabrielson, District Engineer

Recommendation:

Adopt a resolution (**Attachment A**) approving the engineer's report detailing Zone L Assessments for Fiscal Year 2016-17.]

Item Summary:

Zone L is composed of various mid-block areas throughout the City. The voters in each area identified as Zone L held an election in June 1997 to impose a \$12.00 annual assessment for single family homes and an annual assessment of \$12.00 per each \$100,000 valuation for non-residential zoned parcels in the area. The purpose of the assessment is to pay for operations, maintenance, and energy costs of mid-block street lights in each zone. Since the current assessment was created in 1997, no assessment increases have been imposed.

On May 25, 2016, the engineer's report was completed by Psomas. Psomas provided the Lighting District with a detailed list of each zone within the Lighting District and the applicable service charge (tax roll). The engineer's report consists of the assessment roll for the District after a \$12.00 per benefit unit assessment has been applied to each parcel in Zone L. Staff confirmed through an internal quality assurance check that the report is accurate. Copies of the engineer's report and tax roll are available for review at the District Engineer's office. The report must be certified and filed with the County of San Diego by August 10, 2016 to be included in the FY 2016-17 property tax statements.]

Staff recommends that the Board of Directors adopt a resolution (**Attachment A**) approving the engineer's report and directs the District Clerk to file the required certification document with the San Diego County Auditor and Controller on or before August 10, 2016.]

Fiscal Impact:

[The itemized roll lists 5,243 parcels, 7,228.71 benefit units, and a total assessment of \$86,744.52.]

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section [] | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☒ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

A. Resolution

Attachment A

RESOLUTION NO. 2016-_____

**RESOLUTION OF THE LEMON GROVE ROADWAY LIGHTING DISTRICT APPROVING THE
ENGINEER'S REPORT REGARDING THE ZONE L CHARGES FOR FISCAL
YEAR 2016-2017**

WHEREAS, on June 17, 1997 the Board of Directors of the Lemon Grove Roadway Lighting District adopted Resolution No. 102 reciting the facts of an election held in the District on June 3, 1997, declaring the results of said election and levying the annual assessment; and

WHEREAS, the engineer's report for the Lemon Grove Roadway Lighting District on file with the Clerk of the Board gives a full and detailed description of the improvements, the boundaries of the Assessment District and the two zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

NOW, THEREFORE, BE IT RESOLVED that the Lemon Grove Roadway Lighting District Board of Directors of the City of Lemon Grove, California hereby:

1. Approves, affirms and adopts the engineer's report, which contains every fee and charge set forth; and
2. Directs the Clerk of the Board to file an approved, affirmed, and adopted copy of the engineer's report and a statement endorsing the engineer's report with the County of San Diego Auditor and Controller on or before August 10, 2016.]

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**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.G
Mtg. Date June 7, 2016
Dept. Public Works

Item Title: 2015 CIP Street Rehabilitation Project, New Jersey Avenue Deep Grind, Dig Out and Root Removal from San Miguel to Broadway

Staff Contact: Mike James, Public Works Director and Tim Gabrielson, City Engineer

Recommendation:

Adopt a resolution (**Attachment B**) awarding a contract for the 2015 CIP Street Rehabilitation Project, New Jersey Avenue Deep Grind, Dig Out and Root Removal from San Miguel to Broadway (Contract No. 2016-19).

Item Summary:

In support of the City's Five-Year Capital Improvement Program, the City invited sealed bids for the "2015 CIP Street Rehabilitation Project, New Jersey Avenue Deep Grind, Dig Out and Root Removal from San Miguel to Broadway," (Contract No. 2016-19) in April 2016. On May 12, 2016, the City received three sealed bids. Staff determined that of the bids received, Portillo Concrete was the lowest responsive and responsible bidder at \$47,664.00.

Staff recommends awarding a contract (Contract No. 2016-19) to Portillo Concrete, and establishing a project budget not to exceed \$52,430.

Fiscal Impact:

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

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section 15304 | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☒ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Resolution

Attachment A

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 1.G

Mtg. Date June 7, 2016

Item Title: **2015 CIP Street Rehabilitation Project, New Jersey Avenue Deep Grind, Dig Out and Root Removal from San Miguel to Broadway**

Staff Contact: Mike James, Public Works Director and Tim Gabrielson, City Engineer

Discussion:

In April 2016, the City invited sealed bids for the 2015 CIP Street Rehabilitation Project, New Jersey Avenue Deep Grind, Dig Out and Root Removal (Contract No. 2016-19) from the City's pre-qualified list of contractors to repair New Jersey from San Miguel to Broadway in preparation for the street segment to be slurry sealed in the future. On May 12, 2016, the City received the three sealed bids. Each company is listed below with its location and project bid total.

Bidder's Name	Location	Amount
MJC Construction	Bonita	\$48,713
Portillo Concrete	Lemon Grove	\$47,664
Ramona Paving	Ramona	\$53,398
Average Bid Amount		\$49,925

The project's cost estimate was \$54,500. The lowest responsive and responsible bid was submitted by Portillo Concrete in the amount of \$47,664.

Staff reviewed Portillo Concrete's project work history, references, and construction license. Its project work history and reference checks were positive. Portillo Concrete 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. Portillo Concrete's contractors license is current and in good standing with the State of California. Therefore, staff determined Portillo Concrete is both a responsive and responsible bidder, and recommends the award of this contract. Based on the project scope of work and staff's prior experience with Portillo Concrete, staff recommends the following project budget:

Description	Amount
Construction Costs	\$47,664
Contingency (10%)	\$4,766
Total	\$52,430

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, project staff will manage all material testing and inspection services in-house.

Conclusion:

Staff recommends that the City Council adopt a resolution (**Attachment B**) awarding the Street Rehabilitation Project, New Jersey Deep Grind, Dig Out and Root Removal contract (Contract No. 2016-19) to Portillo Concrete and establish a project budget not to exceed \$52,430.

Attachment B

RESOLUTION NO. 2016 - _____

**RESOLUTION OF THE LEMON GROVE CITY COUNCIL
AWARDING A CONTRACT FOR THE 2015 CIP STREET REHABILITATION, NEW JERSEY
AVENUE DEEP GRIND, DIG OUT AND ROOT REMOVAL PROJECT**

WHEREAS, the City of Lemon Grove's Five-Year Capital Improvement Program earmarks funding for the "Street Rehabilitation, New Jersey Deep Grind, Dig Out and Root Removal" project; and

WHEREAS, bids were solicited and 3 sealed bids were received for the "Street Rehabilitation, New Jersey Deep Grind, Dig Out and Root Removal" project," (Contract No. 2016-19); and

WHEREAS, bids were opened and read aloud and the lowest responsive and responsible bidder was Portillo Concrete; 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 Portillo Concrete in the amount of \$47,664 and establishes a project budget not to exceed \$52,430, and
2. Authorizes the City Manager or designee to execute said contract (Exhibit 1), and

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Attachment B – Exhibit 1

**AGREEMENT
BY AND BETWEEN
THE CITY OF LEMON GROVE
AND
PORTILLIO CONCRETE, INCORPORATED**

THIS AGREEMENT is entered into this ____ day of June, 2016, by and between the CITY OF LEMON GROVE, a municipal corporation (the "CITY"), and PORTILLO CONCRETE, INC., a GENERAL ENGINEERING COMPANY (the "CONTRACTOR").

RECITALS

WHEREAS, the CITY desires to employ a CONTRACTOR to provide
**NEW JERSEY DEEP GRIND, DIGOUT, REPAIR AND ROOT REMOVAL FOR
THE 2015-2016 CAPITOL IMPROVEMENTS PROGRAM.**

WHEREAS, the CITY has determined that the CONTRACTOR is a General Engineering Company, Class A, and is qualified by experience and ability to perform the services desired by the CITY, and the CONTRACTOR is willing to perform such services.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE
AS FOLLOWS:

1. **ENGAGEMENT OF CONTRACTOR.** The CITY hereby agrees to engage the CONTRACTOR and the CONTRACTOR hereby agrees to perform the services hereinafter set forth in accordance with all terms and conditions contained herein.

The CONTRACTOR represents that all services required hereunder will be performed directly by the CONTRACTOR or under direct supervision of the CONTRACTOR.

2. **SCOPE OF SERVICES.** The CONTRACTOR will perform services as set forth in the attached Exhibit "A".

The CONTRACTOR shall be responsible for all research and reviews related to the work and shall not rely on personnel of the CITY for such services, except as authorized in advance by the CITY. The CONTRACTOR shall appear at meetings cited in Exhibit "A" to keep staff and City Council advised of the progress on the project

The CITY may unilaterally, or upon request from the CONTRACTOR, from time to time reduce or increase the Scope of Services to be performed by the CONTRACTOR under this Agreement. Upon doing so, the CITY and the CONTRACTOR agree to meet in good faith and confer for the purpose of negotiating a

Attachment B - Exhibit 1

corresponding reduction or increase in the compensation associated with said change in services, not to exceed a factor of 50% from the base amount.

3. PROJECT COORDINATION AND SUPERVISION.

The **Engineering Inspector** hereby is designated as the Project Manager for the CITY and will monitor the progress and execution of this Agreement. The CONTRACTOR shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this Agreement for the CONTRACTOR.

4. COMPENSATION AND PAYMENT. The compensation for the CONTRACTOR shall be based on monthly billings covering actual work performed. Billings shall include labor classifications, respective rates, hours worked and also materials, if any. The total cost for all work described in Exhibit "A" shall not exceed the schedule given in Exhibit "A" (the Base amount) without prior written authorization from the City Manager. Monthly invoices will be processed for payment and remitted within thirty (30) days from receipt of invoice, provided that work is accomplished consistent with Exhibit "A" as determined by the CITY.

The CONTRACTOR shall maintain all books, documents, papers, employee time sheets, accounting records, and other evidence pertaining to costs incurred and shall make such materials available at its office at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement, for inspection by the CITY and for furnishing of copies to the CITY, if requested.

5. LENGTH OF AGREEMENT. Completion dates or time durations for specific portions of the Project are set forth in Exhibit "A".

6. DISPOSITION AND OWNERSHIP OF DOCUMENTS. The Memoranda, Reports, Maps, Drawings, Plans, Specifications and other documents prepared by the CONTRACTOR for this Project, whether paper or electronic, shall become the property of the CITY for use with respect to this Project, and shall be turned over to the CITY upon completion of the Project, or any phase thereof, as contemplated by this Agreement.

Contemporaneously with the transfer of documents, the CONTRACTOR hereby assigns to the CITY and CONTRACTOR thereby expressly waives and disclaims, any copyright in, and the right to reproduce, all written material, drawings, plans, specifications or other work prepared under this agreement, except upon the CITY's prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONTRACTOR shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

The CONTRACTOR agrees that the CITY may use, reuse, alter, reproduce, modify, assign, transfer, or in any other way, medium or method utilize the CONTRACTOR's written work product for the CITY's purposes, and the

Attachment B – Exhibit 1

CONTRACTOR expressly waives and disclaims any residual rights granted to it by Civil Code Sections 980 through 989 relating to intellectual property and artistic works.

Any modification or reuse by the CITY of documents, drawings or specifications prepared by the CONTRACTOR shall relieve the CONTRACTOR from liability under Section 14 but only with respect to the effect of the modification or reuse by the CITY, or for any liability to the CITY should the documents be used by the CITY for some project other than what was expressly agreed upon within the Scope of this project, unless otherwise mutually agreed.

7. INDEPENDENT CONTRACTOR. Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners or joint venturers with one another. Neither the CONTRACTOR nor the CONTRACTOR'S employees are employees of the CITY and are not entitled to any of the rights, benefits, or privileges of the CITY's employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

This Agreement contemplates the personal services of the CONTRACTOR and the CONTRACTOR's employees, and it is recognized by the parties that a substantial inducement to the CITY for entering into this Agreement was, and is, the professional reputation and competence of the CONTRACTOR and its employees. Neither this Agreement nor any interest herein may be assigned by the CONTRACTOR without the prior written consent of the CITY. Nothing herein contained is intended to prevent the CONTRACTOR from employing or hiring as many employees, or subcontractors, as the CONTRACTOR may deem necessary for the proper and efficient performance of this Agreement. All agreements by CONTRACTOR with its subcontractor(s) shall require the subcontractor to adhere to the applicable terms of this Agreement.

8. CONTROL. Neither the CITY nor its officers, agents or employees shall have any control over the conduct of the CONTRACTOR or any of the CONTRACTOR's employees except as herein set forth, and the CONTRACTOR expressly agrees not to represent that the CONTRACTOR or the CONTRACTOR's agents, servants, or employees are in any manner agents, servants or employees of the CITY, it being understood that the CONTRACTOR, its agents, servants, and employees are as to the CITY wholly independent contractors and that the CONTRACTOR's obligations to the CITY are solely such as are prescribed by this Agreement.

9. COMPLIANCE WITH APPLICABLE LAW. The CONTRACTOR, in the performance of the services to be provided herein, shall comply with all applicable State and Federal statutes and regulations, and all applicable ordinances, rules and regulations of the CITY OF LEMON GROVE, whether now in force or subsequently enacted. The CONTRACTOR, and each of its subcontractors, shall obtain and maintain a current CITY OF LEMON GROVE business license prior to and during performance of any work pursuant to this Agreement

Attachment B - Exhibit 1

10. **LICENSES, PERMITS, ETC.** The CONTRACTOR represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. The CONTRACTOR represents and covenants that the CONTRACTOR shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the CONTRACTOR to practice its profession.

11. **STANDARD OF CARE.**

A. The CONTRACTOR, in performing any services under this Agreement, shall perform in a manner consistent with that level of care and skill ordinarily exercised by members of the CONTRACTOR'S trade or profession currently practicing under similar conditions and in similar locations. The CONTRACTOR shall take all special precautions necessary to protect the CONTRACTOR's employees and members of the public from risk of harm arising out of the nature of the work and/or the conditions of the work site.

B. Unless disclosed in writing prior to the date of this agreement, the CONTRACTOR warrants to the CITY that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the CONTRACTOR's professional performance or the furnishing of materials or services relating thereto.

C. The CONTRACTOR is responsible for identifying any unique products, treatments, processes or materials whose availability is critical to the success of the project the CONTRACTOR has been retained to perform, within the time requirements of the CITY, or, when no time is specified, then within a commercially reasonable time. Accordingly, unless the CONTRACTOR has notified the CITY otherwise, the CONTRACTOR warrants that all products, materials, processes or treatments identified in the project documents prepared for the CITY are reasonably commercially available. Any failure by the CONTRACTOR to use due diligence under this sub-paragraph will render the CONTRACTOR liable to the CITY for any increased costs that result from the CITY's later inability to obtain the specified items or any reasonable substitute within a price range that allows for project completion in the time frame specified or, when not specified, then within a commercially reasonable time.

12. **NON-DISCRIMINATION PROVISIONS.** The CONTRACTOR shall not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The CONTRACTOR will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the CITY setting forth the provisions of this non-discrimination clause.

Attachment B – Exhibit 1

13. **CONFIDENTIAL INFORMATION.** The CITY may from time to time communicate to the CONTRACTOR certain confidential information to enable the CONTRACTOR to effectively perform the services to be provided herein. The CONTRACTOR shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of the CITY. The CONTRACTOR shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this Section 13, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of the CONTRACTOR, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of the CONTRACTOR without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to the CONTRACTOR by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

The CONTRACTOR shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of the CITY. In its performance hereunder, the CONTRACTOR shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

CONTRACTOR shall be liable to CITY for any damages caused by breach of this condition, pursuant to the provisions of Section 14.

14. **INDEMNIFICATION AND HOLD HARMLESS.** The CONTRACTOR agrees to defend, indemnify, and hold harmless the CITY OF LEMON GROVE, its officers and employees, against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the CONTRACTOR's negligent performance of this Agreement.

15. **WORKERS' COMPENSATION.** The CONTRACTOR shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Government Code and all amendments thereto; and all similar state or Federal acts or laws applicable; and shall indemnify, and hold harmless the CITY and its officers, and employees from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the CITY or its officers, employees, or volunteers, for or on account of any liability under any of said acts which may be incurred by reason of any work to be performed by the CONTRACTOR under this Agreement.

16. **INSURANCE.** The CONTRACTOR, at its sole cost and expense, shall purchase and maintain, and shall require its subcontractors, when applicable, to

Exhibit 1

purchase and maintain throughout the term of this agreement, the following insurance policies:

☐ A. If checked, Professional Liability Insurance (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

B. Automobile insurance covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include non-owned vehicles.

C. Comprehensive general liability insurance, with minimum limits of \$1,000,000 combined single limit per occurrence, covering all bodily injury and property damage arising out of its operation under this Agreement.

D. Workers' compensation insurance covering all of CONTRACTOR's employees.

E. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY of cancellation or material change.

F. Said policies, except for the professional liability and worker's compensation policies, shall name the CITY and its officers, agents and employees as additional insureds.

G. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the CONTRACTOR shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement.

H. Any aggregate insurance limits must apply solely to this Agreement.

I. Insurance shall be written with only California admitted companies which hold a current policy holder's alphabetic and financial size category rating of not less than A VIII according to the current Best's Key Rating Guide, or a company equal financial stability that is approved by the CITY.

J. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the CITY. If the CONTRACTOR does not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the CITY may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

17. **LEGAL FEES.** 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 attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney's fees incurred in the prosecution or defense of the action or

Attachment B – Exhibit 1

suit shall not be considered in determining the amount of the judgment or award. Attorney's fees to the prevailing party if other than the CITY shall, in addition, be limited to the amount of attorney's fees incurred by the CITY in its prosecution or defense of the action, irrespective of the actual amount of attorney's fees incurred by the prevailing party.

18. **MEDIATION/ARBITRATION.** If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree first to try, in good faith, to settle the dispute by mediation in San Diego, California, in accordance with the Commercial Mediation Rules of the American Arbitration Association (the "AAA") before resorting to arbitration. The costs of mediation shall be borne equally by the parties. Any controversy or claim arising out of, or relating to, this Agreement, or breach thereof, which is not resolved by mediation shall be settled by arbitration in San Diego, California, in accordance with the Commercial Arbitration Rules of the AAA then existing. Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in any court having jurisdiction over the subject matter of the controversy. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the costs of its own experts, evidence and attorneys' fees, except that the arbitrator may assess such expenses or any part thereof against a specified party as part of the arbitration award.

19. **TERMINATION.** A. This Agreement may be terminated with or without cause by the CITY. Termination without cause shall be effective only upon 60-day's written notice to the CONTRACTOR. During said 60-day period the CONTRACTOR shall perform all services in accordance with this Agreement.

B. This Agreement may also be terminated immediately by the CITY for cause in the event of a material breach of this Agreement, misrepresentation by the CONTRACTOR in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the CITY.

C. Termination with or without cause shall be effected by delivery of written Notice of Termination to the CONTRACTOR as provided for herein.

D. In the event of termination, all finished or unfinished Memoranda Reports, Maps, Drawings, Plans, Specifications and other documents prepared by the CONTRACTOR, whether paper or electronic, shall immediately become the property of and be delivered to the CITY, and the CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the CITY by the CONTRACTOR's breach, if any. Thereafter, ownership of said written material shall vest in the CITY all rights set forth in Section 6.

E. The CITY further reserves the right to immediately terminate this Agreement upon: (1) the filing of a petition in bankruptcy affecting the CONTRACTOR; (2) a reorganization of the CONTRACTOR for the benefit of creditors; or (3) a business reorganization, change in business name or change in business status of the CONTRACTOR.

20. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by

Exhibit 1

overnight mail (Federal Express or the like), or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given by telex, telecopy, facsimile or fax, when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

To the CITY: GARY HARPER, ENGINEERING INSPECTOR
CITY OF LEMON GROVE
3232 Main Street
Lemon Grove, CA 91945-1701

To the CONTRACTOR: PORTILLO CONCRETE, INC.
3527 Citrus St.
Lemon Grove, CA 91945
Lic. #680144

Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Any notice, request, demand, direction or other communication sent by cable, telex, telecopy, facsimile or fax must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Section.

21 **CONFLICT OF INTEREST AND POLITICAL REFORM ACT**
OBLIGATIONS. During the term of this Agreement, the CONTRACTOR shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the CITY OF LEMON GROVE. The CONTRACTOR also agrees not to specify any product, treatment, process or material for the project in which the CONTRACTOR has a material financial interest, either direct or indirect, without first notifying the CITY of that fact. The CONTRACTOR shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. The CONTRACTOR shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONTRACTOR has a financial interest as defined in Government Code Section 87103. The CONTRACTOR represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the CITY.

Attachment B – Exhibit 1

☐ If checked, the CONTRACTOR shall comply with all of the reporting requirements of the Political Reform Act and the City of Lemon Grove Conflict of Interest Code. Specifically, the CONTRACTOR shall file a Statement of Economic Interests with the City Clerk of the CITY OF LEMON GROVE in a timely manner on forms which the CONTRACTOR shall obtain from the City Clerk.

The CONTRACTOR shall be strictly liable to the CITY for all damages, costs or expenses the CITY may suffer by virtue of any violation of this Paragraph 21 by the CONTRACTOR.

22. MISCELLANEOUS PROVISIONS.

A. *Computation of Time Periods.* If any date or time period provided for in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, then such date shall automatically be extended until 5:00 p.m. Pacific Time of the next day which is not a Saturday, Sunday or federal, state or legal holiday.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument

C. *Captions.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

E. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes.

F. *Amendment to this Agreement.* The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

G. *Waiver.* The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

H. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California

I. *Entire Agreement* This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

J. *Successors and Assigns.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

K. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the

Exhibit 1

drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF LEMON GROVE

By: _____
Lydia Romero
City Manager

APPROVED AS TO FORM:

BY: _____
James Lough
City Attorney

PORTILLO CONCRETE, INC.

(Corporation – signatures of two corporate officers)

(Partnership – one signature)

(Sole proprietorship – one signature)

By: _____
(Name)

(Title)

By: _____
(Name)

(Title)

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.H
Mtg. Date June 7, 2016
Dept. Public Works

Item Title: Acceptance of the 2015 CIP Street Rehabilitation Project – Concrete Repairs and Upgrade

Staff Contact: Mike James, Public Works Director and Tim Gabrielson, City Engineer

Recommendation:

Adopt a resolution (**Attachment A**) accepting the 2015 CIP Street Rehabilitation Project: Concrete Repairs and Upgrade (Contract No. 2016-05) as complete.]

Item Summary:

On November 3, 2015, MJC Construction was awarded the 2015 CIP Street Rehabilitation Project: Concrete Repairs and Upgrade (Contract No. 2016-05) with a bid cost of \$130,832.00 and a project budget not to exceed \$148,363.00.

Since the project was awarded, there was one change order: Change Order #1. The change order increased quantities at a cost of \$6,946.00. The final project cost totaled \$137,778.00.

On May 3, 2016, staff completed the final inspection of the improvements and determined the work was completed per the contract specifications. Staff recommends that the City Council adopt a resolution (**Attachment A**) accepting the work as complete, authorize the City Manager or designee to file a notice of completion with the County of San Diego, and authorize staff to release the retention no sooner than thirty (30) days after the notice of completion has been filed.]

Fiscal Impact:

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

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☒ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

A. Resolution

Attachment A

RESOLUTION NO. 2016-_____

**RESOLUTION OF THE LEMON GROVE CITY COUNCIL ACCEPTING THE 2015 CIP
STREET REHABILITATION PROJECT – CONCRETE REPAIRS AND UPGRADE
(CONTRACT NO. 2016-05) AS COMPLETE**

WHEREAS, on November 3, 2015, the City Council awarded the 2015 CIP Street Rehabilitation Project – Concrete Repairs and Upgrade (Contract No. 2016-05) to MJC Construction; and

WHEREAS, one change order in the total amount of \$6,946.00 increased the original contract price from \$130,832 to \$137,778; and

WHEREAS, the final project cost of \$137,778 was allocated for this project from TransNet funds; and

WHEREAS, on May 3, 2016, MJC Construction completed the scope of work as defined by the original contract and change orders; and

WHEREAS, City staff inspected all of the improvements and determined that MJC Construction fulfilled its contractual obligations.]

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

1. Accepts the work for the 2015 CIP Street Rehabilitation Project – Concrete Repairs and Upgrade (Contract No. 2016-05) as complete; and
2. Authorizes the City Manager or designee to file a notice of completion with the County of San Diego; and
3. Authorizes city staff to release the retention no sooner than thirty (30) days after the notice of completion is filed.]

/////
/////

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.1
Mtg. Date June 7, 2016
Dept. City Manager

Item Title: Notice of a General Municipal Election in the City of Lemon Grove for the Election the Mayor and Two Members of the City Council and Regulations for Candidate Statements

Staff Contact: Susan Garcia, City Clerk

Recommendation:

Adopt resolution (**Attachment A**) directing the City Clerk to provide notice of a General Municipal Election in the City of Lemon Grove on Tuesday, November 8, 2016, and resolution (**Attachment B**) adopting Regulations for Candidates Statements.

Item Summary:

A General Municipal Election will be held in the City on Tuesday, November 8, 2016. The purpose of the election is to elect the Mayor and two members of the City Council, each for a full four-year term. State Elections Code Section 12101 (a) states that not earlier than the 127th day nor later than the 113th day before a municipal election, a city elections official must publish a notice of election. The notice includes the time of the election, the offices to be filled, and the length of term for each office.

The attached resolution directs the City Clerk to give notice of the election in accordance with State law. The notice will be published in the East County Californian, Filipino Press, La Prensa San Diego, and Nguoi Viet newspapers.

Fiscal Impact:

None.

Environmental Review:

- | | |
|--|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section [] | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☒ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

- | | |
|---|--|
| A. Resolution Calling and Giving Notice of the Election | B. Resolution adopting Regulations for Candidates Statements |
|---|--|

Attachment A

Attachment A

RESOLUTION NO. 2016 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA, CALLING AND GIVING NOTICE OF A GENERAL MUNICIPAL ELECTION TO BE HELD IN THE CITY OF LEMON GROVE ON TUESDAY, NOVEMBER 8, 2016, FOR THE ELECTION OF THE MAYOR AND TWO MEMBERS OF THE CITY COUNCIL

WHEREAS, pursuant to the requirements of State law relating to general law cities, a General Municipal Election will be held in the City of Lemon Grove, California, on Tuesday, November 8, 2016, for the purpose of electing the Mayor and two Members of the City Council to full four-year terms; and

WHEREAS, the City Clerk is hereby authorized to procure and furnish all official ballots, notices, printed matter, supplies, and equipment necessary to properly and lawfully conduct said election; and

WHEREAS, the polls for the election shall open at 7:00 a.m. and remain open until 8:00 p.m., except as provided in California Elections Code Section 14401;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lemon Grove, California, hereby calls and gives notice of election and directs the City Clerk to give notice of the election, as required by State law.

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Attachment B

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO MATERIALS SUBMITTED TO THE ELECTORATE AND THE COSTS THEREOF FOR THE GENERAL MUNICIPAL ELECTION TO BE HELD IN SAID CITY ON TUESDAY, NOVEMBER 8, 2016

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including the costs thereof.

Now, Therefore, the City Council of the City of Lemon Grove, California, does Hereby Resolve, Declare, Determine and Order as Follows:

SECTION 1. GENERAL PROVISIONS: That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for non-partisan elective office to be voted for at the General Municipal Election to be held in the City of Lemon Grove on November 8, 2016, may prepare a candidate's statement on an appropriate form provided by the City Clerk.

Each statement may include the name, age and occupation of the candidate and a brief description of not more than 200 words of the candidate's education and qualifications expressed by the candidate. Such statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. Such statement shall be filed in the Office of the City Clerk at the time the candidate's nomination papers are filed. Such statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 2. PAYMENT: The City Clerk has estimated the total cost of printing, handling, mailing and translating into Spanish, Filipino, Vietnamese and Chinese the candidates' statements filed pursuant to the Elections Code, and requires each candidate filing a statement to pay in advance his or her pro rata share as a condition of having his or her statement included in the voter's pamphlet. This amount is estimated to be \$600.00 and is payable upon filing of nomination papers. The City Clerk shall bill each candidate for any cost in excess of the deposit, and shall refund any unused portion of any deposit.

SECTION 3. The City Clerk shall provide each candidate, or the candidate's representative, a copy of this Resolution at the time nominating petitions are issued.

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**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.J
Mtg. Date June 7, 2016
Dept. City Manager

Item Title: Request for General Municipal Election Services from the County of San Diego

Staff Contact: Susan Garcia, City Clerk

Recommendation:

Adopt a resolution (**Attachment A**) requesting the County of San Diego to provide election services for the City's General Municipal Election on November 8, 2016.

Item Summary:

California State Elections Code Section 10002 states that the governing body of a city may request, by resolution, that the county board of supervisors authorize the county elections official to render specified services relating to the conduct of an election.

The attached resolution requests that the San Diego County Registrar of Voters provide election services to the City of Lemon Grove for the November 8, 2016 General Municipal Election. These election services include furnishing official ballots, notices, printed material, supplies, and equipment necessary to properly and lawfully conduct the election according to State law.

Fiscal Impact:

The Registrar of Voters provided a cost estimate of \$32,000 for its election services.

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section [] | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☐ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

A. Resolution

Attachment A

RESOLUTION NO. 2016 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA,
REQUESTING THAT THE SAN DIEGO COUNTY BOARD OF SUPERVISORS AUTHORIZE
THE SAN DIEGO COUNTY REGISTRAR OF VOTERS TO RENDER SPECIFIED SERVICES
RELATED TO A GENERAL MUNICIPAL ELECTION IN THE CITY OF LEMON GROVE ON
TUESDAY, NOVEMBER 8, 2016

WHEREAS, a General Municipal Election is to be held in the City of Lemon Grove, California, on Tuesday, November 8, 2016; and

WHEREAS, pursuant to the provisions of California State Elections Code Section 10002, the City Council requests that the San Diego County Board of Supervisors authorize the San Diego County Registrar of Voters to prepare and furnish voter information pamphlets to the registered voters in the City of Lemon Grove and make additional election equipment and assistance available to the City according to State law; and

WHEREAS, the City shall reimburse the County Registrar of Voters for its services upon completion of the election.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lemon Grove, California, hereby directs the City Clerk to forward a certified copy of this resolution to the San Diego County Board of Supervisors and to the San Diego County Registrar of Voters.

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**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1. K
Mtg. Date June 7, 2016
Dept. City Manager's Office

Item Title: Fiscal Year 2016-17 City Calendar

Staff Contact: Corinne Russell, Human Resource Manager

Recommendation:

Approve the Fiscal Year 2016-17 City Calendar (**Attachment A**)

Item Summary:

The Lemon Grove Personnel Policies Manual establishes the Holiday Schedule for employees and the method of compensating them for holidays that fall on weekends or scheduled days off. Staff presents the proposed Fiscal Year 2016-17 City Calendar (**Attachment A**) for City Council approval.

The following holidays conflict with scheduled days off during Fiscal Year 2016-17:

- o Veteran's Day (falls on a Friday)
- o Day after Thanksgiving (falls on a Friday)
- o ½ day for Christmas Eve and ½ day for New Years Eve (both fall on a Saturday)
- o Christmas Day (falls on a Sunday)
- o New Years Day (falls on a Sunday)

The proposed calendar assigns the holidays that conflict with scheduled days off as follows:

- o November 11, 2016 (Veteran's Day) apply to Monday December 26, 2016.
- o November 25, 2016 (day after Thanksgiving) apply to Tuesday December 27, 2016.
- o ½ day for December 24, 2016 (Christmas Eve) and ½ day for December 31, 2016 (New Years Eve) towards Wednesday December 28, 2016.
- o December 25, 2016 (Christmas Day) apply to Thursday December 29, 2016.
- o December 31, 2016 (New Years Day) would be given to employees to use as a floating holiday throughout the fiscal year.

This proposed calendar would result in City Hall being closed between Monday December 28, 2016 and Thursday December 29, 2016. If approved, the FY 2016-17 City Calendar will be posted on the City's website and made available at City Hall.

Fiscal Impact:

None

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☒ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
|--|---|---|

☐ Notice published in local newspaper

☐ Neighborhood meeting

Attachments:

A. City of Lemon Grove Fiscal Year 2016-17 Calendar

Attachment A

City of Lemon Grove -- Fiscal Year 2016-17 Calendar

July-16						
S	M	T	W	T	F	S
					C	2
3	H	5	6	7	C	9
10	11	12	13	14	C	16
17	18	19	20	21	C	23
24	25	26	27	28	C	30
31						

August-16						
S	M	T	W	T	F	S
	1	2	3	4	C	6
7	8	9	10	11	C	13
14	15	16	17	18	C	20
21	22	23	24	25	C	27
28	29	30	31			

September-16						
S	M	T	W	T	F	S
				1	C	3
4	H	6	7	8	C	10
11	12	13	14	15	C	17
18	19	20	21	22	C	24
25	26	27	28	29	C	

October-16						
S	M	T	W	T	F	S
						1
2	3	4	5	6	C	8
9	10	11	12	13	C	15
16	17	18	19	20	C	22
23	24	25	26	27	C	29
30	31					

November-16						
S	M	T	W	T	F	S
		1	2	3	C	5
6	7	8	9	10	H	12
13	14	15	16	17	C	19
20	21	22	23	H	H	26
27	28	29	30			

December-16						
S	M	T	W	T	F	S
				1	C	3
4	5	6	7	8	C	10
11	12	13	14	15	C	17
18	19	20	21	22	C	1/2H
H	26	27	28	29	C	1/2H

January-17						
S	M	T	W	T	F	S
H	2	3	4	5	C	7
8	9	10	11	12	C	14
15	H	17	18	19	C	21
22	23	24	25	26	C	28
29	30	31				

February-17						
S	M	T	W	T	F	S
			1	2	C	4
5	6	7	8	9	C	11
12	13	14	15	16	C	18
19	H	21	22	23	C	25
26	27	28				

March-17						
S	M	T	W	T	F	S
			1	2	C	4
5	6	7	8	9	C	11
12	13	14	15	16	C	18
19	20	21	22	23	C	25
26	27	28	29	30	C	

April-17						
S	M	T	W	T	F	S
						1
2	3	4	5	6	C	8
9	10	11	12	13	C	15
16	17	18	19	20	C	22
23	24	25	26	27	C	29
30						

May-17						
S	M	T	W	T	F	S
	1	2	3	4	C	6
7	8	9	10	11	C	13
14	15	16	17	18	C	20
21	22	23	24	25	C	27
28	H	30	31			

June-17						
S	M	T	W	T	F	S
				1	C	3
4	5	6	7	8	C	10
11	12	13	14	15	C	17
18	19	20	21	22	C	24
25	26	27	28	29	C	

C Closed
H Holiday

Need for float

\\snaigdc01\SharedData\cigprograms\Finance\City Calendar\City Calendar_annualFY17

**LEMON GROVE CITY COUNCIL, ROADWAY LIGHTING DISTRICT BOARD,
SANITATION DISTRICT BOARD & SUCCESSOR AGENCY
AGENDA ITEM SUMMARY**

Item No. 2
Mtg. Date June 7, 2016
Dept. Finance

Item Title: 2016-17 Draft Budget Discussion

Staff Contact: Lydia Romero, City Manager and Gilbert Rojas, Interim Finance Director

Recommendation:

Review draft of 2016-17 Budget document and provide consensus direction to City Manager

Item Summary:

Staff has prepared a draft Budget document for the General Fund, the General Reserve Fund, other funds managed by the City and budgets for the Roadway Lighting District, Sanitation District and Successor Agency. Direction provided by the City Council will help in preparing the final consolidated budget, which will be presented on June 21, 2016.

Fiscal Impact:

None

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☒ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Draft Budget Document

Attachment A

LEMON GROVE CITY COUNCIL, ROADWAY LIGHTING DISTRICT BOARD, SANITATION DISTRICT BOARD & SUCCESSOR AGENCY STAFF REPORT

Item No. 2

Mtg. Date June 7, 2016

Item Title: **Draft Fiscal Year 2016-17 Budgets for the City of Lemon Grove, Roadway lighting District, Sanitation District, and Successor Agency**

Staff Contact: Lydia Romero, City Manager and Gilbert Rojas, Interim Finance Director

Discussion:

The purpose of this staff report is to provide the City Council with a draft Budget document and provide insight as to the operational plan for Fiscal Year 2016-17.

General Fund

Estimated Revenues

Total estimated revenue for the General Fund is projected to increase by 3.5%. Our three largest revenue sources continue to be Sales tax, Property tax and Property tax in lieu of VLF.

Sales tax has been projected to decrease 2.7% from last fiscal years estimate. This is due to last year's amount accounting for the end of the "triple flip" and the related "make up" payments from the State.

Property tax is estimated to increase by 3%. We feel this is a conservative estimate since the County Assessor does not release his projections until the end of June. Any adjustment that is significant can be made at midyear.

Property tax in lieu of VLF is estimated to increase by 3%. This is also a very conservative estimate since the \$2,135,000 is the amount we have received in the prior year.

Expenditures

Proposed staffing changes to this fund include:

- 1) Reclassification of an Engineer Tech II to Management Analyst
- 2) Reclassification of the Finance Director position to Finance Manager (salary saving \$38,000)
- 3) Establish a new Associate Accountant position. (salary of \$56,000)
- 4) Establish an extra help position of Park Ranger (cost \$15,000)
- 5) Change of Title and responsibilities for Public Works Director. Title change will be Assistant City Manager/Public Works Director. Salary cost will be \$6,000 of which General Fund will pay for 10%.

Attachment A

In addition, the General Fund budget has been prepared with 2% salary increase to Fire Safety employees per contract. The Miscellaneous employees (with the exception of the City Manager) have been budgeted with a proposed 2% salary increase effective in July, 2016.

Contract Services has increased for the Fiscal Year. The Sheriff contract has will increase approximately 4.5%. While the Animal Control contract will remain the same. The City Attorney budget has been increased based on the FY 2015-16 activities. The City also contracts for engineering services and has budgeted \$330,000 which will be funded by various funding sources. Plan checking and building services is an outsourced service within the Development Services Budget. Plan checking and building inspection costs are fully paid for by the applicant.

Operational changes include:

- 1) Election cost of \$32,000
- 2) Fire Dispatch contract increased by \$15,000 due to 7.4% increase in call volume
- 3) Fire Department to replace a thermal imaging camera (cost \$12,000)
- 4) Property Insurance increased \$30,000 due to adding earthquake insurance.
- 5) General Liability insurance decreased by \$30,000
- 6) Workers Compensation cost increased by \$22,000.

Gas Tax Fund

It is proposed that the General Fund transfer \$100,000 to this fund in order to maintain the street maintenance effort in the City. The finances of this fund should be closely monitored during the year.

Pension Liability Fund

There are no planned contributions to this fund, however if General Fund revenues exceed expenditures for FY 15-16 staff will present some funding options.

General Fund Reserve

This fund will be used as a “true” reserve. The City will no longer budget expenditures for Capital or Operating expenses. Any use of Reserves will be approved by the City Council and treated as a transfer-out from this fund and a transfer-in to the appropriate fund. We are also suggesting that the General Fund fund balance of \$3 million be moved in total or in part to this fund so as to truly reflect the City’s reserves in compliance with Council adopted policy.

TDA Fund

These funds must be expended on maintaining and/or improving public transit facilities. Staff and contract labor provides street sweeping, power wash bus stops and tree trimming along the transit corridor. In addition, there is \$237,400 available for the Lemon Grove Avenue Realignment Project.

Attachment A

Self-Insured Workers Compensation Fund

The City must maintain a cash balance of three times our Self Insurance Retention (SIR). Our SIR is \$125,000. Our current cash balance is \$650,000. The City maintains excess coverage from CSAC for all claims over \$125,000.

Self-Insured Liability Reserve

The Self Insurance Retention (SIR) is \$100,000. The City has excess insurance coverage with CSAC for all claims above our SIR. The current cash balance in this fund is \$479,000.

Redevelopment Successor Agency

The Successor Agency anticipates receiving approximately \$2.4 million in Redevelopment Property Tax Trust Fund (RPTTF) proceeds from the County. The FY 2016-17 budget reflects bond interest payments totaling \$1,071,800, bond principal payments of totaling \$685,000 and repayment to the City of \$343,200 in loans.

Sanitation District Budget

The Lemon Grove Sanitation District manages two funds—an Operations Fund and a Reserve Fund. In FY 2016-17, the District anticipates generating \$5.8 million in total revenue. Offsetting this revenue, the District anticipates expending \$5.0 million for operating costs and \$1.5 million in Capital Improvement projects.

It is proposed that a new Sanitation Tech I position be authorized. This position will be added to the crew that does video monitoring and cleaning of sewer mainlines. In addition this fund will also pay costs associated with a new accountant position in the Finance Department. The cost will be based on workload for the District, which will be significant in future years due to the Capital Improvement program.

Conclusion:

Staff recommends that the City Council provide feedback to assist the preparation of the FY 2016-17 budgets for the General Fund/General Reserve Fund, the other funds managed by the City, the Roadway Lighting District funds, the Sanitation District funds, and the Successor Agency fund. Staff will prepare a final budget document for the City Council's consideration at the June 21, 2016 meeting.

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 3
Mtg. Date June 7, 2016
Dept. Public Works

Item Title: Senior Center Lease Agreement with Community Health Improvement Partners

Staff Contact: Mike James, Public Works Director

Recommendation:

Adopt a resolution (**Attachment B**) approving a lease agreement (**Attachment B – Exhibit 1**) between the City and Community Health Improvement Partners for use of the Senior Center.

Item Summary:

In February 2016, city staff was contacted by Community Health Improvement Partners (CHIP) requesting to lease a portion of the Senior Center located at 8235 Mount Vernon Street. City and CHIP staff negotiated a draft lease agreement **Attachment B – Exhibit 1** for City Council's feedback and consideration.

Fiscal Impact:

The lease agreement is projected to generate \$9,000 in gross revenue per fiscal year.

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| ☒ None | ☐ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Resolution

Attachment A

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 3

Mtg. Date June 7, 2016

Item Title: Senior Center Lease Agreement with Community Health Improvement Partners

Staff Contact: Mike James, Public Works Director

Discussion:

In February 2016, City staff was approached by Mr. Dana Richardson of Community Health Improvement Partners (CHIP) requesting if there were any city facilities that may be available for lease. Since that initial contact, CHIP and City staff has discussed possible locations as well as the initial terms of a lease agreement. Both entities found the terms of the draft agreement (**Attachment B – Exhibit 1**) acceptable. The remaining portion of this staff report provides background information about CHIP and identifies key components of the agreement for City Council's consideration.

Community Health and Improvement Partners

The mission of CHIP is to advance long-term solutions to prioritize health needs through collaboration and community engagement. CHIP focuses on its mission by collaborating with San Diego health care systems, hospitals, community clinics, insurers, physicians, universities, community based organizations, schools and government entities.

The services that CHIP will provide at the Senior Center include:

- Determining community informed strategies, services, and resources needed to support healthy eating and active living for Lemon Grove residents.
- Providing residents with opportunities to:
 - Purchase healthy foods and beverages,
 - Support small businesses in the provision of healthy foods and beverages to residents,
 - Increase access and use of public spaces to regularly engage in physical activities,
 - Improve the safety of the community to engage in said physical activity,
 - Support the social and emotional development of school age children, and
 - Leverage community resources to support the overall physical, mental, and spiritual well being of residents.
- Offering intergenerational group discussions, civic engagement and learning opportunities, select physical activity and nutritional support services, community and healthcare partnerships and services, minimal financial support to participating residents, support for local civic, education, and healthcare leaders to increase the capacity to serve Lemon Grove residents in their health improvement efforts.

Attachment A

The professional services will consist of approximately two staff members. The participants receiving services includes Lemon Grove residence of all ages, with an emphasis on youth, seniors, and self-identified resident leaders.

Since November 2012, CHIP has been located in Clairemont Mesa, located in central San Diego. Since the first partnership between CHIP and the City began in January 2012, staff members of both entities have worked closely to meet the community's needs. By relocating to the City, CHIP will be better positioned to partner with the community residents in advocating for environmental changes and more effective policies affecting their health and well being. Further, this work will support local, state, and national efforts to reduce incidence of preventable chronic diseases related to obesity.

Lease Terms and Conditions

Staff prepared a draft lease agreement (**Attachment B – Exhibit 1**) for consideration by the City Council. The significant terms of the agreement include:

Length of Lease – the agreement indicates the term of the lease begins on July 1, 2016. The lease will continue month-to-month as mutually agreed to by both parties.

Rent – the agreement specifies a base amount of \$750 per month with a clause for no increase until June 30, 2017. This amount is an equivalent of \$0.97 per square foot of lease space. Beginning July 1, 2017, the City may implement an escalator clause of 2.5 percent or the increase in the Consumer Price Index (whichever is greater).

Agreed Use – the agreement indicates that office space will be used to manage a community engagement program. The office spaces will be used Monday through Friday from 9:00 a.m. to 7:30 p.m. and no more than one weekend per month. The hours of operation are a general range that may or may not be used during the entire time. The number of community meetings and community requests for services will have an impact on the actual hours used. The use of the office space during the time range will not interfere with any other lessee or City use.

Utilities/Maintenance – the agreement states that the City will pay for gas & electricity, water, solid waste, and general maintenance of the building. The CHIP will be responsible for all other utilities such as telephone, television, and internet. Also, each year, the proportion of paying for utilities will be evaluated and renegotiated, if deemed necessary by the City.

Indemnity/Insurance – the indemnity and insurance language included in the lease agreement includes the City's standard requirements.

Termination – the lease agreement allows either party to terminate the lease agreement with a thirty-day written notice.

Capital Improvements – according to the lease agreement, the City will have the responsibility for major maintenance and repairs.

Capital Replacement Plan

Staff estimates there are \$6,000 worth of capital improvements required at the back building of the Senior Center. The improvements include replacing two HVAC wall mounted units and security installation fee and ongoing costs. As such, staff recommends that one year's worth of revenue is allocated to the improvements.

Attachment A

Conclusion:

Staff recommends that the City Council adopt a resolution (**Attachment B**) approving a lease agreement (**Attachment B – Exhibit 1**) between the City and Community Health Improvement Partners for use of the Senior Center

Attachment B – Exhibit 1

LEASE AGREEMENT FOR USE OF THE LEMON GROVE SENIOR CENTER

This Agreement is effective this 1st day of July 2016 by and between the City of Lemon Grove, a municipal corporation, hereinafter referred to as "City" and Community Health Improvement Partnership (CHIP), a non-profit corporation, and hereinafter referred to as "Lessee."

RECITALS:

- 1) City owns certain real property commonly described as the Senior Center at 8235 Mt Vernon Street, Lemon Grove, California, and hereinafter referred to as the "Senior Center."
- 2) The Senior Center is comprised of three buildings, only one of which the Lessee desires to utilize in furtherance of its mission to advance long-term solutions to priority health needs through collaboration and community engagement. The Lessee focuses on its mission by collaborating with San Diego health care systems, hospitals, community clinics, insurers, physicians, universities, community based organizations, schools and government entities. *(See Exhibit A on page 11).*
- 3) The City is willing to provide one office and shared use of a portion of the administration building in the Senior Center to the Lessee per the following term and fee schedule:
 - a) Term: Commencing on July 1, 2016, the term of the Lease shall be month-to-month, as mutually agreed to by both parties. There shall be no holdover tenancy and any extension shall be subject to a written agreement approved by both parties.
 - b) Base Rent: \$750 per month ("Base Rent"), payable on the 1st day of each month commencing on July 1, 2016. Payments not received by the 10th day of each month will incur a 10 percent late fee penalty payable immediately.
 - c) Additional Hours: Depending on the availability outside of the pre-established hours, the Lessee may schedule additional time at office and related facilities at a rate of \$40 per hour.
 - d) Initial Deposit: One month base rent is payable with the 1st monthly payment.
 - e) Annual Rent Increase: The annual base rent may increase no sooner than July 1, 2017 and each July 1st thereafter based on the increase in the Consumer Price Index for All Urban Consumers (CPI-U) in the San Diego Area or 2.5 percent, whichever percent is greater. The City retains the option to defer any annual rent increase each fiscal year.
- 4) City hereby leases to Lessee, and Lessee hereby leases from City, the facilities, for the Term of the rental, and upon all of the terms, covenants and conditions set forth in this Lease.

NOW, therefore, it is hereby agreed as follows:

1. Facilities to be Provided to Lessee by City

1.1 Office and Related Facilities

The general public shall not be wholly or permanently excluded from the premises or portion of the premises covered by this Lease except the office space in the administration building; provided, however, that reasonable restrictions may be made, consistent with the right of the public to the use and enjoyment of the premises and the facilities therein, to enable the Lessee to use

Attachment B – Exhibit 1

the premises for the purposes for which the same are allocated. All such regulations and restrictions shall be subject to written approval by the City Manager.

1.2 Hours of Use

On or before July 1st each year, Lessee shall furnish to the Community Services Superintendent a written schedule of all dates and times the project is to be conducted on the premises by Lessee during the period of this Lease.

Lessee shall have use of the Lounge in the Senior Center during the Agreement period. Lessee shall not have exclusive use of the Shared Use Area, and this facility shall remain open to the public. The times of operations will be Monday through Friday from 9:00 a.m. to 7:30 p.m. and no more than one weekend per month in the Lounge and the male/female restrooms.

Any use of the Senior Center by the Lessee beyond the regularly stated days and hours must be scheduled with the City's Public Works Department. A written request must be submitted to the Community Services Superintendent no less than 30 days in advance of the date to be requested. The Lessee is responsible for set up, tear down and cleanup of any use of the facility after 5:00 p.m.

1.3 Equipment and Storage

Lessee may store office equipment and supplies for its programs and participants in Lounge.

Lessee is solely responsible for securing all supplies, furniture, fixtures, and equipment, including all electronic equipment such as computers, printers, televisions, videocassette recorders, stereos, etc., within the premises. Lessee is solely responsible for securing the premises each day against theft and damage of any property that is within the premises. The City has absolutely no responsibility for the replacement of any property that is damaged or lost due to theft and/or negligence.

1.4 Premises

Lessee shall not assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment or other such foregoing transfer of this Lease or any interest hereunder by operation of law, sublet the Premises or any part thereof, or permit the use of the Premises by any persons other than Lessee and its employees.

City shall deliver the Premises to Lessee broom clean and free of debris on the Commencement Date and warrants that the existing electrical, plumbing, and lighting, shall be in good operating condition on said date. If a noncompliance with such warranty exists as of the Start Date, or if one of such systems or elements should malfunction or fail within the appropriate warranty period, City shall, as City's sole obligation with respect to such matter, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such noncompliance, malfunction or failure, rectify same at City's expense. The warranty periods shall be 30 days. If Lessee does not give City the required notice within the appropriate warranty period, correction of any such noncompliance, malfunction or failure shall be the obligation of Lessee at Lessee's sole cost and expense.

Attachment B – Exhibit 1

Vehicle Parking. Lessee shall be entitled to use the parking spaces designated for the Lemon Grove Senior Center. Said parking spaces shall be used for parking by vehicles no larger than full-size passenger automobiles or pickup trucks, herein called "Permitted Size Vehicles."

(i) Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, contractors or invitees to be loaded, unloaded, or parked in areas other than those designated by City for such activities.

(ii) Lessee shall not service or store any vehicles in the parking spaces.

(iii) No overnight parking is permitted.

1.5 Posting of Materials

No materials may be affixed to any wall or bulletin boards or left in any City / Public areas without the consent of the Community Services Superintendent or designee.

2. Services to be Provided by Lessee

Lessee provides an advance long-term solution to priority health needs through collaboration and community engagement. CHIP focuses on its mission by collaborating with San Diego health care systems, hospitals, community clinics, insurers, physicians, universities, community based organizations, schools and government entities. The services that the CHIP will provide at the Senior Center include:

2.1 Determining community informed strategies, services, and resources needed to support healthy eating and active living for Lemon Grove residents.

2.2 Providing residents with opportunities to:

- (i) Purchase healthy foods and beverages,
- (ii) Support small businesses in the provision of healthy foods and beverages to residents,
- (iii) Increase access and use of public spaces to regularly engage in physical activities,
- (iv) Improve the safety of the community to engage in said physical activity,
- (v) Support the social and emotional development of school age children, and
- (vi) Leverage community resources support the overall physical, mental, and spiritual well being of residents.

2.3 Offering intergenerational group discussions, civic engagement and learning opportunities, select physical activity and nutritional support services, community and healthcare partnerships and services, minimal financial support to participating residents, support for local civic, education, and healthcare leaders to increase the capacity to serve Lemon Grove residents in their health improvement efforts.

Attachment B – Exhibit 1

2.4 The professional services will consist of approximately two staff members. The participants receiving services includes Lemon Grove residence of all ages, with an emphasis on youth, seniors, and self-identified resident leaders.

3. Lessee Payments

Monthly lease payments shall be received by the City on the 1st day of each month to:

City of Lemon Grove
Attn: David Huey, Community Services Superintendent
3232 Main Street
Lemon Grove, California 91945
(619) 825-3816 or (619) 825-3810

Any payments not received within 15 days of the due date shall incur a 10 percent late fee penalty due immediately.

4. Rules for Lessee Employees and Volunteers

Lessee shall obtain Worker's Compensation Insurance in accordance with State law for all employees and volunteers and shall provide City with a certificate of insurance as specified in Section 16 hereof. Lessee shall provide a certificate of insurance in the form and as required by Section 16 hereof.

5. Maintenance and Janitorial Services

The City will perform maintenance on all buildings and appurtenances. The City will perform custodial services; provide custodial supplies and paper products for the Senior Center.

The Lessee will conduct its operation in the Lounge with its use limited to the Lessee in the areas as defined in Section 1 of this agreement and shown on page 11 and 12 of this agreement.

Lessee shall store away all equipment at the conclusion of each program day in the Lounge. If there is a time when the Lessee uses the facility after its normal operating period, the Lessee shall be responsible for all clean up and set up for that portion of the facility by 8:00 a.m. the following morning.

Should Lessee fail to clean up the facility to the satisfaction of the City, the City shall notify Lessee in writing identifying specific deficiencies. Should there be additional occurrences, the City may, at its sole discretion, assess the Lessee \$50 per occurrence. This same procedure shall be used if the Lessee fails to clean up any uncharacteristically large or difficult disorder, clutter or mess in its operating area.

6. Utilities

The City agrees to provide the following utilities at its cost - San Diego Gas & Electric, Helix Water District, and EDCO solid waste costs.

a) Lessee shall pay for all other utility and premises costs associated with the use of the Premises not identified in section 6.

b) Each July 1st, costs for utilities and maintenance will be evaluated by the City to determine if a future cost sharing agreement warrants inclusion.

7. Improvements to Facility

Attachment B – Exhibit 1

Lessee may, at its own expense, if consistent with the purpose of this Agreement in the opinion of the Community Services Superintendent, make any alterations or changes in the premises or cause to be made, built or installed thereupon, any improvements necessary or desirable for Lessee's use and may alter and repair any such improvements. Any application for an improvement to the premises must be made in writing by Lessee and submitted to the City's Community Services Superintendent for review and consideration of approval. Prior to any improvement being made by the lessee, written approval must be received from the Community Services Superintendent. Lessee agrees to take good care of the premises, fixtures and appurtenances and of all alterations, additions and improvements to any of them.

8. Retention of Improvements

All structures, fixtures and improvements whether heretofore or hereinafter installed or erected by Lessee, shall upon the expiration of this Agreement or any extension thereof, become the property of the City and shall not be removed from the above-described premises. At the sole discretion of the City, lessee may be required to remove any and all improvements.

9. Right of Inspection

The City shall always have the right to enter said premises for the purpose of viewing and ascertaining the condition of the same, or to protect its interests in the premises or to inspect the operations conducted on said premises. In the event that such entry or inspection by the City discloses that said premises or the operations conducted thereon are not in a safe, sanitary and satisfactory condition, the City may after one written warning, which was not complied with, terminate this Lease on one day's written notice.

10. Discrimination

Lessee shall not, for any reason, discriminate against any person because of race, sex, age, creed, color, disability or national origin.

12. Smoking

Smoking is prohibited inside any public building, and within 20 feet of a main exit, entrance, or operable window of a public building.

13. Assignment

Lessee shall not assign this Agreement, or any interest therein, or any part thereof; or any right or privilege appurtenant thereto or suffer any other person (the agents, officers and employees of City excepted) to occupy or use the said premises, without the prior written consent of the City Council of the City of Lemon Grove. Consent to one assignment, occupation or use by any other person shall not be deemed to be consent to any subsequent assignment, occupation or use by another person. Any such assignment without such consent shall be void and shall, at the option of City, terminate this Agreement. This Agreement shall not, nor shall any interest therein, be assignable, by operation of law, and if such an assignment is made, the City may terminate this Agreement, at its option.

14. Compliance with Law

Lessee shall, at its sole cost and expense, comply and secure compliance with all the laws, ordinances and requirements of all municipal, county, state and federal authorities now in force, or which may herein after be in force, pertaining to the said premises, or the operations conducted thereon, and shall faithfully observe, and secure observance

Attachment B – Exhibit 1

with, in the use of the premises, all municipal and county ordinances and state and federal statutes now in force or which may hereinafter be in force, and shall pay before delinquency all taxes, assessments, and fees assessed or levied upon Lessee or the premises by reason of any buildings, structures, machines, appliances or other improvements of any nature whatsoever, erected, installed or maintained by Lessee or by any reason of the business or other activities of Lessee upon or in connection with the said premises. Lessee shall comply with all rules or regulations of the City applicable to the Senior Center. The judgment of any court of competent jurisdiction, or the admission of Lessee or any assignee in any action or proceeding against them, or any of them, whether the City be a party thereto, or not, that Lessee or assignee has violated any such regulations, ordinance, or statute in the use of the Office shall be conclusive of that fact as between City and Lessee.

15. Hold Harmless

City, its agents, officers and employees, shall not be, nor be held liable, for any claims, liabilities, penalties, fines or for any damage to the goods, properties or effects of Lessee or any of Lessee's representatives, agents, employees, guests, licenses, invites, patrons or clientele or of any other persons whatsoever, nor for personal injuries to, or deaths of them, or any of them, whether caused by or resulting from any acts or omission of Lessee in or about the premises, or any act or omission of any person or from any defect in any part of the premises or from any other cause or reason whatsoever.

Lessee agrees to protect, defend, indemnify and hold harmless City, its officers, agents and employees from any and all liability, claims, suits, liens and judgments, of whatever nature, including injury to any person, arising from performance or failure to perform obligations of this Agreement caused or claimed to be caused by Lessee, its agents or employees during the times and at the places that Lessee is using City's facilities. Lessee agrees it is its duty to defend even if the claim appears without merit.

City agrees to protect, defend, indemnify and hold harmless Lessee, its officers, agents and employees from any and all liability, claims, suits, liens and judgments, of whatever nature, including injury to any person, arising from performance or failure to perform obligations of this Agreement caused or claimed to be caused by City, its agents or employees during the times and at the places that City is using its facilities. City agrees it is its duty to defend even if the claim appears without merit.

16. Liability Insurance

Lessee agrees to secure and maintain commercial general liability and commercial automobile liability insurance with an insurance carrier satisfactory to City to protect against loss from liability imposed by law for damages on account of bodily injury, including death resulting there from, suffered or alleged to be suffered by any person or persons whatsoever resulting directly or indirectly from any act or activities of Lessee or any person, including volunteers for Lessee or under Lessee's control or direction and also to protect against loss from liability imposed by law for damages to any property of any person caused directly or indirectly by or from acts for activities under Lessee's control or direction. Such public liability and property damage insurance shall be maintained in full force and effect during the entire term of this Agreement in the amount of not less than \$1,000,000 for combined single limit or single occurrence and not less than \$2,000,000 per annual aggregate if an aggregate is applicable. Proof of such insurance shall be filed with City by Lessee prior to conducting any activities under this lease, and shall be in a form satisfactory to the City Attorney.

Attachment B – Exhibit 1

17. Certificate of Insurance

The commercial general liability and commercial automobile liability policies required herein shall name the City as an additional insured as well as include the applicable endorsement. A certificate of insurance shall be provided for each policy required herein and have a Non-cancellation without thirty (30)-day notice to City clause and shall provide that copies of all cancellation notices shall be sent to the City Clerk. All insurance policies shall be filed with the City Clerk. Provisions of this paragraph as to maintenance of insurance shall not be construed as limiting in any way the extent to which Lessee may be held responsible for the payment of damages to persons or property resulting from its activities or the activities of any person or persons for which it is otherwise responsible.

18. Termination after Notice for Failure to Comply with Agreement

Should City determine that Lessee appears to be in violation of the Agreement (except for violations specified in Section 21 herein) it shall give Lessee thirty (30) day notice of intent to terminate at the address specified in Section 23 hereof and identify the perceived violations. If said violations are not corrected within that time, this Agreement shall be then forthwith terminated.

19. Termination in the Interest of the Public Health, Safety and Welfare

The City may terminate this Agreement without notice and cause the Office to be immediately vacated in the following instances.

- a. The City finds that the operation of Lessee at the Office poses a threat to the public health, safety or welfare.
- b. The Lessee fails to keep the insurance required by this contract in full force and effect.
- c. The Lessee is placed in receivership or bankruptcy or is determined to be insolvent.

Notwithstanding any of the above, Lessee shall be given a reasonable opportunity to cure a violation of Subsections (a) and (b), above, by City. Lessee shall have thirty (30) days to cure any violation of (a) or (b) before termination of this Agreement. During this time period, Lessee shall not be allowed to occupy the Office while the operation is a threat to public health, safety or welfare or while required insurance coverage is not in place.

20. Termination by Either Party

Either party may terminate this lease upon thirty (30) days written notice to the other party pursuant to Section 23.

- a. After a termination request has been accepted, a site walk will be performed by both Parties to determine if the facility is in the same condition as it was in the initial occupation.
- b. Any costs to repair or replace the facility will be paid for with the initial deposit funds.
- c. Should there not be any repair or replacement costs, the full deposit will be returned to the Lessee within thirty (30) days of the final date of occupation.

21. Care of Premises

Lessee shall give prompt notice to the City of any damage to the premises. Lessee shall

Attachment B – Exhibit 1

not commit, or suffer to be committed, any injury, or any public or private nuisance on the premises and shall keep the premises clean and clear of refuse and obstructions and shall dispose of all garbage, trash and rubbish in a manner satisfactory to the Community Services Superintendent.

22. Assigns

Time is of the essence of each and all of the terms and provisions of this Lease and this Lease shall inure to the benefit of and be binding upon the parties herein and any successors of Lessee as fully and to the stipulations and Agreements in this Lease shall extend to, and bind any assignees of this Lease.

23. Notices

Any notice or notices provided for by this Lease or by law to be given or served upon Lessee may be given or served by depositing in the United States mail, postage prepaid, a letter addressed to said Lessee at the premises address stated at the commencement hereof and to Dana Richardson, Vice President, Community Health Improvement Partners, 5095 Murphy Canyon Road, Ste. 105, San Diego, CA 92123; or may be personally served upon said Lessee (or any one of them), or any person hereafter authorized by Lessee to receive such notice; or by posting the notice in a conspicuous place on the premises; and any notice or notices provided for by this Lease to be served upon City may be given or served by letter addressed to: the Community Services Superintendent, City of Lemon Grove, 3232 Main Street, Lemon Grove, CA 91945. Any notice or notices given or served as provided herein shall be effective and binding for all purposes upon the principals of the parties.

24. Remedies of City

In the event (a) that Lessee files a voluntary petition in bankruptcy, or (b) that Lessee shall be adjudicated as bankrupt, or (c) that Lessee make a general assignment for the benefit of creditors, then in either or any of said events, City may at its option, without further notice or demand upon Lessee, immediately cancel and terminate this Lease; this remedy is cumulative to other rights of the City provided by law or by this Lease, and shall not be deemed to limit said other rights in any manner.

25. Waiver

The waiver by the City of any breach of any term, condition or covenant herein contained shall not be deemed to be a waiver of any simultaneous breach of any other term, covenant or condition herein contained. Any failure on the part of the City to require or exact full and complete compliance with any of the covenants, conditions or terms of this Lease shall not be construed, as in any manner changing or waiving the terms hereof or to stop the City from enforcing in full the provisions hereof; nor shall the terms of this Lease be changed or altered in any manner whatsoever other than by written Agreement of the City and the Lessee

26. Vacation of Premises

At the termination of this Lease for any reason Lessee will peaceably vacate and yield to the City any building structure that Lessee may occupy or use, pursuant to this Lease, which belongs to the City.

27. Cost and Attorney's Fees

If any Party brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter

Attachment B – Exhibit 1

defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The "Prevailing Party" shall include, without limitation, a Party who substantially obtains or defeats the relief sought as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, City shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

28. Dispute Resolution.

- a. Mediation: City, Lessee, and Broker(s) agree to mediate any dispute or claim arising between them out of this agreement or any resulting transaction, before resorting to arbitration or court action. Paragraphs (2) and (3) below apply whether or not the arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover any attorney fees, even if they would otherwise be available to that party in any such action. This mediation provision applies whether or not the arbitration provision is initiated.
- b. Arbitration Disputes:
 - i. Lessee and City agree that any dispute or claim in Law or equity arising between them out of this agreement or any resulting transaction, which is not settled through meditation, shall be decided by neutral, binding arbitration, including and subject to paragraphs (2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration conducted in accordance with Part III; Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure 1283.05.
 - ii. EXCLUSIONS FROM MEDIATION AND ARBITRATION: The following matters are excluded from mediation and arbitration: (i) a judicial or nonjudicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code 2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and (v) an action for bodily injury or wrongful death or any right of action to which Code of Civil Procedure 337.1 or 337.15 applies. The filing of a court action to enable the recording of a notice of pending action, for order of

Attachment B – Exhibit 1

attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions.

- iii. Brokers: City and Lessee agree to mediate and arbitrate disputes or claims involving either or both brokers, provided either or both brokers have agreed to such mediation or arbitration prior to, or within a reasonable time after, the dispute or claim is presented to brokers. Any election by either or both brokers to participate in mediation or arbitration shall not result in brokers being deemed parties to the agreement.

NOTICE: BY INITIALING IN THE SPACE BELOW, YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW, YOU ARE GIVING UP YOUR RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION.

Initials: City: _____ Lessee: _____

City of Lemon Grove
a municipal corporation

Community Health Improvement Partners
a non-profit corporation

Lydia Romero, City Manager

Dana Richardson, Director

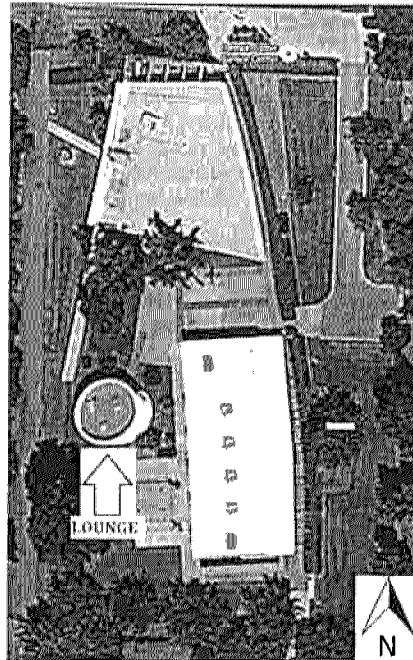
Date

Date

Attachment B – Exhibit 1

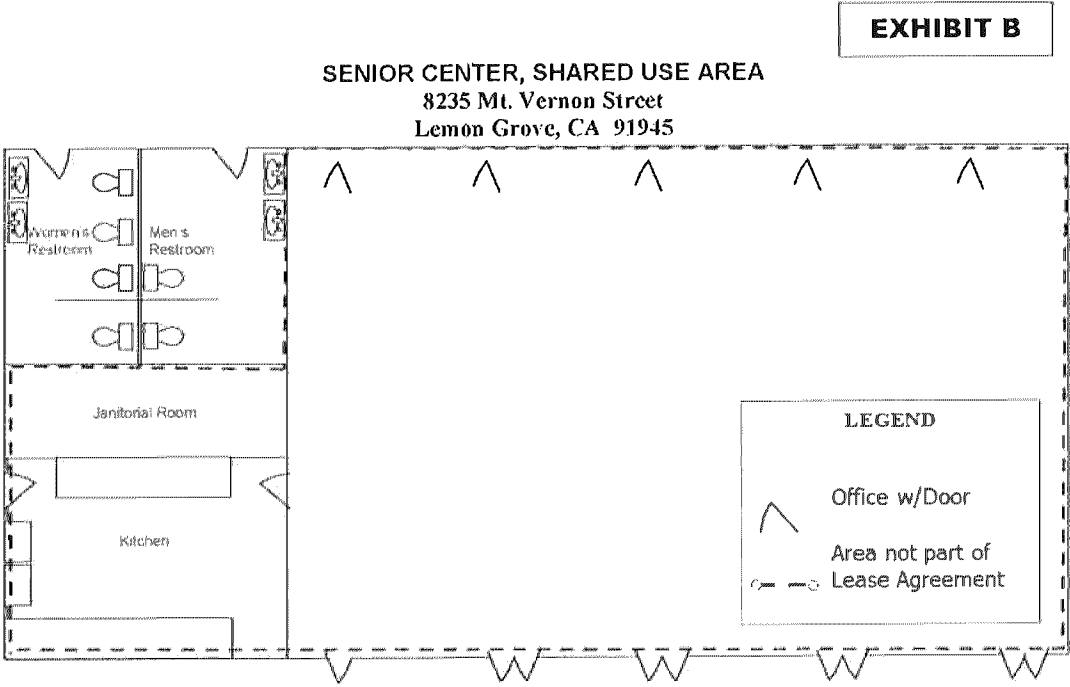
Senior Center, Lounge
8235 Mount Vernon Street
Lemon Grove, CA 91945

EXHIBIT A



Page 11 of 12

Attachment B – Exhibit 1



**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 4
Mtg. Date June 7, 2016
Dept. City Manager's Office

Item Title: **Agreement between AdminSure Inc. and City of Lemon Grove for Workers' Compensation Third-Party Administration and Claims Review**

Staff Contact: Corinne Russell, Human Resources Manager

Recommendation:

Adopt the resolution (**Attachment B**) approving an Agreement between AdminSure Inc. and the City of Lemon Grove for Workers' Compensation Third-Party Administration (TPA) and Claims Review.

Item Summary:

Staff recommends that the City Council approve a twelve (12) month professional services agreement from August 1, 2016 to July 31, 2017 with four additional one-year renewal options with AdminSure Inc. in an amount of \$5,160 in the first year for Workers' Compensation TPA and Claims Review services for the City of Lemon Grove. The staff report (**Attachment A**) provides a description and analysis of the agreement.

Fiscal Impact:

The cost of the annual administrative fee is \$5,160. This is an annual savings of \$19,840 when compared to the existing Tri-Star Risk Management contract through SANDPIPA.

Environmental Review:

- | | |
|---|---|
| ☒ Not subject to review | ☐ Negative Declaration |
| ☐ Categorical Exemption, Section | ☐ Mitigated Negative Declaration |

Public Information:

- | | | |
|--|--|---|
| ☐ None | ☒ Newsletter article | ☐ Notice to property owners within 300 ft. |
| ☐ Notice published in local newspaper | ☐ Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Resolution

Attachment A

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 4

Mtg. Date June 7, 2016

Item Title: Agreement between AdminSure Inc. and City of Lemon Grove for Workers' Compensation Third-Party Administration and Claims Review

Staff Contact: Corinne Russell, Human Resources Manager

Discussion:

In August 1995, City Council authorized the City to join the San Diego Pooled Insurance Program Authority (SANDPIPA) member group for the services for City-wide Workers' Compensation Claims Administration. SANDPIPA contracted with Tri-Star Risk Management (Tri-Star) for Workers' Compensation Services. Since 1995, SANDPIPA amended the agreement with Tri-Star to continue to provide Workers' Compensation Services to SANDPIPA cities. SANDPIPA is dissolving effective July 1, 2016 and the SANDPIPA Workers' Compensation Services contract with Tri-Star Risk Management will expire on July 31, 2016.

On February 3, 2016, the City along with three other San Diego Cities (cities of Encinitas, National City and Vista) issued a request for proposal to perform Workers' Compensation Third-Party Administration/Claims Review Services (TPA). Nine proposals, including the City's current TPA Tri-Star, were received by the cities from firms with varying levels of experience, expertise and pricing. Based on the RFP evaluation selection criteria, four vendors, including Tri-Star, were invited to make a formal presentation on April 20, 2016 to the selection panel.

The panel evaluated four vendors on the basis of the selection criteria contained in the RFP. Criteria included, but was not limited to: response to RFP and scope of work; other city-clients with similar complex claims (including public safety); pricing; TPA's responsiveness and commitment to customer service, communication with employees/staff; and TPA staffing levels. Of the four TPA's interviewed, the initial selection panel recommended two finalists. In May, further clarification was sought from the two finalists on issues such as bill review fees, nurse case manager fees, utilization review fees, staffing levels, and specific customer service requirements. In addition, the Cities performed reference checks on the two finalists, including the TPA's current and past clients to determine if each TPA was consistently able to meet customer satisfaction and responsiveness for employees/staff, professionalism, and overall claim administration services.

Based on the information provided in the RFP, oral presentations, pricing details, customer services levels and reference checks, AdminSure Inc. was the unanimous choice by the selection panel. Specifically, AdminSure Inc. was chosen based on competitive prices, excellent customer service, the unique tailored approach to each City and customer satisfaction. Staff is therefore recommending to the Lemon Grove City Council that the City enter into a contract with AdminSure Inc. for TPA services. Although the RFP was jointly issued, each City is contracting with AdminSure Inc. independently.

Attachment A

Conclusion:

Staff recommends that the City Council adopt the resolution (**Attachment B**) approving an agreement (**Attachment B – Exhibit 1**) with AdminSure Inc. and the City of Lemon Grove for Workers' Compensation Third-Party Administration (TPA) and Claims Review. |

Attachment B

RESOLUTION NO. [2016-__]

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA
[ADOPTING AN AGREEMENT WITH ADMINSURE INC. FOR WORKERS' COMPENSATION
THIRD-PARTY ADMINISTRATION AND CLAIMS REVIEW]

WHEREAS, the City currently has a contract with Tri-Star Risk Management through SANDPIPA for Workers' Compensation Third Party Administration; and

WHEREAS, SANDPIPA is dissolving and the Tri-Star Risk Management contract will expire on July 31, 2016; and

WHEREAS, staff solicited and received nine proposals for workers' compensation third-party administration; and

WHEREAS, after reviewing each proposal staff interviewed 4 firms; and

WHEREAS, staff believes that AdminSure Inc. provides a special and unique service package of personnel and experience that can manage all workers' compensation claims for the City; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California resolves as follows:

1. Approves an agreement (**Exhibit 1**) with AdminSure Inc. for Workers' Compensation Third-Party Administration; and
2. Establishes an initial term ending on July 31, 2017, with the option to execute four one-year extensions; and
3. Authorizes the City Manager or designee to execute and manage all agreement documents.]

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Attachment B – Exhibit 1

AGREEMENT BY AND BETWEEN THE CITY OF LEMON GROVE AND ADMINSURE, INC.

THIS AGREEMENT is entered into on this 1st day of August 2016, by and between the CITY OF LEMON GROVE, a municipal corporation (the "CITY"), and AdminSure, Inc., a Third Party Administrator of Worker's Compensation Programs (the "CONTRACTOR").

RECITALS

WHEREAS, the CITY desires to employ a CONTRACTOR to provide comprehensive Workers' Compensation claims administration services in a manner consistent with the claims administration standards and reporting and reimbursement procedures of the CITY'S excess Workers' Compensation carrier.

WHEREAS, the CITY has determined that the CONTRACTOR is a Third Party Administrator of Worker's Compensation Programs and is qualified by experience and ability to perform the services desired by the CITY, and the CONTRACTOR is willing to perform such services.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. **ENGAGEMENT OF CONTRACTOR.** The CITY agrees to engage the CONTRACTOR to perform Third Party Workers' Compensation Claims Administration and the CONTRACTOR agrees to perform the services set forth here in accordance with all terms and conditions contained herein.

The CONTRACTOR represents that all services shall be performed directly by the CONTRACTOR or under direct supervision of the CONTRACTOR.

2. **EFFECTIVE DATE AND LENGTH OF AGREEMENT.** This Agreement will become effective on August 1, 2016. The duration of this Agreement is for the period of August 1, 2016 through July 31, 2017. This Agreement may be extended by mutual agreement upon the same terms and conditions for an additional four (4) years. The Parties may exercise up to four one-year extensions. Any extension of this Agreement must be approved in writing by the City Manager.

3. **SCOPE OF SERVICES.** The CONTRACTOR will perform Third Party Workers' Compensation Claims Administration services as set forth in the attached Exhibit "B"

The CONTRACTOR shall be responsible for all research and reviews related to the work and shall not rely on personnel of the CITY for such services, except as authorized in advance by the CITY. The CONTRACTOR shall appear at meetings as mutually agreed to keep staff advised of the progress on the Project.

The CITY may unilaterally, or upon request from the CONTRACTOR, from time to time reduce or increase the Scope of Services to be performed by the CONTRACTOR under this Agreement. Upon doing so, the CITY and the CONTRACTOR agree to meet in good faith and confer for the purpose of negotiating a corresponding reduction or increase in the compensation associated with said change in services.

4. **PROJECT COORDINATION AND SUPERVISION.** Corinne Russell, Human Resources Manager hereby is designated as the Project Coordinator for the CITY and will monitor the progress and

Attachment B – Exhibit 1

execution of this Agreement. The CONTRACTOR shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this Agreement for the CONTRACTOR. Alithia Vergas-Flores, Vice President/Director of Operations thereby is designated as the Project Director for the CONTRACTOR.

5. **COMPENSATION AND PAYMENT.** The compensation for the CONTRACTOR shall be based on monthly billings covering actual work performed. The total cost for all Worker's Compensation Claims Administration work described in Exhibit "A" shall not exceed \$26,620 for the five years. Monthly invoices will be processed for payment and remitted within thirty (30) days from receipt of invoice, provided that work is accomplished consistent with Exhibit "B", as determined by the CITY.

The CONTRACTOR shall maintain all books, documents, papers, employee time sheets, accounting records, and other evidence pertaining to costs incurred, and shall make such materials available at its office at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement, for inspection by the CITY, and for furnishing of copies to the CITY, if requested.

6. **ACCEPTABILITY OF WORK.** The City shall decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the acceptable completion of this Agreement, and the amount of compensation due. In the event the CONTRACTOR and the City cannot agree to the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONTRACTOR in this Agreement, the City or the CONTRACTOR shall give to the other written notice. Within ten (10) business days, the CONTRACTOR and the City shall each prepare a report which supports their position and file the same with the other party. The City shall, with reasonable diligence, determine the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONTRACTOR.

7. **DISPOSITION AND OWNERSHIP OF DOCUMENTS.** The Memoranda, Reports, Maps, Drawings, Plans, Specifications, and other documents prepared by the CONTRACTOR for this Project, whether paper or electronic, shall become the property of the CITY for use with respect to this Project, and shall be turned over to the CITY upon completion of the Project, or any phase thereof, as contemplated by this Agreement.

Contemporaneously with the transfer of documents, the CONTRACTOR hereby assigns to the CITY, and CONTRACTOR thereby expressly waives and disclaims any copyright in, and the right to reproduce, all written material, drawings, plans, specifications, or other work prepared under this Agreement, except upon the CITY'S prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONTRACTOR shall, upon request of the CITY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

The CONTRACTOR agrees that the CITY may use, reuse, alter, reproduce, modify, assign, transfer, or in any other way, medium, or method utilize the CONTRACTOR'S written work product for the CITY'S purposes, and the CONTRACTOR expressly waives and disclaims any residual rights granted to it by Civil Code Sections 980 through 989 relating to intellectual property and artistic works.

Any modification or reuse by the CITY of documents, drawings, or specifications prepared by the CONTRACTOR shall relieve the CONTRACTOR from liability under Section 14, but only with respect to the effect of the modification or reuse by the CITY, or for any liability to the CITY should the

Attachment B – Exhibit 1

documents be used by the CITY for some project other than what was expressly agreed upon within the Scope of this project, unless otherwise mutually agreed.

8. **INDEPENDENT CONTRACTOR.** Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint venturers with one another. Neither the CONTRACTOR nor the CONTRACTOR'S employees are employees of the CITY, and are not entitled to any of the rights, benefits, or privileges of the CITY'S employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

This Agreement contemplates the personal services of the CONTRACTOR and the CONTRACTOR'S employees, and it is recognized by the parties that a substantial inducement to the CITY for entering into this Agreement was, and is, the professional reputation and competence of the CONTRACTOR and its employees. Neither this Agreement nor any interest herein may be assigned by the CONTRACTOR without the prior written consent of the CITY. Nothing herein contained is intended to prevent the CONTRACTOR from employing or hiring as many employees, or SUBCONTRACTORS, as the CONTRACTOR may deem necessary for the proper and efficient performance of this Agreement. All agreements by CONTRACTOR with its SUBCONTRACTOR(S) shall require the SUBCONTRACTOR(S) to adhere to the applicable terms of this Agreement.

9. **CONTROL.** Neither the CITY nor its officers, agents, or employees shall have any control over the conduct of the CONTRACTOR or any of the CONTRACTOR'S employees, except as herein set forth, and the CONTRACTOR or the CONTRACTOR'S agents, servants, or employees are not in any manner agents, servants, or employees of the CITY, it being understood that the CONTRACTOR its agents, servants, and employees are as to the CITY wholly independent CONTRACTOR, and that the CONTRACTOR'S obligations to the CITY are solely such as are prescribed by this Agreement.

10. **COMPLIANCE WITH APPLICABLE LAW.** The CONTRACTOR, in the performance of the services to be provided herein, shall comply with all applicable state and federal statutes and regulations, and all applicable ordinances, rules, and regulations of the City of Lemon Grove, whether now in force or subsequently enacted. The CONTRACTOR and each of its SUBCONTRACTOR(S), shall obtain and maintain a current City of Lemon Grove business license prior to and during performance of any work pursuant to this Agreement.

11. **LICENSES, PERMITS, ETC.** The CONTRACTOR represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. The CONTRACTOR represents and covenants that the CONTRACTOR shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the CONTRACTOR to practice its profession.

12. **STANDARD OF CARE.**

A. The CONTRACTOR, in performing any services under this Agreement, shall perform in a manner consistent with that level of care and skill ordinarily exercised by members of the CONTRACTOR'S trade or profession currently practicing under similar conditions and in similar locations. The CONTRACTOR shall take all special precautions necessary to protect the CONTRACTOR'S employees and members of the public from risk of harm arising out of the nature of the work and/or the conditions of the work site.

B. Unless disclosed in writing prior to the date of this Agreement, the CONTRACTOR warrants to the CITY that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the CONTRACTOR'S professional performance or the furnishing of materials or services relating thereto.

C. The CONTRACTOR is responsible for identifying any unique products, treatments, processes or materials whose availability is critical to the success of the project the CONTRACTOR has been retained to perform. within the time requirements of the CITY, or, when no time is specified, then

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within a commercially reasonable time. Accordingly, unless the CONTRACTOR has notified the CITY otherwise, the CONTRACTOR warrants that all products, materials, processes or treatments identified in the project documents prepared for the CITY are reasonably commercially available. Any failure by the CONTRACTOR to use due diligence under this sub-paragraph will render the CONTRACTOR liable to the CITY for any increased costs that result from the CITY'S later inability to obtain the specified items or any reasonable substitute within a price range that allows for project completion in the time frame specified or, when not specified, then within a commercially reasonable time.

13. **NON-DISCRIMINATION PROVISIONS.** The CONTRACTOR shall not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The CONTRACTOR will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the CITY setting forth the provisions of this non-discrimination clause.

14. **CONFIDENTIAL INFORMATION.** The CITY may from time to time communicate to the CONTRACTOR certain confidential information to enable the CONTRACTOR to effectively perform the services to be provided herein. The CONTRACTOR shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of the CITY. The CONTRACTOR shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this Section 14, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of the CONTRACTOR, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of the CONTRACTOR without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to the CONTRACTOR by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

The CONTRACTOR shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of the CITY. In its performance hereunder, the CONTRACTOR shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

CONTRACTOR shall be liable to CITY for any damages caused by breach of this condition, pursuant to the provisions of Section 14.

15. **INDEMNIFICATION AND HOLD HARMLESS.** The CONTRACTOR agrees to defend, indemnify and hold harmless the City of Lemon Grove, its officers, officials, agents, and employees, against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the CONTRACTOR'S performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers, or employees. CITY will cooperate reasonably in the defense of any action, and CONTRACTOR shall employ competent counsel, reasonably acceptable to the City Attorney.

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The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

16. **WORKERS' COMPENSATION**. The CONTRACTOR shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Government Code and all amendments thereto; and all similar State or federal acts or laws applicable; and shall indemnify, and hold harmless the CITY and its officers, and employees from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the CITY or its officers, employees, or volunteers, for or on account of any liability under any of said acts which may be incurred by reason of any work to be performed by the CONTRACTOR under this Agreement.

17. **INSURANCE**. The CONTRACTOR, at its sole cost and expense, shall purchase and maintain, and shall require its SUBCONTRACTOR(S), when applicable, to purchase and maintain throughout the term of this Agreement, the following checked insurance policies:

A. ☒ If checked, **Professional Liability Insurance** (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the CITY and its officers, agents and employees as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the CITY and its officers, agents and employees as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location". The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of CONTRACTOR'S employees and employers' liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the City. Said endorsement shall be provided prior to commencement of work under this Agreement.

If CONTRACTOR has no employees subject to the California Workers' Compensation and Labor laws, CONTRACTOR shall execute a Declaration to that effect. Said Declaration shall be provided to CONTRACTOR by CITY.

E. Fidelity/Crime Bond, with a \$1,000,000 payable to the City with an approved corporate surety covering all officers and employees involved with the City's Claims handling.

F. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, officials, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY of cancellation or material change.

G. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the CONTRACTOR shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.

H. Insurance shall be written with only California admitted companies that hold a current policy holder's alphabetic and financial size category rating of not less than A:VII according to the current Best's Key Rating Guide, or a company equal financial stability that is approved by the CITY'S Risk

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Manager. In the event coverage is provided by non-admitted “surplus lines” carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

I. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the CITY’S Human Resources Manager. If the CONTRACTOR does not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the CITY may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

J. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the CITY.

18. **LEGAL FEES.** 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 attorneys’ fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney’s fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award. Attorney’s fees to the prevailing party if other than the CITY shall, in addition, be limited to the amount of attorney’s fees incurred by the CITY in its prosecution or defense of the action, irrespective of the actual amount of attorney’s fees incurred by the prevailing party.

19. **MEDIATION/ARBITRATION.** If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree first to try, in good faith, to settle the dispute by mediation in San Diego, California, in accordance with the Commercial Mediation Rules of the American Arbitration Association (the “AAA”) before resorting to arbitration. The costs of mediation shall be borne equally by the parties. Any controversy or claim arising out of, or relating to, this Agreement, or breach thereof, which is not resolved by mediation, shall be settled by arbitration in San Diego, California, in accordance with the Commercial Arbitration Rules of the AAA then existing. Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in any court having jurisdiction over the subject matter of the controversy. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the costs of its own experts, evidence and attorneys’ fees, except that the arbitrator may assess such expenses or any part thereof against a specified party as part of the arbitration award.

20. **TERMINATION.**

A. This Agreement may be terminated with or without cause by the CITY. Termination without cause shall be effective only upon 60-day’s written notice to the CONTRACTOR. During said 60-day period the CONTRACTOR shall perform all services in accordance with this Agreement.

B. This Agreement may also be terminated immediately by the CITY for cause in the event of a material breach of this Agreement, misrepresentation by the CONTRACTOR in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the CITY.

C. Termination with or without cause shall be effected by delivery of written Notice of Termination to the CONTRACTOR as provided for herein.

D. In the event of termination, all finished or unfinished Memoranda Reports, Maps, Drawings, Plans, Specifications and other documents prepared by the CONTRACTOR, whether paper or electronic, shall immediately become the property of and be delivered to the CITY, and the CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the CITY by the CONTRACTOR’S breach, if any. Thereafter, ownership of said written material shall vest in the CITY all rights set forth in Section 7.

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E. The CITY further reserves the right to immediately terminate this Agreement upon: (1) the filing of a petition in bankruptcy affecting the CONTRACTOR; (2) a reorganization of the CONTRACTOR for the benefit of creditors; or (3) a business reorganization, change in business name or change in business status of the CONTRACTOR.

21. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given by telex, telecopy, facsimile or fax, when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

To CITY: Corinne Russell
 Human Resources Manager
 3232 Main St
 Lemon Grove, Ca 91945

To CONTRACTOR:
 ---Alithia Vargas-Flores ---
 Vice President/Director of Operations
 AdminSure Inc.
 1470 S. Valley Vista Dr. Ste. 230
 Diamond Bar, Ca 91765

Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Any notice, request, demand, direction or other communication sent by cable, telex, telecopy, facsimile or fax must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Section.

22. **CONFLICT OF INTEREST AND POLITICAL REFORM ACT OBLIGATIONS.** During the term of this Agreement, the CONTRACTOR shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the City of Lemon Grove. The CONTRACTOR also agrees not to specify any product, treatment, process or material for the project in which the CONTRACTOR has a material financial interest, either direct or indirect, without first notifying the CITY of that fact. The CONTRACTOR shall at all times comply with the terms of the Political Reform Act. The CONTRACTOR shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONTRACTOR has a financial interest as defined in Government Code Section 87103. The CONTRACTOR represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the CITY.

☐ If checked, the CONTRACTOR shall comply with all of the reporting requirements of the Political Reform Act. Specifically, the CONTRACTOR shall file a Statement of Economic Interests with

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the City Clerk of the City of Lemon Grove in a timely manner on forms which the CONTRACTOR shall obtain from the City Clerk.

The CONTRACTOR shall be strictly liable to the CITY for all damages, costs or expenses the CITY may suffer by virtue of any violation of this Paragraph 22 by the CONTRACTOR.

23. **PREVAILING WAGES.** State prevailing wage rates may apply to work performed under this Agreement. State prevailing wages rates apply to all public works contracts as set forth in California Labor Code, including but not limited to, Sections 1720, 1720.2, 1720.3, 1720.4, and 1771. CONTRACTOR is solely responsible to determine if State prevailing wage rates apply and, if applicable, pay such rates in accordance with all laws, ordinances, rules, and regulations.

24. **MISCELLANEOUS PROVISIONS.**

A. *Computation of Time Periods.* If any date or time period provided for in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, then such date shall automatically be extended until 5:00 p.m. Pacific Time of the next day which is not a Saturday, Sunday or federal, state, or legal holiday.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

C. *Captions.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

E. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any exhibits or schedules or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

F. *Amendment to this Agreement.* The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

G. *Waiver.* The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

H. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

I. *Audit.* If this Agreement exceeds ten-thousand dollars (\$10,000), the parties shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under the Agreement, per Government Code Section 8546.7.

J. *Entire Agreement.* This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

K. *Successors and Assigns.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

L. *Subcontractors or SubCONTRACTORS.* The City is engaging the services of the CONTRACTOR identified in this Agreement. The CONTRACTOR shall not subcontract any portion of the administration work, unless such subcontracting was part of the original proposal or is allowed by the City in writing. In the event any portion of the work under this Agreement is subcontracted, the subCONTRACTOR(s) shall be required to comply with and agree to, for the benefit of and in favor of the City, both the insurance provisions in Section 17 and the indemnification and hold harmless provision of Section 15 of this Agreement.

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M. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF LEMON GROVE

ADMINSURE, INC.

By: _____
Lydia Romero
City Manager

By: _____
Signature

APPROVED AS TO FORM:

Alycia Anthony

Jim Lough
City Attorney

Corporate Secretary

By: _____
(Name)

(Print)

(Title)

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ADMINSURE INC. – SCOPE OF SERVICES

Effective August 1, 2016

1. **PERIODIC MEETINGS:** The Contractor (AdminSure Inc.) shall meet with the City and staff periodically to:
 - A. Assist in developing internal procedures.
 - B. Provide orientation and training to personnel involved in the administration of the Program.
 - C. Discuss specific claims and general trends in the Program.
2. **ADVISORY SERVICES:** The Contractor shall provide the City information regarding the adoption, amendment or repeal of all Statutes, Rules and Regulations, et cetera, which may directly affect the Program.
3. **REQUIRED FORMS:** The Contractor shall provide the City with all forms required by the State in connection with the Program.
4. **COMPLIANCE WITH LAW:** The Contractor shall administer the Program in full compliance with all laws, rules and regulations governing Workers' Compensation and Self- Insurance.
5. **CLAIMS ADMINISTRATION:** The Contractor shall comply with all performance standards of the City's excess insurer. The Contractor shall also comply with the Contractor's Workers' Compensation Claims Administration Standards, but under no circumstances are they to be construed as having precedence over the performance standards of the City's excess insurer. The Contractor shall also have the authority and responsibility to provide claims administration services, which include:
 - A. Establishing an electronic claim file and computer database record upon receipt of an injury report.
 - B. Setting and updating reserves.
 - C. Initiating and maintaining contact with injured workers or their attorneys.
 - D. Arranging for investigation.
 - E. Determining compensability.
 - F. Preparing and issuing benefit notices, if applicable.
 - G. Arranging for medical treatment and medical services from clinics, facilities, pharmacies, hospitals, specialists, and other vendors as necessary.
 - H. Performing all utilization review services through MedReview; communicating decisions to approve, modify, delay or deny medical treatment in accordance with State law.

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- I. Monitoring disability status by reviewing medical reports and contacting doctors for updates.
 - J. Auditing and reviewing all medical bills through MedReview (OMFS/IHFS/PPO) and paying all properly adjusted medical bills in a timely and accurate manner.
 - K. Paying mileage or medical reimbursements to injured workers.
 - L. Paying temporary disability compensation when appropriate to do so or advising the City of the need to adjust payroll records when salary continuation is applicable.
 - M. Arranging medical exams in conformance with State law to determine whether an injured worker's medical condition is permanent and stationary (reached Maximum Medical Improvement/MMI) and what, if any, permanent disability exists.
 - N. Paying the permanent disability compensation in accordance with the law.
 - O. Arranging for attorney representation of the City whenever the need arises.
 - P. Monitoring attorneys and assisting them in preparing cases.
 - Q. Auditing and paying legal expenses.
 - R. Arranging for vocational rehabilitation services when appropriate, monitoring vocational rehabilitation consultants and assisting them as necessary.
 - S. Auditing and paying vocational rehabilitation expenses.
 - T. Preparing and issuing Supplemental Job Displacement Benefits (SJDB) notices and benefits.
 - U. Preparing and issuing the permanent disability compensation notices.
 - V. Pursuing subrogation when there is a viable third party.
 - W. Notifying the City and excess insurers of all claims which exceed or may exceed the self-insurance retention; maintaining a liaison between the City and their excess insurers on matters affecting the handling of such claims and arranging for reimbursement to the City of losses in excess of its self-insurance retention.
 - X. Obtaining settlement authority and negotiating settlement on appropriate claims.
 - Y. Attending all hearings that are required by law.
 - Z. Closing claim files when appropriate to do so.
6. **CHECKING ACCOUNT:** The City and the Contractor agree that:
- A. The City shall establish and maintain a checking account from which all Workers' Compensation benefits and expenses are to be paid.
 - B. The Contractor shall prepare checks and issue those checks directly to payees without delay.
 - C. The Contractor shall sign checks with a facsimile signature or manually.

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- D. The Contractor shall secure checks in a locked area accessible to a limited number of personnel.
- E. The City shall maintain an adequate balance in their checking account to meet all Workers' Compensation obligations without delay.
- F. The checking account may be used to pay penalties in which case the Contractor shall reimburse the City within fifteen (15) working days for any amount of the penalty which the Contractor caused.

7. **ELECTRONIC DATA PROCESSING:** The Contractor shall provide the City with electronic data processing services that will allow for the production of loss experience and transaction reports within ten (10) days following the close of each calendar month. The Contractor will also work with the City to develop ad hoc and other specialized reports as requested.

8. **REGULATORY REPORTING:** The Contractor shall prepare all reports required by State and Federal regulatory agencies (if any) in connection with the Program, including the Self-Insurer's Annual Report required by the Department of Self-Insurance Plans.

9. **RECORDS:** The Contractor shall establish and maintain electronic claim files, claim logs, transaction documents and all other records associated with the Program. These record

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shall be the property of the City. Unless this Agreement is cancelled, closed hard files, if any, shall be stored by the Contractor for five (5) years and shall thereafter become the responsibility of the City. Upon cancellation of this Agreement, the City shall be responsible for maintaining and storing all data, records, et cetera. The Contractor shall not dispose of or destroy hard files without the prior, written authorization of the City.

10. OBLIGATIONS OF THE CITY:

The City shall perform the following:

- A. Submit all reports of work injury to the Contractor in a timely manner not to exceed two business days of the City's knowledge of the injury.
- B. Respond to the Contractor's requests for information and authority within five days of such requests.
- C. Provide information that is accurate and is in a form specified by the Contractor.
- D. Grant settlement authority to the Contractor in advance of WCAB, Rehabilitation, and legal hearings, or be available by phone or in person during same.